

# **Ekspo Faktoring Anonim Őirketi**

**Financial statements as of January 1, -  
December 31, 2024 together with  
independent auditor's report**

*(Convenience translation into English of financial statements originally  
issued in Turkish)*



**Shape the future  
with confidence**

Güney Bağımsız Denetim ve SMMM A.Ş.  
Maslak Mah. Eski Büyükdere Cad.  
Orjin Maslak İş Merkezi No: 27  
Daire: 57 34485 Sarıyer  
İstanbul - Türkiye

Tel: +90 212 315 3000  
Fax: +90 212 230 8291  
ey.com  
Ticaret Sicil No : 479920  
Mersis No: 0-4350-3032-6000017

*(Convenience translation into English of financial statements originally issued in Turkish)*

## **INDEPENDENT AUDITOR'S REPORT**

**To the General Board of Ekspo Faktoring Anonim Şirketi**

### **A) Audit of the Financial Statements**

#### **1) Opinion**

We have audited statement of financial position of Ekspo Faktoring A.Ş. ("the Company") as at December 31, 2024 and the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flow for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with the "Communique on Financial Leasing, Factoring and Uniform chart of Accounts which shall be applied by Finance Companies published in Official Gazette dated December 24, 2013 and numbered 28861 and Regulation, Communique and Circular on Accounting Policies of Financial Leasing, Factoring and Finance Companies and their Financial Statements and announcements published by the Banking Regulation and Supervision Authority ("BRSA") together referred as "BRSA Accounting and Financial Reporting Legislation" and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated BRSA Accounting and Financial Reporting Legislation.

#### **2) Basis for Opinion**

We conducted our audit in accordance with Independent Auditing Standards ("InAS") which are a part of Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company within the meaning of Code of Ethics for Independent Auditors (Code of Ethics) published by POA and have fulfilled our other responsibilities in accordance with the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **3) Key Audit Matters**

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



**Shape the future  
with confidence**

*(Convenience translation into English of financial statements originally issued in Turkish)*

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<b><i>Impairment of factoring receivables</i></b>	
Determining the adequacy of impairment allowance on factoring receivables is a key area of judgment for the management due to the significance of the balances, and complexity and subjectivity over estimating timing and amount of impairment . The risk is that factoring receivables are impaired and no reasonable impairment losses/provisions are provided in accordance with the BRSA Accounting and Reporting Legislation. The impairment of factoring receivables are further explained in Note 5 and Note 6 to the financial statements.	Our audit procedures included assessing applied procedures by the Company over the booking, monitoring and settlement, and identification the impaired factoring receivables and the required provisions against them. In addition, we selected samples of factoring receivables based on our judgement and considered whether there was objective evidence that impairment exists on these factoring receivables and advances. We also assessed whether impairment losses for factoring receivables and advances were reasonably determined in accordance with the requirements of BRSA have been evaluated.

#### **4) Responsibilities of Management and Directors for the Financial Statements**

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

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

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

#### **5) Auditor's Responsibilities for the Audit of the Financial Statements**

In an independent audit, the responsibilities of us as independent auditors are:

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



**Shape the future  
with confidence**

*(Convenience translation into English of financial statements originally issued in Turkish)*

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

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



**Shape the future  
with confidence**

*(Convenience translation into English of financial statements originally issued in Turkish)*

**B) Other liabilities arising from legislation**

- 1) In accordance with Article 402 paragraph 4 of the Turkish Commercial Code ("TCC"); no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period January 1 – December 31, 2024 are not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.
- 2) In accordance with Article 402 paragraph 4 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The partner in charge of the audit resulting in this independent auditor's report is Fatih Polat.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
*A member firm of Ernst & Young Global Limited*

Fatih Polat, SMMM  
Partner

February 14, 2025  
Istanbul, Türkiye

**Ekspo Faktoring Anonim Şirketi**  
**CONTENTS**

**PAGE**

<b>STATEMENT OF FINANCIAL POSITION .....</b>	<b>5-6</b>
<b>STATEMENT OF OFF-BALANCE SHEET ITEMS .....</b>	<b>7</b>
<b>STATEMENT OF PROFIT OR LOSS .....</b>	<b>8</b>
<b>PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT .....</b>	<b>9</b>
<b>STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY .....</b>	<b>10</b>
<b>STATEMENT OF CASH FLOWS .....</b>	<b>11</b>
<b>PROFIT DISTRIBUTION OF TABLE .....</b>	<b>12</b>
<b>NOTES TO THE FINANCIAL STATEMENTS .....</b>	<b>13-58</b>
1 ORGANIZATION AND OPERATIONS OF THE COMPANY .....	13
2 BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS .....	13-32
3 CASH AND CASH EQUIVALENTS.....	33
4 FINANCIAL ASSETS AVAILABLE FOR SALE .....	33
5 FACTORING RECEIVABLES.....	33-35
6 NON-PERFORMING RECEIVABLES .....	35-36
7 TANGIBLE ASSETS .....	36-37
8 INTANGIBLE ASSETS.....	37-38
9 INVESTMENT PROPERTY.....	38-39
10 DEFERRED TAX ASSETS/(LIABILITIES).....	39-40
11 ASSETS HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS.....	40
12 OTHER ASSETS.....	40
13 FUNDS BORROWED .....	40-41
14 BONDS AND NOTES ISSUED .....	42
15 FACTORING PAYABLES .....	42
16 FINANCIAL LEASE OBLIGATIONS .....	42
17 OTHER PAYABLES .....	42
18 PROVISIONS.....	42-43
19 MINORITY SHARES .....	43
20 PAID-IN CAPITAL AND CAPITAL RESERVES.....	43-44
21 PROFIT RESERVES.....	44
22 PRIOR PERIOD'S PROFIT / LOSS .....	44
23 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES.....	44-45
24 OPERATING INCOME.....	45
25 OPERATING EXPENSE .....	45-46
26 OTHER OPERATING INCOME.....	46
27 FINANCIAL EXPENSES.....	46
28 PROVISIONS EXPENSES .....	46
29 OTHER OPERATING EXPENSES .....	47
30 RELATED PARTY TRANSACTIONS .....	47
31 TAX ASSETS AND LIABILITIES .....	47-48
32 EARNING PER SHARE .....	49
33 OTHER MATTERS THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR ARE NECESSARY FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE .....	49
34 NATURE AND LEVEL OF FINANCIAL RISK ARISING FROM FINANCIAL INSTRUMENTS .....	49-58
35 FEES FOR SERVICES RECEIVED FROM EXTERNAL AUDITOR / EXTERNAL AUDIT FIRM .....	58
36 SUBSEQUENT EVENTS .....	58

(Convenience translation into English of financial statements originally issued in Turkish)

**Ekspo Faktoring A.Ş.**

**Financial position (balance sheet) as of December 31, 2024**

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

ASSETS	Notes	Audited current period December 31, 2024			Audited previous period December 31, 2023		
		TL	FC	Total	TL	FC	Total
<b>I. CASH, CASH EQUIVALENTS AND THE CENTRAL BANK FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT</b>	<b>3</b>	<b>3.933</b>	<b>8.222</b>	<b>12.155</b>	<b>9.657</b>	<b>12.728</b>	<b>22.385</b>
<b>II. OR LOSS (NET)</b>	<b>2.5</b>	<b>-</b>	<b>21.134</b>	<b>21.134</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>III. DERIVATIVE FINANCIAL ASSETS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IV. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>V. FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)</b>		<b>1.320.135</b>	<b>283.019</b>	<b>1.603.154</b>	<b>863.426</b>	<b>167.392</b>	<b>1.030.818</b>
<b>5.1 Factoring Receivables</b>	<b>5</b>	<b>1.320.135</b>	<b>283.019</b>	<b>1.603.154</b>	<b>863.426</b>	<b>167.392</b>	<b>1.030.818</b>
5.1.1 Discounted Factoring Receivables (Net)		889.317	-	889.317	360.104	-	360.104
5.1.2 Other Factoring Receivables		430.818	283.019	713.837	503.322	167.392	670.714
<b>5.2 Financing Loans</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5.2.1 Consumer Loans		-	-	-	-	-	-
5.2.2 Credit Cards		-	-	-	-	-	-
5.2.3 Installment Commercial Loans		-	-	-	-	-	-
<b>5.3 Lease Receivables (Net)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5.3.1 Finance Lease Receivables		-	-	-	-	-	-
5.3.2 Operational Lease Receivables		-	-	-	-	-	-
5.3.3 Unearned Income (-)		-	-	-	-	-	-
<b>5.4 Other Financial Assets Measured at Amortized Cost</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5.5 Non-Performing Receivables</b>	<b>6</b>	<b>17.943</b>	<b>-</b>	<b>17.943</b>	<b>23.143</b>	<b>-</b>	<b>23.143</b>
<b>5.6 Expected Loss Provisions/Specific Provisions (-)</b>	<b>6</b>	<b>(17.943)</b>	<b>-</b>	<b>(17.943)</b>	<b>(23.143)</b>	<b>-</b>	<b>(23.143)</b>
<b>VI. EQUITY INVESTMENTS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
6.1 Associates (Net)		-	-	-	-	-	-
6.2 Subsidiaries (Net)		-	-	-	-	-	-
6.3 Joint Ventures (Net)		-	-	-	-	-	-
<b>VII. TANGIBLE ASSETS (Net)</b>	<b>7</b>	<b>2.975</b>	<b>-</b>	<b>2.975</b>	<b>1.485</b>	<b>-</b>	<b>1.485</b>
<b>VIII. INTANGIBLE ASSETS (Net)</b>	<b>8</b>	<b>699</b>	<b>-</b>	<b>699</b>	<b>241</b>	<b>-</b>	<b>241</b>
<b>IX. INVESTMENT PROPERTIES (Net)</b>	<b>9</b>	<b>32.603</b>	<b>-</b>	<b>32.603</b>	<b>32.360</b>	<b>-</b>	<b>32.360</b>
<b>X. CURRENT PERIOD TAX ASSETS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI. DEFERRED TAX ASSETS</b>	<b>10</b>	<b>64.769</b>	<b>-</b>	<b>64.769</b>	<b>37.751</b>	<b>-</b>	<b>37.751</b>
<b>XII. OTHER ASSETS</b>	<b>12</b>	<b>10.801</b>	<b>149</b>	<b>10.950</b>	<b>6.861</b>	<b>-</b>	<b>6.861</b>
<b>SUBTOTAL</b>		<b>1.435.915</b>	<b>312.524</b>	<b>1.748.439</b>	<b>951.781</b>	<b>180.120</b>	<b>1.131.901</b>
<b>ASSETS HELD FOR SALE AND DISCONTINUED</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XIII. OPERATIONS (Net)</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13.1 Assets Held For Sale		-	-	-	-	-	-
13.2 Assets of Discontinued Operations		-	-	-	-	-	-
<b>TOTAL ASSETS</b>		<b>1.435.915</b>	<b>312.524</b>	<b>1.748.439</b>	<b>951.781</b>	<b>180.120</b>	<b>1.131.901</b>

Note: The financial statements are presented in accordance with the new financial statement format in the "Regulation on the amendment to the regulation on the accounting practices and financial statements of financial leasing, factoring and financing companies" published in the Official Gazette dated February 1, 2019 and numbered 30673

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

(Convenience translation into English of financial statements originally issued in Turkish)

