

HSBC BANK A.Ş.

PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES AT 31 MARCH 2025 TOGETHER WITH AUDITOR'S REVIEW REPORT

(Convenience translation of publicly announced unconsolidated financial statements, related disclosures and auditor's review report at 31 March 2025, See Note I. of Section Three)



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH
(See Note I of Section Three)
AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION**

To the General Assembly of HSBC Bank A.Ş.;

Introduction

We have reviewed the unconsolidated statement of financial position of HSBC Bank A.Ş. ("the Bank") at 31 March 2025 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the three-month-period. The Bank Management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these interim financial information based on our review.

Scope of Review

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

Conclusion

According to our review, the unconsolidated interim financial information, the unconsolidated financial position of HSBC Bank A.Ş as of 31 March 2025 and the unconsolidated financial performance and unconsolidated cash flows for the three-month-period ended on the same date, are in accordance with BRSA Accounting and Financial Reporting Regulations. Nothing has come to our attention that causes us to believe that it has not been presented fairly, in all material respects.

Report on other regulatory requirements arising from legislation

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

Additional paragraph for convenience translation to English

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 March 2025. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

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

Gökçe Yaşar Temel, SMMM
Independent Auditor

İstanbul, 9 May 2025

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL
STATEMENTS AND REVIEW REPORT
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE
UNCONSOLIDATED FINANCIAL REPORT OF HSBC BANK A.Ş.
AS OF AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

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The unconsolidated financial report for the three-month period prepared in accordance with Communiqué on the Financial Statements and the Related Disclosures and Footnotes to be Publicly Announced as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

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

The unconsolidated financial statements for the three-month period and related explanations and footnotes in this report are prepared in accordance with the Regulation on Banks' Accounting Applications and Principles and Procedures Concerning the Preservation of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and annexes interpretations thereof and are denominated as **TL thousand** unless otherwise specified, are held to subject to limited independent review and are presented enclosed.

Didem Çerçi
Vice President of the Executive Board /
Head of Audit Committee

Burçin Ozan
Deputy General Manager /
Financial Reporting Assistant
General Manager

Yerliozan Kül
Group Head

Ana Patricia Fernandes Vidal Gomes
Member of
Audit Committee

Robert Cyril Oates
Member of
Audit Committee

Information about the responsible personnel whom questions may be asked:

Name-Surname/Title : Burak Özlü / Senior Manager
Tel No : (0212) 376 4209
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HSBC BANK A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

SECTION ONE

GENERAL INFORMATION ABOUT THE BANK

I. BANK'S FOUNDATION DATE, START-UP STATUS, HISTORY REGARDING THE CHANGES IN THIS STATUS

The establishment of HSBC Bank A.Ş. ("The Bank") to engage in commercial banking activities was authorized by the Council of Ministers decision dated 27 June 1990 and numbered 90/644 and the Articles of Association was published in the Official Gazette dated 18 September 1990 and numbered 2611. The bank is a foreign capital bank registered in accordance with the provisions of the Foreign Capital Encouragement Law No. 6224. On 20 September 2001, a 'Share Sale Agreement' was signed regarding the sale of Demirbank TAŞ., which is part of the Savings Deposit Insurance Fund ("TMSF"), to HSBC Bank Plc, the main shareholder of the Bank. With this agreement, it was envisaged that the necessary transactions would be completed by 31 October 2001 and that all of Demirbank TAŞ.'s shares, as well as some of its assets and liabilities, would be transferred to HSBC Bank Plc. The transfer of the said shares was made on 31 October 2001. On 14 December 2001 Demirbank TAŞ. and the Bank continued its activities by merging under the name of HSBC Bank A.Ş. Based on the approval of the Banking Regulation and Supervision Agency dated 21 June 2017, 10,01% share of HSBC Bank Plc.'s 100% ownership of the Bank's capital was transferred to HSBC Bank Middle East Limited and remaining 89,99% share of HSBC Bank Plc. was transferred to HSBC Middle East Holdings B.V. through share transfer agreement dated 29 June 2017.

II. EXPLANATION ABOUT THE BANK'S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THAT THE BANK BELONGS TO

As of 31 March 2025, the Bank's nominal capital is TL 652.290 and consists of 65.229.000.000 registered and fully paid shares, each amounting to TL 0,01. Based on the approval of the Banking Regulation and Supervision Agency dated 21 June 2017, 10,01% share of HSBC Bank Plc.'s 100% ownership of the Bank's capital was transferred to HSBC Bank Middle East Limited and remaining 89,99% share of HSBC Bank Plc. was transferred to HSBC Middle East Holdings B.V. through share transfer agreement dated 29 June 2017. As of 31 March 2025, there have been no changes regarding the Bank's capital structure and shareholders of the Bank who are in charge of the management or auditing of the Bank directly or indirectly.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE 3.1

HSBC BANK A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

III. EXPLANATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, PRESIDENT, AND EXECUTIVE VICE PRESIDENTS, IF AVAILABLE, SHARES OF THE BANK THEY POSSESS AND THEIR AREAS OF RESPONSIBILITY

<u>Title</u>	<u>Name</u>	<u>Responsibility</u>	<u>Education</u>
Chairman of the Board:	Paul Joseph LAWRENCE	Chairman	Undergraduate
Vice President of the Executive Board:	Didem ÇERÇİ	Deputy Chairman	Undergraduate
Board of Directors:	Burçin OZAN ^(*)	Member, Deputy General Manager	Undergraduate
	Cansen Başaran SYMES ^(**)	Member	Undergraduate
	Ayşe Ebru DORMAN	Member	Graduate
	Robert Cyril OATES	Member	Undergraduate
	Ana Patricia FERNANDES VIDAL GOMES	Member	Graduate
CEO:	Burçin OZAN ^(*)	Deputy General Manager	Undergraduate
Head of Internal Audit:	Ercan OĞUL	Head of Internal Audit	Graduate
Deputy CEO:	Burçin OZAN ^(*)	Finance	Undergraduate
Executive Vice Presidents:	Cem MURATOĞLU	Retail Banking	Graduate
	Burçin OZAN ^(*)	Finance	Undergraduate
	Funda TEMOÇİN	Human Resources	Undergraduate
	İbrahim Namık AKSEL	Treasury and Capital Markets	Graduate
	Tolga TÜZÜNER	Head of Legal Advisory	Graduate
	Peter KALLO	Credit and Risk	Graduate
	Caner IŞLAK	Corporate and Global Banking	Graduate
	Seyyare ÖZBAŞLI TINAZ	Technology and Services	Graduate
Audit Committee:	Didem ÇERÇİ	Head of the Audit Committee	Undergraduate
	Robert Cyril OATES	Member of the Audit Committee	Graduate
	Ana Patricia FERNANDES VIDAL GOMES	Member of the Audit Committee	Graduate

^(*) Burçin Ozan, currently holding Deputy General Manager position since 2 January 2025 until a permanent general manager is appointed to our Bank, has also been appointed as a Member of the Board of Directors of HSBC Bank A.Ş. as of 2 January 2025, in place of Süleyman Selim Kervancı, who resigned from his duties as General Manager and Board Member as of 31 December 2024.

^(**) As of 20 February 2025, Robert Adrian Underwood, who resigned from his position as Member of the Board of Directors, has been replaced by Cansen Başaran Symes, who was appointed as Member of the Board of Directors as of 26 February 2025.

The individuals mentioned above do not possess any share of the Bank.

HSBC BANK A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

IV. INFORMATION ON THE INDIVIDUAL AND CORPORATE SHAREHOLDERS HAVING CONTROL SHARES OF THE BANK

Name/Commercial Title	Share Amounts (Nominal) (*)	Share Percentages	Paid-in Capital (Nominal) (*)	Unpaid Portion
HSBC Middle East Holdings B.V.	586.995.771	89,99%	586.995.771	-
HSBC Bank Middle East Limited	65.294.226	10,01%	65.294.226	-

(*) The amounts are expressed in full TL.

V. INFORMATION ON THE BANK'S SERVICE TYPES AND FIELDS OF OPERATION

The Bank's activities in accordance with related regulations and the articles of association of the Bank summarized are as follows;

- To accept all kinds of deposits both in Turkish Lira and in foreign currency,
- To provide funds in Turkish Lira and foreign exchange, for own use or as an intermediary,
- To launch cash and non-cash loans,
- To perform discount and purchase activities,
- To perform order transmissions brokerage, transactions brokerage, portfolios brokerage, restricted custody and general custody activities in accordance with Capital Markets regulations,
- To perform factoring activities,
- To perform payment services.

In addition to regular banking operations in accordance to the articles of association, the Bank also provides insurance intermediary services as an agency of Axa Sigorta, Zurich Sigorta, Allianz Hayat ve Emeklilik, Allianz Sigorta, GIG Sigorta, Allianz Trade (Euler Hermes), Coface and Anadolu Hayat Emeklilik, through its branches, undertaking the role of portfolio sharing including steering customers for Marsh Sigorta ve Reasürans Brokerlik and intermediary services agent for transmitting orders of HSBC Yatırım.

As of 31 March 2025, the Bank has 44 domestic branches (31 December 2024: 44 domestic branches).

As of 31 March 2025, the number of employees of the Bank is 1.415 (31 December 2024: 1.409).

VI. OTHER MATTERS

Unless otherwise stated, the financial statements and explanations and notes regarding the financial statements have been prepared in thousands of Turkish Lira.

VII. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND EXPLANATION ABOUT INSTITUTIONS SUBJECT TO FULL CONSOLIDATION METHOD OR PROPORTIONAL CONSOLIDATION AND INSTITUTIONS WHICH ARE DEDUCTED FROM EQUITY OR NOT INCLUDED IN THESE THREE METHODS

The subsidiary of the Bank, HSBC Yatırım ve Menkul Değerler A.Ş. is included in the scope of full consolidation with its consolidated financial statements.

VIII. THE EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES ON THE TRANSFER OF SHAREHOLDERS' EQUITY BETWEEN THE PARENT BANK AND ITS SUBSIDIARIES OR REIMBURSEMENT OF LIABILITIES

None.

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Balance Sheet**
- II. Statement of Off - Balance Sheet Commitments**
- III. Statement of Profit or Loss**
- IV. Statement of Profit or Loss and Other Comprehensive Income**
- V. Statement of Changes in Shareholders' Equity**
- VI. Statement of Cash Flows**

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE 3.I**

HSBC BANK A.Ş.

UNCONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2025 AND 31 DECEMBER 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**SECTION TWO
UNCONSOLIDATED FINANCIAL STATEMENTS**

I. BALANCE SHEET	Note (Section Five I)	Reviewed Current Period (31.03.2025)			Audited Prior Period (31.12.2024)		
		TL	FC	Total	TL	FC	Total
ASSETS							
I. FINANCIAL ASSETS (NET)		83.485.691	60.657.760	144.143.451	85.631.755	42.537.000	128.168.755
1.1 Cash and Cash Equivalents		62.962.983	56.681.249	119.644.232	66.604.839	38.860.669	105.465.508
1.1.1 Cash and Balances with Central Bank	(I-a)	56.937.807	22.474.538	79.412.345	15.461.563	17.427.927	32.889.490
1.1.2 Banks	(I-c)	1.006.534	2.567.606	3.574.140	503.048	296.556	799.604
1.1.3 Money Market Placements		5.025.097	31.646.225	36.671.322	50.647.129	21.142.115	71.789.244
1.1.4 Expected Loss Provision (-)		6.455	7.120	13.575	6.901	5.929	12.830
1.2 Financial Assets at Fair Value Through Profit or Loss	(I-b)	2.962.726	96.655	3.059.381	1.951.512	699.814	2.651.326
1.2.1 Government Debt Securities		2.958.501	96.655	3.055.156	1.947.287	699.814	2.647.101
1.2.2 Equity Instruments		4.225	-	4.225	4.225	-	4.225
1.2.3 Other Financial Assets		-	-	-	-	-	-
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	(I-d)	17.279.912	-	17.279.912	16.685.155	-	16.685.155
1.3.1 Government Debt Securities		17.279.912	-	17.279.912	16.685.155	-	16.685.155
1.3.2 Equity Instruments		-	-	-	-	-	-
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	(I-b)	280.070	3.879.856	4.159.926	390.249	2.976.517	3.366.766
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		280.070	3.879.856	4.159.926	390.249	2.976.517	3.366.766
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income	(I-k)	-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)		24.394.487	48.910.252	73.304.739	17.158.353	41.006.776	58.165.129
2.1 Loans	(I-e)	15.771.325	50.634.581	66.405.906	13.856.667	42.683.254	56.539.921
2.2 Lease Receivables	(I-j)	-	-	-	-	-	-
2.3 Factoring Receivables		270.306	338.522	608.828	290.610	159.742	450.352
2.4 Other Financial Assets Measured at Amortized Cost	(I-f)	8.781.074	-	8.781.074	3.423.765	-	3.423.765
2.4.1 Government Debt Securities		8.781.074	-	8.781.074	3.423.765	-	3.423.765
2.4.2 Other Financial Assets		-	-	-	-	-	-
2.5 Expected Credit Losses (-)		428.218	2.062.851	2.491.069	412.689	1.836.220	2.248.909
III. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (NET)	(I-p)	-	-	-	-	-	-
3.1 Held for Sale Purpose		-	-	-	-	-	-
3.2 Related to Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		34.753	-	34.753	34.753	-	34.753
4.1 Investments in Associates (Net)	(I-g)	-	-	-	-	-	-
4.1.1 Accounted Under Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		-	-	-	-	-	-
4.2 Subsidiaries (Net)	(I-h)	34.753	-	34.753	34.753	-	34.753
4.2.1 Unconsolidated Financial Subsidiaries		34.753	-	34.753	34.753	-	34.753
4.2.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3 Entities under Common Control (Joint Venture) (Net)	(I-i)	-	-	-	-	-	-
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	(I-l)	858.095	-	858.095	873.870	-	873.870
VI. INTANGIBLE ASSETS (Net)	(I-m)	648.874	-	648.874	647.952	-	647.952
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		648.874	-	648.874	647.952	-	647.952
VII. INVESTMENT PROPERTY (Net)	(I-n)	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		-	-	-	-	-	-
IX. DEFERRED TAX ASSET	(I-o)	302.855	-	302.855	731.444	-	731.444
X. OTHER ASSETS	(I-r)	2.671.975	111.459	2.783.434	1.548.520	424.048	1.972.568
TOTAL ASSETS		112.396.730	109.679.471	222.076.201	106.626.647	83.967.824	190.594.471

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE 3.I**

HSBC BANK A.Ş.

UNCONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2025 AND 31 DECEMBER 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

I. BALANCE SHEET	Note (Section Five II)	Reviewed Current Period (31.03.2025)			Audited Prior Period (31.12.2024)		
		TL	FC	Total	TL	FC	Total
LIABILITIES							
I. DEPOSITS	(II-a)	65.830.534	86.900.826	152.731.360	69.407.413	60.458.688	129.866.101
II. FUNDS BORROWED	(II-d)	-	26.110.916	26.110.916	-	16.993.535	16.993.535
III. MONEY MARKET BALANCES	(II-c)	-	11.533.262	11.533.262	-	11.555.609	11.555.609
IV. MARKETABLE SECURITIES ISSUED (Net)	(II-e)	-	-	-	-	-	-
4.1 Bills		-	-	-	-	-	-
4.2 Assets Backed Securities		-	-	-	-	-	-
4.3 Bonds		-	-	-	-	-	-
V. BORROWER FUNDS		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	(II-b)	489.281	1.814.546	2.303.827	246.305	2.852.700	3.099.005
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		489.281	1.814.546	2.303.827	246.305	2.852.700	3.099.005
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII. FACTORING LIABILITIES		-	-	-	-	-	-
IX. LEASE LIABILITIES	(II-g)	168.505	5.708	174.213	203.207	5.497	208.704
X. PROVISIONS	(II-i)	664.316	25.945	690.261	1.145.214	23.680	1.168.894
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reverse for Employee Benefits		271.239	-	271.239	247.845	-	247.845
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions		393.077	25.945	419.022	897.369	23.680	921.049
XI. CURRENT TAX LIABILITY	(II-j)	2.124.149	-	2.124.149	1.459.218	-	1.459.218
XII. DEFERRED TAX LIABILITY	(II-j)	-	-	-	-	-	-
XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(II-k)	-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	(II-l)	-	5.351.077	5.351.077	-	4.894.547	4.894.547
14.1 Loans		-	5.351.077	5.351.077	-	4.894.547	4.894.547
14.2 Other Debt Instruments		-	-	-	-	-	-
XV. OTHER LIABILITIES	(II-f)	2.412.078	1.130.957	3.543.035	3.022.773	1.351.843	4.374.616
XVI. SHAREHOLDERS' EQUITY	(II-m)	17.514.101	-	17.514.101	16.974.242	-	16.974.242
16.1 Paid-in capital		652.290	-	652.290	652.290	-	652.290
16.2 Capital Reserves		323.573	-	323.573	323.573	-	323.573
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		323.573	-	323.573	323.573	-	323.573
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		(207.026)	-	(207.026)	(205.692)	-	(205.692)
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(514.996)	-	(514.996)	(43.177)	-	(43.177)
16.5 Profit Reserves		15.119.296	-	15.119.296	10.607.487	-	10.607.487
16.5.1 Legal Reserves		293.676	-	293.676	184.141	-	184.141
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		14.825.620	-	14.825.620	10.423.346	-	10.423.346
16.5.4 Other Profit Reserves		-	-	-	-	-	-
16.6 Profit Or Loss		2.140.964	-	2.140.964	5.639.761	-	5.639.761
16.6.1 Prior Years' Profit/Loss		-	-	-	-	-	-
16.6.2 Current Year Profit/Loss		2.140.964	-	2.140.964	5.639.761	-	5.639.761
16.7 Minority Interest		-	-	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		89.202.964	132.873.237	222.076.201	92.458.372	98.136.099	190.594.471

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE 3.I**

HSBC BANK A.Ş.

**UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS
AS OF 31 MARCH 2025 AND 31 DECEMBER 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

II.	OFF-BALANCE SHEET COMMITMENTS	Note (Section Five III)	Reviewed Current Period (31.03.2025)			Audited Prior Period (31.12.2024)		
			TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I+II+III)		172.957.801	497.805.909	670.763.710	96.969.020	375.278.851	472.247.871
I.	GUARANTEES AND COLLATERALS	(III-a-2.3)	2.940.091	25.131.346	28.071.437	3.175.817	23.552.901	26.728.718
1.1	Letters of Guarantee		2.921.591	14.500.522	17.422.113	3.157.317	12.658.574	15.815.891
1.1.1	Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2	Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3	Other Letters of Guarantee		2.921.591	14.500.522	17.422.113	3.157.317	12.658.574	15.815.891
1.2	Bank Acceptances		-	-	-	-	-	-
1.2.1	Import Letter of Acceptance		-	-	-	-	-	-
1.2.2	Other Bank Acceptance		-	-	-	-	-	-
1.3	Letters of Credit		18.500	9.706.222	9.724.722	18.500	10.033.437	10.051.937
1.3.1	Documentary Letters of Credit		18.500	6.974.390	6.992.890	18.500	6.924.717	6.943.217
1.3.2	Other Letters of Credit		-	2.731.832	2.731.832	-	3.108.720	3.108.720
1.4	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7	Factoring Guarantees		-	-	-	-	-	-
1.8	Other Guarantees		-	924.602	924.602	-	860.890	860.890
1.9	Other Collaterals		-	-	-	-	-	-
II.	COMMITMENTS	(III-a-1)	27.575.135	18.019.557	45.594.692	8.146.951	8.164.419	16.311.370
2.1	Irrevocable Commitments		27.575.135	18.019.557	45.594.692	8.146.951	8.164.419	16.311.370
2.1.1	Forward Asset Purchase and Sale Commitments		21.826.291	18.016.115	39.842.406	2.325.375	8.161.213	10.486.588
2.1.2	Forward Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3	Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4	Loan Granting Commitments		316.946	-	316.946	359.871	-	359.871
2.1.5	Securities Underwriting Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7	Payment Commitment for Checks		16.473	-	16.473	15.191	-	15.191
2.1.8	Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9	Commitments for Credit Card Expenditure Limits		4.941.407	-	4.941.407	4.968.785	-	4.968.785
2.1.10	Commitments for Promotions Related with Credit Cards and Banking Activities		54.156	-	54.156	54.325	-	54.325
2.1.11	Receivables from Short Sale Commitments		-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments		-	-	-	-	-	-
2.1.13	Other Irrevocable Commitments		419.862	3.442	423.304	423.404	3.206	426.610
2.2	Revocable Commitments		-	-	-	-	-	-
2.2.1	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	(III-b)	142.442.575	454.655.006	597.097.581	85.646.252	343.561.531	429.207.783
3.1	Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1	Fair Value Hedge		-	-	-	-	-	-
3.1.2	Cash Flow Hedge		-	-	-	-	-	-
3.1.3	Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2	Held for Trading Transactions		142.442.575	454.655.006	597.097.581	85.646.252	343.561.531	429.207.783
3.2.1	Forward Foreign Currency Buy/Sell Transactions		34.829.775	132.684.906	167.514.681	21.511.620	130.887.350	152.398.970
3.2.1.1	Forward Foreign Currency Transactions-Buy		12.829.180	71.009.429	83.838.609	7.029.238	69.205.305	76.234.543
3.2.1.2	Forward Foreign Currency Transactions-Sell		22.000.595	61.675.477	83.676.072	14.482.382	61.682.045	76.164.427
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rate		100.899.720	229.656.344	330.556.064	55.727.266	145.567.269	201.294.535
3.2.2.1	Foreign Currency Swap-Buy		1.996.037	95.953.755	95.949.792	2.725.388	56.595.357	59.320.745
3.2.2.2	Foreign Currency Swap-Sell		14.924.533	95.275.369	110.199.902	10.271.594	64.595.786	74.867.380
3.2.2.3	Interest Rate Swap-Buy		41.989.575	20.213.610	62.203.185	21.365.142	12.188.063	33.553.205
3.2.2.4	Interest Rate Swap-Sell		41.989.575	20.213.610	62.203.185	21.365.142	12.188.063	33.553.205
3.2.3	Foreign Currency, Interest Rate and Securities Options		6.713.080	67.320.092	74.033.172	8.407.366	50.509.758	58.917.124
3.2.3.1	Foreign Currency Options-Buy		3.356.540	33.660.046	37.016.586	4.203.683	25.254.879	29.458.562
3.2.3.2	Foreign Currency Options-Sell		3.356.540	33.660.046	37.016.586	4.203.683	25.254.879	29.458.562
3.2.3.3	Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4	Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5	Securities Options-Buy		-	-	-	-	-	-
3.2.3.6	Securities Options-Sell		-	-	-	-	-	-
3.2.4	Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1	Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2	Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6	Other		-	24.993.664	24.993.664	-	16.597.154	16.597.154
B.	CUSTODY AND PLEDGES SECURITIES (IV+V+VI)		247.693.476	257.182.520	504.875.996	220.473.571	237.885.865	458.359.436
IV.	ITEMS HELD IN CUSTODY		178.896.645	132.547.649	311.444.294	151.273.388	121.446.762	272.720.150
4.1	Customers' Securities Held		147.481.986	49.784.161	197.266.147	81.468.956	45.850.490	127.319.446
4.2	Investment Securities Held in Custody		30.439.744	31.399.040	61.838.784	69.346.665	28.050.541	97.397.206
4.3	Checks Received for Collection		236.575	-	236.575	15.914	17.469	33.383
4.4	Commercial Notes Received for Collection		650.772	166.121	816.893	354.285	145.518	499.803
4.5	Other Assets Received for Collection		-	-	-	-	-	-
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		87.568	51.198.327	51.285.895	87.568	47.382.744	47.470.312
4.8	Custodians		-	-	-	-	-	-
V.	PLEDGED ITEMS		65.745.406	50.123.937	115.869.343	65.923.758	45.859.464	111.783.222
5.1	Marketable Securities		177.155	5.578.863	5.756.018	182.760	5.215.132	5.397.892
5.2	Guarantee Notes		1.780	1.898.370	1.900.150	1.780	1.768.073	1.769.853
5.3	Commodity		329.020	4.907.877	5.236.897	331.061	4.380.255	4.711.316
5.4	Warranty		-	-	-	-	-	-
5.5	Real Estate		3.763.551	32.972.953	36.736.504	3.818.818	30.293.323	34.112.141
5.6	Other Pledged Items		61.473.900	4.765.874	66.239.774	61.589.339	4.202.681	65.792.020
5.7	Pledged Items-Depository		-	-	-	-	-	-
VI.	ACCEPTED BILL OF EXCHANGE AND COLLATERALS		3.051.425	74.510.934	77.562.359	3.276.425	70.579.639	73.856.064
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)			420.651.277	754.988.429	1.175.639.706	317.442.591	613.164.716	930.607.307

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE 3.I**

HSBC BANK A.Ş.

