

*(Convenience Translation of the Independent Auditor's Report  
Originally Prepared and Issued in Turkish See Note 3.1.c)*

## **DENİZBANK ANONİM ŞİRKETİ AND ITS FINANCIAL SUBSIDIARIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT,  
CONSOLIDATED FINANCIAL STATEMENTS AND NOTES  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024**

- I. Independent Auditor's Review Report
- II. Publicly Disclosed Consolidated Financial Report

**LIMITED REVIEW REPORT  
FOR THE INTERIM FINANCIAL INFORMATION**

**To the Board of Directors of Denizbank A.Ş.**

*Introduction*

We have reviewed the accompanying consolidated balance sheet of Denizbank A.Ş. (“the Bank”) and its consolidated subsidiaries (together “the Group”) as at 30 June 2024, and the consolidated statement of income, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders’ equity and consolidated statement of cash flows for the six-months period then ended, and a summary of significant accounting policies and other explanatory notes. The Bank management is responsible for the preparation and fair presentation of the accompanying interim financial information in accordance with “the Banking Regulation and Supervision Agency (“BRSA”) Accounting and Reporting Regulations” including the regulation on “The Procedures and Principles Regarding Banks’ Accounting Practices and Maintaining Documents” published in the Official Gazette dated 1 November 2006 with No. 26333, and other regulations on accounting records of banks published by the Banking Regulation and Supervision Board and circulars and pronouncements published by the BRSA and Turkish Accounting Standard 34 “Interim Financial Reporting” principles for the matters not legislated by the aforementioned regulations. Our responsibility is to express a conclusion on this interim financial information based on our review.

*Scope of Review*

We conducted our review in accordance with the Independent Auditing Standard on Review Engagements 2410, “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 conducted in accordance with 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 audit opinion.

*Basis for Qualified Conclusion*

The accompanying consolidated financial statements as at 30 June 2024 includes a free provision amounting to TL 6.700.000 thousand, which has been allocated in previous years in the consolidated financial statements, provided by the Group management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation. If the mentioned free provision were not provided, the other provisions would decrease by TL 6.700.000 thousand and equity would increase by TL 6.700.000 thousand for the period ended 30 June 2024.

### *Qualified Conclusion*

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information does not present fairly, in all material respects, the financial position of Denizbank A.Ş. and its consolidated subsidiaries as at 30 June 2024, and of the results of its operations and its cash flows for the six-months period then ended in accordance with the BRSA Accounting and Reporting Regulations.

### **Report on Other Legal and Regulatory Requirements**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information provided in the Management's interim report included in section seven of the accompanying consolidated financial statements, is not presented fairly, in all material respects, and is not consistent with the reviewed interim financial statements and the explanatory notes.

*Additional paragraph for English translation:*

BRSA Accounting and Reporting Regulations explained in detail in Section 3 differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.  
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Yaman Polat

Partner

Istanbul, 22 July 2024

**DENİZBANK A.Ş.**  
**CONSOLIDATED INTERIM FINANCIAL REPORT FOR**  
**THE SIX MONTHS PERIOD ENDED 30 JUNE 2024**

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Website of the Bank  
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The consolidated financial report package prepared in accordance with the statement "Financial Statements and Related Disclosures and Footnotes to be Announced to Public" as required by the Banking Regulation and Supervision Agency (BRSA), is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- DISCLOSURES ON ACCOUNTING POLICIES IN RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE CONSOLIDATED GROUP
- DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- INDEPENDENT AUDITOR'S REVIEW REPORT
- INTERIM ACTIVITY REPORT

Our structured entity and subsidiaries whose financial statements have been consolidated under this consolidated financial report are as follows:

<u>Subsidiaries</u>
1 Denizbank AG, Vienna
2 Deniz Yatırım Menkul Kıymetler A.Ş.
3 JSC Denizbank, Moscow
4 Deniz Portföy Yönetimi A.Ş.
5 Deniz Finansal Kiralama A.Ş.
6 Deniz Faktoring A.Ş.
7 Deniz Gayrimenkul Yatırım Ortaklığı A.Ş.
8 CR Erdberg Eins GmbH & Co KG
9 Fastpay Elektronik Para ve Ödeme Hizmetleri A.Ş.

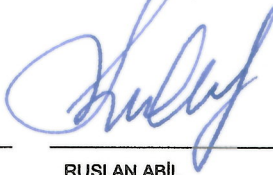
<u>Structured Entity</u>
1 DFS Funding Corp.

The consolidated financial statements and related disclosures and footnotes that were subject to independent review, are prepared in accordance with the "Regulation on Accounting Principles and Documentations", Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements, and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying consolidated financial statements are presented in **Thousands of Turkish Lira**.

22 July 2024



**HAKAN ELVERDİ**  
Senior Vice President  
Financial Reporting  
and Accounting



**RUSLAN ABİL**  
Executive Vice President  
Financial Affairs and Chief  
Financial Officer



**HAKAN ATEŞ**  
Member of Board of Directors  
and President and Chief  
Executive Officer



**HESHAM ABDULLA  
QASSIM AL QASSIM**  
Chairman of Board of  
Directors



**BJORN LENZMANN**  
Member of Board of Directors  
and Chairman of Audit and  
Risk Committee



**AHMED MOHAMMED AQIL  
QASSIM AL QASSIM**  
Member of Board of Directors  
and Audit and Risk Committee

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## **SECTION ONE**

### **GENERAL INFORMATION**

#### **I. History of the Parent Bank including its incorporation date, initial status, amendments to legal status**

Denizbank A.Ş. (“the Bank”) following the resolution of the High Council of Privatization numbered 97/5 and dated 20 March 1997 to privatize 100% of shares of Denizbank A.Ş., share sale agreement between Zorlu Holding A.Ş. and the Privatization Administration was signed on 29 May 1997 and the Bank started its activities on 25 August 1997 upon the receipt of its official authorisation. Bank’s shares have been quoted on Borsa Istanbul (“BIST”) on 1 October 2004.

Dexia Participation Belgique SA, owned 100% directly and indirectly by Dexia SA/NV, acquired 75% of the outstanding shares of the Bank from Zorlu Holding A.Ş. on 17 October 2006, and Dexia Participation Belgique SA’s partnership share has reached 99,85% with subsequent acquisitions following the share transfer.

On 27 December 2012, 99,85% of the Bank’s shares were transferred from Dexia Group to Sberbank of Russia (“Sberbank”) with a total purchase price of TL 6,90 billion (Euro 2,98 billion).

On 22 May 2018, Emirates NBD Bank PJSC (Emirates NBD) and Sberbank of Russia (Sberbank) signed a definite contract regarding the sales of 99,85% share of the Bank held by Sberbank and with the “Renewed Contract” signed on 2 April 2019, the parties have reached an agreement to the amount of TL 15,48 billion within the rearranged framework regarding the total amount of the relevant shares based on the consolidated equity of the Bank amounting to TL 15,51 billion. Upon obtaining the approvals of the regulatory authorities of Turkey, Russia, United Arab Emirates and the other countries where the Bank operates, the share transfer was completed on 31 July 2019.

As of 31 July 2019, as a result of ENBD’s acquisition of 99,85% of DenizBank’s shares, obligations arose for ENBD to make mandatory tender offer (MTO) for the Bank as per the provisions of the Capital Markets Board’s (CMB) Communiqué on Takeover Bids (II-26.1); and sell-out right; the Bank’s shareholders other than ENBD got the right to sell their shares to ENBD as per the provisions of the CMB’s Communiqué on Squeeze Out and Selling Rights (II-27.2).

Within the scope of the Communiqué on Squeeze Out and Selling Rights, the rights to sell were used by other shareholders within the three-month sell-out right-ending period between 1 August 2019 and 31 October 2019. Upon completion of the three-month sell-out right-ending period on 31 October 2019, ENBD applied to the Bank on 3 November 2019, requesting the exclusion of other shareholders, who did not use their right to sell. In this context, in the process of ENBD’s exercising its right to squeeze out and removing it from the BIST; regarding the amendment of Article 6 of the Bank’s articles of association and the capital decrease by canceling 1.426.214,154 public shares of other shareholders who do not use the Bank’s right to sell, and making capital allocation to the ENBD simultaneously with the shares issued against these shares. Necessary regulatory approvals were obtained and were approved at the Extraordinary General Assembly Meeting held on 12 December 2019. The “Issuance Document” approved by the CMB with the decisions of the mentioned General Assembly Meeting was registered in the trade registry on 13 December 2019.

Within the scope of Central Registry Agency application, the shares of the shareholders other than the controlling shareholder were canceled, the newly issued shares were transferred to the controlling shareholder account and TL 21,2, which is the price determined in accordance with the CMB regulations, was paid to the shareholders on 13 December 2019. At the end of this transaction, the share of ENBD in the Bank has reached to 100%. Following the completion of the process, the Bank’s shares were removed from the stock market as of 16 December 2019.

At the Board of Directors’ meeting dated 9 January 2020, it has been decided to be submitted to the approval of the General Assembly for the increase of the full TL 3.316.100.000 paid-in capital of the Bank by full TL 2.380.000.000 in cash, and amending the Article 6 titled “Capital of the Bank” of the Articles of Association of the Bank. The amendment was approved in the Extraordinary General Assembly Meeting held on 3 February 2020. The total capital increase amounting to full TL 2.380.000.000 was paid in cash by ENBD before the registration of the capital increase.

With the decision of the Board of Directors of the Bank dated 1 April 2024 and 18 April 2024 it was decided to increase the capital of the Parent Bank from TL 5.696.100.000 to TL 19.638.600.000 and to increase the capital of the Bank in cash by TL 13.942.500.000 to be covered from the amount transferred to the name and account of ENBD as ‘capital advance’ as a result of the early repayment of the subordinated loans (“TIER II”) obtained from ENBD, the main shareholder of the Bank, within the framework of the BRSA’s approval, and within this scope, it has been approved at the Extraordinary General Assembly Meeting on May 16, 2024 and capital increase was registered on May 23, 2024 to amend Article 6 of the Articles of Association of the Parent Bank titled “Capital of the Bank” accordingly.

**DENİZBANK ANONİM ŞİRKETİ**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 30 JUNE 2024**

(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish,  
See Note 3.1.c*

**II. Capital structure of the Parent Bank, shareholders holding directly or indirectly, individually or collectively, the management and supervision of the Parent Bank changes in these matters during the year, if any and the explanation regarding the Group that the Bank is involved**

Name of the Shareholder	Current Period (*)		Prior Period (*)	
	Amount (Full TL)	Share (%)	Amount (Full TL)	Share (%)
Emirates NBD Bank PJSC	19.638.599.996	100,00	5.696.099.996	100,00
Other	4	--	4	--
<b>Total</b>	<b>19.638.600.000</b>	<b>100,00</b>	<b>5.696.100.000</b>	<b>100,00</b>

(\*) Explanation is given in Section One, note I.

**III. Explanations regarding the chairman and the members of board of directors, members of audit committee, general manager and executive vice presidents, if any, their shareholdings and areas of responsibility in the Parent Bank**

Name	Title	Shares owned (%)
<b>Chairman of the Board of Directors</b>		
Hesham Abdulla Qassim Alqassim	Chairman	--
<b>Board of Directors <sup>(1)</sup></b>		
Hakan Ateş	Member and CEO	--
Ahmed Mohammed Aqil Qassim Alqassim	Member	0,00000002
Derya Kumru	Member	--
Shayne Keith Nelson	Member	--
Tanju Kaya	Member	--
Burcu Çalıkı	Member	--
Bjorn Lenzmann	Member	--
Aazar Ali Khwaja	Member	--
<b>Audit and Risk Committee</b>		
Bjorn Lenzmann	Chairman of the Audit and Risk Committee	--
Ahmed Mohammed Aqil Qassim Alqassim	Member	--
<b>Executive Vice Presidents<sup>(2)</sup></b>		
Bora Böcügöz	Treasury, Financial Institutions and Investment	--
Ruslan Abil	Financial Affairs	--
Mustafa Özel	Branch and Central Operations	--
Mehmet Aydođdu	Wholesale Banking	--
Cem Demirağ	Head of Internal Control Unit and Compliance	--
Ali Murat Dizdar	Chief Legal Advisor	--
Ayşenur Hıçkırın	Retail Banking	--
Selim Efe Teoman	Credits	--
Ramazan Işık	Head of Internal Audit	--
Engin Eskiduman	SME Banking, Agricultural Banking and Public Financing	--
Necip Yavuz Elkin	Human Resources and Deniz Academy	--
Oğuzhan Özark	Individual and Private Banking	--
Sinan Yılmaz	Head of Risk Management Group	--
Verda Beril Yüzer Oğuz	Financial Institutions and Sustainability Coordination	--
Umut Özdoğın	Information Systems	--
Savaş Çıtak	Project Finance, Financial Restructuring and Credits International Coordination	--
Kishore Swayamberdud Bhat	Credit Allocation	--
Mustafa Okan Çetinkaya	Analytics, Data and Customer Value Management Policies	--
Halit Cihan Tunçbilek	Payment Systems	--
Ali Rıza Aydın	Information Security and Information Technologies Risk Management	--
Okan Aksu	Treasury Group	--
Serkan Boran	Bad Debt Resolution	--
Rasim Orman	Secretariat General and Litigations	--
Hacı Mehmet Ofıaz	Corporate and Commercial Banking	--



**DENİZBANK ANONİM ŞİRKETİ**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 30 JUNE 2024**

(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish,  
See Note 3.1.c*

**IV. Explanations regarding the persons and institutions that have qualified shares in the Parent Bank**

Commercial Title	Share Amounts	Share Percentages %	Paid-in Capital	Unpaid Capital
Emirates NBD Bank PJSC	19.638.600	100	5.696.100	--

ENBD is the controlling party of the Parent Bank's capital having both direct and indirect qualified shares.

As of 30 June 2024 the capital structure of ENBD is as follows:

Shareholders	Curent Period Share Percentages %	Prior Period Share Percentages %
Investment Corporation of Dubai	40,92	40,92
DH 7 LLC	14,84	14,84
Capital Assets LLC	5,33	5,33
Publicly traded	38,91	38,91
<b>Total</b>	<b>100,00</b>	<b>100,00</b>

**V. Type of services of the Parent Bank and summary information including the areas of activity**

The Parent Bank is a private sector deposit bank which provides banking services to its customers through 642 domestic branches and 2 foreign branch as of 30 June 2024.

Activities of the Parent Bank as stated in the 3rd clause of the Articles of Association are as follows:

In accordance with the Banking Law and regulations;

- Performing all kinds of banking activities,
- Dealing with transactions on all kinds of capital market instruments within the limits set by the related regulations and Capital Market Law regulations,
- Participating, undertaking the management and performing control activities in domestic and foreign entities and banks, financial institutions and all kinds of investment partnerships by obtaining the permission of the Banking Regulation and Supervision Agency in accordance with the Banking Law, by purchasing its shares or share certificates,
- Conducting all kinds of insurance agency transactions in domestic and abroad and signing insurance agency agreements with insurance companies for this purpose.

Apart from the above-mentioned activities, in case different activities deemed advantageous and necessary for the Parent Bank are to be undertaken in the future, they will be submitted to approval of the General Assembly based on Board of Director's decision and the Parent Bank will be able to implement activities after the relevant decision is made by General Assembly.

**VI. A short explanation on application differences between consolidation practices as per the Regulation on Preparation of Consolidated Financial Statements of Banks and as per the Turkish Accounting Standards, and entities subject to full or proportional consolidation or deducted from equity or not subject to any of these three methods.**

Pursuant to "Communiqué on Preparation of Consolidated Financial Statements of Banks", Banks are obliged to prepare consolidated financial statements with their associates and subsidiaries qualifying as credit institution and financial institution by applying Turkish Accounting Standards. There is no difference between the consolidated financial statements based on the related Communiqué and those prepared in accordance with Turkish Accounting Standards except the scope difference regarding non-financial associates and subsidiaries. Information in regards to consolidated subsidiaries and consolidation methods are given in Section Three, note III.

**VII. Existing or potential, actual and legal barriers to immediate transfer of capital or repayment of debts between the Parent Bank and its subsidiaries**

None.

## **SECTION TWO**

### **CONSOLIDATED FINANCIAL STATEMENTS**

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

**DENİZBANK ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENT**  
**OF FINANCIAL POSITION (BALANCE SHEET)**  
**AS OF 30 JUNE 2024**

*Convenience Translation of*  
*Consolidated Financial Report*  
*Originally Issued in Turkish*  
*See Note 3.1.c*

(Currency: Thousands of TL - Turkish Lira)

ASSETS	Note	Reviewed CURRENT PERIOD (30/06/2024)			Audited PRIOR PERIOD (31/12/2023)		
		TL	FC	Total	TL	FC	Total
<b>I. FINANCIAL ASSETS (Net)</b>		<b>179.416.902</b>	<b>374.785.509</b>	<b>554.202.411</b>	<b>197.618.109</b>	<b>287.246.045</b>	<b>484.864.154</b>
<b>1.1 Cash and Cash Equivalents</b>		<b>135.149.712</b>	<b>268.916.909</b>	<b>404.066.621</b>	<b>158.841.321</b>	<b>206.531.247</b>	<b>365.372.568</b>
1.1.1 Cash and Balances with Central Bank	(5.1.a)	73.235.752	184.188.492	257.424.244	100.400.926	138.404.781	238.805.707
1.1.2 Banks	(5.1.a)	12.248.052	84.757.833	97.005.885	6.298.065	68.184.979	74.483.044
1.1.3 Due From Money Markets		49.666.466	-	49.666.466	52.142.787	-	52.142.787
1.1.4 Expected Credit Loss (-)		558	29.416	29.974	457	58.513	58.970
<b>1.2 Financial Assets at Fair Value Through Profit or Loss</b>	(5.1.b)	<b>7.629.895</b>	<b>4.387.277</b>	<b>12.017.172</b>	<b>3.220.764</b>	<b>4.741.661</b>	<b>7.962.425</b>
1.2.1 Government Debt Securities		62.805	3.115.597	3.178.402	193.341	2.234.830	2.428.171
1.2.2 Equity Instruments		7.362	1.026.324	1.033.686	151	896.060	896.211
1.2.3 Other Financial Assets		7.559.728	245.356	7.805.084	3.027.272	1.610.771	4.638.043
<b>1.3 Financial Assets at Fair Value Through Other Comprehensive Income</b>	(5.1.c)	<b>34.994.487</b>	<b>95.751.430</b>	<b>130.745.917</b>	<b>34.299.022</b>	<b>68.681.677</b>	<b>102.980.699</b>
1.3.1 Government Debt Securities		34.993.527	91.922.532	126.916.059	34.298.062	65.536.625	99.834.687
1.3.2 Equity Instruments		960	1.199	2.159	960	1.112	2.072
1.3.3 Other Financial Assets		-	3.827.699	3.827.699	-	3.143.940	3.143.940
<b>1.4 Derivative Financial Assets</b>		<b>1.642.808</b>	<b>5.729.893</b>	<b>7.372.701</b>	<b>1.257.002</b>	<b>7.291.460</b>	<b>8.548.462</b>
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss	(5.1.b)	1.642.808	5.729.893	7.372.701	1.257.002	7.291.460	8.548.462
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.j)	-	-	-	-	-	-
<b>II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)</b>		<b>442.452.909</b>	<b>313.763.704</b>	<b>756.216.613</b>	<b>352.934.719</b>	<b>268.335.321</b>	<b>621.270.040</b>
<b>2.1 Loans</b>	(5.1.d)	<b>395.334.285</b>	<b>303.862.619</b>	<b>699.196.904</b>	<b>311.512.588</b>	<b>267.157.838</b>	<b>578.670.426</b>
<b>2.2 Lease Receivables</b>	(5.1.i)	<b>6.021.693</b>	<b>9.968.933</b>	<b>15.990.626</b>	<b>5.433.739</b>	<b>8.307.847</b>	<b>13.741.586</b>
<b>2.3 Factoring Receivables</b>		<b>14.570.287</b>	<b>5.498.527</b>	<b>20.068.814</b>	<b>13.300.694</b>	<b>2.450.309</b>	<b>15.751.003</b>
<b>2.4 Other Financial Assets Measured at Amortised Cost</b>	(5.1.e)	<b>49.531.964</b>	<b>7.414.364</b>	<b>56.946.328</b>	<b>42.882.876</b>	<b>8.354.208</b>	<b>51.237.084</b>
2.4.1 Government Debt Securities		49.531.964	7.414.364	56.946.328	42.882.876	8.354.208	51.237.084
2.4.2 Other Financial Assets		-	-	-	-	-	-
<b>2.5 Expected Credit Loss (-)</b>		<b>23.005.320</b>	<b>12.980.739</b>	<b>35.986.059</b>	<b>20.195.178</b>	<b>17.934.881</b>	<b>38.130.059</b>
<b>III. NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (NET)</b>	(5.1.m)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3.1 Held for Sale		-	-	-	-	-	-
3.2 Discontinued Operations		-	-	-	-	-	-
<b>IV. EQUITY INVESTMENTS</b>		<b>8.313.795</b>	<b>1.967</b>	<b>8.315.762</b>	<b>8.313.795</b>	<b>1.825</b>	<b>8.315.620</b>
<b>4.1 Investments in Associates (Net)</b>	(5.1.f)	<b>23.763</b>	<b>-</b>	<b>23.763</b>	<b>23.763</b>	<b>-</b>	<b>23.763</b>
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		23.763	-	23.763	23.763	-	23.763
<b>4.2 Subsidiaries (Net)</b>	(5.1.g)	<b>8.287.232</b>	<b>1.967</b>	<b>8.289.199</b>	<b>8.287.232</b>	<b>1.825</b>	<b>8.289.057</b>
4.2.1 Unconsolidated Financial Subsidiaries		-	-	-	-	1	1
4.2.2 Unconsolidated Non-Financial Subsidiaries		8.287.232	1.967	8.289.199	8.287.232	1.824	8.289.056
<b>4.3 Joint Ventures (Net)</b>	(5.1.h)	<b>2.800</b>	<b>-</b>	<b>2.800</b>	<b>2.800</b>	<b>-</b>	<b>2.800</b>
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		2.800	-	2.800	2.800	-	2.800
<b>V. PROPERTY AND EQUIPMENT (Net)</b>		<b>24.030.921</b>	<b>1.086.148</b>	<b>25.117.069</b>	<b>7.757.446</b>	<b>1.037.734</b>	<b>8.795.180</b>
<b>VI. INTANGIBLE ASSETS (Net)</b>		<b>3.472.374</b>	<b>374.510</b>	<b>3.846.884</b>	<b>2.402.868</b>	<b>530.755</b>	<b>2.933.623</b>
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		3.472.374	374.510	3.846.884	2.402.868	530.755	2.933.623
<b>VII. INVESTMENT PROPERTIES (Net)</b>	(5.1.k)	<b>1.827.608</b>	<b>-</b>	<b>1.827.608</b>	<b>1.591.527</b>	<b>-</b>	<b>1.591.527</b>
<b>VIII. CURRENT TAX ASSET</b>		<b>51.025</b>	<b>-</b>	<b>51.025</b>	<b>1.877.045</b>	<b>7.151</b>	<b>1.884.196</b>
<b>IX. DEFERRED TAX ASSET</b>	(5.1.l)	<b>10.545.992</b>	<b>-</b>	<b>10.545.992</b>	<b>4.441.916</b>	<b>-</b>	<b>4.441.916</b>
<b>X. OTHER ASSETS (Net)</b>	(5.1.n)	<b>44.706.529</b>	<b>10.932.108</b>	<b>55.638.637</b>	<b>31.803.864</b>	<b>7.007.016</b>	<b>38.810.880</b>
<b>TOTAL ASSETS</b>		<b>714.818.055</b>	<b>700.943.946</b>	<b>1.415.762.001</b>	<b>608.741.289</b>	<b>564.165.847</b>	<b>1.172.907.136</b>

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

**DENİZBANK ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENT**  
**OF FINANCIAL POSITION (BALANCE SHEET)**  
**AS OF 30 JUNE 2024**

*Convenience Translation of*  
*Consolidated Financial Report*  
*Originally Issued in Turkish*  
*See Note 3.1.c*

(Currency: Thousands of TL - Turkish Lira)

LIABILITIES	Note	Reviewed CURRENT PERIOD (30/06/2024)			Audited PRIOR PERIOD (31/12/2023)		
		TL	FC	Total	TL	FC	Total
<b>I. DEPOSITS</b>	(5.II.a)	<b>481.309.188</b>	<b>381.207.637</b>	<b>862.516.825</b>	<b>398.748.528</b>	<b>348.557.052</b>	<b>747.305.580</b>
<b>II. FUNDS BORROWED</b>	(5.II.c)	<b>8.337.678</b>	<b>154.108.164</b>	<b>162.445.842</b>	<b>11.211.239</b>	<b>115.192.209</b>	<b>126.403.448</b>
<b>III. DUE TO MONEY MARKETS</b>		<b>1.674.156</b>	<b>65.995.404</b>	<b>67.669.560</b>	<b>4.145.451</b>	<b>51.874.091</b>	<b>56.019.542</b>
<b>IV. SECURITIES ISSUED (Net)</b>	(5.II.d)	<b>7.104.980</b>	<b>75.851.711</b>	<b>82.956.691</b>	<b>5.157.897</b>	<b>41.336.785</b>	<b>46.494.682</b>
4.1 Bills		7.104.980	3.599.182	10.704.162	5.157.897	1.516.251	6.674.148
4.2 Assets Backed Securities		-	-	-	-	-	-
4.3 Bonds		-	72.252.529	72.252.529	-	39.820.534	39.820.534
<b>V. FUNDS</b>		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		-	-	-	-	-	-
<b>VII. DERIVATIVE FINANCIAL LIABILITIES</b>		<b>119.243</b>	<b>3.613.885</b>	<b>3.733.128</b>	<b>409.820</b>	<b>2.426.032</b>	<b>2.835.852</b>
Derivative Financial Liabilities at Fair Value Through Profit or Loss	(5.II.b)	119.243	3.613.885	3.733.128	409.820	2.426.032	2.835.852
Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(5.II.g)	-	-	-	-	-	-
<b>VIII. FACTORING LIABILITIES</b>		-	-	-	-	-	-
<b>IX. LEASE LIABILITIES</b>	(5.II.f)	<b>958.313</b>	<b>80.239</b>	<b>1.038.552</b>	<b>825.635</b>	<b>75.676</b>	<b>901.311</b>
<b>X. PROVISIONS</b>	(5.II.h)	<b>13.918.989</b>	<b>3.809.388</b>	<b>17.728.377</b>	<b>12.808.438</b>	<b>3.433.858</b>	<b>16.242.296</b>
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		1.804.793	267.602	2.072.395	1.685.939	237.918	1.923.857
10.3 Insurance for Technical Provision (Net)		-	-	-	-	-	-
10.4 Other Provisions		12.114.196	3.541.786	15.655.982	11.122.499	3.195.940	14.318.439
<b>XI. CURRENT TAX LIABILITY</b>	(5.II.i)	<b>7.734.716</b>	<b>1.129.591</b>	<b>8.864.307</b>	<b>2.455.834</b>	<b>746.522</b>	<b>3.202.356</b>
<b>XII. DEFERRED TAX LIABILITIES</b>	(5.II.i)	<b>150.270</b>	<b>709.555</b>	<b>859.825</b>	<b>863.018</b>	<b>573.414</b>	<b>1.436.432</b>
<b>XIII. NON CURRENT LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)</b>	(5.II.j)	-	-	-	-	-	-
13.1 Held for Sale		-	-	-	-	-	-
13.2 Discontinued Operations		-	-	-	-	-	-
<b>XIV. SUBORDINATED DEBT INSTRUMENTS</b>		-	<b>11.400.936</b>	<b>11.400.936</b>	-	<b>23.066.679</b>	<b>23.066.679</b>
14.1 Loans		-	11.400.936	11.400.936	-	23.066.679	23.066.679
14.2 Other Debt Instruments		-	-	-	-	-	-
<b>XV. OTHER LIABILITIES</b>	(5.II.e)	<b>40.123.300</b>	<b>30.251.349</b>	<b>70.374.649</b>	<b>33.170.157</b>	<b>25.415.193</b>	<b>58.585.350</b>
<b>XVI. SHAREHOLDERS' EQUITY</b>	(5.II.k)	<b>84.138.621</b>	<b>42.034.688</b>	<b>126.173.309</b>	<b>43.456.659</b>	<b>46.956.949</b>	<b>90.413.608</b>
16.1 Paid-in Capital		19.638.600	-	19.638.600	5.696.100	-	5.696.100
16.2 Capital Reserves		12.412	-	12.412	(6.567)	-	(6.567)
16.2.1 Share Premium		15	-	15	15	-	15
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		12.397	-	12.397	(6.582)	-	(6.582)
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		7.945.684	330.688	8.276.372	7.951.537	306.577	8.258.114
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(24.266.486)	35.213.164	10.946.678	(25.346.766)	38.221.858	12.875.092
16.5 Profit Reserves		58.727.588	1.562.572	60.290.160	30.868.782	1.562.572	32.431.354
16.5.1 Legal Reserves		1.140.226	5.019	1.145.245	1.140.226	5.019	1.145.245
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		57.587.362	1.557.553	59.144.915	29.728.556	1.557.553	31.286.109
16.5.4 Other Profit Reserves		-	-	-	-	-	-
16.6 Income or (Loss)		21.553.521	4.927.218	26.480.739	23.797.222	6.864.935	30.662.157
16.6.1 Prior Periods' Income or (Loss)		463.024	2.321.348	2.784.372	466.577	2.321.394	2.787.971
16.6.2 Current Period Income or (Loss)		21.090.497	2.605.870	23.696.367	23.330.645	4.543.541	27.874.186
16.7 Minority Shares		527.302	1.046	528.348	496.351	1.007	497.358
<b>TOTAL LIABILITIES</b>		<b>645.569.454</b>	<b>770.192.547</b>	<b>1.415.762.001</b>	<b>513.252.676</b>	<b>659.654.460</b>	<b>1.172.907.136</b>

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

**DENİZBANK ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENT OF**  
**OFF-BALANCE SHEET ITEMS**  
**AS OF 30 JUNE 2024**

*Convenience Translation of*  
*Consolidated Financial Report*  
*Originally Issued in Turkish*  
*See Note 3.1.c*

(Currency: Thousands of TL - Turkish Lira)

Note	Reviewed			Audited		
	CURRENT PERIOD			PRIOR PERIOD		
	TL	FC	Total	TL	FC	Total
<b>A. OFF BALANCE SHEET CONTINGENCIES (I+II+III)</b>	<b>639.528.065</b>	<b>759.855.705</b>	<b>1.399.383.770</b>	<b>542.674.261</b>	<b>672.511.052</b>	<b>1.215.185.313</b>
<b>I. GUARANTEES</b>	<b>92.424.401</b>	<b>92.725.844</b>	<b>185.150.245</b>	<b>70.940.660</b>	<b>83.028.890</b>	<b>153.969.550</b>
1. Letters of Guarantee	79.129.964	58.748.435	137.878.399	63.054.961	56.201.587	119.256.548
1.1. Guarantees Subject to State Tender Law	-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations	79.021	501.853	580.874	79.021	458.580	537.601
1.1.3. Other Letters of Guarantee	79.050.943	58.246.582	137.297.525	62.975.940	55.743.007	118.718.947
1.2. Bank Acceptances	7.670	974.664	982.334	-	717.588	717.588
1.2.1. Import Letter of Acceptance	7.670	974.664	982.334	-	717.588	717.588
1.2.2. Other Bank Acceptances	-	-	-	-	-	-
1.3. Letters of Credit	8.036	31.317.764	31.325.800	20.096	23.928.765	23.948.861
1.3.1. Documentary Letters of Credit	-	22.532.401	22.532.401	-	17.007.220	17.007.220
1.3.2. Other Letters of Credit	8.036	8.785.363	8.793.399	20.096	6.921.545	6.941.641
1.4. Prefinancing Given As Guarantee	-	-	-	-	-	-
1.5. Endorsements	-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Turkey	-	-	-	-	-	-
1.5.2. Other Endorsements	-	-	-	-	-	-
1.6. Purchase Guarantees for Securities Issued	-	-	-	-	-	-
1.7. Factoring Related Guarantees	-	-	-	-	-	-
1.8. Other Collaterals	13.278.731	1.684.981	14.963.712	7.865.603	2.180.950	10.046.553
1.9. Other Sureties	-	-	-	-	-	-
<b>II. COMMITMENTS</b>	<b>453.764.499</b>	<b>41.451.865</b>	<b>495.216.364</b>	<b>360.709.491</b>	<b>27.648.615</b>	<b>388.358.106</b>
2.1. Irrevocable Commitments	445.896.458	41.313.975	487.210.433	357.794.731	27.557.227	385.351.958
2.1.1. Asset Purchase and Sale Commitments	3.448.075	24.677.262	28.125.337	1.180.407	16.719.728	17.900.135
2.1.2. Deposit Purchase and Sales Commitments	-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries	13.800	-	13.800	-	-	-
2.1.4. Loan Granting Commitments	62.833.485	-	62.833.485	48.403.121	-	48.403.121
2.1.5. Securities Issuance Brokerage Commitments	-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements	-	-	-	-	-	-
2.1.7. Commitments for Cheque Payments	19.620.552	-	19.620.552	12.311.768	-	12.311.768
2.1.8. Tax and Fund Obligations from Export Commitments	1.700	-	1.700	1.643	-	1.643
2.1.9. Commitments for Credit Card Limits	357.789.085	-	357.789.085	293.746.486	-	293.746.486
2.1.10. Commitments for Promotional Operations Re-Credit Cards and Banking Services	24.503	-	24.503	33.541	-	33.541
2.1.11. Receivables from "Short" Sale Commitments On Securities	-	-	-	-	-	-
2.1.12. Payables for "Short" Sale Commitments On Securities	-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments	2.165.258	16.636.713	18.801.971	2.117.765	10.837.499	12.955.264
2.2. Revocable Commitments	7.868.041	137.890	8.005.931	2.914.760	91.388	3.006.148
2.2.1. Revocable Loan Granting Commitments	7.867.482	137.890	8.005.372	2.914.201	91.388	3.005.589
2.2.2. Other Revocable Commitments	559	-	559	559	-	559
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>93.339.165</b>	<b>625.677.996</b>	<b>719.017.161</b>	<b>111.024.110</b>	<b>561.833.547</b>	<b>672.857.657</b>
3.1. Hedging Purpose Derivatives	-	-	-	-	-	-
3.1.1. Fair Value Hedge	-	-	-	-	-	-
3.1.2. Cash Flow Hedge	-	-	-	-	-	-
3.1.3. Hedging of a Net Investment in Foreign Subsidiaries	-	-	-	-	-	-
3.2. Trading Purpose Derivatives	93.339.165	625.677.996	719.017.161	111.024.110	561.833.547	672.857.657
3.2.1. Forward Foreign Currency Purchases/Sales	20.781.636	84.474.274	105.255.910	25.450.026	52.435.531	77.885.557
3.2.1.1. Forward Foreign Currency Purchases	11.494.785	41.643.589	53.138.374	24.643.324	16.181.693	40.825.017
3.2.1.2. Forward Foreign Currency Sales	9.286.851	42.830.685	52.117.536	806.702	36.253.838	37.060.540
3.2.2. Currency and Interest Rate Swaps	37.306.680	461.262.095	498.568.775	74.509.770	448.712.024	523.221.794
3.2.2.1. Currency Swaps-Purchases	3.381.283	150.024.321	153.405.604	408.019	175.722.124	176.130.143
3.2.2.2. Currency Swaps-Sales	26.965.397	144.545.626	171.511.023	67.141.751	124.468.018	191.609.769
3.2.2.3. Interest Rate Swaps-Purchases	3.480.000	83.346.074	86.826.074	3.480.000	74.260.943	77.740.943
3.2.2.4. Interest Rate Swaps-Sales	3.480.000	83.346.074	86.826.074	3.480.000	74.260.939	77.740.939
3.2.3. Currency, Interest Rate and Security Options	34.165.851	55.696.913	89.862.764	10.894.618	37.363.926	48.258.544
3.2.3.1. Currency Options-Purchases	19.464.028	23.421.621	42.885.649	7.645.352	13.503.512	21.148.864
3.2.3.2. Currency Options-Sales	14.701.823	26.996.858	41.698.681	3.249.266	19.005.858	22.255.124
3.2.3.3. Interest Rate Options-Purchases	-	2.639.217	2.639.217	-	2.427.278	2.427.278
3.2.3.4. Interest Rate Options-Sales	-	2.639.217	2.639.217	-	2.427.278	2.427.278
3.2.3.5. Securities Options-Purchases	-	-	-	-	-	-
3.2.3.6. Securities Options-Sales	-	-	-	-	-	-
3.2.4. Currency Futures	1.084.998	1.013.049	2.098.047	169.696	121.020	290.716
3.2.4.1. Currency Futures-Purchases	180.123	869.894	1.050.017	169.696	-	169.696
3.2.4.2. Currency Futures-Sales	904.875	143.155	1.048.030	-	121.020	121.020
3.2.5. Interest Rate Futures	-	-	-	-	-	-
3.2.5.1. Interest Rate Futures-Purchases	-	-	-	-	-	-
3.2.5.2. Interest Rate Futures-Sales	-	-	-	-	-	-
3.2.6. Others	-	23.231.665	23.231.665	-	23.201.046	23.201.046
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>	<b>3.720.853.009</b>	<b>2.229.918.719</b>	<b>5.950.771.728</b>	<b>2.527.897.365</b>	<b>1.806.134.342</b>	<b>4.334.031.707</b>
<b>IV. ITEMS HELD IN CUSTODY</b>	<b>570.207.187</b>	<b>303.204.534</b>	<b>873.411.721</b>	<b>138.507.394</b>	<b>158.705.674</b>	<b>297.213.068</b>
4.1. Customers' Securities and Portfolios Held	139.984	-	139.984	139.984	-	139.984
4.2. Securities Held in Custody	555.211.894	287.845.330	843.057.224	124.773.913	149.180.256	273.954.169
4.3. Checks Received for Collection	11.964.939	7.016.700	18.981.639	11.167.094	3.369.625	14.536.719
4.4. Commercial Notes Received for Collection	2.889.122	1.103.075	3.992.197	2.425.155	808.057	3.233.212
4.5. Other Assets Received for Collection	-	-	-	-	-	-
4.6. Assets Received for Public Offering	-	-	-	-	-	-
4.7. Other Items under Custody	1.248	7.239.429	7.240.677	1.248	5.347.736	5.348.984
4.8. Custodians	-	-	-	-	-	-
<b>V. PLEDGED ITEMS</b>	<b>3.141.648.963</b>	<b>1.919.954.663</b>	<b>5.061.603.626</b>	<b>2.386.050.953</b>	<b>1.642.304.784</b>	<b>4.028.355.737</b>
5.1. Securities	23.842.225	10.829.001	34.671.226	16.975.329	5.401.288	22.376.617
5.2. Guarantee Notes	2.138.224.593	561.325.247	2.699.549.840	1.559.666.872	484.942.734	2.044.609.606
5.3. Commodities	62.836.777	77.293.953	140.130.730	46.639.573	66.824.496	113.464.069
5.4. Warrants	-	-	-	-	-	-
5.5. Immovables	748.492.403	833.115.327	1.581.607.730	619.682.069	689.102.358	1.308.784.427
5.6. Other Pledged Items	168.252.965	437.391.135	605.644.100	143.087.110	396.033.908	539.121.018
5.7. Pledged Items-Depository	-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>	<b>8.996.859</b>	<b>6.759.522</b>	<b>15.756.381</b>	<b>3.339.018</b>	<b>5.123.884</b>	<b>8.462.902</b>
<b>TOTAL OFF BALANCE SHEET ITEMS (A+B)</b>	<b>4.360.381.074</b>	<b>2.989.774.424</b>	<b>7.350.155.498</b>	<b>3.070.571.626</b>	<b>2.478.645.394</b>	<b>5.549.217.020</b>