**Ekspo Faktoring A.Ş.**

**Financial position (balance sheet) as of December 31, 2024**

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

LIABILITIES	Notes	Audited current period December 31, 2024			Audited previous period December 31, 2023		
		TL	FC	Total	TL	FC	Total
<b>I. FUNDS BORROWED</b>	<b>13</b>	<b>727.212</b>	<b>290.976</b>	<b>1.018.188</b>	<b>583.463</b>	<b>-</b>	<b>583.463</b>
<b>II. FACTORING LIABILITIES</b>	<b>15</b>	<b>376</b>	<b>4.547</b>	<b>4.923</b>	<b>32.314</b>	<b>5.498</b>	<b>37.812</b>
<b>III. LEASE LIABILITIES (NET)</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IV. DEBT SECURITIES ISSUED (Net)</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>V. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (NET)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI. DERIVATIVE FINANCIAL LIABILITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. PROVISIONS</b>	<b>18</b>	<b>6.345</b>	<b>-</b>	<b>6.345</b>	<b>4.415</b>	<b>-</b>	<b>4.415</b>
7.1 Restructuring Reserves		-	-	-	-	-	-
7.2 Reserves for Employee Benefits		6.345	-	6.345	4.415	-	4.415
7.3 General Provisions		-	-	-	-	-	-
7.4 Other Provisions		-	-	-	-	-	-
<b>VIII. CURRENT PERIOD TAX LIABILITY</b>	<b>31</b>	<b>41.981</b>	<b>-</b>	<b>41.981</b>	<b>29.234</b>	<b>-</b>	<b>29.234</b>
<b>IX. DEFERRED TAX LIABILITY</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. SUBORDINATED DEBT INSTRUMENTS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI. OTHER LIABILITIES</b>	<b>17</b>	<b>3.832</b>	<b>62</b>	<b>3.894</b>	<b>7.029</b>	<b>8</b>	<b>7.037</b>
<b>SUBTOTAL</b>		<b>779.746</b>	<b>295.585</b>	<b>1.075.331</b>	<b>656.455</b>	<b>5.506</b>	<b>661.961</b>
<b>XII. PAYABLES RELATED TO ASSETS FOR SALE AND DISCONTINUED OPERATIONS (Net)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
12.1 Held for Sale		-	-	-	-	-	-
12.2 Discontinued Operations		-	-	-	-	-	-
<b>XIII. SHAREHOLDERS' EQUITY</b>		<b>673.108</b>	<b>-</b>	<b>673.108</b>	<b>469.940</b>	<b>-</b>	<b>469.940</b>
<b>13.1 Paid in Capital</b>	<b>20</b>	<b>60.000</b>	<b>-</b>	<b>60.000</b>	<b>60.000</b>	<b>-</b>	<b>60.000</b>
<b>13.2 Capital Reserves</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13.2.1 Share Premiums		-	-	-	-	-	-
13.2.2 Share Cancellation Profits		-	-	-	-	-	-
13.2.3 Other Capital Reserves		-	-	-	-	-	-
<b>13.3 Accumulated Other Comprehensive Income that will not be Reclassified to Profit or Loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13.4 Reclassified subsequently to Profit or Loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13.5 Profit Reserves</b>	<b>21</b>	<b>16.846</b>	<b>-</b>	<b>16.846</b>	<b>16.846</b>	<b>-</b>	<b>16.846</b>
13.5.1 Legal Reserves		16.846	-	16.846	16.846	-	16.846
13.5.2 Statutory Reserves		-	-	-	-	-	-
13.5.3 Extraordinary Reserves		-	-	-	-	-	-
<b>13.5.4 Other Profit Reserves</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13.6 Profit or Loss		<b>596.262</b>	<b>-</b>	<b>596.262</b>	<b>393.094</b>	<b>-</b>	<b>393.094</b>
13.6.1 Prior Periods Profit/Loss	<b>22</b>	373.094	-	373.094	218.920	-	218.920
13.6.2 Current Period Profit/Loss		223.168	-	223.168	174.174	-	174.174
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1.452.854</b>	<b>295.585</b>	<b>1.748.439</b>	<b>1.126.395</b>	<b>5.506</b>	<b>1.131.901</b>

Note: The financial statements are presented in accordance with the new financial statement format in the "Regulation on the amendment to the regulation on the accounting practices and financial statements of financial leasing, factoring and financing companies" published in the Official Gazette dated February 1, 2019 and numbered 30673

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



**Ekspo Faktoring A.Ş.**

**Statement of off-balance sheet items as of December 31, 2024**

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

OFF-BALANCE SHEET ITEMS	Notes	Audited current period December 31, 2024			Audited previous period December 31, 2023		
		TL	FC	Total	TL	FC	Total
<b>I. IRREVOCABLE FACTORING TRANSACTIONS</b>		331.316	212.532	543.848	74.050	129.778	203.828
<b>II. REVOCABLE FACTORING TRANSACTIONS</b>	5	315.592	41.535	357.127	406.486	10.206	416.692
<b>III. COLLATERALS RECEIVED</b>	5-23	12.242.989	5.760.916	18.003.905	9.559.464	4.537.728	14.097.192
<b>IV. COLLATERALS GIVEN</b>	23	480.026	-	480.026	252.794	-	252.794
<b>V. COMMITMENTS</b>		-	-	-	-	-	-
5.1 Irrevocable Commitments		-	-	-	-	-	-
5.2 Revocable Commitments		-	-	-	-	-	-
5.2.1 Lease Commitments		-	-	-	-	-	-
5.2.1.1 Finance Lease Commitments		-	-	-	-	-	-
5.2.1.2 Operational Lease Commitments		-	-	-	-	-	-
5.2.2 Other Revocable Commitments		-	-	-	-	-	-
<b>VI. DERIVATIVE FINANCIAL INSTRUMENTS</b>		-	-	-	-	-	-
6.1 Derivative Financial Instruments for Risk		-	-	-	-	-	-
6.1.1 Fair Value Hedges		-	-	-	-	-	-
6.1.2 Cash Flow Hedges		-	-	-	-	-	-
6.1.3 Net Foreign Investment Hedges		-	-	-	-	-	-
6.2 Derivative Financial Instruments Held For Trading		-	-	-	-	-	-
6.2.1 Forward Foreign Currency Purchases/Sales		-	-	-	-	-	-
6.2.2 Swap Purchases/Sales		-	-	-	-	-	-
6.2.3 Put/call options		-	-	-	-	-	-
6.2.4 Futures purchases/sales		-	-	-	-	-	-
6.2.5 Others		-	-	-	-	-	-
<b>VII. ITEMS HELD IN CUSTODY</b>		1.622.270	187.969	1.810.239	1.090.923	694.365	1.785.288
<b>TOTAL OFF-BALANCE SHEET ITEMS</b>		14.992.193	6.202.952	21.195.145	11.383.717	5.372.077	16.755.794

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

**Ekspo Faktoring A.Ş.**

**Statement of profit or loss and other comprehensive income  
for the period ended December 31, 2024**

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

STATEMENT OF PROFIT OR LOSS		Notes	Audited Current Period January-1, December 31, 2024	Audited Previous Period January 1, - December 31, 2023
<b>I.</b>	<b>OPERATING INCOME</b>	<b>24</b>	<b>699.171</b>	<b>349.071</b>
	<b>FACTORING INCOME</b>		<b>699.171</b>	<b>349.071</b>
1.1	Interest Received from Factoring Receivables		683.784	299.388
1.1.1	Discounted		403.400	136.963
1.1.2	Other		280.384	162.425
1.2	Fees and Commissions Received from Factoring Receivables		15.387	49.683
1.2.1	Discounted		1.777	38.068
1.2.2	Other		13.610	11.615
	<b>INCOME FROM FINANCING LOANS</b>		-	-
1.3	Interest Received from Finance Loans		-	-
1.4	Fees and Commissions Received from Finance Loans		-	-
	<b>LEASE INCOME</b>		-	-
1.5	Financial Lease Income		-	-
1.6	Operating Lease Income		-	-
1.7	Fees and Commissions Received from Lease Income		-	-
<b>II.</b>	<b>FINANCIAL EXPENSES (-)</b>	<b>27</b>	<b>(294.972)</b>	<b>(128.432)</b>
2.1	Interest Expenses on Funds Borrowed		(280.952)	(112.681)
2.2	Interest Expenses on Factoring Payables		(5.581)	-
2.3	Financial Lease Expenses		-	-
2.4	Interest Expenses on Securities Issues		-	-
2.5	Other Interest Expenses		-	-
2.6	Fees and Commissions Given		(8.439)	(15.751)
<b>III.</b>	<b>GROSS PROFIT/LOSS (I+II)</b>		<b>404.199</b>	<b>220.639</b>
<b>IV.</b>	<b>OPERATING EXPENSE (-)</b>	<b>25</b>	<b>(115.875)</b>	<b>(71.380)</b>
4.1	Personnel Expenses		(87.015)	(51.559)
4.2	Provision Expense for Employment Termination Benefits		(1.834)	(1.183)
4.3	Research and Development Expenses		-	-
4.4	General Administration Expenses		(26.131)	(18.208)
4.5	Other		(895)	(430)
<b>V.</b>	<b>OPERATING GROSS PROFIT/LOSS (III+IV)</b>		<b>288.324</b>	<b>149.259</b>
<b>VI.</b>	<b>OTHER OPERATING INCOME</b>	<b>26</b>	<b>32.566</b>	<b>81.580</b>
6.1	Interest Received from Banks		1.738	3.915
6.2	Trading Gains on Securities		149	-
6.3	Dividend Income		-	-
6.4	Interest Received from Marketable Received Portfolio		-	-
6.5	Derivative Financial Transactions Profit		-	-
6.6	Foreign Exchange Gains		12.937	77.199
6.7	Other		17.742	466
<b>VII.</b>	<b>PROVISIONS FOR DOUBTFUL RECEIVABLES (-)</b>	<b>28</b>	<b>(12.016)</b>	<b>(1.584)</b>
7.1	Specific Provisions		(12.016)	(1.584)
7.2	Expected Loss Provisions		-	-
7.3	General Provisions		-	-
7.4	Other		-	-
<b>VIII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>29</b>	<b>(1.076)</b>	<b>(10.505)</b>
8.1	Impairment Losses on Securities Portfolio		-	-
8.2	Impairment of Fixed Assets		-	-
8.3	Loss of Capital Market Transactions		-	-
8.4	Loss from Derivative Financial Transaction		-	-
8.5	Foreign Exchange Loss		(1.076)	(10.505)
8.6	Other		-	-
<b>IX.</b>	<b>NET OPERATING INCOME/EXPENSE (V+...+VIII)</b>		<b>307.798</b>	<b>218.750</b>
<b>X.</b>	<b>INCOME RESULTED FROM MERGER</b>		-	-
<b>XI.</b>	<b>SHARES FROM PROFITS AND LOSSES OF INVESTMENT VALUED BY EQUITY METHOD</b>		-	-
<b>XII.</b>	<b>NET MONETARY POSITION GAIN/LOSS</b>		-	-
<b>XIII.</b>	<b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS (IX+X+XI)</b>		<b>307.798</b>	<b>218.750</b>
<b>XIV.</b>	<b>TAXATION ON INCOME FROM CONTINUING OPERATIONS (±)</b>	<b>31</b>	<b>(84.630)</b>	<b>(44.576)</b>
13.1	Current Tax Provision		(111.648)	(74.632)
13.2	Deferred Tax Expense Effect (+)		-	-
13.3	Deferred Tax Income Effect (-)		27.018	30.056
<b>XV.</b>	<b>NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XIII±XIV)</b>		<b>223.168</b>	<b>174.174</b>
<b>XVI.</b>	<b>INCOME FROM DISCONTINUING OPERATIONS</b>		-	-
15.1	Income of Non-Current Assets Held for Sale		-	-
15.2	Sale Profits from Associates, Subsidiaries and Joint Ventures		-	-
15.3	Income from Other Discontinuing Operations		-	-
<b>XVII.</b>	<b>EXPENSES FROM DISCONTINUING OPERATIONS (-)</b>		-	-
16.1	Expenses of Non-Current Assets Held for Sale		-	-
16.2	Expenses Profits from Associates, Subsidiaries and Joint Ventures		-	-
16.3	Expense from Other Discontinuing Operations		-	-
<b>XVIII.</b>	<b>PROFIT/LOSS BEFORE TAX FROM DISCONTINUING OPERATIONS (XVI-XVII)</b>		-	-
<b>XIX.</b>	<b>TAXATION ON INCOME FROM DISCONTINUING OPERATIONS (±)</b>		-	-
18.1	Current Tax Provision		-	-
18.2	Deferred Tax Expense Effect (+)		-	-
18.3	Deferred Tax Income Effect (-)		-	-
<b>XX.</b>	<b>NET PROFIT/LOSS FROM DISCOUNTED OPERATIONS (XVIII±XIX)</b>		-	-
<b>XXI.</b>	<b>NET PROFIT/LOSSES (XV+XX)</b>		<b>223.168</b>	<b>174.174</b>

Note: The financial statements are presented in accordance with the new financial statement format in the "Regulation on the amendment to the regulation on the accounting practices and financial statements of financial leasing, factoring and financing companies" published in the Official Gazette dated February 1, 2019 and numbered 30673

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

(Convenience translation into English of financial statements originally issued in Turkish)