**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

III. STATEMENT OF PROFIT OR LOSS			Reviewed	
INCOME AND EXPENSE ITEMS		Note (Section Five IV)	Current Period (01.01.2025 – 31.03.2025)	Prior Period (01.01.2024 – 31.03.2024)
I.	INTEREST INCOME	(IV-a)	11.184.684	7.038.293
1.1	Interest Income on Loans	(IV-a-1)	2.537.239	2.932.632
1.2	Interest Received from Reserve Requirements		838.673	98.608
1.3	Interest Received from Banks	(IV-a-2)	4.989.120	1.711.696
1.4	Interest Received from Money Market Transactions		683.359	978.188
1.5	Interest Received from Marketable Securities Portfolio	(IV-a-3)	1.932.779	1.219.005
1.5.1	Financial Assets at Fair Value through Profit or (Loss)		189.061	65.491
1.5.2	Financial Assets at Fair Value Through Other Comprehensive Income		1.523.311	1.049.580
1.5.3	Financial Assets at Measured at Amortized Cost		220.407	103.934
1.6	Financial Lease Income		-	-
1.7	Other Interest Income		203.514	98.164
II.	INTEREST EXPENSE (-)	(IV-b)	6.713.401	4.813.451
2.1	Interest Expense on Deposits	(IV-b-4)	6.165.763	4.483.685
2.2	Interest Expense on Funds Borrowed	(IV-b-1)	439.074	232.862
2.3	Interest Expense on Money Market Transactions		76.448	71.407
2.4	Interest on Securities Issued	(IV-b-3)	-	-
2.5	Interest Expense on Lease		8.759	6.085
2.6	Other Interest Expenses		23.357	19.412
III.	NET INTEREST INCOME/EXPENSE (I - II)		4.471.283	2.224.842
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		525.657	119.664
4.1	Fees and Commissions Received		649.883	501.689
4.1.1	Non-Cash Loans		257.665	168.006
4.1.2	Other	(IV-m)	392.218	333.683
4.2	Fees and Commissions Paid (-)		124.226	382.025
4.2.1	Non-Cash Loans		133	284
4.2.2	Other		124.093	381.741
V.	DIVIDEND INCOME	(IV-c)	3.750	50.000
VI.	TRADING GAIN/(LOSS) (Net)	(IV-d)	333.638	270.159
6.1	Trading Gains/(Losses) on Securities		(105.920)	82.369
6.2	Derivative Financial Transactions Gains/(Losses)		2.975.974	837.200
6.3	Foreign Exchange Gains/(Losses)		(2.536.416)	(649.410)
VII.	OTHER OPERATING INCOME	(IV-e)	159.570	131.618
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		5.493.898	2.796.283
IX.	PROVISION FOR LOAN LOSSES (-)	(IV-f)	289.400	168.145
X.	OTHER PROVISION EXPENSES (-)		17.445	6.484
XI.	PERSONNEL EXPENSES (-)		1.147.787	735.035
XII.	OTHER OPERATING EXPENSES (-)	(IV-g)	1.038.499	554.030
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		3.000.767	1.332.589
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XV.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		-	-
XVI.	INCOME/ (LOSS) ON NET MONETARY POSITION		-	-
XVII.	INCOME/EXPENSE BEFORE TAXES FROM CONTINUING OPERATIONS (XIII+...+XVI)	(IV-i)	3.000.767	1.332.589
XVIII.	PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	(IV-j)	(859.803)	(380.234)
18.1	Current Tax Provision		(431.376)	(497.917)
18.2	Deferred Tax Income Effect (+)		(428.427)	-
18.3	Deferred Tax Expense Effect (-)		-	117.683
XIX.	NET PROFIT/LOSSES FROM CONTINUING OPERATIONS (XVII±XVIII)	(IV-k)	2.140.964	952.355
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from Non-Current Assets Held for Resale		-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures (Business Partners)		-	-
20.3	Other Income from Discontinued Operations		-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses for Non-Current Assets Held for Resale		-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures (Business Partners)		-	-
21.3	Other Expenses from Discontinued Operations		-	-
XXII.	PROFIT/LOSSES BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX-XXI)	(IV-i)	-	-
XXIII.	PROVISION FOR INCOME TAXES FROM DISCONTINUED OPERATIONS (±)	(IV-j)	-	-
23.1	Current Tax Provision		-	-
23.2	Deferred Tax Income Effect (+)		-	-
23.3	Deferred Tax Expense Effect (-)		-	-
XXIV.	NET PROFIT/LOSSES FROM DISCONTINUED OPERATIONS (XXII±XXIII)	(IV-k)	-	-
XXV.	NET PROFIT/LOSSES (XIX+XXIV)		2.140.964	952.355
	Earnings/Loss per Share		0,032822	0,014600

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE 3.I**

HSBC BANK A.Ş.

**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	Reviewed Current Period (31.03.2025)	Reviewed Prior Period (31.03.2024)
I. INCOME/LOSS FOR THE PERIOD	2.140.964	952.355
II. OTHER COMPREHENSIVE INCOME	(473.153)	(59.486)
2.1 Not Reclassified Through Profit or Loss	(1.334)	(5.379)
2.1.1 Property and Equipment Revaluation Increase/Decrease	-	-
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss	(1.905)	(7.684)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	571	2.305
2.2 Reclassified Through Profit or Loss	(471.819)	(54.107)
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(674.046)	(77.253)
2.2.3 Cash Flow Hedge Income/Loss	-	-
2.2.4 Foreign Net Investment Hedge Income/Loss	-	-
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	202.227	23.146
III. TOTAL COMPREHENSIVE INCOME (I+II)	1.667.811	892.869

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED
IN TURKISH, SEE IN NOTE 3.I**

**HSBC BANK A.Ş.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY																
						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss							
Reviewed Prior Period 31 March 2024	Note Section Five	Paid-in Capital	Share Premium	Share Cancel Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit/ (Loss)	Net Profit/ (Loss)	Total Equity Except from Minority Interest	Total Equity
I. Balances at the Beginning of the Period - 31 December 2023		652.290	-	-	1.464.825	-	(178.162)	-	-	131.783	-	5.339.395	-	4.126.840	11.536.971	11.536.971
II. Corrections According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance (I+II)		652.290	-	-	1.464.825	-	(178.162)	-	-	131.783	-	5.339.395	-	4.126.840	11.536.971	11.536.971
IV. Total Comprehensive Income	(V-a)	-	-	-	-	-	(5.379)	-	-	(54.107)	-	-	-	952.355	892.869	892.869
V. Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase/Decrease by Other Changes		-	-	-	(1.141.252)	-	-	-	-	-	-	1.141.252	-	-	-	-
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	4.126.840	-	(4.126.840)	-	-
11.1 Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	4.126.840	-	(4.126.840)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period-End Balance (III+IV+.....+X+XI)		652.290	-	-	323.573	-	(183.541)	-	-	77.676	-	10.607.487	-	952.355	12.429.840	12.429.840

1. Increase/decrease of accumulated revaluation reserve on tangible,
2. Accumulated gains/losses on remeasurement of defined benefit plans,
3. Other (other comprehensive income of associates and joint ventures accounted with equity method that will not be reclassified at profit and loss and other accumulated amounts of other comprehensive income items that will not be reclassified at profit or loss,
4. Exchange differences on translation reserve,
5. Accumulated revaluation and/or classification gains/losses of financial assets at fair value through other comprehensive income,
6. Other (cash flow hedge gains/losses, other comprehensive income of associates and joint ventures accounted with equity method that will be reclassified at profit or loss and other accumulated amounts of other comprehensive income items that will be reclassified at profit or loss).

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

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**HSBC BANK A.Ş.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY																
						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss							
Reviewed Current Period 31 March 2025	Note Section Five	Paid-in Capital	Share Premium	Share Cancel Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit/ (Loss)	Net Profit/ (Loss)	Total Equity Except from Minority Interest	Total Equity
I. Balances at the Beginning of the Period - 31 December 2024		652.290	-	-	323.573	-	(205.692)	-	-	(43.177)	-	10.607.487	-	5.639.761	16.974.242	16.974.242
II. Corrections According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance (I+II)		652.290	-	-	323.573	-	(205.692)	-	-	(43.177)	-	10.607.487	-	5.639.761	16.974.242	16.974.242
IV. Total Comprehensive Income	(V-a)	-	-	-	-	-	(1.334)	-	-	(471.819)	-	-	-	2.140.964	1.667.811	1.667.811
V. Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase/Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	4.511.809	-	(5.639.761)	(1.127.952)	(1.127.952)
11.1 Dividends Paid		-	-	-	-	-	-	-	-	-	-	(1.127.952)	-	-	(1.127.952)	(1.127.952)
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	5.639.761	-	(5.639.761)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period-End Balance (III+IV+.....+X+XI)		652.290	-	-	323.573	-	(207.026)	-	-	(514.996)	-	15.119.296	-	2.140.964	17.514.101	17.514.101

1. Increase/decrease of accumulated revaluation reserve on tangible,
2. Accumulated gains/losses on remeasurement of defined benefit plans,
3. Other (other comprehensive income of associates and joint ventures accounted with equity method that will not be reclassified at profit and loss and other accumulated amounts of other comprehensive income items that will not be reclassified at profit or loss,
4. Exchange differences on translation reserve,
5. Accumulated revaluation and/or classification gains/losses of financial assets at fair value through other comprehensive income,
6. Other (cash flow hedge gains/losses, other comprehensive income of associates and joint ventures accounted with equity method that will be reclassified at profit or loss and other accumulated amounts of other comprehensive income items that will be reclassified at profit or loss).

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

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UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

VI. STATEMENT OF CASH FLOWS			
	Note (Section Six V)	Reviewed Current Period (31.03.2025)	Reviewed Prior Period (31.03.2024)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit Before Changes in Operating Assets and Liabilities	(VI-a)	1.048.174	(1.216.236)
1.1.1 Interest Received	(VI-a)	12.246.996	6.359.866
1.1.2 Interest Paid	(VI-a)	(6.802.606)	(5.276.836)
1.1.3 Dividend Received		-	-
1.1.4 Fees and Commissions Received		656.633	499.451
1.1.5 Other Income		159.570	116.189
1.1.6 Collections From Previously Written-Off Loans and Other Receivables		11.327	7.090
1.1.7 Cash Payments to Personnel and Service Suppliers	(VI-a)	(1.568.161)	(1.128.382)
1.1.8 Taxes Paid		(279.256)	(160.854)
1.1.9 Other		(3.376.329)	(1.632.760)
1.2 Changes in Operating Assets and Liabilities Subject to Banking Operations		7.347.115	(5.135.734)
1.2.1 Net (Increase)/Decrease in Financial Assets at Fair Value Through Profit or Loss		(480.188)	(45.678)
1.2.2 Net (Increase)/Decrease in Due from Banks		(5.408.320)	(5.980.646)
1.2.3 Net (Increase)/Decrease in Loans		(10.351.017)	(8.940.008)
1.2.4 Net (Increase)/Decrease in Other Assets		(371.991)	23.413
1.2.5 Net Increase/(Decrease) in Bank Deposits		(1.346.901)	243.984
1.2.6 Net Increase/(Decrease) in Other Deposits		24.356.624	1.524.401
1.2.7 Net Increase/(Decrease) in Financial Liabilities at Fair Value Through Profit or Loss		-	-
1.2.8 Net Increase/(Decrease) in Funds Borrowed		2.283.113	870.163
1.2.9 Net Increase/(Decrease) in Matured Payables		-	-
1.2.10 Net Increase/(Decrease) in Other Liabilities		(1.334.205)	7.168.637
I. Net Cash Provided From Banking Operations		8.395.289	(6.351.970)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided From Investing Activities		(6.821.599)	(4.072.674)
2.1 Cash Paid for the Purchase of Associates, Subsidiaries and Joint Ventures		-	-
2.2 Cash Obtained from the Sale of Associates, Subsidiaries and Joint Ventures		-	-
2.3 Cash Paid for the Purchase of Tangible and Intangible Asset		(29.924)	(58.431)
2.4 Cash Obtained from the Sale of Tangible and Intangible Asset		-	42.008
2.5 Cash Paid for Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(4.858.717)	(4.013.251)
2.6 Cash Obtained from the Sale of Financial Assets at Fair Value Through Other Comprehensive Income		3.304.491	-
2.7 Cash Paid for Purchase of Financial Assets at Amortized Cost		(5.177.527)	-
2.8 Cash Obtained from Sale of Financial Assets at Amortized Cost		-	-
2.9 Other		(59.922)	(43.000)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Provided From Financing Activities		7.171.197	(53.137)
3.1 Cash Obtained from Funds Borrowed and Securities Issued		7.238.805	-
3.2 Cash Outflow from Funds Borrowed and Securities Issued		-	-
3.3 Equity Instruments Issued		-	-
3.4 Dividends Paid		-	-
3.5 Payments for Finance Lease Liabilities		(67.608)	(53.137)
3.6 Other		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(VI-a)	(1.479)	10.543
V. Net (Decrease)/Increase in Cash and Cash Equivalents (I+II+III+IV)		8.743.408	(10.467.238)
VI. Cash and Cash Equivalents at Beginning of the Period	(VI-d)	84.633.824	59.199.953
VII. Cash and Cash Equivalents at End of the Period	(VI-d)	93.377.232	48.732.715

The explanations and notes on pages 13 to 86 form an integral part of these financial statements.

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**HSBC BANK A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL").)

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS ON BASIS OF PRESENTATION

a. The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks' Accounting Application and Keeping Documents:

The Bank prepared the accompanying unconsolidated financial statements within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Law numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA") and in case where a specific regulation is not made by BRSA and Turkish Accounting Standards ("TAS") published by the Public Oversight Accounting for the format and detail of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette no. 28337, dated 28 June 2012 and amendments to this Communiqué dated 1 February 2019 which include Turkish Accounting Standard principles. However, the TAS 29 "Financial Reporting in Hyperinflationary Economies" standard included in TFRS is not applied to banks and financial leasing, factoring, financing, savings financing and asset management companies, as explained below.

The unconsolidated financial statements have been prepared in TL under the historical cost convention as modified in accordance with inflation adjustments until 31 December 2004, except for the financial assets and liabilities, which are carried at fair value.

The preparation of the unconsolidated financial statements in conformity with TFRS requires the Bank Management to use of certain make assumptions and estimates on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates are reviewed regularly and, when necessary, corrections are made and the effects of these corrections are reflected to the income statement. The estimations and projections used are explained in corresponding disclosures.

b. Accounting policies and valuation principles applied in the presentation of financial statements:

The accounting policies followed and the valuation principles used in the preparation of the financial statements have been determined and applied in accordance with the principles within the scope of the "BRSA Accounting and Financial Reporting Legislation" and are consistent with the accounting policies applied in the annual financial statements prepared for the period ending on 31 December 2024.

Accounting policies for the current period and valuation principles used are explained in Notes II to XXXI.

The Bank made certain estimations in the calculation of expected credit losses in the financial statements prepared as of 31 March 2025 and disclosed them in footnote VIII, "Explanations on Expected Loss Provisions". The Bank reviews its assumptions every quarter and makes updates if deemed necessary.

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I. EXPLANATIONS ON BASIS OF PRESENTATION (Continued)

Changes in accounting policies and disclosures

New and revised TAS/IFRS effective for annual periods beginning on or after 1 January 2024 have no material effect on the financial statements, financial performance and on the Bank's accounting policies. New and revised Turkish Accounting Standards issued but not yet effective as of the finalization date of the financial statements have no material effect on the financial statements, financial performance and on the Bank's accounting policies.

The Public Oversight, Accounting and Auditing Standards Authority ("POA"), through its announcement dated 23 November 2023, stated that the financial statements of entities applying TFRS for annual reporting periods ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting Standard for High Inflation Economies ("TAS 29"), however, institutions or organizations authorized to regulate and supervise in their respective fields may determine different transition dates for the application of TAS 29 provisions. In response to this announcement by POA, the Banking Regulation and Supervision Agency ("BRSA") decided that the financial statements as of 31 December 2023 of banks, financial leasing, factoring, financing, savings finance, and asset management companies should not be subjected to inflation adjustments required under TAS 29 through its decision numbered 10744 dated 12 December 2023, and required the transition to inflation accounting as of 1 January 2025, with the decision numbered 10825 dated 11 January 2024. Accordingly, the Bank did not apply the inflation accounting required under TAS 29 in its financial statements for the year ended 31 December 2024. However, pursuant to the decision of the Banking Regulation and Supervision Agency (BRSA) dated 5 December 2024 and numbered 11021, it has been resolved that banks, as well as financial leasing, factoring, financing, savings financing, and asset management companies, shall not apply inflation accounting in the year 2025.

Explanation for convenience translation into English:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 March 2025. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

**II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND
EXPLANATIONS ON FOREIGN CURRENCY TRANSACTIONS**

The Bank's main resources are customer deposits and foreign loans. The Bank creates its liquidity structure that will ensure the fulfilment of its due liabilities by diversifying its funding sources and by keeping sufficient cash and assets that can be converted into cash.

The Bank applies sophisticated methods of the Group in daily market risk managing and control activities. In measuring the market risk and determining limits, "Value at Risk" ("VaR") approach is being applied. For the portfolios which are subject to market risk; interest rate and currency risks are monitored; with regard to this, limits such as daily and monthly maximum loss limits regarding the exchange rate and share price risk, Value at Risk limits, maturity limits and quantity limits are being applied. The limit usages are being monitored through various checkpoints and reported to the top management. Risk monitoring and control activities are being performed by independent units. For the portfolios, which are subject to the interest risks, sensitivity of the changes in interest rates are being analysed by "Present Value Basis Points" method ("PVBP") and relevant limits are being determined.

Various stress scenarios, liquidity, gap and volatility analyses are performed regarding the monitoring and management of market risk as well as control. By means of these analyses, it is aimed to be ready for possible risks and to take quick decisions regarding the targeted profitability.

Analyses that are conducted related to determined risks are being tracked by the Asset-Liability Committee and value adding decisions are made. The foreign exchange gains and losses from the foreign exchange transactions are being recorded at the date of transactions conducted. The balances of other foreign currency active and liability accounts, excluding non-performing loans in foreign currency and non-monetary items accounted for on the basis of acquisition cost, are translated into TL at the Bank's exchange rate and the resulting exchange differences are reflected in the income statement as foreign exchange profit or loss.

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III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

The Bank has no investments in associates as of 31 March 2025. Investments in subsidiaries are accounted in accordance with the "Turkish Accounting Standard for Separate Financial Statements" ("TAS 27") in the unconsolidated financial statements. Investments in subsidiaries that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are carried at cost less provision for impairment.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS

In order to reduce the foreign exchange position risk, the Bank conducts currency forward purchase and sale transaction agreements, currency swap purchase and sale transaction agreements and option purchase and sale agreements. In order to reduce the interest risk, the Bank conducts interest futures and forward interest rate agreements. The fair value differences of derivative instruments that are reflected in the profit and loss accounts are measured at fair value and associated with income statement during recognition. If the fair value of derivative financial instruments is positive, it is disclosed under the main account "Derivative Financial Assets at Fair Value Through Profit or Loss"; and if the fair value difference is negative, it is disclosed under "Derivative Financial Liabilities at Fair Value Through Profit or Loss". Differences arising from the valuation of fair value are reflected in the "Derivative Financial Transactions Gains/Losses" account under income.

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSES

Interest income is recorded according to the effective interest rate method (rate equal to net present value of future cash flows or financial assets and liabilities) defined in the TFRS 9 "Financial Instruments" standard by applying the effective interest rate to the gross carrying amount of a financial asset except for: purchased or originated credit-impaired financial assets or financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. When applying the effective interest rate method, an entity identifies fees that are an integral part of the effective interest rate method of a financial instrument. Fees that are an integral part of the effective interest rate of a financial instrument are treated as an adjustment to the effective interest rate, unless the financial instrument is measured at fair value, with the change in fair value being recognized in profit or loss.

When applying the effective interest method, The Bank amortized any fees, transaction costs and other premiums or discounts that are included in the calculation of the effective interest rate over the expected life of the financial instrument. In case an interest was accrued on a security before its acquisition, the collected interest is divided into two parts as interest before and after the acquisition and only the interest of the period after the acquisition is recorded as interest income in the financial statements. If the expectation for the cash flows from financial asset is revised for reasons other than the credit risk, the change is reflected in the carrying amount of asset and in the related statement of profit or loss line and is amortized over the estimated life of financial asset.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES

All fees and commission income are recognised on an accrual basis in accordance with the matching principle or "Effective Rate Method (Internal Rate of Return Method)" and according to the TFRS 15 "Revenue from Contracts with Customers", except for certain commission income for various banking services, which are recorded as income at the time of collection. Income provided through contracts or through services related to transactions such as the purchase or sale of assets for a third party corporate or individual person is recorded as income on the date it is earned.

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VII. EXPLANATIONS ON FINANCIAL ASSETS

The Bank categorizes its financial assets as fair value through profit/loss, fair value through other comprehensive income or measured at amortized cost. Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority. Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

The Bank recognize a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Bank's management is changed, all affected financial assets are reclassified and this reclassification is applied prospectively. In such cases, no adjustments are made to earnings, losses or interest that were previously recorded in the financial statements.

Classification and measurement of financial instruments

According to the TFRS 9 standard, the classification and measurement of financial assets is determined according to the business model in which the financial asset is managed and whether it depends on the contractual cash flows that include only the principal and interest payments on the principal balance.

Assessment whether contractual cash flows are solely payments of principal and interest

Within the scope of this evaluation, "Principal" is defined as the fair value of the financial asset at initial recognition. "Interest", for the time value of money, considers the credit risk and other underlying credit risks associated with the principal amount over a period of time and the costs for the profit margin (for example, liquidity risk and administrative costs).

In the evaluation of the contractual cash flows, which include only the principal and interest payments, the Bank considers the contractual terms of the financial asset. This assessment includes assessing whether the financial asset contains a contractual clause that could change the timing or amount of contractual cash flows. While making the assessment, the Bank considers the followings:

- Events that could change the amount and timing of cash flows
- Leverage features
- Prepayment and extension terms
- Features to consider when measuring the time value of money

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VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)

a. Financial Assets at Fair Value Through Profit/Loss:

Financial assets at fair value through profit or loss, financial assets managed with a business model other than a business model aimed at holding contractual cash flows to collect and selling contractual cash flows and contractual terms related to financial assets, does not result in cash flows that only include principal and interest payments on the principal balance on specified dates; are financial assets that are acquired to profit from fluctuations in prices and similar factors in the short-term in the market, or that are part of a portfolio to make a profit in the short-term, regardless of the reason for their acquisition. Financial assets at fair value through profit or loss are recorded with their fair values and are then valued at their fair values. Gains and losses resulting from the valuation are included in the profit/loss accounts. In line with the Uniform Chart of Accounts (UCA) explanations, the positive difference between the acquisition cost and the discounted value of the financial asset is in "Interest Income", if the fair value of the asset is above the discounted value, the positive difference is in the "Capital Market Transactions Profits" account. if the fair value is below the discounted value, the negative difference between the discounted value and the fair value is recorded in the "Capital Market Transactions Losses" account. In case the financial asset is disposed of before maturity, the resulting gains or losses are accounted for on the same basis.

Equity securities, which are classified as financial assets at fair value through profit or loss, are accounted with their fair values if they are traded in organized markets and/or their fair value can be determined reliably. If it is not traded in an organized market and its fair value cannot be determined reliably, it is reflected to the financial statements at cost after deducting the provision for impairment.

b. Financial Assets at Fair Value Through Other Comprehensive Income:

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

"Unrealized profits and losses" mean the difference between amortized costs and fair value arising from changes in fair value of assets whose fair value difference is reflected in other comprehensive income. The collection of the value corresponding to the relevant financial asset is not reflected in the income statement for the period until either the asset is sold, disposed of or deteriorated and is followed in the "Other comprehensive income or expense to be reclassified to profit or loss" account in shareholders' equity. When these financial assets are collected or disposed of, the accumulated fair value differences recognized in equity are reflected in the income statement. Interest and dividends of these financial assets are recorded in the relevant interest income and dividend income account.

At initial recognition, an entity may irrevocably choose to present subsequent changes in the fair value of an investment in an equity instrument that is not held for trading in other comprehensive income. If this preference is made, dividends from the investment in question are recognized as profit or loss.

In addition, the Bank's securities portfolio includes consumer price indexed government bonds classified as financial assets at fair value through other comprehensive income. These securities are valued and accounted for using the effective interest method, based on real coupon rates, the reference inflation index at the date of issue and the current index. As stated in the CPI-Indexed Bonds Investor's Guide of the Undersecretariat of Treasury, the reference indices used in calculating the actual coupon payment amounts of these securities are based on the CPI of two months ago.

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VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)

c. Financial Assets Measured in Amortized Cost:

The financial asset is measured at amortized cost if the financial asset is held under a business model that aims to collect contractual cash flows and the contractual terms of the financial asset result in cash flows that, at specified dates, only include payments of principal and interest on the principal balance. These assets are accounted for at their acquisition cost, which also includes transaction costs, when they are first recorded. After being recorded, it is valued at "Discounted Value" using the effective interest rate method.

d. Loans:

Loans are financial assets with fixed or determinable payments that are not quoted in an active market. Loans are initially recorded by adding the transaction costs to the acquisition cost that reflects their fair value and after they are recorded, they are measured with their amortized values using the "Effective Interest Rate (internal rate of return) Method".

Bank's loans are recorded under the "Measured at Amortized Cost" account.

VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES

The Bank allocates an expected loss provision for its financial assets measured at amortized cost and at fair value through other comprehensive income.

