

# **STRONG AND INNOVATIVE GROWTH**



**Garanti BBVA Factoring Annual Report 2025**

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## Garanti Faktoring A.Ş. Contact Information



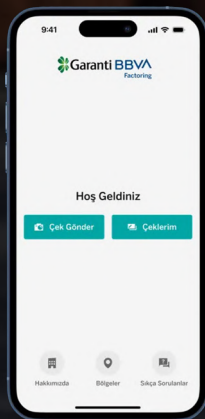
As Garanti BBVA Factoring, throughout 2025, we approached growth in terms of profitability, efficiency, and market share gains, as well as volume. We delivered a strong financial performance, outperforming sector averages in both return on equity and return on assets. According to year-end BRSA data, we increased our market share in factoring receivables to 7.8%, reinforcing a leadership position supported by financial discipline and effective risk management approach.

We further strengthened this solid financial foundation through transformation initiatives that position digitalization as an integral part of our way of doing business. By making all factoring processes accessible via digital channels, we provided our customers with a faster, more practical, and more transparent experience, while enhancing our operational efficiency. As of 2025, we have established a structure that successfully combines profitable growth, digital capability, and contribution to the real economy.

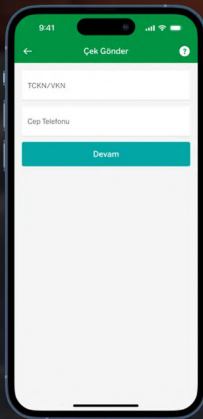
# Growth Through Digital Transformation

At the core of this transformation are digital solutions integrated into our customers' daily habits. By making all factoring processes accessible via Garanti BBVA Mobile, we enabled transactions to be completed end-to-end through digital channels. This model, driven by users' own preferences, not only accelerated transaction processes but also increased usage frequency—turning digitalization into a tangible and measurable value.

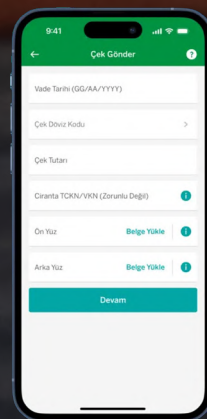
You can easily submit your applications and upload your check images.



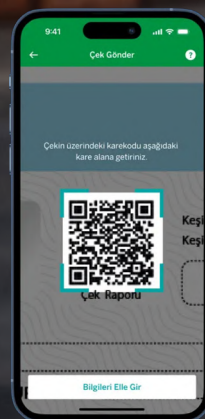
You can initiate your application using your TCKN/VKN and phone number.



You can complete your application by uploading images of the front and back of your check.



By scanning the barcode on your check, you can quickly add check details to your application.



# Growth by Supporting the Real Economy

At the core of this strong performance were SMEs, the backbone of the economy. By increasing the share of SMEs within our total portfolio, we structured our growth in a broad-based and sustainable manner. Through solutions that enable the rapid conversion of receivables into cash, we eased the cash flow of businesses, particularly during periods when bank lending channels were constrained.



SUPPORT PROVIDED  
TO SMEs

**64.5**  
TL billion



# Reliable and Solid Growth

Our strong performance was driven by a disciplined approach that balances profitability and growth. By outperforming sector averages in return on equity and return on assets, we supported our growth with efficiency. While significantly increasing our market share, we prioritized maintaining a robust financial structure.



TOTAL  
ASSETS

**33.5**  
TL billion



# A SUCCESS BUILT ON TRUST

As Garanti BBVA Factoring, we achieved a notable milestone by being named Türkiye's Most Admired Company in the "Factoring" category in the "Most Admired Companies of the Business World" survey conducted by Capital Magazine. Our business model—combining profitable growth, operational efficiency, and a customer-centric approach—is recognized not only through financial results but also through the strong positive perception we have built among our stakeholders.



FACTORING  
REVENUES

**10.4**  
TL billion



# Annual Report Compliance Opinion

(Convenience translation of a report originally issued in Turkish)

## INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the General Assembly of Garanti Faktoring Anonim Şirketi

### 1) Opinion

We have audited the annual report of Garanti Faktoring Anonim Şirketi ("the Company") for the period of January 1, 2025 – December 31, 2025.

In our opinion, the financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Company are presented fairly and consistent, in all material respects, with the audited full set financial statements and the information we obtained during the audit.

### 2) Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Company in accordance with the Code of Ethics for Independent Auditors (including Independence Standards) (Code of Ethics) issued by the POA, as applicable to audits of financial statements of public interest entities, together with the ethical requirements included in other regulations that are relevant to the audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3) Our Auditor's Opinion on the Full Set Financial Statements

We have expressed an unqualified opinion in our auditor's report dated January 30, 2026 on the full set financial statements of the Company for the period of 1/1/2025-31/12/2025.

### 4) The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting in Capital Markets ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Company is responsible for the following items:

- Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- Preparation and fair presentation of the annual report; reflecting the operations of the Company for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the financial statements. The development of the Company and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.
- The annual report also includes the matters below:
  - Subsequent events occurred after the end of the fiscal year which have significance,
  - The research and development activities of the Company,
  - Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

### 5) Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Company's audited financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with InAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the financial statements.

The name of the engagement partner who supervised and concluded this audit is Hayrettin Ergül.

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

Hayrettin Ergül, SMMM  
Partner

February 27, 2026  
İstanbul, Türkiye

# Statement of Responsibility Related to the Acceptance of the Annual Report

Istanbul, 27/02/2026

**BORSA İSTANBUL A.Ş. DIRECTORATE**  
İstinye / İSTANBUL

**RESOLUTION OF THE BOARD OF DIRECTORS' ON THE ACCEPTANCE OF THE ANNUAL REPORT**  
**RESOLUTION DATE: 27.02.2026**  
**RESOLUTION NO: 008**

**STATEMENT OF RESPONSIBILITY AS PER THE 9<sup>TH</sup>**  
**ARTICLE OF THE SECOND SECTION OF THE CAPITAL MARKETS**  
**BOARD COMMUNIQUÉ NO.14.1 SERIES: II**

a) We have reviewed Garanti Faktoring Anonim Şirketi (the Company)'s the annual report prepared as of 31.12.2025.

b) Within the framework of the information we obtained as part of our tasks and responsibilities at the Company, the annual report does not include any misleading disclosure on material matters or deficiencies that might cause misconceptions about the disclosure as of the date it was made.

c) Within the framework of the information we obtained as part of our tasks and responsibilities at the Company, we hereby declare that the annual report prepared and issued as per the Communiqué on Financial Reporting Principles in Capital Markets (II-14.1) accurately reflect the facts, the progress, and the performance of the business and the financial status of the Company, together with the important risks and uncertainties.

Kind regards,

### Annexes:

1- Independently Audited Annual Report as of January 1-December 31, 2025

**Şule FİRUZMENT BEKÇE**  
Executive Vice President

**Selahattin GÜLDÜ**  
General Manager

**Halil Hüsnü EREL**  
Audit Committee Member

**Ebru OGAN KNOTTNERUS**  
Audit Committee Member

## About Garanti BBVA Factoring

Garanti BBVA Factoring creates added value for its customers and the industry through its customer-focused service approach and highly specialized workforce.



# 11

Branches

On June 4, 1990, Garanti BBVA Factoring was founded under the name of Aktif Finans Faktoring Hizmetleri A.Ş. to provide factoring services to industrial and commercial companies. After joining the "Garanti" Group companies in 2002, the commercial title of Aktif Finans Faktoring Hizmetleri A.Ş. was changed to Garanti Faktoring Hizmetleri A.Ş., with the approval of the General Assembly for 2001, held on 27 March 2002. At the General Assembly for 2013, held on 17 April 2014, its commercial title was changed to Garanti Faktoring A.Ş. ("the Company").

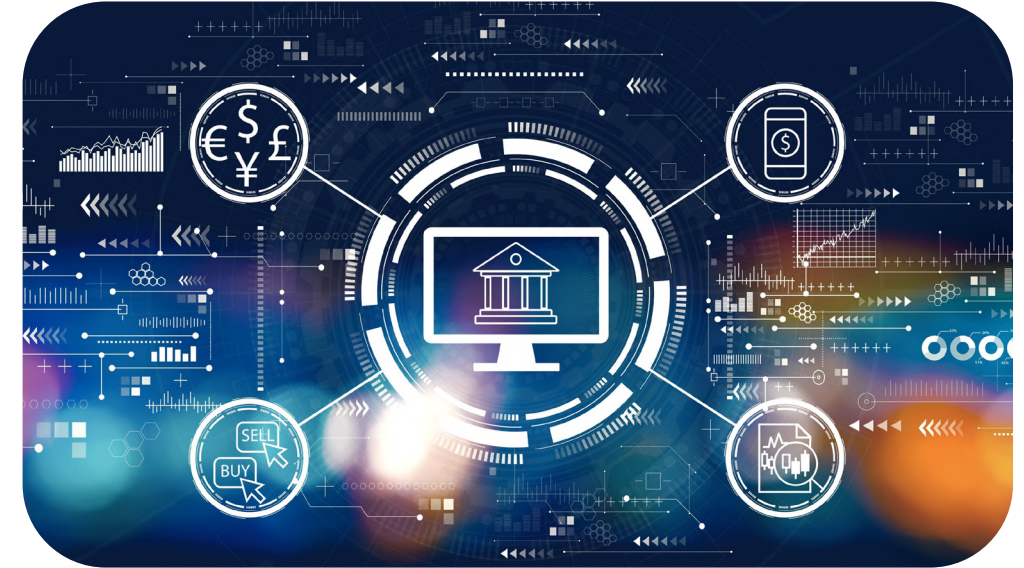
The Company conducts its activities following "the Financial Leasing, Factoring and Financing Companies Law" No. 6361, "the Regulation on the Establishment and Activity Principles of Financial Leasing, Factoring and Financing Companies" issued by BRSA with the publication in the Official Gazette No. 28627 and the Capital Markets Law No. 6362.

Garanti BBVA Factoring delivers services in eight Turkish provinces with 11 branches and 122 employees. The Company develops innovative

products and services in response to customer needs with its continuous investment in advanced technology infrastructure, client-oriented service approach and specialized workforce. Via a broad network established with BBVA synergy, Garanti BBVA Factoring provides financing, guarantee and collection products needed in domestic and international trade transactions with a focus on trade finance and receivables-backed financing and blazes a trail by generating ideal solutions in customer relationship management.

Pursuing the principle of offering the best service to customers, Garanti BBVA Factoring stands behind its customers both in domestic and international trade transactions and provides fast and reliable solutions to SMEs, importer, and exporter companies and the institutions with an extensive supplier and dealer network, by means of financing, guarantee and collection products.

Garanti BBVA Factoring creates added value for its customers and the industry through its customer-focused service approach and highly specialized



workforce; leads the industry in product consultancy and product development; delivers tailored solutions through its dynamic team; and differentiates itself through the speed of its operational processes.

Garanti BBVA Factoring aims to expand its customer base and strengthen its relations with existing customers, maximizing the high growth potential of Türkiye while maintaining the risk-cost balance in its areas of focus. Focusing on disciplined and sustainable growth, the Company manages financial and non-financial risks in an integrated manner in accordance with Group standards and performs effective risk management.

Garanti BBVA Factoring, consistently automating its operational processes to provide customers with ease of operation and leading solution suggestions, is expanding its end-to-end digital solutions and continues to provide a unique financial experience to

customers via its technology investments. Thanks to artificial intelligence, machine learning and big data usage which made ground in its activities, Garanti BBVA Factoring speeds up the solution processes.

Garanti BBVA Factoring issued shares to the public in 1993 with the authorization of the Capital Markets Board ("CMB"); since that time, it has been listed on Borsa Istanbul (BIST). At present, 81.84% and 9.78% of the Company's shares are owned by T. Garanti Bank and Türk İhracat Kredi Bankası A.Ş. (Turkish Export Credit Bank Inc.), respectively. Some 8.38% of Garanti Factoring's free-floating shares are traded on Borsa Istanbul Main Market.

Garanti BBVA Factoring's ratings were affirmed by Fitch Ratings on February 2, 2026 with the following ratings: TL long term BB-/Positive Outlook and foreign currency long term BB-/Positive Outlook. The main shareholder support rating was realized as BB-.

Garanti BBVA Factoring received a Corporate Governance Principles Compliance Rating of 9.58 in 2025 by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.

Garanti Faktoring A.Ş. is registered with the Istanbul Chamber of Commerce under the registration No. 265852, and operates at:

Çamçeşme Mahallesi Tersane Caddesi No: 15  
Pendik İstanbul  
Phone: +90 (216) 625 40 00  
Fax: +90 (216) 625 40 01

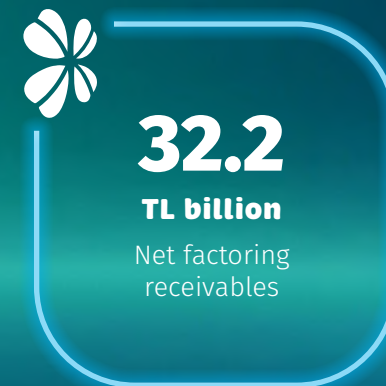
Company's website in Turkish and English:  
[www.garantibbvafactoring.com](http://www.garantibbvafactoring.com)



Garanti BBVA Factoring manages all risks in line with Group standards.

# Garanti BBVA Factoring at a Glance

Garanti BBVA Factoring maintained its sustainable growth with total assets of TL 33.5 billion and a net profit of TL 2,130 million.



## Developments in 2025

Garanti BBVA Factoring implements the necessary measures within the framework of applicable Occupational Health and Safety (OHS) regulations and provides training to its employees.



Garanti BBVA Factoring recorded growth in both its customer base and transaction volume.

### Employee satisfaction as a strategic priority

Garanti BBVA Factoring's Talent and Culture function aims to build a highly productive and engaged workforce and to sustain an inclusive and high-performing work culture and environment.

The Company strives to maintain a safe and healthy working environment for its employees, both physically and mentally, by implementing necessary measures and delivering Occupational Health and Safety (OHS) training in line with applicable legal regulations. In addition to other training programs and initiatives, Garanti BBVA Group operates the IYI (Work-Life Relationship) Program, which aims to support work-life balance and enhance employee satisfaction by providing a more enriching work experience.

### Employee wellbeing-oriented campus

Garanti BBVA Factoring operates from the Pendik campus, which comprises a total indoor area of 140,000 m<sup>2</sup>. The campus includes an auditorium, conference and training halls, a retail area, cafeterias, a

sports center, a dining hall, an infirmary, and a hair salon, providing employees with access to a wide range of on-site services. Shuttle services are also provided from multiple locations to ensure convenient commuting for employees.

Employee health is prioritized at the new campus, which features fresh-air ventilation and air-conditioning systems operating at twice international standards, 10 air change cycles per hour, and advanced hygienic electrostatic filtration systems.

### Increase in customer base and SME share in the balance sheet

In 2025, Garanti BBVA Factoring continued to increase the share of SMEs in its balance sheet, while also recording growth in its customer base and transaction volume. The Company's SME segment mainly comprises wholesale and retail trade, transportation, warehousing, and communications within the services sector, as well as textiles and textile products, basic metals, and petroleum products within the manufacturing sector.

## Strong Shareholding Structure

Garanti BBVA provides TL 3.5 trillion in cash and non-cash loans to support the economy as of year-end 2025, leveraging its extensive range of products and solutions.



### TÜRKİYE GARANTİ BANKASI A.Ş.

Established in Ankara in 1946, Garanti BBVA is Türkiye's second-largest private bank with consolidated total assets of TL 4 trillion 548 billion as of December 31, 2025. Garanti BBVA's majority shareholder is Banco Bilbao Vizcaya Argentaria S.A. (BBVA), which holds 85.97% of its shares.

Garanti BBVA is a fully integrated financial services group operating across all business lines of the banking sector, including corporate, commercial, SME, retail, private, and investment banking, as well as payment systems. It also operates through its international subsidiaries in the Netherlands and Romania, and its financial subsidiaries in private pensions and life insurance, financial leasing, factoring, investment, and asset management.

As of December 31, 2025, Garanti BBVA serves the financial needs of over 30 million customers through an extensive distribution network of 787 domestic branches, seven international branches (six in Cyprus and one in Malta), and one representative office, with a total of 23,311 employees, including subsidiaries.

Garanti BBVA offers a seamless experience and integrated channel convenience across all channels through its 6,558 ATMs equipped with state-of-the-art technology infrastructure, its award-winning Call Center, and its internet, mobile, and social banking platforms.