**Ekspo Faktoring A.Ş.**

**Statement of profit or loss and other comprehensive income  
for the period ended December 31, 2024**

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

INCOME OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT ITEMS		NOTES	Audited	Audited
			Current Period January 1- December 31, 2024	Previous Period January 1- December 31, 2023
<b>I.</b>	<b>PERIOD INCOME/LOSS</b>		<b>223.168</b>	<b>174.174</b>
<b>II.</b>	<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>2.1</b>	<b>Other comprehensive income or expense that will not be reclassified</b>		-	-
2.1.1	Gains/(losses) on revaluation of tangible assets		-	-
2.1.2	Gains/(losses) on revaluation of intangible assets		-	-
2.1.3	Gains/(losses) on remeasurement of defined benefit pension plans		-	-
2.1.4	Other items that will not be reclassified to profit or loss		-	-
2.1.5	Taxation on comprehensive income that will not be reclassified to profit or loss		-	-
<b>2.2</b>	<b>Other comprehensive income or expense that will be reclassified</b>		-	-
2.2.1	Translation differences for transactions in foreign currencies		-	-
2.2.2	Valuation/ or and classification revenues/ expenses of financial assets at fair value through other comprehensive income		-	-
2.2.3	Gains/(losses) from cash flow hedges		-	-
2.2.4	Gains/(losses) from net investment hedges		-	-
2.2.5	Other items that will be reclassified to profit or loss		-	-
2.2.6	Taxation on comprehensive income that will be reclassified to profit or loss		-	-
<b>III.</b>	<b>TOTAL COMPREHENSIVE INCOME (I+II)</b>		<b>223.168</b>	<b>174.174</b>

Note: The financial statements are presented in accordance with the new financial statement format in the "Regulation on the amendment to the regulation on the accounting practices and financial statements of financial leasing, factoring and financing companies" published in the Official Gazette dated February 1, 2019 and numbered 30673

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

(Convenience translation into English of financial statements originally issued in Turkish)

**Ekspo Faktoring A.Ş.**

**Statement of changes in shareholders' equity as of December 31, 2024**

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

CHANGES IN EQUITY	NOTES					Other comprehensive income or expense that will not be reclassified subsequently to profit or loss			Other comprehensive income or expense that will be reclassified subsequently to profit or loss			Profit Reserves	Prior Period Profit/ Losses	Net Profit/Losses	Total Equity	
		Paid-in Capital	Share Premium	Share Cancellation	Other Capital Reserves	1	2	3	4	5	6					
<b>PREVIOUS PERIOD</b> (31/12/2023)																
I. Balances at the beginning of the period		60.000	-	-	-	-	-	-	-	-	-	16.846	153.933	74.987	305.766	
II. Corrections made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1 Effect of corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effect of changes in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Adjusted balances (I+II)		60.000	-	-	-	-	-	-	-	-	-	16.846	153.933	74.987	305.766	
IV. Total Comprehensive Income		-	-	-	-	-	-	-	-	-	-	-	-	174.174	174.174	
V. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Capital increase through internal resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII. Inflation adjustments to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Convertible bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. Subordinated loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. Increase/decrease due to other changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI. Profit distribution		-	-	-	-	-	-	-	-	-	-	-	64.987	(74.987)	(10.000)	
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	(10.000)	-	(10.000)	
11.2 Transfers to reserves		-	-	-	-	-	-	-	-	-	-	-	74.987	(74.987)	-	
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Balances at the end of the period (III+IV+.....+XI+XII)</b>		<b>60.000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.846</b>	<b>218.920</b>	<b>174.174</b>	<b>469.940</b>	
<b>CURRENT PERIOD</b> (31/12/2024)																
I. Balances at the beginning of the period		60.000	-	-	-	-	-	-	-	-	-	16.846	218.920	174.174	469.940	
II. Corrections made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1 Effect of corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effect of changes in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Adjusted balances (I+II)		60.000	-	-	-	-	-	-	-	-	-	16.846	218.920	174.174	469.940	
IV. Total Comprehensive Income		-	-	-	-	-	-	-	-	-	-	-	-	223.168	223.168	
V. Capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Capital increase through internal resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII. Inflation adjustments to paid-in capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Convertible bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. Subordinated loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. Increase/decrease due to other changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI. Profit distribution		-	-	-	-	-	-	-	-	-	-	-	154.174	(174.174)	(20.000)	
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	(20.000)	-	(20.000)	
11.2 Transfers to reserves		-	-	-	-	-	-	-	-	-	-	-	174.174	(174.174)	-	
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Balances at the end of the period (III+IV+.....+XI+XII)</b>		<b>60.000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.846</b>	<b>373.094</b>	<b>223.168</b>	<b>673.108</b>	

Note: The financial statements are presented in accordance with the new financial statement format in the "Regulation on the amendment to the regulation on the accounting practices and financial statements of financial leasing, factoring and financing companies" published in the Official Gazette dated February 1, 2019 and numbered 30673

- (1) Accumulated revaluation surplus / impairment of fixed assets,
- (2) Accumulated repeat measurement gains / losses of defined benefit plans,
- (3) Other (Accumulated amounts of investments accounted for by the equity method that are not reclassified from income to profit or loss to others, and other items that are not reclassified to impair others or others)
- (4) Foreign currency translation differences,
- (5) Accumulated revaluation and / or classification gains / losses on available for sale financial assets,
- (6) Other (Cash flow hedging gains / investments accounted for by the equity method cumulative gains / (losses) to be classified as profit / loss to others and accumulated amounts of other comprehensive income to be reclassified to others or others).

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

**Ekspo Faktoring A.Ş.**

**Statement of cash flows as of December 31, 2024**

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

CASH FLOW STATEMENT		Notes	Audited Current Period January 1- December 31, 2024	Audited Previous Period January 1- December 31, 2023
<b>A.</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1.1</b>	<b>Operating Profit before Changes in Operating Assets and Liabilities</b>		<b>268.757</b>	<b>197.095</b>
1.1.1	Interests Received/ Leasing Income		749.381	327.406
1.1.2	Interests Paid / Leasing Expenses		(286.533)	(112.681)
1.1.3	Leasing Expenses		(2.183)	(2.183)
1.1.4	Dividend Received		-	-
1.1.5	Fees and Commissions Received		15.387	49.683
1.1.6	Other Income		-	-
1.1.7	Collections from Previously Written-off Doubtful Receivables	6	(17.120)	(133)
1.1.8	Payments to Personnel and Service Suppliers		(87.015)	(51.559)
1.1.9	Taxes Paid	31	(98.901)	(44.576)
1.1.10	Other		(4.259)	31.138
<b>1.2</b>	<b>Changes in Operating Assets and Liabilities</b>		<b>(236.219)</b>	<b>(220.225)</b>
1.2.1	Net (Increase)/Decrease in Factoring Receivables		(630.940)	(354.568)
1.2.2	Net (Increase)/Decrease in Finance Loans		-	-
1.2.3	Net (Increase)/Decrease in Lease Receivables		-	-
1.2.4	Net (Increase)/Decrease in Other Assets		(4.066)	(3.830)
1.2.5	Net Increase/(Decrease) in Factoring Payables		(32.889)	26.960
1.2.6	Net Increase/(Decrease) in Lease Payables		-	-
1.2.7	Net Increase/(Decrease) in Funds Borrowed		434.725	116.998
1.2.8	Net Increase/(Decrease) in Due Payables		-	-
1.2.9	Net Increase/(Decrease) in Other Liabilities		(3.049)	(5.785)
<b>I.</b>	<b>Net Cash Used in Operating Activities</b>		<b>32.538</b>	<b>(23.130)</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
2.1	Acquisition of Investments, Associates and Subsidiaries		-	-
2.2	Disposal of Investments, Associates and Subsidiaries		-	-
2.3	Purchases of Property and Equipment	7,8,9	(2.642)	(498)
2.4	Disposals of Property and Equipment		-	-
2.5	Purchase of Investments Designated at Fair Value Through Other Comprehensive Income		(21.134)	-
2.6	Sale of Investments Designated at Fair Value Through Other Comprehensive Income		-	-
2.7	Purchase of Investment Securities Designated at Fair Value Through Profit/Loss		-	-
2.8	Sale of Investment Securities Designated at Fair Value Through Profit/Loss		-	-
2.9	Other		428	796
<b>II.</b>	<b>Net Cash (Used in)/Provided from Investing Activities</b>		<b>(23.348)</b>	<b>298</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
3.1	Cash Obtained from Funds Borrowed and Securities Issued		-	-
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued		-	-
3.3	Issued Capital Instruments		-	-
3.4	Dividend Paid	20	(20.000)	(10.000)
3.5	Payments for Finance Leases		-	-
3.6	Other		-	-
<b>III.</b>	<b>Net Cash (Used in)/Provided from Financing Activities</b>		<b>(20.000)</b>	<b>(10.000)</b>
<b>IV.</b>	<b>Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>580</b>	<b>4.103</b>
<b>V.</b>	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>(10.230)</b>	<b>(28.729)</b>
<b>VI.</b>	<b>Cash and Cash Equivalents at Beginning of the Period</b>	<b>3</b>	<b>22.385</b>	<b>51.114</b>
<b>VII.</b>	<b>Cash and Cash Equivalents at End of the Period</b>	<b>3</b>	<b>12.155</b>	<b>22.385</b>

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

**Ekspo Faktoring A.Ş.**

**Profit distribution table as of December 31, 2024**

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

		Current Period- December 31, 2024(*)(**)	Previous Period December 31, 2023
<b>I.</b>	<b>DISTRIBUTION OF CURRENT PERIOD PROFIT (*)</b>		
1.1	CURRENT PERIOD PROFIT	307.798	218.750
1.2	TAXES AND DUES PAYABLE (-)	(84.630)	(44.576)
1.2.1	Corporate Tax (Income Tax)	(111.648)	(74.632)
1.2.2	Withholding Tax	-	-
1.2.3	Other taxes and dues (**)	27.018	30.056
<b>A.</b>	<b>NET PERIOD PROFIT (1.1-1.2)</b>	<b>223.168</b>	<b>174.174</b>
1.3	PRIOR YEARS LOSSES (-)	-	-
1.4	FIRST LEGAL RESERVE (-) (-)	-	-
1.5	OTHER STATUTORY RESERVES NEEDED TO BE KEPT IN THE COMPANY (-)	-	-
<b>B</b>	<b>DISTRIBUTABLE NET PERIOD PROFIT [(A-1.3-1.4-1.5)]</b>	<b>200.852</b>	<b>174.174</b>
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	-	(20.000)
1.6.1	To Owners of Ordinary Shares	-	-
1.6.2	To Owners of Preferred Stocks	-	-
1.6.3	To Profit Sharing Bonds	-	-
1.6.4	To Profit Sharing Bonds	-	-
1.6.5	To Owners of the profit /loss Sharing Certificates	-	-
1.7	DIVIDENS TO PERSONNEL (-)	-	-
1.8	DIVIDENS TO BOARD OF DIRECTORS (-)	-	-
1.9	SECOND DIVIDENS TO SHAREHOLDERS (-)	-	-
1.9.1	To Owners of Ordinary Shares	-	-
1.9.2	To Owners of Preferred Stocks	-	-
1.9.3	To Owners of Preferred Stocks (Preemptive Rights)	-	-
1.9.4	To Profit Sharing Bonds	-	-
1.9.5	To Owners of the profit /loss Sharing Certificates	-	-
1.10	SECOND LEGAL RESERVES (-)	-	-
1.11	STATUS RESERVES (-)	-	-
1.12	EXTRAORDINARY RESERVES	-	-
1.13	OTHER RESERVES	-	-
1.14	SPECIAL FUNDS	-	-
<b>II.</b>	<b>DISTRIBUTION FROM RESERVES</b>	-	-
2.1	DISTRIBUTED RESERVES	-	-
2.2	SECOND LEGAL RESERVES (-)	-	-
2.3	SHARE TO SHAREHOLDERS (-)	-	-
2.3.1	To Owners of Ordinary Shares	-	-
2.3.2	To Owners of Preferred Stocks	-	-
2.3.3	To Owners of Preferred Stocks (Preemptive Rights)	-	-
2.3.4	To Profit Sharing Bonds	-	-
2.3.5	To Owners of the profit /loss Sharing Certificates	-	-
2.4	SHARE TO PERSONNEL (-)	-	-
2.5	SHARE TO BOARD OF DIRECTORS (-)	-	-
<b>III.</b>	<b>EARNINGS PER SHARE</b>		
3.1	TO OWNERS OF STOCKS	3,72	2,90
3.2	TO OWNERS OF STOCKS ( % )	0,037	0,029
3.3	TO OWNERS OF PREFERRED STOCKS	-	-
3.4	TO OWNERS OF PREFERRED STOCKS ( % )	-	-
<b>IV.</b>	<b>DIVIDEND PER SHARE</b>		
4.1	TO OWNERS OF STOCKS	-	0,33
4.2	TO OWNERS OF STOCKS ( % )	-	0,0033
4.3	TO OWNERS OF PREFERRED STOCKS	-	-
4.4	TO OWNERS OF PREFERRED STOCKS ( % )	-	-

(\*) The General Assembly is the authorized body of the Company regarding the distribution of the current period profit. As of the date these financial statements were prepared, the Company's annual Ordinary General Assembly meeting has not been held yet.