Pursuant to the "Regulation on the Procedures and Principles Regarding Classification of Loans and Provisions for These" published in the Official Gazette dated 22 June 2016 and numbered 29750 and entered into force as of 1 January 2018, the Bank allocates provisions for impairment in accordance with the provisions of TFRS 9 as of 1 January 2019. In this framework, as of 31 December 2018, the loan provisions calculated within the framework of the relevant legislation of the BRSA have been changed in accordance with TFRS 9 by applying the expected credit loss model. The expected credit losses estimate is unbiased, probability-weighted and includes supportable information about estimates of past events, current conditions and future economic conditions.

At each reporting date, it is assessed whether there has been a significant increase in the credit risk of a financial instrument subject to impairment since its initial recognition and financial assets are divided into the following three categories, depending on the increase in credit risks observed from the time they are first recognized:

Stage 1:

Financial assets that do not have a significant increase in credit risk at the time of initial recognition or after initial recognition are classified as such. For these assets, the credit risk impairment allowance is recognized based on the 12-month expected credit losses. The 12-month expected credit loss is calculated based on the probability of default occurring within the 12 months following the reporting date, the loss given default, and the discount of the loan to the present with the original effective interest rate.

Stage 2:

If there is a significant increase in credit risk after the initial recognition of the financial asset, the related financial asset is transferred to Stage 2. The credit risk impairment provision is determined based on the lifetime expected credit losses of the financial asset. The probability of default and loss given default are estimated over the lifetime of the financial asset, including the use of multiple scenarios. Impairment provision for credit risk is recognized as lifetime expected credit losses.

Stage 3:

For financial assets with objective evidence of impairment, lifetime expected credit losses are estimated on an individual basis using the discounted cash flow method.

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VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES (Continued)

Calculation of expected credit losses

The calculation of expected credit losses consists of three main parameters: probability of default (PD), loss given default (LGD) and exposure at default (EAD). PDs and LGDs used in the ECL calculation are point in time ("PIT")-based for key portfolios and consider both current conditions and expected macroeconomic cyclical changes.

Since the first quarter of 2020, the calculation of expected credit losses has been based on four different scenarios: optimistic, baseline, pessimistic, and alternative pessimistic. As of the first quarter of 2025, the weight of the optimistic scenario has been revised downward due to global uncertainties and increasing sensitivities, while the weight of the pessimistic scenario has been increased.

Products within retail loans are grouped into large and small portfolios, considering portfolio sizes, risk levels and strategic business plans. In calculating expected credit loss provisions, TFRS9 models developed from historical data sets are used for large portfolios (Credit Card, General Purpose Loans, Overdraft), while a fixed macroeconomic expectation rate determined judgmentally is used for small portfolios (Mortgage Loans, Vehicle Loans, Cash Collateralized General Purpose Loans, Check Collaterals).

In case an area for improvement is identified in the performance of the models used in the calculations, necessary corrective actions are taken and the calculated impact is reflected in the financial statements.

In addition, all commercial and corporate loans that are classified as non-performing loans and restructured in the expected credit loss calculation in accordance with TFRS 9 are subject to individual evaluation according to the discounted cash flow method (DCF) in accordance with internal policies. This method is basically done by discounting the expected cash flows from the financial instrument to their present value with the effective interest rate. The expected credit loss calculation for financial instruments is evaluated based on the judgment and knowledge of the specialist business unit at the date of evaluation, taking into account the realization of the credit loss, which is objective and probability weighted in nature. Estimated credit loss is calculated by weighting the evaluations made for different scenarios according to their realization probabilities.

Probability of Default (PD)

The probability of default refers to the ratio that the loan will default in a given time period. Two different probability of default values are used when calculating expected credit losses in accordance with TFRS 9:

- 12-month probability of default: an estimate of the probability of default within 12 months from the reporting date.
- Lifetime probability of default: an estimate of the probability of default over the expected life of the financial instrument.

The 12-month and lifetime probability of default consists of a cumulative probability of default estimation series. These estimates are based on the macro-PD model used to measure the risk of default, which is a function of macro-economic factors. This model is sensitive to current and future macro-economic conditions and is estimated over 12 months or lifetime timeframes. The Life Cycle (TTC) PD value is calculated with customer rating grades and the Point in Time (PiT) PD value is reached with the macroeconomic models designed by the Bank.

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VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES (Continued)

Probability of Default (Continued)

For Commercial and Corporate portfolios, Internal rating models are also used. In the internal rating models used, the financial and non-financial information of the customer are being used and this information is evaluated together to assign an internal rating score. In the retail portfolio, on the other hand, a segment-based structure was designed to distribute customers among predetermined segments. Segments are shaped by product-specific variables on a product basis (limit usage rate, past and related month delay, remaining maturity, etc.). The probability of default calculation is performed by taking into account historical data, current conditions and forward-looking macroeconomic expectations.

Loss Given Default (LGD)

It refers to the economic loss resulting from the loan in case of default by the borrower. It is expressed as a ratio. Loss given default for retail loans is calculated over the expected collections from collateral and other loan cash flows, taking into account the time value of money. While calculating the time value of money, the weighted average interest rate of the performing loan portfolio at the relevant period is taken into account as the effective interest rate. For corporate and commercial loans, the model used includes historical loss data, while also considering country-specific growth expectations and customer segments.

Exposure at Default (EAD)

Cash loans represent the balance that has been disbursed as of the report date. Non-cash loans and commitments are the values calculated by applying the loan conversion rate determined in the legislation. The exposure at default is calculated over cash loans and non-cash loans taken into account at the loan conversion ratio and represents the economic receivable amount at the reporting date. The expected exposure at default, for corporate and commercial loans, is based on the prudent assumption that it will remain constant over the life of the financial instrument. With this approach, more prudent results can be produced and risk-increasing factors such as non-payment and partial payment that may occur in cash flows are prevented.

Consideration of the Macroeconomic Factors

Probability of default parameters are determined by considering macroeconomic factors. The macroeconomic variables used in the expected loss calculation are as follows for the corporate/commercial and retail portfolio:

Corporate/commercial portfolio:

- Annual percentage change in Gross Domestic Product (GDP)
- Annual change in export amount
- Housing price index
- Short term external debt

Retail portfolio:

- Annual percentage change in Gross Domestic Product (GDP)
- Unemployment rate

Additionally, the macroeconomic variable that is used in the Loss Given Default model in Corporate/Commercial portfolio is a transformation of Gross National Product.

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VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES (Continued)

As of 31 March 2025, the Parent Bank calculates the expected credit loss by taking into account the statistical models designed to comply with the relevant legislation and accounting standards and the methods used for prudence, as well as the macroeconomic forecasts for the future. In addition, changes affecting macroeconomic factors reflected the data obtained with the maximum effort principle to the estimates and judgments used in the calculation of expected credit losses, with the best estimation method. In light of the aforementioned data, the Parent Bank has revised the weights of the macroeconomic scenarios used in calculating expected credit losses, decreasing the weight of the optimistic scenario and increasing the weight of the pessimistic scenario. The calculations, which also take into account the PD and LGD parameters that vary according to these scenarios and their weights, have been reflected in the financial statements as of March 31, 2025. The PD values used in the Corporate/Commercial portfolio, which basically the annual rate of change in housing prices, reflects the change in short-term external debt in USD and the annual change in gross national product. By their nature, in the event of unforeseen circumstances not captured by the models, the Parent Bank continues to establish provisions by applying management overlays, both increasing and decreasing, in addition to the provisions established for the corporate/commercial portfolio. In the second half of 2023, management overlays were removed considering macroeconomic improvements. For corporate clients subjected to stress testing in the fourth quarter of 2024, expected deteriorations have been reflected in internal rating grades as of the first quarter of 2025. For those not reflected in the internal ratings, the Parent Bank has applied additional management overlays on top of the provisions established. In subsequent reporting periods, the status of the existing portfolio, macroeconomic developments, and forward-looking expectations will be regularly reviewed to reassess management overlays.

Calculating the Expected Loss Period

Lifetime ECL is calculated by taking into account maturity extensions, repayment options and the period during which the Bank will be exposed to credit risk. The time in financial guarantees and other irrevocable commitments represents the credit maturity for which the liabilities of the Bank. Behavioural maturity analysis has been performed on credit cards and overdraft accounts. With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless there is the legal right to call it earlier. But due to segment-based approach to retail loans the maturity of the 95 percentile is calculated as the credit life.

Significant Increase in Credit Risk

In the event of a significant increase in credit risk of financial assets, these assets are classified as stage 2. The determination of a significant increase in the credit risk of a financial asset and its transfer to Stage 2 is based on both quantitative and qualitative assessments.

Quantitative assessments compare the relative change between the probability of default (PD) measured at the loan origination date and the PD measured at the report date. If this change exceeds the thresholds for a significant increase in credit risk, the financial asset is classified as Stage 2. In the quantitative evaluation of the significant increase in credit risk, the Bank considers absolute threshold values as an additional layer in addition to relative threshold values. Receivables whose default probability is below the absolute threshold value are not included in the relative threshold value comparison.

The Bank classifies the financial asset as Stage 2 where any of the following conditions are satisfied as a result of a qualitative assessment.

- Receivables overdue more than 30 days as of the reporting date
- Receivables classified as watch-list
- Receivables evaluated within the scope of restructuring

It is also considered that there is a default on the relevant debt under the following two conditions:

- Overdue for more than 90 days. The definition of default in practice is based on the criterion that the debt is overdue for more than 90 days.
- Convinced that the debt will not be paid. If the borrower is deemed to be unable to perform its obligations on the loan, the borrower should be considered in default, regardless of whether there is a delayed debt balance or the number of days of default.

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IX. DERECOGNITION OF FINANCIAL INSTRUMENTS

a) Derecognition of financial assets due to change in contractual terms

In accordance with TFRS 9, restructuring or changing the contractual cash flows of a financial instrument may result in derecognition of the existing financial asset. When a change in a financial asset results in derecognition of the existing financial asset and subsequent recognition of the modified financial asset, the modified financial asset is considered a "new" financial asset for the purposes of TFRS 9. When evaluating the new contractual terms characteristics of the financial asset, the contractual cash flows including the currency change, conversion to share, counterparty change and only the principal and interest payments on the principal balance are evaluated. If the contractual cash flows of a financial asset have been changed or otherwise restructured and such modification or restructuring does not result in derecognition of the financial asset, the gross book value of the financial asset is recalculated and the restructuring gain or loss is recognized in profit or loss. In cases where all the risks and gains of ownership of the asset are not transferred to another party and control of the asset is retained, the remaining interest in the asset and the liabilities arising from and due to this asset continue to be recognized. If all the risks and gains of ownership of a transferred asset are retained, the transferred asset continues to be recognized and a financial liability is recognized in exchange for the consideration received.

b) Derecognition of financial assets without any change in contractual terms

The Bank derecognizes the asset if the contractual rights to cash flows from the financial asset are expired or the related financial asset and all risks and rewards of ownership of the asset are transferred to another party. Except for equity instruments measured at fair value through other comprehensive income, the total amount consisting of the gain or loss arising from the difference between the book value and the amount obtained and any accumulated gain directly accounted in equity shall be recognized in profit/loss.

c) Derecognition of financial liabilities

It shall be removed a financial liability (or a part of a financial liability) from the statement of financial position when and only when, it is extinguished—i.e. when the obligation specified in the contract is discharged or cancelled or expires.

d) Reclassification of financial instruments

Based on TFRS 9, it shall be reclassified all affected financial assets at amortized cost to financial assets measured at fair value through other comprehensive income and fair value through profit or loss in the subsequent accounting when and only when, it is changed the business model for managing financial assets.

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IX. DERECOGNITION OF FINANCIAL INSTRUMENTS (Continued)

e) Restructuring and refinancing of financial instruments

The Bank may be changed the original contractual terms of a loan (maturity, repayment structure, guarantees and sureties) which were previously signed, in case the loan cannot be repaid or if a potential payment difficulty is encountered based on the new financing power and structure of the borrower.

The restructuring is the modification of the loan contract terms of the borrower or the partial or complete refinancing of the loan due to financial difficulties that the borrower may encounter or will likely encounter in the payments.

To reclassify the restructured corporate and commercial loans and/or restructured receivables as performing loans from non-performing loans, the following conditions must be met:

- All of the overdue payments that cause the loan to be classified in the non-performing loans have been collected without using the collaterals.
- There is no delayed payment of the receivable as of the reclassification date and the last two payments before this date are due and complete.
- Ensuring the classification requirements of the company in the Stage 1 or Stage 2.

In the case of Consumer Loans, if the non-fulfillment of the payment obligation to the Bank results from the temporary liquidity shortage, loans may be restructured in order to provide the borrower with liquidity power and to collect the receivable of the Bank. Removal of customers from the scope of restructuring is done within the scope of the Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables.

- The loan, which is restructured in the process of performing-retail restructuring loans (consumer credit-vehicle-mortgage), is considered as close monitoring and is followed in close monitoring at the time of restructured loan period.
- There is no restructuring of loan and credit card related to the non-performing loans.

X. EXPLANATIONS ON PRIOR PERIOD ACCOUNTING POLICIES

None.

XI. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank has a legally enforceable right to offset the recognized amounts and there is an intention to collect/pay related financial assets and liabilities on a net basis.

XII. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES' LENDING TRANSACTIONS

Securities subject to repurchase agreements ("Repo") are classified as "Financial Assets at Fair Value Through Profit or Loss", "Financial Assets at Fair Value Through Other Comprehensive Income" and "Financial Assets Measured at Amortized Cost" in the balance sheet according to the investment purposes and measured according to the portfolio of the Bank to which they belong. Funds obtained under repurchase agreements are accounted under "Funds provided under repurchase agreements" in liability accounts and differences between the sale and repurchase prices determined by these repurchase agreements are accrued evenly over the life of the repurchase agreement using the "Effective interest (internal rate of return) method". Funds given against securities purchased under agreements to resell ("Reverse repo") are accounted under "Receivables from money market" in the balance sheet. The difference between the purchase and resell price determined by these repurchase agreements is accrued evenly over the life of repurchase agreements using the "Effective interest rate method". The Bank has no securities lending transactions.

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XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS AND LIABILITIES RELATED WITH THESE ASSETS

Property and equipment held-for-sale consist of tangible assets that were acquired due to non-performing receivables and are accounted in the financial statements in accordance with the regulations of "Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations ("TFRS 5").

As of 31 March 2025 and 31 December 2024, the Bank has no discontinued operations.

XIV. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS

The Bank's intangible assets are composed of software, goodwill and establishment expenditures. Intangible assets are measured in accordance with "Intangible Assets Standard" ("TAS 38") at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical cost after the deduction of accumulated depreciation and the provision for value decreases. The depreciable amount of an intangible asset is allocated on a systematic basis over its useful life. The costs of the intangible assets purchased before 31 December 2004, end of the high inflation period is accepted as 31 December 2004, are subject to inflation indexation until 31 December 2004. Intangible assets purchased after 31 December 2004 are recognised with their acquisition cost in the financial statements.

As of 31 March 2025, there is no net book value of goodwill (31 December 2024: None).

XV. EXPLANATIONS ON PROPERTY AND EQUIPMENT

All property and equipment are measured in accordance with "Property, Plant and Equipment Standard" ("TAS 16") at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. Subsequently, property and equipment are carried at cost less accumulated depreciation and provision for value impairment. The costs of the property and equipment purchased before 31 December 2004 or subject to inflation indexation until 31 December 2004. Property and equipment purchased after 31 December 2004 are recognized with their purchase cost in the financial statements. Property and equipment are amortized by using the straight-line method based on their useful lives, such as buildings depreciated at rate 2%, vehicles at rates 20%, furniture at rate 20% and other tangible assets at rates ranging from 2% to 33%. The depreciation charge for items remaining in the property and equipment for less than an accounting period at the balance sheet date is calculated in proportion to the period the item will remain in property and equipment. Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its net sales revenue. Repair and maintenance expenses in order to increase the useful life of the property and equipment are capitalized, other repair and maintenance costs are recognized as expenses. There are no mortgages, pledges or similar precautionary measures on tangible fixed assets.

XVI. EXPLANATIONS ON LEASING TRANSACTIONS

The Bank recognized assets held under finance leases on the basis of the lower of its fair value and the present value of the lease payments. Fixed assets acquired under finance lease contracts are classified in tangible assets and amortized over their estimated useful lives. Leased assets are included in the property and equipment and depreciation is charged on a straight-line basis over the useful life of the asset. If there is any diminution in value of the leased asset, a "Provision for value decrease" is recognized. Liabilities arising from the leasing transactions are included in "Financial lease payables" in the balance sheet. Interest and foreign exchange expenses regarding lease transactions are presented the income statement. The Bank does not provide finance lease services as a "Lessor".

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XVI. EXPLANATIONS ON LEASING TRANSACTIONS (Continued)

At the commencement date of a lease, a lessee measures the lease liability at the present value of the lease payments that are not paid at that date (i.e., the lease liability), at the same date recognizes an asset representing the right to use the underlying asset and depreciates it during the lease term. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. Lessees are required to recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset separately.

Explanations on TFRS 16 Leasing Transactions:

TFRS 16 Leases standard abolishes the dual accounting model currently applied for lessees through recognizing finance leases in the balance sheet whereas not recognizing operational lease. Instead, it is set forth a single model similar to the accounting of finance leases (on balance sheet). For lessors, the accounting stays almost the same. The bank has started to apply the "TFRS 16 Leases" Standard with using the modified retrospective approach from 1 January 2019.

The Bank's accounting policies upon the application of TFRS 16 are as follows:

Right of use assets

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received.

The right use includes the presence of:

- The initial measurement of the lease,
- The amount obtained by deducting all lease payments received from all lease payments made on or on the date of actual lease; and
- All initial direct costs incurred by the Bank

At the end of the lease term of the underlying asset's service, the transfer of the Bank is reasonably finalized and the Bank depreciates the asset until the end of the life of the underlying asset on which the lease actually began. Right-of-use assets are subject to impairment.

Lease Liabilities

The Bank measures the lease obligation at the present value of the unpaid lease payments on the date that the lease commences.

Lease payments included in the measurement of the lease obligation on the date that the lease actually commences, consists of the following payments to be made for the right of use of the underlying asset during the lease period and not paid on the date the lease actually starts:

- Fixed payments,
- Variable lease payments based on an index or rate, the first measurement made using an index or rate on the actual date of the lease,
- Amounts expected to be paid by the Bank under the residual value commitments.
- The use price of this option and, if the Bank is reasonably confident that it will use the purchase option.
- Fines for termination of the lease if the lease term indicates that the Bank will use an option to terminate the lease.

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XVI. EXPLANATIONS ON LEASING TRANSACTIONS (Continued)

Explanations on TFRS 16 Leasing Transactions (Continued):

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or condition that triggered the payment occurred. The Bank determines the revised discount rate for the remaining part of the lease term as the implicit interest rate in the lease, if this rate can be easily determined; if this rate cannot be easily determined, it determines the Bank's alternative borrowing interest rate on the date of re-evaluation.

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

- Increases the book value to reflect the interest on the lease obligation; and
- Decreases the book value to reflect the lease payments made.

In addition, if there is a change in the lease term, a change in the underlying fixed lease payments, or a change in the assessment of the option to purchase the underlying asset, the value of the finance lease liabilities is remeasured.

Short-term leases and leases of low-value assets

The Bank applies the short-term lease registration exemption to short-term machinery and equipment lease agreements (i.e. assets that have a lease term of 12 months or less from the commencement date and do not have an option to purchase). It also applies the exemption from accounting for low value assets to office equipment whose rental value is considered to be of low value. Short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Due to the Bank's implementation of TFRS 16, rights of use assets classified under tangible assets as of 31 March 2025 amounted to TL 170.473 (31 December 2024: TL 173.256), lease liability amounted to TL 174.213 (31 December 2024: TL 208.704), depreciation expense amounted to TL 21.052 (31 March 2024: TL 13.315) and interest expense amounted to TL 8.759. (31 March 2024: TL 6.085).

XVII. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES

Provisions and contingent liabilities are accounted in accordance with, "Provisions, Contingent Liabilities and Contingent Assets Standard" ("TAS 37"). Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events and a reliable estimate of the amount of the obligation can be made. When the amount of the obligation cannot be estimated and there is no possibility of an outflow of resources from the Bank, it is considered that a "contingent" liability exists and it is disclosed in the related notes to the financial statements.

XVIII. EXPLANATIONS ON CONTINGENT ASSETS

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Bank. Contingent assets are not recognized in financial statements since this may result in recognition of income that may never be realized. If an inflow of economic benefits to the Bank has become probable, then the contingent asset is disclosed in the footnotes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

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XIX. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS

Obligations related to employment termination and vacation rights are accounted for in accordance with "Employee Rights Standard" ("TAS 19") and are classified under "Reserve for Employee Rights" account in the balance sheet. Under the Turkish Labour Law, the Bank is required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labour Law. The Bank allocates provision for retirement and termination liabilities by estimating the net present value of future payments of the Bank arising from the retirement of employees and reflects this provision amount in the financial statements. For employee termination benefit provision calculation, future liability amounts are calculated, and yearly discount rate is 3,90% (31 December 2024: 3,90%).

As of 31 March 2025, actuarial loss amounted to TL 207.026 (31 December 2024: TL 205.692 loss) is recognized under other profit reserves in the financial statements.

All actuarial gains and losses are recognized under equity in accordance with TAS 19.

XX. EXPLANATIONS ON TAXATION

a. Current Tax:

In accordance with Article 32 of the Corporate Tax Law No. 5520, which was published in the Official Gazette dated 21 June 2006 and numbered 26205, the corporate tax rate was determined as 20%. However, with the Law No. 7456, which was published in the Official Gazette dated 15 July 2023 and numbered 32249, the said rate was determined as 30% for the same companies.

Accordingly, the current tax provision is calculated at a tax rate of 30% for corporate profits for the tax period of 2023 and beyond. The corporate tax rate is applied to the tax base to be found as a result of adding the expenses that are not accepted as deductible in accordance with the tax laws to the commercial income of the corporations and deducting the exemptions in the tax laws (such as the subsidiary earnings exception). No further tax is paid if the profit is not distributed.

There is no withholding tax on profit shares (dividends) paid to institutions that generate income through a workplace or permanent representative in Türkiye and to institutions residing in Türkiye. Dividend payments other than those made to non-resident companies that generate income through a workplace or their permanent representative in Türkiye and to companies residing in Türkiye are subject to 15% withholding tax. In the application of the withholding tax rates for profit distributions to limited taxpayer institutions and real persons, the practices included in the relevant "Double Taxation Avoidance Agreements" are also taken into consideration. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

In accordance with the provision of Article 298/A of the Tax Procedure Law, the conditions required for inflation adjustment in corporate tax calculations are met as of the end of the 2021 calendar year. However, the regulation made by Law No. 7352 dated 20 January 2022, defers the application of inflation adjustment in corporate tax calculations to 2023. Accordingly, the tax financial statements prepared under the Tax Procedure Law for the 2023 fiscal year were not subject to inflation adjustment for the interim tax periods, whereas the tax financial statements dated December 31, 2023, and those prepared during 2024 (excluding the first interim tax period) have been subject to inflation adjustment. On the other hand, under this regulation, depreciable economic assets on the Bank's balance sheet will be subject to depreciation based on their adjusted amounts during the 2024 and 2025 fiscal periods, including interim tax periods, starting from the 2nd provisional tax period of 2024 and the depreciation calculated on these adjusted amounts will be considered in determining the relevant period's taxable income.

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XX. EXPLANATIONS ON TAXATION (Continued)

a. Current Tax (Continued):

Additionally, according to Law No. 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, it is stipulated that the profit/loss differences resulting from inflation adjustments to be made by banks during the 2024 and 2025 fiscal periods, including interim tax periods, will not be taken into account in determining taxable income. In other words, the calculations to be made within the scope of inflation accounting under the Tax Procedure Law (VUK) are monitored separately without being included in the financial statements. In this respect, the profit or loss differences arising from inflation adjustment do not affect the corporate tax base in the VUK financial statements.

Lastly, pursuant to the Tax Procedure Law (VUK) General Communiqué No. 582, published in the Official Gazette dated 15 February 2025 and numbered 32814, it has been deemed appropriate that taxpayers do not apply inflation adjustment as of the end of the first, second, and third provisional tax periods of the 2025 fiscal year. Accordingly, the VUK financial statements for the year 2025 are prepared within the scope of the relevant regulation.

b. Deferred Tax Assets / Liabilities:

The Bank calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Income Taxes Standard" ("TAS 12") and the related decrees of the BRSA concerning income taxes. In the deferred tax calculation, the enacted tax rate, in accordance with the tax legislation, is used as of the balance sheet date. Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized. Deferred tax assets and liabilities are presented as net in the financial statements in accordance with TAS 12.

Pursuant to Article 32 of the Corporate Tax Law No. 5520, which was published in the Official Gazette dated 21 June 2006 and numbered 26205 and entered into force on the same date, the standard corporate tax rate has been set at 20%. However, with the Law No. 7456, which was published in the Official Gazette dated 15 July 2023 and numbered 32249, the said rate was determined as 30% for the same companies. Therefore, the Bank has calculated a 30% deferred tax on all its assets and liabilities.

Deferred tax assets and liabilities are reflected in the financial statements by netting. Net deferred tax asset resulting from offsetting is shown in the balance sheet as deferred tax asset and net deferred tax liability is shown as deferred tax liability. As of 31 March 2025, the Bank has recognized deferred tax receivable amounting to TL 302.855 as an asset (31 December 2024: The Bank has recognized a deferred tax receivable amounting to TL 731.444 as an asset).