As a result of its personalized solutions and extensive product range, Garanti BBVA supports the economy with a cash and non-cash loan portfolio valued at TL 3 trillion 490 billion as of December 31, 2025. As it grows, it continues to progress with strong momentum, generating capital through a disciplined and sustainable growth strategy,

without compromising its strong asset quality. The Bank occupies a leading position in many core banking services:

### Highest Profitability and Capital

- Best ROAE among Tier-1 Private Banks despite the lowest leverage level
- Highest capital ratios
- Largest bank on the BIST 100 Index, with a market capitalization of approximately USD 15 billion
- Largest Private Bank lender in TL loans, retail loans, and credit cards
- Largest Private Bank in TL loans with a 22.1% market share
- A bank with a strong TL customer deposit base among private banks, holding a 21.1% market share
- Leader in retail loans with over 26.5 million retail customers
- Second-largest bank among private banks in TL-denominated commercial loans (including SME loans), with an 18.8% market share
- Private Bank with the largest credit card platform

# Strong Shareholding Structure

Garanti BBVA aims to create maximum value for the economy and all stakeholders through its capital, human capital, and technology investments.

## Superior Digital Experience and Unique Customer Experience

- One out of every two banking customers in Türkiye is a Garanti BBVA customer. In 2025, the Bank added over 2.4 million new customers, bringing the total customer base to over 30 million.
- With 17.9 million active mobile users, one in every five mobile banking transactions in Türkiye is performed via Garanti BBVA Mobile.
- The digital assistant UGI has reached 8.2 million customers through mobile channels.
- The Main Financial Solutions Partner for Customers;
- NPS: #1 in Mobile Banking and Commercial Banking\*
- NPS: #2 in Retail Banking and SME Banking\*\*

## Leading the Transformation with Sustainable Finance

- The first company in Türkiye to announce a decarbonization target.
- The Bank has a TL 3.5 trillion sustainable finance target for the 2025–2029 period, while its contribution to sustainability reached TL 997 billion as of year-end 2025.

Garanti BBVA is committed to supporting its customers' ambitions for progress.

"Progress": Refers to continuously supporting and carefully listening to customers, understanding their needs, and enabling progress by adapting to those needs. Placing "Empathy" at its core, and aiming to be a trusted companion that truly understands its customers.

"Drive": Accompanies the drive that encourages individuals and institutions to go one step further every day.

"By Your Side": Reflects the core of the Bank's business. Striving to be present at important moments in life, providing uninterrupted support, listening, understanding, and adapting to customers' needs.

Garanti BBVA aims to create the highest value for all its stakeholders, especially the national economy, by using its capital most effectively and continuing to invest in its customers, employees, and technology. In line with this goal, it continuously innovates its service model to deliver the "Best Customer Experience."

The architects of Garanti BBVA's success are its data, technology, and employees. The Bank continuously invests in a robust and reliable technology infrastructure, effectively leveraging advanced data analytics and artificial intelligence. In addition, the Bank believes that the strength of its human capital lies at the core of all progress. Accordingly, attracting and developing the best talent and providing opportunities for them to showcase their abilities are among the bank's primary objectives.

## BANCO BILBAO VIZCAYA ARGENTARIA S.A.

Banco Bilbao Vizcaya Argentaria S.A. ("BBVA"), a shareholder of Garanti BBVA since 2011, made a voluntary tender offer at the end of 2021 for the shares it did not already own. The voluntary tender offer was concluded on May 18, 2022, and BBVA's shareholding in Garanti BBVA reached 85.97%. BBVA is a global group with over 165 years of operations, offering a wide range of financial and non-financial products and services; it serves 81.2 million retail and commercial customers across more than 25 countries with over 127,000 employees and 5,642 branches. With a vision to place customers at the core of its activities in the new competitive landscape, BBVA aims to "bring the age of opportunity to everyone."

BBVA holds a strong position in the South American market and is the largest financial institution in Mexico. Headquartered in Spain, the Group maintains a solid leadership position in retail and commercial banking in this market. Adopting an innovative, customer- and society-focused management approach, BBVA operates in areas such as insurance in Europe, and asset management, private banking, and investment banking in global markets, in addition to its core banking activities.

As of December 31, 2025, BBVA's total assets amounted to EUR 860 billion, its shareholder's equity was EUR 62 billion, and its net profit for 2025 was EUR 10.6 billion. BBVA's shares are traded on the stock exchanges of Spain, New York, London, and Mexico. As of December 31, 2025, all its shares have equal voting rights, and it has approximately 657,000 shareholders worldwide.

## TÜRKİYE İHRACAT KREDİ BANKASI A.Ş.

As Türkiye's official export credit agency since 1987, Türk Eximbank provides loan and credit insurance support to companies that export goods and services, undertake projects abroad, and produce and sell capital goods, thereby helping them increase their share in international trade. While meeting the working capital and investment financing needs of exporters, Eximbank also enables them to continue their operations by protecting them from collection and market risks through credit insurance and derivative products.

The Bank supports exporters, export-oriented manufacturers, and contractors and entrepreneurs operating abroad through short-, medium-, and long-term cash and non-cash loans, as well as insurance and guarantee programs. Unlike export credit agencies in many developed countries, Türk Eximbank combines loan, guarantee, and insurance operations under one roof, enabling the provision of integrated services to exporters.

As of year-end 2025, Türk Eximbank provided a total of USD 54.2 billion in support to exports, consisting of USD 26.8 billion in cash loan support and USD 27.5 billion in insurance/guarantee facilities.

As of year-end 2025, the Bank's total assets stood at TL 1,291.5 billion. The Bank's paid-in capital of TL 55.27 billion was increased by TL 33.1 billion to TL 88.37 billion, with the increase fully covered by internal resources.

In addition to its Head Office in Istanbul, Türk Eximbank provides services through:

- 3 regional directorates (Central Anatolia, Marmara, and Aegean)
- 24 branches (Istanbul European Side, Istanbul Odakule, Istanbul İkitelli OIZ, Istanbul Central Branch, Istanbul Maltepe, Istanbul Tuzla, Gaziantep, İzmir, Denizli, Bursa, Kayseri, Konya, Ankara, Antalya, Adana, Gebze, Çorlu, Manisa, Mersin, Eskişehir, Trabzon, Kahramanmaraş, İskenderun, and Diyarbakır)
- 8 liaison offices (Samsun, Aydın, Erzurum, Malatya, Kocaeli, Şanlıurfa, Isparta, and Balıkesir)



# 860

EUR billion  
BBVA's  
total assets



# 10.6

EUR billion  
BBVA's net profit  
for the period

\* The Net Promoter Score study was conducted for Garanti BBVA by the independent research firm Ipsos. Competitors are İş Bankası, Akbank, and Yapı Kredi Bankası. Conducted between January and December 2025 with 18,401 individuals, the research included respondents who identified the Bank as their main bank and had used at least one of its branch or digital channels within the past three months. The study employed online panel and telephone techniques, applying a quota sampling method based on the Garanti BBVA customer profile. The research was conducted by telephone using Garanti BBVA's customer list. The Garanti BBVA Mobile NPS research was conducted with actual customers by the independent research firm Ipsos. Competitors are the mobile applications of İş Bankası, Akbank, and Yapı Kredi Bankası. The research was conducted during the January–December 2025 period with 9,732 customers and focused on the two applications they use most frequently. It was carried out via an online panel using a quota sampling method based on the Garanti BBVA customer profile.

\*\* The Commercial Net Promoter Score study was conducted for Garanti BBVA by the independent research firm Ipsos. Competitors are İş Bankası, Akbank, and Yapı Kredi Bankası. Conducted between January and December 2025 with 2,344 individuals, the research included respondents who identified the Bank as their main or secondary bank and had used at least one of its branch or digital channels within the past three months. The study was carried out via telephone interviews, drawing on the Garanti BBVA customer list.

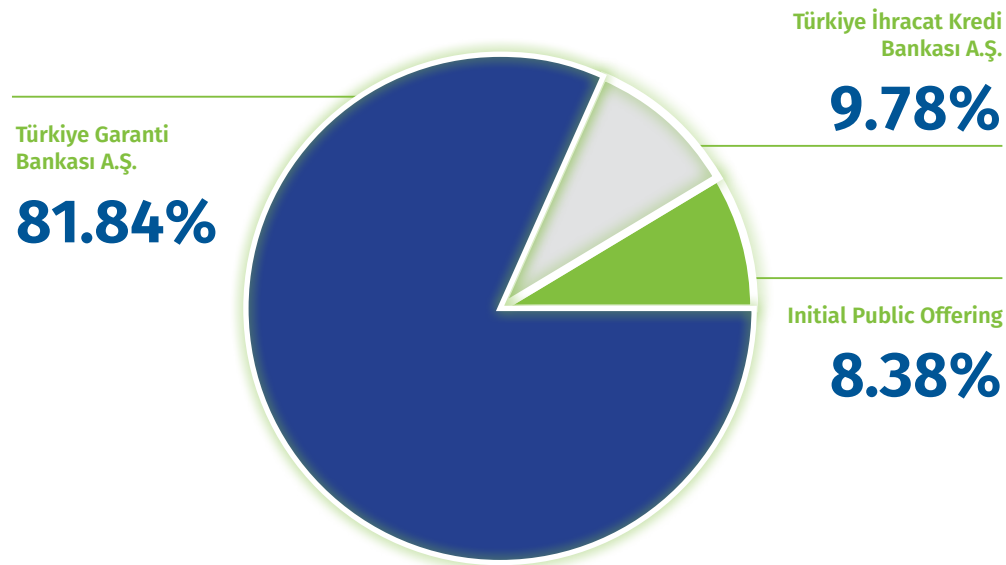
Note: Market shares and rankings are based on unconsolidated weekly data for private banks from the BRSA. Note: Branch, ATM, and customer data do not include entities subject to consolidation.

## Company Capital and Shareholding Structure

Garanti BBVA Factoring's 8.38% free float share is traded on the Primary Market under the ticker GARFA.

Türkiye Garanti Bankası A.Ş. owns 81.84% of the registered shares. Türkiye İhracat Kredi Bankası A.Ş. has a share of 9.78%.

Garanti BBVA Factoring's 8.38% free float share is traded on the Primary Market under the ticker GARFA.



## Competitive Advantages of Garanti BBVA Factoring

Pioneer in Advanced Technology

Well-Qualified and Experienced Workforce

Customer-Oriented Innovative Products and Services

Corporate Governance Culture

Superior Data Warehouse and Management Reporting

Fast Operational Processes

Integrated Financial Services Offering

Solutions for the Best Customer Relations Management

# Our Mission, Our Values, Our Strategic Priorities

## Our Mission

“To Facilitate the Opportunities of the Age for Everyone”

## Our Values

### Our Customers Are Our Priorities

- We understand our customers
- We are honest and accountable
- We offer solutions

### We Think Big

- We inspire
- We innovate
- We exceed expectations

### We Are One

- We are dedicated
- We work as a team
- Garanti BBVA Factoring is ours

## Our Strategic Priorities

Garanti BBVA Factoring defines its strategic priorities as the following:

- Reaching More Customers,
- Best and Most Loyal Team,
- Operational Superiority,
- Data and Technology.

The Company aims to create value for all its stakeholders by working in line with these strategic priorities.

## Reaching More Customers

- To expand our customer base by making greater use of our country's high potential and to deepen our relations with customers
- To be where our customers are, to effectively use new channels such as digital customer acquisition and partnerships
- To grow in consideration of the risk-cost balance in our focus areas

## Best and Most Loyal Team

- To invest in our employees by focusing on their development, satisfaction and well-being in a manner that respects the work-life balance
- To create a results-oriented workforce that upholds our values and demonstrates common sense, team spirit and a strong sense of social responsibility, as well as the ability to “think big”
- A fair and transparent management policy based on performance, equal opportunity, diversity and internal promotion

## Operational Superiority

- To continue to automate our processes and to offer ease of operation and leading solutions
- To increase end-to-end digital solutions and to provide customers with a unique experience through our investments in digital platforms
- To use our capital effectively and to maximize the value we create while focusing on disciplined and sustainable growth
- To continuously improve our business model and processes from an operational efficiency perspective, while considering cost and income synergies
- Manage financial and non-financial risks effectively

## Data and Technology

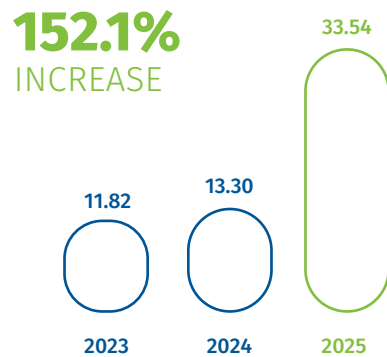
- To make our technological infrastructure and platforms stronger and more agile
- To accelerate our solution processes with the fewest errors by integrating artificial intelligence, machine learning and big data, which hold an important place in the Company's daily operations
- To focus on data analytics to offer our customers the right products

# Financial Indicators and Ratios

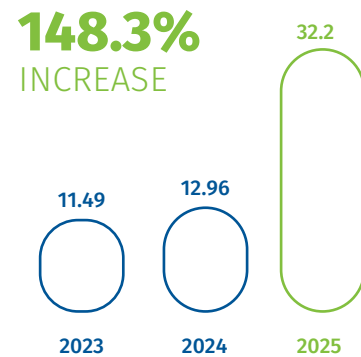
Garanti BBVA Factoring's total assets increased by 152.1%, reaching TL 33.5 billion.

## Selected Main Balance Sheet Figures and Ratios of Garanti BBVA Factoring

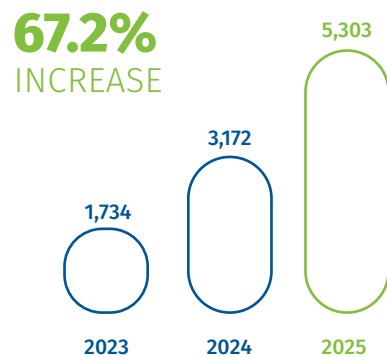
### Total Assets (TL billion)



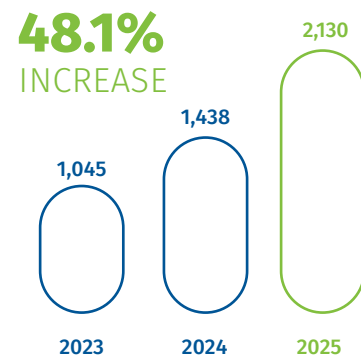
### Shareholders' Equity (TL billion)



### Shareholders' Equity (TL billion)



### Net Profit/Loss for the Period (TL billion)



(Key Ratios)	2021	2022	2023	2024	2025
Return on Assets (%)	3.62	5.97	9.06	12.09	8.82
Return on Equity (%)	47.48	69.88	88.13	59.13	50.84
NPL (%)	1.63	0.72	0.60	0.93	1.31

Garanti BBVA Factoring Major Income Statement Items					
(TL thousands)	2021	2022	2023	2024	2025
Factoring Income	638,775	1,347,840	4,019,836	5,629,853	10,474,300
Interest Income on Factoring Receivables	621,491	1,300,626	3,220,044	5,510,505	10,318,564
Fees and Commissions Collected from Factoring Receivables	17,284	47,214	799,792	119,348	155,736
Financing Expenses	(419,177)	(768,789)	(2,280,325)	(3,260,210)	(6,763,138)
Interest Expense on Loans Obtained	(320,305)	(566,176)	(2,052,090)	(2,572,666)	(6,438,599)
Interest Expense on Securities Issued	(95,800)	(183,162)	(123,937)	(645,223)	(254,932)
Fees and Commissions Paid	(1,314)	(18,077)	(102,404)	(40,785)	(58,249)
Other	(1,758)	(1,374)	(1,894)	(1,536)	(11,358)
Operating Expenses	(69,613)	(97,085)	(200,068)	(405,260)	(642,593)
Expenses on Personnel and Severance Pay Provisions	(41,324)	(67,286)	(143,820)	(283,171)	(429,748)
General Operating Expenses	(27,798)	(29,799)	(56,248)	(122,089)	(212,845)
Other	(491)	-	-	-	-
Other Operating Income/Expense (Net)	64,292	45,923	66,036	193,836	304,659
Interest Income from Banks	1,850	9,638	114,924	92,423	177,832
Interest Income from Securities	6,006	-	-	-	-
Capital Markets Operations Profit (Net)	180	-	-	-	-
Profit/Loss from Derivative Transactions (Net)	4,005	-	(167,919)	(35,195)	-
Net Foreign Exchange Gain/Loss	28,503	19,953	49,552	4,342	22,195
Other	23,748	16,332	69,479	132,266	104,632
Provision Expenses	(47,251)	(63,390)	(122,340)	(111,401)	(353,136)
Gross Profit/Loss	167,026	464,499	1,483,139	2,046,818	3,020,092
Tax Expense for the Period	(35,090)	(113,757)	(438,055)	(608,730)	(890,017)
<b>Net Profit for the Period</b>	<b>131,936</b>	<b>350,742</b>	<b>1,045,084</b>	<b>1,438,088</b>	<b>2,130,075</b>

# Financial Situation and Performance Assessment in 2025

With 11 branches across Türkiye, Garanti BBVA Factoring provided guarantee, collection, and financing services to 12,310 customers in 2025.