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

**DENİZBANK ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED 30 JUNE 2024**  
(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish  
See Note 3.1.c*

INCOME AND EXPENSES		Note	Reviewed CURRENT PERIOD (01/01- 30/06/2024)	Reviewed PRIOR PERIOD (01/01- 30/06/2023)	Reviewed CURRENT PERIOD (01/04- 30/06/2024)	Reviewed PRIOR PERIOD (01/04- 30/06/2023)
<b>I.</b>	<b>INTEREST INCOME</b>	(5.IV.a)	<b>125.874.042</b>	<b>40.628.989</b>	<b>68.586.315</b>	<b>22.593.179</b>
1.1	Interest on Loans		80.660.342	28.530.636	44.195.652	15.739.466
1.2	Interest on Reserve Requirements		5.444.576	451.143	3.696.626	260.171
1.3	Interest on Banks		7.585.785	714.276	3.105.480	345.037
1.4	Interest on Money Market Transactions		12.223.348	1.988.186	6.786.535	1.619.188
1.5	Interest on Marketable Securities Portfolio		16.617.954	8.091.026	9.093.651	4.160.702
1.5.1	Fair Value Through Profit or Loss		375.998	278.452	192.728	149.449
1.5.2	Fair Value Through Other Comprehensive Income		8.979.801	5.392.080	4.900.461	2.462.669
1.5.3	Measured at Amortized Cost		7.262.155	2.420.494	4.000.462	1.548.584
1.6	Financial Lease Interest Income		1.921.531	564.578	889.061	323.800
1.7	Other Interest Income		1.420.506	289.144	819.310	144.815
<b>II.</b>	<b>INTEREST EXPENSE (-)</b>	(5.IV.b)	<b>103.109.687</b>	<b>24.810.482</b>	<b>55.476.474</b>	<b>13.780.008</b>
2.1	Interest on Deposits		87.200.195	19.240.494	47.684.659	10.512.711
2.2	Interest on Funds Borrowed		9.719.273	3.687.073	4.763.676	2.168.588
2.3	Interest Expense on Money Market Transactions		2.414.273	853.294	1.101.314	597.419
2.4	Interest on Securities Issued		3.116.029	811.071	1.634.377	439.156
2.5	Interest on Leases		175.375	99.050	85.593	44.922
2.6	Other Interest Expenses		484.542	119.500	206.855	17.212
<b>III.</b>	<b>NET INTEREST INCOME (I - II)</b>		<b>22.764.355</b>	<b>15.818.507</b>	<b>13.109.841</b>	<b>8.813.171</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME</b>		<b>15.110.443</b>	<b>5.050.508</b>	<b>8.222.282</b>	<b>2.770.030</b>
4.1	Fees and Commissions Received		25.031.902	7.330.710	13.785.942	3.777.426
4.1.1	Non-Cash Loans		772.725	495.830	395.049	249.876
4.1.2	Other		24.259.177	6.834.880	13.390.893	3.527.550
4.2	Fees and Commissions Paid (-)		9.921.459	2.280.202	5.563.660	1.007.396
4.2.1	Non-Cash Loans		56.434	26.480	28.362	18.306
4.2.2	Other		9.865.025	2.253.722	5.535.298	989.090
<b>V</b>	<b>DIVIDEND INCOME</b>		<b>3.685</b>	<b>1.175</b>	<b>3.685</b>	<b>1.169</b>
<b>VI.</b>	<b>TRADING INCOME / LOSS (Net)</b>	(5.IV.c)	<b>801.271</b>	<b>3.919.966</b>	<b>(897.958)</b>	<b>1.279.395</b>
6.1	Trading Gains / (Losses) on Securities		3.185.917	1.902.632	1.320.031	134.687
6.2	Gains / (Losses) on Derivate Financial Transactions		2.686.854	6.419.896	(1.428.769)	6.729.855
6.3	Foreign Exchange Gains / (Losses)		(5.071.500)	(4.402.562)	(789.220)	(5.585.147)
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	(5.IV.d)	<b>3.631.278</b>	<b>3.070.624</b>	<b>1.714.686</b>	<b>1.054.946</b>
<b>VIII.</b>	<b>GROSS OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>42.311.032</b>	<b>27.860.780</b>	<b>22.152.536</b>	<b>13.918.711</b>
<b>IX.</b>	<b>EXPECTED CREDIT LOSS (-)</b>	(5.IV.e)	<b>(3.220.522)</b>	<b>(3.024.918)</b>	<b>(833.934)</b>	<b>(857.453)</b>
<b>X.</b>	<b>OTHER PROVISION EXPENSES (-)</b>		<b>909.844</b>	<b>3.159.545</b>	<b>661.159</b>	<b>1.095.445</b>
<b>XI.</b>	<b>PERSONNEL EXPENSE (-)</b>	(5.IV.f)	<b>8.906.727</b>	<b>4.416.661</b>	<b>4.407.562</b>	<b>2.204.695</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	(5.IV.f)	<b>10.434.560</b>	<b>5.184.450</b>	<b>5.006.596</b>	<b>2.411.257</b>
<b>XIII.</b>	<b>NET OPERATING INCOME /LOSS (VIII-IX-X-XI-XII)</b>		<b>25.280.423</b>	<b>18.125.042</b>	<b>12.911.153</b>	<b>9.064.767</b>
<b>XIV.</b>	<b>INCOME AFTER MERGER</b>		-	-	-	-
<b>XV.</b>	<b>INCOME / (LOSS ) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		-	-	-	-
<b>XVI.</b>	<b>INCOME / (LOSS) ON NET MONETARY POSITION PROFIT / LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)</b>	(5.IV.g)	<b>25.280.423</b>	<b>18.125.042</b>	<b>12.911.153</b>	<b>9.064.767</b>
<b>XVIII.</b>	<b>TAX PROVISIONS FOR CONTINUED OPERATIONS (±)</b>	(5.IV.h)	<b>(1.553.066)</b>	<b>(4.635.574)</b>	<b>(850.445)</b>	<b>(2.423.289)</b>
18.1	Current Tax Provision		(9.000.368)	(1.137.322)	(4.764.830)	1.157.391
18.2	Deferred Tax Income Effect (+)		(1.909.573)	(11.784.532)	425.050	(7.380.775)
18.3	Deferred Tax Expense Effect (-)		9.356.875	8.286.280	3.489.335	3.800.095
<b>XIX.</b>	<b>CURRENT PERIOD PROFIT / LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)</b>		<b>23.727.357</b>	<b>13.489.468</b>	<b>12.060.708</b>	<b>6.641.478</b>
<b>XX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		-	<b>104.299</b>	-	<b>80.795</b>
20.1	Income from Non-Current Assets Held for Sale		-	-	-	-
	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
20.2	Income from Other Discontinued Operations		-	104.299	-	80.795
<b>XXI.</b>	<b>EXPENSES FOR DISCONTINUED OPERATIONS (-)</b>		-	<b>50.061</b>	-	<b>31.208</b>
21.1	Expenses for Non-current Assets Held for Sale		-	-	-	-
	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.2	Expenses for Other Discontinued Operations		-	50.061	-	31.208
<b>XXII.</b>	<b>PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)</b>		-	54.238	-	49.587
<b>XXIII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	(13.674)	-	(12.823)
23.1	Current Tax Provision		-	(4)	-	(26)
23.2	Deferred Tax Expense Effect (+)		-	(13.670)	-	(12.797)
23.3	Deferred Tax Income Effect (-)		-	-	-	-
<b>XXIV.</b>	<b>NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)</b>		-	<b>40.564</b>	-	<b>36.764</b>
<b>XXV.</b>	<b>NET PROFIT/(LOSS) (XIX+XXIV)</b>	(5.IV.i)	<b>23.727.357</b>	<b>13.530.032</b>	<b>12.060.708</b>	<b>6.678.242</b>
25.1	Profit / (Loss) of Group		23.696.367	13.456.385	12.057.100	6.631.958
25.2	Profit / (Loss) of Minority Shares (-)		30.990	73.647	3.608	46.284
	Profit / (Loss) Per Share (full TRY)		1,21	2,38	0,61	1,17

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

**DENİZBANK ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND**  
**OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 JUNE 2024**

*Convenience Translation of*  
*Consolidated Financial Report*  
*Originally Issued in Turkish*  
*See Note 3.1.c*

(Currency: Thousands of TL - Turkish Lira)

	Reviewed CURRENT PERIOD (01/01-30/06/2024)	Reviewed PRIOR PERIOD (01/01-30/06/2023)
<b>I. CURRENT PERIOD INCOME/LOSS</b>	<b>23.727.357</b>	<b>13.530.032</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>(1.910.156)</b>	<b>(4.033.582)</b>
<b>2.1 Not Reclassified Through Profit or Loss</b>	<b>18.258</b>	<b>(133.843)</b>
2.1.1 Property and Equipment Revaluation Increase/Decrease	23.664	96.466
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss	-	(273.842)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5 Tax on Other Comprehensive Income Items Not Reclassified Through Profit or Loss	(5.406)	43.533
<b>2.2 Reclassified Through Profit or Loss</b>	<b>(1.928.414)</b>	<b>(3.899.739)</b>
2.2.1 Foreign Currency Translation Differences	(2.493.486)	7.446.880
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(2.173.167)	(8.255.185)
2.2.3 Cash Flow Hedge Income/Loss	-	3.831
2.2.4 Foreign Net Investment Hedge Income/Loss	3.003.005	(6.874.671)
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
2.2.6 Tax on Other Comprehensive Income Items Reclassified Through Profit or Loss	(264.766)	3.779.406
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>21.817.201</b>	<b>9.496.450</b>

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

**DENİZBANK ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE PERIOD ENDED 30 JUNE 2024**

(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
 Consolidated Financial Report  
 Originally Issued in Turkish  
 See Note 3.1.c*

Reviewed CHANGES IN SHAREHOLDERS' EQUITY ITEMS	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss						Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss						Total Equity				
	Paid in Capital	Share Premiums	Share Cancellation Profits	Other capital reserves	Accumulated Revaluation Increase/Decrease of Fixed Assets	Accumulated Remeasurement Gain/Loss of Defined Benefit Pension Plan	Other (Shares of Investments Valued by Equity Method in Other Comprehensive Income Not Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Not Reclassified Through Other Profit or Loss)	Foreign Currency Translation Differences	Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income	Other (Cash Flow Hedge Gain/Loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss)	Profit reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Expect Minority Shares	Minority Shares	Total Equity	
<b>PRIOR PERIOD</b>																	
01/01-30/09/2023																	
I. Prior Period End Balance	5.696.100	15	--	(8.500)	350.307	(437.694)	2.305.678	24.818.038	3.338.873	(16.732.033)	15.258.340	2.786.960	17.174.025	54.559.209	303.767	54.862.976	
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 (H1)	5.696.100	15	--	(8.500)	350.307	(437.694)	2.305.678	24.818.038	3.338.873	(16.732.033)	15.258.340	2.786.960	17.174.025	54.559.209	303.767	54.862.976	
IV. Total Comprehensive Income	--	--	--	--	72.349	(206.192)	--	7.448.680	(6.193.746)	(5.102.675)	--	--	13.466.365	9.422.803	73.647	9.496.450	
V. Capital Increase by Cash	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
VI. Capital Increase by Internal Sources	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
VII. Paid in Capital Inflation Adjustment Difference	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
VIII. Convertible Bonds to Share	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
IX. Subordinated Debt Instruments	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
X. Increase / Decrease by Other Changes	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
XI. Profit Distribution	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
11.1 Dividends Paid	--	--	--	--	--	--	--	--	--	--	--	17.173.014	1.011	(17.174.025)	--	(1.579)	(1.579)
11.2 Transfers to Reserves	--	--	--	--	--	--	--	--	--	--	--	17.173.014	1.011	(17.174.025)	--	(1.579)	(1.579)
11.3 Other	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
<b>Period End Balance (III+IV+...+X+XI)</b>	<b>5.696.100</b>	<b>15</b>	<b>--</b>	<b>(8.500)</b>	<b>431.656</b>	<b>(643.786)</b>	<b>2.305.678</b>	<b>32.264.616</b>	<b>(2.854.873)</b>	<b>(21.894.905)</b>	<b>32.431.354</b>	<b>2.787.971</b>	<b>13.456.395</b>	<b>63.982.012</b>	<b>375.835</b>	<b>64.357.847</b>	
<b>CURRENT PERIOD</b>																	
01/01-30/09/2024																	
I. Prior Period End Balance	5.696.100	15	--	(6.582)	722.311	(362.987)	7.898.790	38.328.701	(1.340.194)	(24.113.415)	32.431.354	2.787.971	27.874.186	89.916.250	497.358	90.413.608	
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 (H1)	5.696.100	15	--	(6.582)	722.311	(362.987)	7.898.790	38.328.701	(1.340.194)	(24.113.415)	32.431.354	2.787.971	27.874.186	89.916.250	497.358	90.413.608	
IV. Total Comprehensive Income	--	--	--	--	18.258	--	--	(2.493.496)	(1.537.031)	2.102.103	--	--	23.696.367	21.786.211	30.990	21.817.201	
V. Capital Increase by Cash	13.942.500	--	--	--	--	--	--	--	--	--	--	--	--	13.942.500	--	13.942.500	
VI. Capital Increase by Internal Sources	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
VII. Paid in Capital Inflation Adjustment Difference	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
VIII. Convertible Bonds to Share	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
IX. Subordinated Debt Instruments	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
X. Increase / Decrease by Other Changes	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
XI. Profit Distribution	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
11.1 Dividends Paid	--	--	--	--	--	--	--	--	--	--	--	27.858.806	(3.599)	(27.874.186)	--	--	
11.2 Transfers to Reserves	--	--	--	--	--	--	--	--	--	--	--	27.858.806	(3.599)	(27.874.186)	--	--	
11.3 Other	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
<b>Period End Balance (III+IV+...+X+XI)</b>	<b>19.638.600</b>	<b>15</b>	<b>--</b>	<b>12.397</b>	<b>740.569</b>	<b>(362.987)</b>	<b>7.898.790</b>	<b>35.835.215</b>	<b>(2.877.225)</b>	<b>(22.011.312)</b>	<b>60.290.160</b>	<b>2.784.372</b>	<b>23.696.367</b>	<b>125.944.961</b>	<b>528.348</b>	<b>126.173.309</b>	

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



**DENİZBANK ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2024**

(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish  
See Note 3.1.c*

	Reviewed CURRENT PERIOD (01/01-30/06/2024)	Reviewed PRIOR PERIOD (01/01-30/06/2023)
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating profit before changes in operating assets and liabilities (+)</b>	<b>30.707.416</b>	<b>14.347.394</b>
1.1.1 Interest received (+)	101.197.590	34.003.224
1.1.2 Interest paid (-)	82.504.691	20.629.259
1.1.3 Dividends received (+)	3.685	1.175
1.1.4 Fees and commissions received (+)	25.031.902	7.330.710
1.1.5 Other income (+)	7.844.861	5.774.925
1.1.6 Collections from previously written off loans and other receivables (+)	8.800.300	1.749.985
1.1.7 Cash payments to personnel and service suppliers (-)	8.758.189	4.716.356
1.1.8 Taxes paid (-)	4.420.918	3.318.931
1.1.9 Other (+/-)	(16.487.124)	(5.848.079)
<b>1.2 Changes in operating assets and liabilities subject to banking operations</b>	<b>(80.998.134)</b>	<b>40.357.178</b>
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss (+/-)	(727.993)	(1.137.218)
1.2.2 Net (increase) decrease in due from banks (+/-)	(27.902.960)	(5.476.537)
1.2.3 Net (increase) decrease in loans	(116.644.642)	(98.634.675)
1.2.4 Net (increase) decrease in other assets (+/-)	(27.493.654)	(10.856.171)
1.2.5 Net increase (decrease) in bank deposits (+/-)	(2.800.107)	(13.704.893)
1.2.6 Net increase (decrease) in other deposits (+/-)	76.761.520	116.152.441
1.2.7 Net increase (decrease) in financial liabilities at fair value through profit or loss (+/-)	-	-
1.2.8 Net increase (decrease) in funds borrowed (+/-)	(6.791.418)	22.947.456
1.2.9 Net increase (decrease) in matured payables (+/-)	-	-
1.2.10 Net increase (decrease) in other liabilities (+/-)	24.601.120	31.066.775
<b>I. Net cash provided from banking operations(+/-)</b>	<b>(50.290.718)</b>	<b>54.704.572</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net cash provided from / used in investing activities(+/-)</b>	<b>(35.505.388)</b>	<b>(7.081.890)</b>
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures (-)	-	-
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures (+)	-	-
2.3 Cash paid for the purchase of tangible and intangible asset (-)	16.731.548	1.357.961
2.4 Cash obtained from the sale of tangible and intangible asset (+)	1.040.150	1.902.475
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income (-)	46.472.023	20.374.982
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income (+)	24.936.092	12.419.494
2.7 Cash paid for the purchase of financial assets at amortised cost (-)	-	1.041.404
2.8 Cash obtained from sale of financial assets at amortised cost (+)	1.721.941	1.370.488
2.9 Other (+/-)	-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash flows from financing activities (+/-)</b>	<b>67.951.910</b>	<b>19.156.531</b>
3.1 Cash obtained from funds borrowed and securities issued (+)	98.380.651	42.187.642
3.2 Cash outflow from funds borrowed and securities issued (-)	43.990.322	22.612.598
3.3 Equity instruments issued (+)	13.942.500	-
3.4 Dividends paid (-)	-	-
3.5 Payments for lease liabilities (-)	380.919	418.513
3.6 Other (+/-)	-	-
<b>IV. Effect of change in foreign exchange rate on cash and cash equivalents(+/-)</b>	<b>14.209.578</b>	<b>6.774.025</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>(3.634.618)</b>	<b>73.553.238</b>
<b>VI. Cash and cash equivalents at the beginning of the period (+)</b>	<b>279.046.542</b>	<b>100.751.067</b>
<b>VII. Cash and Cash Equivalents at the End of the Period</b>	<b>275.411.924</b>	<b>174.304.305</b>

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

## **SECTION THREE**

### **ACCOUNTING POLICIES**

#### **I. Explanations on the presentation principles**

##### **a. Preparation of the consolidated financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and Regulation on the Procedures and Principles for Accounting Practices and Retention of Documents by Banks**

Consolidated financial statements have been prepared in accordance with the regulations, communiqués, explanations and circulars published with respect to accounting and financial reporting principles by the Banking Regulation and Supervision Agency (“BRSA”) within the framework of the provisions of the Regulation on the Procedures and Principles for Accounting Practices and Retention of Documents by Banks published in the Official Gazette no. 26333 dated 1 November 2006 in relation with the Banking Law no. 5411, as well as the Turkish Accounting Standards (“TAS”) and Turkish Financial Reporting Standards (“TFRS”) enforced by the Public Oversight Accounting and Auditing Standards Authority (“POA”) (hereinafter collectively referred to as “BRSA Accounting and Financial Reporting Legislation”). The form and contents of the consolidated financial statements which have been prepared and which will be disclosed to public have been prepared in accordance with the “Communiqué on the Financial Statements and Related Explanations and Footnotes to be Announced to Public by the Banks” and “Communiqué On Disclosures About Risk Management To Be Announced To Public By the Banks” as well as the communiqués that introduce amendments and additions to these. Parent Bank keeps its accounting records in Turkish Lira, in accordance with the Banking Law, Turkish Code of Commerce and Turkish Tax legislation.

Consolidated financial statements have been prepared based on historical cost principle, except for the financial assets and liabilities measured at their fair values.

The amounts in the consolidated financial statements and explanations and footnotes relating to these statements have been expressed in Thousands of Turkish Lira unless otherwise stated.

In the preparation of consolidated financial statements according to TAS, the management of the Parent Bank should make assumptions and estimations regarding the assets and liabilities in the balance sheet and the contingent issues as of the balance sheet date. These assumptions and estimations include the fair value calculations and impairment of financial assets and are reviewed regularly, necessary corrections are made and the effects of these corrections are reflected in the statement of profit or loss. The assumptions and estimations used are explained in the related footnotes.

The Parent Bank and its consolidated subsidiaries are referred to as "DFS Group" in the footnotes related to the consolidated financial statements.

##### **b. Accounting policies and changes in the presentation of financial statements**

Accounting policies and valuation principles used in the preparation of the consolidated financial statements are determined in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by BRSA, and in cases where a specific regulation is not made, TAS/TFRS (hereinafter collectively referred to as “BRSA Accounting and Financial Reporting Legislation”) put into effect by POA shall be valid.

On 23 November 2023, POA announced that the financial statements of businesses that apply Turkish Financial Reporting Standards and the Financial Reporting Standard for Large and Medium-Sized Enterprises (FRS for LMEs) for the annual reporting period ending on or after 31 December 2023 will be included in the “Turkish Accounting Standard 29 Financial Reporting Standards in High Inflation Economies”. Reporting” and “FRS for LMEs Chapter 25 Financial Reporting in High-Inflation Economies” should be presented in accordance with the relevant accounting principles, adjusted for the effect of inflation; However, institutions or organizations authorized to regulate and supervise their own fields have published an announcement stating that they may determine different transition dates than those foreseen above for the implementation of the provisions in TAS 29 or FRS for LMEs. Based on this announcement, BRSA, in accordance with its decision dated 12 December 2023 and numbered 10744, has decided that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject to the inflation adjustment required within the scope of TAS 29. With the decision numbered 11 January 2024 and 10825, BRSA determined the transition date for banks, financial leasing, factoring, financing, savings financing and asset management companies to TAS 29 application as 1 January 2025. In this context, no inflation adjustment was made in accordance with TAS 29 while preparing the financial statements dated 30 June 2024.

Within the scope of the Benchmark Rate Interest Reform process, which continues on a global basis, the Bank has transactions in loans, securities, borrowing and derivative instruments. Necessary infrastructure developments have been completed and started to be used in our bank for each product. EURIBOR is not subject to transition and will continue to be used. Transformation of transactions indexed to USD LIBOR rates is followed on a transaction basis, and conversions are made by the relevant units on the first repricing date of each transaction after 30 June 2023.

**c. Additional paragraph for convenience translation:**

The differences between the standards set out by BRSA Accounting and Financial Reporting Legislation and the accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards (IFRS) have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

**II. Explanation on the strategy for the use of financial instruments and transactions denominated in foreign currencies**

**a. Strategy for the use of financial instruments**

DFS Group's external sources of funds are comprised of deposits with various maturity periods, and external borrowings. Funds provided are generally fixed rate and are interested in high yield financial assets. The majority of the funds are allocated to high yield, fixed or floating interest instruments, such as Turkish Lira and foreign currency Government debt securities and Eurobonds in order to diversify the assets and support liquidity as well as being allocated to loans with a selective approach. The liquidity structure that ensures meeting all liabilities falling due, is formed by keeping sufficient levels of cash and cash equivalents by diversifying the sources of funds. The Bank assesses the maturity structure of the sources, and the maturity structure and yield of assets at market conditions and adopts a high yield policy in long-term assets.

DFS Group carries risks within pre-determined risk limits in short-term currency, interest and price movements in money and capital markets and due to changes in market conditions. These positions are closely monitored by the Risk Management System of the Parent Bank and the necessary precautions are taken if the limits are exceeded or should there be a change in the market environment. In order to avoid interest rate risk, assets and liabilities with fixed and floating interests are monitored, taking the maturity structure into consideration. The asset-liability balance is monitored on a daily basis in accordance with the maturity structure and foreign currency type. The risks associated with short-term positions are hedged through derivatives such as forwards, swaps and options.

The net foreign currency position of DFS Group in foreign enterprises is evaluated together with the Parent Bank's net foreign currency position and all positions are evaluated within the framework of risk limits.

**b. Transactions denominated in foreign currencies**

**Foreign currency exchange rates used in converting transactions denominated in foreign currencies and their presentation in the financial statements**

The DFS Group recognises the transactions denominated in foreign currencies in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates" and the foreign exchange gains and losses arising from transactions that are completed as of the end of the period are converted to TL by using historical foreign currency exchange rates. As at the end of the reporting dates, balances of the foreign currency denominated assets and liabilities are converted into TL by using foreign currency exchange rates of the Parent Bank and the resulting exchange differences are recorded as foreign exchange gains and losses. The Parent Bank's foreign currency exchange rates used in valuations as of the period ends are as follows:

	<b>30 June 2024</b>	<b>31 December 2023</b>	<b>30 June 2023</b>
US Dollar	TL 32,8262	TL 29,4382	TL 25,8231
Euro	TL 35,1284	TL 32,5739	TL 28,1540

**Foreign exchange gains and losses included in the net profit and loss**

As of 30 June 2024, net foreign exchange gain included in the statement of profit or loss amounts to TL 5.071.500 (1 January - 30 June 2023: TL 4.402.562 net foreign exchange loss).

**Total amount of valuation fund arising from foreign currency exchange rate differences**

Parent Bank has translated the assets and liabilities of its FC subsidiaries within the scope of consolidation from the period-end closure exchange rate and has converted the income and expense items to Turkish Lira using annual average Parent Bank rates. Translation difference profit/loss amounts arising from the conversion of statements of profit or loss of the consolidated subsidiaries to Turkish Lira and the Turkish Lira equivalent of their equities as well as the “Subsidiaries” amounts accounted for at the Parent Bank are accounted in the consolidated financial statements under “Other Accumulated Comprehensive Income That Will Be Reclassified in Profit or Loss”.

Total of the relevant conversion differences are TL 35.389.316 as of 30 June 2024 (30 June 2023: TL 31.711.236).

The foreign exchange difference of TL 445.899 (31 December 2023: TL 487.275) arising from the translation of the financial statements of Bahrain branch of the Parent Bank to Turkish Lira in accordance with TAS 21 has been recorded under “Other Accumulated Comprehensive Income That Will Be Reclassified in Profit or Loss”.

In order to hedge the foreign exchange rate risk arising from the foreign currency subsidiaries of the DFS Group, a net investment hedging strategy is applied. The same amounts of foreign currency deposits are designated as hedging instruments and the effective portion of the change caused by the change in exchange rate of these financial liabilities is recognised in hedge funds account under equity.

**III. Information regarding the consolidated subsidiaries**

Consolidated financial statements have been prepared in accordance with TFRS 10, the “Turkish Accounting Standard for Consolidated Financial Statements”.

Deniz Yatırım Menkul Değerler A.Ş. (Deniz Yatırım), Deniz Portföy Yönetimi A.Ş. (Deniz Portföy), Denizbank AG, JSC Denizbank, Deniz Finansal Kiralama A.Ş. (Deniz Leasing), Deniz Faktoring A.Ş. (Deniz Faktoring), Deniz Gayrimenkul Yatırım Ortaklığı A.Ş. (Deniz GYO) CR Erdberg Eins GmbH & Co KG (CR Erdberg) and Fastpay Elektronik Para ve Ödeme Hizmetleri A.Ş. (“Fastpay”) shares of which are owned directly or indirectly by the Parent Bank are the subsidiaries included to the full scope consolidation.

DFS Funding Co. is the structured entity established for the Parent Bank’s securitization transactions, and consolidated in the accompanying consolidated financial statements. The Parent Bank or any of its subsidiaries do not have any shareholding interests in this company.

Among the subsidiaries of the Parent Bank, Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş. (“Intertech”) and Deniz Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş. (“Deniz Kültür”) and its affiliate controlled together, Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (“Bantaş”); Intertech’s subsidiary Açık Deniz Radyo ve Televizyon İletişim Yayıncılık Ticaret ve Sanayi A.Ş. and Neohub Teknoloji Yazılım Pazarlama ve Danışmanlık A.Ş.; Deniz Yatırım’s subsidiary Ekspres Gayrimenkul Turizm Yatırım İşletme ve Ticaret A.Ş. (“Ekspres Gayrimenkul”); Denizbank AG’s subsidiary Deniz Immobilien Service GmbH (“Deniz Immobilien”) have not been included to the consolidation since they are non-financial subsidiaries.

**Important changes in consolidated subsidiaries during the period**

None.

**Consolidation principles of the subsidiaries**

Subsidiaries are the entities whose capital or management is controlled directly or indirectly by the Parent Bank. Subsidiaries are consolidated through the full consolidation method.

Control is considered as possessing power of the Bank over an investment in a legal entity, being exposed to variable returns due to its relationship with the legal entity invested, or having the right to use in these returns, and having the ability to use its power over the investee to influence the amount of returns.

This method aims to combine hundred percent of the assets, liabilities, income, expenses and off-balance sheet items of the subsidiaries included in the consolidated financial statements with the assets, liabilities, income, expenses and off-balance sheet items of the Parent Bank and to present minority rights as separate items in the balance sheet and the statement of profit or loss.

The carrying amount of the Parent Bank’s investment in each subsidiary has been settled with the portion of the Parent Bank in the equity of the subsidiaries.

All intercompany transactions and intercompany balances between the consolidated subsidiaries and the Parent Bank are eliminated.

Financial statements used in the consolidation are prepared as of 30 June 2024 and in order to ensure the application of the identical accounting policies for similar transactions and events in similar circumstances, necessary adjustments were made on these financial statements of the subsidiaries considering the materiality level.

#### **IV. Explanations on forward and option contracts and derivative instruments**

DFS Group's derivative transactions mainly consist of foreign currency and interest rate swaps, foreign currency options and foreign currency forward contracts.

In accordance with TFRS 9, forward foreign currency purchase/sale contracts, swaps, options and futures are classified as "Derivative Financial Assets/Liabilities at Fair Value Through Profit or Loss". Derivative transactions are recorded with their fair values at contract date. Also, the notional amounts of liabilities and assets arising from the derivative transactions are recorded in off-balance sheet items at their contractual amounts.

Derivative transactions are valued at fair value subsequent to initial recognition and are presented in the "Derivative Financial Assets/Liabilities at Fair Value Through Profit or Loss" items of the consolidated balance sheet depending on the positive or negative fair value amounts. Gains and losses arising from the change in the fair value are recognised in the statement of profit or loss. Fair value of derivatives are calculated either by marking the fair values in the market or by using the discounted cash flow model.

#### **V. Explanations on interest income and expenses**

Interest income and expenses are recognised by applying the effective interest method. DFH Group tracks the accruals and rediscounts of non-performing receivable balances until the moment they are transferred to the follow-up accounts in the loan accrual/rediscount accounts in accordance with the Uniform Chart of Accounts ("UCA"). After loans are classified as non-performing loans, no rediscount calculation is made.

#### **VI. Explanations on fee and commission income and expenses**

Fee and commission income and expenses are recognised on an accrual basis or via effective interest method and in accordance with TFRS 15 "Revenue from Customer Contracts Standard" and with their nature, other than the fee and commission incomes in respect of certain banking transactions which are recognized as income as they are collected. Incomes gained through contracts or through services related to transactions such as the purchase or sale of assets for a third real or legal person are recognised as income at the time of collection.