Various operations and calculations with unascertained effects on final tax amount occur during standard workflow and these require important judgement in determining income tax provision. Bank records tax liabilities caused by projections of additional taxes to be paid as a result of tax related incidents. In cases, which final tax results based on these incidents differ from initially recorded amounts, differences may effect income tax and deferred tax assets of the period they are recognized.

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XX. EXPLANATIONS ON TAXATION (Continued)

c. Local and Global Minimum Complementary Corporate Tax:

In September 2023, the Public Oversight, Accounting and Auditing Standards Authority (KGK) published amendments to TAS 12, which introduce a mandatory exception regarding the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes. These amendments clarify that TAS 12 will apply to income taxes arising from tax laws aimed at implementing the OECD's Pillar Two Model Rules, which have either come into effect or are expected to come into effect. The amendments also introduce specific disclosure requirements for businesses affected by such tax laws. The exception, which states that information regarding deferred taxes within this scope will not be recognized or disclosed, will be applied with the publication of the amendment to the standard.

A bill presented to the Grand National Assembly of Türkiye (TBMM) on 16 July 2024, marks the beginning of the adoption of the OECD's Global Minimum Complementary Corporate Tax regulations (Pillar 2). These regulations came into effect with laws published in the Official Gazette on 2 August 2024. The implementation in Türkiye is largely in alignment with the OECD's Pillar 2 Model Rules, showing similarities in areas such as scope, exemptions, consolidation, tax calculations, and filing deadlines. While secondary regulations related to calculation details and application methods have not yet been published, preliminary assessments, taking into account the regulations published by the OECD, suggest that these regulations are not expected to have a significant impact on the financial statements.

Türkiye has enacted the Domestic Minimum Corporate Tax with laws published in the Official Gazette on 2 August 2024. This tax will be applicable starting from the 2025 fiscal year. The introduction of the Minimum Corporate Tax was established under Law No. 7524, which stipulates that the corporate tax calculated, before deductions and exemptions, cannot be less than 10% of the pre-tax corporate earnings. This regulation came into effect on the date of its publication to be applied to corporate earnings for the 2025 taxation period. Additionally, General Communiqué No. 23 on Corporate Tax has been issued regarding the matter.

d. Transfer Pricing:

The article no.13 of the Corporate Tax Law describes the issue of transfer pricing under the title of "disguised profit distribution" by way of transfer pricing. "The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing" published on 18 November 2007, explains the application related issues on this topic. According to this communiqué, the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes. As stated in the "7.1 Annual Documentation" section of this communiqué, the taxpayers are required to fill out the "Transfer Pricing, Controlled Foreign Entities and Thin Capitalization" form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices. Bank has filled out the related form and presented it to the tax office.

XXI. EXPLANATIONS ON BORROWINGS

The funds borrowed are recorded at their costs and discounted by using the effective interest rate method. In the unconsolidated financial statements enclosed, foreign currency borrowings are translated according to the Bank's period end exchange rate. Interest expenses of the current period regarding the borrowing amounts are recognized in the financial statements. Also, the Bank provides resources through the bond issue. As of 31 March 2025 and 31 December 2024, the Bank has no convertible bonds.

XXII. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES

As of 31 March 2025 and 31 December 2024, the Bank has no issued share certificates.

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XXIII. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES

Avalized drafts and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts, if any.

XXIV. EXPLANATIONS ON GOVERNMENT INCENTIVES

As of 31 March 2025 and 31 December 2024, the Bank has no government incentives.

XXV. EXPLANATIONS ON OPERATING SEGMENTS

Segment reporting is presented in Note XII of Section Four.

XXVI. PROFIT RESERVES AND PROFIT DISTRIBUTION

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below.

Under the Turkish Commercial Code ("TCC"), the legal reserves are composed of first and second reserves. The TCC requires first reserves to be 5% of the profit until the total reserves is equal to 20% of issued and fully paid-in share capital. Second reserves are required to be 10% of all cash profit distributions that are in excess of 5% of the issued and fully paid-in share capital. However, holding companies are exempt from this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

XXVII. EARNINGS/LOSS PER SHARE

Earnings per share disclosed in the statement of profit or loss are calculated by dividing net earnings/(loss) for the year to the number of shares.

	Current Period 31 March 2025	Prior Period 31 March 2024
Net Earnings/(Loss)for the Period	2.140.964	952.355
Number of Shares	65.229.000.000	65.229.000.000
Earnings/(Loss) per Share (*)	0,032822	0,014600

(*) Amounts are expressed in full TL.

XXVIII. CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement cash includes cash on hand, cash in transit, purchased bank cheques and demand deposits including balances with the Central Bank of the Republic of Türkiye; and cash equivalents include interbank money market placements, reserve deposit average accounts, time deposits at banks and investments at marketable securities with original maturity periods of less than three months.

XXIX. RELATED PARTIES

Parties stated in the article no. 49 of the Banking Law No. 5411, Bank's senior management and board members are deemed as related parties. Transactions with related parties are presented in Note VII of Section Five.

XXX. RECLASSIFICATIONS

None.

XXXI. OTHER MATTERS

None.

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SECTION FOUR

EXPLANATIONS RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT

I. EXPLANATIONS RELATED TO COMPONENTS OF SHAREHOLDERS' EQUITY

Equity and Capital Adequacy Standard Ratio of the Bank is calculated in accordance with "Communiqué on Measurement and Assessment of Capital Adequacy of Banks" and "Communiqué on Equities of Banks". As of 31 March 2025, equity of the Bank is amounting to TL 23.011.216 and the Bank's capital adequacy ratio is 22,57%. As of 31 December 2024, equity of the Bank is amounting to TL 21.822.229 and the Banks's capital adequacy ratio is 28,28%. Capital adequacy ratio of the Bank is higher than the minimum rate required by the related regulation.

a. Information about shareholders' equity items:

	Current Period 31 March 2025	Prior Period 31 December 2024
COMMON EQUITY TIER I CAPITAL		
Paid-in Capital to be Entitled for Compensation after All Creditors	652.290	652.290
Share Premium	-	-
Reserves	15.442.869	10.931.060
Other Comprehensive Income according to TAS	-	-
Profit	2.140.964	5.639.761
Current Period Profit	2.140.964	5.639.761
Prior Period Profit	-	-
Bonus Shares from Associates, Affiliates and Joint-Ventures not Accounted in Current Period's Profit	-	-
Common Equity Tier I Capital Before Deductions	18.236.123	17.223.111
Deductions From Common Equity Tier I Capital	-	-
Valuation adjustments calculated as per the article 9. (i) of the Regulation on Bank Capital	-	-
Current and Prior Periods' Losses not Covered by Reserves and Losses Accounted under Equity according to TAS	722.022	248.869
Leasehold Improvements on Operational Leases	56.424	60.302
Goodwill Netted with Deferred Tax Liabilities	-	-
Other Intangible Assets Netted with Deferred Tax Liabilities Except Mortgage Servicing Rights	648.874	647.952
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses from changes in bank's liabilities' fair values due to changes in credit worthiness	-	-
Net amount of defined benefit plans	-	-
Direct and Indirect Investments of the Bank on its own Tier I Capital	-	-
Shares Obtained against Article 56, Paragraph 4 of the Banking Law	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank owns more than 10% of the issued share capital (amount above 10% threshold)	-	-
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier I Capital	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
Amounts exceeding 15% of Tier 1 Capital according to second paragraph of the provisional article 2 in the Regulation on Measurement and Assessment of Capital Adequacy	-	-
Ratios of Banks	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank owns more than 10% of the issued common share capital of the entity	-	-
Amounts related to mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA	-	-
Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals	-	-
Total Deductions from Common Equity Tier I Capital	1.427.320	957.123
The positive difference between the expected loan loss provisions under TFRS 9 and the total provision amount calculated before the application of TFRS 9	-	-
Total Common Equity Tier I Capital	16.808.803	16.265.988

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**I. EXPLANATIONS RELATED TO COMPONENTS OF SHAREHOLDERS' EQUITY
(Continued)**

	Current Period 31 March 2025	Prior Period 31 December 2024
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	3.037.392	2.828.916
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	3.037.392	2.828.916
Deductions from Additional Tier I Capital		
Direct and Indirect Investments of the Bank on its own Additional Tier I Capital	-	-
Investments in Equity Instruments Issued by Banks or Financial Institutions Invested in Bank's Additional Tier I Capital and Having Conditions Stated in the Article 7 of the Regulation	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued Share Capital (amount above 10% threshold)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA (-)	-	-
Items to be Deducted from Tier I Capital during the Transition Period		
Goodwill and Other Intangible Assets and Related Deferred Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital	-	-
Adequacy Ratios of Banks (-)	-	-
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	-	-
Deduction from Additional Tier I Capital when there is not enough Tier II Capital (-)	-	-
Total Deductions from Additional Tier I Capital	-	-
Total Additional Tier I Capital	3.037.392	2.828.916
Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)	19.846.195	19.094.904
TIER II CAPITAL		
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	2.263.825	2.017.813
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital)	902.824	711.975
Total Deductions from Tier II Capital	3.166.649	2.729.788
Deductions from Tier II Capital		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments in Equity Instruments Issued by Banks and Financial Institutions Invested in Bank's Tier II Capital and Having Conditions Stated in the Article 8 of the Regulation	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the issued share capital exceeding the 10% Threshold of Common Equity Tier I Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital and Tier II Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)	-	-
Other items to be defined by the BRSA (-)	673	1.552
Total Deductions from Tier II Capital	673	1.552
Total Tier II Capital	3.165.976	2.728.236
Total Equity (Total Tier I and Tier II Capital)	23.012.171	21.823.140
Amounts Deducted from Equity		
Loans Granted against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	508	911
Other items to be Defined by the BRSA	-	-
Items to be Deducted from the Sum of Tier I and Tier II Capital (Capital) During the Transition Period		
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation	-	-
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation	-	-
The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital, of the Net Deferred Tax Assets arising from Temporary Differences and of the Mortgage Servicing Rights not deducted from Tier I Capital as per the Temporary Article 2, Clause 2, Paragraph (1) and (2) and Temporary Article 2, Clause 1 of the Regulation	-	-

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**I. EXPLANATIONS RELATED TO COMPONENTS OF SHAREHOLDERS' EQUITY
(Continued)**

	Current Period 31 March 2025	Prior Period 31 December 2024
CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	23.011.663	21.822.229
Total Risk Weighted Assets	101.962.107	77.167.921
CAPITAL ADEQUACY RATIOS		
CET1 Capital Ratio (%)	16,49	21,08
Tier I Capital Ratio (%)	19,46	24,75
Capital Adequacy Ratio (%)	22,57	28,28
BUFFERS		
Total Additional Core Capital Requirement Ratio (a+b+c)	2,56	2,55
a) Capital Conservation Buffer Ratio (%)	2,50	2,50
b) Bank-specific Counter-Cyclical Capital Buffer Ratio (%)	0,06	0,05
c) Systemic significant Bank Buffer Ratio (%)	-	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital conservation and countercyclical Capital buffers to Risk weighted Assets (%)	7,93	12,53
Amounts Lower Than Excesses as per the Deduction Rules		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	-	-
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	-	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	-	-
Limits for Provisions Used in Tier II Capital Calculation		
General provisions for standard based receivables (before ten thousand twenty-five limitation)	2.451.882	2.193.638
Up to 1,25% of total risk-weighted amount of general reserves for receivables where the standard approach used	902.824	711.975
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0,6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt Instruments Covered by Temporary Article 4 (effective between 1 January 2018-1 January 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

Within the scope of the regulations of the Banking Regulation and Supervision Agency dated 28 April 2022 and 21 December 2021, the amount subject to credit risk is allowed to be calculated with the Central Bank's foreign exchange buying rates as of 26 June 2023 and in case the net valuation differences of the securities whose fair value difference is reflected in other comprehensive income are negative, it is allowed that these differences are not taken into account in the amount of equity to be used for the capital adequacy ratio.

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(Continued)**

b. Items included in capital calculation:

Information about instruments that will be included in total capital calculation : Details on Subordinated Liabilities:		
Issuer	HSBC HOLDINGS PLC	HSBC Middle East Holdings B.V
Identifier(s) (CUSIP, ISIN etc.)	Subordinated Loans	Subordinated Loans
Governing law (s) of the instrument	BRSA	BRSA
Regulatory treatment		
Subject to 10% deduction as of 1/1/2015	No	No
Eligible on unconsolidated and /or consolidated basis	Eligible	Eligible
Instrument type	Loan	Loan
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	2.264	3.037
Nominal value of instrument	2.264	3.037
Accounting classification of the instrument	Liability –Subordinated Loan	Liability –Subordinated Loan
Issuance date of instrument	28.04.2021	17.12.2024
Maturity structure of the instrument (demand/maturity)	Maturity	Demand
Original maturity of the instrument	10 Years	5.25 Years
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes
	Depending on the written approval of the BRSA, it can be fully repaid in the 5th year from the loan disbursement date (28 April 2026).	Depending on the written approval of the BRSA and in accordance with Article 3.3 of the additional tier 1 capital-like loan agreement, the loan can be fully repaid in the 5th year from the loan disbursement date (18 March 2030), provided that no Triggering Event related to Capital Adequacy occurs.
Optional call date, contingent call dates and redemption amount		
Subsequent call dates, if applicable	None.	March 2030 and/or any interest payment date thereafter
Coupon/dividend payment		
Fixed or floating coupon/dividend payments	Floating	Floating
Coupon rate and any related index	EURIBOR + 6,99%	SOFR + 4,94%
Existence of any dividend payment restriction	-	-
Fully discretionary, partially discretionary or mandatory	-	Fully discretionary
Existence of step up or other incentive to redeem	-	-
Noncumulative or cumulative	-	-
Convertible or non-convertible into equity shares		
	In case of the possibility of cancelling the Bank's operational permit or transferring to the Fund; The principal amount and interest payment liabilities of the loan may be terminated in whole or in part in accordance with the decision of the Board in this direction or it may be converted into capital by complying with the required legislation.	In case of the possibility of cancelling the Bank's operational permit or transferring to the Fund; The principal amount and interest payment liabilities of the loan may be terminated in whole or in part in accordance with the decision of the BRSA in this direction or it may be converted into capital by complying with the required legislation.
If convertible, conversion trigger (s)		
If convertible, fully or partially	Fully convertible.	Fully convertible.
If convertible, conversion rate	The conversion rate / value shall be calculated based on the market data in the case of the exercise of the right.	The conversion rate / value shall be calculated based on the market data in the case of the exercise of the right.
If convertible, mandatory or optional conversion	-	-
If convertible, type of instrument convertible into	-	-
If convertible, issuer of instrument to be converted into	-	-
Write-down feature		
	-	If the Bank's common equity tier 1 capital ratio calculated in accordance with applicable laws falls below 5,125% (on unconsolidated or consolidated basis) (triggering event related to capital adequacy).
If bonds can be written-down, write-down trigger(s)		
If bond can be written-down, full, or partial	-	Partially and completely
If bond can be written-down, permanent, or temporary	-	Temporary
	-	
If temporary write-down, description of write-up mechanism		If the Bank's common equity tier I capital ratio calculated in accordance with applicable laws is higher than 5,125% (on unconsolidated or consolidated basis).
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	After borrowings, before additional capital, same as other contribution capital	After borrowings and tier II capital loans, same as other additional tier I capital loans
Whether the conditions set forth in Articles 7 and 8 of the Regulation on Banks' Equity are met or not	In compliance with the requirements of Article 7 and 8 of "Regulation on Banks' Equity"	In compliance with the requirements of Article 7 and 8 of "Regulation on Banks' Equity"
Which of the conditions set forth in Articles 7 and 8 of the Regulation on Banks' Equity are not met	In compliance with the requirements of Article 7 and 8 of "Regulation on Banks' Equity"	In compliance with the requirements of Article 7 and 8 of "Regulation on Banks' Equity"

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c. Approaches for assessment of adequacy of internal capital requirements for current and future activities:

The HSBC Bank A.Ş.'s assessment process of adequacy of internal capital requirements and capital adequacy policies was prepared in order to describe the assessment process of adequacy of internal capital requirements and capital adequacy policies and approved by its board of directors on 27 February 2017. The ultimate aim of this internal capital requirements process is to maintain the continuity of capital adequacy under the Bank's strategies, business plan and scope or in case of changes in developed assumption and methodology, the assessment methodology of internal capital requirements is a developing process, accordingly, the future improvement areas are determined and the working plans are set.

With this evaluation process, on a prospective basis ensuring the continuity of the legal minimum limits of capital, keeping capital adequately to support the Bank's targeted risk profile and ensuring the maintenance of capital adequately as well as the process of compliance with laws and regulations.

d. Explanations on reconciliation of capital items with balance sheet amounts:

The difference between "Total Capital" and "Equity" in the unconsolidated balance sheet mainly arises from the general provision and subordinated debts. In the calculation of "Total Capital", general provision up to 1,25% credit risk is taken into consideration as Tier II Capital. Besides, losses that are subject to deductions from Common Equity Tier I and reflected to Equity in line with the TAS, are determined by excluding the losses related to cash flow hedge transactions. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities, net book value of immovables that are acquired against overdue receivables and retained more than five years, other items defined by the regulator are taken into consideration as amounts deducted from "Total Capital".

II. EXPLANATIONS ON CREDIT RISK

Not disclosed in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

III. EXPLANATIONS ON COUNTER CYCLICAL CAPITAL BUFFER RATIO CALCULATION

Not disclosed in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

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IV. EXPLANATIONS ON CURRENCY RISK

- a. Exposed risk of foreign currency, estimations on the effects of this matter, limits for the daily followed positions are determined by the Board of Directors:**

In foreign currency risk management, the Bank makes tiny distinctions and generally attentive to not taking long position when organizing the currency risk. In organizing foreign currency positions, the Bank acts in accordance with both the legal limitations and the limitations determined by the board of the directors.

- b. Management policy for foreign currency risk:**

Policy of the foreign currency risk management is explained in the first article.

- c. Current foreign exchange bid rates of the Bank for the last five business days prior to the financial statement date:**

The Bank's foreign exchange bid rates for US Dollar and Euro as of the date of the financial statements and for the last five days prior to that date are presented below:

Current Period – 31 March 2025	USD (\$)	Euro (€)
Balance Sheet Date		
Bank Evaluation Rate	37,9674	41,1605
Prior Balance Sheet Date		
28 March 2025	37,9674	41,1605
27 March 2025	38,0096	41,0428
26 March 2025	38,0058	40,9893
25 March 2025	37,9778	41,0844
24 March 2025	37,9973	41,0218
Prior Period – 31 December 2024	USD (\$)	Euro (€)
Balance Sheet Date		
Bank Evaluation Rate	35,3615	36,6875
Prior Balance Sheet Date		
31 December 2024	35,3615	36,6875
30 December 2024	35,3417	36,7236
27 December 2024	35,2070	36,6962
26 December 2024	35,2577	36,6503
25 December 2024	35,2577	36,6503

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IV. EXPLANATIONS ON CURRENCY RISK (Continued)

d. The simple arithmetic average of the Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies:

As of March 2025, the Bank's simple arithmetic average foreign exchange rate for USD is TL 37,1363 (December 2024: TL 35,0039) and exchange rate for Euro is TL 40,1046 (December 2024: TL 36,6407).

e. Information related to Bank's currency risk:

Current period – 31 March 2025	Euro	USD	Other FC	Total
Assets				
Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	4.610.862	11.833.875	6.025.826	22.470.563
Banks	49.653	2.507.672	10.267	2.567.592
Financial Assets at Fair Value through Profit or Loss (Net) (***)	613.133	3.300.836	62.542	3.976.511
Interbank Money Market Placements	-	31.643.094	-	31.643.094
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-
Loans (*)	32.302.856	16.609.224	-	48.912.080
Investments in Associates, Subsidiaries and Joint Ventures (Business Partners)	-	-	-	-
Financial Assets Measured at Amortized Cost	-	-	-	-
Hedging Derivative Financial Assets	-	-	-	-
Tangible Assets (Net)	-	-	-	-
Intangible Assets (Net)	-	-	-	-
Other Assets	5.169	103.341	2.949	111.459
Total Assets	37.581.673	65.998.042	6.101.584	109.681.299
Liabilities				
Bank Deposits	41.157	103	-	41.260
Foreign Currency Deposits	16.872.111	43.753.848	26.233.607	86.859.566
Funds from Interbank Money Market	1.552.133	9.981.129	-	11.533.262
Fund Borrowed	7.699.479	23.760.719	1.795	31.461.993
Marketable Securities Issued (Net)	-	-	-	-
Miscellaneous Payables	31.818	713.242	39.205	784.265
Hedging Derivative Financial Liabilities	-	-	-	-
Other Liabilities (**)	289.854	1.727.021	176.016	2.192.891
Total Liabilities	26.486.552	79.936.062	26.450.623	132.873.237
Net On Balance Sheet Position	11.095.121	(13.938.020)	(20.349.039)	(23.191.938)
Net Off Balance Sheet Position	(10.630.218)	15.533.555	20.304.697	25.208.034
Financial Derivative Assets	77.281.391	117.162.487	34.225.650	228.669.528
Financial Derivative Liabilities	87.911.609	101.628.932	13.920.953	203.461.494
Non-cash Loans	12.274.655	9.104.457	3.752.234	25.131.346
Prior Period - 31 December 2024				
Total Assets	30.737.318	47.145.910	6.086.674	83.969.902
Total Liabilities	21.161.243	50.712.870	26.261.986	98.136.099
Net on-Balance Sheet Position	9.576.075	(3.566.960)	(20.175.312)	(14.166.197)
Net off-Balance Sheet Position	(9.237.097)	3.097.598	20.213.542	14.074.043
Financial Derivative Assets	56.864.755	83.967.690	29.857.920	170.690.365
Financial Derivative Liabilities	66.101.852	80.870.092	9.644.378	156.616.322
Non-cash Loans	10.758.469	9.359.517	3.434.915	23.552.901

(*) As of 31 March 2025, there is a foreign currency indexed loan amounting to TL 1.828.

(**) There are Derivative Financial Liabilities amounting to TL 1.814.546 within Other Liabilities.

(***) There are Derivative Financial Assets amounting to TL 3.879.856 within the Financial Assets at Fair Value Reflected in Profit/Loss.

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V. EXPLANATIONS ON INTEREST RATE RISK

There is a short-term interest sensitivity gap at the balance sheet of the Bank due to a structural risk of the banking sector: obligation of funding of long-term assets with short-term deposits. Derivative financial instruments are used to mitigate possible interest rate risk of interest sensitive assets and liabilities. Interest rate futures and interest rate swap transactions are performed to reduce the balance sheet and off-balance sheet interest rate risk.

The Bank managed interest rate and prepayment risks of mortgages and other long-term loans with derivative financial instruments efficiently taking into consideration cost-benefit analysis and reduced the risk against to the fluctuations in global and local markets.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (Based on repricing dates):

Current Period – 31 March 2025	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and over	Non- Interest Bearing	Total
Assets							
Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye (*)	63.361.650	-	-	-	-	16.040.776	79.402.426
Banks (*)	3.456.532	-	-	-	-	117.578	3.574.110
Financial Assets at Fair Value Through Profit or Loss (Net) (**)	1.318.179	1.384.166	1.464.515	2.923.488	124.734	4.225	7.219.307
Interbank Money Market Placements (*)	36.667.696	-	-	-	-	-	36.667.696
Financial Assets at Fair Value Through Other Comprehensive Income	4.621.434	6.305.462	2.771.270	3.453.144	128.602	-	17.279.912
Loans	10.865.161	14.980.215	37.142.167	954.048	582.415	29.601	64.553.607
Financial Assets Measured at Amortized Cost (***)	-	-	-	6.376.392	2.374.740	-	8.751.132
Other Assets	8.640	-	120	163.507	-	4.455.744	4.628.011
Total Assets	120.299.292	22.669.843	41.378.072	13.870.579	3.210.491	20.647.924	222.076.201
Liabilities							
Bank Deposits	296.424	-	-	-	-	379.191	675.615
Other Deposits	69.137.728	17.641.503	485.664	-	-	64.790.850	152.055.745
Funds from Interbank Money Market	11.533.262	-	-	-	-	-	11.533.262
Miscellaneous Payables	-	-	-	-	-	3.211.250	3.211.250
Marketable Securities Issued (Net)	-	-	-	-	-	-	-
Funds Borrowed	8.229.818	23.230.380	-	-	-	1.795	31.461.993
Other Liabilities (***)	779.295	654.446	3.489.958	429.296	-	17.785.341	23.138.336
Total Liabilities	89.976.527	41.526.329	3.975.622	429.296	-	86.168.427	222.076.201
Balance Sheet Long Position	30.322.765	-	37.402.450	13.441.283	3.210.491	-	84.376.989
Balance Sheet Short Position	- (18.856.486)	-	-	-	-	(65.520.503)	(84.376.989)
Off-Balance Sheet Long Position	257.086	644.924	-	36.695	-	-	938.705
Off-Balance Sheet Short Position	-	-	(238.736)	-	-	-	(238.736)
	30.579.851	(18.211.562)	37.163.714	13.477.978	3.210.491	(65.520.503)	699.969

(*) Cash Assets, (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) Receivables from the CBRT, Banks and Money Markets items include the expected loss provision balance amounting to TL 13.575.