Garanti BBVA Factoring conducts its domestic and international factoring transactions through an extensive network, focusing on customer needs.

Serving a broad customer base—primarily SMEs, prominent import and export companies, and organizations with extensive supplier and dealer networks—Garanti BBVA Factoring delivers its factoring products and services throughout the country via its wide branch network.

With 11 branches across Türkiye, Garanti BBVA Factoring provided guarantees, collections, and financing services to 12,310 customers in 2025.

Through its correspondent factoring network established via strong relationship management, Garanti BBVA Factoring provides high-quality collection, guarantee, and financing services for its customers' international operations across a wide geographical area with an innovative and customer-centric approach. The Company continues to differentiate itself and offer customized solutions with its expert team and strength in international factoring. A solid balance sheet, experienced team, robust risk management

policies, innovative perspective, investments in digitalization, agile processes resulting from these investments, long-term trust-based relationships with customers and correspondents, and financial advisory services are the cornerstones of Garanti BBVA Factoring's success.

## Market Share of 13.7% in Correspondent-Guaranteed Export Factoring Transactions

Leveraging its advantage as a factoring company with a wide branch network, Garanti BBVA Factoring serves numerous customers in export factoring. According to data from FCI, the leading authority in export factoring with approximately 400 member companies operating in over 90 countries, Garanti BBVA Factoring held a 13.65% market share among approximately 18 companies in Türkiye for correspondent-guaranteed export factoring transactions in 2025.

In 2026, Garanti BBVA Factoring aims to increase its customer base in correspondent-guaranteed export factoring transactions and to maintain and enhance the quality of service provided to its existing customers.

## Digitalization

Throughout 2025, Garanti BBVA Factoring integrated its factoring transactions into digital channels, focusing on digitalization and improving the customer experience. In this context, customers were enabled to carry out their factoring transactions digitally, end to end, through the Garanti BBVA Mobile Banking 'Factoring: My Checks' feature.

This digitalization project aimed to accelerate new customer acquisition, particularly in the SME segment, and to increase transaction volume and the number of transactions for the existing customer base through enhanced ease of use.

The project was launched as a pilot in August 2025 with selected firms; following evaluations and improvements, it was made available to all customers as of December 2025. Improvements and updates are planned to continue in 2026, with a radical customer-centric focus.

Maintaining its commitment to these goals, Garanti BBVA Factoring aims to maximize its efficiency by continuing to strengthen its system infrastructure and invest in qualified human capital.

Sustaining its pioneering role among factoring companies in product advisory and development, Garanti BBVA Factoring delivers tailored strategic solutions to its corporate customers through its strong and experienced human capital. The Company strengthens its competitive advantage through innovative applications while continuing to create sustainable added value for its stakeholders.

Aiming to optimize customer communication through digital channels, Garanti BBVA Factoring has positioned its corporate website as an effective application channel. Through Garanti BBVA's online branch, customers can monitor the details of the products they use in real time and digitally submit checks related to factoring transactions. These services, focused on digital transformation, minimize transaction times while also increasing operational efficiency in internal processes.

## Access to Financing on Favorable Terms

Internationally acclaimed for its strong relationship management skills, Garanti BBVA Factoring secured cost-effective funding in 2025 by diversifying its funding sources according to market conditions.

Focusing on domestic and international trade finance opportunities in line with customer needs, the Company deepened its relationships with partner banks to provide financing to its customers under favorable conditions.

During the year, the number of partner banks was increased and relationships were deepened, creating the opportunity to fund the balance sheet at the lowest possible cost.

In 2025, Garanti BBVA Factoring issued six-month discount bond issuance with a total nominal value of TL 1,341.5 million via private placement to qualified investors only, and redeemed them in the same year.

In 2026, the Company plans to continue its current strategy in a volatile interest rate and FX environment and will continue to consider bond issuances in its future transactions.

## Factoring Receivables

In 2025, Garanti BBVA Factoring has a 7.84% market share in the sector with factoring receivables of TL 32.2 billion.

## Total Assets

In 2025, Garanti BBVA Factoring held a 7.32% market share with total assets of TL 33.5 billion.

## Transaction Volume

In 2025, Garanti BBVA Factoring held a 7.06% market share in its sector with a total transaction volume of TL 132.4 billion.

Domestic transaction volume was TL 118.9 billion (USD 2.8 billion), export transaction volume was TL 10 billion (USD 233.2 million), and import transaction volume was TL 3.5 billion (USD 82 million).

## Number of Customers

With 11 branches across Türkiye, Garanti BBVA Factoring provided financing, guarantee, and collection services to a total of 12,310 customers in 2025.

# Financial Situation and Performance Assessment in 2025

## Garanti BBVA Factoring's 2025 Year-End Sectoral Transaction Volume (TL million)

	TL Million	Ratio
<b>AGRICULTURAL INDUSTRY</b>	<b>876</b>	<b>0.66%</b>
Agriculture, Livestock, and Forestry	787	0.59%
Fisheries	89	0.07%
<b>MANUFACTURING INDUSTRY</b>	<b>32,970</b>	<b>24.90%</b>
Textile and Textile Products Industry	8,309	6.28%
Basic Metal and Fabricated Metal Products Industry	3,152	2.38%
Machinery and Equipment Industry	2,944	2.22%
Chemicals, Chemical Products, and Synthetic Fibers Industry	2,709	2.05%
Food, Beverage, and Tobacco Industry	2,452	1.85%
Rubber and Plastic Products Industry	2,159	1.63%
Electrical and Optical Equipment Industry	2,131	1.61%
Transportation Vehicles Industry	1,950	1.47%
Other Non-Metallic Mineral Products Industry	1,639	1.24%
Manufacturing Industry Not Elsewhere Classified	1,404	1.06%
Wood and Wood Products Industry	1,293	0.98%
Paper Raw Material and Paper Products Printing Industry	1,249	0.94%
Extraction of Non-Energy Minerals	869	0.66%
Leather and Leather Products Industry	340	0.26%
Electricity, Gas, and Water Resources	302	0.23%
Extraction of Energy Minerals	36	0.03%
Nuclear Fuel, Petroleum and Coal Products Industry	33	0.02%
<b>SERVICE INDUSTRY</b>	<b>98,564</b>	<b>74.44%</b>
Wholesale and Retail Trade Mot. Veh. Services	64,517	48.73%
Real Estate Agency, Leasing and Business Administration Activities	8,969	6.77%
Construction	7,363	5.56%
Monetary Institutions	7,007	5.29%
Transportation, Warehousing, and Communication	6,665	5.03%
Other Public, Social and Private Services	2,353	1.78%
Hotels and Restaurants (Tourism)	1,446	1.09%
Health and Social Services	138	0.10%
Education	60	0.05%
Defense and Public Administration Compulsory Social Security Institutions	45	0.03%
<b>GRAND TOTAL</b>	<b>132,410</b>	<b>100.00%</b>

## Sectoral Distribution of Factoring Receivables in 2025 (TL million)

	TL Million	Ratio
<b>AGRICULTURAL INDUSTRY</b>	<b>211</b>	<b>0.65%</b>
Agriculture, Livestock, and Forestry	204	0.63%
Fisheries	7	0.02%
<b>MANUFACTURING INDUSTRY</b>	<b>8,266</b>	<b>25.64%</b>
Textile and Textile Products Industry	1,564	4.85%
Food, Beverage, and Tobacco Industry	963	2.99%
Chemicals, Chemical Products, and Synthetic Fibers Industry	890	2.76%
Machinery and Equipment Industry	768	2.38%
Rubber and Plastic Products Industry	639	1.98%
Main Metal Industry and Processed Material Manufacturing	596	1.85%
Other Mines Excluding Metals Industry	535	1.66%
Transportation Vehicles Industry	446	1.38%
Electrical and Optical Equipment Industry	413	1.28%
Wood and Wood Products Industry	382	1.19%
Manufacturing Industry Not Elsewhere Classified	368	1.14%
Paper Raw Material and Paper Products Printing Industry	285	0.88%
Electricity, Gas, and Water Resources	150	0.47%
Extraction of Non-Energy Minerals	146	0.45%
Leather and Leather Products Industry	114	0.35%
Extraction of Energy Minerals	5	0.02%
Nuclear Fuel, Petroleum and Coal Products Industry	2	0.01%
<b>SERVICE INDUSTRY</b>	<b>23,746</b>	<b>73.69%</b>
Wholesale and Retail Trade Mot. Veh. Services	13,390	41.55%
Financial Intermediation	3,177	9.86%
Real Estate Agency, Leasing and Business Administration Activities	2,460	7.63%
Construction	1,821	5.65%
Transportation, Warehousing, and Communication	1,361	4.22%
Other Community, Social, and Personal Services	715	2.22%
Hotels and Restaurants (Tourism)	582	1.81%
Defense and Public Administration Compulsory Social Security Institutions	175	0.54%
Health and Social Services	50	0.16%
Education	15	0.05%
<b>GRAND TOTAL <sup>(*)</sup></b>	<b>32,223</b>	<b>100.00%</b>

<sup>(\*)</sup> The amount of TL 48 million includes non-performing receivables and expected credit loss provisions.

# Information on GARFA Shares

GARFA recorded a total transaction volume of TL 10,045 million between 1 January and 31 December 2025, closing the year at 27.78.

Publicly traded since 1993, Garanti BBVA Factoring's shares are traded on Borsa İstanbul (BIST) under the ticker symbol "GARFA." According to the results of the evaluation conducted to determine the markets in which the shares will be traded, as announced by the Board of Directors of Borsa İstanbul A.Ş.

on December 19, 2025, GARFA shares will continue to be traded on the Main Market as of January 2, 2026.

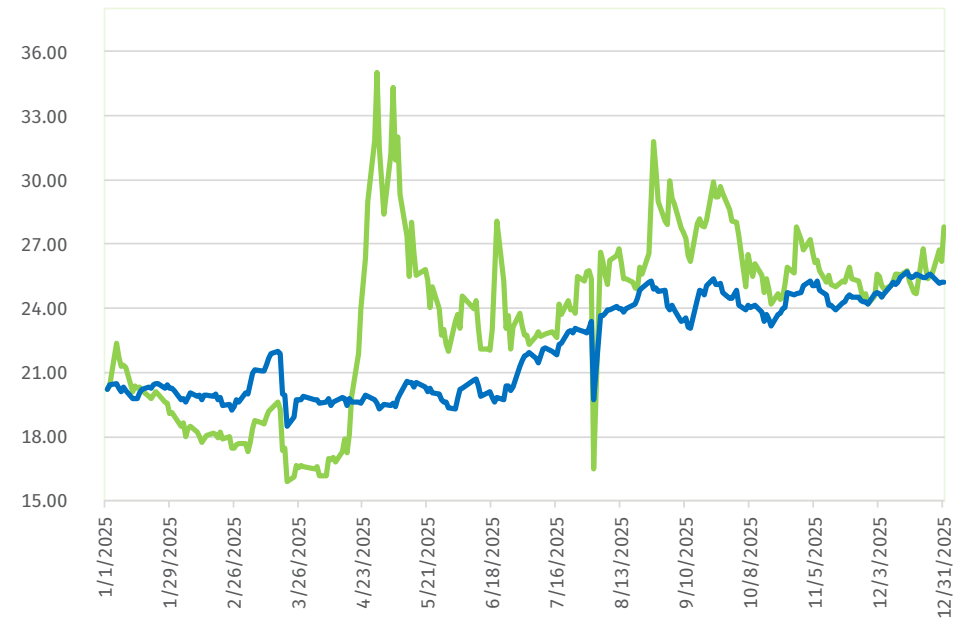
GARFA recorded a total transaction volume of TL 10,045 million between 1 January and 31 December 2025, closing the year at 27.78.



## Share Performance

BIST All closing prices are indexed to the GARFA price.

**— GARFA** **— BIST ALL**



Lowest price for the year 2025 14.83  
 Highest price for the year 2025 37.72  
 Closing price for the year 2025 27.78.

## Credit Rating

On February 2, 2026, Fitch Ratings affirmed Garanti Faktoring A.Ş.'s Long-Term FC and LC ratings at “BB-” and revised the outlook from “Stable” to “Positive”.

Garanti Faktoring A.Ş. is rated by the international credit rating agency Fitch Ratings.

On February 2, 2026, Fitch Ratings affirmed Garanti Faktoring A.Ş.'s Long-Term Foreign and Local Currency ratings at “BB-” and revised the Outlook from “Stable” to “Positive”.

Foreign Currency	
Long-Term	BB-/Positive Outlook
Short-Term	B
TL	
Long-Term	BB-/Positive Outlook
Short-Term	B
Principal Shareholder Support Note	bb-

Information on credit ratings is available on the Garanti BBVA Factoring website ([www.garantibbvafactoring.com](http://www.garantibbvafactoring.com)) under the “Investor Relations” section in the “Credit Ratings” subsection.

## Corporate Governance Principles Compliance Rating

Garanti BBVA Factoring places great importance on internalizing and implementing the Corporate Governance Principles throughout the organization. It is among some companies that undergo Corporate Governance Principles compliance rating evaluations in the factoring industry. The Company's “Corporate Governance Principles Compliance Rating” study for 2025 was completed on August 15, 2025.

Following the rating study conducted by KOBİRATE A.Ş., the Company's CMB Corporate Governance Principles Compliance Rating for the period August 15, 2025 - August 15, 2026 has increased to 9.58.

This result shows that Garanti BBVA Factoring complies with the Corporate Governance Principles published by the Capital Markets Board to a great extent and deserves to be included in the BIST Corporate Governance Index at a high level.

Public disclosures and transparency are superior at Garanti BBVA Factoring. The rights of the shareholders and stakeholders are protected reasonably. The structure and working conditions of the Board of Directors greatly comply with the Corporate Governance Principles. Possible risks for the Company have been identified and can be controlled.

The detailed report prepared by Kobirate is disclosed to the public on the Company's website ([www.garantibbvafactoring.com](http://www.garantibbvafactoring.com)) in the section “Corporate Management Principles Compliance Rating Reports” under “Investor Relations.”



# Board of Directors

## Mahmut Akten Chairman

Mahmut Akten, Chairman, is a graduate of Boğaziçi University, Department of Electrical and Electronics Engineering (BSc), and Carnegie Mellon University, Department of Business Administration (MSc). He serves as General Manager of T. Garanti Bankası A.Ş. and Chairman of Garanti BBVA International, Garanti BBVA Yatırım, Garanti BBVA Emeklilik ve Hayat, Garanti BBVA Faktoring, Garanti BBVA Leasing, Garanti BBVA Filo, Garanti BBVA Ödeme Sistemleri, Garanti BBVA Kripto Varlıklar, Garanti BBVA Finansal Teknolojiler, and Garanti BBVA Ödeme ve Elektronik Para Hizmetleri. He is also a Board Member of Garanti Bank S.A. (Romania) and a Trustee of the Teacher Academy Foundation. Mahmut Akten has 26 years of experience in banking and business administration.

## Gökhan Koca(\*) Vice Chairman

Gökhan Koca began his career in 2000 as an inspector at Garanti BBVA. Following responsibilities at Garanti BBVA Mortgage between 2006 and 2017 in Product and Business Development, Digital Channels, and Real Estate Valuation, Koca served as Executive Vice President in charge of Marketing. He then served as SME and Agricultural Banking Director at Garanti BBVA between January 2017 and March 2019. Appointed to an international position in March 2019, Mr. Koca worked as the Global Head of SME Banking at BBVA's head office in Madrid. Concurrently, from November 2019 to February 2021, he served as a Board Member at Holvi, a Finland-based fintech company. Gökhan Koca, who served as the General Manager of Garanti BBVA Emeklilik ve Hayat A.Ş. from December 25, 2024, to the end of 2025, was appointed as the Executive Vice President responsible for credit risk management and Head of Credit Risk Management as of January 1, 2026.

Gökhan Koca holds a bachelor's degree in Civil Engineering from Middle East Technical University and an Executive MBA from Boğaziçi University. He has 25 years of experience in banking and business administration.

## Selahattin Güldü Board Member/General Manager

Selahattin Güldü graduated from Middle East Technical University, Department of Public Administration, in 1990 and began his banking career the same year as Assistant Inspector at Garanti BBVA Internal Audit Department. After serving as a Branch Manager from 1997 to 1999, Mr. Güldü worked as a Regional Manager in various regions of Istanbul for the bank from 1999 to 2018. From 2018 to 2021, he served as the Executive Vice President responsible for Commercial Banking and Consumer Finance at Garanti BBVA; during this period, he also held responsibilities as a Board Member at Garanti Finansal Kiralama A.Ş., Garanti Filo Yönetim Hizmetleri A.Ş., and Garanti Faktoring A.Ş. Selahattin Güldü, who served as the General Manager of Garanti Finansal Kiralama A.Ş. from 2021 to 2024, continues to serve as a Board Member at the same company. He is also a Member of the Financial Leasing Sector Representative Board within The Association of Financial Institutions. Selahattin Güldü has 35 years of experience in the financial sector.