#### **VII. Explanations on financial assets**

DFS Group classifies and recognises its financial assets as "Financial Assets at Fair Value through Profit / Loss", "Financial Assets at Fair Value through Other Comprehensive Income" or "Financial Assets measured at amortised cost". These financial assets are recognised or derecognised in accordance with the "Recognition and Derecognition from Financial Statements" under the third section of TFRS 9 regarding the classification and measurement of financial instruments, published in the Official Gazette dated 19 January 2017 and numbered 29953 by POA. Financial assets are measured at their fair values at initial recognition in the financial statements. In the initial measurement of financial assets other than "Financial Assets at Fair Value through Profit / Loss", transaction costs are added to the fair value or deducted from the fair value.

DFS Group includes a financial asset in the statement of financial position only when it becomes a party to the contractual terms of the financial instrument. During the initial recognition of a financial asset the business model determined by the Parent Bank management and the nature of the contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Parent Bank management is changed, all affected financial assets are reclassified and reclassification is applied prospectively. In such cases, no adjustments are made to the gain, loss or interest previously recognised in the financial statements.

##### **a. Financial assets at fair value through profit or loss**

"Financial assets at fair value through profit or loss" are financial assets other than those are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; 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 the fair value through profit or loss are initially recognised at fair value and remeasured at their fair value after initial recognition. All gain and loss arising from these valuations are reflected in the statement of profit or loss.

**b. Financial assets at fair value through other comprehensive income**

In addition to Financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows those are solely payments of principal and interest at certain dates are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognised 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 statement of profit or loss. "Unrealised gains and losses" arising from the difference between the amortised cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the statement of profit or loss 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 "Other Accumulated Comprehensive Income or Expense to be Reclassified through Profit or Loss" under shareholders' equity. When these securities are collected or disposed, the accumulated fair value differences reflected in the equity are reflected to the statement of profit or loss.

Equity securities, which are classified as financial assets at fair value through other comprehensive income, that have a quoted market price in an active market and whose fair values can be reliably measured are carried at fair value. Equity securities that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are carried at cost, less provision for impairment.

During initial recognition, the entity may make an irrevocable decision to present subsequent changes in the fair value of the investment in an equity instrument that is not held for trading purposes under the other comprehensive income. If this decision is made, dividends received from such investment are recognised under profit or loss in the financial statements.

**c. Financial assets measured at amortised cost**

When the financial assets are held under business model aimed to collect contractual cash flows and contractual terms of the financial assets include solely payments of principal and interest in certain dates, the financial asset is classified as financial assets measured at amortised cost.

Financial assets measured at amortised cost are initially recognised at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognised at amortised cost by using "effective interest rate (internal rate of return) method" following their recognition. Interest income obtained from financial assets measured at amortised cost is accounted in the statement of profit or loss.

Parent Bank's portfolio of financial assets at fair value through other comprehensive income and the financial assets measured at amortised cost includes CPI indexed government bonds with a maturity of 5 - 10 years and which the real coupon rates of 6 months are fixed throughout the maturity. As stated by the undersecretariat of Treasury in CPI indexed investor guide, the reference indexes used in the calculation of the actual coupon payment amounts of these securities are formed according to the CPI indexes of two months prior to the coupon payment date. The Parent Bank predicts the estimated inflation rate in parallel to those. The estimated inflation rate used is updated when necessary during the year. In this context, as of 30 June 2024, the valuation of these securities was made according to the annual forecast of 48% inflation.

**VIII. Explanations on expected credit loss**

As of 1 January 2018, the Bank allocates provision for expected credit loss on financial assets measured at amortised cost and measured at fair value through other comprehensive income, also loan commitments and non-cash loans that are not carried at fair value through profit or loss in accordance with TFRS 9 'Financial Instruments' standard requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750.

The provision for expected credit loss is weighted according to the probabilities determined by taking into consideration possible results and reflects the time value of money as an unbiased amount, past events, current conditions and forecasts of future economic conditions as reasonable and supportable information that can be obtained without incurring excessive cost or effort at the reporting date.

According to TFRS 9, it is evaluated whether there is a significant increase in credit risk at each reporting date after the initial recognition of each financial instrument for which impairment is required to be evaluated.

The provision for expected credit loss calculation is performed to estimate the loss that the financial instrument will incur in the case of default.

Financial instruments are allocated to one of the following stages due to the deterioration in loan quality at initial recognition:

**Stage 1:** Financial instruments for which a 12-month provision for expected credit loss is calculated and no significant increase in credit risk is detected;

**Stage 2:** Financial instruments with a significant increase in credit risk and the provision for expected credit loss calculated for lifetime;

**Stage 3:** Impaired, non-performing (defaulted) loans.

### **Significant increase in credit risk**

Qualitative and quantitative evaluations are made in determining the significant increase in credit risk.

#### *Qualitative evaluation:*

If any of the following conditions are met as a result of qualitative evaluation, the relevant financial asset is classified as Stage 2 (significant increase in credit risk).

As of the reporting date,

- Lifetime expected credit losses are applied on an account basis for customers whose delay reaches 30 days. The Bank does not enforce this estimate only when it has positive, reasonable and supportable information about the customer repayment.
- In case a loan is restructured, it is monitored in Stage 2 during the monitoring period specified in the relevant regulations starting from the date of structuring. At the end of the monitoring period, if there is no significant deterioration in the loan, the transaction can be moved back to Stage 1.
- Existence of indemnified non-cash loans are considered as a significant risk increase.

#### *Quantitative evaluation:*

The significant increase in credit risk is quantitatively based on comparing the probability of default calculated at the opening of the loan with the probability of default on the same reporting date.

The financial instruments in Stage 1 are financial instruments that has been recognised for the first time in the financial statements or do not have a significant increase in the credit risk after the initial recognition in the financial statements. For these instruments, credit risk impairment provision is calculated as the provision for expected credit loss for 12-month default risk from the reporting date.

After the initial recognition, if a significant increase is observed in the credit risk and result of the provision for credit risk impairment for the financial instruments mentioned in Stage 2 is calculated as the provision for expected credit loss over the default risk through the remaining life from the reporting date.

Financial instruments in Stage 3 are assumed to be defaulted and therefore impaired. For such financial instruments, provision is calculated based on the expected lifetime credit loss.

Loans belonging to customers included in the scope of the “Financial Restructuring Framework Agreement” are classified regardless of the past due days criterion.

The provision for expected credit loss is calculated either as collectively or individually.

Financial instruments bearing common credit risk characteristics are grouped for provision for expected credit loss calculated collectively.

In the Parent Bank, grouping of credit risks according to common characteristics was made according to their ‘risk segments’. The standards for the classification of credit risks by risk segments have been prepared in accordance with the Basel II recommendations for the assessment of capital adequacy based on credit risk in the context of the standard internal rating-based approach (“IRB”). The purpose of classifying credit risks according to risk segments is to determine the approach for analyzing and evaluating credit risk for the relevant risk segment.

The credit risk classification is as follows:

- Segment classification for non-retail loans are made based on all risks of the counterparty and the loan products requested by the counterparty, at the counterparty level and it is ensured that a counterparty is classified in a single risk segment;
- Segment classification for retail loans is based on both product level and counterparty characteristics. This means that counterparty’s credit risks can be classified into different risk segments.

The main groupings on the basis of risk segment for the calculation of provision for expected credit loss are as follows:

- Corporate / Commercial loans
- Medium enterprises (ME) loans
- Small enterprises (SE) loans
- Agricultural loans
- Consumer loans
- Mortgage loans
- Vehicle loans
- Overdraft
- Credit cards
- Loans granted to local governments
- Project financing loans
- Central administrations
- Banks

The provision for expected credit loss assessed collectively are calculated by using the components such as exposure at default (EAD), probability of default (PD), loss given default (LGD) and effective interest rate of the loan.

#### **Exposure at default**

The amount of default is the expected economic receivable amount at the time of default.

In order to calculate the provision for expected credit loss, the EAD value of each loan is calculated by discounting the expected principal and interest payments from the future dates to the reporting date using the effective interest rate. The loan conversion rate is also applied to the EAD value.

#### **Probability of default**

Probability of default indicates the probability of default of the borrower within a certain period of time.

There are two types of PD values calculated in accordance with TFRS 9 requirements:

- 12-month PD: Estimation of the probability of default within 12 months after the reporting date of the financial instrument.
- Lifetime default probability: Estimation of the probability of default over the remaining life of the financial instrument.

The credit ratings, which are the outputs of the internal rating systems used by the Parent Bank in the loan allocation processes are used to classify customers in the calculation of provision for expected credit loss.

Internal rating systems used for non-retail customers are mainly divided into Corporate/Commercial, ME, SE and Agriculture model groups. Internal ratings in the Corporate/Commercial and ME model groups take into account the qualitative evaluation elements along with the quantitative characteristics of the customer such as indebtedness, liquidity and size. Internal ratings in the SE and Agriculture model groups reflect behavioural information, such as the trend of the customer's total limit utilisation rate within the banking sector, overdraft product life at the Parent Bank, or the recent frequency of delays in loan payments.

Internal rating systems for individual customers also differ at the level of Consumer, Mortgage, Vehicle Loans, Overdraft and Credit Card product groups. In order to generate these scores, behavioural data such as customer's trend in limit utilisation rate in the Bank and sector, frequency of current delays, cross-product ownership and payment routine of other products are used.

In the first step, the outputs of internal rating systems for PD calculations in accordance with TFRS 9 are grouped on the basis of risk segments according to common characteristics of credit risks. Retrospective historical default data of these groups have been prepared.

In order to generate reasonable and valid accumulated default rates, a bucket generation analysis has been performed for the default data obtained from the model.

PD curves have been generated by regression method using the suitable statistical distribution from the data obtained for the buckets generated. The resulting PD values have been converted into 'point-in-time' PD values in accordance with TFRS 9 since they represent PD values 'throughout the life cycle'. In the last step, prospective macroeconomic expectations have been reflected in the PD.

For credit risk groups those do not have sufficient historical default data, external default statistics or minimum PD rates in Basel documentation are used.



Internal validation of the process described above is carried out at the end of each year.

#### **Loss given default**

Loss given default define the economic loss to be incurred by the debtor in case of default, proportionally.

For the purpose of calculating the provision for expected credit loss, two types of LGD rate are calculated: LGD ratio for the unsecured credit risk and LGD ratio for the secured credit risk.

LGD ratio for unsecured credit risk is calculated by using the Parent Bank's collection data in the previous periods and is grouped on the basis of risk segments according to the common characteristics of credit risks.

The following TFRS 9 requirements have been taken into consideration for the LGD ratio calculation for unsecured credit risk:

- Long-term LGD is used (excluding regression effect is excluded)
- Conservative approach is excluded, if any
- Indirect costs are excluded, if any
- The figures obtained are discounted by the effective interest rate

The LGD ratio for secured loan risk is calculated by considering the collateral structure for each loan. To calculate this ratio, the consideration rates and liquidation periods for each type of collateral and effective interest rates of the loan to which the collateral belongs are used are determined by the Parent Bank for each type of collateral. Historical data have been used to determine the relevant consideration rates and liquidation periods; if these data are not available, the best estimates are used.

For unsecured credit risk groups that do not have sufficient historical collection data, the standard rate in Basel documentation is used.

Internal validation of the process described above is carried out at the end of each year.

#### **Effective interest rate**

The effective interest rate is the discount rate that equals the future expected cash payments and collections those are expected to occur over the expected life of the financial asset or liability to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

#### **Discrete (individual) assessment**

In addition to the provision for expected credit loss collectively calculated, a provision for expected credit loss based on the individual evaluation of the financial instruments exceeding a certain risk or within the scope determined by the Bank management are calculated. The calculation has been performed using at least two scenarios for each financial instrument in accordance with the discounted cash flow method in accordance with the "Guidelines on the Calculation of Provision for Expected Credit Loss under TFRS 9" announced by BRSA to banks on 26 February 2018 and the internal policies. The final provision for expected credit loss of the financial instrument is calculated by weighing the provision for expected credit loss calculated for the related scenarios with the probability of occurrence of these scenarios.

Apart from the expected loan loss provisions, the affected portfolios are determined and additional expected loan loss provisions are calculated in order not to ignore the extraordinary situations that did not occur during the consideration periods of the Bank's model.

#### **Low credit risk**

In accordance with TFRS 9, the financial instrument's credit risk is considered to be low given the fact that the default risk of the financial instrument is low, the borrower has a strong structure to meet the contractual cash flow obligations in the short term, and the negative changes in the economic conditions and operating conditions in the longer term reduce the borrower's ability to fulfil the contractual cash flow obligations, but this is not considered to be happening in a large context.

It has not been concluded that financial instruments have a low credit risk only if the risk of loss of the financial instruments is considered low because of the value of the collateral and if the credit risk of the related financial instrument is not considered low without this collateral.

Furthermore, it is not considered that the financial instruments have low credit risk just because the establishment has less risk than other financial instruments or the credit risk of the region in which it operates.

In the case of low risk determination of any financial instrument and also assuming that the loan risk does not increase significantly after the first recognition in the financial statements, the relevant financial instrument is evaluated in Stage 1.

Financial instruments considered as having low credit risk under TFRS 9 are as below:

- Receivables from CBRT.
- Risks where the counterparty is the Republic of Turkey’s Treasury
- Loans granted to subsidiaries of the main shareholder
- Transactions with banks with AAA rating

#### **Forward macroeconomic information**

The Parent Bank uses models to reflect macroeconomic expectations in the assessment of significant increase in credit risk and expected credit loss calculation. These models differ according to risk segments and products. In forward-looking expectations, three different scenarios as base, pessimistic and optimistic are taken into account in proportion to their assigned realization probabilities. For periods beyond the macroeconomic forecast length, the long-term average of default is included in the calculation.

Macroeconomic variables considered in the models used; Gross Domestic Product (GDP) growth rate, unemployment rate, 3-month Treasury bill yield rate, 5-year CDS Premium, USDTRY and EURTRY parities. Models are reviewed annually, renewed for segments deemed necessary and subjected to validation process.

The Parent Bank has reflected its future expectations to the expected credit loss calculation in the financial statements, with the current economic conditions taking into account possible different scenarios and management evaluation. The work carried out will be reviewed periodically in the future and updated according to expectations.

#### **Participation of senior management in TFRS 9 processes**

Within the scope of the internal systems, risk management, corporate governance and regulations on the classification of loans and reliable loan risk applications issued in accordance with Banking Law No. 5411 and pursuant to the Article 20 of the “Regulation on Procedures and Principles Regarding Classification of Loans and Provisions to be Reserved” published in the Official Gazette dated 22 June 2016 and No. 29750, ‘TFRS 9 Management Committee’ has been established in accordance with the “Guidelines on the the Calculation of Provision for Expected Credit Loss under TFRS 9“ (‘Good Practice Guide’) prepared by BRSA.

In accordance with TFRS 9, the Committee is responsible for the control of the classification and measurement of financial instruments, the approval of business models, and the control of an adequate calculation of the provision for expected credit loss. Committee is also responsible for controlling the establishment and maintenance of the Parent Bank’s current policies and processes in accordance with TFRS 9 and related good practice guidelines.

The Committee is responsible for ensuring that the provision for expected credit loss are based on reliable and robust methods, that these methods are documented, developed, timely updated and are properly accounted.

The members of the Committee are Executive Board Member responsible for Loans, Assistant General Manager responsible for Financial Affairs, Assistant General Managers responsible for the duties of the Board Member responsible for loans and Assistant General Manager responsible for Risk.

### **IX. Explanations on offsetting financial instruments**

Financial assets and liabilities are presented on a net basis on the balance sheet when the Group has a legally enforceable right to offset the recognised amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realise the asset and settle the liability simultaneously.

### **X. Explanations on sale and repurchase agreements and transactions related to the lending of securities**

Government bonds and treasury bills sold to customers under repurchase agreements are classified under “Financial Assets at Fair Value through Profit or Loss”, “Financial Assets at Fair Value through Other Comprehensive Income” and “Financial Assets Measured at Amortised Cost” according to the purpose of retaining the asset in the accompanying consolidated balance sheet and are subjected to valuation as per the valuation principles of the relevant portfolio. Funds obtained from repurchase agreements are presented in the liabilities of the consolidated balance sheet in “Receivables from money market” line. The accrual amounts corresponding to the period is calculated for the part of the difference between the sales and repurchase prices determined by the relevant repo agreements. Accrued interest expenses calculated for funds obtained from repurchase agreements are presented in “Due to money markets” account in liability part of the consolidated balance sheet.

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Securities purchased with resale commitments are presented under “Due from money markets” line in the balance sheet. The accrual amounts for the corresponding part to the period of the resale and repurchase price difference determined in reverse repurchase agreements are calculated using the effective interest method. The Parent Bank has no securities which are subject to borrowing activities.

**XI. Explanations on non-current assets held for sale and from discontinued operations and liabilities related to these assets**

Non-current asset held-for-sale consist of tangible assets acquired with respect to non-performing loans, and are recognised in the financial statements in accordance with “TFRS 5 Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations”.

A discontinued operation is a part of a bank that is either disposed of or classified as held for sale. It refers to a separate main line of business or geographical region of activities. It is part of the sale of a separate main line of business or geographical area of activities under a coordinated plan alone or a subsidiary acquired exclusively with a view to resale.

Eurodeniz International Banking Unit Ltd., one of the Bank's subsidiaries, has entered into the liquidation process and the process was finalized as of 26 June 2024.

	Current Period	Prior Period
<b>Assets/Liabilities Related to Discontinued Operations</b>		
Loans (Net)	--	--
<b>Other</b>	--	--
<b>Assets Related to Discontinued Operations</b>		
Deposits	--	--
<b>Liabilities Related to Discontinued Operations</b>		
	--	--
	Current Period	Prior Period
<b>Income and Expenses from Discontinued Operations</b>		
Net interest income	--	2.755
Net fees and commission income	--	(32)
Trading profit/loss net	--	53.446
Other operating income	--	1.940
Expected credit loss (-)	--	(645)
Other operational expenses	--	(3.227)
<b>Profit/loss before tax from discontinued operations</b>	--	<b>54.237</b>
Deferred tax expense from discontinued operations	--	13.674
<b>Discontinued Operations Net Profit/Loss for the Period</b>	--	<b>40.563</b>

**XII. Explanations on goodwill and other intangible assets**

**a. Goodwill**

Goodwill represents the excess of the total acquisition costs over the shares owned in the net assets of the acquired company at the date of acquisition. The “net goodwill” resulted from the acquisition of the investment and to be included in the consolidated balance sheet, is calculated based on the financial statements of the investee company as adjusted according to the required accounting principles. Assets of the acquired company which are not presented on financial statements but separated from goodwill at fair values of tangible assets (credit card brand value, customer portfolio etc.) and/or contingent liabilities to financial statements in process of acquisition.

In accordance with “TFRS 3 - Business Combinations”, the goodwill is not amortised, instead it is annually tested for impairment or more frequently when changes in circumstances indicate impairment according to “Turkish Accounting Standard 36 (TAS 36) - Impairment of Assets”.

**b. Other intangible assets**

Intangible assets are initially recognised in accordance with TAS 38 “Intangible Fixed Assets” at the cost value including acquisition costs and other direct expenses necessary to make the asset usable. Intangible assets are valued at amounts remaining after deducting accumulated depreciation and any accumulated impairment losses from the cost value in the period following their recognition.

Intangible fixed assets consist of software programs, license rights, data/telephone lines and the customer portfolio values of credit cards and individual loans.

Intangible fixed assets acquired before 1 January 2003 and after 31 December 2006 are amortised according to straight-line method, whereas those received between these dates are amortised according to declining balance method. The useful life of the assets is determined by assessing the expected useful life of the asset, technical, technological or other types of obsolescence and maintenance costs necessary to obtain the expected economic benefit from the asset.

Maintenance costs related to the computer software currently in use are expensed in the period in which they occur.

**XIII. Explanations on tangible assets**

While DFS Group was accounting all of its tangible fixed assets at cost in its records in accordance with TAS 16 “Tangible Fixed Assets” standard, as of 31 December 2016, the revaluation model has been adopted for the valuation of real estate in use, which is accounted under tangible fixed assets. The positive difference between the real estate values in the appraisal reports prepared by licensed valuation companies and the net book value of the relevant real estate are accounted in the equity accounts, and the negative differences are accounted in the income statement.

	Estimated Economic Life (Year)	Depreciation Rate %
<b>Movables</b>		
- Office machinery	4	10 - 50
- Furniture and fixtures	5	10 - 50
- Motor vehicles	5	20 - 50
- Other equipment	10	2,50 - 50
<b>Real estate</b>	50	2 - 3,03

Maintenance and repair costs incurred for a tangible asset are recognised as expense. The capital expenditures which expand the capacity of the tangible asset or increase the future benefit of the asset are capitalized on the cost of the tangible asset.

There are no pledges, mortgages and other measures or commitments given for the purchase of tangible fixed assets.

The office building with a total of 11.099,39 m2 of land including the building and all annexes registered and not registered in the title deed, located at the address of Büyükdere Street, No:141 Esentepe, Şişli, İstanbul, which is currently used as the Headquarter building by the Bank, and is registered in the parcel number 7, block 2011, Şişli town, Mecidiyeköy district, İstanbul province, and has 33 floors in addition to 6 basements, thus a total of 39 floors and a usable area of 106.080 m2 was purchased by the Bank on 17 April 2024 for a price of TL 11.584.751.750 + VAT.

**XIV. Explanations on 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” and they are valued with fair value method. 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.

Investment property is derecognised through disposal or withdrawal from use and when no future economic benefit is expected from its disposal. Gains or losses arising from the disposal of investment property are recognised in profit or loss in the period in which they occur.

**XV. Explanations on leasing transactions**

Fixed assets acquired through financial leasing are classified as tangible assets and depreciated in line with the related fixed assets group. The obligations arising from the lease contracts are presented under “Lease Liabilities” under liabilities. Interest expenses and foreign exchange differences related to leasing activities are reflected to the statement of profit or loss.

DFS Group has finance lease transactions as “Lessor” via its subsidiary, Deniz Leasing. The lease receivables related to leased assets are recorded as finance lease receivables. The asset subject to the financial leasing is presented in the balance sheet as receivable equal to the net leasing amount. Interest income is recognised over the term of the lease using the net investment method which reflects a constant periodic rate of return and the unrecognised portion is followed under unearned interest income account.

With the “IFRS 16 Leases” standard effective from 1 January 2019, the difference between operating leases and financial leases has been eliminated and the leasing transactions have been presented under “Liabilities from Leasing Operations”.

## **XVI. Explanations on provisions and contingent liabilities**

Specific and general provisions for loans and other receivables as well as the provisions and contingent liabilities other than the provisions for possible risks are recognised in accordance with TAS 37 “Provisions, Contingent Liabilities and Contingent Assets” standard; provisions are recognised immediately when they arise as a result of past events and DFS Group estimates the amount of the liability and reflects this amount in the consolidated financial statements. It is considered “Contingent” in cases where the amount of the obligation cannot be estimated. For contingent liabilities; if the probability of the realisation of the condition is higher than the probability of non-realisation and can be measured reliably, a provision is recognised; and where they are not able to be measured reliably or there is no probability of realisation of the condition or less than the probability of non-realisation, such liabilities are disclosed in the footnotes.

## **XVII. Explanations on obligations for employee benefits**

The Parent Bank recognises employee benefits in accordance with TAS 19 “Employee Benefits” standard.

The Parent Bank in accordance with existing legislation in Turkey, is liable to pay retirement and notice payments to each employee whose employment is terminated due to reasons other than resignation or misconduct. Except to this extent, the Parent Bank is liable to pay severance payment to each employee whose employment is terminated due to retirement, death, military service and to female employees following their marriage within one year leave the job of their own accords pursuant to Article 14 of the Labour Law.

In accordance with TAS 19, DFS Group recognises provision by estimating the present value of the probable future obligation of severance pay. Actuarial gains and losses arising after 1 January 2013 are accounted for under equity in accordance with revised TAS 19.

DFS Group has recognised vacation pay liability amount which is calculated from unused vacation to financial statement as a provision.

## **XVIII. Explanations on tax applications**

### **a. Current tax**

In accordance with the “Law No. 7456 on the Creation of Additional Motor Vehicle Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amending Certain Laws and the Decree Law No. 375” published in the Official Gazette dated 15 July 2023; the 25% corporate tax rate applicable to banks, financial leasing, factoring, financing and savings finance companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies is 30%. The 20% corporate tax rate applicable to other companies has been increased to 25%. The tax rate change in question will be valid for the profits of companies in 2023 and subsequent taxation periods, starting from the returns that must be submitted as of 01/10/2023.

With Tax Procedure Law Circular/115, the deadlines for some tax returns to be submitted as of 1 April 2019 have been extended until a new determination is made. With the said circular, the corporation tax declaration can be declared from the first day of the fourth month to the evening of the last day following the month in which the relevant accounting period is closed.

The provision for corporate tax for the period is reflected as the “Current Tax Liability” in the liabilities and “Current Tax Provision” in the statement of profit or loss.

In accordance with the Corporate Tax Law, carry forward tax losses shown on the declaration can be deducted from the corporate tax base for up to five years. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Besides institutions reside in Turkey, dividends paid to the offices or the institutions earning through their permanent representatives in Turkey are not subject to withholding tax. According to the decision no. 4936 of the Presidential Decision published in the Official Gazette no. 31697 dated 22 December 2021, article 94 of the Income Tax Law No. 193 and certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no.5520 are revised. In this respect, the withholding tax rate applied to the dividend payments made to non-resident companies, tax-exempt narrow and full taxpayer institutions/real persons, limited and full taxpayer real persons, excluding non-residents who earn income through a workplace or their permanent representative in Turkey is 10%. While applying the withholding tax rates on dividend payments to the foreign based institutions and the real persons, the withholding tax rates covered in the related Avoidance of Double Taxation Treaty are taken into account. Addition of profit to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The foreign subsidiaries of DFS Group that operate in Austria and the Russian Federation are subject to corporate tax rates of 23% and 20%, respectively.

Tax effects related to transactions recognised directly in equity are also recognised in equity.

According to the TRNC Corporate Tax Law No. 41/1976, as amended, corporate earnings (including foreign corporations) are subject to 10% corporate tax and 15% income tax according to the Income Tax Law. Corporate tax is calculated based on the income earned by taxpayers within an accounting period. The tax base is determined by adding the expenses that are not allowed to be deducted by law to the commercial income of the institutions and by applying the exemptions and deductions in the tax laws. The right of deduction of losses stipulated in the Corporate Tax Law, the right to investment allowances stipulated in the income tax legislation and the depreciation prescribed in the tax legislation are granted to corporations that certify the balance sheet, profit and loss statement and business accounts for the calculation of corporate tax without having them prepared and certified by an accountant and auditor authorized by the Ministry of Finance, and that corporations' rights are not recognized. Tax may be requested to any taxable institution within seven years following the taxation period, in cases where tax has not been assessed in previous years or if it is revealed that tax has been assessed less than the amount required to be paid. Corporate tax returns are declared to the tax office in the April following the closing date of the accounting period. Corporate tax is paid in two equal installments, one in May and the other in October. According to the decision of the TRNC Council of Ministers dated 25 March 2020, provisional taxes are calculated and paid quarterly at a tax rate of 15% on the financial earnings of that year. Provisional taxes paid during the year can be offset against the taxes calculated on that year's annual corporate tax return.

According to the temporary article 33 added to the Tax Procedure Law by Law No. 7352 published in the Official Gazette dated 29 January 2022; It has been considered that the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met or not. The profit/loss difference resulting from the inflation adjustment will be shown in the previous years' profit/loss account; It has been determined that the previous year's profit determined in this way will not be subject to tax, and the previous year's loss will not be accepted as loss. Although the Banks will apply inflation accounting together with the financial leasing, factoring, savings finance companies, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance - reinsurance companies, pension companies and other taxpayers within the scope, there will be no tax consequences as a result of the correction in these institutions.

**b. Deferred tax**

The Group calculates and recognises deferred tax in accordance with TAS 12 "Income Taxes" for the temporary differences between the accounting policies and valuation principles applied and the tax basis determined in accordance with the tax legislation.

The deferred tax assets and liabilities of the entities included in the consolidation have been netted within themselves and have not been netted in the consolidated balance sheet. As a result of this, deferred tax asset amounting to TL 10.545.992 as of 30 June 2024 (31 December 2023: TL 4.441.916) and deferred tax liabilities amounting to TL 859.825 (31 December 2023: TL 1.436.432) have been recognised in the accompanying financial statements.

The deferred tax liability is calculated for all taxable temporary differences whereas deferred tax assets arising from deductible temporary differences are calculated provided that it is highly likely to benefit from these differences in the future by generating taxable profit.

Deferred taxes directly related to equity items are recognised and offset in related equity accounts.

In deferred tax calculations, 30% rate is used for corporations in Turkey (31 December 2023: 30%).

**c. Transfer pricing**

In the framework of the provisions on “Disguised Profit Distribution Through Transfer Pricing” regulated under article 13 of Corporate Tax Law no. 5520, pursuant to the Corporate Tax Law General Communiqué no. 1, which became effective upon its promulgation in the Official Gazette dated 3 April 2007 and numbered 26482, Corporate Tax Law General Communiqué no. 3, which became effective upon its promulgation in the Official Gazette dated 20 November 2008 and numbered 27060, Council of Ministers Decree no. 2007/12888, which became effective upon its promulgation in the Official Gazette dated 6 December 2007 and numbered 26722, Council of Minister Decree no. 2008/13490, which became effective upon its promulgation in the Official Gazette dated 13 April 2008 and numbered 26846, “General Communiqué No. 1 on Disguised Profit Distribution Through Transfer Pricing”, which became effective upon its promulgation in the Official Gazette dated 18 November 2007 and numbered 26704 and “General Communiqué No. 2 on Disguised Profit Distribution Through Transfer Pricing”, which became effective upon its promulgation in the Official Gazette dated 22 April 2008 and numbered 26855, “General Communiqué No. 3 on Disguised Profit Distribution Through Transfer Pricing”, which became effective upon its promulgation in the Official Gazette dated 7 December 2017 and numbered 30263 and the Communiqué on the Amendment of the "General Communiqué on Disguised Profit Distribution through Transfer Pricing" no. 1, which became effective after being published in the Official Gazette dated 01 September 2020 and numbered 31231, profits shall be deemed to have been wholly or partially distributed in a disguised manner through transfer pricing if companies engage in the sales or purchases of goods or services with related parties at prices or amounts defined contrary to the arm's length principle. Buying, selling, manufacturing and construction operations and services, renting and leasing transactions, borrowing or lending money, bonuses, wages and similar payments are deemed as purchase of goods and services in any case and under any condition.

Corporate taxpayers are obliged to fill in the “The Form on Transfer Pricing, Controlled Foreign Corporation and Thin Capital” regarding the purchases or sales of goods or services they perform with related parties during a fiscal period and submit it to their tax office in the attachment of the corporate tax return.

The taxpayers registered in the Large Taxpayers Tax Administration (Büyük Mükellefler Vergi Dairesi Başkanlığı) must prepare the “Annual Transfer Pricing Report” in line with the designated format for their domestic and cross-border transactions performed with related parties during a fiscal period until the filing deadline of the corporate tax return, and if requested after the expiration of this period, they must submit the report to the Administration or those authorized to conduct tax inspection.

The organizational structure of corporate taxpayers, who are affiliated to the multinational business group and whose asset size in the balance sheet and net sales amount in the income statement are both TL 500 million and above, which are attached to the corporate tax declaration for the previous accounting period, the definition of the business activities, the intangible rights they have, it is obligatory to prepare the general report containing the financial transactions of the group and the financial and tax status of the group for the previous year until the end of the current year and submit it to the Administration or those authorized to conduct tax inspections, if requested. According to the consolidated financial statements of the previous accounting period from the reported accounting period, total consolidated group income of EUR 750 million and over multinational enterprises resident group in Turkey ultimate parent company or proxy business, the reported accounting period's income until the end of twelfth month, before tax it prepares a country-based report including profit / loss, accrued and paid corporate tax, capital, previous year profits, number of employees and tangible assets other than cash and cash equivalents, and submits it to the Administration electronically.

**XIX. Additional explanations on borrowings**

Borrowings are initially recognised at cost representing their fair value and remeasured at amortised cost based on the internal rate of return at next periods. Foreign currency borrowings have been translated using the foreign currency buying rates of the Parent Bank at the balance sheet date. Interest expense incurred for the period has been recognised in the accompanying financial statements.

General hedging techniques are used for borrowings against liquidity and currency risks. The Parent Bank, if required, borrows funds from domestic and foreign institutions. The Parent Bank also borrows funds in the forms of syndication loans and securitization loans from foreign institutions.

**XX. Explanations on issuance of share certificates**

In 2024 and 2023, the Parent Bank does not have issuance of share certificates.

**XXI. Explanations on bill of guarantee and acceptances**

Bill of guarantee and acceptances are followed-up as off-balance sheet liabilities as possible debts and commitments. Cash transactions regarding guarantee and acceptances are realised simultaneously with the customer payments.

As of the balance sheet date, there are no bill of guarantee and acceptances shown as liability against assets.

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**XXII. Explanations on government incentives**

As of the balance sheet date, DFS Group does not have any government incentives used.

**XXIII. Explanations on segment reporting**

Segment reporting is presented in Section Four, note IX.

**XXIV. Explanations on other matters**

None.

**XXV. Classifications**

Explanation is given in Section Three, note XI.



## **SECTION FOUR**

### **INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT**

#### **I. Explanations related to the consolidated shareholders' equity**

Capital and capital adequacy ratio are calculated in accordance with the "Regulation on Equities of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

With the decision of BRSA numbered 10747 dated 12 December 2023, to be implemented as of 1 January 2024;

If the net valuation differences of the securities owned by banks in the " Financial Assets at Fair Value Through Other Comprehensive Income" portfolio are negative as of 1 January 2024, these differences will be calculated in accordance with the Regulation on Banks' Equity published in the Official Gazette dated 5 September 2013 and numbered 28756 and to be taken into account in the equity amount to be used for the capital adequacy ratio, to continue to apply the existing provisions of the said Regulation for " Financial Assets at Fair Value Through Other Comprehensive Income" acquired after 1 January 2024,

In the calculation of the amount subject to credit risk in accordance with the Regulation on Measurement and Evaluation of Capital Adequacy of Banks, published in the Official Gazette dated 23 October 2015 and numbered 29511, specified in the Board Decision No. 10496 dated 31 January 2023; the application for using the foreign exchange buying rate of the Central Bank of the Republic of Turkey (Central Bank) as of 30 December 2022, calculating the valued amounts of monetary assets and non-monetary assets, other than items in foreign currency measured in historical cost, in accordance with Turkish Accounting Standards and the relevant special provision amounts implemented as of 1 January 2024, it was decided to continue using the Central Bank foreign exchange buying rate of 26 June 2023 until a Board Decision to the contrary is taken.

As of 30 June 2024 the equity of the Group amounts to TL 148.252.562 (31 December 2023: TL 118.000.985) while its capital adequacy standard ratio is 14,54% (31 December 2023: 16,47%).