(**) Derivative Financial Assets are shown in "Financial Assets at Fair Value Through Profit/Loss" and Derivative Financial Liabilities are shown in "Other Liabilities".

(***) Equity is shown in the "Non-interest" column in "Other Liabilities".

(****) Financial Assets Valued at Amortized Cost Includes expected loss provisions balance amounting to TL 29.942.

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V. EXPLANATIONS ON INTEREST RATE RISK (Continued)

Prior Period – 31 December 2024	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and over	Non- Interest Bearing	Total
Assets							
Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye ^(*)	25.806.590	-	-	-	-	7.076.333	32.882.923
Banks ^(*)	679.852	-	-	-	-	119.728	799.580
Financial Assets at Fair Value Through Profit or Loss (Net) ^(**)	785.441	1.648.772	1.387.002	1.783.411	409.241	4.225	6.018.092
Interbank Money Market Placements ^(*)	71.783.005	-	-	-	-	-	71.783.005
Financial Assets at Fair Value Through Other Comprehensive Income	2.599.491	8.034.634	330.682	4.413.678	1.306.670	-	16.685.155
Loans	16.249.206	16.134.303	21.725.702	32.449	577.030	32.704	54.751.394
Financial Assets Measured at Amortized Cost ^(****)	-	-	-	1.089.450	2.324.285	-	3.413.735
Other Assets	1.934	-	43	62.486	-	4.196.124	4.260.587
Total Assets	117.905.519	25.817.709	23.443.429	7.381.474	4.617.226	11.429.114	190.594.471
Liabilities							
Bank Deposits	1.717.256	-	-	-	-	306.354	2.023.610
Other Deposits	54.171.475	15.066.118	1.065.718	7	-	57.539.173	127.842.491
Funds from Interbank Money Market	11.555.609	-	-	-	-	-	11.555.609
Miscellaneous Payables	-	-	-	-	-	4.370.181	4.370.181
Marketable Securities Issued (Net)	-	-	-	-	-	-	-
Funds Borrowed	7.499.016	14.389.066	-	-	-	-	21.888.082
Other Liabilities ^{(***)(**)}	867.226	1.468.008	3.219.295	137.882	-	17.222.087	22.914.498
Total Liabilities	75.810.582	30.923.192	4.285.013	137.889	-	79.437.795	190.594.471
Balance Sheet Long Position	42.094.937	-	19.158.416	7.243.585	4.617.226	-	73.114.164
Balance Sheet Short Position	-	(5.105.483)	-	-	-	(68.008.681)	(73.114.164)
Off-Balance Sheet Long Position	-	-	72.631	33.146	-	-	105.777
Off-Balance Sheet Short Position	(320.329)	(204.094)	-	-	-	-	(524.423)
Total Position	41.774.608	(5.309.577)	19.231.047	7.276.731	4.617.226	(68.008.681)	(418.646)

^(*) Cash Equivalents, (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) Items Receivable from CBRT, Banks and Money Markets include the expected loss provision balance amounting to TL 12.830.

^(**) Derivative Financial Assets are shown in "Financial Assets at Fair Value Through Profit/Loss" and Derivative Financial Liabilities are shown in "Other Liabilities".

^(***) Equity is shown in the "Non-interest" column in "Other Liabilities".

^(****) Financial assets measured at amortized cost include an expected loss provision balance of TL 10.030.

b. Effective average interest rates for monetary financial instruments:

Current Period – 31 March 2025	Euro	USD	Yen	TL
Assets				
Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	3,00	3,00	-	33,00
Banks	-	4,32	-	45,80
Financial Assets at Fair Value Through Profit or Loss (Net)	6,04	4,78	-	46,03
Interbank Money Market Placements	-	4,30	-	45,99
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	46,27
Loans	6,49	7,35	-	46,71
Financial Assets Measured at Amortized Cost	-	-	-	28,36
Liabilities				
Bank Deposits	-	-	-	37,25
Other Deposits	1,60	2,72	-	36,49
Funds From Interbank Money Market	1,75	3,59	-	-
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	-	-	-	-
Funds Provided from Other Financial Institutions	6,33	6,54	-	-

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V. EXPLANATIONS ON INTEREST RATE RISK (Continued)

b. Effective average interest rates for monetary financial instruments:(Continued):

Prior Period – 31 December 2024	Euro	USD	Yen	TL
Assets				
Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	3,50	3,50	-	31,00
Banks	-	4,61	-	49,74
Financial Assets at Fair Value Through Profit or Loss (Net)	5,26	6,27	-	43,06
Interbank Money Market Placements	-	4,28	-	48,42
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	42,47
Loans	7,10	7,83	-	48,54
Financial Assets Measured at Amortized Cost	-	-	-	12,78
Liabilities				
Bank Deposits	-	-	-	41,31
Other Deposits	1,71	1,37	-	41,36
Funds From Interbank Money Market	2,00	3,25	-	-
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued (Net)	-	-	-	-
Funds Provided from Other Financial Institutions	6,83	6,98	-	-

VI. EXPLANATIONS ON POSITION RISK OF EQUITY SECURITIES IN BANKING BOOK

Position risk of equity securities in banking book:

As of 31 December 2025, the Bank has no financial assets that would cause a significant effect on its equity securities position (31 December 2024: None).

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO**

Information about the liquidity risk management including factors such as risk capacity of the Bank, responsibilities and the structure of liquidity risk management, reporting of the liquidity risk within the Bank and providing communication with Board of Directors and line of businesses in terms of liquidity risk strategy, policy and applications:

The Bank has adopted principle of funding the liquidity and funding management of the Bank with stable funding instruments. Funds required must be available even under stressed conditions particular to the Bank and the Market.

The Balance Sheet Management, which is associated to the treasury function and the management of liquidity manage the Bank's short-term liquidity and funding risks of the banking portfolio is conducted by Assets and Liabilities and Capital Management Unit (ALCM) operating under Finance department, within the framework of risk policies and risk appetite approved by Board of Directors. Board of Directors determines risk appetite and internal risk limits of liquidity. In terms of the approving risk appetite, inherent liquidity limits and considering Bank's strategy and market conditions, Assets and Liabilities Committee (ALCO) is the decision-making body regarding balance sheet management, identification and efficiency of funding sources and determination of potential risks. The Asset-Liability Management Committee is responsible for preparing middle and long-term liquidity strategies.

Strategic funding plan forms up the primary basis of the liquidity and funding risk management, updated at least in annual basis and formed up within the scope of risk appetite. According to the strategic funding plan approved by ALCO, actions are considered in order to provide the most cost-efficient, diversified and stable funding resources in terms of maturity, currency and funding resource to monitor and evaluate balance sheet movements and projections and the current status of the balance sheet by ALCM.

In addition, current and planned liquidity positions of bank is tracked at tactical ALCO meetings with the participation of business representatives at least on weekly basis and business line representatives are informed, if necessary, actions are to be taken. The aim of these meetings is to ensure prevention of negative net cash flow of the bank liquidity and prevention exceeding limits by comparing the current situation regarding to the balance sheet structure of business line with the approved limit usage of strategic funding plans and liquidity.

Information regarding functioning of liquidity management and the extent of centralization in funding strategy amid the Bank and its subsidiaries:

All subsidiaries of the controlling shareholder of the Bank plan and manage their liquidity within the limits of their risk appetite and internal limits.

The information about the Bank's funding strategy including policies on diversification of its sources and tenor of funding:

The Bank's liquidity and funding management adopts the principle that illiquid assets are funded with stable funding instruments and that the required funds are always available and stable funding instruments consist of stable deposits and long-term borrowing instruments. In this context, liquidity and funding management is primarily based on the stability of the Bank's deposit base and considers the total stable deposits as the basic measure. As the deposits of retail banking customers in the deposit base are more stable and cost-effective than other business lines, they are essential in terms of funding management. In addition, other medium and long-term debt instruments are also used in order to diversify and balance the funding base in terms of maturity, currency, fund source and cost, as deposits have a shorter average maturity compared to the assets.

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

**Information on liquidity management based on currency, which consists of a minimum of 5% of
the Bank's total liabilities**

Almost all of the Bank's total liabilities mainly consist of Turkish Lira, US Dollar, Euro and Gold currencies. Liabilities in Turkish lira generally consist of deposits, repo and equity, while liabilities in FX consist of foreign currency deposits and other foreign currency borrowing instruments.

Consolidated liquidity measurement of the Banks' total liquidity and selected currencies for short and long terms is planned within the context of strategic funding plan. The FC and total internal risk limits approvals of Board of Directors is available.

Information on liquidity risk mitigation techniques:

Internal liquidity limits above legal limits and liquidity buffer are used in order to lower liquidity risk. Funding resources are diversified as much as possible by planning cash inflows and outflows within the context of strategic funding plan. Therefore, effective management of concentrations is ensured in terms of maturity, currency and funding resources. The Bank also uses derivative transactions in order to lower liquidity risks.

Explanation of the usage of stress test:

Along with the legal liquidity risk calculations and restrictions, in terms of liquidity management, stress tests and scenario analyses are performed in accordance with the international liquidity management policies of HSBC. In these scenarios, liquidity crisis scenarios of Bank and macro liquidity crisis scenarios are evaluated and triggering factors of liquidity risk and early warning signals are tracked. Analyses and results of the liquidity risk are tracked in tactical ALCO meetings weekly and in ALCO-Market Risk Committees monthly.

General Information on liquidity emergency and contingency plans:

Liquidity Emergency and Contingency Plan is approved by the Board of Directors and ALCO and renewed on yearly basis. The plan contains detailed analyses and information about the actions to be taken in crisis management and employees responsible for the process, liquidity Access resources, liquidity situation of the Bank, early warning indicators within graded liquidity crisis scenarios.

Due to the financial uncertainty that occurred with the pandemic, market variables and liquidity movements are monitored daily and reported to the top management. The Bank's funding sources are substantially formed of customer deposits and the need for funding to be provided from interbank markets is at a minimum. Within the scope of the stress tests shared with the top management, deposit outflows and possible late payment, restructuring or deferral requests for loans subject to reporting in LCR, possible potential usage requests in revocable and irrevocable commitments given to customers were considered, without providing any new funds from the market. In this context, it has been measured for how long they could afford the cumulative cash outflows. As a result of the scenarios, there is no foreseeable risk for LCR or net liquid position.

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

a. Liquidity coverage rate:

The change in matters that impact liquidity coverage rate and units that are used for the calculation of the ratio:

The liquidity coverage ratio is calculated by dividing the high-quality liquid assets of the Bank to the net cash outflows that will occur in one month. Due to their high share in liquid assets and net cash outflows in terms of amount and their high rate of consideration, the important items that affect the liquidity coverage ratio result are required reserves held at the CBRT, reverse repo transactions, securities that are not subject to repo/collateral for the purpose of providing liquidity, corporate and bank deposits that can generate high cash outflows, borrowings due and receivables from banks. The liquidity coverage ratio may fluctuate periodically in the following situations;

- Transfer of the short-term liquidity to Money markets instead of debt instruments issued by CBRT based on market conditions
- Fluctuations of bank and corporate deposits that are highly considered in fund resources
- Fluctuations that may occur due to the aging of borrowings
- Less than 1-month remaining maturity of cash inflows/outflows resulted specifically from FC derivative transactions

Explanation regarding the components of high-quality liquid assets:

High quality liquid assets consist of cash, effective depot, cheques purchased, time and demand deposit by CBRT, reverse repurchase transactions and securities that are not subject to repurchase/collateral for providing liquidity.

Components density of fund resources in all funds:

The Bank's funding sources are consisted of real person and retail deposit, corporate bank deposits, repurchase agreements and borrowings. Deposits that are used for funding consists 69% of total liabilities.

Information about cash outflows resulted from derivative transactions and transactions that are likely to be collateralized:

Cash outflows resulted from derivative transactions are taken into account of liquidity coverage rate calculation by considering TL and FC net cash flows with 30-days maturity. Net cash flows resulted from derivative transactions have minimal effect on total liquidity coverage rate. However, as a result of shifts in derivative volumes due to FC derivatives used in the management of cash flows and incoming maturities of derivative transactions, periodic fluctuations on FC liquidity coverage rate may occur.

Concentration limits of collaterals in terms of fund resources based on counterparty and products:

Within the context of strategic funding plan, cash inflows and outflows are planned and effective management of concentration of fund resources in terms of maturity, currency and fund resource is projected. In the context, customer-based deposit concentrations, limits and usages set up for the counterparties in non-deposit borrowings and maturity-based distribution of borrowings are tracked and reported to ALCO every month periodically.

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

Current Period – 31.03.2025	Total value to which the consideration ratio is not applied (*)		Total value to which the consideration ratio is applied (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			116.172.996	48.673.796
Cash Outflows				
Retail and customer deposits	85.408.615	47.448.543	8.026.877	4.744.854
Stable deposits	10.279.685	-	513.984	-
Less stable deposits	75.128.930	47.448.543	7.512.893	4.744.854
Unsecured funding other than retail and small business customers deposits	59.197.390	25.202.686	33.611.561	11.201.633
Operational deposits	-	-	-	-
Non-Operational deposits	53.216.804	24.245.608	27.630.975	10.244.555
Other unsecured funding	5.980.586	957.078	5.980.586	957.078
Secured funding	-	-	-	-
Other cash outflows	3.187.550	38.321.279	3.187.550	38.321.279
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	3.187.550	38.321.279	3.187.550	38.321.279
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	30.756.515	22.422.923	3.673.841	3.034.636
Other irrevocable or conditionally revocable commitments	-	-	-	-
TOTAL CASH OUTFLOWS	-	-	48.499.829	57.302.402
Cash Inflows				
Secured lending transactions	-	-	-	-
Unsecured lending transactions	8.765.744	7.149.440	6.274.557	5.052.654
Other cash inflows	1.156.189	29.740.689	1.156.189	29.740.689
TOTAL CASH INFLOWS	9.921.933	36.890.129	7.430.746	34.793.343
Values to which the upper limit is applied				
TOTAL HQLA STOCK			116.172.996	48.673.796
TOTAL NET CASH OUTFLOWS			41.069.083	22.509.059
LIQUIDITY COVERAGE RATIO (%)			282,87%	216,24%

(*) Simple arithmetic average for last 3 months is calculated for items of the table, which are calculated by weekly simple arithmetic averages.

Table below represents lowest, highest and average liquidity coverage rates for the last three months.

	Current Period – 31.03.2025	
	TL+FC	FC
Highest (%)	422,21	578,20
Date	14.03.2025	28.03.2025
Lowest (%)	176,60	139,50
Date	10.02.2025	10.02.2025
Average (%)	282,87	216,24

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

Prior Period – 31.12.2024	Total value to which the consideration ratio is not applied (*)		Total value to which the consideration ratio is applied (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			108.235.488	50.561.039
Cash Outflows				
Retail and customer deposits	85.051.318	46.443.590	8.371.460	4.644.359
Stable deposits	2.673.427	-	133.671	-
Less stable deposits	82.377.891	46.443.590	8.237.789	4.644.359
Unsecured funding other than retail and small business customers deposits	53.037.709	22.097.113	28.697.601	9.523.601
Operational deposits	-	-	-	-
Non-Operational deposits	49.487.801	21.913.102	25.147.693	9.339.590
Other unsecured funding	3.549.908	184.011	3.549.908	184.011
Secured funding	-	-	-	-
Other cash outflows	2.719.466	22.618.033	2.719.466	22.618.033
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	2.719.466	22.618.033	2.719.466	22.618.033
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	31.806.052	22.405.161	3.698.279	2.980.688
Other irrevocable or conditionally revocable commitments	-	-	-	-
TOTAL CASH OUTFLOWS			43.486.806	39.766.681
Cash Inflows				
Secured lending transactions	-	-	-	-
Unsecured lending transactions	8.806.925	6.181.895	5.998.990	4.262.303
Other cash inflows	734.277	13.627.196	734.278	13.627.196
TOTAL CASH INFLOWS	9.541.202	19.809.091	6.733.268	17.889.499
Values to which the upper limit is applied				
TOTAL H.Q.L.A STOCK			108.235.488	50.561.039
TOTAL NET CASH OUTFLOWS			36.753.538	21.877.182
LIQUIDITY COVERAGE RATIO (%)			294,49%	231,11%

(*) Simple arithmetic average for last 3 months is calculated for items of the table, which are calculated by weekly simple arithmetic averages.

The table below shows the minimum, maximum and average liquidity coverage ratios the simple average for the last three months:

	Prior Period – 31.12.2024	
	TL+FC	FC
Highest (%)	384,96	612,34
Date	27.12.2024	26.12.2024
Lowest (%)	230,40	156,79
Date	1.12.2024	31.10.2024
Average (%)	294,49	231,11

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

b. Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 31 Mart 2025	Demand	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Unallocated	Total
Assets								
Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the CBRT ^(****)	16.040.776	63.361.650	-	-	-	-	-	79.402.426
Banks ^(****)	117.578	3.456.532	-	-	-	-	-	3.574.110
Financial Assets at Fair Value through Profit or Loss (Net) ^(***)	-	1.101.159	1.304.107	1.320.680	3.314.796	174.340	4.225	7.219.307
Interbank Money Market Placements ^(****)	-	36.667.696	-	-	-	-	-	36.667.696
Financial Assets at Fair Value through Other Comprehensive Income	-	2.418.245	-	1.541.931	12.403.289	916.447	-	17.279.912
Loans	-	7.274.502	10.743.011	36.340.358	6.416.149	3.749.986	29.601	64.553.607
Financial Assets at Fair Value Through Amortized Cost ^(*****)	-	-	-	-	6.376.392	2.374.740	-	8.751.132
Other Assets ^(*)	-	8.640	-	120	163.507	-	4.455.744	4.628.011
Total Assets	16.158.354	114.288.424	12.047.118	39.203.089	28.674.133	7.215.513	4.489.570	222.076.201
Liabilities								
Bank Deposits	379.191	296.424	-	-	-	-	-	675.615
Other Deposits	64.790.850	69.137.728	17.641.503	485.664	-	-	-	152.055.745
Money Market Borrowings	-	11.533.262	-	-	-	-	-	11.533.262
Miscellaneous Payables	-	-	-	-	-	-	3.211.250	3.211.250
Marketable Securities Issued (Net)	-	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	1.795	-	12.537.446	13.571.675	3.049.097	2.301.980	-	31.461.993
Other Liabilities ^(*) ^(***)	-	607.533	435.858	3.543.118	736.092	30.394	17.785.341	23.138.336
Total Liabilities	65.171.836	81.574.947	30.614.807	17.600.457	3.785.189	2.332.374	20.996.591	222.076.201
Net Liquidity Excess / (Gap)	(49.013.482)	32.713.477	(18.567.689)	21.602.632	24.888.944	4.883.139	(16.507.021)	-
Net Off-Balance Sheet Position	-	257.086	644.924	(238.736)	36.695	-	-	699.969
Derivative Financial Assets	-	133.260.690	65.400.836	82.809.269	35.211.089	1.281.448	-	317.963.332
Derivative Financial Liabilities	-	133.003.604	64.755.912	83.048.005	35.174.394	1.281.448	-	317.263.363
Non-cash Loans	25.056.729	7.110	343.991	2.663.607	-	-	-	28.071.437
Prior Period - 31 December 2024								
Total Assets	7.196.061	106.391.367	11.455.706	28.797.534	23.386.233	9.134.517	4.233.053	190.594.471
Total Liabilities	57.845.527	68.208.605	16.358.776	17.729.593	3.940.848	4.918.854	21.592.268	190.594.471
Net Liquidity Excess / (Gap)	(50.649.466)	38.182.762	(4.903.070)	11.067.941	19.445.385	4.215.663	(17.359.215)	-
Net Off-Balance Sheet Position	-	(320.331)	(204.093)	72.632	33.146	-	-	(418.646)
Derivative Financial Assets	-	74.384.291	72.533.867	48.329.111	23.208.470	1.142.191	-	219.597.930
Derivative Financial Liabilities	-	74.704.622	72.737.960	48.256.479	23.175.324	1.142.191	-	220.016.576
Non-cash Loans	22.468.957	415.274	2.002.445	1.842.042	-	-	-	26.728.718

^(*) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, investments, subsidiaries, stationery, pre-paid expenses and non-performing loans, are classified in this column.

^(**) Shareholders' Equity is presented under "Other Liabilities" item in the "Unallocated" column.

^(***) Financial Derivative Assets are shown in "Financial Assets at Fair Value Through Profit or Loss" and Financial Derivative Liabilities are shown in "Other Liabilities".

^(****) Cash Equivalents (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the CBRT, Banks and interbank money market balances consist of expected credit losses amounting to TL 13.575.

^(*****) Financial Assets Valued at Amortized Cost Includes expected loss provisions balance amounting to TL 29.942.

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

c. Net Stable Funding Ratio Template:

Current Period – 31 March 2025		a	b	c	d	e
		Amount to which no consideration rate has been applied, based on remaining maturity				Total Amount Applied to Consideration Rate
		Demand	Less than 6 Months Term	6 Months to More than 6 Months, Less than 1 Year	1 Year and Longer Term	
Current Stable Funding						
1	Shareholder's Equity Elements	18.308.326	-	-	5.301.217	23.609.543
2	Core Capital and Supplementary Capital	18.308.326	-	-	5.301.217	23.609.543
3	Other Shareholder's Equity Elements	-	-	-	-	-
4	Real Person and Retail Customer Deposits/Participation Funds	44.179.884	50.630.384	55.547	-	94.865.814
5	Stable Deposit/Participation Fund	336.718	12.794.821	2.291	-	13.133.829
6	Low Stable Deposit/Participation Fund	43.843.166	37.835.563	53.256	-	81.731.985
7	Debts to other people	21.078.321	38.470.968	13.448.243	-	29.422.731
8	Operational deposit/participation fund	-	-	-	-	-
9	Other Debts	21.078.321	38.470.968	13.448.243	-	29.422.731
10	Liabilities Equivalent To Interconnected Assets					
11	Other Liabilities	-	-	-	-	-
12	Derivative Liabilities		2.303.827			
13	Other equity elements and liabilities not listed above	6.993.454	11.533.262	-	-	-
14	Current Stable Funding					147.898.088
Required Stable Funding						
15	High quality liquid assets					4.930.911
16	Operational Deposit/Participation Fund Deposited in Credit Institutions or Financial Institutions	-	-	-	-	-
17	Biological Receivables	-	39.139.340	19.303.850	9.560.902	37.730.214
18	Receivables From Credit Institutions or Financial Institutions Whose Collateral is First Quality Liquid Assets	-	-	-	-	-
19	Unsecured or Secured Receivables from Credit Institutions or Financial Institutions Whose Collateral is Not First Quality Liquid Assets	-	6.326.355	1.658.075	250.001	1.902.991
20	Receivables From Corporate Customers, Organizations, Real Persons and Retail Customers, Central Governments, Central Banks and Public Institutions Other Than Credit Institutions or Financial Institutions	-	32.812.985	17.645.775	7.716.386	35.029.966
21	Receivables Subject to A Risk Weight Of 35% Or Less	-	-	-	-	-
22	Receivables Secured by Residential Real Estate Mortgages	-	-	-	-	-
23	Receivables Subject to A Risk Weight Of 35% Or Less	-	-	-	-	-
24	Shares And Debt Instruments Traded on The Stock Exchange That Do Not Qualify as High Quality Liquid Assets	-	-	-	1.594.515	797.257
25	Assets Equivalent to Interconnected Liabilities					
26	Other Assets	-	-	-	-	11.819.095
27	Commodities With Physical Delivery, Including Gold	-				-
28	Initial Collateral of Derivative Contracts or Guarantee Fund Given to The Central Counterparty		131.839			112.063
29	Derivative Assets		1.856.099			1.856.099
30	Amount Of Derivative Liabilities Before Deducting Variation Margin		230.383			230.383
31	Other Assets Not Listed Above	-	-	-	9.620.550	9.620.550
32	Off-Balance Sheet Liabilities		33.900.516	-	-	1.695.026
33	Required Stable Funding					56.175.246
34	Net Stable Funding Rate (%)					%263,28

As of 31 March 2025, NSFR is calculated as 263,28% (31 December 2024: 243,78%). Considering the amounts to which the consideration rate is applied, the Equity Elements to which the highest consideration rate is applied within the scope of the legislation constitute 15,96% of the Current Stable Fund amount (31 December 2024: 17,48%) and Real Person and Retail Customer Deposits corresponds to 61,14% of Current Stable Fund amount (31 December 2024: 63,38%). Performing Receivables, which have the largest share in the Required Stable Fund, constitute 67,17% of the Required Stable Fund amount (31 December 2024: 62,64%). Factors such as the change of major balance sheet items such as loans and deposits between periods and the change in the balance sheet maturity structure are effective in the development of the rate.

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

NSFR development in the first 3 months of 2025 is shown in the tables below.