## Osman Bahri Turgut Board Member/Corporate Governance Committee Member

Osman Bahri Turgut, who graduated from Marmara University's Department of Economics in 1990, began his career at Garanti BBVA the same year as an assistant inspector. Mr. Turgut has held positions as Corporate Marketing Manager, Branch Manager, Deputy Head of the Audit Department, Commercial Loans Unit Manager, Head of the Internal Control Center, and Head of Internal Audit and Control. He currently serves as the Chairman of the Garanti BBVA Internal Audit.

Mr. Turgut holds Capital Markets Activities Level 3, Corporate Governance Rating, and Derivatives licenses, and serves as a Board Member and Audit Committee at Garanti BBVA Emeklilik, Garanti BBVA Portföy, Garanti BBVA Yatırım, Garanti BBVA Dijital Varlıklar, Garanti BBVA Finansal Kiralama, and Garanti BBVA Filo Kiralama. He also serves as an Audit Committee Member at Garanti BBVA Leasing SA, Garanti BBVA Consumer Finance SA, and Garanti BBVA Ödeme Sistemleri; a Trustee and Audit Committee Member at the Teacher Academy Foundation (ÖRAV); a Board Member at the Garanti Bank Pension and Assistance Fund Foundation, WWF Türkiye-World Wide Fund for Nature, and the European Confederation of Institutes of Internal Auditing (ECIIA); and Chairman at the Institute of Internal Auditing Türkiye (IIA Türkiye). Osman Bahri Turgut has 35 years of experience in the financial sector.

## Cemal Onaran Board Member

Cemal Onaran began his career in 1990 as an Assistant Inspector at Garanti BBVA Internal Audit. From 2000 to 2007, he served as a Regional Manager in various regions of Istanbul for Garanti BBVA. He was then appointed as the first General Manager of Garanti BBVA Mortgage, established in October 2007, and later became the General Manager of Garanti BBVA Emeklilik ve Hayat in 2012. On January 17, 2017, he assumed the role of Executive Vice President responsible for Small and Medium-Sized Enterprise (SME) Banking at Garanti BBVA. Appointed Executive Vice President responsible for Commercial Banking in February 2021, Cemal Onaran is also responsible for Commercial Banking Istanbul Marketing, Commercial Banking Anatolia Marketing, Corporate Customer Relations, and Sustainability. Onaran also serves as a Board Member at Garanti BBVA Romania, Garanti BBVA Ödeme Sistemleri, Garanti BBVA Leasing, Garanti BBVA Faktoring, Garanti BBVA Filo, and the Garanti BBVA Pension and Assistance Fund Foundation, and as a Board Member and Trustee of the Teacher Academy Foundation. Cemal Onaran, a 1990 graduate of Middle East Technical University's Department of Public Administration, has 34 years of experience in banking and business administration.

## Halil Hüsnü Erel Independent Board Member

A graduate of Istanbul Technical University's Department of Electronics and Communication Engineering, Halil Hüsnü Erel began his career in 1976 as an engineer at World Wide Wilcox. After serving as a Systems Engineer at IBM Türkiye from 1980 to 1985, he worked as CIO at Interbank from 1985 to 1991 and as General Manager at Intertech from 1991 to 1994. In 1994, he joined Garanti Bilişim Teknolojisi ve Ticaret A.Ş. as General Manager. In 1997, he was appointed Executive Vice President at T. Garanti Bankası A.Ş. Throughout his career in banking and business administration, Mr. Erel served at T. Garanti Bankası A.Ş. from 1997 to 2018, where he was responsible for the Technology Center, Organization and Process Development, Secure Operations, Customer Analytics, Innovation and Product Development, and the Operations Center. Appointed as an Independent Board Member of Garanti BBVA on March 27, 2025, and as a Board Member of Garanti BBVA Factoring on May 22, 2025, Mr. Erel has 49 years of experience in banking and business administration.

(\*)Appointed by the Board of Directors' resolution dated December 30, 2025. The BRSA approval process is ongoing.

## Board of Directors

### Sibel Kaya Board Member

Sibel Kaya began her career in 1997 as a Management Trainee at Garanti BBVA. From 1998 to 2005, she held managerial roles in the Commercial Banking department; from 2005 to 2016, she served as Branch Manager and Commercial Branch Manager at various branches; from 2016 to 2018, she was Aegean Regional Manager; and from 2018 to 2021, she served as Human Resources Director. She was appointed Executive Vice President responsible for SME Banking at Garanti BBVA on February 2, 2021. In this role, she oversees SME Banking Istanbul and Anatolia Marketing, SME "My Banker is With Me," SME Coordination and Agricultural Banking, as well as Regional Marketing Coordination. In addition, she serves as Vice Chair at Garanti BBVA Payment Systems and as a Board Member at Garanti BBVA Pension and Life, Garanti BBVA Leasing, Garanti BBVA Fleet, Garanti BBVA Factoring, the Garanti BBVA Pension and Assistance Fund, Garanti BBVA Crypto, and Garanti Payment and Electronic Money Services Inc. She is also a Board and Trustee Member of the Teacher Academy Foundation. Sibel Kaya holds a degree in City and Regional Planning from Middle East Technical University and an MBA from Istanbul Bilgi University, and has 28 years of experience in banking and business administration.

### Ebru Oğan Knottnerus Independent Board Member

Ebru Oğan Knottnerus completed her undergraduate studies at Middle East Technical University's Faculty of Economics and Administrative Sciences, Department of Business Administration, and her master's degree in Musicology and Ethnomusicology at King's College London. She began her banking career in 1991 and has held managerial and senior executive positions at various private sector banks and institutions, with a primary focus on risk management as well as internal audit, internal control, financial planning, project management, and IT systems applications. After serving as the Head of Risk Management at Garanti BBVA from 2001 to 2018, she continued her career as an Independent Board Member at various banks. From 2008 to 2014, she served as the Chairman of the Risk Managers' Association of Türkiye, of which she was also a founding member. In 2022, Ebru Oğan Knottnerus completed the Sustainability and Climate program at King's College, earning a certificate in Sustainability. Ebru Oğan Knottnerus, who joined the Boards of Directors of Garanti BBVA and Garanti Factoring in 2024 and the Board of Directors of Garanti BBVA Romania in 2025, has 33 years of experience in the banking industry.

### Mustafa Taylan Baykut Independent Board Member

A graduate of Bilkent University's Department of Economics, Taylan Baykut began his career in 1993 as a Tax Assistant at the Istanbul office of Arthur Andersen Worldwide. From 1998 to 1999, Mr. Baykut served as Tax Manager and Office Manager at Arthur Andersen's Bursa office. He then worked at Ernst & Young Istanbul from 1999 to 2002 and as a Senior Tax Manager at Sigma YMM from 2002 to 2005. He served as a Tax Partner at the Istanbul office of White & Case from 2005 to 2009 and as a Tax Partner at Hergüner Bilgen Özeke Attorney Partnership from 2009 to 2011. After working as a Tax Partner at the Istanbul office of Chadbourne & Parke from 2011 to 2013, Mr. Baykut served as Head of AOS-Tax Services and Tax Structuring Partner at Mazars Türkiye from 2013 to 2024. Taylan Baykut, who completed his master's degree in International Tax Law (LL.M.) at King's College London, has been serving as a Tax Partner at Baykut Tax Advisory since 2024. Mustafa Taylan Baykut has 32 years of experience.



# Committees and Attendance at Committee Meetings

## Audit Committee

The committee was established to assist the Board of Directors in fulfilling its oversight duty regarding the functioning and effectiveness of the Company's internal control system. The Committee reviews and assesses the Company's systems, processes, and activities related to the accounting system, financial reporting, public disclosure, internal control system, independent external audit, and compliance with laws, regulations, and ethical principles, and makes recommendations to the Board of Directors when necessary. The Committee convenes as needed, but no less than four times a year.

The Audit Committee consists of Independent Board Members Halil Hüsnu Erel and Ebru Oğan Knottnerus.

The Committee's duties are as follows:

### Internal Control System:

- To assess whether the Company's management communicates the importance of internal control to employees and whether a proper "control culture" has been established within the Company,
- To receive information on the results of periodic and process-oriented reviews conducted by the Internal Control and Compliance Unit regarding implementation errors and deficiencies,

- Similarly, to regularly receive information about the Company's activities from relevant expert units in the areas of compliance and risk management,
- To monitor the remediation of deficiencies identified following audit activities conducted by the Internal Audit function of T. Garanti Bankası A.Ş. and other institutions, to report unresolved findings to the Company's Board of Directors, and to oversee whether the Internal Control and Compliance Unit fulfills its obligations set out in the Company's internal regulations,
- To review the annual control plans and any revisions to these plans prepared by the Internal Control and Compliance Unit prior to their approval by the Board of Directors,
- To approve the appointments of personnel in the Internal Control and Compliance Unit,
- To review the Internal Control Regulation before its approval by the Board of Directors,
- To conduct the performance evaluation of the Internal Control and Compliance Unit, seeking the opinions of the Company's General Manager when necessary,
- To monitor the decisions taken by senior management and their subordinate units regarding issues identified in internal control reports,

- To evaluate the reports submitted to the Committee that include the Internal Control Unit's annual report on control activities (prepared in accordance with Article 13/4 of the Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring, and Financing Companies) and reports containing the results and assessments of the companies' activities,
- To monitor the adequacy of the staffing structure of the Internal Control and Compliance Unit, as well as the current training, competence, and expertise levels of control personnel, and to take necessary measures for their optimal theoretical and practical development.

### Financial Reporting and Independent External Audit:

- To oversee whether the Company's financial statements are accurate, include all necessary information, and are prepared in accordance with the law and other relevant legislation, and to ensure that any identified errors and/or irregularities are corrected,
- To select the independent audit firm, prepare the audit contracts to initiate the independent audit process, and oversee the work of the independent audit firm at every stage.



## Compliance with Laws, Regulations, and Ethical Principles:

- To oversee the operation of internal systems, as well as accounting and reporting systems, in accordance with laws and relevant regulations, and to ensure the integrity of the information produced,
- To review the Company's activities for compliance with laws and regulations through its subordinate units,
- To oversee compliance with the Company's internal policies and procedures approved by the Board of Directors, and to make recommendations to the Board regarding necessary measures to be taken.

The Audit Committee convened four times in 2025. During these meetings, the results of periodic control activities conducted by the Internal Control and Compliance Unit were discussed, and the Compliance Officer provided information

on company-wide compliance activities. In addition, information was provided regarding deficiencies identified following audit activities conducted by the Internal Audit function of T. Garanti Bankası A.Ş. and other institutions.

The Audit Committee members were informed about the Company's interim financial statements for 2025 and the audit activities conducted by the independent auditor (E&Y) at mid-year and year-end.

## Corporate Governance Committee

The Corporate Governance Committee was established within the framework of the Articles of Association, Legislation, and the Corporate Governance Principles of the Capital Markets Board of Türkiye to determine whether the Corporate Governance Principles are being implemented and to identify potential conflicts of interest within the Company.

The Chairman of the Corporate Governance Committee is Halil Hüsnu Erel, and its members are Osman Bahri Turgut, Mustafa Taylan Baykut <sup>(\*)</sup>, and Serap Çakır.

In line with the Board of Directors' structure, the Corporate Governance Committee was also established to fulfill the duties of the Nomination Committee and the Remuneration Committee and has assumed their responsibilities.

The Committee's duties are as follows:

- To monitor the Company's compliance with the Corporate Governance Principles,
- To carry out improvement efforts in this area and submit recommendations to the Board of Directors,
- To identify conflicts of interest arising from non-compliance with the Corporate Governance Principles,
- To oversee the activities of the Shareholder Relations Unit.

<sup>(\*)</sup> Appointed by the board of directors' resolution dated December 30, 2025. The BRS approval process is ongoing.

# Committees and Attendance at Committee Meetings

In its capacity as the Nomination Committee:

- To establish a transparent system for the identification, evaluation, and training of Board of Directors candidates and to set a policy in this regard,
- To evaluate the effectiveness of the Board of Directors' structure,
- To conduct performance evaluations of Board Members and senior executives, and to determine and oversee the approach, principles, and practices for career planning,
- To submit recommendations to the Board of Directors regarding potential changes to its structure and effectiveness.

In its capacity as the Remuneration Committee:

- To prepare recommendations regarding the remuneration principles for Board Members and senior executives,
- To determine the criteria that can be used to assess the performance of the Company and its Members,
- To submit recommendations to the Board of Directors regarding the remuneration to be paid to Board Members and senior executives.

The Corporate Governance Committee convened six times in 2025.

## Early Detection of Risk Committee

In accordance with Turkish Commercial Code No. 6102 and the Corporate Governance Communiqué (II-17.1) issued by the Capital Markets Board of Türkiye, the purpose of the Committee, established within the Board of Directors, is the early identification of risks that could endanger the Company's existence, development, and going concern, the implementation of necessary measures regarding identified risks, and the management of such risks.

The Committee consists of Board Members Halil Hüsnü Erel and Sibel Kaya.

The Committee's duties are as follows:

- To design effective internal control systems based on risk management strategies and in line with the views of the Board of Directors, to determine risk management policies, implementation methods, and systems, and to ensure their implementation and compliance,
- To implement necessary measures for identified risks, to work on managing risk, and to monitor risk management practices,
- To request information, opinions, and reports from relevant units when necessary to effectively perform the risk monitoring function,

- To review and evaluate the risk management system at least once a year,
- To periodically inform the Board of Directors about risk management practices,
- To perform other duties assigned or to be assigned to the Committee in accordance with applicable legal regulations.

Established in 2014, the Committee has submitted a report to the Board of Directors every two months since its inception.

The Early Detection of Risk Committee convened six times in 2025. At these meetings, the Committee shared its reports with the Board Members and the auditor on compliance with regulatory ratios, compliance with Article 376 of the Turkish Commercial Code (TCC), the trend of the Company's foreign exchange position, the trend of non-performing factoring receivables, the cost-return and maturity composition of the balance sheet, the asset-liability structure, and the trend of operating expenses.

The Committee's duties and working principles are available on the Company's website in the "Investor Relations Corporate Governance" section.



## Assets and Liabilities Committee

The Asset and Liability Committee consists of senior management, unit managers, and regional managers.

Responsible for the Company's balance sheet management, the Assets and Liabilities Committee monitors the achievement of budgeted targets by assessing the Company's interest rate, currency, liquidity, and operational risks. The Committee regularly monitors the achievement of budget targets and ensures that decisions to be executed by the relevant units are taken.

In 2025, the Committee convened 52 times on a weekly basis, chaired by the General Manager, to discuss and evaluate the aforementioned topics.

## Credit Committee

The Credit Committee consists of Sibel Kaya (Credit Committee Member)(\*) and Selahattin Güldü (Board Member and General Manager). Emre Özmen (Executive Vice President) (\*) and Gülçin İşcan (Executive Vice President) are not members of the Credit Committee but may attend meetings to provide opinions on credit proposals.

The Garanti BBVA Factoring Board of Directors has delegated a certain amount of its credit allocation authority to the Credit Committee and the Company's General Manager. Credit proposals submitted by the regions to Head Office that exceed Head Office lending authority are presented to the Credit Committee, which meets on a weekly basis.

The Credit Committee reviews the submitted credit proposals and finalizes them within its authority. The Committee submits credit proposals that exceed its authority to the Board of Directors for finalization.

## Credit Processes Committee

The Credit Processes Committee consists of Selahattin Güldü (General Manager), Emre Özmen (Executive Vice President) (\*), Şule Firuzment Bekçe (Executive Vice President), Gülçin İşcan (Executive Vice President), and relevant business line unit managers. Although not members of the Credit Processes Committee, regional sales managers may also attend meetings when deemed necessary.

## Operational Risk and Internal Control Working Group

The Operational Risk and Internal Control Working Group consists of senior management and unit managers.

It is conducted to assess the operational risk management activities within the Company. The working group's agenda includes assessing the status of major non-financial risks faced, as well as the efforts and results of actions taken to monitor and mitigate these risks, in collaboration with the managers responsible for the relevant areas. The meeting agenda also covers potential and actual risk loss events, significant internal control and audit findings, prominent industry issues, and important regulatory changes.

Sessions including the relevant business and support unit management teams in the first line of defense, along with representatives from Risk Management, Credit Monitoring, and the Internal Control and Compliance Units, were held four times in 2025 under the chairmanship of the General Manager to carry out these activities

(\*) Emre Özmen was appointed to replace Osman Bilgin as of November 25, 2025.

## Committees and Attendance at Committee Meetings

### Ethics and Integrity Committee

The Ethics and Integrity Committee consists of senior management, the compliance officer, and personnel from the Internal Control and Compliance Unit.

The purpose of the Ethics and Integrity Committee is to contribute to ensuring the Company's corporate ethics and integrity.