(\*\*) Per the Banking Regulation and Supervision Agency, income associated with deferred tax assets shall not be considered as cash or internally generated source and accordingly such amounts taking part of net period profit shall not be included in profit distribution and capital increase. The Company's deferred tax income, resulting from deferred tax assets, of TL 27.018 (2023: TL 30.056 deferred tax income) was not taken into account in the calculation of distributable profit.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

#### **1. Organization and Operations of the Company**

Ekspo Faktoring Anonim Şirketi ("the Company") was incorporated in Türkiye to provide factoring services to industrial and commercial firms and registered to Turkish Trade Registry on June 2, 2000.

The Company operates in both domestic and international markets and factors its without recourse type transactions via its correspondent factoring companies abroad. The Company provides domestic, import and export factoring services to industrial and commercial enterprises in Türkiye.

As of December 31, 2024, the number of employees of the Company is 31 (December 31, 2023: 32). The Company's trade registry address, Maslak Maslak Mah. Meydan Sokak No: 5 / B Spring Giz Plaza Sarıyer-Istanbul / Türkiye. The company mainly continues its factoring operations in a single geographical region (Türkiye).

The Company operates based on Capital Market Boards Law and Financial Leasing, Factoring and Financing Companies Law published in the Official Gazette No: 28496 on December 13, 2012 and the Establishment and Main Activities of Financial Leasing, Factoring and Financing Companies" published in the Official Gazette No: 28267 on April 24, 2013.

The Company operates mainly factoring transactions in one geographical area (Türkiye).

	<b>December 31, 2024</b>	<b>Share (%)</b>	<b>December 31, 2023</b>	<b>Share (%)</b>
M. Semra Tümay	29.400	49,00	29.400	49,00
Murat Tümay	15.300	25,50	15.300	25,50
Zeynep Ş. Akçakayalıoğlu	15.300	25,50	15.300	25,50
<b>Capital</b>	<b>60.000</b>	<b>100,00</b>	<b>60.000</b>	<b>100,00</b>

#### **Authorization of Financial Statements**

The Board of Directors has approved the publication of financial statements of the Company on February 14, 2025. The General Assembly has the authority to modify the financial statements.

#### **2. Basis of presentation of the financial statements**

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

###### *2.1.1 Application of Accounting Policy Standards*

The Company maintains its books of account and prepares its financial statements in thousands of Turkish Lira ("TL") in accordance with the communiqué "Uniform Chart of Accounts, Disclosures and Form and Nature of Financial Statements to be Issued By Leasing, Factoring and Consumer Finance Companies" ("Financial Statement's Communiqué") issued by the Banking Regulation and Supervision Agency ("BRSA") in the Official Gazette dated December 24, 2013, numbered 28861; and in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/IFRS") and their additions and comments issued by the Public Oversight Accounting and Auditing Standards' Authority ("POA") with the Communiqué: "The Procedures Regarding the Provisions to be Provided for the Receivables of Leasing, Factoring and Consumer Finance Companies" ("Communiqué of Provisions") issued by the BRSA. Leasing, factoring and consumer finance companies prepares and declares their financial statements in accordance with regulations issued by BRSA.

The financial statements have been prepared on historical cost basis except for the derivative financial instruments which are measured at fair market value.

The Company prepared the financial statements in compliance with the Turkish Accounting Standards ("TAS") which was communicated by Public Oversight Accounting and Auditing Standards Agency ("POA"). TAS, Turkish Accounting Standards, comprises Turkish Financial Reporting Standards (IFRS)' and its supplements and interpretations.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.1. Basis of presentation (cont'd)**

#### *2.1.1 Application of Accounting Policy Standards (cont'd)*

Financial statements are prepared on a historical cost basis, except for the revaluation of certain financial instruments. In determining the historical cost, generally, the fair value of the amount paid for the assets is taken as a basis.

Provision for total factoring receivables determined upon the evaluation of factoring receivables comprises the impaired factoring receivables in the factoring receivables portfolio of the Company. The Company books this provision "Communiqué on Procedures and Principles for the Provisions to be set aside by Financial Leasing, Factoring and Financing Companies for their Receivables Procedures and Principles for the Provisions to be set aside by Financial Leasing, Factoring and Financing Companies for their Receivables" published in the Official Gazette dated December 24, 2013 and numbered 28861. In accordance with the mentioned communiqué, special provision is booked after taking into consideration their pledges at a rate of at least 20% for factoring receivables whose maturity is 90-180 days overdue, at a rate of at least 50% for factoring receivables whose maturity is 180-360 days overdue, and at a rate of 100% for factoring receivables whose maturity is one year overdue.

#### *2.1.2 Functional and Presentation Currency*

The Company's financial statements are presented in the currency of the primary economic environment in which it operates (functional currency). The Company's financial position and results of operations are expressed in TL, which is the presentation currency for the financial statements.

#### *2.1.3 Financial Reporting in Hyperinflationary Economies*

The financial statements of the Company for the periods before December 31, 2004 were adjusted to compensate for the effect of changes in the general purchasing power of the Turkish Lira based on TAS 29 Financial Reporting in Hyperinflationary Economies. Turkish Economy is accepted to come off its highly inflationary status as of January 1, 2005. Based on this consideration, TAS 29 has not been applied in the preparation of the financial statements since January 1, 2005.

Entities whose functional currency is the currency of a hyperinflationary economy present their financial statements in terms of the measuring unit current at the end of the reporting period according to "TAS 29 Financial Reporting in Hyperinflation Economies". Based on the announcement made by Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying Turkish Financial Reporting Standards (TFRSs) are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after December 31, 2023, in accordance with the accounting principles specified in TAS 29. In the same announcement, it was stated that institutions or organizations authorized to regulate and supervise in their respective scope might determine different transition dates for the implementation of inflation accounting, and in this context, Banking Regulation and Supervision Agency (BRSA) announced that financial statements of banks, financial leasing, factoring, financing, savings financing and asset management companies as of December 31, 2024 would not be subject to the inflation adjustment in accordance with BRSA Board decision on December 5, 2024.

Accordingly, TAS 29 has not been applied in the financial statements of the Bank as of December 31, 2024.



## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.1. Basis of presentation (cont'd)**

#### **2.1.4 Offsetting**

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

### **2.2 Changes in accounting policies**

Changes in accounting policies are applied retrospectively and the prior period financial statements are restated accordingly. There is no major change in the accounting policies of the Company in the current year.

### **2.3 Change in accounting estimates and errors**

The effect of a change in an accounting estimate is recognised prospectively in the period of the change, if the change affects that period only; or the period of the change and future periods, if the change affects both. There has not been any significant change in the accounting estimates of the Company in the current year.

### **2.4 The new standards, amendments and interpretations**

The accounting policies adopted in preparation of the financial statements as of December 31, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 5, 2025 and thereafter. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

#### **i) The new standards, amendments and interpretations which are effective as at January 1, 2023 are as follows:**

##### **Amendments to IAS 1- Classification of Liabilities as Current and Non-Current Liabilities**

In January 2020 and October 2022, IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in October 2022 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, October 2022 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with IAS 8.

The standard is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

**2. Basis of presentation of the financial statements (cont'd)**

**2.4 The new standards, amendments and interpretations (cont'd)**

**Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback**

In September 2022, the Board issued amendments to IFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. In applying requirements of IFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

The amendment did not have a significant impact on the financial position or performance of the Company.

**Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements**

The amendments issued in May 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose.

The amendment did not have a significant impact on the financial position or performance of the Company.

**ii) Standards issued but not yet effective and not early adopted**

The new standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of authorization of the financial statements and have not been early adopted by the Company are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and Footnotes, after the new standards and interpretations become effective.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.4 The new standards, amendments and interpretations (cont'd)**

#### **Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

In December 2015, IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Company will assess the impact of these amendments when the standards are finalized.

#### **TFRS 17 – New Insurance Contracts Standard**

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2026 with the announcement made by the POA.

The standard is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

#### **Amendments to IAS 21 - Lack of exchangeability**

In August 2023, the Board issued amendments to IAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendment did not have a significant impact on the financial position or performance of the Company.

**2. Basis of presentation of the financial statements (*cont'd*)**

**2.4 The new standards, amendments and interpretations (*cont'd*)**

**iii) The amendments which are effective immediately upon issuance**

**Amendments to IAS 12 - International Tax Reform – Pillar Two Model Rules**

In May 2023, the Board issued amendments to IAS 12, which introduce a mandatory exception in IAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that IAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

The amendment did not have a significant impact on the financial position or performance of the Company.

**iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)**

The following two amendments to IFRS 9 and IFRS 7 and Annual Improvements to IFRS Accounting Standards as well as IFRS 18 and IFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company will make the necessary changes to its financial statements after the amendments and new Standard are issued and become effective under TFRS.

**Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments**

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment.

The amendment did not have a significant impact on the financial position or performance of the Company.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.4 The new standards, amendments and interpretations (cont'd)**

#### **iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)**

#### **Annual Improvements to IFRS Accounting Standards – Volume 11**

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11, amending the followings:

- *IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter:* These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.
- *IFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition:* The amendments update the language on unobservable inputs in the Standard and include a cross reference to IFRS 13.
- *IFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price:* IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply derecognition requirement of IFRS 9 and recognise any resulting gain or loss in profit or loss. IFRS 9 has been also amended to remove the reference to "transaction price".
- *IFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent':* The amendments are intended to remove the inconsistencies between IFRS 10 paragraphs.
- *IAS 7 Statement of Cash Flows – Cost Method:* The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method'.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

#### **Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity**

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments are not applicable for the Company.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

#### **2. Basis of presentation of the financial statements (*cont'd*)**

##### **2.4 The new standards, amendments and interpretations (*cont'd*)**

##### **iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)**

##### **IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements**

In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

##### **IFRS 19 – Subsidiaries without Public Accountability: Disclosures**

In May 2024, IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19.

The amendment is not applicable for the Company.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (*cont'd*)**

### **2.5 Summary of significant account policies**

#### **a) Revenue and cost recognition**

##### **i. Factoring interest and commission income**

Factoring interest and commission income are recognized in profit or loss on an accrual basis using the effective interest method. Commission income is a certain percentage of the total amount of invoices subject to spot factoring transactions.

##### **ii. Other income and other expense**

Other income and expenses are recognized on an accrual basis.

##### **iii. Financial income / expense**

Financial income includes interest income and exchange rate differences. Financial expenses include interest expense on loans, foreign exchange losses and other financial expenses.

#### **b) Financial instruments**

Financial assets and liabilities are recognized in balance sheet as long as the company is legally involved in particular financial instruments.

#### Financial Assets

Financial assets are accounted for at fair value less transaction costs except for the financial assets classified as of fair value through profit or loss, which are initially measured at fair value. Investments are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss' (FVTPL), 'held-to-maturity investments', 'available-for-sale' (AFS) financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriates a shorter period to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for financial assets other than those financial assets designated as at fair value through profit or loss.

#### Factoring Receivables and Other Receivables

Factoring receivables originated by the Company by providing money directly to the borrower are considered as factoring receivables and are carried at amortized cost.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

#### **2. Basis of presentation of the financial statements (cont'd)**

##### **2.5 Summary of significant account policies (cont'd)**

###### **(b) Financial Instruments: (cont'd)**

###### Financial Assets (cont'd)

Provision for total factoring receivables determined upon the evaluation of factoring receivables comprises the impaired factoring receivables in the factoring receivables portfolio of the Company. The Company books this provision "Communiqué on Procedures and Principles for the Provisions to be set aside by Financial Leasing, Factoring and Financing Companies for their Receivables Procedures and Principles for the Provisions to be set aside by Financial Leasing, Factoring and Financing Companies for their Receivables" published in the Official Gazette dated December 24, 2013 and numbered 28861. In accordance with the mentioned communiqué, special provision is booked after taking into consideration their pledges at a rate of at least 20% for factoring receivables whose maturity is 90-180 days overdue, at a rate of at least 50% for factoring receivables whose maturity is 180-360 days overdue, and at a rate of 100% for factoring receivables whose maturity is one year overdue.

According to the Official Gazette n. 30409 in May 2, 2018; the regulation about the " financial leasing, factoring, the accounting applications of finance companies and financial statements; making provision in the scope of TFRS 9 has been set optional. Accordingly, the company does not make provision in the scope of TFRS 9 as of December 31, 2023

By taking into account all data concerning the credibility level of debtors and the principles of reliability and prudence, the Company also creates specific provisions for receivables without including collaterals, even if they are collected when due or are not overdue beyond the time limits given.

The Communiqué on Provisions states, but not requires, that a general provision, not directly related to any specific transaction, may be created for potential, unmeasured losses associated with any principal or interest or both that are not overdue or are overdue for less than ninety days. The Company creates general provisions for its factoring receivables that have not yet become doubtful.