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**a. Components of consolidated equity items**

	Current Period 30 June 2024	Prior Period 31 December 2023
<b>COMMON EQUITY TIER I CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	19.638.600	5.696.100
Share issue premiums	15	15
Reserves	60.290.160	32.431.354
Gains recognised in equity as per TAS	27.045.401	24.179.897
Profit	26.480.739	30.662.157
Current Period Profit	23.696.367	27.874.186
Prior Period Profit	2.784.372	2.787.971
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period	2.910	2.910
Minorities' Share	528.348	497.358
<b>Common Equity Tier I Capital Before Deductions</b>	<b>133.986.173</b>	<b>93.469.791</b>
<b>Deductions from Common Equity Tier I Capital</b>		
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	3.636.283	2.076.232
Improvement costs for operating leasing	224.744	216.019
Goodwill (net of related tax liability)	--	--
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.846.884	2.933.623
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	--	--
Differences are not recognised 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	--	--
Unrealised 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	736.729	--
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	--	--
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	--	--
Excess amount arising from mortgage servicing rights	--	--
Excess amount arising from deferred tax assets based on temporary differences	--	--
Other items to be defined by the BRSA	--	--
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	--	--
<b>Total Deductions From Common Equity Tier I Capital</b>	<b>8.444.640</b>	<b>5.225.874</b>
<b>Total Common Equity Tier I Capital</b>	<b>125.541.533</b>	<b>88.243.917</b>
<b>ADDITIONAL TIER I CAPITAL</b>		
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)	--	--
Third parties' share in the Additional Tier I capital	--	--
Third parties' share in the Additional Tier I capital (Temporary Article 3)	--	--
<b>Additional Tier I Capital before Deductions</b>	<b>--</b>	<b>--</b>
<b>Deductions from Additional Tier I Capital</b>		
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 Consolidated 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 Consolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital -	--	--
Other items to be defined by the BRSA	--	--
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill and other intangible assets and related deferred tax liabilities which will not be deducted from Common Equity Tier I 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 I 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 (-)	--	--
<b>Total Deductions From Additional Tier I Capital</b>	<b>--</b>	<b>--</b>
<b>Total Additional Tier I Capital</b>	<b>--</b>	<b>--</b>
<b>Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)</b>	<b>125.541.533</b>	<b>88.243.917</b>

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<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	11.294.356	21.703.301
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	--	--
Third parties' share in the Tier II Capital	--	--
Third parties' share in the Tier II Capital (Temporary Article 3)	--	--
Provisions (Article 8 of the Regulation on the Equity of Banks)	11.432.237	8.082.534
<b>Tier II Capital Before Deduction</b>	<b>22.726.593</b>	<b>29.785.835</b>
<b>Deductions From Tier II Capital</b>		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	--	--
Investments of Bank to Banks that invest on Bank's Tier II and components of equity issued by financial institutions with the conditions declared in Article 8.	--	--
Portion of the total of net long positions of investments made in 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	--	--
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 (-)	--	--
<b>Total Deductions from Tier II Capital</b>	<b>--</b>	<b>--</b>
<b>Total Tier II Capital</b>	<b>22.726.593</b>	<b>29.785.835</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>148.268.126</b>	<b>118.029.752</b>
<b>Deductions from Total Capital</b>		
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 Five Years	--	--
Other items to be defined by the BRSA	15.564	28.767
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>		
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 be deducted from Common Equity Tier I capital, Additional Tier I of the issued common share capital of the entity which will not be deducted from Common Equity Tier I capital, Additional Tier I capital, Tier II 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 I capital and Tier II 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 be deducted from Common Equity Tier I capital, Additional Tier I capital, Tier II 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 be deducted from Common Equity Tier I capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	--	--
<b>TOTAL CAPITAL</b>		
Total Capital ((The sum of Tier I Capital and Tier II Capital)	148.252.562	118.000.985
Total risk weighted amounts	1.019.859.321	716.464.034
<b>CAPITAL ADEQUACY RATIOS</b>		
Core Capital Adequacy Ratio (%)	12,31	12,32
Tier I Capital Adequacy Ratio (%)	12,31	12,32
Capital Adequacy Ratio (%)	14,54	16,47
<b>BUFFERS</b>		
Total additional Common Equity Tier I Capital requirement ratio	2,715	2,720
Bank specific total common equity tier I capital ratio (%)	2,500	2,500
Capital conservation buffer requirement (%)	0,215	0,220
Systemic significant bank buffer ratio (%)	--	--
The ratio of Additional Common Equity Tier I 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 (%)	1,587	1,587
<b>Amounts below the Excess Limits as per the Deduction Principles</b>		
Portion of the total of net long positions of investments in equity items of Consolidated 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 Consolidated 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	--	--
Amount arising from mortgage-servicing rights	--	--
Amount arising from deferred tax assets based on temporary differences	--	--
<b>Limits related to provisions considered in Tier II calculation</b>		
General provisions for standard based receivables (before one hundred twenty five in ten thousand limitation)	22.458.947	24.043.169
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	11.432.237	8.082.534
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	--	--
<b>Debt instruments subjected to Article 4 (to be implemented between 1 January 2018 and 1 January 2022)</b>		
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 <sup>(1)</sup>	--	--
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	--	--

(1) There are no loans included in Tier II capital related to "Temporary Article 4".

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**b. Information on debt instruments included in the calculation of equity**

Issuer	ENBD PJSC	ENBD PJSC
Unique identifier (eg CUSIP, ISIN)	Subordinated Loans	Subordinated Loans
Governing law(s) of the instrument	"Regulations on Banks' Equity " dated 5 September 2013.	"Regulations on Banks' Equity " dated 5 September 2013.
<b>Regulatory treatment</b>		
Subject to 10% deduction as of 1/1/2015	Not Deducted	Not Deducted
Eligible at solo/group/group&solo	Eligible	Eligible
Instrument type	Loan	Loan
Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	4039	7255
Par value of instrument (Currency in mil)	4039	7255
Accounting classification	3470102	3470102
Original date of issuance	02.10.2034	31.01.2034
Perpetual or dated	Dated	Dated
Original maturity date	20 years	20 years
Issuer call subject to prior supervisory approval	Yes	Yes
Optional call date, contingent call dates and redemption amount	Subject to the written approval of the Banking Regulation and Supervision Agency, repayable in full on condition that it is at fifth years of the loan is given.	Subject to the written approval of the Banking Regulation and Supervision Agency, repayable in full on condition that it is at fifth years of the loan is given.
Subsequent call dates, if applicable	None.	None.
<b>Coupons/Dividends</b>		
Fixed or floating dividend/coupon	Fixed	Fixed
Coupon rate and any related index	6,85	8,375
Existence of a dividend stopper	None.	None.
Fully discretionary, partially discretionary or mandatory	--	--
Existence of step up or other incentive to redeem	None.	None.
Noncumulative or cumulative	--	--
<b>Convertible or non-convertible</b>		
If convertible, conversion trigger (s)	May be fully or partially extinguished principal amount and interest payment liabilities of loan or converted into capital in accordance with the related regulations in the case that the operation authorization of the Bank is revoked or in the event of an occurring possibility that the Bank may be transferred to the Fund.	May be fully or partially extinguished principal amount and interest payment liabilities of loan or converted into capital in accordance with the related regulations in the case that the operation authorization of the Bank is revoked or in the event of an occurring possibility that the Bank may be transferred to the Fund.
If convertible, fully or partially	Convertible fully.	Convertible fully.
If convertible, conversion rate	--	--
If convertible, mandatory or optional conversion	--	--
If convertible, specify instrument type convertible into	--	--
If convertible, specify issuer of instrument it converts into	--	--
<b>Write-down feature</b>		
If write-down, write-down trigger(s)	None.	None.
If write-down, full or partial	--	--
If write-down, permanent or temporary	--	--
If temporary write-down, description of write-up mechanism	--	--
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	In the event of the litigation of the Bank, gives the owner the authority to collect the claim after the borrowing instruments to be included in the additional principal capital and after deposit holders and all other claimants.	In the event of the litigation of the Bank, gives the owner the authority to collect the claim after the borrowing instruments to be included in the additional principal capital and after deposit holders and all other claimants.
Whether conditions which stands in article of 7 and 8 of Banks' shareholder equity law are possessed or not	Possessed for Article 8.	Possessed for Article 8.
According to article 7 and 8 of Banks' shareholders equity law that are not possessed	--	--

- c.** Main differences between "Equity" amount mentioned in the prior tables' equity statements and "Equity" amount in consolidated balance sheet arise from stage 1 and stage 2 loss provisions. The portion of main amount to credit risk of stage 1 and stage 2 loss provisions up to 1,25% considered as supplementary capital in the calculation of "Equity" amount included in equity statement as result of deductions mentioned in scope of Regulation on Equity of Banks. Additionally, Losses reflected to equity are determined through excluding losses sourcing from cash flow hedge reflected in equity in accordance with TAS which are subjects of discount from Core Capital. On the other hand, leasehold improvement costs monitored under Plant, Property and Equipment in balance sheet, intangible assets and deferred tax liabilities related to intangible assets and certain other accounts determined by the Board are taken into consideration in the calculation as assets deducted from capital.

**II. Explanations related to the consolidated foreign currency exchange rate risk**

**a. Foreign exchange rate risk the Group is exposed to, related impact estimations, and the limits set by the Board of Directors of the Parent Bank for positions which are monitored daily**

Foreign currency risk arises from the DFS Group's net foreign exchange position arising from foreign currency in balance sheet and off-balance sheet assets and liabilities. Against foreign currency risk, the Bank performs foreign currency transactions, as well as foreign currency transactions. Foreign currency indexed transactions are also accepted in foreign currency in the management of exchange rate risk.

The management and follow-up of currency risk has been handled through separate processes for trading and banking accounts. In the management of the position arising from trading accounts, risk-based value-at-risk limit, position limits, option sensitivity limits and stop loss limits are defined and monitored daily. The limit system was formed in two levels by the Board of Directors and the Asset-Liability Committee.

The ultimate responsibility for the management of currency risk arising from banking accounts lies in the Asset-Liability Committee ("ALCO"). Positions are constantly monitored and transactions are carried out in line with the strategy determined by ALCO. In addition to the legal limits, the limits determined by the Board of Directors on the basis of total and foreign currency are taken into account in managing the exchange rate risk.

**b. The magnitude of hedging foreign currency debt instruments and net foreign currency investments by using derivatives**

In accordance with TFRS 9, DFS Group applies net investment hedge accounting to avoid foreign currency exchange rate risk arising from translation of its foreign investments in its consolidated financial statements.

Information relating to investment hedge to avoid foreign currency exchange rate risk arising from retranslation of its foreign investments are explained in Section Four, note XI-a.

**c. Foreign currency risk management policy**

The procedures and principles regarding the management of currency risk have been written down in the Currency Risk Policy. The limit system, which is the most important element of the Bank's risk management policy, is reviewed once a year and approved by the Board of Directors, considering the general economic situation and developments in the markets.

**d. The Parent Bank's current foreign exchange buying rates announced to the public as of the financial statement date and for the last five working days before that date**

US Dollar purchase rate at the balance sheet date	TL 32,8262
Euro purchase rate at the balance sheet date	TL 35,1284

<u>Date</u>	<u>US Dollar</u>	<u>Euro</u>
24 June 2024	32,8078	35,1702
25 June 2024	32,9015	35,2869
26 June 2024	32,9040	35,1801
27 June 2024	32,8417	35,1212
28 June 2024	32,8262	35,1284

**e. The simple arithmetic average of the Parent Bank's current foreign exchange buying rate for the last thirty days from the date of the financial statements**

The arithmetical average US Dollar and Euro purchase rates for June 2024 are TL 32,4905 and TL 34,9595 respectively.

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**f. Information on currency risk**

<b>Current Period</b>	<b>EURO</b>	<b>USD</b>	<b>Other FC <sup>(5)</sup></b>	<b>Total</b>
<b>Assets</b>				
Cash Equivalents and Central Bank	100.195.062	68.147.210	15.846.220	<b>184.188.492</b>
Banks	24.652.221	57.744.998	2.331.198	<b>84.728.417</b>
Financial Assets at Fair Value through Profit or Loss (Net) <sup>(1)</sup>	671.678	6.652.436	922.833	<b>8.246.947</b>
Due from Money Markets	--	--	--	<b>--</b>
Financial Assets at Fair Value through Other Comprehensive Income	18.226.101	77.525.329	--	<b>95.751.430</b>
Loans <sup>(2)</sup>	207.588.186	93.704.167	5.574.026	<b>306.866.379</b>
Investments in Associates, Subsidiaries and Joint Ventures	1.967	--	--	<b>1.967</b>
Financial Assets Measured at Amortised Cost	--	7.413.777	--	<b>7.413.777</b>
Hedging Derivative Financial Assets	--	--	--	<b>--</b>
Tangible Fixed Assets	1.051.457	56	34.635	<b>1.086.148</b>
Intangible Fixed Assets <sup>(3)</sup>	--	--	--	<b>--</b>
Other Assets <sup>(4)</sup>	2.120.314	7.045.918	1.162.093	<b>10.328.325</b>
<b>Total Assets</b>	<b>354.506.986</b>	<b>318.233.891</b>	<b>25.871.005</b>	<b>698.611.882</b>
<b>Liabilities</b>				
Bank Deposits	3.768.865	964.571	881.511	<b>5.614.947</b>
Foreign Currency Deposits	177.242.950	158.417.853	39.931.887	<b>375.592.690</b>
Due to Money Markets	18.851.179	47.127.650	16.575	<b>65.995.404</b>
Funds Borrowed	70.288.048	93.495.356	1.725.696	<b>165.509.100</b>
Securities Issued	8.960.996	64.087.080	2.803.635	<b>75.851.711</b>
Miscellaneous Payables	--	--	--	<b>--</b>
Hedging Derivative Financial Liabilities	--	--	--	<b>--</b>
Other Liabilities <sup>(6)</sup>	21.674.735	15.337.490	137.783	<b>37.150.008</b>
<b>Total Liabilities</b>	<b>300.786.773</b>	<b>379.430.000</b>	<b>45.497.087</b>	<b>725.713.860</b>
<b>Net on Balance Sheet Position</b>	<b>53.720.213</b>	<b>(61.196.109)</b>	<b>(19.626.082)</b>	<b>(27.101.978)</b>
<b>Net off-Balance Sheet Position <sup>(7)</sup></b>	<b>(56.905.294)</b>	<b>51.440.475</b>	<b>21.654.195</b>	<b>16.189.376</b>
Financial Derivative Assets	51.296.134	155.692.822	34.227.629	<b>241.216.585</b>
Financial Derivative Liabilities	(108.201.428)	(104.252.347)	(12.573.434)	<b>(225.027.209)</b>
<b>Net Positions</b>	<b>(3.185.081)</b>	<b>(9.755.634)</b>	<b>2.028.113</b>	<b>(10.912.602)</b>
Non Cash Loans	35.621.511	51.217.655	5.886.678	<b>92.725.844</b>
<b>Prior Period</b>				
Total Assets	<b>290.680.789</b>	<b>250.805.005</b>	<b>17.898.364</b>	<b>559.384.158</b>
Total Liabilities	<b>248.386.442</b>	<b>323.040.602</b>	<b>39.673.766</b>	<b>611.100.810</b>
<b>Net on Balance Sheet Position</b>	<b>42.294.347</b>	<b>(72.235.597)</b>	<b>(21.775.402)</b>	<b>(51.716.652)</b>
<b>Net off-Balance Sheet Position</b>	<b>(48.470.256)</b>	<b>68.791.797</b>	<b>23.901.285</b>	<b>44.222.826</b>
Financial Derivative Assets	36.577.670	155.113.211	34.436.800	<b>226.127.681</b>
Financial Derivative Liabilities	(85.047.926)	(86.321.414)	(10.535.515)	<b>(181.904.855)</b>
<b>Net Positions</b>	<b>(6.175.909)</b>	<b>(3.443.800)</b>	<b>2.125.883</b>	<b>(7.493.826)</b>
Non Cash Loans	36.364.413	43.109.605	3.554.872	<b>83.028.890</b>

(1) : Foreign currency differences of derivative financial assets amounting to TL 1.870.223 are excluded.

(2) : Foreign currency indexed loans amounting to TL 516.452 are included.

(3) : Intangible assets amounting to TL 374.510 are not included.

(4) : Prepaid expenses amounting to TL 603.784 are not included.

(5) : There are gold balances amounting to TL 13.634.604 under total assets and TL 22.712.710 in total liabilities.

(6) : FX equity amounting to TL 42.034.688 and foreign exchange rate differences related to derivative financial liabilities amounting to TL 2.443.999 are not included.

(7) : Net amount of receivables and liabilities from financial derivatives is shown on the table. Spot foreign exchange buy/sale transactions that are reported under the "Asset Purchase Commitments" are included in "Net Off-Balance Sheet Position".

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**III. Explanations related to the consolidated interest rate risk**

Interest rate risk arises from mismatch between the repricing dates of the assets, liabilities and off-balance sheet items (for floating-rate products) or maturities (for fixed-rate products). Although this mismatch is a structural situation in the banking system, it may affect the bank's interest income and expense and the economic value of the balance sheet if there are unexpected changes in interest rates.

The ultimate responsibility for managing the interest rate risk is in the Asset and Liability Committee (ALCO). However, the Treasury and Asset Liability and Capital Management units are responsible for identifying the most appropriate strategies for interest rate risk management and recommending them to decision makers. There are limits approved by the Board of Directors for the control of interest rate risk.

**a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (In terms of time remaining for repricing):**

End of The Current Period	Up to 1 Month	1 - 3 Month	3 - 12 Month	1 - 5 Year	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash Equivalents and Central Bank Banks <sup>(1)</sup>	9.640.258	--	--	--	--	247.783.986	<b>257.424.244</b>
Financial Assets at Fair Value through Profit or Loss	41.410.223	20.173.206	14.727.076	--	--	20.665.406	<b>96.975.911</b>
Due from Money Markets	342.278	482.167	--	2.959.650	299.582	15.306.196	<b>19.389.873</b>
Financial Assets at Fair Value through Other Comprehensive Income	49.666.466	--	--	--	--	--	<b>49.666.466</b>
Loans	15.578.121	15.342.080	24.476.562	33.423.783	41.923.212	2.159	<b>130.745.917</b>
Financial Assets Measured at Amortised Cost <sup>(2)</sup>	287.305.476	85.731.472	193.522.906	103.637.991	19.331.267	9.748.378	<b>699.277.490</b>
Other Assets <sup>(3)</sup>	1.643.139	27.338.608	17.713.349	6.255.046	3.988.981	--	<b>56.939.123</b>
<b>Total Assets</b>	<b>405.585.961</b>	<b>149.067.533</b>	<b>250.439.893</b>	<b>147.292.432</b>	<b>65.543.042</b>	<b>397.833.140</b>	<b>1.415.762.001</b>
<b>Liabilities</b>							
Bank Deposits	3.523.785	681.499	311.417	--	--	2.100.850	<b>6.617.551</b>
Other Deposits	267.012.648	155.880.710	193.109.448	25.038.851	297.842	214.559.775	<b>855.899.274</b>
Due to Money Markets	63.521.651	961.752	3.186.157	--	--	--	<b>67.669.560</b>
Miscellaneous Payables	--	--	--	--	--	--	<b>--</b>
Securities Issued	2.441.689	3.472.138	69.571.840	7.471.024	--	--	<b>82.956.691</b>
Funds Borrowed	21.688.503	138.957.604	973.483	826.252	11.400.936	--	<b>173.846.778</b>
Other Liabilities <sup>(4)</sup>	2.451.290	2.142.233	12.133.056	1.030.396	--	211.015.172	<b>228.772.147</b>
<b>Total Liabilities</b>	<b>360.639.566</b>	<b>302.095.936</b>	<b>279.285.401</b>	<b>34.366.523</b>	<b>11.698.778</b>	<b>427.675.797</b>	<b>1.415.762.001</b>
Balance Sheet Long Position	44.946.395	--	--	112.925.909	53.844.264	--	<b>211.716.568</b>
Balance Sheet Short Position	--	(153.028.403)	(28.845.508)	--	--	(29.842.657)	<b>(211.716.568)</b>
Off-balance Sheet Long Position	14.632.669	144.857	812.395	--	1.177.774	--	<b>16.767.695</b>
Off-balance Sheet Short Position	--	--	--	(26.322.003)	--	--	<b>(26.322.003)</b>
<b>Total Position</b>	<b>59.579.064</b>	<b>(152.883.546)</b>	<b>(28.033.113)</b>	<b>86.603.906</b>	<b>55.022.038</b>	<b>(29.842.657)</b>	<b>(9.554.308)</b>

(1) Includes stage 1 and stage 2 provisions for expected credit loss amounting of TL (29.974).

(2) Includes stage 1 and stage 2 provisions for expected credit loss amounting of TL (7.205)

(3) Other assets / non-interest bearing column includes; tangible assets, intangible assets, investment properties, investments in associates, subsidiaries and joint ventures, tax assets, assets to be disposed, the provisions for expected credit loss of other assets and other assets with balances of TL 24.101.107, TL 3.846.884, TL 1.827.608, TL 8.315.762, TL 10.597.017, TL 18.456.909, TL (76.635) and TL 37.258.363, respectively.

(4) Other liabilities / non-interest bearing column includes; shareholders' equity, current tax liabilities, deferred tax liabilities, provisions, derivative financial liabilities and other liabilities amounting to TL 126.173.309, TL 8.864.307, TL 859.825, TL 17.728.377, TL 3.733.128 and TL 53.656.226, respectively.

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End of The Prior Period	Up to 1 Month	1 - 3 Month	3 - 12 Month	1 - 5 Year	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash Equivalents and Central Bank	61.849.936	1.051.192	--	--	--	175.904.579	<b>238.805.707</b>
Banks <sup>(1)</sup>	25.722.668	19.860.188	10.433.151	--	--	18.408.067	<b>74.424.074</b>
Financial Assets at Fair Value through Profit or Loss (Net)	218.447	246.479	59.388	1.326.663	2.426.537	12.233.373	<b>16.510.887</b>
Due from Money Markets	51.909.946	232.841	--	--	--	--	<b>52.142.787</b>
Financial Assets at Fair Value through Other Comprehensive Income	12.460.974	13.055.813	21.883.103	24.871.429	30.707.308	2.072	<b>102.980.699</b>
Loans	217.220.499	91.213.708	142.708.375	83.286.231	26.702.715	8.908.085	<b>570.039.613</b>
Financial Assets Measured at Amortised Cost <sup>(2)</sup>	1.359.493	24.305.524	8.596.790	12.981.168	3.987.452	--	<b>51.230.427</b>
Other Assets <sup>(3)</sup>	--	--	--	1.015.601	--	65.757.341	<b>66.772.942</b>
<b>Total Assets</b>	<b>370.741.963</b>	<b>149.965.745</b>	<b>183.680.807</b>	<b>123.481.092</b>	<b>63.824.012</b>	<b>281.213.517</b>	<b>1.172.907.136</b>
<b>Liabilities</b>							
Bank Deposits	2.968.936	2.297.097	2.498.479	--	--	1.656.754	<b>9.421.266</b>
Other Deposits	234.495.632	123.108.455	152.414.321	24.761.896	477.198	202.626.812	<b>737.884.314</b>
Due to Money Markets	40.128.759	2.597.039	13.293.744	--	--	--	<b>56.019.542</b>
Miscellaneous Payables	--	--	--	--	--	--	<b>--</b>
Securities Issued	400.322	23.450.390	20.907.010	1.736.960	--	--	<b>46.494.682</b>
Funds Borrowed	18.388.906	89.173.267	18.721.642	6.193.123	16.993.189	--	<b>149.470.127</b>
Other Liabilities <sup>(4)</sup>	104.066	27.860	10.794.079	901.311	--	161.789.889	<b>173.617.205</b>
<b>Total Liabilities</b>	<b>296.486.621</b>	<b>240.654.108</b>	<b>218.629.275</b>	<b>33.593.290</b>	<b>17.470.387</b>	<b>366.073.455</b>	<b>1.172.907.136</b>
Balance Sheet Long Position	74.255.342	--	--	89.887.802	46.353.625	--	<b>210.496.769</b>
Balance Sheet Short Position	--	(90.688.363)	(34.948.468)	--	--	(84.859.938)	<b>(210.496.769)</b>
Off-balance Sheet Long Position	--	--	15.323.941	--	1.144.291	2.085	<b>16.470.317</b>
Off-balance Sheet Short Position	(1.958.697)	(769.475)	--	(23.726.175)	--	--	<b>(26.454.347)</b>
<b>Total Position</b>	<b>72.296.645</b>	<b>(91.457.838)</b>	<b>(19.624.527)</b>	<b>66.161.627</b>	<b>47.497.916</b>	<b>(84.857.853)</b>	<b>(9.984.030)</b>

(1) Includes stage 1 and stage 2 provisions for expected credit loss amounting of TL (58.970).

(2) Includes stage 1 and stage 2 provisions for expected credit loss amounting of TL (6.657).

(3) Other assets / non-interest bearing column includes; tangible assets, intangible assets, investment properties, investments in associates, subsidiaries and joint ventures, tax assets, assets to be disposed, the provisions for expected credit loss of other assets and other assets with balances of TL 7.779.579, TL 2.933.623, TL 1.591.527, TL 8.315.620, TL 6.326.112, TL 12.120.650, TL (64.896) and TL 26.755.126, respectively.

(4) Other liabilities / non-interest bearing column includes; shareholders' equity, current tax liabilities, deferred tax liabilities, provisions, derivative financial liabilities and other liabilities amounting to TL 90.413.608, TL 3.202.356, TL 1.436.432, TL 16.242.296, TL 2.835.852 and TL 47.359.345, respectively.

**b. Average interest rates applied to monetary financial instruments**

Current Period - 30 June 2024	EURO %	USD %	Yen %	TL %
<b>Assets</b>				
Cash Equivalents and Central Bank	4,69	5,50	--	--
Banks	4,12	5,99	--	51,47
Financial Assets at Fair Value through Profit or Loss	4,47	5,93	--	53,25
Due from Money Markets	--	--	--	52,84
Financial Assets at Fair Value through Other Comprehensive Income	4,31	7,07	--	44,93
Loans	7,06	7,66	6,00	53,12
Financial Assets Measured at Amortised Cost	--	4,87	--	31,56
<b>Liabilities</b>				
Bank Deposits	2,85	5,31	--	47,84
Other Deposits	2,39	3,28	0,01	45,62
Due to Money Markets	3,10	5,76	--	50,72
Miscellaneous Payables	--	--	--	--
Securities Issued	3,76	3,70	--	56,05
Funds Borrowed	5,82	7,97	--	50,20
<b>Prior Period - 31 December 2023</b>				
<b>Assets</b>				
Cash Equivalents and Central Bank	4,75	5,50	--	42,13
Banks	4,07	6,19	--	42,56
Financial Assets at Fair Value through Profit or Loss	4,22	7,49	--	49,04
Due from Money Markets	--	--	--	43,48
Financial Assets at Fair Value through Other Comprehensive Income	3,09	7,15	--	44,34
Loans	6,99	7,96	6,01	41,80
Financial Assets Measured at Amortised Cost	--	5,07	--	39,49
<b>Liabilities</b>				
Bank Deposits	3,41	6,42	--	40,55
Other Deposits	1,96	3,21	0,01	35,79
Due to Money Markets	2,50	7,46	--	42,31
Miscellaneous Payables	--	--	--	--
Securities Issued	3,75	3,70	--	43,70
Funds Borrowed	6,14	8,44	--	42,79



**IV. Position risk of equity shares arising from banking accounts**

**a. Comparison of book value, fair value and market value of equity shares**

The Group does not have consolidated associates and subsidiaries traded at BIST markets as of 30 June 2024 and 31 December 2023.

**b. Information on realised gains/losses, revaluation surpluses and unrealised gains/losses on equity shares and their amounts included in the Tier I and Tier II capitals**

None.

**V. Explanations related to consolidated liquidity risk management, liquidity coverage ratio and net stable funding ratio**

Liquidity risk can form as a result of significant changes which can happen in market liquidity or a general funding risk. Funding risk states the risk of not meeting cash outflows completely because of maturity mismatch between assets and liabilities while market liquidity risk states the risk of not liquidating assets because of a collision in market conditions or insufficient market depth.

**Information on liquidity risk management, including the Parent Bank's risk capacity, responsibilities and structure of liquidity risk management, liquidity risk reporting in the Parent Bank, liquidity risk strategy, policy and practices, communication with the board of directors and business lines**

The procedures and principles regarding the liquidity risk management within the Parent Bank are determined by the "Liquidity Risk Management Policy" approved by the Board of Directors. This policy includes the main duties and principles of liquidity risk management within the Parent Bank, including related methods, procedures, controls and reporting framework. Within the Liquidity Risk Management Policy, "Liquidity Emergency Action Plan" has been established and measures that can be taken against unexpected liquidity shortages have been included.

"Risk Appetite Statement" approved by the Board of Directors is reviewed annually in order to manage the risks in accordance with the Bank's strategy and financial strength. Risk Appetite Statement includes limits for liquidity risk as well as other risk limits. Risk appetite limits are reported to the senior management on a monthly basis within the scope of risk management activities. In the risk appetite statement (RAS), limits are determined based on criteria such as loan / deposit ratio, liquidity coverage ratio, life expectancy under stress conditions and deposit concentration. Other indicators followed by these metrics are; liquidity buffer, large deposits, core deposits.

The short-term liquidity management of the Parent Bank is the responsibility of the Treasury Group. The Treasury Group reports to the ALCO on a weekly basis regarding the liquidity structure. ALCO possesses the ultimate responsibility for structural liquidity and funding management. ALCO plays an active role in monitoring and decision-making processes as well as establishing systems related to liquidity and funding management. Monitoring the current liquidity status and legal and internal liquidity indicators, taking decisions regarding liquidity management by taking into consideration the Parent Bank's strategy and risk appetite framework are under the authority and responsibility of ALCO. Financial Institutions Group, Financial Affairs Group and Risk Management Group contribute to the liquidity management process of the Bank in accordance with the ALCO decisions and also provide the necessary support to the ALCO with the information, analysis and recommendations needed in the decision-making process.

**Information on the degree of centralization of liquidity management and funding strategy and the functioning of the Parent Bank and the functioning between Parent Bank and its subsidiaries**

Liquidity risk management is performed on unconsolidated and consolidated basis. In this context, although the liquidity monitoring and management of the affiliate is carried out by the related affiliate, they are closely monitored by the Parent Bank. Limits are allocated by the Parent Bank in order to meet the liquidity needs of affiliates in the event of emergencies.

**Information on the Bank's funding strategy, including policies on the diversity of funding sources and durations**

Liquidity risk management arising from funding forms the basis of the Bank's liquidity management activities. The source of deposits is the Bank's main funding source due to the more stable funding and diversification effect compared to the loans provided by the Banks and other sources. In addition, securities issuance and credit utilisation activities are carried out to extend the maturity of funding.

On the other hand, the securities portfolio of the Parent Bank carried for liquidity risk management arising from the market is structured in a way to consist of securities issued by Republic of Turkey Treasury in order to reduce liquidity risk sourcing from market to minimum level since they allow repurchase transactions carried out under CBRT/BIST. The criteria and principles regarding the securities investments to be included in this portfolio have been written and approved by the relevant committee.

**Information on liquidity management in terms of currencies which constitute at least five percent of the total liabilities of the Parent Bank**

Majority of the Parent Bank's liabilities consist of Turkish Lira, US Dollar, Euro and gold. The main foreign currency funding source of the Parent Bank consists of deposits and loans obtained from credit institutions. The foreign currency liquidity risk of the Parent Bank is low due to the fact that the foreign currency sources of the Parent Bank are higher level than FX loans. For this reason, Turkish Lira is generated through swap transactions by using the current foreign currency liquidity. In other words, foreign currency liabilities are used in the funding of Turkish Lira assets.

**Information on liquidity risk mitigation techniques used**

In order to mitigate the liquidity risk, a liquidity buffer is created and closely monitored to meet possible fund outflows. Securities required for repurchase used to manage short-term risks are kept at a certain level within the balance sheet. On the other hand, diversification of funding sources and extension of the maturity structure are aimed to reduce the structural liquidity risk. The strategy of wide spread deposit base is another important element.

**Explanations related to using the stress test**

In order to measure the liquidity level under stress conditions, scenario analyses are performed in which special conditions that are not experienced and likely to be experienced and which are important in terms of liquidity are included. Within the scope of the scenario analyses, the measures that can be taken are also evaluated and a sufficient level of liquidity is targeted to meet all liabilities even under stress conditions. Assumptions regarding liquidity stress tests are reviewed on an annual basis at minimum. Within the scenarios determined, the Risk Management Department regularly performs stress tests and monitors the liquidity situation, calculates the time the Bank can survive, compares the limits with the determined results and presents them to the relevant committees.

**General information on the liquidity emergency and contingency plan**

In order to be prepared for the liquidity crises that may be experienced and to be able to manage them in a healthy and planned way, the "Liquidity Unexpected Situation Plan Regulation" was prepared to guide the processes. In this document, early warning indicators, action plans, duties and responsibilities of the units within the Bank are used to determine the unexpected liquidity situation.

**a. Liquidity coverage ratio**

Liquidity coverage ratios calculated in accordance with the Regulation on Calculation of Liquidity Coverage Ratio of Banks published in the Official Gazette dated 21 March 2014 and numbered 28948 are as follows. The lowest monthly consolidated foreign currency ratio for the last three months was 273,33 in June, the highest 336,33 in May, and the total lowest liquidity coverage ratio has been calculated as 198,67 in April and 223,68 in May as the highest.

The liquidity coverage ratio calculation table is reported to the BRSA on a monthly basis and monitored on a daily basis within the Bank.

High quality liquid assets included in the ratio calculation consist of cash assets, reserves held in CBRT and free securities. Cash outflows consist of deposits, bank borrowings, non-cash loans, derivatives and other payables with no maturity date. However, some bank borrowings are presented as cash outflows regardless of their maturities due to the provision of conditional early payment. In addition, cash outflows include additional collateral requirements that may arise from changes in the fair value of derivative transactions. Cash inflows consist of loans with maturities less than 30 days with definite due dates and receivables from banks and derivative products.

LCR is considered as an important liquidity management measure for the Bank. The Bank carried out to manage its liquidity within the framework of minimum LCR limits of 80% for foreign currency and 100% in total. In the Risk Appetite Statement, internal limits above the legal minimum limits have been determined for LCR and the related ratio is reported and monitored at ALCO, senior management and the Board of Directors level.