The Committee is responsible for promoting and monitoring efforts to establish a common culture of ethics and integrity within the Company, ensuring the consistent application of the Principles of Ethics and Integrity, developing and disseminating explanatory notes as needed, and applying exemption criteria for compliance with specific provisions of these principles.

The Committee reports matters presumed to constitute a breach of disciplinary rules to the Disciplinary Committee, receives information on ongoing investigation procedures and actions taken, and promptly reports events and situations that could pose a significant risk to Senior Management and those responsible for preparing the financial statements.

The Ethics and Integrity Committee convened twice in 2025.

### Sustainability Committee

In accordance with the Corporate Governance Communiqué, which requires public companies to share the fundamental principles of the Sustainability Principles Compliance Framework with stakeholders while conducting their Environmental, Social, and Corporate Governance activities, the Sustainability Committee was established by a Board of Directors resolution dated June 22, 2023.

As required by the Sustainability Compliance Framework, it is responsible for monitoring the update requirements of policies, regulations, and other documents, ensuring they are current, and overseeing their implementation. It convenes at least once a year to review activities carried out under the policies and to submit any necessary or desired changes to the Garanti Faktoring A.Ş. Board of Directors.

The Committee consists of Şule Firuzment Bekçe (Executive Vice President), Selahattin Güldü (Board Member and General Manager), Gülçin Işcan (Executive Vice President), Emre Özmen (Executive Vice President), and the managers and directors of relevant units.

The Committee convened four times in 2025. In these meetings, relevant policies were prepared in compliance with the sustainability framework, submitted to the Board of Directors for approval, and published under the heading <https://www.garantibbvafactoring.com/en/sustainability>. The Company also carried out internal activities related to Sustainability Reporting.



## Senior Management



**Selahattin Güldü**  
General Manager and Board Member

His biographical information is presented on page 34 of this report.



**Şule Firuzment Bekçe**  
Executive Vice President

She is a graduate of Koç University's Faculty of Economics and Administrative Sciences, Department of Economics. With approximately 17 years of experience at the audit and consulting firm Deloitte, Şule Firuzment Bekçe's most recent position was Audit Partner. She joined Garanti BBVA in 2017 and served as Director, respectively, in the Consolidation unit and in the International Accounting and Finance and Operational Risk and Control Expertise units. She has been serving as Executive Vice President at Garanti BBVA Factoring since June 1, 2021.



**Gülçin Işcan**  
Executive Vice President

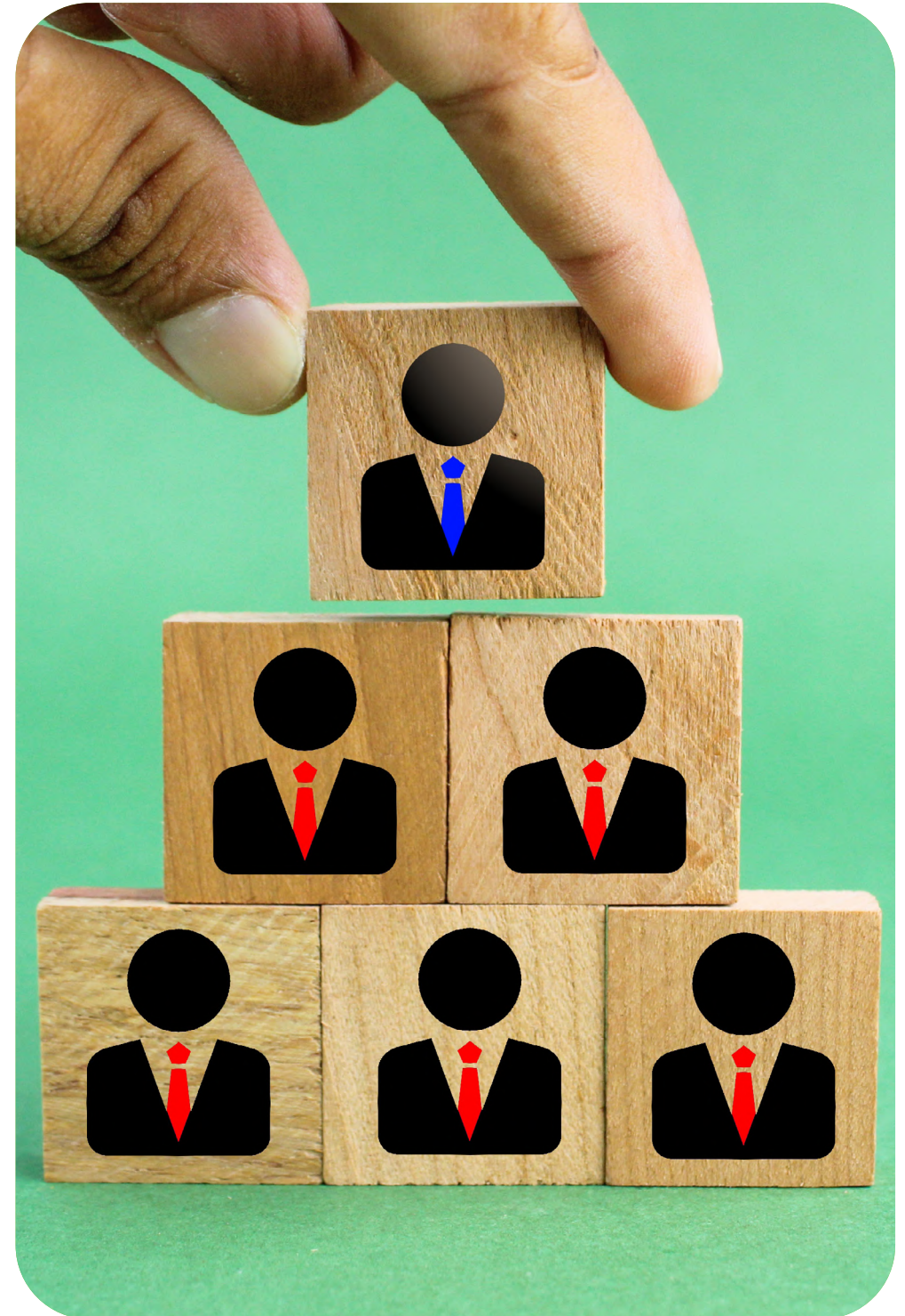
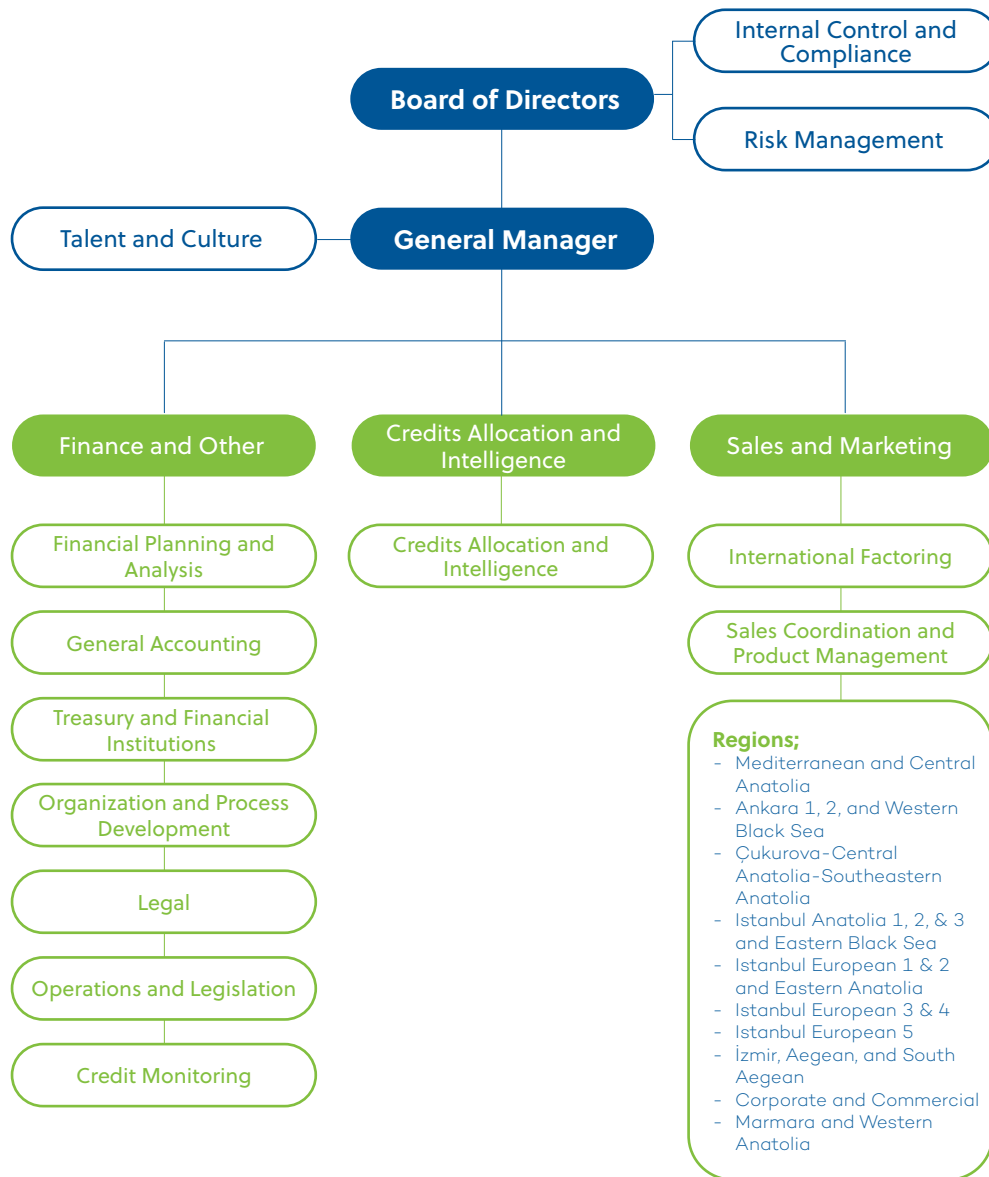
Graduating from Dokuz Eylül University, Faculty of Business Administration, Department of Economy and receiving an Executive MBA from Fordham University, Gülçin Işcan began her career in 2003 as a Management Trainee at Garanti BBVA. She worked as a Manager in the Market Risk Department of the Risk Management Division between 2003 and 2010, and as a Manager in the Strategy, Planning, and Performance Analytics areas within the Commercial Banking Marketing Division between 2010 and 2021. Appointed as Executive Vice President at Garanti BBVA Factoring on May 10, 2021, Gülçin Işcan is responsible for Sales, Marketing, and International Factoring.



**Emre Özmen**  
Executive Vice President

After graduating from Marmara University's Faculty of Economics and Administrative Sciences, Department of Business Administration (German), he began his banking career in 1999 at Garanti BBVA Internal Audit. In 2011, he was appointed as the Internal Audit Unit Manager at Garanti BBVA Factoring. Within the Company, he was responsible for establishing and managing the Internal Audit, Business Development, Credit Monitoring, and Risk Management units. He was appointed as the Credit Monitoring and Risk Management Unit Manager in 2017 and has been serving as the Executive Vice President responsible for Loans and Intelligence since December 1, 2025.

# Organizational Structure and Organizational Structure Changes



## Chairman's Assessment

**We position Garanti BBVA Factoring as a strategic financial infrastructure that supports businesses' cash flow and strengthens the continuity of supply chains.**

### Esteemed Stakeholders,

The year 2025 marked a period in which global economic balances were reshaped and structural transformations in trade policies became more pronounced. Amid the impact of high tariffs and geopolitical tensions, economic authorities adopted a more cautious approach in their decision-making processes. In this new era—characterized by global fragmentation and ongoing efforts to understand its implications—risk management and strategic agility have become more critical than ever.

From the perspective of the Turkish economy, 2025 was a year in which the rebalancing process was sustained with determination. Improvements in macroeconomic indicators became more visible as a tight monetary policy framework was maintained. Alongside progress in the disinflation process, the preservation of a strong growth outlook underscored the country's robust potential. The current account deficit-to-GDP ratio declined to manageable levels, while the Central Bank's gross reserves reached record highs. Looking ahead, we expect the disinflation trend to continue, with gradual interest rate cuts under a prudent monetary policy stance. With greater predictability and the consolidation of gains, Türkiye's demographic structure and geopolitical position are likely to further strengthen long-term investment appetite.

In this period of tightening financial conditions and the reconfiguration of global supply chains, the factoring sector reinforced its strategic importance by amplifying its support to the real economy. Globally, rising trade volumes in emerging markets and the growing need of SMEs for access to finance supported sectoral demand. In Türkiye, the continuation of the macroprudential framework accelerated the shift of real sector companies toward alternative financing solutions. This trend drove strong growth in the factoring sector in terms of turnover, total assets, and customer base.

As Garanti BBVA Factoring, we concluded 2025 with highly successful results. In line with the strategic priorities we defined together with our main shareholder BBVA for the 2025–2029 period, we maintained our growth approach centered on capital discipline. By outperforming the sector average in both transaction volume and factoring receivables growth, we increased our market share and fortified our leading position in the sector. While preserving our exemplary return on equity, we also reinforced the quality of our balance sheet.

To enable our customers easier and faster access to all the financial services they need, we consider deepening the synergy between our Bank and its subsidiaries to be a strategic priority. In this context, the end-to-end integration of our digital factoring processes into the Bank's mobile channels represents not only a product development step, but also a structural transformation of our business model in terms of speed, accessibility, and scalability; subsequently, we enhance our value proposition by offering more holistic and integrated financial solutions to our customers.

In 2026, as Garanti BBVA Factoring, we will continue to advance with a sustainable growth approach, maintaining our focus on risk management and capital efficiency. Our investments in digitalization and operational efficiency will remain key drivers of our long-term competitiveness.

We position Garanti BBVA Factoring not merely as an alternative financing channel, but as a strategic financial infrastructure that supports businesses' cash flow management and ensures the continuity of supply chains. From this perspective, we anticipate that the factoring sector will continue to play a critical role in the real economy in the period ahead. In line with this vision, we aim to increase our market share through a sustainable growth approach grounded in risk and capital discipline, supporting this growth with strong financial indicators and sustainable profitability, and ultimately creating long-term value for all our stakeholders.

At the core of our success lies our highly capable human capital, always striving for excellence, and the trust of our stakeholders. I would like to extend my sincere thanks to all our employees, our customers, who continuously support us, and our shareholders for their contributions to this journey.

Respectfully,

**Mahmut Akten**  
Chairman



**Mahmut Akten**  
Chairman

## General Manager's Assessment

As of year-end, our total assets reached TL 33.5 billion, while our factoring receivables amounted to TL 32.2 billion.

Esteemed Stakeholders,

The year 2025 was marked by continued global uncertainties, where agility in decision-making became a defining factor.

While the growth momentum was maintained, shifts in US-driven trade policies, as well as geopolitical developments, and tight financial conditions, led economic actors to adopt a more selective and disciplined approach. Although a downward trend was observed in headline inflation, rigidity in services prices and wage dynamics prompted central banks to maintain their cautious stance.

Amid this environment, the progress made by the Turkish economy in its rebalancing process marked an important milestone in strengthening macroeconomic stability. Developments along the disinflation path demonstrated the effectiveness of the determined policy approach. The gradual decline in inflation and improvement in expectations enhanced predictability in financial markets, while the continuation of tight monetary conditions reaffirmed the commitment to price stability.

In 2025, as the tight stance in monetary policy continued to shape financial conditions, the factoring sector maintained its role as a critical lifeline for the real sector. While reinforcing our role as a complementary force in domestic trade, we also continued to assume key responsibilities in the financing of exports. Globally, particularly in emerging markets, elevated trade activity and SMEs' growing need for liquidity stood out as the main drivers supporting sector growth. In Türkiye, selective lending policies in the banking sector further directed businesses toward factoring solutions. Strong demand throughout the year supported the sector's overall performance, leading to a 51.4% year-on-year increase in total transaction volume, reaching TL 1.875 trillion as of December 2025.

### Operational Strength and Strong Financial Performance

As Garanti BBVA Factoring, we turned the challenging and dynamic market conditions of 2025 into opportunities through our strong performance. By increasing our transaction volume to TL 132.4 billion, we further reinforced our leading position in the sector with our customer-centric and fast solutions. As of year-end, our total assets reached TL 33.5 billion, while our factoring receivables amounted to TL 32.2 billion, and our total equity stood at TL 5.3 billion. Maintaining our financial discipline, we closed the year with a net profit of TL 2.1 billion, achieving 8.8% return on assets and 50.8% return on equity. The 148% growth in factoring receivables, together with the strong increase in net profit, clearly demonstrates the success of our market share expansion strategy. In line with our long-standing commitment to a broad-based growth strategy focused on SMEs, which we consider the backbone of the economy, we also significantly expanded our customer network compared to the previous year.