Receivables that cannot be collected, whether in whole or in part, are written off only after the relevant debtor is ruled insolvent by a court of competent jurisdiction. Once a receivable is written off, the provision created for the receivable is reversed and the receivable is removed from assets. Any account receivable written off in any previous year but later collected is recognized as income.



## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

#### **2. Basis of presentation of the financial statements (cont'd)**

##### **2.5 Summary of significant account policies (cont'd)**

###### **(b) Financial Instruments: (cont'd)**

###### Financial Assets (cont'd)

###### Financial Assets Measured at Amortised Cost

A financial asset is measured at amortized cost if both of the following conditions are met: (a) Asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. (b) Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost are loans and receivables and financial assets. (a) Financial assets that are credit-depreciated when purchased or created. For such financial assets, the entity applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from the first time it is included in the financial statements. (b) Financial assets that were not credit-depreciated financial assets when they were purchased or created, but subsequently became credit-depreciated financial assets. For such financial assets, the entity applies the effective interest rate to the amortized cost of the asset in subsequent reporting periods. In cases where the contractual cash flows of a financial asset have been altered or otherwise restructured and such alteration or restructuring does not result in the exclusion of the financial asset from the financial statements, the gross carrying value of the financial asset is recalculated and the restructuring gain or loss is reflected in the profit or loss. In the absence of reasonable expectations of partial or complete recovery of the value of a financial asset, the Company shall directly reduce the gross book value of the financial asset and exclude it from the financial statement.

The Company's financial assets as of December 31, 2024, shown at fair value, are shown below (December 31, 2023: None).

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Financial assets for sale	21.134	-

###### Financial Assets Measured at Fair Value through Other Comprehensive Income

A financial asset is measured if both of the following conditions are met: (a) Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and (b) Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.5 Summary of significant account policies (cont'd)**

#### **(b) Financial Instruments: (cont'd)**

##### Financial Assets (cont'd)

Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the statement of profit or loss. However, the Bank may irrevocably prefer to apply to the financial assets at fair value through other comprehensive income for reflecting future changes in fair value for certain investments in equity instruments that would normally be measured at fair value through profit or loss at the time of initial inception in the financial statements.

The Company does not have financial assets whose fair value changes are reflected in other comprehensive income as of December 31, 2024 (December 31, 2023: None).

##### Factoring receivables and other receivables

Factoring receivables are measured at amortised cost less expected credit loss and unearned interest income. The Company measures the loss allowance for factoring receivables at an amount equal to lifetime ECL. The expected credit losses on factoring receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company has recognised a loss allowance of 100% against all receivables over 90 days past due because historical experience has indicated that these receivables are generally not recoverable.

##### Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI, lease receivables, trade receivables and contract assets, as well as financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company utilizes a simplified approach for trade receivables, contract assets and lease receivables that does not have significant financing component and calculates the allowance for impairment against the lifetime ECL of the related financial assets.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.5 Summary of significant account policies (cont'd)**

#### **(b) Financial Instruments: (cont'd)**

##### Financial Assets (cont'd)

###### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand; demand deposits and other short-term highly liquid investments which their original maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The carrying value of these assets approximates their fair value.

###### Derivative Financial Instruments and Hedge Accounting

The Company designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements: Hedge accounting is not applied at December 31, 2024 and December 31, 2023.

##### Financial Liabilities

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

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

###### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss are recorded at their fair value and are revaluated at their fair value at each reporting period.

Changes in their fair values are accounted for in the income statement. Net gains or losses accounted for in the income statement also include the interest paid for the financial liability.

###### *Other Financial Liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method and the interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of financial liability, or, where appropriate, a shorter period.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.5 Summary of significant account policies (cont'd)**

#### **(c) Property, Plant and Equipments**

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated and carried at cost less accumulated impairment.

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties under construction, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Estimated useful lives of property, plant and equipment are as follows:

<b><u>Description</u></b>	<b><u>Years</u></b>
Furniture and fixtures	5 years
Vehicles	5 years
Buildings	50 years

Special costs are depreciated by direct depreciation method over the shorter of the useful life of the private cost or lease terms.

#### **d) Intangible Assets**

##### **Purchased Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

##### **Computer software**

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

The estimated useful lives for the current and comparative periods are 5 years.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.5 Summary of significant account policies (cont'd)**

#### **e) Impairment of Non-Financial Assets**

At each balance sheet date, the Company reviews all of its non-financial assets to look for any indication that any non-financial asset may be impaired. If there is an indication that any non-financial asset may be impaired, then the Company calculates that asset's recoverable amount.

The recoverable amount of an asset or a cash generating unit is the higher of that asset's or unit's fair value less costs to sell and its value in use. When calculating the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Impairment losses are assessed at each balance sheet date whether there is an indication that an impairment loss has decreased or no longer exists. Impairment loss is reversed in the event of a change in the estimations used to measure the recoverable amount.

#### **f) Share Capital Increase**

Share capital increases pro-rata to existing shareholders is accounted for at par value as approved at the annual meeting of shareholders.

#### **g) Employee benefits**

Provision for severance pay is allocated according to the amount of the possible liability arising from the retirement of the Company employees and reduced to its present value calculated according to the Turkish Labor Law. It is calculated on an accrual basis as it is earned by employees and accounted for in the financial statements. The amount of liability is calculated based on the severance pay cap announced by the government.

TAS 19 "Employee Benefits" provides for the calculation of the present value of companies' possible liabilities using actuarial valuation methods. Therefore, the present value of the company's probable liability is calculated using the assumptions in the table below.

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Net discount rate	%4,62	%3,43

The basic assumption is that the cap set for each annual service increases in proportion to inflation.

#### **h) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

#### **2. Basis of presentation of the financial statements (cont'd)**

##### **2.5 Summary of significant account policies (cont'd)**

###### **i) Borrowing Costs**

All borrowing costs are recorded in profit or loss in the period in which they are incurred.

###### **j) Effects of currency change**

The financial statements of the Company are presented in the currency of the primary economic environment in which the entity operates. Financial position and the results of operations of the Company are expressed in TL.

The foreign currency exchange rates used by the Company as of December 31, 2024 and December 31, 2023 are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
USD	35,2233	29,4382
EURO	36,7429	32,5739
GBP	44,2458	37,4417

In preparing the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

###### **k) Earnings Per Share**

According to standard of TMS 33 "Earning per Share", companies processed their stocks in exchange market do not have to announce earning per share. Because stocks of the company do not process in Exchange market, earning per share is not calculated in financial statements.

###### **l) Subsequent events**

Subsequent events cover any events which arise between the date of the statement of financial position and the date of approval of the financial statements, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed.

The Company adjusts its financial statements if such subsequent events require an adjustment to the financial statements.

###### **m) Segment Reporting of Financial Information**

The segment disclosure as per TFRS 8 is not presented since the Company's borrowing instruments or financial instruments based on equity are not traded on the stock exchange or other organized markets.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.5 Summary of significant account policies (cont'd)**

#### ***n) Taxes Calculated on The Basis of The Company's Earnings:***

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

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's current tax liability is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### **Deferred tax**

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.5 Summary of significant account policies (cont'd)**

#### **o) TFRS 16 Leases**

The accounting policies applied by the company following the TFRS 16 standard are as follows.

#### **Right of Use Assets**

The Company recognizes its right-of-use assets at the date of commencement of the financial lease agreement (for example, as of the date the relevant asset is available for use). Right-of-use assets are calculated by deducting accumulated depreciation and impairment losses from their cost value. In case of revaluation of financial lease debts, this figure is also corrected.

The cost of the right-of-use asset includes:

- (a) the initial measurement amount of the lease liability,
- (b) all lease payments made on or before the actual commencement date, less any lease incentives received, and
- (c) All initial direct costs incurred by the Company.

Unless the transfer of ownership of the underlying asset to the Company at the end of the lease term is reasonably certain, the Company depreciates the right of use asset from the actual commencement date to the end of the useful life of the underlying asset. Right-of-use assets are subject to impairment assessment.

#### **Lease Liabilities**

The Company measures the lease liability over the present value of the unpaid lease payments when the lease commences.

The lease payments included in the measurement of the lease liability at the actual commencement date consist of the following payments to be made for the right to use the underlying asset during the lease term and not paid at the time the lease commences:

- (a) fixed payments,
- (b) variable lease payments based on an index or rate, initially measured using an index or rate at the date the lease commences;
- (c) Amounts expected to be paid by the Company under residual value commitments.
- (d) If the Company is reasonably sure that it will use the option to buy, the exercise price of this option and
- (e) If the rental period indicates that the Company will use an option to terminate the lease, penalty payments regarding the lease's termination.

Variable lease payments that do not depend on an index or a rate are recorded as an expense in the period in which the event or condition that triggered the payment takes place.



## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

## **2. Basis of presentation of the financial statements (cont'd)**

### **2.5 Summary of significant account policies (cont'd)**

#### **o) TFRS 16 Leases (cont'd)**

The Company uses the revised discount rate for the remaining part of the lease term if the lease's implied interest rate can be easily determined. As this rate; If cannot be determined easily, the Company determines it as the alternative borrowing interest rate on the date of re-evaluation.

The Company measures the lease liability as follows, after the date the lease commences:

- (a) increases the carrying value to reflect the interest on the lease liability, and
- (b) It reduces the book value to reflect the lease payments made.

Also, in the event of a change in the lease term, in substance, a change in fixed lease payments, or in the assessment of the option to purchase the underlying asset, the value of the financial lease obligations is remeasured.

#### **Short-term leases and leases where the underlying asset is of low-value**

The Company applies the short-term lease registration exemption to short-term machinery and equipment lease contracts (i.e., assets with a lease term of 12 months or less from the start date and without a purchase option). It also applies for the exemption from accounting for low-value assets to office equipment whose rental is considered low value. Short-term lease contracts and lease contracts of low-value assets are recorded as expenses according to the lease term's linear method.

Lessees are required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). Under these circumstances, the lessee recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The company has benefited from facilitating applications for leases and low value leases whose leases will expire within 12 months or less as of the transition date. The company's office equipment leases (such as personal computers, photocopiers) are considered as low value leases. It has been evaluated that the standard has no material effect on the financial statements of the company.

#### **p) Cash Flow Statement**

In statement of cash flows, cash flows are classified according to operating, investment and finance activities. Cash flows from operating activities are those resulting from factoring operations of the Company.

Cash flows from investing activities indicate cash inflows and outflows resulting from fixed asset and financial investments. Cash flows from financing activities indicate the resources used in financing activities and the repayment of these resources.

#### **r) Related Parties**

The shareholders of the Company and other companies that are controlled by them or related with them and key management personnel of the Company are considered and referred to as the related parties. The detail of related party balances and transactions are disclosed at note 30.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

#### **2. Basis of presentation of the financial statements (*cont'd*)**

##### **2.5 Summary of significant account policies (*cont'd*)**

###### **s) *Assets held for sale***

Assets that are classified as held for sale are carried at the lower of carrying amount and fair value less costs to sell. A non-current asset is not depreciated (or amortised) while it is classified as held for sale.

###### **t) *Investment Property***

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

#### **2.6 Significant Accounting Evaluation, Estimates and Assumptions**

In the preparation of the financial statements, the Company management must make assumptions and estimates that will affect the assets and liabilities reported as of the balance sheet date and determine the liabilities and commitments likely to occur as of the balance sheet date and the income and expense amounts as of the reporting period. Although these estimates and assumptions are based on Company management's best knowledge of the current events and transactions, actual results may differ from the assumptions. Estimates are regularly reviewed, necessary adjustments are made and reflected in the income statement of the period they occur. The main notes using estimates are as follows:

Notes 18 – Provisions

Notes 31 – Tax assets and liabilities

## Ekspo Faktoring A.Ş.

### Notes to the financial statements for the period ended December 31, 2024

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

#### 3. Cash and cash equivalents

	December 31, 2024		December 31, 2023	
	TL	FC	TL	FC
Cash			-	-
Banks	3.933	8.222	9.657	12.728
~ Demand Deposit	3.933	8.222	9.657	12.728
~ Time Deposits	-	-	-	-
<b>Total</b>	<b>3.933</b>	<b>8.222</b>	<b>9.657</b>	<b>12.728</b>
Blocked deposits (*)	-	-	-	-
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>3.933</b>	<b>8.222</b>	<b>9.657</b>	<b>12.728</b>

(\*) As of December 31, 2024, there is no blockage on bank deposits. (December 31, 2023: None).

As of December 31, 2024, the Company has no bank deposits (December 31, 2023: None).

#### 4. Financial assets available for sale

None (December 31, 2023: None).