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Current Period	Total unweighted value (*)		Total weighted value (*)	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS (HQLA)</b>				
1 Total High Quality Liquid Assets			301.896.884	188.689.929
<b>CASH OUTFLOWS</b>				
2 Retail deposits and deposits from small business customers, of which	568.160.417	249.449.774	53.452.315	24.944.977
3 Stable deposits	67.274.538	--	3.363.727	--
4 Less stable deposits	500.885.879	249.449.774	50.088.588	24.944.977
5 Unsecured wholesale funding, of which	207.550.588	121.291.964	127.777.858	66.314.607
6 Operational deposits	6.092.926	3.152.527	1.494.321	783.264
7 Non-operational deposits	140.978.157	97.288.138	65.804.032	44.680.044
8 Unsecured debt	60.479.505	20.851.299	60.479.505	20.851.299
9 Secured wholesale funding			1.630.410	1.610.473
10 Other cash outflows	9.999.501	27.347.374	7.401.284	25.205.395
11 Outflows related to derivative exposures and other collateral requirements	5.669.140	23.777.408	5.669.140	23.777.408
12 Outflows related to loss of funding on debt products	--	--	--	--
13 Credit and liquidity facilities	4.330.361	3.569.966	1.732.144	1.427.987
14 Other contractual funding obligations	15.543.262	15.542.703	15.542.731	15.542.703
15 Other contingent funding obligations	613.061.973	100.099.357	41.599.620	9.826.119
<b>16 TOTAL CASH OUTFLOWS</b>			<b>247.404.218</b>	<b>143.444.274</b>
<b>CASH INFLOWS</b>				
17 Secured lending	31.839.344	--	--	--
18 Unsecured lending	128.220.402	45.834.594	97.849.683	40.588.827
19 Other cash inflows	1.733.645	40.439.267	1.733.645	40.439.267
<b>20 TOTAL CASH INFLOWS</b>	<b>161.793.391</b>	<b>86.273.861</b>	<b>99.583.328</b>	<b>81.028.094</b>
			<b>Top Limit Applied Values</b>	
<b>21 TOTAL HQLA</b>			<b>301.896.884</b>	<b>188.689.929</b>
<b>22 TOTAL NET CASH OUTFLOWS</b>			<b>147.820.890</b>	<b>62.416.180</b>
<b>23 LIQUIDITY COVERAGE RATIO (%)</b>			<b>208,1</b>	<b>313,3</b>

(\*) Simple arithmetic average values of the the last three months by taking the weekly simple arithmetic average.

Prior Period	Total unweighted value (*)		Total weighted value (*)	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS (HQLA)</b>				
1 Total High Quality Liquid Assets			228.847.553	128.102.734
<b>CASH OUTFLOWS</b>				
2 Retail deposits and deposits from small business customers, of which	492.199.583	227.150.361	46.209.801	22.715.036
3 Stable deposits	60.203.154	--	3.010.158	--
4 Less stable deposits	431.996.429	227.150.361	43.199.643	22.715.036
5 Unsecured wholesale funding, of which	174.803.023	103.978.370	102.016.311	54.193.349
6 Operational deposits	5.872.977	3.437.643	1.443.019	855.689
7 Non-operational deposits	122.039.373	82.711.594	53.682.619	35.508.527
8 Unsecured debt	46.890.673	17.829.133	46.890.673	17.829.133
9 Secured wholesale funding			--	--
10 Other cash outflows	5.737.775	12.198.121	3.587.861	10.483.438
11 Outflows related to derivative exposures and other collateral requirements	2.154.585	9.340.316	2.154.585	9.340.316
12 Outflows related to loss of funding on debt products	--	--	--	--
13 Credit and liquidity facilities	3.583.190	2.857.805	1.433.276	1.143.122
14 Other contractual funding obligations	14.819.991	14.819.431	14.819.459	14.819.431
15 Other contingent funding obligations	456.469.618	83.471.038	31.126.669	8.180.548
<b>16 TOTAL CASH OUTFLOWS</b>			<b>197.760.101</b>	<b>110.391.802</b>
<b>CASH INFLOWS</b>				
17 Secured lending	27.848.301	--	--	--
18 Unsecured lending	141.287.617	41.612.981	119.445.433	37.311.961
19 Other cash inflows	854.298	29.359.616	854.298	29.359.616
<b>20 TOTAL CASH INFLOWS</b>	<b>169.990.216</b>	<b>70.972.597</b>	<b>120.299.731</b>	<b>66.671.577</b>
			<b>Top Limit Applied Values</b>	
<b>21 TOTAL HQLA</b>			<b>228.847.553</b>	<b>128.102.734</b>
<b>22 TOTAL NET CASH OUTFLOWS</b>			<b>77.460.370</b>	<b>43.720.225</b>
<b>23 LIQUIDITY COVERAGE RATIO (%)</b>			<b>304,4</b>	<b>306,4</b>

(\*) Simple arithmetic average values of the the last three months by taking the weekly simple arithmetic average.

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**b. Presentation of assets and liabilities according to their remaining maturities**

End of The Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed (*)	Total
<b>Assets</b>								
Cash Equivalents and Central Bank Banks <sup>(1)</sup>	247.783.986	9.640.258	--	--	--	--	--	<b>257.424.244</b>
Financial Assets at Fair Value through Profit or Loss (Net)	20.549.074	32.322.115	19.061.874	16.517.640	8.408.876	--	116.332	<b>96.975.911</b>
Due from Money Markets	7.933.495	1.709.196	610.638	1.136.667	7.035.777	964.100	--	<b>19.389.873</b>
Financial Assets at Fair Value through Other Comprehensive Income	--	49.666.466	--	--	--	--	--	<b>49.666.466</b>
Loans	2.159	1.404.209	8.509.964	13.350.476	50.783.341	56.695.768	--	<b>130.745.917</b>
Financial Assets Measured at Amortised Cost <sup>(2)</sup>	6.238	113.518.685	183.961.127	183.012.242	158.307.673	50.723.147	9.748.378	<b>699.277.490</b>
Other Assets	--	18.379	--	7.407.159	7.887.011	41.626.574	--	<b>56.939.123</b>
Other Assets	61.878.840	284	1.424	148.553	47.786	22.345	43.243.745	<b>105.342.977</b>
<b>Total Assets</b>	<b>338.153.792</b>	<b>208.279.592</b>	<b>212.145.027</b>	<b>221.572.737</b>	<b>232.470.464</b>	<b>150.031.934</b>	<b>53.108.455</b>	<b>1.415.762.001</b>
<b>Liabilities</b>								
Bank Deposits	2.100.850	3.523.785	681.499	311.417	--	--	--	<b>6.617.551</b>
Other Deposits	214.559.775	267.011.927	155.879.245	193.097.635	25.052.850	297.842	--	<b>855.899.274</b>
Fund Borrowed	--	7.646.157	41.598.995	103.864.245	7.647.975	13.089.406	--	<b>173.846.778</b>
Due to Money Markets	--	55.720.341	7.268.835	4.680.384	--	--	--	<b>67.669.560</b>
Securities Issued	--	2.441.689	3.472.138	43.469.094	33.573.770	--	--	<b>82.956.691</b>
Miscellaneous Payables	--	--	--	--	--	--	--	<b>--</b>
Other Liabilities	73.503.496	5.674.697	2.586.605	13.307.780	555.812	654.695	132.489.062	<b>228.772.147</b>
<b>Total Liabilities</b>	<b>290.164.121</b>	<b>342.018.596</b>	<b>211.487.317</b>	<b>358.730.555</b>	<b>66.830.407</b>	<b>14.041.943</b>	<b>132.489.062</b>	<b>1.415.762.001</b>
<b>Net Liquidity Excess/ (Gap)</b>	<b>47.989.671</b>	<b>(133.739.004)</b>	<b>657.710</b>	<b>(137.157.818)</b>	<b>165.640.057</b>	<b>135.989.991</b>	<b>(79.380.607)</b>	<b>--</b>
<b>Net Off-balance sheet</b>								
<b>Position</b>	<b>--</b>	<b>156.190</b>	<b>(294.244)</b>	<b>(1.305.039)</b>	<b>(17.848)</b>	<b>--</b>	<b>--</b>	<b>(1.460.941)</b>
Financial Derivative Assets	--	114.291.944	78.976.332	73.877.267	66.242.582	25.389.985	--	<b>358.778.110</b>
Financial Derivative Liabilities	--	(114.135.754)	(79.270.576)	(75.182.306)	(66.260.430)	(25.389.985)	--	<b>(360.239.051)</b>
Non Cash Loans	--	29.187.451	13.081.566	64.785.828	70.958.072	7.137.328	--	<b>185.150.245</b>
<b>End of The Prior Period</b>								
Total Assets	243.174.201	228.290.039	171.364.051	153.792.823	217.229.859	127.866.162	31.190.001	1.172.907.136
Total Liabilities	265.716.077	279.616.066	162.715.950	288.239.638	59.680.189	20.224.186	96.715.030	1.172.907.136
<b>Net Liquidity Excess/ (Gap)</b>	<b>(22.541.876)</b>	<b>(51.326.027)</b>	<b>8.648.101</b>	<b>(134.446.815)</b>	<b>157.549.670</b>	<b>107.641.976</b>	<b>(65.525.029)</b>	<b>--</b>
<b>Net Off-balance sheet</b>								
<b>Position</b>	<b>--</b>	<b>(967.413)</b>	<b>(1.492.186)</b>	<b>2.616.040</b>	<b>72.971</b>	<b>(1.319)</b>	<b>--</b>	<b>228.093</b>
Financial Derivative Assets	--	129.968.824	70.391.676	53.758.278	53.247.530	29.176.567	--	<b>336.542.875</b>
Financial Derivative Liabilities	--	(130.936.237)	(71.883.862)	(51.142.238)	(53.174.559)	(29.177.886)	--	<b>(336.314.782)</b>
Non Cash Loans	--	25.298.164	14.645.920	50.978.932	59.151.906	3.894.628	--	<b>153.969.550</b>

(1) Includes stage 1 and stage 2 provisions for expected credit loss amounting of TL (29.974).

(2) Includes stage 1 and stage 2 provisions for expected credit loss amounting of TL (7.205).

(\*) Certain assets on the balance sheet that are necessary for the banking operations but not convertible into cash in the short run such as tangible fixed assets, investments in associates, joint ventures and subsidiaries, stationary supplies, non-performing loans (net) and prepaid expenses are included in this column.

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**c. Net stable funding ratio Liquidity risk management, liquidity coverage ratio and net stable funding ratio**

While the liquidity coverage ratio is used to measure the short-term liquidity level, the net stable funding ratio is used to measure the liquidity levels of the funding risk that banks may be exposed to in the long term. The net stable funding rate is calculated on a consolidated and unconsolidated basis by dividing the available stable funding amount by the required stable funding amount. The available stable fund includes the portion of banks' liabilities and equity that are expected to be permanent; the required stable funding refers to the fund requirement that banks create by considering the nature and maturity of their on-balance sheet assets and off-balance sheet liabilities. This ratio is a measure that shows whether the bank has sufficient and stable financial resources to fund its long-term assets, and in this regard, it is considered a complementary metric to the liquidity coverage ratio in terms of liquidity risk management.

The three-month simple arithmetic average of the consolidated and unconsolidated net stable funding ratio calculated monthly can not be less than one hundred percent as of March, June, September and December. In addition, depending on the Bank's risk appetite, internal limits are set to be more conservative than the legal limit and are managed within this framework.

The net stable funding rate calculated in accordance with the Regulation on the Calculation of Net Stable Funding Rates of Banks published in the Official Gazette No. 32202 dated 26 May 2023 and the items related to this rate are listed below for the current and previous period end.

End of The Current Period	a	b	c	ç	d
	Amount According to Remaining Maturity, Without Consideration Rate Applied				Total Amount with Consideration Rate Applied
	Demand	Up to 6 months	6-12 months	Over 1 year	
<b>Available Stable Funding</b>					
1 Equity Items	--	--	--	140.378.517	140.378.517
2 Tier I Capital and Tier II Capital	--	--	--	140.378.517	140.378.517
3 Other equity items	--	--	--	--	--
4 Retail deposits/participation fund	138.574.021	366.692.117	61.428.668	22.986.401	534.105.301
5 Stable deposit/participation fund	22.694.161	44.714.842	406.288	28.988	64.452.065
6 Less stable deposits/participation fund	115.879.860	321.977.275	61.022.380	22.957.413	469.653.236
7 Debts to other parties	--	398.281.839	92.674.631	44.098.358	190.808.202
8 Operational deposit/participation fund	--	189.225.286	14.312.103	--	101.768.694
9 Other liabilities	--	209.056.553	78.362.528	44.098.358	89.039.508
10 Liabilities equivalent to interconnected assets					
11 Other Liabilities	92.871.493	--	--	--	--
12 Derivative Liabilities			5.264.703		
13 Other equity elements and liabilities not listed above	87.606.790	--	--	--	--
14 Available stable funding					865.292.020
<b>Required Stable Funding</b>					
15 High quality liquid assets					34.142.581
16 Operational deposit/participation fund deposited in credit institutions or financial institutions	--	76.523.205	--	9.691.941	21.170.422
17 Current receivables	--	286.215.353	119.561.195	332.827.297	469.471.268
18 Receivables from credit institutions or financial institutions whose collateral is first quality liquid assets	--	39.878.035	--	--	3.987.803
19 Unsecured or secured receivables from credit institutions or financial institutions whose collateral is not first quality liquid assets	--	--	--	--	--
20 Receivables from corporate customers, organizations, natural persons and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	--	246.319.122	119.546.945	327.582.807	461.378.420
21 Receivables subject to a risk weight of 35% or less	--	--	--	--	--
22 Receivables secured by residential real estate mortgages	--	18.196	14.250	55.871	52.539
23 Receivables subject to a risk weight of 35% or less	--	18.196	14.250	55.871	52.539
24 Shares and debt instruments traded on the stock exchange that do not qualify as high-quality liquid assets	--	--	--	5.188.619	4.052.506
25 Assets equivalent to interconnected liabilities					
26 Other assets	--	--	--	--	--
27 Physically secured commodities, including gold	--				1.392.251
28 Initial margin of derivative contracts or guarantee fund given to the central counterparty			--		--
29 Derivative assets			8.303.125		1.901.892
30 Amount of derivative liabilities before deducting variation margin			526.470		526.470
31 Other assets not listed above	113.939.115	--	--	--	113.939.115
32 Off-balance sheet liabilities		628.536.034	--	--	31.426.802
33 Required stable funding					673.970.801
34 Net stable funding rate					128,39

Three-month simple arithmetic average of the net stable funding values for the last three months.

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End of The Prior Period	Amount According to Remaining Maturity, Without Consideration Rate Applied				Total Amount with Consideration Rate Applied
	a Demand	b Up to 6 months	c 6-12 months	ç Over 1 year	
<b>Current Stable Funding</b>					
1 Equity Items	--	--	--	127.729.968	127.729.968
2 Tier I Capital and Tier II Capital	--	--	--	127.729.968	127.729.968
3 Other equity items	--	--	--	--	--
4 Retail deposits/participation fund	134.160.634	344.668.246	53.137.108	23.567.281	503.233.457
5 Stable deposit/participation fund	20.970.828	43.615.036	454.897	29.541	61.816.788
6 Low stable deposit/participation fund	113.189.806	301.053.210	52.682.210	23.537.739	441.416.669
7 Debts to other parties	--	339.361.074	105.788.741	41.262.286	182.605.586
8 Operational deposits/participation fund	--	164.592.082	17.234.821	--	90.913.451
9 Other liabilities	--	174.768.991	88.553.921	41.262.286	91.692.134
10 Liabilities equivalent to interconnected assets					
11 Other Liabilities	68.925.542	--	--	--	--
12 Derivative Liabilities					2.731.047
13 Other equity elements and liabilities not listed above	66.194.495	--	--	--	--
14 Available stable funding					813.569.011
<b>Required Stable Funding</b>					
15 High quality liquid assets					32.946.973
16 Operational deposit/participation fund deposited in credit institutions or financial institutions	--	71.901.870	--	6.398.089	17.183.369
17 Current receivables	--	237.843.029	112.912.249	302.622.651	426.249.341
18 Receivables from credit institutions or financial institutions whose collateral is first quality liquid assets	--	14.905.367	--	--	1.490.537
19 Unsecured or secured receivables from credit institutions or financial institutions whose collateral is not first quality liquid assets	--	--	--	--	--
20 Receivables from corporate customers, organizations, natural persons and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	--	222.876.173	112.823.164	298.053.661	421.195.280
21 Receivables subject to a risk weight of 35% or less	--	--	--	--	--
22 Receivables secured by residential real estate mortgages	--	61.489	50.598	171.049	167.225
23 Receivables subject to a risk weight of 35% or less	--	61.489	50.598	171.049	167.225
24 Shares and debt instruments traded on the stock exchange that do not qualify as high-quality liquid assets	--	--	38.488	4.397.942	3.396.299
25 Assets equivalent to interconnected liabilities					
26 Other assets	--	--	--	--	--
27 Physically secured commodities, including gold					1.537.232
28 Initial margin of derivative contracts or guarantee fund given to the central counterparty					--
29 Derivative assets					8.843.939
30 Amount of derivative liabilities before deducting variation margin					259.521
31 Other assets not listed above	82.745.923	--	--	--	82.745.923
32 Off-balance sheet liabilities					28.869.669
33 Required stable funding					595.861.697
34 Net stable funding rate					137

Three-month simple arithmetic average of the net stable funding values for the last three months.

When the balance sheet items that significantly affect the net stable funding rate are evaluated, in the available stable funding calculation, equity items and borrowings with a maturity of more than one year are 100%, retail deposits are 95% or 90%, other deposits and borrowings with a remaining maturity less than one year are weighted with 50% or 0% depending on their counterparty. In the required stable funding calculation, cash and receivables from the central bank are 0%, high quality liquid assets that are not subject to collateral or have a collateral period of less than six months are 5%, non-cash loans are 5%, secured receivables are 10%, remaining maturities from financial institutions are less than 6 months receivables are 15%, loans with a remaining maturity of less than 1 year are 50%, housing loans with a maturity of more than one year and meeting the conditions specified in the regulation are 65%, loans with a maturity of more than one year are 85%, net derivative products reflected in the balance sheet and other receivables with a maturity of more than one year are weighted by 100%.

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**VI. Explanations related to leverage ratio**

**Information on matters causing difference between leverage ratios of current period and previous period**

As of 30 June 2024, the leverage ratio of the DFS Group is calculated as 5,48% (31 December 2023: 4,87%). This rate is above the minimum rate. The main reason for the difference between the current period and the prior period leverage ratio is the increase in the balance sheet assets.

**Summary comparison table of total asset amount and total risk amount in the financial statements prepared in accordance with TAS :**

	Current Period (**)	Prior Period (**)
1 Total assets in the consolidated financial statements prepared in accordance with TAS (*)	1.364.198.359	1.112.016.175
2 Differences between the total assets in the consolidated financial statements prepared in accordance with TAS and the total assets in the consolidated financial statements prepared in accordance with Communiqué on Preparation of Consolidated Financial Statements of the Banks	(2.796.743)	(7.852.263)
3 Differences between the balances of derivative financial instruments and the loan derivatives in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	3.143.543	3.180.414
4 Differences between the balances of securities financing transactions in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	--	--
5 Differences between off- balance sheet items in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(503)	(503)
6 Other differences in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	689.848.315	517.898.759
<b>7 Total Risk</b>	<b>2.054.392.971</b>	<b>1.625.242.582</b>

(\*) These consolidated financial statements are prepared in accordance with the sixth paragraph of the Article 5 of the Communiqué on Preparation of Consolidated Financial Statements of the Banks.

(\*\*) Quarterly average amounts.

**Leverage ratio public disclosure template:**

	Current Period (*)	Prior Period (*)
<b>On-balance sheet exposures</b>		
1 On-balance sheet items (exclude derivatives and SFTs; include collateral)	1.361.401.616	1.104.163.912
2 (Assets deducted in determining Basel III Tier I capital)	(4.083.270)	(2.950.498)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	1.357.318.346	1.101.213.414
<b>Derivative exposures</b>		
4 Replacement cost	8.378.406	10.123.774
5 Add-on amount	3.143.543	3.180.414
6 Total derivative exposures (sum of lines 4 and 5)	11.521.949	13.304.188
<b>Securities or commodity collateral financing transaction exposures</b>		
7 Gross SFT assets (with no recognition of accounting netting)	42.655.927	24.331.789
8 Agent transaction exposures		
9 Total securities financing transaction exposures (sum of lines 7 and 8)	42.655.927	24.331.789
<b>Other off-balance sheet exposures</b>		
10 Off-balance sheet exposures with gross nominal amount	642.897.252	486.393.694
11 (Adjustment amount off-balance sheet exposures with credit conversion factor)	(503)	(503)
12 Total off-balance sheet exposures (sum of lines 10 and 11)	642.896.749	486.393.191
<b>Capital and total exposures</b>		
13 Tier I Capital	112.627.573	79.151.986
14 Total exposures (sum of lines 3,6,9 and 12)	2.054.392.971	1.625.242.582
<b>Leverage ratio</b>		
15 Leverage ratio	5,48	4,87

(\*) Quarterly average amounts.

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**VII. Explanations related to risk management**

The footnotes and explanations prepared in accordance with the “Communiqué On Disclosures About Risk Management To Be Announced To Public By the Banks” published in the Official Gazette dated 23 October 2015 and numbered 29511 and entered into force as of 31 March 2016 are given in this section. Since standard approach is used in the capital adequacy calculation of the Parent Bank, the tables to be prepared within the scope of Internal Rating Based Approach (IR) are not presented as of 30 June 2024.

Risk management explanations are prepared in accordance with the internal control process adopted by the Board of Directors.

**a. Risk management approach and risk weighted assets**

**1. Overview of risk weighted amounts**

	Risk Weighted Amount		Minimum Capital Requirement
	Current Period	Prior Period	Current Period
1 Credit risk (excluding counterparty credit risk) (CCR)	894.910.957	636.241.615	71.592.877
2 <i>Standardized approach (SA)</i>	894.910.957	636.241.615	71.592.877
3 <i>Internal rating-based (IRB) approach</i>	--	--	--
4 Counterparty credit risk (*)	14.493.793	9.761.875	1.159.503
5 <i>Standardized approach for counterparty credit risk (SA-CCR)</i>	14.493.793	9.761.875	1.159.503
6 <i>Internal model method (IMM)</i>	--	--	--
7 Basic risk weight approach to internal models equity position in the banking account	--	--	--
8 Investments made in collective investment companies - look-through approach	--	--	--
9 Investments made in collective investment companies - mandate-based approach	5.174.122	599.132	413.930
10 Investments made in collective investment companies - %1250 weighted risk approach	--	--	--
11 Settlement risk	--	--	--
12 Securitization positions in banking accounts	--	--	--
13 <i>IRB ratings-based approach (RBA)</i>	--	--	--
14 <i>IRB Supervisory Formula Approach (SFA)</i>	--	--	--
15 <i>SA/simplified supervisory formula approach (SSFA)</i>	--	--	--
16 Market risk	26.923.215	21.277.362	2.153.857
17 <i>Standardized approach (SA)</i>	26.923.215	21.277.362	2.153.857
18 <i>Internal model approaches (IMM)</i>	--	--	--
19 Operational Risk	78.357.143	48.583.935	6.268.571
20 <i>Basic Indicator Approach</i>	78.357.143	48.583.935	6.268.571
21 <i>Standard Approach</i>	--	--	--
22 <i>Advanced measurement approach</i>	--	--	--
23 The amount of the discount threshold under the equity (subject to a 250% risk weight)	--	--	--
24 Floor adjustment	--	--	--
<b>25 Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>1.019.859.230</b>	<b>716.463.919</b>	<b>81.588.738</b>

(\*) The amounts given in the table do not include TL 91, which is the amount subject to the Risk of CCP-Guarantee Fund Amounts.

**b. Credit risk explanations**

**1. Credit quality of assets:**

Current Period	a		b	c	d
	Gross carrying values of (according to TAS)				
	Defaulted	Non-defaulted	Specific provisions	Net values (a+b-c)	
1 Loans	24.764.132	710.492.212	35.978.854	699.277.490	
2 Borrowing instruments	--	187.690.086	7.205	187.682.881	
3 Off-balance sheet receivables (*)	3.893.677	640.428.663	4.502.115	639.820.225	
<b>4 Total</b>	<b>28.657.809</b>	<b>1.538.610.961</b>	<b>40.488.174</b>	<b>1.526.780.596</b>	

(\*)Does not include revocable commitments and Forward Asset Purchase -Sales Commitments.



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Prior Period	a		b	c	d
	Gross carrying values of (according to TAS)				Net values (a+b-c)
	Defaulted	Non-defaulted		Specific provisions	
1 Loans	24.522.431	583.640.584		38.123.402	570.039.613
2 Borrowing instruments	--	154.215.711		6.657	154.209.054
3 Off-balance sheet receivables (*)	3.683.586	517.737.785		4.340.676	517.080.695
<b>4 Total</b>	<b>28.206.017</b>	<b>1.255.594.080</b>		<b>42.470.735</b>	<b>1.241.329.362</b>

(\*) Does not include revocable commitments and Forward Asset Purchase -Sales Commitments.

**2. Changes in stock of impaired loans and debt securities**

	Current Period	Prior Period
	a (*)	a (*)
1 Impaired loans and debt securities at end of the previous reporting period	24.522.431	17.750.535
2 Loans and debt securities that have impaired since the last reporting period	10.420.337	17.114.577
3 Receivables that returned to non-impaired status	3.162.193	153.362
4 Amounts written off (**)	1.350.456	2.635.665
5 Other changes	(5.665.987)	(7.553.654)
<b>6 Impaired loans and debt securities at end of the reporting period (1 + 2 - 3 - 4 ± 5)</b>	<b>24.764.132</b>	<b>24.522.431</b>

(\*) Does not include off-balance sheet receivables.

(\*\*) It indicates sales made from non-performing loans portfolio and written off transactions.

**3. Credit risk mitigation techniques - overview:**

Current Period	a	b	c	d	e	f	g
	Exposures unsecured: revaluation amount according to TAS	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1 Loans	549.479.493	139.711.456	93.420.486	10.086.541	7.407.519	--	--
2 Borrowing instruments	187.682.881	--	--	--	--	--	--
<b>3 Total</b>	<b>737.162.374</b>	<b>139.711.456</b>	<b>93.420.486</b>	<b>10.086.541</b>	<b>7.407.519</b>	<b>--</b>	<b>--</b>
4 Of which defaulted (*)	21.538.057	6.546.788	2.544.221	572.964	97.865	--	--

(\*) It includes default figure belonging to amount before provision and off-balance sheet receivables.

Prior Period	a	b	c	d	e	f	g
	Exposures unsecured: revaluation amount according to TAS	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1 Loans	459.823.515	103.552.202	76.223.844	6.663.896	4.756.999	--	--
2 Borrowing instruments	154.209.054	--	--	--	--	--	--
<b>3 Total</b>	<b>614.032.569</b>	<b>103.552.202</b>	<b>76.223.844</b>	<b>6.663.896</b>	<b>4.756.999</b>	<b>--</b>	<b>--</b>
4 Of which defaulted (*)	20.474.269	7.119.367	2.821.483	612.381	79.214	--	--

(\*) It includes default figure belonging to amount before provision and off-balance sheet receivables.

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**4. Standardised approach - Credit risk exposure and credit risk mitigation (CRM) effects:**

Current Period	a		b		c		d		e		f	
	Exposures before credit conversion factor and CRM				Exposures post-credit conversion factor and CRM				RWA and RWA density			
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density	RWA	RWA density
<b>Risk classifications</b>												
1 Exposures to central governments or central banks	387.026.918	75	388.574.521	138.222	9.289.681	%2,39						
2 Exposures to regional governments or local authorities	5.960.027	909.016	5.956.965	421.813	10.532.486	%165,12						
3 Exposures to public sector entities	1.232.751	1.063.210	1.232.751	278.199	732.054	%48,45						
4 Exposures to multilateral development banks	--	--	--	--	--	%0,00						
5 Exposures to international organisations	--	--	--	--	--	%0,00						
6 Exposures to institutions	142.174.785	9.164.234	142.174.785	7.672.321	41.320.567	%27,58						
7 Exposures to corporates	287.369.862	159.016.300	260.032.295	82.811.269	370.037.380	%107,93						
8 Retail exposures	287.620.847	447.735.508	283.379.752	16.195.122	343.060.427	%114,52						
9 Exposures secured by residential property	15.023.669	3.924.895	14.769.573	1.951.925	7.002.817	%41,88						
10 Exposures secured by commercial real estate	49.261.270	7.572.776	49.261.270	4.711.035	33.810.440	%62,64						
11 Past-due loans	8.568.667	464.628	8.123.081	197.342	6.364.431	%76,49						
12 Higher-risk categories by the Agency Board	504.376	--	504.200	--	483.371	%95,87						
13 Exposures in the form of covered bonds	--	--	--	--	--	%0,00						
14 Exposures to institutions and corporates with a short-term credit assessment	--	--	--	--	--	%0,00						
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	40.123	4.359.633	--	903.857	903.857	%100,00						
16 Other assets	89.401.915	--	89.401.915	--	81.565.442	%91,23						
17 Investments in equities	8.321.815	--	8.321.815	--	8.290.646	%99,63						
<b>18 Total</b>	<b>1.282.507.025</b>	<b>634.210.275</b>	<b>1.251.732.923</b>	<b>115.281.105</b>	<b>913.393.599</b>	<b>%66,82</b>						

Prior Period	a		b		c		d		e		f	
	Exposures before credit conversion factor and CRM				Exposures post-credit conversion factor and CRM				RWA and RWA density			
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density	RWA	RWA density
<b>Risk classifications</b>												
1 Exposures to central governments or central banks	310.352.161	4.377.200	311.643.105	4.564.832	2.296.166	%0,73						
2 Exposures to regional governments or local authorities	3.032.165	1.137.836	2.977.953	563.219	4.070.115	%114,94						
3 Exposures to public sector entities	6.895.965	2.424.840	6.895.964	1.189.337	7.534.051	%93,18						
4 Exposures to multilateral development banks	--	--	--	--	--	%0,00						
5 Exposures to international organisations	--	--	--	--	--	%0,00						
6 Exposures to institutions	103.883.918	7.757.808	103.883.918	6.640.292	30.097.133	%27,23						
7 Exposures to corporates	206.732.467	109.056.259	180.739.917	58.316.063	261.964.163	%109,58						
8 Retail exposures	218.942.909	362.863.166	212.172.409	12.969.670	251.463.861	%111,69						
9 Exposures secured by residential property	9.999.319	2.996.060	9.739.116	1.501.728	4.343.810	%38,64						
10 Exposures secured by commercial real estate	34.063.722	6.710.780	34.063.722	4.182.081	22.202.435	%58,05						
11 Past-due loans	6.266.406	267.237	5.458.270	104.132	4.547.947	%81,76						
12 Higher-risk categories by the Agency Board	192.764	--	192.739	--	233.285	%121,04						
13 Exposures in the form of covered bonds	--	--	--	--	--	%0,00						
14 Exposures to institutions and corporates with a short-term credit assessment	--	--	--	--	--	%0,00						
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	28.136	299	28.136	292	28.428	%100,00						
16 Other assets	56.341.465	--	56.341.465	--	48.014.307	%85,22						
17 Investments in equities	8.317.106	--	8.317.106	--	8.289.490	%99,67						
<b>18 Total</b>	<b>965.048.503</b>	<b>497.591.485</b>	<b>932.453.820</b>	<b>90.031.646</b>	<b>645.085.191</b>	<b>%63,09</b>						

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**5. Standardised approach - Exposures by asset classes and risk weights**

Current Period		a	b	c	k	d	l	e	f	g	h	i	j
Risk Classifications/Risk Weight*	%0	%10	%20	%35	%50	%50	%75	%100	%150	%200	Others	Total risk exposure (after CCF and CRM)	
				Secured with property mortgage	Secured with property mortgage								
1 Exposures to central governments or central banks	375.346.731	--	3.079.896	--	--	3.224.834	--	7.061.282	--	--	--	--	388.712.743
2 Exposures to regional governments or local authorities	--	--	40	--	--	1.483.332	--	--	--	4.895.406	--	--	6.378.778
3 Exposures to public sector entities	--	--	973.619	--	--	--	--	537.331	--	--	--	--	1.510.950
4 Exposures to multilateral development banks	--	--	--	--	--	--	--	--	--	--	--	--	--
5 Exposures to international organisations	--	--	--	--	--	--	--	--	--	--	--	--	--
6 Exposures to institutions	--	--	91.368.054	--	--	37.219.998	--	4.093.649	--	--	17.165.405	--	149.847.106
7 Exposures to corporates	--	--	4.243.569	--	--	--	--	308.457.861	295.378	29.648.681	198.075	--	342.843.564
8 Retail exposures	--	--	--	--	--	--	135.809.135	9.152.208	154.576.082	--	37.449	--	299.574.874
9 Exposures secured by residential property	--	--	--	16.021.205	--	--	--	--	--	42.467	652.477	5.349	16.721.498
10 Exposures secured by commercial real estate	--	--	--	--	46.795.685	--	--	3.970.807	111.727	3.065.410	28.676	--	53.972.305
11 Past-due loans	--	--	--	--	--	3.932.734	--	4.366.937	20.752	--	--	--	8.320.423
12 Higher-risk categories by the Agency Board	--	--	--	--	--	42.069	--	461.720	411	--	--	--	504.200
13 Exposures in the form of covered bonds	--	--	--	--	--	--	--	--	--	--	--	--	--
14 Exposures to institutions and corporates with a short-term credit assessment	--	--	--	--	--	--	--	--	--	--	--	--	--
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	--	--	--	--	--	--	--	903.857	--	--	--	--	903.857
16 Investments in equities	31.076	--	--	--	--	--	--	8.290.739	--	--	--	--	8.321.815
17 Other receivables	7.315.627	--	650.785	--	--	--	--	872	81.434.631	--	--	--	89.401.915
<b>18 Total</b>	<b>382.693.434</b>	<b>--</b>	<b>100.315.963</b>	<b>16.021.205</b>	<b>46.795.685</b>	<b>45.902.967</b>	<b>135.810.007</b>	<b>428.731.022</b>	<b>155.046.817</b>	<b>38.261.974</b>	<b>17.434.954</b>	<b>17.434.954</b>	<b>1.367.014.028</b>

Prior Period		a	b	c	k	d	l	e	f	g	h	i	j
Risk Classifications/Risk Weight*	%0	%10	%20	%35	%50	%50	%75	%100	%150	%200	Others	Total risk exposure (after CCF and CRM)	
				Secured with property mortgage	Secured with property mortgage								
1 Exposures to central governments or central banks	313.071.829	--	--	--	--	1.679.884	--	1.456.224	--	--	--	--	316.207.937
2 Exposures to regional governments or local authorities	--	--	8.228	--	--	1.998.279	--	--	--	1.534.665	--	--	3.541.172
3 Exposures to public sector entities	--	--	689.062	--	--	--	--	7.396.239	--	--	--	--	8.085.301
4 Exposures to multilateral development banks	--	--	--	--	--	--	--	--	--	--	--	--	--
5 Exposures to international organisations	--	--	--	--	--	--	--	--	--	--	--	--	--
6 Exposures to institutions	--	--	44.486.738	--	--	30.917.372	--	5.141.527	--	--	29.978.572	--	110.524.209
7 Exposures to corporates	--	--	2.312.981	--	--	--	--	214.063.921	163.180	21.795.540	720.359	--	239.055.981
8 Retail exposures	--	--	--	--	--	--	104.751.251	15.518.310	104.851.565	--	20.953	--	225.142.079
9 Exposures secured by residential property	--	--	--	10.984.414	--	--	--	--	30.520	225.355	555	--	11.240.844
10 Exposures secured by commercial real estate	--	--	--	--	34.269.541	--	--	2.834.871	101.537	1.039.594	260	--	38.245.803
11 Past-due loans	--	--	--	--	--	2.439.634	--	2.712.045	410.723	--	--	--	5.562.402
12 Higher-risk categories by the Agency Board	--	--	--	--	--	27.644	--	56.358	108.737	--	--	--	192.739
13 Exposures in the form of covered bonds	--	--	--	--	--	--	--	--	--	--	--	--	--
14 Exposures to institutions and corporates with a short-term credit assessment	--	--	--	--	--	--	--	--	--	--	--	--	--
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	--	--	--	--	--	--	--	28.428	--	--	--	--	28.428
16 Investments in equities	27.616	--	--	--	--	--	--	8.289.490	--	--	--	--	8.317.106
17 Other receivables	7.734.349	--	740.717	--	--	--	--	944	47.865.455	--	--	--	56.341.465
<b>18 Total</b>	<b>320.833.794</b>	<b>--</b>	<b>48.237.726</b>	<b>10.984.414</b>	<b>34.269.541</b>	<b>37.062.813</b>	<b>104.752.195</b>	<b>305.362.868</b>	<b>105.666.262</b>	<b>24.595.154</b>	<b>30.720.699</b>	<b>17.434.954</b>	<b>1.022.485.466</b>

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**c. Counterparty credit risk**

**1. Analysis of counterparty credit risk exposure by measurement approaches**

			a	b	c	d	e	f
Current Period			Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory exposure at default)	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives) (*)	(for derivatives) (*)	3.277.608	1.995.351		1,4	7.382.143	4.321.033
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			--	--	--	--
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					--	--
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					44.861.286	8.987.580
5	VaR for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					--	--
<b>6</b>	<b>Total</b>							<b>13.308.613</b>

(\*) Counterparty credit risk for derivatives is calculated by the fair value method.

			a	b	c	d	e	f
Prior Period			Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory exposure at default)	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives) (*)	(for derivatives) (*)	5.571.430	1.980.696		1,4	10.572.976	3.228.724
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			--	--	--	--
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					--	--
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					25.078.606	5.015.721
5	VaR for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit	(for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					--	--
<b>6</b>	<b>Total</b>							<b>8.244.445</b>

(\*) Counterparty credit risk for derivatives is calculated by the fair value method.