Selahattin Güldü  
General Manager

## General Manager's Assessment

For Garanti BBVA Factoring, 2025 was not only a year of financial success, but also one in which our sustainability goals were brought to life.

### Digitalization: A New Era in Factoring

In line with our customer-centric digital transformation vision, we began offering our factoring services end-to-end through Garanti BBVA Mobile and Internet Banking. Our SMEs, sole proprietorships, and corporate clients can now receive instant offers for their checks—whether in hand or submitted to the Bank for collection—without visiting a branch, and complete their transactions within minutes. In an era where mobile banking is the primary channel, our comprehensive digital factoring solution provides a fast and effective alternative to traditional lending; at the same time, it creates an integrated structure that reduces branch dependency, saves time, and increases operational efficiency. Our goal is to further facilitate access to finance by delivering fast, easy, and reliable solutions to our customers' urgent liquidity needs through digital channels.

### Sustainable Future and Social Responsibility

For our Company, 2025 was a year in which not only financial achievements but our sustainability objectives were concretely realized. By publishing our first Sustainability Report fully aligned with the Turkish Sustainability Reporting Standards (TSRS), we brought our climate risks and governance principles onto a transparent platform. With this step, we clearly positioned sustainability at the core of our risk management approach and business model. In line with our mission to create social value, we continued our support for the Teachers Academy Foundation (ÖRAV) and contributed to equal opportunity in education by providing scholarships to 13 successful students through the Community Volunteers Foundation.

### 2026: Selective Growth and Focus on Efficiency

In 2026, we will shape our strategy around a selective growth approach that prioritizes the risk-return balance, in line with the expected gradual normalization in markets.

By maintaining our focus on profitability and asset quality, we aim to deliver a sustainable and balanced financial performance. While deepening our digitalization investments to achieve excellence in customer experience, we will continue to strengthen our SME focus and steadily increase our market share. With our sound financial structure and robust risk management framework, we remain committed to creating sustainable value for all our stakeholders and carrying our achievements into the future.

With confidence and enthusiasm towards the opportunities ahead, we remain determined to take Garanti BBVA Factoring to even greater heights. I would like to sincerely thank all our employees, our customers who trust us, and our shareholders for bringing our shared vision to life with dedication. Inspired by the power of collaboration, I firmly believe that together we will build a more efficient, stronger, and brighter future.

Respectfully,

**Selahattin Güldü**  
General Manager



# Factoring Sector Overview

The factoring industry has solidified its position in the financial world through digital innovations such as artificial intelligence, blockchain, and cloud systems.

Flexible non-bank financing solutions are increasing cash flows and trading volume.

**3,961.3**  
USD billion  
Global market size

## FACTORING IN TÜRKİYE

Factoring is a modern financial instrument through which companies that sell on credit assign their receivables to secure cash flow and guarantee payment of those receivables; it includes financing, guarantee, and collection services.

Factoring activities, first seen within banks in the 1980s, are conducted in accordance with the Law on Financial Leasing, Factoring, and Financing Companies No. 6361, published in the Official Gazette No. 28496 on December 13, 2012, and the Regulation of the Banking Regulation and Supervision Agency (BRSA) dated April 24, 2013. According to data for the December 2025 period published by the BRSA, the industry's total assets increased by 45% compared to the same period last year, reaching TL 458 billion. As of December 2025, the factoring industry served 95,435 customers with 49 companies, 435 branches, and 4,796 employees.

In Türkiye, the credit-based nature of domestic trade and the prevalence of cash against goods/open account terms in exports increase the demand from commercial entities for both cash and payment guarantees. Particularly in 2025, restrictions on commercial loan growth in the banking sector led real-sector firms that were facing difficulties obtaining financing to turn to factoring as an alternative financing source. During this period, a 20% increase in the number of customers once again confirmed that factoring is an indispensable financing solution for financial markets. Since 2006, the industry has continued its development in institutionalization and transparency under the supervision of the BRSA.

## FACTORING WORLDWIDE

Factoring, which entered commercial life in its modern sense in the 1950s, became a fundamental financing method for businesses during their international expansion, especially with the global economic shifts of the 1970s. Today, the industry has evolved under the influence of technological transformation and digitalization, strengthening its strategic position in the modern financial world with innovations such as AI-supported risk analysis, blockchain-based invoice verification, and cloud systems.

Over the last two decades, the factoring industry has become an indispensable liquidity tool for financial markets, demonstrating stable compound annual growth of 7.8%, driven by the expansion of global trade and increased interest in financial technology solutions. The global factoring market, which reached a transaction volume of EUR 3,894,631 million by the end of 2024, continued its upward momentum in 2025. The market size reached USD 3,961.3 billion by the end of 2025, confirming its critical role in financing global trade. While global growth is estimated to have been 3.3% in 2025, the momentum created by artificial intelligence and technology-focused investments continues to support the expansion of the industry's financial volume.

Globally, the market size reached USD 3,961.3 billion in 2025. The global factoring services market is projected to exhibit an average annual growth of 6.6% until 2032, driven by the increased use of digital platforms and the working capital needs of SMEs. On a regional basis, Europe continues to lead the industry with a market share of 67.80%. Within the total volume, Europe is followed by Asia with a 24% share and the Americas with a 6% share. In particular, strong domestic demand in the U.S. economy and the increase in technology-focused investments in Asia are supporting the upward potential of factoring in these regions.

An examination of sectoral growth dynamics shows that the flexible solutions and real-time cash flow management offered by non-bank financial institutions support the expansion of trade volume. The growing demand for factoring, especially in the manufacturing, healthcare, and retail sectors, is increasing market depth. The pace of technological adoption and sustainable finance models stand out as the main drivers of growth for 2025 and beyond.



## Research and Development

In 2025, Garanti BBVA Factoring continued to implement projects aimed at improving internal processes and aligning with industry practices.

Garanti BBVA Factoring aims to enhance its internal organizational structures and business processes to create a foundation for more efficient operations, with the goal of increasing customer satisfaction and productivity.

Continuing its approach to combine its vision of being a sector pioneer with efficiency, Garanti BBVA Factoring implemented projects in 2025 in line with these objectives to enhance internal processes and ensure alignment with sector operations.

In line with the Company's digital growth target, the necessary development work to enable end-to-end factoring transactions through Garanti BBVA's digital channels was completed in 2025. In this context, the process is initiated by the customer selecting eligible checks submitted to Garanti BBVA and/or scanning the QR codes of existing checks. It concludes with the uploading of invoices, digital approval of contracts and transaction documents, and automatic disbursement of funds following the delivery of the checks to the branch.

In 2026, efforts will continue to enhance the customer experience and process efficiency for transactions conducted through digital channels.

The Company's IT needs and the monitoring of existing IT projects are managed through regular periodic meetings attended by the Company's senior management, relevant department managers, and the respective teams at Garanti Technology. The roadmap for prioritized projects is determined annually based on the Company's needs, and adherence to these plans is evaluated quarterly within the scope of these meetings.

## Investments

In 2025, Garanti BBVA Factoring purchased TL 102 million of intangible assets (software) for system development.

## Risk Management Policies

The Garanti BBVA Factoring Credit Committee convenes weekly to evaluate incoming requests and make decisions while preserving asset allocation limits.

### Financial Risk Management Objectives and Policies

The fundamental principles governing implementation have been defined as follows: identifying and analyzing risks appropriate to the volume, nature, and complexity of Garanti BBVA Factoring's activities; ensuring compliance with international and local regulatory requirements; monitoring and controlling risks to safeguard financial strength by limiting the impact of potential adverse market conditions on capital and earnings; establishing a company-wide risk culture at Garanti BBVA Factoring through risk transparency and awareness; and ensuring that risks arising from new products and services are assessed by Garanti BBVA Factoring.

Within the scope of Risk Management efforts, previously established risk management practices and organizational structures are reviewed at regular intervals. Existing policies are reviewed and new policies are formulated taking into account economic conditions, risk appetite, and corporate practices.

Through its established risk appetite framework, Garanti BBVA Factoring defines the level of risk it is prepared to assume, based on its risk-bearing capacity to safely support the achievement of the Board of Directors' objectives and strategy. It regularly monitors capital and profitability-related risk appetite indicators, as well as risk-based limits established within this framework.

### Credit Risk

Garanti BBVA Factoring is exposed to credit risk due to the nature of its business activities. In credit risk management, methodologies have primarily been developed for the credit origination and credit monitoring processes. The Company has an existing credit policy. Credit relationships are not initiated with companies that do not meet the credit underwriting criteria. The Credit Committee convenes regularly to evaluate all credit proposals requested according to their authorization levels. In addition, early warning systems have been developed to monitor allocated loans. Within this framework, relevant studies and customer creditworthiness assessments are also conducted periodically. Subcommittees for credit processes and NPL management exist for the effective monitoring of credit risk.

The activities involved in the underwriting and monitoring stages of credit risk management can be summarized as follows.

At the credit allocation stage, the Garanti BBVA Factoring Credit Committee meets weekly to evaluate incoming requests and make decisions that maintain asset allocation limits. In addition, subordinate authorities to which the Committee has delegated authority may also grant credit within their own limits. In the assessments, priority is given to the collectability of receivables, the seller's creditworthiness, and the nature of the transaction. A "limit validity date" practice is in place for the allocation of existing credit limits. The allocated limit is capped at a maximum of one year. By decision of the notifying authority, the limit's validity date may be reduced to periods shorter than one year for control purposes. During credit underwriting assessments, credit risk is primarily identified and managed in two ways:

# Risk Management Policies

**Garanti BBVA Factoring protects itself against changing market conditions and manages risks with limits approved by the Board of Directors.**

**Garanti BBVA Factoring establishes its risk management system as a fundamental part of its risk management strategy.**

Criteria-based limit allocation: Limits are allocated to seller and buyer firms that meet the criteria set and approved by the Garanti BBVA Factoring Credit Process Committee. These criteria are revised when necessary, taking into account market conditions, sector-specific developments, and the outcomes of existing allocation processes. In assessing credit risk, credit analysis for SME-qualified customers is conducted using a scoring method. For these customers, if the criteria are no longer met after the facility has been approved, disbursements are suspended, and the exposure may be subject to liquidation.

In this context, bounced checks, matured factoring receivables, and invoices are monitored daily; if deemed necessary, additional reviews and intelligence gathering are conducted on customers.

For issued checks awaiting maturity, the Credit Intelligence function conducts monthly risk controls on a counterparty basis within the total portfolio to assess concentration levels reached with specific counterparties. The Credit Unit also reviews these analyses and re-evaluates the exposure limits applicable to the relevant companies.

The monitoring of large loans is conducted weekly by the Assets and Liabilities Committee, while customer/group, sector, and geographic concentrations are also monitored periodically.

**Market and Structural Interest Rate Risk**

Garanti BBVA Factoring protects itself against changing market conditions, and market risk is managed through derivative transactions and hedging positions within the treasury transaction limits approved by the Board of Directors.

**Garanti BBVA Factoring is committed to maintaining liquidity and ensuring funding.**

Standard analysis process: These are credit limits allocated within the scope of allocation authorities based on analyses conducted by the Credit Department.

At the credit monitoring stage, early warning systems have been developed to monitor the performance of disbursed loans. Relevant studies and customer creditworthiness assessments are conducted periodically.

The interest rates on loans obtained, which are the Company's primary cost component, can be affected by market fluctuations. In this context, borrowing maturities are managed based on expectations of changes in market interest rates, with the oversight of senior management. Additionally, cash flow and liquidity risk are managed by monitoring the maturities of factoring receivables, bank loans, and deposit accounts. Daily position reports are prepared, and end-of-day open treasury transactions are shared with senior management.

Risks arising from currency fluctuations are also managed within transaction limits through established end-of-day open position limits, and the end-of-day open position status is reported to senior management.

**Liquidity Risk**

The objective of liquidity risk management is to prevent the Company from being unable to meet its payment obligations due to a lack of funding.

In liquidity risk management, measures to be taken and practices being implemented are determined by considering both normal economic conditions and stress conditions.

Garanti BBVA Factoring's liquidity management policy is to create sufficient funding opportunities to maintain existing funding, meet demands for financing receivables, and cover potential liquidity shortages.

Garanti BBVA Factoring establishes its risk management system as a fundamental part of its risk management strategy. To achieve its set objective, the Company monitors its own situation, the global economy, and the legal environment.

The components of Garanti BBVA Factoring's risk management system include a general risk framework defining the level and types of risk it is able to assume in order to pursue its strategic plan without material deviation, even during periods of stress.

Garanti BBVA Factoring's liquidity and funding risk monitoring framework includes qualitative and quantitative elements.



# Risk Management Policies

Garanti BBVA Factoring regularly monitors the effectiveness of its internal control system and operational risks with Internal Audit and the Internal Control Unit.

Key metrics are as follows:

## Liquidity and Funding Risk

**Limit:** This metric aims to ensure proper diversification in the wholesale funding structure and to reduce dependence on short-term funding and markets with more sensitive risk perceptions. This objective is achieved by setting a maximum level for net short-term funding.

**Prospective Metrics:** These are established to identify potential threats in advance and, where applicable, to enable the implementation of preventive management actions to control these threats. The prospective metrics are as follows:

- **Stress Testing:** Projecting metrics under different scenarios is a crucial element for assessing the robustness of the liquidity profile. Forecasts of the liquidity and funding structure allow for the identification of potential deviations from the Bank's strategic plans and limits. Stress test analysis plays a significant role not only in the creation of the Liquidity Contingency Plan but also in defining the necessary measures to mitigate risk.

- **Early Warning Signals:** These indicators are important for detecting and preventing potential liquidity stress conditions.

## Operational Risk

All operational risks within the Company are managed under the supervision of the Board of Directors, the Audit Committee, and the Early Detection of Risk Committee, within a framework of identifying, assessing, monitoring, and controlling/mitigating risks. Each unit of the Company is responsible for monitoring and controlling its own operational risks and for mitigating them by taking the necessary actions. The ultimate responsibility lies with the relevant senior management.

The Company makes adequate organizational arrangements, establishes appropriate communication and information systems, and institutes a supervision function to create an effective "internal control system." The Company's operational risks are managed through three lines of defense framework. The first level consists of the specialized units that carry out the activities. Second-level control functions are responsible for creating and implementing relevant monitoring and control tools, in addition to monitoring and recommending controls. The third level is Garanti BBVA Internal Audit.

Emergency and Business Continuity Management processes are carried out to protect the Company's image, fulfill legal obligations, and continue to meet customer needs even under adverse conditions. Additionally, the persons responsible for implementing the emergency and contingency plan and their alternates are identified.

As part of the strategy to combat the proceeds of crime and the financing of terrorism, work to ensure compliance with national and international regulations is carried out within the Compliance Officer's unit.

The proper functioning of the Company's internal control system and the effectiveness of operational risk controls are regularly monitored by Garanti BBVA Internal Audit and the Company's Internal Control and Compliance Unit. System-based controls, controls performed by employees in the normal course of business processes, organizational structure, and the allocation of authorities and responsibilities, all of which constitute the Company's internal control system, as well as the control environment shaped by the overall risk management approach, are evaluated.



These monitoring activities can be conducted in a computer-assisted manner from the center at the Head Office, utilizing the Company's system infrastructure, or traditionally through on-site examinations at the location where the operational risk occurs.

In the management of legal risk, the existing control mechanisms for the compliance of the Company's transactions with laws and internal policies and rules are supervised.

Systemic and procedural limits are applied to strengthen the control environment across business activities. These limits, set to mitigate operational risks, are determined based on factors such as the importance of the task to the Company, the inherent risk, the potential loss amount, and the qualifications of the personnel performing the transaction. They are periodically evaluated and updated as needed. Limits related to operational risks are managed by defining and approving authorizations in the signature circular, payment and transfer authorizations, accounting transaction authorizations, authorizations for purchasing and expense processes, and identifying and approving non-compliance with loan disbursement processes and competencies. Additionally, on a monthly basis, actual losses

and risk indicators established in line with the Company's activities are monitored through the operational risk losses/gross income indicator, which is among the risk management metrics.

Operational risks are reported to the Audit Committee and, when necessary, to the Early Detection of Risk Committee via the Internal Control and Compliance Unit. Furthermore, the relevant business lines and units report their operational risks related to their own activities to their senior management.

## Reputational Risk

All Company employees are responsible for protecting the Company's reputation, with ultimate responsibility resting with the Board of Directors. The Human Resources Department, the Compliance Officer, and the Internal Control and Compliance Unit establish the ethical principles that govern the conduct and business relationships of the Company's employees and monitor compliance with these principles. The Company avoids any transactions and activities that could create reputational risk in the eyes of legal authorities, customers, and other market players, and takes the utmost care to be beneficial to society, the natural environment, and humanity.

The Company carries out all its transactions and activities within the framework of compliance with legal regulations, corporate governance principles, and social, ethical, and environmental values.