#### 5. Factoring receivables

	December 31, 2024		December 31, 2023	
	TL	FC	TL	FC
Discounted Factoring receivables	889.317	-	360.104	-
Other Factoring receivables	430.818	283.019	503.322	167.392
	<b>1.320.135</b>	<b>283.019</b>	<b>863.426</b>	<b>167.392</b>
	December 31, 2024		December 31, 2023	
	TL	FC	TL	FC
Domestic Factoring Receivables(*)	1.320.135	-	863.426	-
Export and Import Factoring Receivables	-	283.019	-	167.392
Non-performing Factoring Receivables (**)	17.943	-	23.143	-
<b>Gross factoring receivables</b>	<b>1.338.078</b>	<b>283.019</b>	<b>886.569</b>	<b>167.392</b>
Provision for Factoring Receivables	(17.943)	-	(23.143)	-
<b>Factoring receivables, Net</b>	<b>1.320.135</b>	<b>283.019</b>	<b>863.426</b>	<b>167.392</b>

(\*) The Company has an unearned receivable about TL 124.239 from domestic factoring receivables by the date of December 31, 2024 (December 31, 2023: TL 53.977).

(\*\*) It is classified as "non-performing receivables" in balance sheet.

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***5. Factoring receivables (cont'd)**

As of December 31, 2024 and 2023, distribution of gross factoring receivables are as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Fixed rate	1.013.556	414.081
Floating rate	707.272	657.597
	<b>1.720.828</b>	<b>1.071.678</b>

Analysis of factoring receivables are as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Neither past due nor impaired	1.603.154	1.030.818
Past due but not impaired	-	-
Impaired	17.943	23.143
<b>Gross</b>	<b>1.621.097</b>	<b>1.053.961</b>
(Loss): Specific provision for impaired factoring receivables	(17.943)	(23.143)
<b>Factoring receivables and non-performing receivables (net)</b>	<b>1.603.154</b>	<b>1.030.818</b>

The sectoral distribution of factoring receivables as of December 31, 2024 and December 31, 2023 are as follows:

	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>Total</b>	<b>%</b>	<b>Total</b>	<b>%</b>
Textile	277.350	17	207.399	20
Retail and wholesale Trade	257.119	16	130.260	13
Construction-contracting services	189.883	12	56.734	6
Leather industry	180.432	11	93.519	9
Transportation, storage and communication	121.023	8	38.978	4
Tourism	116.802	7	109.727	11
Non-metallic minerals industry	98.301	6	26.181	3
Chemicals and pharmaceuticals	91.660	6	148.783	14
Financial institutions	81.075	5	-	-
Pulp and paper products	46.525	3	-	-
Wood and Wooden Products	37.157	2	56.245	5
Research	28.360	2	4.184	-
Machinery and equipment industry	15.079	1	23.391	2
Computer and computer equipment	-	-	1.208	-
Iron, steel, coal, oil and other minerals	-	-	114.320	11
Other	62.388	4	19.889	2
	-	-	-	-
	<b>1.603.154</b>	<b>100</b>	<b>1.030.818</b>	<b>100</b>

## Ekspo Faktoring A.Ş.

### Notes to the financial statements for the period ended December 31, 2024

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

#### 5. Factoring receivables (cont'd)

As of December 31, 2024 and 2023, distribution of revocable factoring transactions are as follows:

	December 31, 2024	December 31, 2023
Customer Checks	357.127	416.692
	<b>357.127</b>	<b>416.692</b>

As of December 31, 2024 and 2023, distribution of collaterals received for factoring receivables are as follows:

	December 31, 2024		December 31, 2023	
	TL	FC	TL	FC
Received Bails (*)	11.796.533	5.138.655	9.197.874	3.968.773
Collateral Checks and Bills	446.456	612.731	361.590	568.955
	<b>12.242.989</b>	<b>5.751.386</b>	<b>9.559.464</b>	<b>4.537.728</b>

(\*) If bails is received from more than one person for a receivable, each amount of bailes received is taken into account separately and reflected to the collateral balance.

#### 6. Non-performing receivables

The Company measures and recognizes losses incurred or to be incurred from its receivables in accordance with the requirements of the "Communiqué on Procedures and Principles for the Provisions to be set aside by Financial Leasing, Factoring and Financing Companies for their Receivables" issued by BRSA on December 24, 2013 and numbered 28861.

	December 31, 2024	December 31, 2023
Non-performing factoring receivables	17.943	23.143
Specific provisions	(17.943)	(23.143)
	-	-

The aging of the past due factoring receivables as of December 31, 2024 and 2023 is as follows:

	December 31, 2024	December 31, 2023
Up to 90 days	2.039	323
Between 90-180 days	4.391	-
Between 180-360 days	5.491	1.000
360 days and above	6.022	21.820
	<b>17.943</b>	<b>23.143</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***6. Non-performing receivables (cont'd)**

The movement of specific provision for allowance of non-performing factoring receivables are as follows:

	January 1 – December 31, 2024	January 1- December 31, 2023
Balance as of January 1	23.143	21.953
Provision expense during the period	11.920	1.323
Collections	(17.120)	(133)
<b>Balance at the end of the period</b>	<b>17.943</b>	<b>23.143</b>

**7. Tangible Assets**

	January 1, 2024	Addition	Disposal	December 31, 2024
<b>Cost</b>				
Furniture ve fixture	725	1.135	(15)	1.845
Vehicle	2.039	-	-	2.039
Special costs	743	643	-	1.386
Other	837	-	-	837
	<b>4.344</b>	<b>1.778</b>	<b>(15)</b>	<b>6.107</b>

	January 1, 2024	Current year depreciation	Disposal	December 31, 2024
<b>Accumulated Depreciation</b>				
Furniture ve fixture	1.108	158	(15)	1.251
Vehicle	1.400	75	-	1.475
Special costs	351	55	-	406
	<b>2.859</b>	<b>288</b>	<b>(15)</b>	<b>3.132</b>
<b>Net book value</b>	<b>1.485</b>			<b>2.975</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***7. Tangible Assets (cont'd)**

	January 1, 2023	Addition	Disposal	December 31, 2023
<b>Cost</b>				
Furniture ve fixture	947	96	(318)	725
Vehicle	2.039	-	-	2.039
Special costs	341	402	-	743
Other	837	-	-	837
	<b>4.164</b>	<b>498</b>	<b>(318)</b>	<b>4.344</b>
	January 1, 2023	Current year depreciation	Disposal	December 31, 2023
<b>Accumulated Depreciation</b>				
Furniture ve fixture	706	481	(79)	1108
Vehicle	1.280	120	-	1.400
Special costs	341	10	-	351
	<b>2.327</b>	<b>611</b>	<b>(79)</b>	<b>2.859</b>
<b>Net book value</b>	<b>1.837</b>			<b>1.485</b>

As of December 31, 2024, the Company has tangible fixed assets with a net book value of TL 2.975, with a cost of TL 6.107 and an accumulated depreciation amount of TL 3.132 (As of December 31, 2023, the net book value of tangible fixed assets is TL 1.485).

**8. Intangible assets**

	January 1, 2024	Addition	Disposal	December 31, 2024
<b>Cost</b>				
Computer softwares and rights	333	512	-	845
	<b>333</b>	<b>512</b>	<b>-</b>	<b>845</b>
	January 1, 2024	Amortization	Disposal	December 31, 2024
<b>Accumulated Amortization</b>				
Computer softwares and rights	92	54	-	146
	<b>92</b>	<b>54</b>	<b>-</b>	<b>146</b>
<b>Net book value</b>	<b>241</b>			<b>699</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***8. Intangible assets (cont'd)**

	January 1, 2023	Addition	Disposal	December 31, 2023
<b>Cost</b>	698	-	(365)	333
Computer softwares and rights				
	<b>698</b>	<b>-</b>	<b>(365)</b>	<b>333</b>

	January 1, 2023	Amortization	Disposal	December 31, 2023
<b>Accumulated Amortization</b>				
Computer softwares and rights	412	45	(365)	92
	<b>412</b>	<b>45</b>	<b>(365)</b>	<b>92</b>
<b>Net book value</b>	<b>286</b>			<b>241</b>

**9. Investment Property**

Investment properties include a flat owned by the Company which is property held either to earn rental income or for capital appreciation or for both. The investment properties are amortized with straight-line method over its estimated useful life of 50 years.

	January 1, 2024	Addition	Disposal	December 31, 2024
<b>Cost</b>				
Investment Property	32.469	352	-	32.821
	<b>32.469</b>	<b>352</b>	<b>-</b>	<b>32.821</b>

	January 1, 2024	Current year depreciation	Disposal	December 31, 2024
<b>Accumulated Depreciation</b>				
Investment Property	109	109	-	218
	<b>109</b>	<b>109</b>	<b>-</b>	<b>218</b>
<b>Net Book Value</b>	<b>32.360</b>			<b>32.603</b>



**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***9. Investment Property (cont'd)**

	January 1, 2023	Addition	Disposal	December 31, 2023
<b>Cost</b>				
Investment Property	32.469	-	-	32.469
	<b>32.469</b>	-	-	<b>32.469</b>
	January 1, 2023	Current year depreciation	Disposal	December 31, 2023
<b>Accumulated Depreciation</b>				
Investment Property	-	109	-	109
	-	<b>109</b>	-	<b>109</b>
<b>Net Book Value</b>	<b>32.469</b>			<b>32.360</b>

**10. Deferred tax assets/(liabilities)**

The carrying amount of an asset or liability and the company determined by the tax legislation for the value of taxable temporary differences between the tax basis, "Income Taxes Related to Turkish Accounting Standards" ("TAS 12") and its interests calculate deferred taxes following the provisions of reports. Deferred tax calculation uses legalized tax rates that are valid as of the balance sheet date under the applicable tax legislation.

As of December 31, 2024, 30% tax rate is used for temporary differences that are expected to be realized / closed (As of December 31, 2023: 30%)

	Temporary differences		Deferred tax assets/(liabilities)	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Employee severance payments	6.345	4.415	1.904	1.325
Prepaid commissions	212	4.555	64	1.367
Tangible and intangible assets	85.100	62.890	25.530	18.867
Unearned interest income	124.239	53.977	37.271	16.192
<b>Deferred tax assets</b>	<b>215.896</b>	<b>125.837</b>	<b>64.769</b>	<b>37.751</b>
Tangible and intangible assets	-	-	-	-
<b>Deferred tax liabilities</b>	-	-	-	-
<b>Deferred tax assets (net)</b>	<b>215.896</b>	<b>125.837</b>	<b>64.769</b>	<b>37.751</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024**

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

**10. Deferred tax assets/(liabilities) (cont'd)**

Movement of deferred tax asset is as follows:

	<b>2024</b>	<b>2023</b>
Beginning balance, January 1	37.751	7.695
Deferred tax income/(expense)	27.018	30.056
<b>Closing balance, December 31</b>	<b>64.769</b>	<b>37.751</b>

**11. Assets held for sale purpose and related to discontinued operations**

None (December 31, 2023: None)

**12. Other assets**

	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Receivables from customers (*)	10.782	149	6.842	-
Prepaid expenses	19	-	19	-
	<b>10.801</b>	<b>149</b>	<b>6.861</b>	<b>-</b>

(\*) Receivables from customers consist of BITT receivables regarding factoring receivables.

**13. Funds Borrowed**

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Short-term bank borrowings	1.018.188	583.463
	<b>1.018.188</b>	<b>583.463</b>

The details of bank borrowings are as follows:

<b>Currency</b>	<b>Average Interest rate%</b>	<b>Maturity</b>	<b>December 31, 2024</b>
TL	51,01	January 2025 – April 2025	727.212
			<b>727.212</b>

<b>Currency</b>	<b>Average Interest rate %</b>	<b>Maturity</b>	<b>December 31, 2023</b>
TL	46,23	January 2024 - March 2024	583.463
			<b>583.463</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***13. Funds Borrowed (cont'd)**

<b>Currency</b>	<b>Average Interest rate%</b>	<b>Maturity</b>	<b>December 31, 2024</b>
USD	7,42	June 2025 - December 2025	290.976
			<b>290.976</b>

<b>Currency</b>	<b>Average Interest rate%</b>	<b>Maturity</b>	<b>December 31, 2023</b>
USD	-	-	-
	-	-	-

<b>Currency</b>	<b>Average Interest rate%</b>	<b>Maturity</b>	<b>December 31, 2024</b>
EUR	-	-	-
	-	-	-

<b>Currency</b>	<b>Average Interest rate%</b>	<b>Maturity</b>	<b>December 31, 2023</b>
EUR			
	-	-	-

	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Fixed rate	727.212	290.976	538.563	-
Floating rate	-	-	44.900	-
	<b>727.212</b>	<b>290.976</b>	<b>583.463</b>	-

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***14. Bonds and notes issued**

None (December 31, 2023: None).