Period	Rate
31 January 2025	243,73%
28 February 2025	255,59%
31 March 2025	263,28%
3 Month Average	254,20%

Prior Period – 31 December 2024		a	b	c	d	e
		Amount to which no consideration rate has been applied, based on remaining maturity				Total Amount Applied to Consideration Rate
		Demand	Less than 6 Months Term	6 Months to More than 6 Months, Less than 1 Year	1 Year and Longer Term	
Current Stable Funding						
1	Shareholder's Equity Elements	16.975.500	-	-	4.846.729	21.822.229
2	Core Capital and Supplementary Capital	16.975.500	-	-	4.846.729	21.822.229
3	Other Shareholder's Equity Elements	-	-	-	-	-
4	Real Person and Retail Customer Deposits/Participation Funds	38.418.453	40.547.776	145.426	7	79.111.662
5	Stable Deposit/Participation Fund	243.993	9.969.978	4.682	7	10.218.660
6	Low Stable Deposit/Participation Fund	38.174.460	30.577.798	140.744	-	68.893.002
7	Debts to other people	19.406.058	33.356.077	1.834.375	3.536.145	23.885.804
8	Operational deposit/participation fund	-	-	-	-	-
9	Other Debts	19.406.058	33.356.077	1.834.375	3.536.145	23.885.804
10	Liabilities Equivalent to Interconnected Assets					
11	Other Liabilities	-	-	-	-	-
12	Derivative Liabilities		3.099.005			
13	Other equity elements and liabilities not listed above	8.680.708	11.555.609	-	-	-
14	Current Stable Funding					124.819.695
Required Stable Funding						
15	High quality liquid assets					8.103.337
16	Operational Deposit/Participation Fund Deposited in Credit Institutions or Financial Institutions	-	-	-	-	-
17	Biological Receivables	-	29.899.551	14.908.371	11.243.146	32.071.100
18	Receivables From Credit Institutions or Financial Institutions Whose Collateral is First Quality Liquid Assets	-				
19	Unsecured or Secured Receivables from Credit Institutions or Financial Institutions Whose Collateral is Not First Quality Liquid Assets	-	3.132.341	1.936.703	-	760.357
20	Receivables From Corporate Customers, Organizations, Real Persons and Retail Customers, Central Governments, Central Banks and Public Institutions Other Than Credit Institutions or Financial Institutions	-	26.767.210	12.971.668	9.275.762	30.327.051
21	Receivables Subject to A Risk Weight Of 35% Or Less	-	-	-	-	-
22	Receivables Secured by Residential Real Estate Mortgages	-	-	-	-	-
23	Receivables Subject to A Risk Weight Of 35% Or Less	-	-	-	-	-
24	Shares And Debt Instruments Traded on The Stock Exchange That Do Not Qualify as High Quality Liquid Assets	-	-	-	1.967.384	983.692
25	Assets Equivalent to Interconnected Liabilities					
26	Other Assets	-	-	-	-	9.404.068
27	Commodities With Physical Delivery, Including Gold	-				-
28	Initial Collateral of Derivative Contracts or Guarantee Fund Given to The Central Counterparty				32.693	27.789
29	Derivative Assets				267.761	267.761
30	Amount of Derivative Liabilities Before Deducting Variation Margin				309.901	309.901
31	Other Assets Not Listed Above	-	-	-	8.798.618	8.798.617
32	Off-Balance Sheet Liabilities	32.471.476			-	1.623.574
33	Required Stable Funding					51.202.079
34	Net Stable Funding Rate (%)					%243,78

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**VII. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO
AND NET STABLE FUNDING RATIO (Continued)**

NSFR development in the last 3 months of 2024 is shown in the tables below.

Period	Rate
31 October 2024	247,46%
30 November 2024	256,86%
31 December 2024	243,78%
3 Month Average	249,37%

d. Information on securitisation position:

None.

VIII. EXPLANATIONS ON LEVERAGE RATIO

Below is the table on leverage ratio according to the Guideline of the Measuring and Evaluating Banks' Leverage Rate, published in the Official Gazette no.28812 and date 5 November 2013.

	Current Period 31.03.2025 (*)	Prior Period 31.12.2024 (*)
Assets On the Balance Sheet		
Assets on the balance sheet (excluding derivative financial instruments and loan derivatives, including collaterals)	173.046.106	138.872.781
1 and loan derivatives, including collaterals)	(717.096)	(651.019)
2 (Assets deducted from core capital)		
3 Total risk amount for assets on the balance sheet (sum of lines 1 and 2)	172.329.010	138.221.762
Derivative Financial Instruments and Loan Derivatives		
4 Renewal cost of derivative financial instruments and loan derivatives	2.084.511	1.322.486
5 Potential credit risk amount of derivative financial instruments and loan derivatives	1.405.256	1.661.017
6 Total risk amount of derivative financial instruments and loan derivatives (sum of lines 4 and 5)	3.489.767	2.983.503
Financing Transactions with Securities or Goods Warranties		
7 Risk amount of financial transactions with securities or goods warranties (excluding those in the balance sheet)	1.538.223	4.164.605
8 Risk amount arising from intermediated transactions	-	-
9 Total risk amount of financing transactions with securities or goods warranties (sum of lines 7 and 8)	1.538.223	4.164.605
Off-Balance Sheet Transactions		
10 Gross nominal amount of the off-the-balance sheet transactions	79.424.469	52.386.273
11 Adjustment amount arising from multiplying by the credit conversion rate	-	-
12 Total risk amount for off-the-balance sheet transactions (sum of lines 10 and 11)	79.424.469	52.386.273
Capital and Total Risk		
13 Core capital	20.232.506	16.824.624
14 Total risk amount (sum of lines 3,6,9 and 12)	256.781.469	197.756.143
Transition Process Unapplied Leverage Ratio		
15 Transition process unapplied leverage ratio (%)	7,88	8,51

(*) Table represents three-month average amounts.

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IX. EXPLANATIONS ON RISK MANAGEMENT

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures About Risk Management to Be Announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. According to Communiqué must be presented on a quarterly basis. Due to usage of standard approach for the calculation of capital adequacy by the Bank, the following required tables have not been presented on 31 March 2025:

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

1. Overview of Risk Weighted Amounts:

	Risk Weighted Amounts		Minimum Capital Requirements
	Current Period 31 March 2025	Prior Period 31 December 2024	Current Period 31 March 2025
Credit risk (excluding counterparty credit risk)	64.577.595	51.224.345	5.166.208
Standardised approach	64.577.595	51.224.345	5.166.208
Internal rating-based approach	-	-	-
Counterparty credit risk	7.648.287	5.733.692	611.863
Standardised approach for counterparty credit risk	7.648.287	5.733.692	611.863
Internal model method	-	-	-
Equity position in banking book under basic risk weighting or internal rating-based	-	-	-
Equity investments in funds – look-through approach	-	-	-
Equity investments in funds – mandate-based approach	-	-	-
Equity investments in funds – 1250% risk weighting approach	-	-	-
Settlement risk	-	-	-
Securitisation exposures in banking book	-	-	-
IRB ratings-based approach	-	-	-
IRB supervisory formula approach	-	-	-
SA/simplified supervisory formula approach	-	-	-
Market risk	10.241.375	8.236.188	819.310
Standardised approach	10.241.375	8.236.188	819.310
Internal model approaches	-	-	-
Operational risk	19.494.850	11.973.696	1.559.588
Basic indicator approach	19.494.850	11.973.696	1.559.588
Standardised approach	-	-	-
Advanced measurement approach	-	-	-
Amounts below the thresholds for deduction from capital (subject to 250% risk weight)	-	-	-
Floor adjustment	-	-	-
Total	101.962.107	77.167.921	8.156.969

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X. EXPLANATIONS ON PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES AT THEIR FAIR VALUES

Not disclosed in the interim period.

XI. EXPLANATIONS ON THE ACTIVITIES CARRIED OUT ON BEHALF AND ACCOUNT OF OTHER PARTIES

Not disclosed in the interim period.

XII. EXPLANATIONS ON OPERATING SEGMENTS

The Bank provides services in the areas of Retail Banking and Wealth Management, as well as Corporate and Global Banking.

In the retail banking segment, the Bank provides debit card, credit card, deposits, consumer loan, payment and collection, premier customer services, custodian services, financial planning, insurance products services. In corporate and commercial banking segment, the Bank provides loans, commercial card, foreign trade financing, structured trading financing, project and export financing, syndications, custodian services, cash and risk management services. In the corporate and investment banking segment, loan and investment services, commercial card, insurance products, cash and risk management services are provided to customers. Also, the Bank provides marketable securities transactions, gold and foreign exchange transactions, derivative transactions and money market transactions services to its customers.

	Retail Banking and Wealth Management	Corporate and Global Banking	Other	Bank's Total Activities
Current Period – 31 March 2025				
Operating Income	1.176.234	4.320.888	(3.224)	5.493.898
Other	-	-	-	-
Operating Income	1.176.234	4.320.888	(3.224)	5.493.898
Segment Net Profit	-	-	-	-
Undistributed Cost	-	-	-	-
Operating Profit/(Loss)	(89.406)	3.148.675	(58.502)	3.000.767
Profit before Tax	(89.406)	3.148.675	(58.502)	3.000.767
Corporate Tax Provision ^(*)	-	-	(859.803)	(859.803)
Profit after Tax	(89.406)	3.148.675	(918.305)	2.140.964
Non-Controlling Interest	-	-	-	-
Net Profit for the Period	(89.406)	3.148.675	(918.305)	2.140.964
Section Assets	2.248.503	219.792.945	-	222.041.448
Affiliates and Subsidiaries	-	34.753	-	34.753
Undistributed Assets	-	-	-	-
Total Assets	2.248.503	219.827.698	-	222.076.201
Segment Liabilities	104.943.186	95.134.695	4.484.219	204.562.100
Undistributed Liabilities	-	-	17.514.101	17.514.101
Total Liabilities	104.943.186	95.134.695	21.998.320	222.076.201
Other Segment Items	-	(20.207)	1.430.414	1.410.207
Capital Investment	-	-	89.846	89.846
Amortization	-	-	(142.039)	(142.039)
Impairment	-	(20.207)	-	(20.207)
Non-Cash Other Income Expense ^(**)	-	-	1.482.607	1.482.607

^(*) Corporate tax provision is not distributed.

^(**) Non-Cash Other Income-Expense includes other income and expense accruals and provisions.

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XII. EXPLANATIONS ON OPERATING SEGMENTS (Continued)

	Retail Banking and Wealth Management	Corporate and Global Banking	Other	Bank's Total Activities
Prior Period – 31 December 2024 ^(***)				
Operating Income	881.613	1.917.540	(2.870)	2.796.283
Other	-	-	-	-
Operating Income	881.613	1.917.540	(2.870)	2.796.283
Segment Net Profit	-	-	-	-
Undistributed Cost	-	-	-	-
Operating Profit/(Loss)	122.699	1.251.117	(41.227)	1.332.589
Profit before Tax	122.699	1.251.117	(41.227)	1.332.589
Corporate Tax Provision ^(*)	-	-	(380.234)	(380.234)
Profit after Tax	122.699	1.251.117	(421.461)	952.355
Non-Controlling Interest	-	-	-	-
Net Profit for the Period	122.699	1.251.117	(421.461)	952.355
Segment Assets	2.611.630	187.948.088	-	190.559.718
Associates and Subsidiaries	-	34.753	-	34.753
Undistributed Assets	-	-	-	-
Total Assets	2.611.630	187.982.841	-	190.594.471
Segment Liabilities	87.683.853	81.800.736	4.135.640	173.620.229
Undistributed Liabilities	-	-	16.974.242	16.974.242
Total Liabilities	87.683.853	81.800.736	21.109.882	190.594.471
Other Segment Items	-	(10.003)	1.964.017	1.954.014
Capital Investment	-	-	101.431	101.431
Amortization	-	-	(87.145)	(87.145)
Impairment	-	(10.003)	-	(10.003)
Non-Cash Other Income-Expense ^(**)	-	-	1.949.731	1.949.731

^(*) Corporate tax provision is not distributed.

^(**) Non-Cash Other Income-Expense includes other income and expense accruals and provisions.

^(***) Income-Expense items represent the amounts of 31 March 2024.

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SECTION FIVE

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED
FINANCIAL STATEMENTS**

I. EXPLANATIONS AND NOTES RELATED TO ASSETS

a. Information related to cash equivalents and balances with the Central Bank of the Republic of Türkiye (The "CBRT"):

1. Information on cash equivalents and balances with the CBRT:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Cash/Foreign Currency	69.008	1.482.575	61.236	1.028.832
The CBRT	56.868.799	20.991.963	15.400.327	16.399.095
Total	56.937.807	22.474.538	15.461.563	17.427.927

2. Information related to balances with the CBRT:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Unrestricted Demand Deposit	14.412.811	79.128	5.915.707	72.049
Unrestricted Time Deposit	37.894.620	-	5.863.707	-
Restricted Time Deposit	-	-	-	-
Reserve Requirements	4.561.368	20.912.835	3.620.913	16.327.046
Total	56.868.799	20.991.963	15.400.327	16.399.095

3. Explanation on reserve deposits:

According to the CBRT's Communiqué No. 2013/15, banks operating in Türkiye establish required reserves at the Central Bank of the Republic of Türkiye for their Turkish currency and foreign currency liabilities. Required reserves are in Turkish Lira according to the "Communiqué on Reserve Required Reserves" at the Central Bank of the Republic of Türkiye. It can be held in US Dollars and/or Euros and standard gold. According to the Communiqué on Required Reserves published in the Official Gazette dated 1 July 2021 and numbered 31528, the possibility of maintaining Turkish lira required reserves in foreign currency was terminated as of 1 October 2021.

As of 31 March 2025, Turkish lira required reserve ratios for Turkish lira deposits and other liabilities range from 3% to 33% (31 December 2024: 3% to 33%) and for foreign exchange deposits and other liabilities range from 5% to 30% (31 December 2024: 5% to 30%).

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

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

1. Financial assets given as collateral/blocked and subject to repurchase agreements:

	Current Period 31 March 2025	Prior Period 31 December 2024
Collateral/Blocked	-	-
Repurchase Agreement	-	-
Unrestricted	3.055.156	2.647.101
Total	3.055.156	2.647.101

2. Positive differences table related to trading derivative financial assets:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Forward Transactions	-	1.554.780	8.181	1.684.852
Swap Transactions	280.070	1.930.837	382.068	889.314
Futures Transactions	-	-	-	-
Options	-	394.239	-	402.351
Other	-	-	-	-
Total	280.070	3.879.856	390.249	2.976.517

c. Information on banks:

1. Information on banks and other financial institutions:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Banks				
Domestic	1.006.534	-	503.048	-
Foreign	-	2.567.606	-	296.556
Foreign Head Office and Branches	-	-	-	-
Total	1.006.534	2.567.606	503.048	296.556

2. Information on foreign bank accounts:

Not disclosed in the interim period.

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

d. Information on financial assets fair value through other comprehensive income given as collateral/blocked and subject to repurchase agreements:

1. Financial assets given as collateral/blocked and subject to repurchase agreements:

	Current Period 31 March 2025	Prior Period 31 December 2024
Collateral/Blocked	4.536.877	4.434.920
Repurchase Agreement	6.301.100	6.567.872
Unrestricted	6.441.935	5.682.363
Total	17.279.912	16.685.155

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

	Current Period 31 March 2025	Prior Period 31 December 2024
Debt Securities	17.422.665	16.694.342
Quoted to Stock Exchange	17.422.665	16.694.342
Not Quoted	-	-
Share Certificate	-	-
Quoted to Stock Exchange	-	-
Not Quoted	-	-
Impairment Provision (-)	142.753	9.187
Total	17.279.912	16.685.155

e. Information on loans:

1. Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	678.502	-	192.095
Corporate Shareholders	-	678.502	-	192.095
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	824.199	-	674.452
Loans Granted to Employees	55.735	-	50.927	-
Total	55.735	1.502.701	50.927	866.547

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

e. Information on loans (Continued):

2. Information on the standard loans and loans under close monitoring including loans that have been restructured or rescheduled:

	Standard Loans	Loans under Close Monitoring		Refinancing
		Loans not Subject to Restructuring	Restructured Loans	
Cash Loans			Loans with Revised Contract Terms	
Non-specialized Loans ^(*)	58.217.898	5.696.355	2.965.614	-
Working Capital Loans	33.937.538	2.465.825	2.949.099	-
Export Loans	10.862.496	3.168.985	-	-
Import Loans	7.195.742	-	-	-
Loans Given to Financial Sector	4.046.580	-	-	-
Retail Loans	280.572	32.244	861	-
Credit Cards	1.894.970	29.301	15.654	-
Other	-	-	-	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	58.217.898	5.696.355	2.965.614	-

^(*) Includes the factoring receivables amounting to TL 608.828.

	Current Period 31 March 2025		Prior Period 31 December 2024	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
12 Months Expected Credit Loss	40.915	-	429.630	-
Significant Increase in Credit Risk	-	2.314.946	-	1.705.740
Total	40.915	2.314.946	429.630	1.705.740

3. Breakdown of loans according to their maturities:

Not disclosed in the interim period.

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

4. Information on consumer loans, personal credit cards, personnel loans and personnel credit cards:

	Short-term	Medium and Long-term	Total
Consumer Loans-TL	115.629	123.954	239.583
Mortgage Loans	-	20.311	20.311
Automotive Loans	-	1.524	1.524
Consumer Loans	115.629	102.065	217.694
Other	-	54	54
Consumer Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	1.831.359	8.966	1.840.325
Instalment	565.552	8.966	574.518
Non-Instalment	1.265.807	-	1.265.807
Individual Credit Cards-FC	35.132	-	35.132
Instalment	1.651	-	1.651
Non-Instalment	33.481	-	33.481
Personnel Loans-TL	12.228	14.668	26.896
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	12.228	14.668	26.896
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	28.107	-	28.107
Instalment	10.919	-	10.919
Non-Instalment	17.188	-	17.188
Personnel Credit Cards-FC	732	-	732
Instalment	-	-	-
Non-Instalment	732	-	732
Overdraft Account-TL (Individual)	47.198	-	47.198
Overdraft Account-FC (Individual)	-	-	-
Total Consumer Loans	2.070.385	147.588	2.217.973

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

5. Information on commercial instalment loans and corporate credit cards:

	Short-term	Medium and Long-term	Total
Commercial Instalment Loans-TL	-	1.827	1.827
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	1.827	1.827
Other	-	-	-
Commercial Instalment Loans- FC Indexed	-	32.352	32.352
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	32.352	32.352
Other	-	-	-
Commercial Instalment Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Corporate Credit Cards-TL	28.584	-	28.584
Instalment	4.189	-	4.189
Non-Instalment	24.395	-	24.395
Corporate Credit Cards-FC	7.045	-	7.045
Instalment	-	-	-
Non-Instalment	7.045	-	7.045
Overdraft Account-TL (Commercial)	-	-	-
Overdraft Account-FC (Commercial)	-	-	-
Total	35.629	34.179	69.808

6. Loans according to types of borrowers:

Not disclosed in the interim period.

7. Distribution of domestic and foreign loans:

	Current Period 31 March 2025	Prior Period 31 December 2024
Domestic Loans	66.853.406	56.821.605
Foreign Loans	26.461	32.455
Total (*)	66.879.867	56.854.060

(*) As of 31 March 2025, it includes factoring receivables amounting to TL 608.828 (31 December 2024: TL 450.352).

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

8. Loans granted to investments in associates and subsidiaries:

None.

9. Specific provisions provided against loans:

	Current Period 31 March 2025	Prior Period 31 December 2024
Loans with Limited Collectability	8.890	8.004
Loans with Doubtful Collectability	15.116	12.889
Uncollectible Loans	81.260	82.616
Total	105.266	103.509

10. Information on non-performing loans (Net):

10 (i). Information on non-performing loans and other receivables restructured or rescheduled:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period: 31 March 2025			
Gross Amounts Before Provisions	-	-	23.714
Rescheduled Loans	-	-	23.714
Prior Period: 31 December 2024			
Gross Amounts Before Provisions	-	-	26.629
Rescheduled Loans	-	-	26.629

10 (ii). Information on the movement of total non-performing loans:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Balance at the end of Prior Period: 31 December 2024	13.475	16.194	106.544
Additions (+)	14.802	8	-
Transfers from Other Categories of Non-Performing Loans (+)	-	10.101	5.559
Transfers to Other Categories of Non-Performing Loans (-)	10.101	5.559	-
Collections (-)	3.363	1.775	4.566
Write-offs (-) ^(*)	-	-	4.829
Sold Portfolio (-)	-	-	1.623
Corporate and Commercial Loans	-	-	1.623
Retail Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Balance at the End of the Period: 31 March 2025	14.813	18.969	101.085
Provisions (-)	8.890	15.116	81.260
Net Balance in Balance Sheet	5.923	3.853	19.825

^(*) As of 31 March 2025, the Bank's non-performing loan ratio decreased from 0,21% to 0,20% after the loans written off in the current period in accordance with the amendment in the related Provisions Regulation.

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

10 (iii). Information on non-performing loans granted as foreign currency loans:

As of 31 March 2025, there are no non-performing loans granted as foreign currency loans (31 December 2024: None).

10 (iv). Breakdown of gross and net values of the non-performing loans according to their beneficiary group:

	Group III	Group IV	Group V
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period (Net): 31 March 2025	5.923	3.853	19.825
Loans granted to corporate entities and real persons (Gross)	14.813	18.969	101.085
Provisions Amount (-)	8.890	15.116	81.260
Loans granted to corporate entities and real persons (Net)	5.923	3.853	19.825
Banks (Gross)	-	-	-
Provisions Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances (Gross)	-	-	-
Provisions Amount (-)	-	-	-
Other Loans and Advances (Net)	-	-	-
Prior Period (Net): 31 December 2024	5.471	3.305	23.928
Loans granted to corporate entities and real persons (Gross)	13.475	16.194	106.544
Provisions Amount (-)	8.004	12.889	82.616
Loans granted to corporate entities and real persons (Net)	5.471	3.305	23.928
Banks (Gross)	-	-	-
Provisions Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances (Gross)	-	-	-
Provisions Amount (-)	-	-	-
Other Loans (Net)	-	-	-
	Group III	Group IV	Group V
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period (Net)	618	657	1.431
Interest Accruals and Rediscount with Valuation Differences	1.802	2.776	5.015
Provision amount (-)	1.184	2.119	3.584
Prior Period (Net)	644	579	1.299
Interest Accruals and Rediscount with Valuation Differences	1.752	2.283	4.766
Provision amount (-)	1.108	1.704	3.467

11. Information on the write-off policy of the Bank:

Within the scope of the "Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions to be Set aside", which was published in the Official Gazette dated 27 November 2019 and numbered 30961, the Bank may exclude the portion of its loans classified as "Fifth Group-Loans with Loss" from the balance sheet, for which there is no reasonable expectation of recovery. The bank makes an objective evaluation while determining whether there is a reasonable expectation.

All of the loans that meet the following conditions are considered by the Bank as having lost their ability completely to collect and all risks of these loans are written off:

For the retail portfolio:

- When unsecured retail products reach a delay of more than 3 years (1080 days),
- When there is no guarantee left for the guaranteed retail products and the delay period exceeds 3 years (1080 days),
- In case a customer has more than one unsecured and secured loan, all accounts belonging to the customer are deducted from the record after all of their loans meet the above 2 criteria.

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

11. Information on the write-off policy of the Bank (Continued):

For the corporate-commercial portfolio:

- As of the last reporting date accounts monitored 5th Group (customers with 365+ days of delay or situations where the collection expectation is very low due to significant financial difficulties for the customer/there are no reasonable collection expectations) and accounts with 1080 or more days of delay are removed from the balance sheet and written off.
- For all loans within this scope, the expected credit loss must be 100% and no collections must have occurred in the last 36 months.
- The possibility that the income to be obtained from the enforcement/bankruptcy process will be very low is taken into account.
- If the legal remedies regarding the unsecured portfolio cannot be repaid in its entirety, the portion of the receivable that is deemed unpaid is deducted from the record. Here it is sought to reach a delay of 1080 days.

The deduction of these loans, which cannot be collected, is an accounting practice and does not result in the waiver of the right to receivable.

In addition to these, operational write-off is applied to accounts that have a negligible collection potential and whose recovery process has been exhausted and such accounts are made a loss without any collection activity. The list of customers to be included is determined annually by considering objective and subjective criteria and action is taken with the decision of the board of directors.

f. Explanations on financial assets measured at amortized cost:

1. Information on financial assets given as collateral/blocked and subject to repurchase agreements and those.

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Collateral/Blocked	2.005.837	-	1.687.199	-
Subject to Repo Transactions	5.772.919	-	337.657	-
Total	7.778.756	-	2.024.856	-

2. Information on government debt securities:

	Current Period 31 March 2025	Prior Period 31 December 2024
Government Bond	8.781.074	3.423.765
Treasury Bill	-	-
Other Public Debt Securities	-	-
Total	8.781.074	3.423.765

3. Information on financial assets measured at amortized cost:

	Current Period 31 March 2025	Prior Period 31 December 2024
Debt Securities	8.781.074	3.423.765
Traded in the Stock Exchange	8.781.074	3.423.765
Not Traded in the Stock Exchange	-	-
Other Public Debt Securities	-	-
Total	8.781.074	3.423.765

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

f. Explanations on financial assets measured at amortized cost (Continued):

4. The movement of financial assets measured at amortized cost:

	Current Period 31 March 2025	Prior Period 31 December 2024
Value at the Beginning of the Period	3.423.765	3.432.430
Currency Differences in Monetary Assets	-	-
Purchases During the Year	5.177.527	-
Disposal through Sale and Redemption	-	-
Valuation Effect	179.782	(8.665)
Total	8.781.074	3.423.765

g. Information on associates (Net):

As of 31 March 2025 and 31 December 2024, the Bank has no associates.

h. Information on subsidiaries (Net):

1. Information on the unconsolidated subsidiaries:

As of 31 March 2025 and 31 December 2024, the Bank has no subsidiaries that are not included in the scope of consolidation.