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**2. Credit valuation adjustment (CVA) capital charge**

Current Period	a	b
	Exposure at default post-CRM	RWA
Total portfolios subject to the Advanced CVA capital charge		
1 Value at Risk (VaR) component (including the 3×multiplier)	--	--
2 Stressed VaR component (including the 3×multiplier)	--	--
3 All portfolios subject to the Standardised CVA capital charge	7.382.143	1.185.182
<b>4 Total subject to the CVA capital charge</b>	<b>7.382.143</b>	<b>1.185.182</b>

Prior Period	a	b
	Exposure at default post-CRM	RWA
Total portfolios subject to the Advanced CVA capital charge		
1 Value at Risk (VaR) component (including the 3×multiplier)	--	--
2 Stressed VaR component (including the 3×multiplier)	--	--
3 All portfolios subject to the Standardised CVA capital charge	10.572.976	1.517.430
<b>4 Total subject to the CVA capital charge</b>	<b>10.572.976</b>	<b>1.517.430</b>

**3. Standardised approach - Counterparty credit risk with respect to risk classes and weights**

Current Period	a	b	c	d	e	f	g	h	i
	%0	%10	%20	%50	%75	%100	%150	Other	Total credit Exposure (*)
<b>Risk Weights / Risk Classifications</b>									
Claims from central governments and central banks	--	--	--	--	--	--	--	--	--
Claims from regional and local governments	--	--	--	--	--	--	--	--	--
Claims from administration and non commercial entity	--	--	--	--	--	--	--	--	--
Claims from multilateral development banks	--	--	--	--	--	--	--	--	--
Claims from international organizations	--	--	--	--	--	--	--	--	--
Claims from institutions	--	--	46.798.960	2.839.793	--	124	--	9.605	10.780.005
Corporates	--	--	--	--	--	2.289.429	--	--	2.289.429
Retail portfolios	--	--	--	--	265.355	--	--	--	199.016
Claims on landed real estate	--	--	--	--	--	--	--	--	--
Past due loans	--	--	--	--	--	--	--	--	--
Claims which are determined as high risk by the board of BRSA	--	--	--	--	--	--	--	--	--
Mortgage securities	--	--	--	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--	--	--	--
Claims from corporates, banks and financial intermediaries which have short term credit rating	--	--	--	--	--	--	--	--	--
Investments which are qualified as collective investment institutions	--	--	--	--	--	40.163	--	--	40.163
Stock investment	--	--	--	--	--	--	--	--	--
Other claims	--	--	--	--	--	--	--	--	--
Other assets (**)	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>46.798.960</b>	<b>2.839.793</b>	<b>265.355</b>	<b>2.329.716</b>	<b>--</b>	<b>9.605</b>	<b>13.308.613</b>

(\*)Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

(\*\*)Other assets: the amount excludes exposures to "Central counterparty" which are reported in Counterparty credit risk.

Prior Period	a	b	c	d	e	f	g	h	i
	%0	%10	%20	%50	%75	%100	%150	Other	Total credit Exposure (*)
<b>Risk Weights / Risk Classifications</b>									
Claims from central governments and central banks	4.377.125	--	--	--	--	--	--	--	--
Claims from regional and local governments	--	--	--	--	--	--	--	--	--
Claims from administration and non commercial entity	--	--	--	--	--	--	--	--	--
Claims from multilateral development banks	--	--	--	--	--	--	--	--	--
Claims from international organizations	--	--	--	--	--	--	--	--	--
Claims from institutions	--	--	27.083.807	2.773.010	--	52	--	1.291	6.803.344
Corporates	--	--	--	--	--	1.269.637	--	14.446	1.341.867
Retail portfolios	--	--	--	--	131.922	--	--	--	98.942
Claims on landed real estate	--	--	--	--	--	--	--	--	--
Past due loans	--	--	--	--	--	--	--	--	--
Claims which are determined as high risk by the board of BRSA	--	--	--	--	--	--	--	--	--
Mortgage securities	--	--	--	--	--	--	--	--	--
Securitization positions	--	--	--	--	--	--	--	--	--
Claims from corporates, banks and financial intermediaries which have short term credit rating	--	--	--	--	--	--	--	--	--
Investments which are qualified as collective investment institutions	--	--	--	--	--	292	--	--	292
Stock investment	--	--	--	--	--	--	--	--	--
Other claims	--	--	--	--	--	--	--	--	--
Other assets (**)	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>4.377.125</b>	<b>--</b>	<b>27.083.807</b>	<b>2.773.010</b>	<b>131.922</b>	<b>1.269.981</b>	<b>--</b>	<b>15.737</b>	<b>8.244.445</b>

(\*)Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

(\*\*)Other assets: the amount excludes exposures to "Central counterparty" which are reported in Counterparty credit risk.

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**4. Collaterals used for counterparty credit risk**

Current Period	a		b		c		d		e		f	
	Guarantees of Derivative Financial Instrument						Guarantees of Other Transactions					
	Received Guarantees			Given Guarantees			Received Guarantees			Given Guarantees		
	Appropriated	Unappropriated		Appropriated	Unappropriated		Appropriated	Unappropriated		Appropriated	Unappropriated	
Cash-Domestic Currency	2.726.545	--	--	--	--	--	200.865	--	--	33.321.716	--	--
Cash-Foreign Currency	4.523.938	--	--	--	--	--	66.399.575	--	--	--	--	--
Government Bond-Domestic	--	--	--	--	--	--	33.343.196	--	--	200.000	--	--
Government Bond-Other	--	--	--	--	--	--	--	--	--	106.597.530	--	--
Public Bond	--	--	--	--	--	--	--	--	--	--	--	--
Corporate Bond	--	--	--	--	--	--	--	--	--	--	--	--
Stock	--	--	--	--	--	--	--	--	--	--	--	--
Other Guarantee	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>7.250.483</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>99.943.636</b>	<b>--</b>	<b>--</b>	<b>140.119.246</b>	<b>--</b>	<b>--</b>

Prior Period	a		b		c		d		e		f	
	Guarantees of Derivative Financial Instrument						Guarantees of Other Transactions					
	Received Guarantees			Given Guarantees			Received Guarantees			Given Guarantees		
	Appropriated	Unappropriated		Appropriated	Unappropriated		Appropriated	Unappropriated		Appropriated	Unappropriated	
Cash-Domestic Currency	2.287.566	--	--	--	--	--	100.477	--	--	22.797.441	--	--
Cash-Foreign Currency	3.382.103	--	--	--	--	--	52.589.300	--	--	--	--	--
Government Bond-Domestic	--	--	--	--	--	--	22.781.462	--	--	100.002	--	--
Government Bond-Other	--	--	--	--	--	--	--	--	--	77.357.484	--	--
Public Bond	--	--	--	--	--	--	--	--	--	--	--	--
Corporate Bond	--	--	--	--	--	--	--	--	--	--	--	--
Stock	--	--	--	--	--	--	--	--	--	--	--	--
Other Guarantee	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>5.669.669</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>75.471.239</b>	<b>--</b>	<b>--</b>	<b>100.254.927</b>	<b>--</b>	<b>--</b>

**5. Credit derivatives**

None.

**6. Exposures to central counterparties (CCP)**

	a	b
	Exposure at default (post-CRM)	RWA
<b>1 Exposure to Qualified Central Counterparties (QCCPs) (total)</b>		
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	--	--
3 (i) OTC Derivatives	12.209	244
4 (ii) Exchange-traded Derivatives	--	--
5 (iii) Securities financing transactions	--	--
6 (iv) Netting sets where cross-product netting has been approved	--	--
7 Segregated initial margin	--	--
8 Non-segregated initial margin	--	--
9 Pre-funded default fund contributions	56.654	91
10 Unfunded default fund contributions	--	--
<b>11 Exposures to non-QCCPs (total)</b>		
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	--	--
13 (i) OTC Derivatives	--	--
14 (ii) Exchange-traded Derivatives	--	--
15 (iii) Securities financing transactions	--	--
16 (iv) Netting sets where cross-product netting has been approved	--	--
17 Segregated initial margin	--	--
18 Non-segregated initial margin	--	--
19 Pre-funded default fund contributions	--	--
20 Unfunded default fund contributions	--	--

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**d. Securitization**

**1. Securitization positions in banking accounts**

None.

**2. Securitization positions in trading accounts**

None.

**3. Securitization positions in banking positions and capital requirements related to those - whose sponsorship or founder is the bank**

None.

**4. Securitization positions in banking positions and capital requirements related to those- in which the Bank is an investor**

None.

**e. Market risk**

**Standardised approach**

	Current Period RAT	Prior Period RAT
<b>Outright products</b>		
1 Interest rate risk (general and specific)	5.234.045	2.868.946
2 Equity risk (general and specific)	--	--
3 Foreign exchange risk	13.316.475	10.289.650
4 Commodity risk	7.999.923	7.634.050
<b>Options</b>		
5 Simplified approach	--	--
6 Delta-plus method	372.772	484.716
7 Scenario approach	--	--
8 Securitisation	--	--
<b>9 Total</b>	<b>26.923.215</b>	<b>21.277.362</b>

**VIII. Explanations related to hedging transactions**

**a. Net investment risk**

DFS Group applies net investment hedge strategy to hedge against the currency risk arising on a consolidated basis from the net investments amounting to a total of Euro 1.180 million of one of its subsidiaries Denizbank AG. A part consisting of the same amounts of its foreign currency deposit of the Group has been defined as "hedging instrument". The effective part of the change in value of the foreign currency deposit arising from change in exchange rate has been recognised as "hedging funds" under equity.

On the other hand, as of 1 April 2014, the Parent Bank stopped applying net investment hedge accounting due to its net investment to hedge against the currency risk on the subsidiary of JSC Denizbank, and the total hedging fund which is booked under equity for that subsidiary is amounting to TL (58.164). Net investment hedge accounting practice in Eurodeniz was terminated due to the liquidation of the company.

Total abroad net investment hedging funds recognised under equity is amounting to TL (22.011.312) as of 30 June 2024 (31 December 2023: TL (24.113.415)).

**b. Cash flow risk**

None.

**IX. Explanations related to the consolidated segment reporting**

DFS Group operates in four main areas; wholesale banking, SME and agricultural banking, retail banking, and treasury.

Wholesale banking provides financial solutions and banking services to large-scale national and international corporate and commercial customers. Short and long term business loans, investment loans, financial and operational leasing services and factoring loan products, non-cash loans, foreign exchange purchase-sales, foreign trade financing, project financing, structured financing, corporate finance, deposits and cash management services are provided in order to meet the needs of customers for investment, working capital and projects.

Within the scope of retail banking, loan products (consumer, mortgage, vehicle, workplace, tractor, agricultural equipment and investment loans), credit cards with different features, producer cards, investment products (mutual funds, stocks, treasury bills/government bonds, repurchase), deposit products (demand, term, protected), insurance products as well as financial and operational leasing services and factoring loan products are provided to SME and agricultural customers. Alternative distribution channels allow customers to meet their banking needs without the need to physically visit the branches. Among products that meet every day needs of customers are overdraft loans, automated bill payment, chequebooks and rental safes.

Treasury covers the Group's short, medium and long-term price strategies and maturity nonconformities, as well as spot and forward TL and foreign exchange trading, treasury bills, bonds and other domestic and international securities trading and derivative products. Bank also performs activities to provide medium and long-term funding, diversification of funding sources and establishment of an international investor base in this field.

Information on business segments has been prepared in accordance with the data provided from the Parent Bank's Management Reporting System.



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Information on business segments are presented in the following tables:

<b>Current Period (01/01/2024-30/06/2024)</b>	<b>Corporate &amp; Commercial</b>	<b>SME &amp; Agricultural Banking</b>	<b>Retail Banking</b>	<b>Treasury</b>	<b>Other</b>	<b>Total</b>
Net interest income	12.138.328	12.252.394	12.036.129	(13.662.330)	(166)	<b>22.764.355</b>
Net fees and commission income	1.193.257	5.875.352	8.156.786	137.420	(252.372)	<b>15.110.443</b>
Other income/loss, net	4.290.150	3.125.125	2.799.405	(4.007.813)	(1.770.633)	<b>4.436.234</b>
<b>Total segment income</b>	<b>17.621.735</b>	<b>21.252.871</b>	<b>22.992.320</b>	<b>(17.532.723)</b>	<b>(2.023.171)</b>	<b>42.311.032</b>
Other operational expenses (*)	(3.481.241)	(8.007.619)	(6.986.498)	(712.097)	(153.832)	<b>(19.341.287)</b>
Provisions for expected credit loss and other provisions	7.027.528	(1.033.315)	(2.798.842)	(885.347)	654	<b>2.310.678</b>
Taxation						<b>(1.553.066)</b>
<b>Net profit from continuing operations</b>	<b>21.168.022</b>	<b>12.211.937</b>	<b>13.206.980</b>	<b>(19.130.167)</b>	<b>(2.176.349)</b>	<b>23.727.357</b>
Net profit from discontinued operations						<b>-</b>
<b>Net profit for the period</b>	<b>21.168.022</b>	<b>12.211.937</b>	<b>13.206.980</b>	<b>(19.130.167)</b>	<b>(2.176.349)</b>	<b>23.727.357</b>
<b>Current Period (30/06/2024)</b>						
Segment assets	320.794.800	237.539.522	140.896.723	611.187.979	--	<b>1.310.419.024</b>
Subsidiaries and associates						<b>8.315.762</b>
Undistributed assets						<b>97.027.215</b>
<b>Total assets</b>						<b>1.415.762.001</b>
Segment liabilities	254.960.952	220.429.084	279.079.410	455.020.465	--	<b>1.209.489.911</b>
Undistributed liabilities						<b>80.098.781</b>
Equity						<b>126.173.309</b>
<b>Total liabilities</b>						<b>1.415.762.001</b>

(\*) It also includes personnel expenses.

<b>Prior Period (01/01/2023-30/06/2023)</b>	<b>Corporate &amp; Commercial</b>	<b>SME &amp; Agricultural Banking</b>	<b>Retail Banking</b>	<b>Treasury</b>	<b>Other</b>	<b>Total</b>
Net interest income	4.154.233	2.651.265	3.796.683	5.219.797	(3.471)	<b>15.818.507</b>
Net fees and commission income	773.429	1.920.004	2.114.638	(63.595)	306.032	<b>5.050.508</b>
Other income/loss, net	3.700.710	1.708.557	3.469.692	(5.219.475)	3.332.281	<b>6.991.765</b>
<b>Total segment income</b>	<b>8.628.372</b>	<b>6.279.826</b>	<b>9.381.013</b>	<b>(63.273)</b>	<b>3.634.842</b>	<b>27.860.780</b>
Other operational expenses (*)	(1.928.778)	(3.321.186)	(3.448.205)	(293.552)	(609.390)	<b>(9.601.111)</b>
Provisions for expected credit loss and other provisions	4.852.568	(56.951)	(1.752.979)	(3.145.799)	(31.466)	<b>(134.627)</b>
Taxation						<b>(4.635.574)</b>
<b>Net profit from continuing operations</b>	<b>11.552.162</b>	<b>2.901.689</b>	<b>4.179.829</b>	<b>(3.502.624)</b>	<b>2.993.986</b>	<b>13.489.468</b>
Net profit from discontinued operations						<b>40.564</b>
<b>Net profit for the period</b>	<b>11.552.162</b>	<b>2.901.689</b>	<b>4.179.829</b>	<b>(3.502.624)</b>	<b>2.993.986</b>	<b>13.530.032</b>
<b>Prior Period (31/12/2023)</b>						
Segment assets	289.490.388	149.452.716	131.041.572	536.149.518	--	<b>1.106.134.194</b>
Subsidiaries and associates						<b>8.315.620</b>
Undistributed assets						<b>58.457.322</b>
<b>Total assets</b>						<b>1.172.907.136</b>
Segment liabilities	202.870.583	180.646.489	265.772.610	369.979.708	--	<b>1.019.269.390</b>
Undistributed liabilities						<b>63.224.138</b>
Equity						<b>90.413.608</b>
<b>Total liabilities</b>						<b>1.172.907.136</b>

(\*) It also includes personnel expenses.

**SECTION FIVE**  
**DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**I. Explanations and disclosures related to consolidated assets**

**a. Cash and cash equivalents**

**1. Information on cash balances and balances with the Central Bank of the Republic of Turkey**

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL / Foreign Currency	2.442.842	5.375.474	1.676.910	6.758.925
Central Bank of the Republic of Turkey	70.783.515	130.962.910	98.702.818	96.178.966
Other (*)	9.395	47.850.108	21.198	35.466.890
<b>Total</b>	<b>73.235.752</b>	<b>184.188.492</b>	<b>100.400.926</b>	<b>138.404.781</b>

(\*) This includes the balances of foreign subsidiaries in foreign central banks subject to consolidation.

**2. Information on balances with the Central Bank of the Republic of Turkey**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	37.359.898	82.577.793	38.489.129	45.047.355
Unrestricted Time Deposits	--	4.923.930	53.502.991	7.362.923
Restricted Time Deposits	33.423.617	43.461.187	6.710.698	43.768.688
<b>Total</b>	<b>70.783.515</b>	<b>130.962.910</b>	<b>98.702.818</b>	<b>96.178.966</b>

**3. Explanations on reserve requirements**

As per the Communiqué no. 2013/15 "Reserve Deposits" of the Central Bank of the Republic of Turkey ("CBRT"), the Bank keeps reserve deposits at the CBRT for their TL and FC liabilities mentioned in the communiqué.

As of 30 June 2024, all banks operating in Turkey should provide a reserve requirements in a range of 3% to 12% (31 December 2023: between 0% and 8%), excluding accounts providing exchange rate protection support, in a range of 22% to 33% (31 December 2023: between 10% and 30%), including accounts providing exchange rate protection support, depending on the terms of the deposits for their liabilities in Turkish Lira and in a range of 5% to 30% (31 December 2023: between 5% and 30%) for their liabilities in foreign currencies with the CBRT.

The interest income received from reserve requirements of the Bank with the CBRT is amounting to TL 5.444.576 (1 January - 30 June 2023: TL 140.566). The related interest income recognised under "Interest on Reserve Requirements".

**4. Information on Banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>				
Domestic	12.128.312	626.514	5.836.236	290.372
Foreign	119.740	84.131.319	461.829	67.894.607
Foreign head offices and branches	--	--	--	--
<b>Total</b>	<b>12.248.052</b>	<b>84.757.833</b>	<b>6.298.065</b>	<b>68.184.979</b>

**b. Information on financial assets at fair value through profit or loss**

**1. Information on financial assets at fair value through profit or loss given as collateral or blocked**

<i>Given as Collateral or Blocked</i>	Current Period		Prior Period	
	TL	FC	TL	FC
<i>Financial Assets at Fair Value Through Profit or Loss</i>				
Share Certificates	--	--	--	--
Bonds, Treasury Bills and Similar Marketable Securities	--	--	67	--
Other	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>67</b>	<b>--</b>

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**2. Financial assets at fair value through profit or loss subject to repurchase agreements**

None.

**3. Other financial assets**

As of 30 June 2024, other financial assets include securities other than government debt securities and equity instruments.

**4. Positive differences related to derivative financial assets held for trading**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	596.281	242.044	110.200	318.141
Swap Transactions	1.039.569	4.652.808	1.146.432	6.591.028
Futures Transactions	6.958	--	--	--
Options	--	835.041	370	382.291
Other	--	--	--	--
<b>Total</b>	<b>1.642.808</b>	<b>5.729.893</b>	<b>1.257.002</b>	<b>7.291.460</b>

**c. Information on financial assets at fair value through other comprehensive income**

**1. Major types of financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income consist of share certificates, Government Debt Securities, Eurobonds and foreign currency bonds issued by the Turkish Treasury and foreign private sector debt securities.

**2. Characteristics and book value of financial assets at fair value through other comprehensive income pledged as collateral**

Financial assets at fair value through other comprehensive income which are given as collateral consist of securities issued to various financial institutions, primarily the Central Bank of the Republic of Turkey and Istanbul Takas ve Saklama Bankası A.Ş. (Settlement and Custody Bank), for interbank money market, foreign exchange market and other transactions. These financial assets include government bonds and Eurobonds, and their total book value amounts to TL 30.845.943 (31 December 2023: TL 25.386.884).

**3. Information on financial assets at fair value through other comprehensive income given as collateral/blocked**

<i>Given as collateral or blocked Financial assets at fair value through other comprehensive income</i>	Current Period		Prior Period	
	TL	FC	TL	FC
Share Certificates	--	--	--	--
Bills, Bonds and Similar Securities	7.190.910	23.655.033	21.591.575	3.795.309
Other	--	--	--	--
<b>Total</b>	<b>7.190.910</b>	<b>23.655.033</b>	<b>21.591.575</b>	<b>3.795.309</b>

**4. Financial assets at fair value through other comprehensive income subject to repurchase agreements**

<i>Subject to repurchase agreements Financial assets at fair value through other comprehensive income</i>	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	11.624.816	49.688.325	4.685.417	47.972.863
Treasury Bills	--	--	--	--
Other Debt Securities	--	--	--	--
Bank Bills and Bank Guaranteed Bills	--	--	--	--
Asset Backed Securities	--	--	--	--
Other	--	--	--	--
<b>Total</b>	<b>11.624.816</b>	<b>49.688.325</b>	<b>4.685.417</b>	<b>47.972.863</b>

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**5. Information on financial assets at fair value through other comprehensive income**

<i>Financial assets at fair value through other comprehensive income</i>	<b>Current Period</b>	<b>Prior Period</b>
<b>Debt Securities</b>	<b>130.743.758</b>	<b>102.978.627</b>
Quoted on Stock Exchange (*)	130.743.758	102.978.627
Unquoted on Stock Exchange	--	--
<b>Share Certificates</b>	<b>2.159</b>	<b>2.072</b>
Quoted on Stock Exchange	--	--
Unquoted on Stock Exchange	2.159	2.072
<b>Impairment Provisions (-)</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>130.745.917</b>	<b>102.980.699</b>

(\*) It includes bank and corporate bills.

**d. Explanations on loans**

**1. Information on the balance of any kind of loan or advance granted to shareholders and employees of the Bank**

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>Cash</b>	<b>Non-Cash</b>	<b>Cash</b>	<b>Non-Cash</b>
<b>Direct Loans Granted to Shareholders</b>	<b>--</b>	<b>128.933</b>	<b>--</b>	<b>162.491</b>
Corporate Shareholders	--	128.933	--	162.491
Individual Shareholders	--	--	--	--
<b>Indirect Loans Granted to Shareholders</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Loans Granted to Employees</b>	<b>566.784</b>	<b>135</b>	<b>584.367</b>	<b>120</b>
<b>Total</b>	<b>566.784</b>	<b>129.068</b>	<b>584.367</b>	<b>162.611</b>

**2. Information on standard loans and loans under close monitoring and loans under restructuring**

<b>Current Period</b>	<b>Standard Loans</b>	<b>Loans Under Close Monitoring</b>		
		<b>Not included in restructured loans</b>	<b>Restructured Loans</b>	
			<b>Changes in conditions of contract</b>	<b>Refinancing</b>
<b>Cash loans (*)</b>				
<b>Non-specialized loans</b>	<b>559.392.749</b>	<b>18.274.422</b>	<b>19.954.330</b>	<b>9.074.728</b>
Corporate loans	58.806.789	408.805	4.227.811	2.646.419
Export loans	61.395.239	120.401	--	6.180
Import loans	--	--	--	--
Financial sector loans	6.086.803	--	--	--
Consumer loans	69.376.513	6.487.528	4.370.376	8.486
Credit cards	99.647.225	5.151.987	5.407.692	767
Others	264.080.180	6.105.701	5.948.451	6.412.876
<b>Specialized loans</b>	<b>58.480.556</b>	<b>3.404.239</b>	<b>230.975</b>	<b>217.543</b>
<b>Other receivables</b>	<b>40.106.203</b>	<b>996.459</b>	<b>333.937</b>	<b>26.071</b>
<b>Total</b>	<b>657.979.508</b>	<b>22.675.120</b>	<b>20.519.242</b>	<b>9.318.342</b>

(\*) It includes loans measured at amortised cost.

<b>Prior Period</b>	<b>Standard Loans</b>	<b>Loans Under Close Monitoring</b>		
		<b>Not included in restructured loans</b>	<b>Restructured Loans</b>	
			<b>Changes in conditions of contract</b>	<b>Refinancing</b>
<b>Cash loans (*)</b>				
<b>Non-specialized loans</b>	<b>479.293.986</b>	<b>20.727.730</b>	<b>13.013.007</b>	<b>12.182.745</b>
Corporate loans	67.695.976	2.682.421	4.232.504	756.016
Export loans	41.685.016	173.302	--	213.526
Import loans	--	--	--	--
Financial sector loans	5.099.826	--	--	--
Consumer loans	55.579.529	4.388.590	2.347.591	19.193
Credit cards	94.050.181	3.508.533	1.776.424	2.369
Others	215.183.458	9.974.884	4.656.488	11.191.641
<b>Specialized loans</b>	<b>22.214.443</b>	<b>1.399.415</b>	<b>261.669</b>	<b>212.307</b>
<b>Other receivables</b>	<b>32.586.635</b>	<b>1.275.257</b>	<b>162.553</b>	<b>310.837</b>
<b>Total</b>	<b>534.095.064</b>	<b>23.402.402</b>	<b>13.437.229</b>	<b>12.705.889</b>

(\*) It includes loans measured at amortised cost.

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Stage 1 and Stage 2 Provisions for Expected Credit Loss	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
12-Month provision for expected credit loss	7.758.168	--	7.528.211	--
Significant increase in credit risk	--	13.204.932	--	14.980.845
<b>Total</b>	<b>7.758.168</b>	<b>13.204.932</b>	<b>7.528.211</b>	<b>14.980.845</b>

**3. Information on consumer loans, individual credit cards and personnel credit cards**

	Short Term	Medium or Long Term	Total
<b>Consumer Loans-TL</b>	<b>18.985.024</b>	<b>44.386.822</b>	<b>63.371.846</b>
Real estate Loans	--	609.155	<b>609.155</b>
Vehicle Loans	645	17.617	<b>18.262</b>
General Purpose Loans	18.984.379	43.760.050	<b>62.744.429</b>
Other	--	--	--
<b>Consumer Loans-Indexed to FC</b>	<b>--</b>	<b>12.694</b>	<b>12.694</b>
Real estate Loans	--	11.309	<b>11.309</b>
Vehicle Loans	--	--	--
General Purpose Loans	--	1.385	<b>1.385</b>
Other	--	--	--
<b>Consumer Loans-FC</b>	<b>--</b>	<b>4.968</b>	<b>4.968</b>
Real estate Loans	--	4.968	<b>4.968</b>
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
<b>Individual Credit Cards-TL</b>	<b>90.169.067</b>	<b>7.613.562</b>	<b>97.782.629</b>
Installment	25.817.393	7.613.562	<b>33.430.955</b>
Non installment	64.351.674	--	<b>64.351.674</b>
<b>Individual Credit Cards-FC</b>	<b>106.489</b>	<b>--</b>	<b>106.489</b>
Installment	--	--	--
Non installment	106.489	--	<b>106.489</b>
<b>Loans Given to Employees-TL</b>	<b>89.876</b>	<b>203.972</b>	<b>293.848</b>
Real estate Loans	--	20	<b>20</b>
Vehicle Loans	--	--	--
General Purpose Loans	89.876	203.952	<b>293.828</b>
Other	--	--	--
<b>Loans Given to Employees - Indexed to FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
Real estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
<b>Loans Given to Employees - FC</b>	<b>--</b>	<b>--</b>	<b>--</b>
Real estate Loans	--	--	--
Vehicle Loans	--	--	--
General Purpose Loans	--	--	--
Other	--	--	--
<b>Personnel Credit Cards - TL</b>	<b>256.306</b>	<b>2.408</b>	<b>258.714</b>
Installment	73.148	2.408	<b>75.556</b>
Non installment	183.158	--	<b>183.158</b>
<b>Personnel Credit Cards - FC</b>	<b>4.427</b>	<b>--</b>	<b>4.427</b>
Installment	--	--	--
Non installment	4.427	--	<b>4.427</b>
<b>Overdraft Loans-TL (Real Persons) (*)</b>	<b>16.559.547</b>	<b>--</b>	<b>16.559.547</b>
<b>Overdraft Loans-FC (Real Persons)</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>126.170.736</b>	<b>52.224.426</b>	<b>178.395.162</b>

(\*) The overdraft account used by the personnel of the Parent Bank amounts to TL 9.795 (31 December 2023: TL 8.054).

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**4. Information on commercial installment loans and corporate credit cards**

	Short Term	Medium or Long Term	Total
<b>Installment Commercial Loans - TL</b>	<b>7.456.869</b>	<b>29.509.705</b>	<b>36.966.574</b>
Real estate Loans	3	75.209	75.212
Vehicle Loans	2.636	85.470	88.106
General Purpose Loans	7.454.230	27.469.488	34.923.718
Other	--	1.879.538	1.879.538
<b>Installment Commercial Loans - Indexed to FC</b>	<b>--</b>	<b>668.109</b>	<b>668.109</b>
Real estate Loans	--	647	647
Vehicle Loans	--	--	--
General Purpose Loans	--	667.462	667.462
Other	--	--	--
<b>Installment Commercial Loans - FC</b>	<b>4.379.791</b>	<b>107.257.008</b>	<b>111.636.799</b>
Real estate Loans	--	--	--
Vehicle Loans	--	7.151	7.151
General Purpose Loans	396.474	31.770.695	32.167.169
Other	3.983.317	75.479.162	79.462.479
<b>Corporate Credit Cards - TL</b>	<b>11.762.041</b>	<b>290.001</b>	<b>12.052.042</b>
Installment	1.983.299	290.001	2.273.300
Non installment	9.778.742	--	9.778.742
<b>Corporate Credit Cards - FC</b>	<b>3.370</b>	<b>--</b>	<b>3.370</b>
Installment	--	--	--
Non installment	3.370	--	3.370
<b>Overdraft Loans-TL (Legal Entities)</b>	<b>7.542.216</b>	<b>--</b>	<b>7.542.216</b>
<b>Overdraft Loans-FC (Legal Entities)</b>	<b>16.917</b>	<b>--</b>	<b>16.917</b>
<b>Total</b>	<b>31.161.204</b>	<b>137.724.823</b>	<b>168.886.027</b>

**5. Distribution of domestic and foreign loans**

	Current Period	Prior Period
Domestic Loans	665.749.627	536.123.530
Foreign Loans	44.742.585	47.517.054
<b>Total</b>	<b>710.492.212</b>	<b>583.640.584</b>

**6. Loans granted to subsidiaries and associates**

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	360.066	829.484
Indirect loans granted to subsidiaries and associates	--	--
<b>Total</b>	<b>360.066</b>	<b>829.484</b>

**7. Specific provisions for loans or provisions for stage 3 loans**

Provisions related to loans or credit impaired losses (stage 3)	Current Period	Prior Period
Loans with Limited Collectability	2.615.125	2.267.572
Loans with Doubtful Collectability	3.977.626	3.447.724
Uncollectible Loans	8.423.003	9.899.050
<b>Total</b>	<b>15.015.754</b>	<b>15.614.346</b>

**8. Information on non-performing loans (Net)**

(i) Information on non-performing loans and restructured loans by the Group

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
<b>Current Period</b>	<b>139.033</b>	<b>1.311.613</b>	<b>5.434.790</b>
(Gross amounts before the provisions)			
Restructured loans	139.033	1.311.613	5.434.790
<b>Prior Period</b>	<b>77.785</b>	<b>1.054.134</b>	<b>9.052.906</b>
(Gross amounts before the provisions)			
Restructured loans	77.785	1.054.134	9.052.906

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(ii) Information on movement of total non-performing loans

	Group III Loans with limited collectability	Group IV Loans with doubtful collectability	Group V Uncollectible loans
<b>Balances at Beginning of the Period</b>	<b>5.231.487</b>	<b>6.346.005</b>	<b>12.944.939</b>
Additions (+)	6.239.366	2.683.325	1.497.646
Transfers from Other Categories of Non-Performing Loans (+)	--	2.399.706	4.610.212
Transfers from Other Categories of Non-Performing Loans (-)	2.399.706	4.610.212	--
Collections (-)	2.589.563	915.869	5.662.468
Write-offs (-)	--	--	25.461
Sales (-)	--	--	1.324.995
Corporate and Commercial Loans	--	--	3
Retail Loans	--	--	605.515
Credit Cards	--	--	439.313
Other	--	--	280.164
FX difference	17	53.933	285.770
<b>Balances at End of the Period</b>	<b>6.481.601</b>	<b>5.956.888</b>	<b>12.325.643</b>
Specific Provisions (-)	2.615.125	3.977.626	8.423.003
<b>Net Balance on Balance Sheet</b>	<b>3.866.476</b>	<b>1.979.262</b>	<b>3.902.640</b>

(iii) Information on non-performing loans utilised in foreign currencies

	Group III Loans with limited collectability	Group IV Loans with doubtful collectability	Group V Uncollectible loans
<b>Current Period: 30 June 2024</b>			
Balance as of the Period End	680.066	2.793.211	1.125.044
Provisions (-)	148.267	796.676	1.122.904
<b>Net Balance on Balance Sheet</b>	<b>531.799</b>	<b>1.996.535</b>	<b>2.140</b>
<b>Prior Period: 31 December 2023</b>			
Balance as of the Period End	2.152.620	687.735	4.021.951
Provisions (-)	449.468	556.511	2.964.473
<b>Net Balance on Balance Sheet</b>	<b>1.703.152</b>	<b>131.224</b>	<b>1.057.478</b>

(iv) Information on gross and net amounts of non-performing loans according to beneficiary group

	Group III Loans with limited collectability	Group IV Loans with doubtful collectability	Group V Uncollectible loans
<b>Current Period (Net): 30 June 2024</b>	<b>3.866.476</b>	<b>1.979.262</b>	<b>3.902.640</b>
Loans Granted to Real Persons and Legal Entities (Gross)	6.481.601	5.956.888	12.325.643
Provisions (-)	2.615.125	3.977.626	8.423.003
Loans Granted to Real Persons and Legal Entities (Net)	3.866.476	1.979.262	3.902.640
Banks (Gross)	--	--	--
Provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loan (Gross)	--	--	--
Provisions (-)	--	--	--
Other Loan (Net)	--	--	--
<b>Prior Period (Net): 31 December 2023</b>	<b>2.963.914</b>	<b>2.898.284</b>	<b>3.045.887</b>
Loans Granted to Real Persons and Legal Entities (Gross)	5.231.487	6.346.005	12.944.939
Provisions (-)	2.267.573	3.447.721	9.899.052
Loans Granted to Real Persons and Legal Entities (Net)	2.963.914	2.898.284	3.045.887
Banks (Gross)	--	--	--
Provisions (-)	--	--	--
Banks (Net)	--	--	--
Other Loans (Gross)	--	--	--
Provisions (-)	--	--	--
Other Loans (Net)	--	--	--

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- (v) Information on interest accruals, rediscount and valuation differences for non-performing loans and their provisions

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
<b>Current Period (Net)</b>	<b>301.195</b>	<b>176.706</b>	<b>189.001</b>
Interest accruals and rediscount and valuation differences	594.271	547.159	1.069.406
Amount of provision (-)	293.076	370.453	880.405
<b>Prior Period (Net)</b>	<b>141.945</b>	<b>171.649</b>	<b>93.398</b>
Interest accruals and rediscount and valuation differences	276.875	405.884	966.898
Amount of provision (-)	134.930	234.235	873.500

**e. Information on financial assets measured at amortised cost**

**1. Information on securities subject to repurchase agreement and given as collateral or blocked**

- (i) Information on securities subject to repurchase agreement

Financial assets measured at amortised cost subject to repurchase agreement amounts to TL 44.895.375 (31 December 2023: TL 22.343.684).