**15. Factoring payables**

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Factoring payable	4.923	37.812
	<b>4.923</b>	<b>37.812</b>

**16. Financial lease obligations**

None (December 31, 2023: None).

**17. Other payables**

	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Fees and commissions collected in advance	148	62	4.553	3
Suppliers payable	3.684	-	2.476	5
	<b>3.832</b>	<b>62</b>	<b>7.029</b>	<b>8</b>

**18. Provisions**Reserves For Employee Benefits

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Provision for employment termination benefits	6.345	4.415
Provision for unused vacation	-	-
	<b>6.345</b>	<b>4.415</b>

**Provision for employment termination benefits**

Provision for employment termination benefits table is as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>January 1, beginning</b>	4.415	2.971
Interest rate	1.367	898
Service cost	2.439	1.523
Payments during the period	(1.876)	(977)
Actuarial (gain) / loss	-	-
<b>Balance at the end of the period</b>	<b>6.345</b>	<b>4.415</b>

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

---

#### **18. Provisions (cont'd)**

According to Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 years for women, 60 years for men). After the legislative amendment on May 23, 2002, some of transition process articles that related with service time before the retirement were excluded.

The indemnity to be paid is up to one month's salary for each service year, not exceeding the retirement pay ceiling amount for the relevant period, and this amount is limited to TL 41.828 (2023: TL 23.490) as of December 31, 2023 (with full TL amount).

The liability is not funded, as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees.

TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans.

As of December 31, 2024 and December 31, 2023, the Company pays severance pay based on estimated inflation rates and factors arising from its own experience with the resignation or termination of employment of personnel, and determines that the vested benefits are based on the government bond interest rate valid on the relevant balance sheet dates and "Projected Unit Loan". It has commissioned an independent actuarial study that discounts using the method and reflected it in its financial statements. Provisions at the balance sheet dates are calculated using the assumptions of 21,53% annual inflation, 27,15% interest rate and approximately 4,62% real discount rate ( December 31, 2023: 20,90% annual inflation, 25,05% interest rate and a real discount rate of approximately 3,43%).

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation.

#### **19. Minority shares**

None (December 31, 2023: None).

#### **20. Paid-In Capital and Capital Reserves**

##### Paid in-capital

As of December 31, 2024, the Company's core capital is 60.000 TL (December 31, 2023: 60.000 TL). As of December 31, 2024, the Company has 60.000 (December 31, 2023: 60.000) non-privileged shares with a value of TL 1 (December 31, 2023: TL 1). The registered capital of the Company consists of 60.000.000 shares with a value of 1 TL each (in full TL amount).

In statutory financial statements, accumulated profits may be distributed except for legal reserves and subject to following requirements for legal reserves. The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"), The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in capital. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50% of paid-in capital. According to Law No. 5228 on Amendments to Certain Tax Laws published in Official Gazette No. 25539 if July 31, 2004, inflation adjustments to shareholders' equity line items arising from inflation adjusted financial statements and recognized in "Accumulated Profit/Loss" may be offset against inflation-adjusted accumulated losses or included in share capital by corporate taxpayers, and this transaction is treated as a dividend distribution. As per the Banking Regulation and Supervision Agency (BRSA), income associated with deferred tax assets shall not be considered as cash or internally generated source and accordingly such amounts taking part of net period profit shall not be included in profit distribution and capital increase.

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

#### **20. Paid-In Capital And Capital Reserves (cont'd)**

##### Dividends

The Company distributed TL 20.000 as dividends to shareholders from the profit of 2024 (2023: TL 10.000).

#### **21. Profit reserves**

As of December 31, 2024 and 2023 profit reserves are as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Legal reserves	16.846	16.846
	<b>16.846</b>	<b>16.846</b>

#### **22. Prior Period's Profit / Loss**

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Prior periods profit/(loss)	373.094	218.920
	<b>373.094</b>	<b>218.920</b>

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

##### **23.1 Letters of Guarantee Received**

As of December 31, 2024, and 2023, the details of the Company's items held in custody is as follows:

	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Received Bails (*)	11.796.533	5.138.655	9.197.874	3.968.773
Customers' Notes	365.623	543.006	281.882	513.572
Customers' Cheques	80.833	79.255	79.708	55.383
	<b>12.242.989</b>	<b>5.760.916</b>	<b>9.559.464</b>	<b>4.537.728</b>

(\*) If mortgage is received from more than one person for a receivable, each amount received from mortgage is reflected on the collateral balance by taking into account each amount separately.

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***23. Provisions, contingent assets and contingent liabilities (cont'd)****23.2 Letters of Guarantee Given**

The details of letters of guarantee given as of December 31, 2024 and 2023 are as follows:

	December 31, 2024		December 31, 2023	
	TL	FC	TL	FC
Letters of guarantee given to banks	480.026	-	245.294	-
Bails in favor of customers	-	-	7.500	-
	<b>480.026</b>	<b>-</b>	<b>252.794</b>	<b>-</b>

**24. Operating income**

	January 1- December 31, 2024	January 1- December 31, 2023
Factoring interest income	683.784	299.388
Factoring commission and other income	15.387	49.683
	<b>699.171</b>	<b>349.071</b>

**25. Operating expense**

	January 1- December 31, 2024	January 1- December 31, 2023
Personnel expenses	87.015	51.559
Rent expenses	10.209	4.406
Information technologies expenses	2.801	1.629
Provisions for employee termination benefits expense	3.806	2.421
Audit and consultancy expenses	1.892	1.064
Vehicle expenses	1.586	800
Subscription fee	1.312	1.817
Representation expenses	1.005	1.074
Taxes, duties, fees and funds	895	430
Amortization and depreciation expenses	451	782
Communication expenses	367	128
Other	4.536	5.270
	<b>115.875</b>	<b>71.380</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***25. Operating expense (cont'd)**

The detail of personnel expenses as of December 31, 2024 and December 31, 2023 are as follows:

	January 1- December 31, 2024	January 1- December 31, 2023
Salary expenses	71.331	43.275
Social security premium employer's share	5.988	3.278
Insurance expenses	3.706	1.918
Transportation expenses	2.230	1.174
Meal expenses	1.369	762
Unemployment security employer's share	293	146
Other	2.100	1.006
	<b>87.017</b>	<b>51.559</b>

**26. Other operating income**

	January 1- December 31, 2024	January 1- December 31, 2023
Foreign currency gain	12.937	77.199
Provision no longer required	17.742	466
Interest received from banks	1.738	3.915
Interest received from securities	149	-
	<b>32.566</b>	<b>81.580</b>

**27. Financial expenses**

	January 1- December 31, 2024	January 1- December 31, 2023
Interest expense on bank borrowings	280.952	112.681
Fees and commissions expenses	8.439	15.751
Interest paid on debts from factoring transactions	5.581	-
	<b>294.972</b>	<b>128.432</b>

**28. Provisions Expenses**

As of December 31, 2024 and 2023 provisions are as follows:

	January 1- December 31, 2024	January 1- December 31, 2023
Provision expenses	(12.016)	(1.584)
	<b>(12.016)</b>	<b>(1.584)</b>



## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

#### **29. Other operating expenses**

	<b>January 1- December 31, 2024</b>	<b>January 1- December 31, 2023</b>
Foreign exchange loss	1.076	10.505
	<b>1.076</b>	<b>10.505</b>

#### **30. Related Party Transactions**

The detail of related party transactions as of December 31, 2024 and December 31, 2023 are as follows:

	<b>January 1- December 31, 2024</b>	<b>January 1- December 31, 2023</b>
M. Semra Tümay – rent expenses	9.000	6.375
	<b>9.000</b>	<b>6.375</b>

#### **Top management fees and rights:**

As of December 31, 2024, total amount of salaries and similar benefits provided to top management is TL 50.952 (December 31, 2023: TL 30.000).

#### **31. Tax assets and liabilities**

##### **Corporation Tax**

On July 5, 2023, amendments were made to the Corporate Tax Law No. 5520 with the Law proposed to the Grand National Assembly of Turkey and published in the Official Gazette dated July 15, 2023. Accordingly, starting from the declarations to be submitted as of October 1, 2023, the corporate tax rate has been increased from 25% to 30% for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. The net corporate income of companies after adjusting for certain disallowable expenses and deducting certain exemptions and allowances for tax purposes. If no profit is distributed, no further tax is payable.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. Withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is applied as 10% in accordance with the Presidential Resolution published in the Official Gazette dated December 22, 2021. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax. The addition of profit to capital is not considered profit distribution and withholding tax is not applied.

Dividends paid to non-resident corporations, which have a place of business in Türkiye, or resident corporations are not subject to withholding tax.

With the 17th Article of the Omnibus Law published in the Official Gazette dated December 28, 2023; Banks, Financial Companies within the scope of the Leasing, Factoring, Financing and Savings Finance Companies Law, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital markets and insurance and reinsurance companies and pension companies will apply Inflation Accounting starting December 31, 2023 in accordance with the Tax Procedure Law as of December 31, 2023. For 2024 and 2025, including provisional tax periods, the profit/loss difference arising from the inflation adjustment will not be taken into account in determining the tax base.

## Ekspo Faktoring A.Ş.

### Notes to the financial statements for the period ended December 31, 2024

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

#### 31. Tax assets and liabilities (cont'd)

##### **Current Period Tax Expense and Deferred Tax**

Tax expense includes current tax expense and deferred tax expense. Tax is included in the income statement, provided that it is not directly related to a transaction accounted for under equity. Otherwise, the tax is accounted for under the equity, together with the related transaction.

Current tax expense is calculated by taking into account the tax legislation, in force as of the financial statement date, in respective countries where the investments of the subsidiaries and investments accounted for by the equity method are active. According to Turkish tax legislation, all legal or business centers and institutions in Türkiye, are subject to Corporate Income Tax.

In the Turkish taxation system, financial losses may be offset against taxable profits for up to next five years while may not be offset (retrospectively) from previous years' earnings.

In addition, provisional tax is paid on the tax bases declared in the interim period during the year to be deducted from the corporate tax.

As of December 31, 2024 and 2023, the tax liability has been set aside under the current tax legislation.

As of December 31, 2024 and 2023 taxes in income statement are stated below:

	January 1- December 31, 2024	January 1- December 31, 2023
Corporate tax provision	111.648	74.632
Prepaid taxes	(69.667)	(45.398)
<b>Tax (assets) / liabilities</b>	<b>41.981</b>	<b>29.234</b>

	January 1- December 31, 2024	January 1- December 31, 2023
Current tax expense	111.648	74.632
Deferred tax expense / (income)	(27.018)	(30.056)
<b>Total tax expense / (income)</b>	<b>84.630</b>	<b>44.576</b>

<b>Reconciliation of Tax Provisions</b>	January 1- December 31, 2024	January 1- December 31, 2023
Profit before tax	307.798	218.750
Effective Tax Rate	30%	30%
Calculated Tax	(92.339)	(65.625)
Other and Effects of Expenses are not accepted legally	(534)	(334)
Inflation adjustment not subject to tax	7.272	19.821
Other	971	1.562
<b>Tax expense in statement of profit or loss</b>	<b>(84.630)</b>	<b>(44.576)</b>

**Ekspo Faktoring A.Ş.**

**Notes to the financial statements for the period ended December 31, 2024**

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

---

**32. Earning per share**

Since the Company's shares are not traded in the active market, earning per share have not been calculated on the accompanying financial statements.

**33. Other matters that significantly affect the financial statements or are necessary for the financial statements to be clear, interpretable and understandable**

None. (December 31, 2023: None).

**34. Nature and level of financial risk arising from financial instruments**

**a) Capital risk management**

The Company aims to make the most efficient use of the debt and equity balance while trying to maintain the continuity of its operations.

In accordance with Article 12 of the "Regulation on the Formation and Operations of Financial Leasing, Factoring and Financial Companies", published in Official Gazette of December 24, 2013, it is mandatory to achieve and maintain a minimum shareholders' equity to total assets ratio of 3%. The Company has reached standard rate as of December 31, 2024 (December 31, 2023: The Company has reached standard rate).

**b) Significant account policies**

The significant account policies of the Company have been explained in the Note 2.5 "Applied Valuation Principles / Accounting Policies".