2. Information on the consolidated subsidiaries:

HSBC Yatırım was established as Demir Yatırım on 23 December 1996. The merger of the Demir Yatırım and HSBC Yatırım was realized and the merger agreement was signed, with the Board of Directors decision, No. 222 and dated 6 December 2001 based on the authority given to the Board of Directors in accordance with General Assembly decision dated 30 October 2001. Also, dissolution of HSBC Yatırım and change of the title of the new merged company to HSBC Yatırım Menkul Değerler A.Ş. was agreed and the merger of these two companies was accomplished as of 11 January 2002.

a) Consolidated subsidiaries:

Title	Address (City/Country)	Bank's Share Percentage- If Different Voting Percentage (%)	Bank's Risk Group Share Percentage (%)
HSBC Yatırım ve Menkul Değerler A.Ş.	Esentepe Mahallesi Büyükdere Caddesi No:128 Şişli 34394 İSTANBUL	100,00	-

b) Main financial figures of the subsidiaries, in the order of the above table ^(*):

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss ^(**)	Fair Value
1.199.350	886.752	27.223	51.715	-	129.868	67.663	-

^(*) It refers to the consolidated financial statements as of 31 March 2025 of subsidiaries that have not applied TAS 29, in accordance with the BRSA's decision numbered 10744 dated 12 December 2023.

^(**) It has been prepared based on the consolidated financial statements as of 31 March 2024, which have not been independently audited.

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

3. Movement schedule of the consolidated subsidiaries:

	Current Period 31 March 2025	Prior Period 31 December 2024
Balance at the Beginning of the Period	34.753	34.753
Movements During the Period	-	-
Purchases	-	-
Bonus Shares and Contributions to Capital	-	-
Dividends From Current Year Profit	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Impairment Provision	-	-
Balance at the End of the Period	34.753	34.753
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	100,00	100,00

4. Sectoral information on financial subsidiaries and the related carrying amounts:

	Current Period 31 March 2025	Prior Period 31 December 2024
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Subsidiaries	34.753	34.753

5. Subsidiaries quoted on a stock exchange:

As of 31 March 2025 and 31 December 2024, the Bank does not have any partnerships listed on the stock exchange.

i. Information on jointly controlled entities:

- As of 31 March 2025 and 31 December 2024, the Bank does not have any jointly controlled entities.
- Since the Bank does not have any joint ventures as of 31 March 2025 and 31 December 2024, the accounting method for jointly controlled entities has not been determined.

j. Information on financial lease receivables (Net):

As of 31 March 2025 and 31 December 2024, the Bank does not have any financial lease receivables.

k. Information on hedging derivative financial assets:

As of 31 March 2025 and 31 December 2024, the Bank has no derivative financial assets for hedging purposes.

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

l. Explanations on property and equipment:

Not disclosed in the interim period.

m. Information on intangible assets:

Not disclosed in the interim period.

n. Information on the investment properties:

As of 31 March 2025 and 31 December 2024, the Bank has no investment properties.

o. Explanations on deferred tax asset:

As of 31 March 2025, the Bank's deferred tax asset amounts to TL 302.855 (31 December 2024: TL 731.444). The temporary differences subject to deferred tax calculations primarily arise from deductible loan provisions, other provisions allocated under TAS 37, differences between the carrying amount and tax base of fixed assets and financial assets and liabilities and provisions for employee benefits.

Timing differences between the applied accounting policies and valuation principles and tax regulations are accounted for by netting off assets and liabilities. Information regarding the deferred tax asset as of 31 March 2025, is disclosed in Footnote XX of the Third Section.

p. Information on assets held for sale and related to discontinued operations:

As of 31 March 2025, the Bank has no assets held for sale. (31 December 2024: None)

r. Information on other assets:

1. There are no further explanations of the Bank related to prepaid expenses, tax and other operations.

	Current Period 31 March 2025	Prior Period 31 December 2024
Miscellaneous Receivables (*) (**)	2.172.999	1.444.551
Prepaid Expenses	294.685	154.057
Other Rediscount Income	150.118	162.603
Debited Suspense Accounts	165.538	211.179
Other Assets	94	178
Total	2.783.434	1.972.568

(*) Includes Takasbank guarantees.

(**) As of 31 March 2025, amount of TL 37.172 provision provided for Miscellaneous Receivables within the scope of TFRS 9 (31 December 2024: TL 20.452).

s. Information on receivables from forward sale of the assets classified in the miscellaneous receivables:

As of 31 March 2025 and 31 December 2024 the Bank has no receivables from forward sale of the assets classified in the miscellaneous receivables.

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES

a. Information on deposits

1. Information on maturity structure of the deposits:

The Bank has no deposits with 7 days maturity and no cumulative deposits.

1(i). Current Period – 31 March 2025:

		With 7 Days Demand	Maturity Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Year	1 Year and over	Cumulative Deposit	Total
Saving Deposits	1.104.674	-	8.093.883	23.265.539	13.872.833	46.067	86.085	-	46.469.081
Foreign Currency Deposits	40.325.402	-	17.942.406	6.155.446	3.115.340	78.847	67.171	-	67.684.612
Residents in Türkiye	34.964.459	-	17.142.308	5.535.371	3.033.787	16.193	8.226	-	60.700.344
Residents Abroad	5.360.943	-	800.098	620.075	81.553	62.654	58.945	-	6.984.268
Public Sector Deposits	597	-	-	-	-	-	-	-	597
Commercial Deposits	4.718.608	-	12.971.206	992.060	27.060	229	-	-	18.709.163
Other Institutions Deposits	17.289	-	49	-	-	-	-	-	17.338
Precious Metal Deposit	18.624.280	-	12.413	514.814	6.330	17.117	-	-	19.174.954
Bank Deposits	379.191	-	296.424	-	-	-	-	-	675.615
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	379.191	-	296.424	-	-	-	-	-	675.615
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	65.170.041	-	39.316.381	30.927.859	17.021.563	142.260	153.256	-	152.731.360

1(ii). Prior Period - 31 December 2024:

		With 7 Days Demand	Maturity Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Year	1 Year and over	Cumulative Deposit	Total
Saving Deposits	936.580	-	8.741.684	16.291.331	16.439.454	79.459	150.769	-	42.639.277
Foreign Currency Deposits	31.519.763	-	4.332.196	3.545.657	165.224	76.384	98.717	-	39.737.941
Residents in Türkiye	27.396.911	-	4.097.602	2.972.727	87.601	15.807	26.255	-	34.596.903
Residents Abroad	4.122.852	-	234.594	572.930	77.623	60.577	72.462	-	5.141.038
Public Sector Deposits	6.729	-	-	-	-	-	-	-	6.729
Commercial Deposits	4.781.503	-	19.102.845	813.889	61.977	-	-	-	24.760.214
Other Institutions Deposits	14.079	-	285	-	-	-	-	-	14.364
Precious Metal Deposit	20.280.519	-	14.517	366.732	6.576	15.622	-	-	20.683.966
Bank Deposits	306.354	-	1.717.256	-	-	-	-	-	2.023.610
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	306.354	-	1.717.256	-	-	-	-	-	2.023.610
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	57.845.527	-	33.908.783	21.017.609	16.673.231	171.465	249.486	-	129.866.101

Foreign exchange-protected deposit product, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT and which ensures that TL deposits are valued with interest rates and are protected against foreign currency exchange rates, is offered to bank customers. As of 31 March 2025, the foreign exchange-protected deposit amount in this context is TL 12.021.353 (31 December 2024: TL 14.360.360).

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

a. Information on deposits (Continued):

2. Information on saving deposits insurance:

2(i). Information on saving deposits under the guarantee of the Saving Deposits Insurance Fund and amounts exceeding the limit of the deposit insurance fund:

	Covered by Deposit Insurance Fund	Exceeding Deposit Insurance Limit	Covered by Deposit Insurance Fund	Exceeding Deposit Insurance Limit
	Current Period 31 March 2025	Current Period 31 March 2025	Prior Period 31 March 2024	Prior Period 31 March 2024
Saving Deposits				
Saving Deposits	14.134.780	32.334.301	11.074.029	31.565.248
Foreign Currency Saving Deposits	11.052.871	29.121.041	8.171.024	17.134.147
Other Deposits in the Form of Saving	4.334.310	14.740.216	3.401.221	17.203.105
Foreign Branches' Deposits under Foreign Authorities' Insurance Coverage	-	-	-	-
Off-Shore Banking Regions' Deposits under Foreign Authorities' Insurance Coverage	-	-	-	-
Total (*)	29.521.961	76.195.558	22.646.274	65.902.500

(*) In accordance with the "Regulation Amending the Regulation on Insurance Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 27 August 2022 and numbered 31936, official institutions, all deposit and participation funds, except those belonging to official institutions, credit institutions and financial institutions within the scope of credit institutions, have started to be insured. In this context, commercial deposits covered by insurance amount to TL 543.670 and the relevant amount is not included in the footnote.

2(ii). Since the head on of the Bank is not located abroad, saving deposit in Türkiye are not covered by the saving deposits insurance in another country.

2(iii). Saving deposits of individuals, which are not covered by the Saving Deposit Insurance Fund:

	Current Period 31 March 2025	Prior Period 31 December 2024
Foreign Branches' Deposits and other accounts	-	-
Saving Deposits and Other Accounts of Major Shareholders and Deposits of their Mother, Father, Spouse, Children under their wardship	-	-
Saving Deposits and Other Accounts of President and Members of Board of Directors, CEO and Vice Presidents and Deposits of their Mother, Father, Spouse, Children under their wardship	113.101	62.313
Saving Deposits and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in Article 282 of Turkish Criminal Law No:5237 dated 26/09/2004	-	-
Saving Deposits in Deposit Bank Which Established in Türkiye in Order to Engage in Off-shore Banking Activities	-	-

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

b. Information on trading derivative financial liabilities:

Table of negative differences for trading derivative financial liabilities:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Forward Transactions	-	492.564	-	1.395.593
Swap Transactions	489.281	953.214	246.305	1.066.170
Future Transactions	-	-	-	-
Options	-	368.768	-	390.937
Other	-	-	-	-
Total	489.281	1.814.546	246.305	2.852.700

c. Information on funds provided under repurchase agreements:

As of 31 March 2025, the Bank has TL 11.553.262 funds obtained from repo transactions (31 December 2024: TL 11.555.609).

d. Information on funds borrowed:

1. Information on banks and other financial institutions:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Borrowings from the CBRT	-	-	-	-
Domestic Bank and Institutions	-	-	-	-
Foreign Banks and Institutions and Funds	-	26.110.916	-	16.993.535
Total	-	26.110.916	-	16.993.535

2. Information on the maturity structure of funds borrowed:

	Current Period 31 March 2025		Prior Period 31 December 2024	
	TL	FC	TL	FC
Short-Term	-	26.110.916	-	13.409.698
Medium and Long-Term	-	-	-	3.583.837
Total	-	26.110.916	-	16.993.535

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

3. Further information on the concentration areas of liabilities:

Bank diversifies its funding sources by customer deposits, loans from foreign countries and marketable securities issued.

e. Information on marketable securities issued:

As of 31 March 2025, the Bank does not have any issued securities (31 December 2024: None).

f. Information on other foreign liabilities:

Other foreign liabilities of the Bank under "Other Liabilities" do not exceed 10% of the total liabilities.

g. Information on financial leasing agreements:

With the "TFRS 16 Leases" standard valid from 1 January 2019, the difference between operating leases and finance leases has been eliminated and the lease transactions have been expressed under the "Lease Payables" as liability by lessees.

	Current Period 31 March 2025	Prior Period 31 December 2024
Less than 1 year	42.389	34.375
Between 1- 4 years	131.824	174.329
More than 4 years	-	-
Total	174.213	208.704

h. Information on derivative financial liabilities for hedging purposes:

As of 31 March 2025, the Bank has no derivative financial liabilities on hedging purposes (31 December 2024: None).

i. Information on provisions:

1. Provisions for expected losses on non-compensated and non-cash loans

	Current Period 31 March 2025	Prior Period 31 December 2024
Provisions for off-balance sheet commitments ^(*)	15.332	14.956

^(*) In accordance with TFRS 9, the expected loss provisions on Stage 1, Stage 2 and Stage 3 non-cash loans are in the "Other Provisions" in the liabilities. With TFRS 9 transaction expected loss for cash loans and other financial assets are classified under assets.

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

i. Information on provisions (Continued):

2. Information on employee benefit provisions:

As of 31 March 2025, the Bank has employee termination benefit provision amounting to TL 193.518 (31 December 2024: TL 187.357) and unused vacation provision amounting to TL 77.721 (31 December 2024: TL 60.488).

According to the Turkish Labor Law, the Bank and its subsidiaries operating in Türkiye are obliged to pay severance pay for their personnel who have completed one year and whose relationship has been terminated or retired due to compelling reasons, called for military service, or passed away.

The compensation to be paid is one month's salary for each year of service. Severance pay liability is not legally subject to any funding and there is no funding requirement.

The reserve for employment termination benefits represents the present value of the estimated total liability on future probable obligation of the Bank determined by using certain actuarial assumptions. TAS 19 requires actuarial valuation methods to be used in order to calculate Bank's liabilities.

The assumption is that the severance pay ceiling applicable for each year of service will increase each year at the rate of inflation. Thus, the discount rate applied will be on the expected real rate after adjusting on expected effects of inflation.

	Current Period 31 March 2025	Prior Period 31 December 2024
As of 1 January,	187.357	155.410
Service Cost	4.536	20.918
Interest Cost	10.191	31.714
Actuarial Loss / (Gain)	1.905	39.329
Paid in Current Period	(10.471)	(60.014)
Total	193.518	187.357

3. Information on provisions related to foreign currency difference on the principals of foreign indexed loans and finance lease receivables:

As of 31 March 2025, there is no foreign exchange difference provision for foreign currency indexed loans (31 December 2024: None).

4. Information on specific provisions for non-cash loans that is non-funded and non-transformed into cash:

As of 31 March 2025, provision for non-cash loans that are non-funded and non-transformed into cash is amounting to TL 2.807 (31 December 2024: TL 2.878).

5. Information on restructuring provisions:

None.

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

6. Information on other provisions:

6 (i). Information on free provisions for possible risks:

None.

6 (ii). The names and amounts of sub-accounts of other provision under the condition of other provisions exceed 10% of total provisions:

	Current Period 31 March 2025	Prior Period 31 December 2024
Provision for Lawsuits	58.243	56.337
Provision for Accumulated Credit Card Bonus	9.258	10.137
Return Provision of Case File Expenses	32	64
Specific Provision for Non-Cash Loans that are Non-Funded and Non-Transformed into Cash	2.807	2.878
Other Provisions (*)	348.682	851.633
Total	419.022	921.049

(*) As of 31 March 2025, other provisions include Stage 1 and Stage 2 non-cash loans provision for expected losses within TFRS 9 amounting to TL 15.332 (31 December 2024: TL 14.956) and other provisions within TAS 37.

j. Explanations on tax liability:

a. Explanations on current tax liability:

The corporate tax provisions calculation of the Bank is explained in Note XX of Section Three.

1(i). Information on taxes payable:

	Current Period 31 March 2025	Prior Period 31 December 2024
Corporate Tax Payable	1.076.394	907.059
Taxation on Marketable Securities	445.187	284.595
Banking Insurance Transaction Tax (BITT)	100.410	90.361
Value Added Tax Payable	9.349	3.211
Capital Gains Tax on Property	1.327	1.237
Foreign Exchange Transaction Tax	42.023	12.025
Other (*)	297.591	104.215
Total	1.972.281	1.402.703

(*) As of 31 March 2025, there is income tax deducted from wages amounting to TL 253.548 (31 December 2024: TL 64.545), stamp duty amounting of TL 6.731 (31 December 2024: TL 1.592), other taxes amounting to TL 36.927 (31 December 2024: TL 37.784) and self-employment income tax amounting to TL 385 (31 December 2024: TL 294).

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

1(ii). Information on premium payables:

	Current Period 31 March 2025	Prior Period 31 December 2024
Social Security Premiums – Employer	83.230	28.240
Social Security Premiums – Employee	58.841	24.509
Bank Social Aid Pension Fund Premium – Employer	-	-
Bank Social Aid Pension Fund Premium – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Pension Fund Membership Fees and Provisions – Employee	-	-
Unemployment Insurance – Employer	6.278	2.257
Unemployment Insurance – Employee	3.519	1.509
Other	-	-
Total	151.868	56.515

b. Information on deferred tax liability:

Information on the Bank's deferred tax liability as of 31 March 2025 is explained in Note XX of Section Three.

k. Information on liabilities regarding assets held for sale and discontinued operations:

As of 31 March 2025 and 31 December 2024, the Bank does not have any liabilities related on non-current assets held for sale.

l. Explanations on the number of subordinated loans the Bank used, maturity, interest rate, institution that the loan was borrowed from and conversion option, if any:

Not disclosed in the interim period.

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

m. Information on shareholder's equity:

1. Presentation of paid-in capital:

	Current Period 31 March 2025	Prior Period 31 December 2024
Common Stock Provision	652.290	652.290
Preferred Stock Provision	-	-

The paid-in capital of the Bank is shown above in nominal terms. As of 31 March 2025, there is a capital reserve of TL 272.693 arising from the adjustment of the paid-in capital for inflation (31 December 2024: TL 272.693) and TL 50.880 (31 December 2024: TL 50.880) other capital reserves.

2. Amount of paid-in-capital, explanations as to whether the registered share capital system is applied, if so and the amount of registered share capital ceiling:

Registered share capital system is not applied.

3. Information on the share capital increases during the period, their sources and other information:

The Bank has not increased its share capital during the current period.

4. Information on share capital increases from capital reserves during the current period:

The Bank has no share capital increases from capital reserves during the current period.

5. Information on capital commitments, the purpose and the sources until the end of the fiscal year and the subsequent period:

The Bank has no capital commitments.

6. The effects of anticipations based on the financial figures for prior periods regarding the Bank's income, profitability and liquidity and the anticipations regarding the uncertainty of these indicators on the shareholders' equity:

The Bank tends to strengthen its shareholders' equity according to the assessment of financial figures for prior periods regarding the Bank's income, profitability and liquidity and the anticipations regarding changes in the accounting standards.

7. Information on privileges given to shares representing the capital:

The Bank has no privileges given to shares representing the capital.

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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

m. Information on shareholder's equity (Continued):

8. Information on valuation differences of marketable securities:

	Current Period		Prior Period	
	31 March 2025		31 December 2024	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Valuation Difference	-	-	-	-
Foreign Currency Difference	-	-	-	-
Financial Assets at Fair Value through Other Comprehensive Income	(514.996)	-	(43.177)	-
Valuation Difference	(514.996)	-	(43.177)	-
Foreign Currency Difference	-	-	-	-
Total	(514.996)	-	(43.177)	-

9. Information on revaluation value increase fund:

As of 31 March 2025 and 31 December 2024, the Bank has no revaluation value increase fund.

10. Information on shareholders having more than 10% share in capital and/or voting right:

Based on the approval of the Banking Regulation and Supervision Agency dated 21 June 2017, 10,01% share of HSBC Bank Plc.'s 100% ownership of the Bank's capital was transferred to HSBC Bank Middle East Limited and remaining 89,99% share of HSBC Bank Plc. was transferred to HSBC Middle East Holdings B.V. through share transfer agreement dated 29 June 2017.

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III. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS

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

1. Type and amount of irrevocable commitments:

	Current Period 31 March 2025	Prior Period 31 December 2024
Asset Purchase and Sale Commitments	39.842.406	10.486.588
Commitments for Credit Card Limits	4.941.407	4.968.785
Commitments for Cheques	16.473	15.191
Loan Granting Commitments	316.946	359.871
Short Sale Commitments	-	-
Commitments for Credit Cards and Banking Services Promotions	54.156	54.325
Tax and Fund Liabilities from Export Commitments	-	-
Other Irrevocable Commitments	423.304	426.610
Total	45.594.692	16.311.370

2. Type and amount of probable losses and obligations arising from off-balance sheet items:

The Bank has no probable losses arising from off-balance sheet items. Obligations arising from the off-balance sheet are disclosed in "Off-balance sheet commitments".

2 (i). Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letters of credit:

	Current Period 31 March 2025	Prior Period 31 December 2024
Letters of Guarantee	17.422.113	15.815.891
Letters of Credit	9.724.722	10.051.937
Bank Acceptances	-	-
Other Guarantees	924.602	860.890
Total	28.071.437	26.728.718

2 (ii). Certain guarantees, temporary guarantees, surety ships and similar transactions:

The Bank has no certain guarantees, temporary guarantees, surety ships and similar transactions except explained above in the Section 2 (i).

3. Information on the non-cash loans:

3 (i). Total amount of non-cash loans:

	Current Period 31 March 2025	Prior Period 31 December 2024
Non- Cash Loans Given for Cash Loan Risks Non- Cash Loans	-	-
With Original Maturity of One Year or Less	-	-
With Original Maturity of More Than One Year	-	-
Other Non-Cash Loans	28.071.437	26.728.718
Total	28.071.437	26.728.718

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**III. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS
(Continued)**

3. Information on the non-cash loans (Continued):

3 (ii). Information on sectoral risk concentration within the non-cash loans:

Not disclosed in the interim period.

3 (iii). Information on the non-cash loans classified under Group I and Group II:

Not disclosed in the interim period.

b. Explanations on derivative transactions:

Not disclosed in the interim period.

c. Explanations on credit derivatives and risk exposures on credit derivatives:

None.

d. Explanations on contingent liabilities and assets:

Contingent assets are recognised if the probability of occurrence is almost virtually certain, whereas they are disclosed in the notes, if the probability of occurrence is probable. As of 31 March 2025, there is no contingent assets to be disclosed.

Contingent liabilities are recognized if the probability of occurrence is probable and the liability can be measured reliably, whereas they are disclosed in the notes, if they cannot be measured reliably or the possibility of the occurrence is remote or does not exist.

The Bank has certain contingent liabilities relating to various lawsuits due to the transactions it performed in the scope of banking operations. As of 31 March 2025, a total provision of TL 32 (31 December 2023: TL 64) has been made for those lawsuits as the probability of being concluded against the Bank is higher than the probability of being concluded in its favor, with TL 58.275 (31 December 2024: TL 56.401) being for provisions for refunds related to case document charges.

e. Explanations on fiduciary services rendered on behalf of third parties:

The Bank acts as an investment agent for the trading of marketable securities and provides custodian services on behalf of its customers.

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IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT

a. Information on interest income:

1. Information on interest income received from loans:

	Current Period 31 March 2025		Prior Period 31 March 2024	
	TL	FC	TL	FC
Interest Income on Loans ^(*)				
Short-Term Loans	1.384.291	540.609	2.010.721	402.998
Medium and Long-Term Loans	233.741	376.376	195.741	321.190
Interest on Loans Under Follow-Up	2.149	73	1.657	325
Resource Utilization Support Fund	-	-	-	-
Total	1.620.181	917.058	2.208.119	724.513

(*) Fee and commission income from cash loans are included.

2. Information on interest income received from banks:

	Current Period 31 March 2025		Prior Period 31 March 2024	
	TL	FC	TL	FC
The CBRT	4.910.834	-	1.031.020	-
Domestic Banks	53.787	4.781	658.382	-
Foreign Banks	490	19.228	11	22.283
Headquarters and Branches of Foreign Banks	-	-	-	-
Total	4.965.111	24.009	1.689.413	22.283

3. Information on interest income on marketable securities:

	Current Period 31 March 2025		Prior Period 31 March 2024	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	180.461	8.600	55.481	10.010
Financial Assets at Fair Value Through Other Comprehensive Income	1.523.311	-	1.049.580	-
Financial Assets Measured at Amortized Cost	220.407	-	103.934	-
Total	1.924.179	8.600	1.208.995	10.010

4. Information on interest income received from investments in associates and subsidiaries:

As of 31 March 2025, the Bank's interest income from its subsidiaries and affiliates is TL 147 (31 March 2024: None).

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IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (Continued)

b. Information on interest expense:

1. Information on interest expense on funds borrowed:

	Current Period		Prior Period	
	31 March 2025		31 March 2024	
	TL	FC	TL	FC
Banks	-	439.074	-	232.862
The CBRT	-	-	-	-
Domestic Banks	-	-	-	-
Foreign Banks	-	439.074	-	232.862
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	-	-	-
Total	-	439.074	-	232.862

2. Information on interest expense paid to associates and subsidiaries:

	Current Period	Prior Period
	31 March 2025	31 March 2024
Interest Expenses Given to Subsidiaries and Associates	3.272	2.643

3. Information on interest expense to marketable securities issued:

None.