To regulate the conduct and business relationships of Company employees, the "Principles of Ethics and Integrity" and "Prevention of the Abuse and Unethical Behaviors Policy" documents have been established, incorporating the opinions of the Human Resources Department and the Garanti Bank Compliance Department. The Company exercises utmost care in implementing the Corporate Governance Principles. Within the framework of the Corporate Governance Principles, the annual report and the website are kept up to date.

## Management of Climate-Related Financial Risks (High Transition Risk)

As the visible impacts of the climate crisis on social life have become more widespread, Garanti BBVA Factoring has begun to focus on environmental, social, and governance risks in its risk management and governance mechanisms. Garanti BBVA Factoring has started to analyze the resilience of its portfolio against transition risks and physical risks arising from climate change.

## Assessment of the Internal Control and Risk Management Systems by the Audit Committee

The active oversight of the Board of Directors and the Company's senior management, the establishment and monitoring of appropriate Company policies, the timely, impartial, and accurate measurement, assessment, and reporting of risks, and the establishment of an adequate and effective internal control system are the Company's fundamental and indispensable principles.

In this context, the Internal Control and Compliance Unit has carried out control activities to ensure that the Company's operations are conducted regularly, efficiently, and effectively in accordance with legal regulations and the strategies and policies determined by the Board of Directors.

Within the framework of the 2025 control plan, it conducted control studies on the effectiveness of the internal control systems and regularly reported its findings to the Company's senior management and the Audit Committee.

During 2025, the effectiveness and adequacy of the internal control and risk management systems, as well as the functioning of these systems along with the accounting and reporting systems within the framework of relevant regulations, were overseen by the Audit Committee and the Board of Directors.

In line with the Company's strategy and activities, the effectiveness and adequacy of the internal control and risk management systems will continue to be overseen by the Audit Committee and the Board of Directors in 2026.

### Halil Hüsnü Erel

Independent Board Member  
Chairman of the Audit Committee

### Ebru Oğan Knottnerus

Independent Board Member  
Audit Committee Member

## Information on Direct and Indirect Subsidiaries and Respective Share Ratios

As of December 31, 2025, Garanti Faktoring A.Ş. has no direct or indirect subsidiaries or equity interests.

## Information on Acquired Shares

As of December 31, 2025, Garanti Faktoring A.Ş. holds no treasury shares.

## Information on Private Audit and Public Audit

The Company was not subject to a special audit during the 2025 operating period.

## Lawsuits Filed Against Garanti Faktoring A.Ş.

During the 2025 operating period, there were no lawsuits filed against Garanti Faktoring A.Ş. that could affect the Company's financial position and operations.

## Information on Administrative or Legal Penalties Imposed on Garanti Faktoring A.Ş. and/or Board Members

There are no administrative or legal sanctions imposed on members of the governing body.



## Previous Period Budget and Performance Assessment

In 2025, while the sector's factoring receivables grew by 45.5% to reach TL 410.3 billion, Garanti BBVA Factoring's total factoring receivables increased by 148.3%.

While total sector assets increased by 45% compared to the previous year, Garanti BBVA Factoring recorded a 152.1% increase in total assets.

Garanti BBVA Factoring has continued to improve its efficiency through its strong financial structure, favorable funding composition, asset quality, and effective risk management policies.



Assets (TL million)	2024	2025
Cash and Banks	165	903
Factoring Receivables	12,957	32,175
Other	178	458
Total Assets	13,300	33,536

Liabilities (TL million)	2024	2025
Funds Borrowed	9,736	27,624
Bond Issuance	-	-
Shareholder's Equity	3,172	5,303
Total Liabilities	13,300	33,536

Net Profit (TL thousand)	2024	2025
Net Interest Income	2,383,503	3,791,507
Other Income	540,155	1,018,839
Operating Expenses	405,260	642,593
Net Profit	1,438,088	2,130,075

Ratios (%)	2024	2025
Average Return on Assets	12.09	8.82
Average Return on Equity	59.13	50.84
NPL Coverage Ratio (Stage 1, 2, 3)	107.16	88.62
NPL Ratio	0.93	1.31
Leverage Ratio	3.19	5.32

2025 Growth Rates (%)	Garanti BBVA Factoring	Factoring Sector
Average Assets	103.2	52.4
Average Factoring Receivables	101.4	50.4
Average Shareholder's Equity	72.3	65.9
NPL Balance	129.8	10.11
Number of Factoring Employees	122	4,796

## Donations and Aids Granted in 2025 - Social Responsibility Projects

In line with its corporate social responsibility approach, Garanti BBVA Factoring makes grants and donations to individuals, non-governmental organizations, associations or foundations, and public institutions and organizations active in the fields of education, culture, arts, environment, and sports, among others, in accordance with the principles outlined below.

The Company carries out all its donations and grants in line with its mission and policies and in observance of its ethical principles, focusing on areas that enhance the vision of

individuals and society. The Company may also make in-kind or cash donations to real or legal persons, including its customers, for purposes such as promoting its corporate identity or expanding its factoring activities.

In accordance with the principles set forth in the Law on Financial Leasing, Factoring and Financing Companies No. 6361, its Donation and Grant Policy, and applicable legislation, the Company presents all donations and grants made during each accounting period to shareholders as a separate

agenda item at the Annual General Meeting and discloses them to the public in its annual report.

Garanti BBVA Factoring donated a total of TL 687,857, including TL 438,750 to the Community Volunteers Foundation, TL 234,907 to the Teacher Academy Foundation, and TL 14,200 to the Turkish Education Foundation.

Additionally, scholarship support was provided to 13 students in 2025 through the "Garanti BBVA Factoring Scholarship Fund" established within the Community Volunteers Foundation.

## Information on the Group Companies

a) Legal Transactions of Garanti Faktoring A.Ş. with the Controlling Company or Its Affiliates, or at the Direction of the Controlling Company for the Benefit of Itself or Its Affiliates, and Other Measures Taken or Avoided in the Previous Financial Year for the Benefit of the Controlling Company or Its Affiliates are as follows:

Transactions conducted with the controlling and subsidiary companies within the Group of Companies are ordinary commercial activities. There are no transactions conducted for the benefit of the controlling company or one

of its subsidiaries, either at the direction of the controlling company or otherwise, nor are there any measures taken or refrained from within this framework.

Commercial transactions with the controlling and affiliated companies are disclosed in Note 22 to the Financial Statements of Garanti Faktoring A.Ş. as of December 31, 2025, beginning on page 183 of this report.

b) Whether, at the Time the Legal Transactions Were Executed or the Measures Were Taken or Omitted, and Based on the Circumstances

Known at the Time, Appropriate Consideration Was Obtained in Each Transaction; Whether the Measures Taken or Omitted Caused Any Damage to the Company; and, if so, Whether Such Damage Has Been Compensated:

Within this framework, appropriate consideration was obtained in the legal transactions carried out within the scope of the commercial activities specified in Appendix 1 to Section (a). No measures were taken or omitted, and consequently no loss was incurred.



## Amendments to the Articles of Association

There were no amendments to the Articles of Association in 2025.

## Regulations on Factoring Legislation

There were no legal regulations concerning the factoring sector during the period of January 1–December 31, 2025.

## Important Events that Occurred After the End of the Operating Year

No material events have occurred after the end of the fiscal year.

## Remuneration of Board Members and Key Executives

The net remuneration provided/to be provided to key management personnel of Garanti BBVA Factoring for the year ended December 31, 2025 amounts to TL 43,308 thousand.



# Garanti Faktoring A.Ş. Profit Distribution Policy and Information Regarding Profit Distribution

The Profit Distribution Policy of Garanti Faktoring A.Ş. (Company) has been determined within the framework of the Turkish Commercial Code, the Law on Financial Leasing, Factoring, Financing, and Savings Finance Companies, the Capital Markets Law and the legislation, regulations, and decisions issued by the Capital Markets Board and the relevant provisions of the Tax Procedure Law; in line with Corporate Governance practices, the Company's strategies and financial plans, considering the state of the national economy and the sector, and by maintaining the delicate balance between the shareholders' expectations and the Company's requirements.

Within this framework, the amount of dividend to be distributed, the dividend distribution ratio, and the form of dividend payment (cash and/or bonus shares) are determined in accordance with the relevant legislation and decisions taken by the General Assembly within the framework of company strategies and financial plans, taking into account the state of the national economy and the sector and by maintaining the delicate balance between the shareholders' expectations and the Company's requirements.

The issues regarding the Company's dividend distribution are detailed in Articles 25 and 26 of the Articles of Association. Upon the proposal of the Board of Directors, the General Assembly of the Company decides on the distribution of dividends, and the manner and timing of dividend distribution.

There are no privileges in the Company's dividend distribution, and without per diem deduction, the dividend is distributed to all shares equally as of the date of distribution.

Dividends can be paid in equal or varying installment amounts provided that a decision is taken at the General Assembly Meeting that decided to make a dividend distribution. No regulation in the Company's Articles of Association stipulates the distribution of advance dividends.

In case the Board of Directors proposes to the General Assembly not to distribute any profit, information regarding the reasons for this situation and the method to use the non-distributed profit is included in the agenda item on profit distribution and is submitted for the shareholders' approval at the General Assembly Meeting. This information is also publicly announced in the annual report and the Company's website.

In case an amendment is made to the dividend distribution policy, the policy will be presented to the approval of the shareholders at the General Assembly Meeting, and the Board of Director's decision and reasons regarding this amendment are publicly announced within the framework of the regulations of the Capital Markets Board Communiqué on "Disclosure of Material Matters" on the Company's website.

Prepared as part of compliance with Garanti BBVA Group ("Group") policies within the framework of internal regulations, "Garanti BBVA Factoring Dividend Distribution Policy" was approved by the Board of Directors decision dated December 29, 2023, and numbered 60. The updated Policy was adopted at the 2023 Ordinary General Assembly Meeting held on June 28, 2024.

In this framework, it has been concluded that refraining from distributing dividends in a manner that would result in cash outflows from equity, including profits and reserves held as equity which were earned before 2024 and not made subject to distribution, alongside profits earned in 2024, would be beneficial. However, possible dividend distribution requests can be

evaluated considering the precautionary principle and the special circumstances of companies, especially the standard ratio.

Considering these aspects;

In accordance with the principle of "profit determination and distribution" set out in the Company's Articles of Association, it has been

resolved that, out of the 2024 profit amounting to TL 2,046,817,057.86, the net profit for the period amounting to TL 1,438,087,328.45 remaining after the tax provision has been set aside, also taking into account the net tax effect amounting to TL 19,675,876.14 calculated from the 2024 profit, be transferred to the legal and extraordinary profit reserves accounts and retained within the Company.

## Transactions with Related Parties

Transactions conducted by Garanti BBVA Factoring with related parties are disclosed starting from page 181 in Note 22 to the Financial Statements of Garanti BBVA Factoring as of December 31, 2025.

# Corporate Governance Principles Compliance Report

## A. OVERVIEW OF CORPORATE GOVERNANCE

### Corporate Governance Principles Compliance Statement

Garanti Faktoring A.Ş. (Garanti BBVA Factoring) follows and implements the Corporate Governance Principles published by the Capital Markets Board of Türkiye (CMB). The Company is in full compliance with the Corporate Governance Principles required by law and has a corporate governance approach based on the principles of transparency, equality, responsibility, and accountability. The Company applies the mandatory principles set out in Communiqué No. II-17.1 on Corporate Governance. It has adopted as a principle the implementation of non-mandatory Corporate Governance Principles that will not affect the Company's competitive strength, trade secrets, or information that could lead to unequal opportunities among shareholders and stakeholders.

The Garanti Faktoring A.Ş. Corporate Governance Policy was approved by the Board of Directors on March 23, 2025. The purpose of the Policy is to ensure that the Company conducts its operations in observance of the Turkish Commercial Code and the regulations of the Banking Regulation and Supervision Agency ("BRSA") and the Capital Markets Board ("CMB").

Pursuant to the Capital Markets Board's decision dated January 25, 2025, and numbered 6/137, the Company was included in the BIST Group 2 Companies list. The Company was evaluated by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. based on a review of the 448 criteria set out in the methodology it prepared for "BIST Second Group Companies."

As a result of its 14<sup>th</sup> rating assessment, Garanti BBVA Factoring's 2025–2026 Corporate Governance Principles Compliance Rating increased to 95.81 (9.58), up from 95.60 (9.56) in the previous year.

This result indicates that Garanti BBVA Factoring; Is largely compliant with the Corporate Governance Principles published by the Capital Markets Board. The Company has identified and is able to control potential risks that may arise for the Company. Disclosure activities and transparency are at a high level. The rights of shareholders and stakeholders are fairly protected. The structure and working conditions of the Board of Directors are largely aligned with corporate governance principles.

In conclusion, this score indicates that the Company strongly merits inclusion in the BIST Corporate Governance Index.

The breakdown of the Corporate Governance Principles compliance ratings by main headings for the past five years, compared with previous periods, is as follows:

		2021 Period X	2022 Period XI	2023 Period XII	2024 Period XIII	2025 Period XIV	Increase Compared to the First Year	Increase Compared to the Previous Year
CMB Corporate Governance Principles Compliance Rating	Weight	94.71	94.71	95.81	95.60	95.81	12.84	0.21
Shareholders	25%	92.70	93.85	93.85	93.85	93.85	11.94	-
Public Disclosure and Transparency	25%	99.00	99.32	99.32	99.32	99.32	12.65	-
Stakeholders	15%	96.96	97.51	97.51	96.14	97.51	12.89	1.37
Board of Directors	35%	92.10	93.96	93.96	93.96	93.96	13.63	-

### On the Non-Compliant Principles

Although full compliance with corporate governance principles is aimed for, compliance with the following principles could not be achieved due to differences with the sector's and the Company's organizational structure. There are no conflicts of interest between the Company and its stakeholders arising from the non-compliance with these corporate governance principles.

There is no compliance with the principle no. 1.3.11. Shareholders or their proxies may attend General Assembly meetings. Shareholders may attend the Ordinary General Assembly Meeting either physically (in person) or electronically, or they may attend through their representatives. Shareholders who are unable to attend the meetings either in person or electronically are required to have the powers of attorney of their appointed proxies prepared in accordance with the sample available at our Company's headquarters and on the website [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com), and to submit them with a notarized signature, in compliance with the Capital Markets Board's Communiqué on Voting by Proxy and Proxy Solicitation (No. II-30.1).

There is no compliance with the principle no. 3.2.1. There are no written internal regulations or mechanisms for employee participation in management.

There is no compliance with the principle no. 4.5.5. Each Board Member is assigned to more than one committee due to the number of the Board members.

There is no compliance with the principle no. 4.6.1. Presentations regarding the activities of the committees on which Board Members serve are discussed and evaluated at Board of Directors meetings. Actions to be taken, areas for improvement, and similar matters are decided and monitored at meetings of the Board of Directors. No separate performance evaluation is conducted beyond the matters specified.

### On Partial-Complied Principles

There is partial compliance with the principle no. 1.5.2. Article 17 of the Articles of Association states: "Minority rights shall be exercised by shareholders holding at least one-twentieth of the capital. Shareholders holding at least one-twentieth of the capital may, within the framework of Article 411 of the Turkish Commercial Code, request the Board of Directors to convene the General Assembly or, if the General Assembly is already scheduled to convene, request that matters they wish to be resolved be included on the agenda." Additionally, the investor relations function is carried out by providing equal information to all shareholders without discrimination.

There is partial compliance with the principle no. 3.1.3. Some policies and procedures regarding the rights of stakeholders are published on the Company's corporate website in the Investor Relations/ Corporate Governance section.

There is partial compliance with the principle no. 3.2.2. The Company holds annual vision meetings featuring a presentation by the General Manager, attended by all employees of the Company. Information regarding the Company's progress is provided, suggestions are conveyed, and developments are monitored through periodic regional budget and performance meetings and weekly asset-liability committee meetings.

There is partial compliance with the principle no. 4.3.9. With regard to increasing the proportion of female members to a minimum of 25%, the Executive Vice Presidents and General Managers of our main shareholder, T. Garanti Bankası A.Ş., who serve in areas related to the Company's operations, are also appointed as members of our Company's Board of Directors. In the upcoming period, the selection of our Board Members will continue to be shaped by this policy, and a target policy will be established.

There is partial compliance with the principle no. 4.6.5. The annual remuneration paid to independent Board members is disclosed in the annual report under the heading "G. Financial Rights." No attendance fees are paid to other Board members. The remuneration paid to members of the Board of Directors and to executives with administrative responsibilities is reported as an aggregate amount at General Assembly meetings and in the annual reports.

# Corporate Governance Principles Compliance Report

## Within the scope of the Garanti BBVA Factoring Sustainability Principles Compliance Framework;

Pursuant to the Communiqué on Amendment to the Corporate Governance Communiqué (II-17.1.a), published in the Official Gazette dated 2 October 2020 and entered into force, the Company conducts its policies and procedures in the area of sustainability in parallel with T. Garanti Bankası A.Ş., which is a pioneer in this field.