## Ekspo Faktoring A.Ş.

### Notes to the financial statements for the period ended December 31, 2024

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

#### 34. Nature and level of financial risk arising from financial instruments (cont'd)

##### (c) Financial instruments categories

	December 31, 2024	December 31, 2023
<u>Financial Assets:</u>		
Cash Equivalents and Banks	12.304	22.385
Factoring Receivables	1.603.154	1.030.818
<u>Financial Liabilities:</u>		
Factoring Payables	4.923	37.812
Funds Borrowed	1.018.188	583.463

The fair value of the financial assets and liabilities are determined as follows:

- Level 1: Financial assets and liabilities are measured on the basis of the stock exchange prices quoted for identical assets and or liabilities in active markets.
- Level 2: Financial assets and liabilities are measured on the basis of inputs, other quoted market prices included in Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3: Financial assets and liabilities are measured on the basis of inputs that are unobservable in active markets and cannot be used to measure the fair value of an identical asset or liability

##### (d) Financial risk management

The Company is responsible for ensuring access to financial markets on a regular basis and for observing and managing the financial risks to which it is exposed. These risks include market risk (including exchange rate risk, fair interest rate risk and price risk), liquidity risk and cash flow interest rate risk.

##### (e) Market risk

The Company is exposed to financial risks which is related to changes in foreign exchange rates (please refer to f) and interest rates (please refer to g) and its operations. At a company level, market risk is measured by sensitivity analysis.

There has been no change in the manner in which the Company exposes the market risk of the current year or how it handles or manages the risks in the current year, compared to the previous year.

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***34. Nature and level of financial risk arising from financial instruments (cont'd)****(f) Foreign currency risk**

Currency risk is a result of the foreign currency transactions. The Company manages its exposure to currency risk which is a result of the Company's operations and cash flows due to the financing agreement regularly.

The table below summarizes the foreign currency position risk of the Company on a detailed basis as of December 31, 2024 and December 31, 2023, the registered amounts of foreign currency assets and debts held by the Company are as follows in terms of their TL equivalents in foreign currencies:

	December 31, 2024			Total
	USD	EUR	Other	
<b>Assets</b>				
Banks	6.715	1.506	-	8.221
Financial investments	21.134	-	-	21.134
Factoring receivables	148.663	18.730	-	167.393
Other assets	149	-	-	149
<b>Total assets</b>	<b>311.017</b>	<b>1.506</b>		<b>312.523</b>
<b>Liabilities</b>				
Funds borrowed	283.019	-	-	283.019
Other liabilities	2.236	2.311	-	4.547
Other foreign liabilities	7.957	6	-	7.963
<b>Total liabilities</b>	<b>293.212</b>	<b>2.317</b>	-	<b>295.529</b>
<b>Net foreign currency position</b>	<b>17.805</b>	<b>(811)</b>		<b>16.994</b>
Off-balance sheet position				
<b>Net position</b>	<b>17.805</b>	<b>(811)</b>		<b>16.994</b>
	December 31, 2023			Total
	USD	EUR	Other	
<b>Assets</b>				
Factoring receivables	-	-	-	-
Other assets	148.663	18.730	-	167.393
Banks	11.279	1.449	-	12.728
<b>Total assets</b>	<b>159.942</b>	<b>20.179</b>	-	<b>180.121</b>
<b>Liabilities</b>				
Other liabilities	-	5	-	5
Other foreign liabilities	3.449	2.049	-	5.498
<b>Total liabilities</b>	<b>3.449</b>	<b>2.054</b>	-	<b>5.503</b>
<b>Net foreign currency position</b>	<b>156.493</b>	<b>18.125</b>	-	<b>174.618</b>
Off-balance sheet position	-	-	-	-
<b>Net position</b>	<b>156.493</b>	<b>18.125</b>	-	<b>174.618</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024**

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

**34. Nature and level of financial risk arising from financial instruments (cont'd)****(f) Foreign currency risk (cont'd)**Foreign Currency Sensitivity

The Company mainly is exposed to USD and EUR exchange rate risks.

The statement below shows the sensitivity of the Company to USD and EUR when a 10% change occurs at those currencies' exchange rates. 10% change in rates is used when reporting foreign currency risk to the top management and stands for expected fluctuation in exchange rates by the top management. Foreign currency sensitivity analysis for the reporting period of the Company is determined based on the change at the beginning of the fiscal year and fixed during the reporting period. Positive amount refers to increase in net profit.

	December 31, 2024			
	Profit/ Loss		Equity	
	The appreciation of foreign currency	Depreciation of foreign currency	The appreciation of foreign currency	Depreciation of foreign currency
10% change of the USD against TL				
1 - Net USD asset/liability	1.781	(1.781)	1.781	(1.781)
2- Hedged portion of TL against USD risk (-)	-	-	-	-
<b>3- Net effect of USD (1 +2)</b>	<b>1.781</b>	<b>(1.781)</b>	<b>1.781</b>	<b>(1.781)</b>
10% change of the Euro against TL				
4 - Net Euro asset/liability	(81)	81	(81)	81
5 - Hedged portion of TL against Euro risk (-)	-	-	-	-
<b>6- Net effect of Euro (4+5)</b>	<b>(81)</b>	<b>81</b>	<b>(81)</b>	<b>81</b>
10% change of other foreign currencies against TL				
7- Net other foreign currencies asset/liability	-	-	-	-
8- Hedged portion of TL against other currencies risk (-)	-	-	-	-
<b>9- Net effect of other foreign currencies (7+8)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (3 + 6 +9)</b>	<b>1.700</b>	<b>(1.700)</b>	<b>1.700</b>	<b>(1.700)</b>

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024***(Amounts are expressed in thousands of Turkish Lira ("TL"), unless otherwise stated.)***34. Nature and level of financial risk arising from financial instruments (cont'd)**

	December 31, 2023			
	Profit/ Loss		Equity	
	The appreciation of foreign currency	Depreciation of foreign currency	The appreciation of foreign currency	Depreciation of foreign currency
10% change of the USD against TL				
1 - Net USD asset/liability	15.649	(15.649)	15.649	(15.649)
2- Hedged portion of TL against USD risk (-)	-	-	-	-
<b>3- Net effect of USD (1 +2)</b>	<b>15.649</b>	<b>(15.649)</b>	<b>15.649</b>	<b>(15.649)</b>
10% change of the Euro against TL				
4 - Net Euro asset/liability	1.812	(1.812)	1.812	(1.812)
5 - Hedged portion of TL against Euro risk (-)	-	-	-	-
<b>6- Net effect of Euro (4+5)</b>	<b>1.812</b>	<b>(1.812)</b>	<b>1.812</b>	<b>(1.812)</b>
10% change of other foreign currencies against TL				
7- Net other foreign currencies asset/liability	-	-	-	-
8- Hedged portion of TL against other currencies risk (-)	-	-	-	-
<b>9- Net effect of other foreign currencies (7+8)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (3 + 6 +9)</b>	<b>17.461</b>	<b>(17.461)</b>	<b>17.461</b>	<b>(17.461)</b>

**g) Credit Risk**

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

**Ekspo Faktoring A.Ş.****Notes to the financial statements for the period ended December 31, 2024**

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

**34. Nature and level of financial risk arising from financial instruments (cont'd)****g) Credit Risk (cont'd)**

Credit risk exposures relating to types of financial instruments:

<b>December 31, 2024</b>	<b>Factoring receivables</b>	<b>Banks</b>	<b>Other Assets</b>
The maximum credit risk exposure as of reporting date	1.603.154	12.155	10.950
A. The net book value of financial assets that are neither past due or impaired	1.603.154	12.155	10.950
B. Renegotiated conditions, otherwise the book value of financial assets at maturity will be accepted as past due or impaired	-	-	-
C. The net book value of assets that are neither past due or impaired	-	-	-
D. The net book value of assets that are impaired			
- <i>Overdue (gross book value)</i>	17.943	-	-
- <i>Impairment (-)</i>	(17.943)	-	-
E. Factors including off-balance sheet credit risk	-	-	-



## Ekspo Faktoring A.Ş.

### Notes to the financial statements for the period ended December 31, 2024

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

#### 34. Nature and level of financial risk arising from financial instruments (cont'd)

##### g) Credit Risk (cont'd)

December 31, 2023	Factoring receivables	Banks	Other Assets
The maximum credit risk exposure as of reporting date (*)	1.030.818	22.385	6.861
A. The net book value of financial assets that are neither past due or impaired	1.030.818	22.385	6.861
B. Renegotiated conditions, otherwise the book value of financial assets at maturity will be accepted as past due or impaired	-	-	-
C. The net book value of assets that are neither past due or impaired	-	-	-
D. The net book value of assets that are impaired	-	-	-
- Overdue (gross book value)	23.143	-	-
- Impairment (-)	(23.143)	-	-
E. Factors including off-balance sheet credit risk	-	-	-

##### h) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

## Ekspo Faktoring A.Ş.

### Notes to the financial statements for the period ended December 31, 2024

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

#### 34. Nature and level of financial risk arising from financial instruments (cont'd)

##### i) Interest Rate

The Company is exposed to interest rate risk which is related to the Company's factoring transactions to over fixed and floating interest rates and debt. Such risk is allocated to receivables and payables properly and controlled by the Company.

##### Interest Rate Sensitivity

Interest rate risk arises from the impact of changes in interest rates on the financial statements. The Company is exposed to interest rate risk due to timing mismatches or differences of assets and liabilities that are due to be expired or re-priced in a given period. The Company manages this risk by applying risk management strategies by matching the dates of interest rate change of assets and liabilities.

#### 34. Nature and level of financial risk arising from financial instruments (cont'd)

##### i) Interest Rate (cont'd)

	December 31, 2024	December 31, 2023
<b>Fixed Rate Financial Instruments</b>		
Financial Assets:		
<i>Financial Investments</i>	21.134	-
<i>Banks</i>	-	-
<i>Factoring Receivables</i>	1.013.556	414.081
Financial Liabilities:		
<i>Funds Borrowed</i>	1.018.188	583.463
<i>Factoring Payables</i>	4.923	37.812
<b>Floating Rate Financial Instruments</b>		
Financial Assets:		
<i>Factoring Receivables</i>	707.272	657.597
Financial Liabilities:		
<i>Funds Borrowed</i>	-	44.900
<i>Factoring Payables</i>	-	-

##### j) Other Pricing Risks

None (December 31, 2023 :None).

## Ekspo Faktoring A.Ş.

### Notes to the financial statements for the period ended December 31, 2024

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

#### 34. Nature and level of financial risk arising from financial instruments (*cont'd*)

##### *k) Liquidity risk*

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

##### Liquidity table

The following tables has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interests that will be charged and interests that will be paid over the Company's assets and liabilities.

December 31, 2024						
Contract or Expected Maturity	Book Value	Total Expected Cash Outflows	Less than 3 months	3-12 months	1-5 years	More than 5 years
<b>Non-derivative financial Liabilities</b>	<b>1.068.988</b>	<b>1.068.988</b>	<b>760.489</b>	<b>308.499</b>	-	-
Funds borrowed	1.018.188	1.018.188	709.689	308.499	-	-
Factoring payables	45.877	45.877	45.877	-	-	-
Other liabilities	4.923	4.923	4.923	-	-	-
December 31, 2023						
Contract or Expected Maturity	Book Value	Total Expected Cash Outflows	Less than 3 months	3-12 months	1-5 years	More than 5 years
<b>Non-derivative financial Liabilities</b>	<b>628.312</b>	<b>646.275</b>	<b>590.845</b>	<b>55.430</b>	-	-
Funds borrowed	583.463	601.426	545.996	55.430	-	-
Factoring payables	37.812	37.812	37.812	-	-	-
Other liabilities	7.037	7.037	7.037	-	-	-

## **Ekspo Faktoring A.Ş.**

### **Notes to the financial statements for the period ended December 31, 2024**

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

#### **34. Nature and level of financial risk arising from financial instruments (cont'd)**

##### **I) Fair value of financial instruments**

Fair value is the value that the counterparties will receive after an authorized transaction, other than liquidation and compulsory sale. The listed market value reflects the most reliable current value of an asset, when it is available.

The company determined the fair value of the financial instruments based on the data provided from the market and by using appropriate calculation methods. However the estimation of the fair values based on the market values requires judgement and interpretation. As a result, the estimations presented in this financial tables, may not always be an indicator for the realisable value for the company after a market transaction.

Fair value of the financial instruments is determined based on the reliable data provided from the financial markets in Türkiye. Fair value of other financial instruments is determined by benchmarking market value of a similar financial instrument or by assumption methods which includes amortizing the future cash flows with current interest rates.

The company management estimates that the carrying value of the short term assets and liabilities approximates their fair value.

It is anticipated that the presented values of the factoring receivables and the provisions are shown at their fair values, based on their short-term maturities.

#### **35. Fees for Services Received from External Auditor/ External Audit Firm**

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Independent audit fee for the reporting period	1.175.000	650.000
Fees for tax consultancy services	205.000	125.000
Fee for other assurance services	-	-
Fee for other services other than independent audit	-	-
<b>Total</b>	<b>1.380.000</b>	<b>775.000</b>

#### **36. Subsequent events**

None.