4. Maturity structure of the interest expense on deposits:

Current Period: 31 March 2025	Demand Deposit	Time Deposit					More than 1 Year	Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year				
Turkish Lira									
Interbank deposits	-	942.492	-	-	-	-	-	-	942.492
Saving deposits	-	914.403	1.785.647	1.061.727	3.007	8.773	-	-	3.773.557
Public sector deposits	-	-	-	-	-	-	-	-	-
Commercial deposits	-	1.251.009	79.988	4.068	2	-	-	-	1.335.067
Other deposits	-	5	-	-	-	-	-	-	5
Deposits with 7 days maturity	-	-	-	-	-	-	-	-	-
Total	-	3.107.909	1.865.635	1.065.795	3.009	8.773	-	-	6.051.121
Foreign Currency									
Foreign currency deposits	-	85.960	14.518	14.070	16	11	-	-	114.575
Interbank deposits	-	-	-	-	-	-	-	-	-
Deposits with 7 days maturity	-	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	63	1	3	-	-	-	67
Total	-	85.960	14.581	14.071	19	11	-	-	114.642
Grand Total	-	3.193.869	1.880.216	1.079.866	3.028	8.784	-	-	6.165.763

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IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (Continued)

b) Information on interest expense (Continued)

4. Maturity structure of the interest expense on deposits (Continued)

Prior Period: 31 March 2024	Demand Deposit	Time Deposit					Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year	More than 1 Year		
Turkish Lira								
Interbank deposits	-	115.677	-	-	-	-	-	115.677
Saving deposits	-	39.645	892.247	1.618.012	649.107	19.446	-	3.218.457
Public sector deposits	-	-	-	-	-	-	-	-
Commercial deposits	-	735.497	27.180	240.392	65.418	-	-	1.068.487
Other deposits	-	1.506	-	-	-	-	-	1.506
Deposits with 7 days maturity	-	-	-	-	-	-	-	-
Total	-	892.325	919.427	1.858.404	714.525	19.446	-	4.404.127
Foreign Currency								
Foreign currency deposits	-	73.375	5.783	82	28	38	-	79.306
Interbank deposits	-	211	-	-	-	-	-	211
Deposits with 7 days maturity	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	38	1	2	-	-	41
Total	-	73.586	5.821	83	30	38	-	79.558
Grand Total	-	965.911	925.248	1.858.487	714.555	19.484	-	4.483.685

5. Information on interest given on repurchase agreements:

In the account period ending on 31 March 2025, the interest paid on repo transactions is TL 76.448 (31 March 2024: TL 71.407).

6. Information on finance lease expenses:

Financial leasing expense of the Bank for the period ending on 31 March 2025 is TL 8.759 (31 March 2024: TL 6.085).

7. Information on interest given on factoring payables:

The Bank has no factoring expenses for the accounting periods ending on 31 March 2025 and 31 March 2024.

c. Explanations on dividend income:

Dividend income amounting to TL 3.750 (31 March 2024: 50.000) for the accounting period ending on 31 March 2025 is the amount corresponding to the Bank's share from the profit distribution of its subsidiaries.

d. Information on trading gain/loss (Net):

	Current Period 31 March 2025	Prior Period 31 March 2024
Profit	282.272.307	220.084.275
Capital Market Transactions Income	453.729	239.283
Gain on Derivative Financial Transactions	9.254.480	3.790.866
Foreign Exchange Gains	272.564.098	216.054.126
Loss (-)	281.938.669	219.814.116
Capital Market Transactions Loss	559.649	156.914
Loss on Derivative Financial Transactions	6.278.506	2.953.666
Foreign Exchange Loss	275.100.514	216.703.536
Total (Net)	333.638	270.159

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IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (Continued)

e. Information on other operating income:

	Current Period 31 March 2025	Prior Period 31 March 2024
Reversal of Previous Years Expenses (*)	36.892	28.885
Gain on Sale of Assets	1.623	42.008
Provision for Telecommunication Expense	14.828	12.263
Other Income	106.227	48.462
Total	159.570	131.618

(*) Consists of collections or cancellations made from provisions previously charged to expense accounts in prior years.

f. Impairment provisions related to loans and other receivables of the Bank:

	Current Period 31 March 2025	Prior Period 31 March 2024
Expected Credit Loss	269.193	158.142
12 Months Expected Credit Loss (Stage 1)	(346.621)	78.484
Significant Increase in Credit Risk (Stage 2)	607.338	53.850
Non-performing Loans (Stage 3)	8.476	25.808
Marketable Securities Impairment Expense	20.207	10.003
Financial Assets at Fair Value Through Profit or Loss	20.207	10.003
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Investments in Associates, Subsidiaries and Securities Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Jointly Controlled Entities	-	-
Other	-	-
Total	289.400	168.145

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IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (Continued)

g. Information related to other operating expenses:

	Current Period 31 March 2025	Prior Period 31 March 2024
Reserve for Employee Termination Benefits	-	-
Bank Social Aid Provision Fund Deficit Provision	-	-
Impairment Expenses of Property and Equipment	-	-
Depreciation Expenses of Property and Equipment	63.795	34.621
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	78.244	52.524
Impairment Expenses of Equity participants for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Sale	-	-
Depreciation Expenses on Assets Held for Sale	-	-
Impairment Expenses on Non-Current Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	292.307	216.035
Leasing Expenses on TFRS 16 Exceptions	11.505	9.929
Maintenance Licensing Expenses	122.285	85.773
Maintenance Expenses	22.507	20.559
Communication Expenses	10.282	8.080
Advertisement Expenses	7.660	18.463
Other Expenses	118.068	73.231
Loss on Sales of Assets	-	6
Tax, Duties, Charges and Funds Expenses	307.077	92.899
Saving Deposit Insurance Fund Expenses	53.979	38.189
Other ^(*)	243.097	119.756
Total	1.038.499	554.030

^(*) Of the amount of TL 243.097 (31 March 2024: TL 119.756) shown in the Other line, TL 5.072 is audit and consultancy fees (31 March 2024: TL 4.022), TL 143 is from the arbitral tribunal expenses (31 March 2024: TL 36) and the remaining TL 237.882 consists of other expenses (31 March 2024: TL 115.518).

h. Fees for Services Received from Independent Auditor / Independent Audit Firm:

Not disclosed in the interim period.

i. Information on profit/(loss) from continued and discontinued operations before tax:

Not disclosed in the interim period.

j. Information on tax provision for continuing and discontinued operations:

As of 31 March 2025, the current tax provision expense of the Bank is TL 431.376 (31 March 2024: TL 497.917) and deferred tax expense is TL 428.427 (31 March 2024: TL 117.683 income).

k. Explanation on net profit/loss for the period for continued and discontinued operations:

There are no matters to be disclosed regarding operating profit/loss after tax.

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IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (Continued)

1. Explanation on net profit and loss for the period:

1. Any further explanation on operating results needed for a proper understanding of the Bank's performance:

In the period ended on 31 March 2025, net interest income takes an important place among income items with TL 4,471.283 (31 March 2024: TL 2,224.842), net fee and commission incomes with TL 525.657 (31 March 2024: TL 119.664). Fees and commission income from cash loans are shown in net interest income. Considering the distribution within the interest income, the most important sources of the Bank's interest income are the interests received from loans, securities and the interbank money market. The largest part of the interest expenses consists of the interests paid to the deposits and the interests given to the loans used. The most important part of commission income is the commissions received from credit card transactions and other banking activities.

2. The effect on the current period profit/loss of the changes in estimations related to financial statements made by the Bank, explanation if any effect of these changes in the subsequent periods:

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

m. Explanation on other items stated in the income statement:

Explanations on "Other fees and commissions received" in the income statement:

	Current Period 31 March 2025	Prior Period 31 March 2024
Credit Card Transactions	126.982	169.615
Insurance Commissions	39.147	33.104
Commissions Received from Banking Transactions	15.048	12.612
TEFAS Fund Platform	120.562	48.433
Other Fee and Commissions	90.479	69.919
Total	392.218	333.683

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V. EXPLANATIONS AND NOTES RELATED TO CHANGES IN SHAREHOLDERS' EQUITY

a. Information on the current year adjustments made in accordance with the requirements of the accounting standard on financial instruments:

1. Decreases/increases after the revaluation of financial assets at fair value through other comprehensive income:

Not disclosed in the interim period.

2. Information on increases in cash flow hedges:

Not disclosed in the interim period.

b. Information on adjustments made for the application of standard on accounting for financial instruments in the current year:

1. Information on financial investments at fair value through other comprehensive income:

Not disclosed in the interim period.

2. Information on cash flow hedges:

Not disclosed in the interim period.

c. Information on dividend distribution:

None.

d. Information on issuance of common stock:

Not disclosed in the interim period.

e. Effects of the adjustments to prior periods on the opening balance sheets:

Not disclosed in the interim period.

f. Offsetting prior period's losses:

Not disclosed in the interim period.

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VI. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF CASH FLOW

a. Explanations about other cash flow items and the effect of changes in foreign exchange rates on cash and cash equivalents:

Not disclosed in the interim period.

b. Information on cash flow arising from acquisition of associates, subsidiaries and other investments:

Not disclosed in the interim period.

c. Information on disposals of associates, subsidiaries or other investments:

Not disclosed in the interim period.

d. Information on cash and cash equivalents:

Not disclosed in the interim period.

e. Additional information:

None.

VII. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP

1. Volume of transactions with the Bank's risk group, loans and deposits outstanding at the period end and income and expenses in the current period:

Current Period – 31 March 2025:

Risk Group of the Bank	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Individuals and Legal Entities in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans						
Opening Balance	-	617	-	866.547	20	-
Closing Balance	-	661	-	1.502.701	8	-
Interest and Commission Income	147	3	-	18.966	2	-

Prior Period - 31 December 2024:

Risk Group of the Bank	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Individuals and Legal Entities in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans						
Opening Balance	-	577	-	999.063	685	-
Closing Balance	-	617	-	866.547	20	-
Interest and Commission Income ^(*)	-	3	93.636	26.162	1.995	-

^(*) Prior period balances represent 31 March 2024 amounts.

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VII. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP (Continued)

2. Deposits held by the Bank's risk group:

Risk Group of the Bank	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)	Direct or Indirect Shareholders of the Bank	Other Individuals and Legal Entities in the Risk Group
Deposit	Current Period 31 March 2025	Current Period 31 March 2025	Current Period 31 March 2025
Opening Balance	37.247	270.510	60.776
Closing Balance	27.159	379.126	143.452
Interest Expense on Deposits	3.272	926.245	8.873

Risk Group of the Bank	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)	Direct or Indirect Shareholders of the Bank	Other Individuals and Legal Entities in the Risk Group
Deposit	Prior Period 31 March 2024	Prior Period 31 March 2024	Prior Period 31 March 2024
Opening Balance	46.873	283.924	46.447
Closing Balance	37.247	270.510	60.776
Interest Expense on Deposits ^(*)	2.643	90.764	3.340

^(*) Prior period balances represent 31 March 2024 amounts.

3. Information on forward transactions, option agreements and similar transactions between the Bank's risk groups:

Risk Group of the Bank	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)	Direct or Indirect Shareholders of the Bank	Other Individuals and Legal Entities in the Risk Group
	Current Period 31 March 2025	Current Period 31 March 2025	Current Period 31 March 2025

**The Fair Value Differences
Through Profit and Loss**

Opening Balance	-	108.016.178	-
Closing Balance	-	171.552.866	-
Total Profit/Loss	-	(505.843)	-

**Transactions for Hedging
Purposes**

Opening Balance	-	-	-
Closing Balance	-	-	-
Total Profit/Loss	-	-	-

Risk Group of the Bank	Subsidiaries, Associates and Jointly Controlled Entities (Joint Ventures)	Direct or Indirect Shareholders of the Bank	Other Individuals and Legal Entities in the Risk Group
	Prior Period 31 December 2024	Prior Period 31 December 2024	Prior Period 31 December 2024

**The Fair Value Differences
Through Profit and Loss**

Opening Balance	-	106.119.719	-
Closing Balance	-	108.016.178	-
Total Profit/Loss	-	546.012	-

**Transactions for Hedging
Purposes**

Opening Balance	-	-	-
Closing Balance	-	-	-
Total Profit/Loss	-	-	-

^(*) Prior period balances represent 31 March 2024 amounts.

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VII. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP (Continued)

4. Explanations on total remuneration and other benefits, which are paid by the Bank to top executives of the Bank:

As of 31 March 2025, payment amounting to TL 102.182 is made to the Board of Directors and top executives of the Bank (31 March 2024: TL 99.465).

**VIII. EXPLANATIONS AND NOTES RELATED TO DOMESTIC, FOREIGN, OFF-SHORE
BRANCHES OR AFFILIATES AND FOREIGN REPRESENTATIVES OF THE BANK**

Information on the Bank's domestic and foreign branches and foreign representatives of the Bank:

Not disclosed in the interim period.

IX. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

None.

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SECTION SIX

EXPLANATIONS ON INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT

I. EXPLANATIONS ON INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT

The unconsolidated financial statements for the period ended 31 March 2025 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The independent auditor's limited review report dated 9 May 2025 is presented preceding the financial statements.

II. EXPLANATIONS AND FOOTNOTES PREPARED BY THE INDEPENDENT AUDITOR

None.

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SECTION SEVEN

INTERIM ACTIVITY REPORT

**I. INTERIM ACTIVITY REPORT WHICH WILL INCLUDE EVALUATIONS FROM
CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER
RELATED TO ACTIVITIES IN THE INTERIM PERIOD**

GENERAL INFORMATION

1. General Information About the HSBC Bank A.Ş.

HSBC Bank was established as Midland Bank Anonim Şirketi in Istanbul in 1990 and changed its title to HSBC Bank Anonim Şirketi in 1999.

HSBC Bank, which has been operating in the corporate banking field and capital markets since establishment, started providing personal banking services after 1997.

HSBC Bank expanded its products and services range with a branch network after HSBC Bank Plc. acquired Demirbank T.A.Ş. and its selected affiliates in September 2001 and merged with HSBC Bank A.Ş. in December 2001.

HSBC Bank provides services within fields such as Corporate Banking and Investment Banking, Retail Banking and Savings Management and Private Banking with its branches, telephone banking, ATM banking and digital banking channels.

Based on the approval of the Banking Regulation and Supervision Agency dated 21 June 2017, 10,01% share of HSBC Bank Plc.'s 100% ownership of the Bank's capital was transferred to HSBC Bank Middle East Limited and remaining 89,99% share of HSBC Bank Plc. was transferred to HSBC Middle East Holdings B.V. through share transfer agreement dated 29 June 2017.

2. Capital and Shareholder Structure

The Bank has made no changes in their capital and shareholding structure as well as its shareholders who directly or indirectly; individually or as a group has an influence over the Bank's audit and management, as of the accounting period ended on 31 March 2025. HSBC Middle East Holdings B.V. has a shareholding rate of 89,99% and HSBC Bank Middle East Limited has 10,01% shareholding rate of the Bank's shares. HSBC Bank A.Ş.'s Chairman of the Board of Directors, its members and general manager and his/her assistants' shares of ownership are insignificant. As of 31 March 2025, HSBC Bank A.Ş.'s paid-in capital is TL 652.290 Thousand and its capital structure is as follows.

Shareholder's Name and Surname / Title	Number of shares	Share Amounts (TL)
Publicly offered	-	-
Non-publicly offered	65.229.000.000	652.290.000
HSBC Middle East Holdings B.V.	58.699.577.100	586.995.771
HSBC Bank Middle East Limited	6.529.422.600	65.294.226
HSBC Group Nominees UK Limited	100	1
HSBC Latin America Holdings (UK) Limited	100	1
HSBC Overseas Holdings (UK) Limited	100	1
Total	65.229.000.000	652.290.000

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**I. INTERIM ACTIVITY REPORT WHICH WILL INCLUDE EVALUATIONS FROM
CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER
RELATED TO ACTIVITIES IN THE INTERIM PERIOD (Continued)**

3. Information on Branch and Personnel

As of 31 March 2025, the Bank has 44 domestic branches (31 December 2024: 44 domestic branches).
As of 31 March 2025, the number of the Bank's personnel is 1.415 (31 December 2024: 1.409).

4. Amendments made to the articles of association During the Period

HSBC Bank A.Ş.'s Articles of Association had no changes in 1 January-31 March 2025 period.

5. Chairman and Members of the Board of Directors

As of 31 March 2025, the members of the Board of Directors are as follows.

Name and Surname	Responsibility
Paul Joseph Lawrence	Chairman of the Board
Didem Çerçi	Deputy Chairman of the Board of Directors
Burçin Ozan	Board Member -Deputy General Manager
Cansen Başaran Symes	Board Member
Ayşe Ebru Dorman	Board Member
Robert Cyril Oates	Board Member
Ana Patricia Fernandes Vidal Gomes	Board Member

6. Audit Committee

HSBC Bank A.Ş. Audit Committee was selected from members of the Board of Directors and consists of one chairman and two member who do not have operational duties.

Name and Surname	Responsibility
Didem Çerçi	Head of the Audit Committee
Robert Cyril Oates	Member of the Audit Committee
Ana Patricia Fernandes Vidal Gomes	Member of the Audit Committee

Audit Committee, on behalf of HSBC Bank A.Ş. Board of Directors, is in charge and responsible for supervising efficiency and competency of the Bank's internal systems, operation of such systems and accounting and reporting systems within the framework of Banking Law and relevant regulations and also supervising the consistency of the information provided, making the necessary pre-assessments related to the selection of evaluations and support service institutions by the Board of Directors and regularly following the activities of such institutions, which were selected and made in agreement with the Board of Directors and maintaining and coordinating the consolidation of internal audit activities of partnerships subject to consolidation as per the regulations with regard to the Banking Laws.

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7. Executive Management

HSBC Bank A.Ş. Executive Management as of 31 March 2025 is as follows.

Name and Surname	Title	Area of Responsibility
Burçin Ozan	Deputy General Manager	HSBC Bank A.Ş.
Peter Kallo	Executive Vice President	Credit and Risk
Cem Muratoğlu	Executive Vice President	Retail Banking
Seyyare Özbaşlı Tınaz	Executive Vice President	Technology and Services
Caner Işlak	Executive Vice President	Corporate and Global Banking
Funda Temoçin	Executive Vice President	Human Resources
İbrahim Namık Aksel	Executive Vice President	Treasury and Capital Markets
Tolga Tüzüner	Head Legal Advisor	Legal

8. HSBC Bank A.Ş.'s Financial Power Rating

According to the evaluations of Moody's Credit Rating Agency, the ratings of HSBC Bank A.Ş. as of 31 March 2025 are as follows.

Definitions	Note ^(*)
Baseline Credit Assessment	B2
Outlook	Positive
Long-term foreign currency deposit rating	Ba3
Long-term TL deposit rating	Ba2
Short-term foreign currency deposit rating	NP
Short-term TL deposit rating	NP
Long-term national scale TL deposit	Aaa.tr

^(*) This statement refers to the assessment made by Moody's Credit Rating Agency in July 2024.

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9. Summary of unconsolidated financial information for the Period

HSBC Bank A.Ş introduces customers to international market opportunities, continues to create value for them and support them in expanding our customers' business using our global network, knowledge and expertise. The synergy Bank have created with our customers and grow together with our customers and to Türkiye's economy has continued to add value to the banking sector.

According to the unconsolidated financial statements, the total assets of HSBC Bank A.Ş. increased by 17% compared to the end of 2024 and reached TL 222.1 billion in the period ending on 31 March 2025. At the end of the period, loans, which constitute approximately 30.2% of assets, are around TL 67 billion. Deposits, the largest funding source of the balance sheet, amounted to TL 152.7 billion and constituted 68,8% of liabilities. Unconsolidated balance sheet item groups are shown below with their end-of-period balances on the relevant dates.

ASSETS (Thousand TL)	31.03.2025	31.12.2024
Financial Assets (Net)	144.143.451	128.168.755
Other Financial Assets Measured at Amortized Cost	73.304.739	58.165.129
Non-Current Assets or Disposal Groups "Held for Sale" and Held from Discontinued Operations (Net)	-	-
Equity Investments	34.753	34.753
Property and Equipment (Net)	858.095	873.870
Intangible Assets (Net)	648.874	647.952
Investment Property (Net)	-	-
Current Tax Asset	-	-
Deferred Tax Asset	302.855	731.444
Other Assets	2.783.434	1.972.568
Total Assets	222.076.201	190.594.471
LIABILITIES (Thousand TL)	31.03.2025	31.12.2024
Deposits	152.731.360	129.866.101
Funds Borrowed	26.110.916	16.993.535
Money Markets	11.533.262	11.555.609
Securities Issued (Net)	-	-
Funds	-	-
Financial Liabilities at Fair Value Through Profit or Loss	-	-
Derivative Financial Liabilities	2.303.827	3.099.005
Factoring Liabilities	-	-
Lease Liabilities	174.213	208.704
Provisions	690.261	1.168.894
Current Tax Liability	2.124.149	1.459.218
Deferred Tax Liability	-	-
Liabilities Related to Non-Current Assets "Held for Sale" and "Held from Discontinued Operations" (Net)	-	-
Subordinated Debt	5.351.077	4.894.547
Other Liabilities	3.543.035	4.374.616
Shareholders' Equity	17.514.101	16.974.242
Total Liabilities	222.076.201	190.594.471

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The unconsolidated profit and loss statement information of HSBC Bank as of 31 March 2025 and 31 March 2024 is shown below.

Income and Expense (Thousand TL)	31.03.2025	31.03.2024
Total Interest Income	4.471.283	2.224.842
Non-Interest Income	1.022.615	571.441
Total Operating Income/Expense	5.493.898	2.796.283
Other Operating Expenses (-)	2.186.286	1.289.065
Provision for Loan Losses (-)	306.845	174.629
Total Profit/Loss	3.000.767	1.332.589
Tax Provision (-)	(859.803)	(380.234)
NET PROFIT/LOSS FOR THE PERIOD	2.140.964	952.355

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Message from Paul Joseph Lawrence, Chairman of the Board

The year 2025 started with a first quarter marked by increased volatility and uncertainty in global markets due to the tariffs announced by the US. These market volatilities both prevent companies from making sound assessments of their future plans and negatively affect growth potential. In addition, increased uncertainties in the markets also push the monetary policies of countries into uncertainties and carry the risk of inflation increases.

The rapid steps taken by the Central Bank in response to the fluctuations in Turkish markets limited the effects of these fluctuations on the exchange rate and inflation. It will be important for the CBRT to maintain its determined stance on monetary policy in order to ensure the continuation of disinflation. Although the US will be able to reach an agreement on trade negotiations with other countries at some point, it seems inevitable that the developments will cause a slowdown in global trade volume and economic activity. We believe that the downward pressure on energy and other commodity prices caused by this situation will positively affect Türkiye's fight against inflation and current account deficit for the rest of the year.

The net profit of the Turkish banking sector increased by 41% in the first quarter of 2025 thanks to the decrease in TL funding costs, and the return on equity was 29%. Increasing deposit interest rates due to the tightening monetary stance again, monthly growth restrictions applied to credit products, relative deterioration in asset quality and increasing expenses due to high inflation can be counted as factors that may limit banking profitability in the rest of the year.

As HSBC, we once again successfully managed this volatile environment thanks to our strong operational structure and agile management approach. In the first quarter of 2025, our Bank continued to support our economy with all its resources, while maintaining our growth in line with our targets. While maintaining our solid balance sheet structure, we led the market with our diversified financing models to be used in investments in our country and financing solutions in line with our sustainability strategy. We focused on sustainable growth or adding value to our customers in the areas we strategically prioritised. In the same period, our bank's asset size reached TL 222 billion, while our profit after tax was TL 2.1 billion. After the distribution of 2024 profit, our capital ratios were well above the sector average despite the dividend payment we made to our group.

I would like to thank our Board of Directors, Senior Management, employees and customers for their trust and loyalty to HSBC.

Kind Regards,

Paul Joseph LAWRENCE

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Message from Burçin Ozan, Deputy General Manager

In the first quarter of 2025, heightened geopolitical uncertainties, increased practices restricting international trade and policy uncertainty led to increased volatility in financial markets. The tariffs announced by US President Trump in April adversely affected the course of global trade and the stability of supply chains, leading to a significant increase in risk perception.

Türkiye's economy, on the other hand, maintained its controlled growth in this period and the policy rate was reduced to 42.5% with three consecutive interest rate cuts as inflation started to improve. However, in order to alleviate the effects of the recent fluctuations in both global and local markets on the inflation outlook, the Central Bank of the Republic of Türkiye took measures to support its tight monetary stance and once again proved its determination in its macro-economic policies.

Thanks to its robust balance sheet structure and dynamic asset-liability management, the Turkish banking sector continued to prove its resilience despite volatile global and local conditions. In the first three months of the year, total loans increased by 36% compared to the same period of the previous year and the banking sector continued to contribute to the growth of the Turkish economy.

As HSBC Türkiye, in the first quarter of 2025, with our banking approach based on customer-oriented sustainable growth, we continued to provide financing within the scope of our international connections and sustainability agenda in the field of Corporate Banking, while we maintained our strategy focused on savings management in the field of Personal Banking. Again, thanks to our active global markets management, we successfully managed the effects of volatile market conditions on our financial statements. In this period, our bank's asset size reached TL 222 billion and our customer deposits, our main source of funding, reached TL 152.7 billion. Thanks to our stable deposit base, we continued to manage our liquidity and funding position well above legal limits and our risk appetite.

In the remainder of the year, we will continue to contribute to our country's economy, our customers and our shareholders. I would like to thank my colleagues, who have contributed a great deal of effort and contribution to this process, and all our stakeholders, especially our customers, who trust us.

Kind Regards,

Burçin OZAN

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10. Additional Information for the Period 01.01.2025 – 31.03.2025

None.

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