- (ii) Information on securities subject to given as collateral or blocked

Collateralized financial assets measured at amortised cost are government bonds, book value of which amounts to TL 4.762.716 (31 December 2023: TL 15.046.368).

**2. Information on government debt securities measured at amortised cost**

<i>Government debt securities measured at amortised cost</i>	Current Period	Prior Period
Government Bonds	56.946.328	51.237.084
Treasury Bills	--	--
Other Government Debt Securities	--	--
<b>Total</b>	<b>56.946.328</b>	<b>51.237.084</b>

**3. Information on financial assets measured at amortised cost**

<i>Financial assets measured at amortised cost</i>	Current Period	Prior Period
<b>Debt Securities</b>	<b>56.946.328</b>	<b>51.237.084</b>
Quoted on Stock Exchange	56.946.328	51.237.084
Unquoted on Stock Exchange	--	--
<b>Impairment provisions (-)</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>56.946.328</b>	<b>51.237.084</b>

**4. The movements of financial assets measured at amortised cost during the period**

	Current Period	Prior Period
<b>Balance at the beginning of the period</b>	<b>51.237.084</b>	<b>18.316.908</b>
Foreign exchange differences in monetary assets (*)	7.431.185	17.774.456
Purchases during the year (**)	--	16.732.722
Disposals by sale and redemption	(1.721.941)	(1.587.002)
<b>Impairment provisions (-)</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>56.946.328</b>	<b>51.237.084</b>

(\*) Accruals of financial assets measured at amortised cost are included in "foreign exchange differences in monetary assets".

(\*\*) Due to the change in the business model in May 2023, the Bank reclassified the bonds with a cost of TL 15.691.318 from the "Financial assets at fair value through other comprehensive income" category to the "Financial assets measured at amortized cost" category.



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**f. Information on investments in associates**

**1. Investments in unconsolidated associates**

Title	Address (City/Country)	Share percentage of the Parent Bank(%)	Risk Group Share Percentage of the Parent Bank(%)
1-Kredi Kayıt Bürosu A.Ş. <sup>(1)</sup>	Istanbul/Turkey	9,00	--
2-Kredi Garanti Fonu A.Ş. <sup>(1)</sup>	Ankara/Turkey	2,00	--
3-Ege Tarım Ürünleri Lisanslı Dep. A.Ş. <sup>(2)</sup>	İzmir/Turkey	9,00	--
4-İhracatı Geliştirme A.Ş. <sup>(1)</sup>	Istanbul/Turkey	0,16	--

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/(Loss)	Prior Period Profit/(Loss)	Fair Value
1	1.602.206	309.183	537.789	138.747	--	204.591	(1.799)	--
2	4.453.050	1.780.091	38.063	473.046	--	(50.232)	(262.350)	--
3	183.485	147.767	145.498	2.916	--	9.331	8.383	--
4	7.805.520	7.020.592	48.247	2.550.138	--	(485.859)	(783.738)	--

<sup>(1)</sup> Information on the financial statements is presented as of the period ended 31 December 2023.

<sup>(2)</sup> Information on the financial statements is presented as of the period ended 30 June 2024.

**2. Investments in consolidated associates**

There are no investments in consolidated associates.

**g. Information on investments in subsidiaries**

**1. Information on shareholders' equity of major subsidiaries**

The Parent Bank do not not have any capital requirement arising from its subsidiaries included in the consolidated capital adequacy standard ratio.

The amounts below are obtained from the financial data of 30 June 2024 prepared in accordance with the legislation to which Denizbank AG is subject to.

	Denizbank AG
Paid-in capital	8.143.860
Share premium	11.965.657
Reserves	19.362.634
Deductions from capital	69.354
<b>Total Common Equity</b>	<b>39.402.797</b>
Total additional Tier I capital	--
Deductions from capital	277.416
<b>Total Core Capital</b>	<b>39.125.381</b>
Total supplementary capital	2.953.350
<b>Capital</b>	<b>42.078.731</b>
Deductions from capital	--
<b>SHAREHOLDERS' EQUITY</b>	<b>42.078.731</b>

**2. Information on unconsolidated subsidiaries**

Title	Address (City/Country)	Share percentage of the Parent Bank (%)	Share percentage of other shareholders (%)
1-Intertech Bilgi İşlem ve Pazarlama Ticaret A.Ş.	Istanbul/Turkey	100	--
2-Denizbank Kültür Sanat Yayıncılık Ticaret ve Sanayi A.Ş.	Istanbul/ Turkey	100	--
3-Açık Deniz Radyo ve Televizyon İletişim Yayıncılık ve Sanayi A.Ş.	Istanbul/ Turkey	--	100
4-Deniz Immobilien Service GmbH	Vienna/Austria	--	100
5-Ekspres Gayrimenkul Turizm Yatırım İşletme ve Ticaret A.Ş.	Istanbul/ Turkey	--	100
6-Neohub Teknoloji Yazılım Pazarlama ve Danışmanlık A.Ş.	Istanbul/ Turkey	--	100
7-Neo Elektronik Ticaret Bilişim Teknolojileri Yazılım ve Danışmanlık A.Ş.	Istanbul/ Turkey	--	100
8-Neohub Bulut Teknolojileri A.Ş.	Istanbul/Turkey	--	100

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(*)	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/(Loss)	Prior Period Profit/(Loss)	Fair Value
1	3.126.211	2.232.001	1.728.385	5.545	--	196.160	294.704	--
2	773	562	--	--	--	(246)	-117	--
3	660	654	--	--	--	34	-1	--
4	1.635	1.525	--	--	--	(253)	-26	--
5	122.072	19.773	9.962	124	--	(3.671)	-4.163	--
6	279.551	245.867	44.745	5.807	--	161.646	8.436	--
7	3.142	2.826	566	111	--	(6.094)	0	--
8	2.567	2.559	--	86	--	59	--	--

(\*) TAS 29 has not been applied.

The financial statements of the above subsidiaries for the period ended on 30 June 2024 are not included in the consolidation since they are non-financial subsidiaries.

**3. Information on consolidated subsidiaries**

Title	Address (City/Country)	Share percentage of the Parent Bank (%)	Share percentage of other shareholders (%) (*)	Consolidation Method
1 Denizbank AG	Vienna/Austria	100	--	Full consolidation
2 Deniz Yatırım Menkul Kıymetler A.Ş.	Istanbul/Turkey	100	--	Full consolidation
3 JSC Denizbank Moskova	Moscow / Russia	100	--	Full consolidation
4 Deniz Portföy Yönetimi A.Ş.	Istanbul/Turkey	--	100	Full consolidation
5 Deniz Finansal Kiralama A.Ş.	Istanbul/Turkey	100	--	Full consolidation
6 Deniz Faktoring A.Ş.	Istanbul/Turkey	100	--	Full consolidation
7 Deniz Gayrimenkul Yatırım Ortaklığı A.Ş.	Istanbul/Turkey	75	--	Full consolidation
8 CR Erdberg Eins GmbH & Co KG	Vienna/Austria	--	100	Full consolidation
9 Fast Pay Elektronik Para ve Ödeme Hizmetleri A.Ş.	Istanbul/Turkey	100	--	Full consolidation

(\*) Represents risk group share percentage of the Bank.

(\*\*) Eurodeniz International Banking Unit Ltd. has entered into the liquidation process. Explanation is given in Section Three, note XI.

(*)	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/(Loss)	Prior Period Profit/(Loss)	Fair Value	Capital requirement
1	217.355.043	43.588.327	499.358	5.137.216	419.905	2.187.169	484.747	--	--
2	10.617.866	5.193.903	35.164	2.514.685	--	2.412.239	221.763	--	--
3	26.195.062	2.682.901	61.711	651.197	2.044	634.619	89.671	--	--
4	478.593	454.030	5.642	580	287	223.624	15.574	--	--
5	26.977.833	8.063.809	6.968.824	1.944.860	--	2.822.483	338.671	--	--
6	21.275.854	4.462.094	39.981	3.649.205	--	866.901	148.958	--	--
7	2.345.468	2.251.558	27.119	621	--	149.693	108.895	--	--
8	1.022.771	863.577	898.861	166	--	6.229	403	--	--
9	202.934	93.398	65.815	3.499	--	(59.960)	(4.309)	--	--
10	217.355.043	43.588.327	499.358	5.137.216	419.905	2.187.169	484.747	--	--

(\*) TAS 29 has not been applied.

Includes financial statement details subject to 30 June 2024 consolidation.

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(i) Movement of consolidated subsidiaries during the period

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>11.059.182</b>	<b>4.761.417</b>
<b>Movements During the Period</b>	<b>73.510</b>	<b>6.297.765</b>
Purchases (*)	--	4.073.000
Bonus Shares Received(**)	--	1.485.170
Dividends from Current Year Profit	--	--
Sales (***)	(7.118)	--
Revaluation Increase, Effect of Inflation and F/X Difference	80.628	739.595
Other	--	--
Provision for Impairment	--	--
<b>Balance at the End of the Period</b>	<b>11.132.692</b>	<b>11.059.182</b>
<b>Capital Commitments</b>	--	--
<b>Share Percentage at the end of Period (%)</b>	--	--

(\*) "Fastpay Elektronik Para ve Ödeme Hizmetleri A.Ş." has capital increase amounting to TL 73.000 as of March 31, 2023.

In September 2023, the Bank increased the capital of Deniz Finansal Kiralama A.Ş. by TL 2.000.000 in cash and Deniz Faktoring A.Ş. by TL 2.000.000 in cash.

(\*\*) Deniz Finansal Kiralama A.Ş. It increased its paid-in capital by TL 1.133.000 from its internal sources, and Deniz Faktoring A.Ş. increased its paid-in capital by TL 352.400 from its internal sources. The Bank has accounted these amounts in "Subsidiaries" accounts.

(\*\*\*) Eurodeniz International Banking Unit has entered into the liquidation process and the investment amount in the bank is TL 7.118.

(ii) Sectorial information on the consolidated subsidiaries and the related carrying amounts

	Current Period	Prior Period
Banks	2.314.029	2.321.148
Insurance Companies	--	--
Factoring Companies	2.490.507	2.490.507
Leasing Companies	3.934.217	3.934.217
Finance Companies	--	--
Other Subsidiaries	2.393.939	2.313.310
<b>Total</b>	<b>11.132.692</b>	<b>11.059.182</b>

The balances of the consolidated subsidiaries mentioned in the above have been eliminated in the accompanying financial statements.

(iii) Quoted subsidiaries within the consolidation scope

	Current Period	Prior Period
Quoted on domestic markets	1.411.510	1.147.787
Quoted on foreign markets	--	--

(iv) Consolidated subsidiaries disposed during the current period:

The liquidation process of Eurodeniz International Banking Unit Ltd. has been finalized as of 26 June 2024.

(v) Consolidated subsidiaries acquired during the current period:

The process regarding the acquisition of a total of 299.683.561 shares of "Deniz Gayrimenkul Yatırım Ortaklığı A.Ş.", consisting of 5.000 Group A shares and 299.678.561 Group B shares, by the parent Bank, which is owned by the subsidiary Deniz Yatırım Menkul Kıymetler A.Ş., was completed on 2 April 2024. The transfer of shares to DenizBank was also completed on the same date.

**h. Information on jointly controlled entities (joint ventures)**

**1. Information on jointly controlled entities (joint ventures)**

Title	Share percentage of the Parent Bank (%)	Share percentage of the Group (%)	Current Assets	Non-Current Assets	Non-Current Liabilities	Income	Expenses
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş.	33	33	295.838	227.715	147.893	852.323	(800.489)

Information on the unaudited financial statements is presented as of the period ended 30 June 2024.

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**2. Reasons of being unconsolidated for unconsolidated jointly controlled entities (joint ventures) and method used in the accounting of jointly controlled entities (joint ventures) in the Parent Bank's unconsolidated financial statements**

Although the Parent Bank represents Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. ("Bantaş") with %33 of ownership rate as jointly controlled affiliate in its financial statements, it was not consolidated since it is a non-financial entity. This investment is carried at cost.

**i. Information on receivables from leasing transactions**

**1. Representation of investments in leasing transactions by remaining maturity**

	Current Period (*)		Prior Period (*)	
	Gross	Net	Gross	Net
Less than 1 year	3.493.002	3.069.161	3.278.409	2.748.739
Between 1-4 years	11.803.900	8.841.879	8.802.052	6.874.102
Over 4 years	2.330.666	1.573.771	2.346.752	1.686.857
<b>Total</b>	<b>17.627.568</b>	<b>13.484.811</b>	<b>14.427.213</b>	<b>11.309.698</b>

(\*) Non-performing lease receivables of TL 2.306.783 are not included (31 December 2023: TL 2.431.888).

**2. Information on net investments in lease transactions**

	Current Period (*)	Prior Period (*)
Gross finance lease investment	17.627.568	14.427.213
Unearned finance income from finance lease (-)	4.142.757	3.117.515
Cancelled leasing amounts (-)	--	--
<b>Net investment on finance leases</b>	<b>13.484.811</b>	<b>11.309.698</b>

(\*) Non-performing lease receivables of TL 2.306.783 are not included (31 December 2023: TL 2.431.888).

**3. Information on operating leased**

Deniz Finansal Kiralama A.Ş. started the fleet rental operations in the scope of operational leasing in June 2014.

Long-term receivables arising from leased assets are not recognised in the DFS Group's balance sheet. Receivables arising from the invoiced rents amounts within the period are recognised in the Group's balance sheet.

As of 30 June 2024, the DFS Group's receivables which arise from its operational leasing agreements and will emerge in the future are distributed as follows by year:

	Current Period	Prior Period
Up to 1 year	--	34.929
Between 1-5 years	--	--
5 years and over	--	--
<b>Total</b>	<b>--</b>	<b>34.929</b>

**j. Explanation on derivative financial instruments for hedging purpose**

None.

**k. Explanation on investment properties**

Investment properties are properties held by Deniz GYO for the purpose of generating lease profit.

As of 30 June 2024, the DFS Group's investment properties amount to TL 1.827.608 (31 December 2023: TL 1.591.527) which are carried at fair value in the consolidated financial statements.

**l. Information on deferred tax asset**

Deferred tax asset calculated within the scope of applicable regulation amounts to TL 10.545.992 (31 December 2023: TL 4.441.916) and deferred tax liability amounts to TL 859.825 (31 December 2023: TL 1.436.432). The mentioned value has been calculated by netting off the deductible and taxable temporary differences as of the balance sheet date.

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The following table summarizes the distribution of deferred tax in terms of sources:

	<b>Current Period</b>	<b>Prior Period</b>
Miscellaneous Provisions	5.348.504	5.778.554
Valuation Differences of Tangible Assets	590.051	--
Provision for Employee Benefits	519.183	481.964
Unearned Revenue	331.299	155.909
Valuation Differences of Financial Assets	217.719	440.300
Other	2.729.563	--
<b>Deferred Tax Assets</b>	<b>9.736.319</b>	<b>6.856.727</b>
Valuation Differences of Derivatives	(50.152)	(2.156.947)
Valuation Differences of Financial Assets	--	(1.206.241)
Valuation Differences of Tangible Assets	--	(292.155)
Other	--	(195.900)
<b>Deferred Tax Liabilities</b>	<b>(50.152)</b>	<b>(3.851.243)</b>
<b>Net Deferred Tax Assets</b>	<b>9.686.167</b>	<b>3.005.484</b>

**m. Explanation on non-current assets or disposal groups held for sale and from discontinued operations**

The liquidation process of Eurodeniz International Banking Unit Ltd. which one of the subsidiaries of the Parent Bank has been completed. Its figures for the prior period are presented in the discontinued operation in the financial statements. Explanation is given in Section Three, note XI.

**n. Information on other assets**

**1. Information on prepaid expense, taxes and similar items**

DFS Group's total prepaid expenses are TL 7.674.888 (31 December 2023: TL 6.562.102).

**2. Other assets do not exceed 10% of total assets excluding the off-balance sheet commitments.**

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**II. Explanations and disclosures related to consolidated liabilities**

**a. Information on deposits**

Foreign currency protected deposit product, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL deposits are valued with interest rates and are protected against foreign currency exchange rates, started to be offered to bank customers as of the year of 2021 accounting period reported. TL deposits include TL 160.091.834 deposits within this scope as of 30 June 2024 (31 December 2023: TL 196.906.806).

**1. Information on maturity structure of deposits**

Current Period: 30 June 2024	7 Days		Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Accumulated Deposit Accounts	Total
	Demand	Notice							
Saving Deposits	21.283.381	--	11.554.544	106.475.387	63.190.495	86.038.762	44.864.279	4.877	333.411.725
Foreign Currency Deposits (*)	144.523.028	--	23.892.661	33.401.495	43.843.640	57.794.330	43.568.797	12.727	347.036.678
Residents in Turkey	77.327.258	--	9.627.665	27.439.825	18.430.279	8.893.101	4.999.167	8.633	146.725.928
Residents Abroad	67.195.770	--	14.264.996	5.961.670	25.413.361	48.901.229	38.569.630	4.094	200.310.750
Public Sector Deposits	2.532.645	--	577.526	75.594	14.868	223	3.060	--	3.203.916
Commercial Deposits	22.485.028	--	10.125.604	18.739.679	19.878.903	43.061.240	23.447.437	--	137.737.891
Other Ins. Deposits	631.320	--	363.943	1.642.057	2.672.680	640.637	2.415	--	5.953.052
Precious Metal Deposits	23.104.360	--	191.123	2.804.237	1.503.402	840.075	110.609	2.206	28.556.012
Bank Deposits	2.100.850	--	1.679.448	1.548.328	373.822	614.158	300.945	--	6.617.551
Central Bank	1.423.200	--	--	--	--	--	--	--	1.423.200
Domestic Banks	39.843	--	--	--	368.861	605.716	--	--	1.014.420
Foreign Banks	635.658	--	1.679.448	1.548.328	4.961	8.442	300.945	--	4.177.782
Special Finan. Inst.	2.149	--	--	--	--	--	--	--	2.149
Other	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>216.660.612</b>	<b>--</b>	<b>48.384.849</b>	<b>164.686.777</b>	<b>131.477.810</b>	<b>188.989.425</b>	<b>112.297.542</b>	<b>19.810</b>	<b>862.516.825</b>

(\*) Foreign Currency Deposit Account consists of Saving Deposit customers at the amount of TL 207.077.012 and Commercial Deposit customers at the amount of TL 139.959.666.

Prior Period: 31 December 2023	7 Days		Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Accumulated Deposit Accounts	Total
	Demand	Notice							
Saving Deposits	17.475.114	--	14.188.887	70.367.313	90.301.008	54.698.755	27.262.350	3.688	274.297.115
Foreign Currency Deposits (*)	142.447.705	--	28.428.173	56.538.036	17.914.876	38.065.547	34.468.321	12.998	317.875.656
Residents in Turkey	80.648.591	--	17.466.268	31.470.482	5.103.438	5.124.848	3.479.866	9.924	143.303.417
Residents Abroad	61.799.114	--	10.961.905	25.067.554	12.811.438	32.940.699	30.988.455	3.074	174.572.239
Public Sector Deposits	2.047.372	--	122.638	199.027	742	3.195	2.491	--	2.375.465
Commercial Deposits	20.864.578	--	9.401.166	16.410.454	27.409.036	28.156.586	13.801.214	--	116.043.034
Other Ins. Deposits	570.491	--	520.067	1.052.585	1.196.011	336.543	7.302	--	3.682.999
Precious Metal Deposits	19.221.552	--	165.060	2.648.361	847.004	613.366	109.438	5.264	23.610.045
Bank Deposits	1.656.754	--	2.291.258	2.354.487	2.635.078	219.540	264.149	--	9.421.266
Central Bank	--	--	--	--	--	--	--	--	--
Domestic Banks	34.362	--	--	456.620	402.919	--	--	--	893.901
Foreign Banks	1.620.456	--	2.291.258	1.897.867	2.232.159	219.540	264.149	--	8.525.429
Special Finan. Inst.	1.936	--	--	--	--	--	--	--	1.936
Other	--	--	--	--	--	--	--	--	--
<b>Total</b>	<b>204.283.566</b>	<b>--</b>	<b>55.117.249</b>	<b>149.570.263</b>	<b>140.303.755</b>	<b>122.093.532</b>	<b>75.915.265</b>	<b>21.950</b>	<b>747.305.580</b>

(\*) Foreign Currency Deposit Account consists of Saving Deposit customers at the amount of TL 200.227.653 and Commercial Deposit customers at the amount of TL 117.648.003.

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**2. Information on deposit insurance**

**(i) Information on saving deposits under the guarantee of insurance and exceeding the limit of insurance**

Deposits owned by foreign subsidiaries in scope of consolidation are under insurance coverage according to legislations of countries in which they are located and are not included in following table.

	Saving Deposit Insurance Fund		Exceeding the Insurance Coverage Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	96.634.140	75.257.544	233.242.317	197.318.835
Foreign Currency Saving Deposits	47.818.901	38.701.518	75.515.576	84.924.514
Other Deposits in the form of Saving Deposits	--	--	--	--
Foreign Branches' Deposits under Foreign Authorities' Insurance	--	--	--	--
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	--	--	--	--
<b>Total</b>	<b>144.453.041</b>	<b>113.959.062</b>	<b>308.757.893</b>	<b>282.243.349</b>

In accordance with the "Regulation on Amending the Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 27 August 2022 and numbered 31936, official institutions in the presence of credit institutions, credit institutions and all deposits and participation funds, except those belonging to financial institutions, have started to be insured. In this context, commercial deposits covered by the insurance amount to TL 20.132.055 and the relevant amount is not included in the footnote.

**(ii) Saving deposits of real persons which are not under the guarantee of insurance**

	Current Period	Prior Period
Deposits and Other Accounts in Foreign Branches	20.306	51.431
Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouse and Children under Their Wardship	--	--
Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEO with Their Parents, Spouse and Children under Their Wardship	656.543	248.325
Deposits and Other Accounts linked to Crimes Mentioned in 282nd Article of 5237 Numbered Turkish Penal Code dated on 26/09/2004	--	--
Deposits belong to Off-Shore Banks which are established in Turkey	--	--
<b>Total</b>	<b>676.849</b>	<b>299.756</b>

(iii) Saving deposits in Turkey are not covered by any insurance in any other country since the Bank's headquarter is not located abroad.

**b. Information on derivative financial liabilities held for trading**

**1. Negative differences table for derivative financial liabilities held for trading**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	2.256	424.129	347.356	166.535
Swap Transactions	109.314	2.375.272	61.483	2.004.107
Futures Transactions	7.673	--	981	--
Options	--	814.484	--	255.390
Other	--	--	--	--
<b>Total</b>	<b>119.243</b>	<b>3.613.885</b>	<b>409.820</b>	<b>2.426.032</b>

**c. Information on funds borrowed**

**1. Information on banks and other financial institutions**

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank Loans	--	--	--	--
Domestic Banks and Institutions	7.826.528	3.560.475	11.211.239	3.574.008
Foreign Banks, Institutions and Funds	511.150	150.547.689	--	111.618.201
<b>Total</b>	<b>8.337.678</b>	<b>154.108.164</b>	<b>11.211.239</b>	<b>115.192.209</b>

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**2. Maturity information of funds borrowed**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	8.091.419	31.332.132	11.211.239	33.473.382
Medium and Long-Term	246.259	122.776.032	--	81.718.827
<b>Total</b>	<b>8.337.678</b>	<b>154.108.164</b>	<b>11.211.239</b>	<b>115.192.209</b>

**d. Information on securities issued**

	Current Period		Prior Period	
	TL	FC	TL	FC
Bonds <sup>(*)</sup>	--	72.252.529	--	39.820.534
Bills	7.104.980	3.599.182	5.157.897	1.516.251
Asset Backed Securities	--	--	--	--
<b>Total</b>	<b>7.104.980</b>	<b>75.851.711</b>	<b>5.157.897</b>	<b>41.336.785</b>

(\*) DFSG provides funds through securitization transactions based on foreign remittance flows through DFS Funding Corporation, a special purpose institution established abroad within the framework of its foreign borrowing program.

As of 30 June 2024, the Parent Bank has no repurchased the securities it has issued and netted them in its financial statements (31 December 2023: TL None).

**e. If other liabilities line of the balance sheet exceeds 10% of the total balance sheet excluding the off balance sheet commitments, the names and amounts of the sub-accounts constituting at least 20% of the other liabilities**

Other liabilities do not exceed 10% of the balance sheet total excluding the off-balance sheet commitments.

**f. Information on lease liabilities**

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	408.786	233.036	703.990	521.888
Between 1-4 years	1.211.000	605.788	512.538	334.724
Over 4 years	658.234	199.728	68.251	44.700
<b>Total</b>	<b>2.278.020</b>	<b>1.038.552</b>	<b>1.284.779</b>	<b>901.312</b>

**g. Information on derivative financial liabilities for hedging purpose**

None.

**h. Explanation on provisions**

**1. Provision for foreign exchange differences on foreign currency indexed loans**

As of 30 June 2024, there is no provisions for foreign exchange differences on foreign currency indexed loans (31 December 2023: None). The amount of the provision for foreign exchange differences on foreign currency indexed loans are netted against loans and receivables under assets in the financial statements.



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**2. Liabilities of provision for employee benefits**

TAS 19 requires using the actuarial valuation method for calculation of liabilities.

Accordingly, the following actuarial assumptions were used in the calculation of the total provision for employee termination benefits:

	<b>Current Period</b>	<b>Prior Period</b>
Discount rate	5,33%	5,33%
Interest rate	24,18%	24,18%
Estimated rate of increase in salary/severance pay limit	17,90%	17,90%

As of 30 June 2024, TL 774.166 of provision for employee termination benefits (31 December 2023: TL 748.009) and TL 1.298.229 of unused vacation provisions and other rights (31 December 2023: TL 1.175.859) were reflected to the consolidated financial statements.

Movement of the provision for employee termination benefits during the period is as follows:

	<b>Current Period</b>	<b>Prior Period</b>
<b>Balance at the Beginning of the Period</b>	<b>742.596</b>	<b>978.935</b>
Changes in the period	168.518	391.089
Actuarial loss/(gain)	--	(65.389)
Paid in the period	(140.160)	(573.830)
FX difference	3.212	11.791
<b>Balance at the End of the Period</b>	<b>774.166</b>	<b>742.596</b>

**3. Information on other provisions**

Information on the items and amounts causing the excess if other provisions exceed 10% of total provisions:

**Current period:**

TL 1.382.032 of other provisions represents stage 1 and stage 2 provisions for expected credit loss for non-cash loans, TL 3.120.083 is related to stage 3 provision for expected credit loss for non-cash loans that are unindemnified and not converted into cash, TL 1.486.268 is the provisions for the litigations against the Bank, TL 6.700.000 includes free provision and TL 2.967.599 includes other provisions.

**Prior period:**

TL 1.403.590 of other provisions represents stage 1 and stage 2 provisions for expected credit loss for non-cash loans, TL 2.937.086 is related to stage 3 provision for expected credit loss for non-cash loans that are unindemnified and not converted into cash, TL 633.452 is the provisions for the litigations against the Bank, TL 6.700.000 includes free provision and TL 2.644.311 includes other provisions.

**i. Explanation on tax liability**

**1. Information on current tax liability**

**(i) Information on tax provision**

As of 30 June 2024, the corporate tax provision of DFS Group amounts to TL 8.404.266 (31 December 2023: TL 3.256.497), and it has been offset with advance taxes amounting to TL 2.489.142 (31 December 2023: TL 2.084.858).

**(ii) Information on tax liabilities**

	<b>Current Period</b>	<b>Prior Period</b>
Corporate tax payables	5.915.124	1.171.640
Taxation on securities	691.207	345.323
Taxes on real estate capital gain	11.141	7.440
Banking Insurance Transaction Tax (BITT)	1.463.956	1.129.012
Taxes on foreign exchange transactions	14.471	21.902
Value added tax payables	86.501	87.455
Other	409.257	268.337
<b>Total</b>	<b>8.591.657</b>	<b>3.031.109</b>

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(iii) Information on premiums

	Current Period	Prior Period
Social security premiums- employee share	99.378	67.250
Social security premiums- employer share	128.373	85.110
Bank pension fund premium- employee share	--	--
Bank pension fund premium- employer share	--	--
Pension fund membership fees and provisions- employee share	--	--
Pension fund membership fees and provisions- employer share	--	--
Unemployment insurance- employee share	33.057	11.067
Unemployment insurance- employer share	11.842	7.820
Other	--	--
<b>Total</b>	<b>272.650</b>	<b>171.247</b>

**2. Information on deferred tax liability**

Deferred tax liability calculated within the scope of the applicable regulations amounts to TL 859.825 (31 December 2023: TL 1.436.432). The detail of deferred tax is disclosed in Note "I" of explanations and disclosures related to consolidated assets.

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

Eurodeniz International Banking Unit Ltd. which one of the subsidiaries of the Parent Bank has entered the liquidation process. It is classified as discontinued operation in the financial statements until the liquidation process will be completed. Explanation is given in Section Three, note XI.

**k. Information on shareholders' equity**

**1. Presentation of paid-in capital**

	Current Period	Prior Period
Share	19.638.600	5.696.100
Preferred Share	--	--

Paid-in capital of the Parent Bank is shown at nominal value.

**2. Paid-in capital amount, explanation as to whether the registered share capital system is applied at the bank; if so the upper limit of registered share capital**

The registered share capital system is not applied.

**3. Information on share capital increases and their sources and other information on any increase in capital shares during the current period**

With the decision of the Board of Directors of the Bank dated 1 April 2024 and 18 April 2024 it was decided to increase the capital of the Parent Bank from TL 5.696.100.000 to TL 19.638.600.000 and to increase the capital of the Bank in cash by TL 13.942.500.000 to be covered from the amount transferred to the name and account of ENBD as 'capital advance' as a result of the early repayment of the subordinated loans ('TIER II') obtained from ENBD, the main shareholder of the Bank, within the framework of the BRSA's approval, and within this scope, it has been approved at the Extraordinary General Assembly Meeting on May 16, 2024 and capital increase was registered on May 23, 2024 to amend Article 6 of the Articles of Association of the Parent Bank titled "Capital of the Bank" accordingly.

Increase Date	Increase Amount	Cash	Profit Reserves Subject to Increase	Capital Reserves Subject to Increase
23 May 2024	13.942.500	13.942.500	--	--

**4. Information on share capital increases from revaluation funds during the current period**

None.

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**5. Capital commitments in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitments**

The capital is totally paid in and there are no capital commitments.

**6. Prior period indicators of the Parent Bank's income, profitability and liquidity; and possible effects of the predictions on equity, considering uncertainty indicators**

Balance sheets of the entities under DFS Group are managed prudently, to minimize the negative effects of interest rate, foreign currency and credit risks. This policy contributes to the progress of DFS Group's profitability with a steady increasing trend.

**7. Summary information on the privileges given to stocks representing the capital**

The Parent Bank does not have any preferred stocks.

**8. Information on marketable securities value increase fund**

	Current Period		Prior Period	
	TL	FC	TL	FC
Associates, Subsidiaries and JVs	7.898.790	--	7.898.790	--
Valuation Difference	(2.686.833)	(190.392)	(1.704.364)	364.170
FX Gain or Loss	--	--	--	--
<b>Total</b>	<b>5.211.957</b>	<b>(190.392)</b>	<b>6.194.426</b>	<b>364.170</b>

**9. Information on hedging funds**

Explanations about hedging funds are in Section Four, note VIII.

**10. Explanations on minority shares**

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>497.358</b>	<b>303.767</b>
Minority shares in net income of consolidated subsidiaries	30.990	195.016
Increase/(decrease) in minority shares due to disposals	--	--
Other	--	(1.425)
<b>Balance at the End of the Period</b>	<b>528.348</b>	<b>497.358</b>

**11. Explanations on revaluation differences of tangible fixed assets**

As of 31 December 2016, in the valuation of the properties in use that are recognised under tangible fixed assets, the cost model has been changed as revaluation model in accordance with TAS 16 "Tangible Fixed Assets". As a result of the revaluation made, the net revaluation difference after tax amounting to TL 740.569 has been accounted for in "Other Accumulated Comprehensive Income That Will Not Be Reclassified in Profit or Loss" under equities (31 December 2023: TL 722.310).

**12. Explanations on profit distribution**

At the Ordinary General Assembly meeting held on 28 March 2024, since the total of the general legal reserve fund reached 20% of the paid capital in accordance with Article 519 1 of the Turkish Commercial Code No. 6102, it was decided that no general legal reserve fund would be allocated from the profit of 2023, and Ekspres Gayrimenkul Turizm Yatırım İşletme ve Ticaret A.Ş. in order to benefit from the exemption specified in Article 5 1-e of Corporate Tax, it has been decided that TL 18.979 TL of the subsidiary sales profit for 2023 will be left in the Mandatory Saving Funds account, and the remaining TL 27.858.806 will be allocated as Extraordinary Reserve Fund.

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**III. Explanations and disclosures related to consolidated off-balance sheet items**

**a. Explanation on liabilities in off-balance sheet accounts**

**1. Type and amount of irrevocable loan commitments**

All of DFS Group's off-balance sheet loan commitments are in the nature of irrevocable commitments. As of 30 June 2024, loan granting commitments, commitments for credit card expenditure limits and commitments for cheque payments are TL 62.833.485, TL 357.789.085 and TL 19.620.552, respectively (31 December 2023: TL 48.403.121, TL 293.746.486 and TL 12.311.768, respectively). The details of these items are followed in the off-balance sheet accounts.

**2. Structure and amount of probable losses and commitments arising from off-balance sheet items**

**(i) Non-cash loans including guarantees, bill of guarantee and acceptances of bank and other letters of credit and commitments which can be considered as financial collateral**

As of 30 June 2024, DFS Group has letters of guarantee amounting to TL 137.878.399, bill of guarantee and acceptances amounting to TL 982.334, and guarantees and warranties on letters of credit amounting to TL 31.325.800 and other guarantees and warranties amounting to TL 14.963.712.

As of 31 December 2023, DFS Group has letters of guarantee amounting to TL 119.256.548, bill of guarantee and acceptances amounting to TL 717.588, and guarantees and warranties on letters of credit amounting to TL 23.948.861 and other guarantees and warranties amounting to TL 10.046.553.

**(ii) Final guarantees, provisional guarantees, sureties and similar transactions**

	<b>Current Period</b>	<b>Prior Period</b>
Provisional Letters of Guarantee	2.941.347	2.760.789
Final Letters of Guarantee	85.598.133	71.316.334
Letters of Guarantee for Advances	17.978.204	15.360.220
Letters of Guarantee given to Customs Offices	580.873	537.601
Other Letters of Guarantee	30.779.842	29.281.604
<b>Total</b>	<b>137.878.399</b>	<b>119.256.548</b>

**3. Information on non-cash loans**

**(i) Total amount of non-cash loans**

	<b>Current Period</b>	<b>Prior Period</b>
Non-Cash Loans Given for Obtaining Cash Loans	45.990.647	39.541.102
With Original Maturity of 1 Year or Less	45.990.647	39.541.102
With Original Maturity of More Than 1 Year	--	--
Other Non-Cash Loans	139.159.598	114.428.448
<b>Total</b>	<b>185.150.245</b>	<b>153.969.550</b>

**b. Explanations on contingent assets and liabilities**

In accordance with the precautionary principle regarding the lawsuits to which the Group is a party, TL 1.486.268 (31 December 2023: TL 339.071) provision has been set aside and these provisions are classified under "Other provisions" on the balance sheet. Except for those provisioned, other ongoing lawsuits are unlikely to result in a negative conclusion and cash outflow is not foreseen for them.

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**IV. Explanations and disclosures related to consolidated statement of profit or loss**

**a. Interest income**

**1. Information on interest income received from loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short Term Loans(*)	46.722.748	3.523.699	11.044.145	1.901.286
Medium and Long Term Loans(*)	22.579.785	6.906.946	10.030.933	4.998.007
Loans Under Close Monitoring	918.017	9.147	495.114	61.807
Premiums Received from Resource Utilisation Support Fund	--	--	--	--
<b>Total</b>	<b>70.220.550</b>	<b>10.439.792</b>	<b>21.570.192</b>	<b>6.961.100</b>

(\*) Interest income received from loans also include fees and commissions from cash loans.

**2. Information on interest income received from banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of the Republic of Turkey(*)	--	895.962	--	--
Domestic Banks	4.936.279	416.102	245.297	333.346
Foreign Banks	153.721	1.183.721	49	183.840
Foreign Head Offices and Branches	--	--	--	--
<b>Total</b>	<b>5.090.000</b>	<b>2.495.785</b>	<b>245.346</b>	<b>517.186</b>

(\*)The interest income received from required reserves of the Parent Bank with the CBRT is TL 5.444.576 (1 January - 30 June 2023: TL 140.566).

**3. Information on interest income received from securities**

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	313.533	62.465	188.936	89.516
Financial Assets at Fair Value Through Other Comprehensive Income	6.180.567	2.799.234	3.994.656	1.397.424
Financial Assets Measured at Amortised Cost	7.194.377	67.778	2.164.041	256.453
<b>Total</b>	<b>13.688.477</b>	<b>2.929.477</b>	<b>6.347.633</b>	<b>1.743.393</b>

As stated in the chapter III footnote numbered VII, the Parent Bank has government securities in the financial assets at fair value through other comprehensive income and financial assets measured at amortised cost portfolios with a maturity of 5 to 10 years and having CPI indexed 6 months real coupon ratio fixed until maturity. As stated in the Undersecretariat of Treasury's securities indexed CPI Investors Guide, the reference indexes used in calculating the actual coupon payment amounts of these assets are based on the CPI of previous two months. The Parent Bank predicts the estimated inflation rate in parallel to those. The Parent Bank predicts the estimated inflation rate in parallel to those. The estimated inflation rate used is updated when necessary during the year. In this context, as of 30 June 2024, the valuation of these securities was made according to the annual forecast of 48% inflation. If the valuation for these securities indexed to the CPI was made according to the reference index valid for 30 June 2024, the securities valuation differences under the equity would decrease by TL 503.952 and net profit for the period would increase by TL 1.533.716 to TL 25.261.073.

**4. Information on interest income received from associates and subsidiaries**

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	4	479

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**b. Interest expense**

**1. Information on interest expense related to funds borrowed**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>	<b>2.214.157</b>	<b>7.505.116</b>	<b>791.037</b>	<b>2.896.036</b>
Central Bank of the Republic of Turkey	--	414.834	--	146.710
Domestic Banks	2.206.331	235.256	687.375	82.299
Foreign Banks	7.826	6.855.026	103.662	2.667.027
Foreign Head Offices and Branches	--	--	--	--
<b>Other Institutions</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total</b>	<b>2.214.157</b>	<b>7.505.116</b>	<b>791.037</b>	<b>2.896.036</b>

Interest expense related to funds borrowed also includes fees and commission expenses.

**2. Information on interest paid to associates and subsidiaries**

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	1.750	12.699

**3. Information on interest paid to securities issued**

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Paid to Securities Issued	1.448.226	1.667.803	296.446	514.625

**4. Maturity structure of the interest expense on deposits**

Account Name	Demand Deposits	Time Deposit					Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year	More than 1 Year		
<b>TL</b>								
Bank Deposits	20	399.435	--	--	--	--	--	<b>399.455</b>
Saving Deposits	38	2.310.720	19.929.187	12.778.753	19.298.840	5.968.592	685	<b>60.286.815</b>
Public Sector Deposits	--	17.906	25.297	2.531	35	471	--	<b>46.240</b>
Commercial Deposits	--	2.504.226	3.892.450	3.352.830	9.258.406	3.396.770	--	<b>22.404.682</b>
Other Deposits	--	95.898	268.747	158.043	204.571	310	--	<b>727.569</b>
7 Days Call Account	--	--	--	--	--	--	--	<b>--</b>
<b>Total</b>	<b>58</b>	<b>5.328.185</b>	<b>24.115.681</b>	<b>16.292.157</b>	<b>28.761.852</b>	<b>9.366.143</b>	<b>685</b>	<b>83.864.761</b>
<b>FC</b>								
Deposits	379.743	225.638	207.850	173.996	687.214	478.222	514.885	<b>2.667.548</b>
Bank Deposits	75.228	588.611	--	--	--	--	--	<b>663.839</b>
7 Days Call Account	--	--	--	--	--	--	--	<b>--</b>
Precious Metal Deposits	3	227	1.569	915	1.074	233	26	<b>4.047</b>
<b>Total</b>	<b>454.974</b>	<b>814.476</b>	<b>209.419</b>	<b>174.911</b>	<b>688.288</b>	<b>478.455</b>	<b>514.911</b>	<b>3.335.434</b>
<b>Grand Total</b>	<b>455.032</b>	<b>6.142.661</b>	<b>24.325.100</b>	<b>16.467.068</b>	<b>29.450.140</b>	<b>9.844.598</b>	<b>515.596</b>	<b>87.200.195</b>

**c. Explanations on trading income/loss**

	Current Period	Prior Period
<b>Income</b>	<b>849.432.957</b>	<b>930.334.099</b>
Capital Market Transactions	3.623.818	2.691.222
Derivative Financial Instruments	18.790.221	23.979.574
Foreign Exchange Gains	827.018.918	903.663.303
<b>Loss (-)</b>	<b>848.631.686</b>	<b>926.414.133</b>
Capital Market Transactions	437.901	788.590
Derivative Financial Instruments	16.103.367	17.559.678
Foreign Exchange Losses	832.090.418	908.065.865
<b>Net Trading Income / Loss</b>	<b>801.271</b>	<b>3.919.966</b>

Net gain/(loss) from foreign exchange translation differences related to derivative financial instruments amounts to TL 1.500.027 (1 January - 30 June 2023: TL 11.501.375).

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**d. Information on other operating income**

Other operating income consist of fee income from customers for various banking services, income from fixed asset sales and operating lease income increases.

**e. Provisions for expected credit loss**

	<b>Current Period</b>	<b>Prior Period</b>
Expected credit loss (*)	(3.220.522)	(3.024.918)
12 months provision for expected credit loss (Stage 1)	(121.041)	1.176.452
Significant increase in credit risk (Stage 2)	(2.497.247)	(2.477.699)
NPL (Stage 3)	(602.234)	(1.723.671)
Provisions for securities impairment	--	--
Financial assets at fair value through profit or loss	--	--
Financial assets at fair value through other comprehensive income	--	--
Associates, subsidiaries and provisions for financial assets measured at amortised cost impairment	--	--
Associates	--	--
Subsidiaries	--	--
Joint ventures	--	--
Others	909.844	3.159.545
<b>Total</b>	<b>(2.310.678)</b>	<b>134.627</b>

(\*) DFS Group has reported the provision for expected credit loss for loans in its financial statements, by netting off the reversals and collections made from loan provisions.

**f. Information on other operating expenses**

	<b>Current Period</b>	<b>Prior Period</b>
Personnel Expenses (*)	8.881.866	5.036.840
Reserve for Employee Termination Benefits (*)	24.861	(620.179)
Reserve for Bank's Social Aid Fund Deficit	--	--
Impairment Losses on Tangible Assets	--	--
Depreciation Charges of Tangible Assets	645.413	395.118
Impairment Losses on Intangible Assets	--	--
Goodwill for impairment loss	--	--
Amortisation Charges of Intangible Assets	809.972	426.799
Impairment Losses on Investment Accounted for under Equity Method	--	--
Impairment of Assets to be Disposed	--	32.761
Depreciation of Assets to be Disposed	--	--
Impairment of Assets Held for Sale	--	--
Other Operating Expenses	5.183.054	2.557.077
Operational Lease Expenses (**)	131.991	94.294
Repair and Maintenance Expenses	1.255.885	556.375
Advertisement Expenses	321.325	170.107
Other Expenses (***)	3.473.853	1.736.301
Losses on Sale of Assets	346.146	5.080
Other (****)	3.449.975	1.767.615
<b>Total</b>	<b>19.341.287</b>	<b>9.601.111</b>

(\*) Personnel expenses and reserve for employee termination benefits are presented in "personnel expenses" in the statement of profit or loss.

(\*\*) Includes the rent expenses outside the scope of TFRS 16.

(\*\*\*) Other expenses in other operational expenses comprise; communication expenses, IT repair and maintenance and software fees, stationary, representation, heating and lighting, credit card service fee and others amounting to TL 294.906, TL 145.163, TL 134.157, TL 13.552, TL 124.908, TL 2.544.686 and TL 216.481, respectively (1 January - 30 June 2023: TL 159.018, TL 68.240, TL 99.761, TL 5.906, TL 121.523, TL 807.125 and TL 474.728, respectively).

(\*\*\*\*) Other expenses comprise; BITT expenses, SDIF expenses, financial operating fees, earthquake support packages and others amounting to TL 1.628.278, TL 703.457, TL 773.965, TL 10.327 and TL 333.948, respectively (1 January - 30 June 2023: TL 335.844, TL 530.180, TL 340.853, TL 352.191 and TL 208.547, respectively).

**g. Information on profit / loss before tax from continued operations**

As 1 January - 30 June 2024, DFS Group has a profit before tax from continued operations amounting to TL 25.280.423 (1 January - 30 June 2023: TL 18.125.042).

As 1 January - 30 June 2024, DFS Group has no profit before tax from discontinued operations (1 January - 30 June 2023: TL 54.238).

**h. Information on tax provision for continued and discontinued operations**

**1. Calculated current tax income or expense and deferred tax income or expense**

As of 1 January - 30 June 2024, the current tax charge on continued operations amounts to TL 9.000.368 (1 January - 30 June 2023: TL 1.137.326) while deferred tax charge amounts to TL 1.909.573 (1 January - 30 June 2023: TL 11.798.202) and deferred tax benefit amounts to TL 9.356.875 (1 January - 30 June 2023: TL 8.286.280).

There are no current tax expenses on discontinued operations. (1 January - 30 June 2023: TL 13.674).

**i. Explanations on net profit and loss for the period**

**1. If the disclosure of the characteristic, dimension and repetition rate of the income and expense items arising from ordinary banking transactions is necessary for the understanding of the Bank's performance during the period, the characteristic and amount of these items**

DFS Group's income from ordinary banking transactions related to the current and previous period are interest income from loans and securities and other banking service income. The main sources of expenditure are interest expenses on deposits and similar borrowing items, which are the funding sources of loans and securities.

**2. Profit/(loss) attributable to minority shares**

	<b>Current Period</b>	<b>Prior Period</b>
Profit/(loss) attributable to minority shares	30.990	73.647

**3. No changes have been made in the accounting estimates which may have a material effect in the current period and materially affect subsequent periods.**

**j. If the other lines of the statement of profit or loss exceeds 10% of the period profit/loss, information on components making up at least 20% of other items**

DFS Group has accounted for fees and commissions, transfer commissions, account operation fees and insurance brokerage commissions received from credit cards under the "Other" line under the "Fees and Commissions Received" account. Fees and commissions given to credit cards are accounted under the "Other" line under the "Fees and Commissions Given" account.



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**V. Explanations and disclosures related to DFS Group's risk group**

**a. Information on loans and other receivables of DFS Group's risk group**

**Current Period**

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans</b>						
Balance at the Beginning of the Period	829.484	193.792	98.162	162.491	12.075	--
Balance at the End of the Period	360.066	234.447	170.366	128.933	11.010	--
Interest and Commission Income	935	529	1.662	--	15	--

(\*) As described in the Article 49 of Banking Law no.5411.

**Prior Period**

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans</b>						
Balance at the Beginning of the Period	34.435	109.314	241.587	93.168	3.484	--
Balance at the End of the Period	829.484	193.792	98.162	162.491	12.075	--
Interest and Commission Income	8.443	7	1.533	--	--	--

(\*) As described in the Article 49 of Banking Law no.5411.

**b. Information on deposits and funds borrowed from DFS Group's risk group**

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder (**)		Other Real Persons and Legal Entities in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Balance at the Beginning of the Period	1.334.708	409.442	81.932.331	33.675.803	59.886	104.612
Balance at the End of the Period	613.978	1.334.708	45.417.078	81.932.331	269.573	59.886
Interest and Commission Expense Paid	1.750	7.597	1.862.887	358.464	3.581	2.280

(\*) As described in the Article 49 of Banking Law no.5411.

(\*\*) Includes the subordinated loans of US Dollar 221 million and Euro 115 million received from ENBD.

**c. Information on forward and option agreements and similar agreements made with DFS Group's risk group**

DFS Group's Risk Group (*)	Associates, Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholder		Other Real Persons and Legal Entities in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Transactions for Financial Assets at Fair Value through Profit or Loss Purposes:</b>						
Balance at the Beginning of the Period	--	--	6.897.617	161.515	--	68.852
Balance at the End of the Period	19.802	--	3.016.486	6.897.617	--	--
Total Income/(Loss)	910	--	64.019	(912)	--	2.283
<b>Transactions for Hedging Purposes:</b>						
Balance at the Beginning of the Period	--	--	--	--	--	--
Balance at the End of the Period	--	--	--	--	--	--
Total Income/(Loss)	--	--	--	--	--	--

(\*) As described in the Article 49 of Banking Law no.5411.

**d. Information on benefits provided to top management**

As of 30 June 2024, a payment of TL 489.774 (30 June 2023: TL 275.921) has been accrued to the key management of the DFS Group.

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**e. Information on transactions with DFS Group's risk group**

As of 30 June 2024, cash loans and other receivables of the risk group represent 0,08% of DFS Group's total cash loans and banks; deposits and borrowings represent 4,4% of DFS Group's total deposits and borrowings. Non-cash loans granted to risk group companies represent 0,2% of the total non-cash loans balance.

The risk group that the DFS Group is involved in, conducts financial and operational leasing transactions with Deniz Leasing. The Parent Bank provides agency services for Deniz Yatırım through its branches. Amounts related to these transactions have been eliminated from the accompanying financial statements enclosed within the scope of consolidation adjustments.

**VI. Subsequent events**

None.

## **SECTION SIX**

### **INDEPENDENT AUDITOR'S REVIEW REPORT**

#### **I. Matters to be disclosed related to Independent Auditor's Review Report**

Consolidated financial statements and notes of the DFS Group are subject to independent auditor's review by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member Firm of Deloitte Touche Tohmatsu Limited) and independent audit review report dated 22 July 2024 is presented in front of the consolidated financial statements.

#### **II. Explanations and notes prepared by Independent Auditor**

There are no explanations or notes, deemed to be required, and no significant issues which are not mentioned in the prior sections above related to the activities of the DFS Group.

## **SECTION SEVEN**

### **INTERIM ACTIVITY REPORT**

(\*) Amounts are expressed in TL in Section Seven.

#### **Message From the Chairman**

DenizBank continued to support its customers and the economy of Türkiye in the second quarter of 2024 with substantial growth in lending provided to key sectors including SMEs, agriculture and tourism.

Türkiye's monetary policy appear to be successfully bearing fruit with inflation falling in June and the market expecting inflation to moderate further in the second half of 2024. Economic prospects are positive, reflected by the International Monetary Fund's lifting its GDP growth forecast for 2024 to 3.6% from 3.1%, and healthy economic growth registered in the first half of 2024.

DenizBank continued to provide significant financing towards green-economy projects, agriculture and women entrepreneurs with limited access to finance, aligning with its sustainability targets. DenizBank reinforced its commitment to these important sectors by adding specific targets on agricultural lending and emissions to its syndicated loan issued in June. The Bank also engaged in significant efforts for the development of the entrepreneurship ecosystem by supporting start-ups with a focus on climate-related risks.

As DenizBank, we will continue to shape the future of banking in the Middle East, North Africa and Türkiye with our strong investment in our agile workforce and our expertise in technology & innovation.

#### **Message from the President and CEO**

As the global fight against inflation and monetary tightening policies implemented in 2023 continued in 2024, global growth and trade tends to slow down compared to the past, while geopolitical concerns and protectionism are on the rise. Turkish economy, on the other hand, recorded 4.5% growth in 2023 despite the challenging circumstances caused by the devastating earthquake in addition to global uncertainties. Economic growth, which continued in Q1 2024 in the leading indicators, is expected to decelerate over the year with the tight monetary policy and macro prudential measures that focus on the combat against inflation and are implemented pertinaciously.

#### **We continue to grow with our responsible banking approach.**

With the utmost care to the measures taken in assets, loans and deposits in this process, we continued our prudential growth thanks to our active balance sheet management. In the first half of 2024, our assets were realised at 1,415.8 billion TL on a consolidated basis.

TL denominated deposits, which increased on an annual basis as savings were directed to Turkish Lira within the scope of the regulations of the economy management encouraging the conversion into TL, had an impact as our total customer deposits reached 855.9 billion TL on a consolidated basis. Our branch network of 658 in total, including the ones operating in 81 provinces of Türkiye, our Bahrain and Girne branches and through our subsidiaries with 14 branches in Austria and Germany and our operations in Russia as well as our customer base growing by 3% in the last one year were the other determinants in such increase.

Continuing to transfer the resources it collected in the first six months of 2024 to the economy, our Bank increased its consolidated cash loan volume to 699.3 billion TL, and cash and non-cash loan volume to 884.4 billion TL. While our equity rose to 126.2 billion on a consolidated basis, our equity including subordinated loans was marked as 137.6 billion TL on a consolidated basis. In the first six months of 2024, our consolidated net profit was realized as 23.7 billion TL.

#### **We have our decarbonisation roadmap and financing of agriculture among our targets**

As DenizBank, while we continued our strong support for niche sectors in the first half of 2024, we also offered our sustainable financial solutions for green economy projects, female entrepreneurs with limited access to funding and agricultural sector as well as individuals and businesses affected by the earthquakes, with the awareness of the transformational power of the financial sector in the process of transition to green economy. In our sustainability linked syndicated loan deal, which we renewed with a roll-over rate of 178% in the first half of the year, calculating the emissions financed by our Bank through loans and creating the decarbonisation roadmap as well as increasing the amount of financing provided to farmers with Producer Card were set as our sustainability performance goals. With this transaction, we have undertaken to use the PCAF methodology, which is an international measurement initiative in this field, to calculate the emissions arising from our loans based on scientific data. In addition, we have reiterated our determination to finance agriculture, which we consider as the guarantee for our country to be self-sufficient.

Within the scope of the integration of our sustainability strategy into our business processes, we have included sustainability linked targets to the key performance indicators of our top managers in the first half of the year.

Furthermore, within the scope of our sustainable finance value area, we have started to study our financial products to evaluate them under our sustainable finance framework.

We have our focal point on the subject of sustainability in our technology and innovation investments. Within this framework, our next generation subsidiary NEOHUB has collaborated with Oxford Global Consultancy Firm Oxentia, operating in the United Kingdom in the field of innovation and technology for TRUK Accelerator, which is a start-up acceleration programme supporting the global expansion of sustainability-oriented start-ups. With NEOHUB Cloud Technologies, which is 100% subsidiary of NEOHUB, we have started to offer our services in the custody and management of digital assets with smart solutions.

**We offer solutions to all sectors in connection with agriculture**

It was yet another significant development to implement our branch structuring that in rural areas where economy is entirely organised around agriculture, provide a single-source response to the needs of our customers who engage in agricultural production and make a living from agriculture as well as those who sell services or products to mostly farmers, even though their main profession may not be agriculture. With this structure, where we offer solutions for the needs of all sectors with an organic bond with this field, we almost doubled our agricultural loans as of the first half.

**We are offering innovations that will carry our sector even further**

We have taken a significant step to offer secure and quick services in payment systems, too. We have brought to life the Biometric Card, which enhances financial security by performing ID verification from fingerprints. As DenizBank, we have always put in great effort to actualise the innovations that opened new horizons for our sector. With the awareness that the future is evolving into contactless and mobile based payment systems, we have heavily invested and are investing in secure payment technologies. With our Biometric Card, we are offering our customers the biometric-based ID verification technology, equipped with finger print scanning and password-free payment option.

**We continue to support all branches of culture and art**

We have continued to support culture and arts, which we have considered as one of the most important pillars of progress since day one. As an organization that is deeply committed to the gains of our Republic, we have also assumed the title sponsorship of the Presidential Symphony Orchestra, which is one of the deeply-rooted art institutions in the world in this period. Istanbul State Symphony Orchestra and Izmir State Symphony Orchestra DenizBank concerts have also continued.

In the second quarter of the year, we hosted two important concerts with our Music events in Gallery Deniz along with 3 mixed exhibitions. On the occasion of 23 April National Sovereignty and Children's Day, we held the 23 April Special Concert with 13 young talents aged 10 to 15 who have achieved national and international success; and on the occasion of 19 May Commemoration of Ataturk, Youth and Sports Day we held the concert by Istanbul Youth Orchestra consisting of 28 people entirely composed of conservatory students.

On the other hand, we supported the Everyone to the Cinema project, realised by the Ministry of Culture and Tourism of the Republic of Türkiye with the mission to spread love for cinema to children at primary education age, with the Ministry of Education and Movie Theatre Investors Foundation (SİSAY) as project stakeholders, and added a new initiative to our efforts in this area.

**We are working hard, as the servants of our country**

As DenizBank, we have had service to our country at the core of our operations since day one. While fulfilling our economic, environmental and social responsibilities and uniting as a grand family to make sure that our services are accessible throughout our country, we have attained the target to create this institution where our children will want to work in the future. As we have done so up until today, we will continue to put our heart and soul to support development and advancement going forward.

**Changes in DFSG Companies**

With the decision of the Bank's Board of Directors dated 19 September 2023, the process for the purchase of a total of 299,683,561 shares, 5,000 Group A shares and 299,678,561 Group B shares, of "Deniz Gayrimenkul Yatırım Ortaklığı A.Ş.", which is owned by the Bank's subsidiary Deniz Yatırım Menkul Kıymetler A.Ş. by the Bank was completed and the shares was transferred to the Bank on 2 April 2024.

On 24 January 2024, Neohub Bulut Teknolojileri A.Ş. was established, as a 100% subsidiary of Neohub Teknoloji Yazılım Pazarlama ve Danışmanlık A.Ş. which is an indirect subsidiary of the Bank, to provide services for storing and managing digital assets with smart solutions.

Following the permission obtained from BRSA to increase the capital of the Bank from TL 5,696,100,000 to TL 19,638,600,000 and for the capital increase of TL 13,942,500,000 to be made in cash to be covered from the amount transferred to the capital advance account as "capital advance" on behalf of ENBD based on the early

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repayment of subordinated loans (TIER II) secured from our majority shareholder Emirates NBD Bank PJSC (ENBD), with the decision of the Bank's Board of Directors dated 6 May 2024, provided that the necessary approvals have been obtained, it was decided to hold an Extraordinary General Assembly Meeting on 16 May 2024 to submit the capital increase and thus the amendment of Article 6 of the Bank's Articles of Association for the approval of General Assembly. Following the necessary approvals, the increase of the capital of the Bank from TL 5,696,100,000 to TL 19,638,600,000 and the amendment of Article 6 of the Bank's Articles of Association were approved at the Extraordinary General Assembly, and the Extraordinary General Assembly decisions were registered on 23 May 2024, and the process of capital increase and amendment of Article 6 of the Bank's Articles of Association was completed.

The liquidation process of the Bank's subsidiary Eurodeniz International Banking Unit Ltd., which started on 18 December 2023 and continued with the registration application, was completed with the publication of the TRNC Official Receiving Officer and Registrar Office's letter regarding the deregistration in the TRNC Official Gazette dated 26 June 2024.

**Amendments to Articles of Association**

In line with the decision of the Bank's Board of Directors dated 6 February 2024, it was decided to amend Article 30 of the Bank's Articles of Association titled "Issuance of Debt Instruments and Other Securities" and with the registration of the decisions of the Ordinary General Assembly dated 28 March 2024 on 2 April 2024, Article 30 was amended as follows.

FORMER TEXT	NEW TEXT
<p><b>ISSUANCE OF BORROWING INSTRUMENTS AND OTHER SECURITIES</b></p> <p><b>Article 30</b> - The Bank shall issue domestically and-or internationally all kinds of bills, promissory notes, bonds, notes, commercial papers, debentures, participation dividend certificates, profit and loss sharing certificates, asset-backed securities, mortgage-backed securities and other financial instruments, with or without security, that are recognised by the CMB as the borrowing instruments, securities, and-or other debt instruments, based on the decision of the Board of Directors and in compliance with the Capital Market Law, the Banking Law and other relevant Turkish laws and regulations.</p>	<p><b>ISSUANCE OF BORROWING INSTRUMENTS AND OTHER SECURITIES</b></p> <p><b>Article 30</b> - The Bank shall issue domestically and-or internationally all kinds of commercial papers, promissory notes, bonds, commercial bills, debentures, participation dividend certificates, asset-backed securities, mortgage-backed securities and other financial instruments that are recognised by the CMB as borrowing instruments and-or other borrowing instruments, with or without security, with the decision of the Board of Directors and in compliance with the Capital Market Law, the Banking Law and other relevant Turkish legislation.</p>

In line with the decision of the Bank's Board of Directors dated 6 May 2024, it was decided to amend Article 6 of the Bank's Articles of Association titled "Capital of The Bank" and with the registration of the decisions of the Extraordinary General Assembly dated 16 May 2024 on 23 May 2024, Article 6 was amended as follows.

FORMER TEXT	NEW TEXT
<p><b>CAPITAL OF THE BANK</b></p> <p><b>Article 6</b> - The share capital of the Bank (the "Capital") is TL 5,696,100,000.</p> <p>This Capital is divided into 5,696,100,000 registered shares each having a value of 1 (one) Turkish Lira.</p> <p>TL 3,316,100,000 which constitutes the previous capital is fully paid.</p> <p>The last capital increase of TL 2,380,000,000 was committed in cash by the majority shareholder Emirates NBD Bank PSJC and paid before the capital increase is registered.</p>	<p><b>CAPITAL OF THE BANK</b></p> <p><b>Article 6</b> - The share capital of the Bank (the "Capital") is TL 19,638,600,000.</p> <p>This Capital is divided into 19,638,600,000 registered shares each having a value of 1 (one) Turkish Lira.</p> <p>TL 5,696,100,000 which constitutes the previous capital is fully paid.</p> <p>The entire amount of TL 13,942,500,000 TL was committed in cash by the majority shareholder Emirates NBD Bank PSJC and paid before the capital increase is registered.</p>

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**Amendments to Rating Notes**

There were the following changes in Bank's rating notes, rated by Moody's and Fitch Ratings, in the first quarter of 2024.

Following the revision of the Outlook on Türkiye's Credit Rating to Positive from Stable and upgrade Türkiye's foreign currency country ceiling from B3 to B2 on 12 January 2024, Moody's has upgraded DenizBank's long-term foreign currency deposit rating and long-term foreign currency Counterparty Risk Rating (CRR) from B3 to B2 and revised the Outlooks to Positive from Stable on 17 January 2024. Moody's affirmed DenizBank's local currency deposit rating at B1, Adjusted Baseline Credit Assessment (Adjusted BCA) at b1 and the Baseline Credit Assessment (BCA) at caa1.

Following the revision of the upgrade on Turkey's Long-Term IDRs to B+ (Positive) from B (Stable) on 08 March 2024, International Rating Agency Fitch Ratings has upgraded DenizBank's Long-Term Foreign Currency and Long-Term Local Currency IDRs to B from B- and to B+ from B, respectively and revised the Outlooks to Positive from Stable on 15 March 2024. Fitch also upgraded Shareholder Support rating to b from b- and affirmed our Bank's Short-Term Local and Foreign Currency IDRs at B, viability rating at b- and National Long-Term rating to AA(tur) with a Stable outlook.

International Rating Agency Fitch Ratings has affirmed DenizBank's Long-Term Foreign Currency IDR at B and Long-Term Local Currency IDR at B+, with Positive Outlooks on 08 April 2024. Fitch has upgraded viability rating to b from b- and affirmed our Bank's Shareholder Support rating at b, Short-Term Local and Foreign Currency IDRs at B and National Long-Term rating to AA(tur) with a Stable outlook.

Ratings as of 30 June 2024 are as follows:

<b>Moodys*</b>		<b>Fitch Ratings**</b>	
Outlook	<b>Positive</b>	Outlook	<b>Positive</b>
Long Term Foreign Currency Deposits	<b>B2</b>	Long Term Foreign Currency	<b>B</b>
Short Term Foreign Currency Deposits	<b>Not Prime</b>	Short Term Foreign Currency	<b>B</b>
Long Term Local Currency Deposits	<b>B1</b>	Long Term Local Currency	<b>B+</b>
Short Term Local Currency Deposits	<b>Not Prime</b>	Short Term Local Currency	<b>B</b>
Baseline Credit Assessment (BCA)	<b>caa1</b>	Viability	<b>b</b>
Adjusted Baseline Credit Assessment (Adj. BCA)	<b>b1</b>	Shareholder Support	<b>b</b>
		National	<b>AA (tur) (Stable)</b>
*As of 17.01.2024		**As of 08.04.2024	

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**Financial Information**

**a. General Outlook of the Banking Sector**

Evaluation of the banking sector according to the June 2024 data\*:

-Loan volume (excluding financial sector loans)	TL 13.848 billion
TL Loan volume (excluding financial sector loans and FX indexed loans)	TL 8.919 billion
FX Loan volume (excluding financial sector loans, including FX indexed loans)	USD 151 billion
-Deposit Volume (excluding interbank deposits)	TL 16.447 billion
TL Deposit Volume (excluding interbank deposits)	TL 10.315 billion
FX Deposit Volume (excluding interbank deposits)	USD 189 billion

In the first half of 2024 the total loan volume of the banking sector reached TL 13,848 billion. SME, credit card and commercial loans became the segments with priority impact on total loan increase. Total consumer loans reached TL 1,726 billion, while total credit card loans was TL 1,468 billion. SME loans reached TL 3,660 billion in the first half. While completing the year of 2023 at level of 1.6%, the total NPL ratio realized as 1.5% as at June 2024.

Total deposits reached TL 16,447 billion as at June 2024. The sector's total equity rose TL 2,382 billion at the end of the first five months.

The net profit of the banking sector in the first five months was realized as TL 233.6 billion.

\* Banking sector data are extracts from the BRSA weekly & monthly bulletin including participation bank figures.

**b. Summary Financial Highlights**

**Summary Consolidated Financial Highlights (TL millions)**

<b>Balance Sheet</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
Securities <sup>(1)</sup>	199.709	162.180
Net Loans	699.277	570.040
Cash and Banks, net	404.067	365.373
Total Assets	1.415.762	1.172.907
Customer Deposits <sup>(2)</sup>	855.899	737.884
Time	641.340	535.258
Demand	214.560	202.627
Borrowings	162.446	126.403
Securities Issued	82.957	46.495
Sub-ordinated Loans	11.401	23.067
Shareholders' Equity	126.173	90.414
Paid-in Capital	19.639	5.696
Non-cash Loans	185.150	153.970
<b>Income Statements</b>	<b>30.06.2024</b>	<b>30.06.2023</b>
Interest Income	125.874	40.629
Interest Expense	(103.110)	(24.810)
Net Interest Income after Provisions	25.985	18.843
Non-interest Income	29.468	14.322
Non-interest Expense	(30.173)	(15.041)
Tax Provision	(1.553)	(4.636)
Net Profit/Loss from Discontinued Operations	--	41
Net Income	23.727	13.530
<b>Other Highlights</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
Number of Branches <sup>(3)</sup>	658	655
Number of Employees	13.688	13.749
Number of ATMs	3.096	3.080
Number of POS Terminals	490.599	414.396
Number of Credit Cards	6.958.361	7.188.826

<sup>(1)</sup> It is the sum of financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets at amortised cost.

<sup>(2)</sup> Excludes bank deposits

<sup>(3)</sup> Includes subsidiaries' branches



**DENİZBANK ANONİM ŞİRKETİ**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 30 JUNE 2024**

(Currency: Thousands of TL - Turkish Lira)

*Convenience Translation of  
Consolidated Financial Report  
Originally Issued in Turkish,  
See Note 3.1.c*

**c. Assessment of Financial Position and Risk Management**

<b>(TL millions)</b>	<b>Consolidated</b>	
	<b>30.06.2024</b>	<b>31.12.2023</b>
Capital Adequacy Ratio (%)	14,54	16,47
Shareholders' Equity	126.173	90.414
Return on Average Equity (%)	45,05	40,82
Non-performing Loans/ Total Cash Loans Ratio (%)	3,37	4,03