The 'Garanti Faktoring A.Ş. 2024 TSRS-Compliant Sustainability Report,' prepared in accordance with the Turkish Sustainability Reporting Standards published by the Public Oversight, Accounting and Auditing Standards Authority, was publicly disclosed on July 29, 2025.

In 2025, the Sustainability Committee recorded the minutes of its meetings held for both the Sustainability Principles Compliance Framework and the Turkish Sustainability Reporting (TSRS), and submitted its work to the Board of Directors in a report.

To reinforce its Mission of 'bringing the age of opportunity to everyone' in Türkiye and continuously and significantly increasing the value it adds to its customers, shareholders, employees, society, and the environment through its effectiveness, agility, and organizational efficiency, Garanti BBVA Factoring recognizes the importance of conducting its operations responsibly and aims to establish principles to guide all its efforts in this regard.

These principles support Garanti BBVA Factoring in effectively identifying and addressing the significant sustainability risks and opportunities it faces in Türkiye.

Building on its Core Values, Garanti BBVA Factoring defines sustainability as a commitment to creating a strong and successful business model for the future by minimizing negative impacts on the environment and society, and by sharing long-term value with its customers, employees, shareholders, and all communities where it operates.

Garanti BBVA Factoring aims to implement its business plans and practices through a robust environmental and social risk assessment developed within its risk management system, incorporating technological innovations and the management of its operational environmental footprint.

Prepared for implementation across the Garanti BBVA Group; Reports prepared within the scope of sustainability are published under the 'sustainability' section at <https://www.garantibbvafactoring.com/en/sustainability>.

## Environmental Impacts of Our Operations

The Garanti BBVA Pendik Technology Campus Building, where Garanti BBVA Factoring has been operating since March 2020, holds LEED Gold certification, a green building rating system developed by the U.S. Green Building Council (USGBC).

Operating in buildings owned by Garanti BBVA, Garanti BBVA Factoring has achieved a significant reduction in its carbon intensity over the years as a result of Garanti BBVA's long-standing efforts to reduce its carbon footprint. Since the implementation of the ISO 14001 Environmental Management System in 2012, Garanti BBVA's carbon intensity has decreased by 99%.

Garanti BBVA Factoring will continue to develop its environmentally sensitive and pioneering efforts in the coming years, thereby contributing to both social and environmental benefits.

## B. SHAREHOLDER RELATIONS

### Capital and Shareholding Structure

As of December 31, 2025, Garanti BBVA Factoring's capital is TL 397,500,000.00, which is fully paid-in. The Company's shareholding structure is as follows:

Shareholder	Capital Amount (TL)	Capital Ratio	Number of Shares
<b>T. Garanti Bankası A.Ş.</b>	<b>325,325,178.22</b>	<b>81.84%</b>	<b>325,328,175.33</b>
Privileged Shares	170,180,319.36	42.81%	170,180,319.36
Unprivileged Shares	50,053,035.07	12.59%	50,053,035.07
Share in Publicly Traded Shares	105,094,820.90	26.44%	105,094,820.90
<b>T. İhracat Kredi Bankası A.Ş.</b>	<b>38,864,709.53</b>	<b>9.78%</b>	<b>38,864,709.53</b>
Privileged Shares	30,031,821.04	7.56%	30,031,821.04
Unprivileged Shares	8,832,888.49	2.22%	8,832,888.49
<b>Other Public Offerings</b>	<b>33,307,115.15</b>	<b>8.38%</b>	<b>33,307,115.15</b>
<b>Total</b>	<b>397,500,000.00</b>	<b>100.00%</b>	<b>397,500,000.00</b>

	Capital Amount (TL)	Capital Ratio	Number of Shares
GROUP A (PRIVILEGED) SHARES	200,212,140.40	50.37%	20,021,214,040.00
GROUP B (UNPRIVILEGED) SHARES	197,287,859.60	49.63%	19,728,785,960.00
	397,500,000.00	100.00%	39,750,000,000.00

Türkiye Garanti Bankası A.Ş.'s registered shareholding is 55.40% and the remaining 26.44% of the shares were acquired through BIST from publicly offered shares. Garanti BBVA Factoring's free float of 8.38% is traded on the BIST Main Market.

According to Article 7 of the Articles of Association, shareholders who wish to transfer their Group A registered shares must first offer them to other holders of registered shares in the same group, who have the right of first refusal to purchase the shares pro-rata to their holdings and at fair value.

According to Article 9 of the Articles of Association, members of the Board of Directors are elected from among the candidates nominated by Group A shareholders.

### General Assembly Meetings

General Assembly Meetings are held in accordance with the regulations set forth in the Company's Articles of Association and the 'Internal Directive on the Working Principles and Procedures of the Garanti BBVA Factoring Anonim Şirketi General Assembly,' which was approved and entered into force at the Ordinary General Assembly Meeting on March 29, 2013.

The 2024 Ordinary General Assembly Meeting of Garanti BBVA Factoring was held on Thursday, May 22, 2025, at the Company's Headquarters at Çamçeşme Mahallesi, Tersane Caddesi No:15, Pendik/İSTANBUL, and electronically, in compliance with the announcement and invitation procedures of the Turkish Commercial Code, the Regulation of the Banking Regulation and Supervision Agency, the Communiqués of the Capital Markets Board, and the Company's Articles of Association.

The Ordinary General Assembly Meeting was held with a quorum of 91.62%, with T. Garanti Bankası A.Ş. and T. İhracat Kredi Bankası A.Ş. represented by proxy.

# Corporate Governance Principles Compliance Report

The General Assembly Meetings were held based on a resolution of the Board of Directors. Prior to the meeting, information regarding the meeting date, venue, and agenda items was duly provided to shareholders within the legal deadlines and in accordance with general provisions. This information was announced to shareholders and stakeholders via the Electronic General Assembly System (EGKS) and through a material event disclosure on the Public Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)), and by posting it on our website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com).

Prior to the General Assembly meeting, the agenda items, a sample proxy form, the information document, the balance sheet, the income statements, the independent audit report and its notes, the auditor's report, the Board of Directors' resolution on dividend distribution, the annual report, and the resolution on the selection of the independent audit firm were prepared and made available for shareholder review on The Company's website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com) in the "Investor Relations" section and through the Electronic General Assembly System (EGKS).

During General Assembly meetings, agenda items are discussed and submitted to a vote by shareholders simultaneously via EGKS. Shareholders may ask questions, express their opinions, and make suggestions regarding the agenda items. Questions asked by shareholders are evaluated and answered within the framework of the procedures and principles set forth in the Corporate Governance Principles and the Turkish Commercial Code. Proposals made are submitted for the approval of the General Assembly, and if approved by the required quorum, they become resolutions.

It was simultaneously disclosed to the public via the Public Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)). Additionally, the minutes of the General Assembly meetings and the attendance lists were made available for review by shareholders and stakeholders on [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com) in the 'Investor Relations>General Assembly Meetings' section of our corporate website.

## Dividend Right

There are no privileges regarding dividends. Dividend distribution methods and processes are described in the Turkish Commercial Code, Capital Markets Board regulations, and the Company's Articles of Association.

Following the Board of Directors' resolution on dividend distribution at the end of the fiscal year, the matter is announced to the public via a material event disclosure ([www.kap.gov.tr](http://www.kap.gov.tr)). The Board of Directors' resolution on dividend

distribution is submitted for the approval of the General Assembly. The distribution of the dividend amount decided by the General Assembly to shareholders is carried out within the specified periods and in accordance with the Capital Markets Board's Dividend Communiqué (II-19.1).

The updated 'Dividend Distribution Policy' of Garanti BBVA Factoring A.Ş. was approved at the 2023 Ordinary General Assembly Meeting held on June 28, 2024. It was announced to shareholders via a material event disclosure to the public ([www.kap.gov.tr](http://www.kap.gov.tr)) and published on the Corporate Governance page of the 'Investor Relations' section of our corporate website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com) and has been included in the annual and interim reports.

## Garanti Faktoring A.Ş. Dividend Distribution Policy;

Garanti Faktoring A.Ş. Dividend Distribution Policy is determined within the framework of the Turkish Commercial Code, the Capital Markets Law, and the regulations, communiqués, and resolutions issued by the Capital Markets Board, as well as the relevant provisions of the Tax Procedure Law. It is defined in line with corporate governance practices, the Company's strategies and financial plans, taking into account the conditions of the national economy and the sector, and by maintaining a careful balance between shareholders' expectations and the Company's needs.

Our Company determines the amount of the dividend to be distributed, the dividend payout ratio, and the method of payment (cash and/or bonus shares) in accordance with the resolutions passed by the General Assembly, within the framework of the relevant legislation and the provisions of the Articles of Association.

The Company has no privileges in dividend distribution; dividends are distributed equally among all outstanding shares as of the distribution date, without applying the pro rata temporis principle.

Dividends may be paid in equal or unequal installments, provided that such payment is approved at the General Assembly Meeting that decides on the distribution. There is no provision in our Company's Articles of Association for the distribution of advance dividends.

If the Board of Directors proposes to the General Assembly not to distribute profits, the reasons for this and information on how the undistributed profit will be utilized are included in the agenda item regarding profit distribution and submitted for the approval of shareholders at the General Assembly Meeting.

Likewise, this information is shared with the public by including it in the annual report and on our Company's website.

In the event of any amendment to the dividend distribution policy, the revised policy shall be submitted for approval by the shareholders at the General Assembly Meeting. The Board of Directors' resolution regarding such amendment, together with the rationale for the change, shall be disclosed to the public in accordance with the Capital Markets Board's Material Events Disclosure Communiqué (II-15.1) and published on the Company's website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com).

The "Garanti BBVA Factoring Profit Distribution Policy," prepared within the framework of internal regulations to comply with Garanti BBVA Group ("Group") policies, was approved by Resolution No. 60 of the Board of Directors dated December 29, 2023. It was unanimously approved at the 2023 Ordinary General Assembly Meeting held on December 28, 2024.

## Dividend Distribution Table

At the 2024 Ordinary General Assembly Meeting held on May 22, 2025;

It has been resolved that, based on the financial statements for the fiscal year ended December 31, 2024, which were prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS) and the mandatory formats set by the Capital Markets Board under the Communiqué on Principles of Financial Reporting in Capital Markets (Serial II.14.1), and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, and in accordance with the "profit determination and distribution" principle set out in the Company's Articles of Association, the net profit for the period of TL 1,438,087,328.45, remaining from the 2024 profit of TL 2,046,817,057.86 after tax provisions, also taking into account the net tax effect of TL 19,675,876.14, be transferred to legal and extraordinary profit reserves and thus retained within the Company.

## Investor Relations Department

At our Company, the activities of the Investor Relations Department are carried out by the General Accounting Department.

The authorized personnel of the Investor Relations Department and their license information are shown in the table below:

Name Surname	Title	License Number/Type	Phone	Email
Şule Firuzment Bekçe	Executive Vice President	-	(216) 625 4009	<a href="mailto:SFiruzmentBekce@garantibbvafactoring.com">SFiruzmentBekce@garantibbvafactoring.com</a>
Serap Çakır	Unit Manager	701222/Corporate Governance Rating License208344/Capital Market Activities Level 3 License305653/Derivative Instruments License602587/Credit Rating License	(216) 625 4022	<a href="mailto:SCakir@garantibbvafactoring.com">SCakir@garantibbvafactoring.com</a>
Müge B. Güngörmez	Director	52739/Capital Market Activities Level 1 License	(216) 625 4021	<a href="mailto:MGungormez@garantibbvafactoring.com">MGungormez@garantibbvafactoring.com</a>
Pınar Deniz Çelik	Director	-	(216) 625 4024	<a href="mailto:PDemir@garantibbvafactoring.com">PDemir@garantibbvafactoring.com</a>

# Corporate Governance Principles Compliance Report

The department's main responsibilities include:

- Responding to written and verbal information requests from shareholders and investors,
- Managing relations with shareholders and investors, and maintaining sound, secure, and up-to-date records of written and verbal information and documents,
- Disclosing information required to be made public under the Capital Markets Board's Communiqué on Material Disclosures on the Public Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)) and fulfilling the public disclosure obligation by announcing it on the 'Investor Relations' page of the website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com),
- Preparing financial reports in accordance with the Communiqué on Principles of Financial Reporting in Capital Markets (II-14.1) published in the Official Gazette dated June 13, 2013, and numbered 28676, and presenting them on the Public Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)) and the Company's website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com),
- Preparing annual and interim annual reports in accordance with the principles set out in the communiqués and regulations issued by the Capital Markets Board and the Ministry of Customs and Trade, disclosing them on the Public Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)) and publishing them on the Company's website at [www.garantifactoring.com](http://www.garantifactoring.com),

- Providing and keeping up-to-date information on the "Investor Relations" page of the website [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com) pursuant to the Capital Markets Board's Corporate Governance Communiqué, and on the dedicated "Information Society Services" section established in accordance with the Regulation on Websites to be Established by Joint Stock Companies issued by the Ministry of Customs and Trade,
- Conducting the Company's General Assembly meetings in accordance with the Articles of Association and the Internal Directive on the Working Principles and Procedures of the General Assembly of Garanti BBVA Factoring A.Ş.,
- Coordinating rating activities and relations with relevant organizations,
- Carrying out the Company's capital increase transactions and ensuring the exercise of rights for paid and bonus shares arising from the capital increase,
- Making amendments to the Company's Articles of Association in accordance with the relevant legislation,
- Executing dividend distribution processes in accordance with Article 26 of the Articles of Association in the event that a dividend distribution decision is taken by the General Assembly,
- Preparing and revising policies and procedures under the Capital Markets Board Communiqués and other regulations to enhance

the Company's compliance with corporate governance principles,

- Monitoring share price and volume movements and reporting to senior management,
- Submitting reports to the Corporate Governance Committee and the Board of Directors,
- Carrying out the work of the Sustainability Committee.

## Investor Relations Activities

During 2025, thirty-three shareholders were contacted by phone and email, and their requests for information were fulfilled. In the context of bond issuance transactions, informational presentations were prepared for Qualified Investors on Borsa İstanbul. Explanations were provided regarding seventy-five material events and other matters. The material disclosures made were published on the 'Investor Relations' page of the Company's website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com). Our Company conducted its fourteenth 'Corporate Governance Principles Compliance Rating' with Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. (KOBİRATE A.Ş.).

Work was carried out on the Garanti BBVA Factoring 2024 TSRS-Compliant Sustainability Report, prepared in accordance with the Turkish Sustainability Reporting Standards 1 and 2 (TSRS 1 and 2) published in the Official Gazette dated December 29, 2023, and numbered

32414(M), and in line with the guidance and principles specified in the standards. Garanti BBVA Factoring's first 2024 TSRS-Compliant Sustainability Report was published on the Public Disclosure Platform on July 29, 2025

## C. PUBLIC DISCLOSURE AND TRANSPARENCY

Our Company's disclosure policy, which was put into effect by a resolution of the Board of Directors on December 16, 2013, aims to ensure that all information and developments regarding the Company's past performance and future expectations are conveyed to its shareholders, investors, and all stakeholders, including the public, in a timely, complete, accurate, and understandable manner. It was revised with the approval of the Board of Directors on August 19, 2014, within the framework of the 'Communiqué on Material Disclosures (II-15.1)' issued by the Capital Markets Board, disclosed on the Public Disclosure Platform (PDP), and published on the website at [www.garantifactoring.com](http://www.garantifactoring.com).

### 3.1. Corporate Website and Content

Our Company's website is organized in Turkish and English in accordance with the Corporate Governance Principles, and its address is [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com).

On our website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com), the information specified within the scope of the Corporate Governance Principles is presented to shareholders and the public in the 'Investor Relations' section. Additionally, the matters required to be

published under the relevant Regulation of the Ministry of Customs and Trade are regularly updated and made available in the section specifically designated as "Information Society Services — Garanti Faktoring A.Ş."

## Annual Report

The Company's annual reports are prepared in "Turkish" and "English" in accordance with the Communiqué on Corporate Governance Principles issued by the Capital Markets Board and the Regulation on Determining the Minimum Content of Companies' Annual Reports, which was published in the Official Gazette No. 28395 dated August 28, 2012, by the Ministry of Customs and Trade. The annual reports are submitted for the approval of the Board of Directors, disclosed on the Public Disclosure Platform, and published on the Company's website under the "Investor Relations" and "Annual Reports" sections.

## STAKEHOLDERS

### Informing Stakeholders

It has been adopted as a principle to protect the rights of all stakeholders regarding our Company's activities and to inform them about company policies and procedures. Garanti BBVA Factoring regularly informs its stakeholders through material disclosures on the PDP, the Information Society Services portal, the corporate website, press releases, social media, and internal announcements. Information requests from stakeholders are handled by the Assistant General Manager responsible for the Investor Relations Department, the

Directorate of the Sales, Marketing and Coordination Unit. Written information requests submitted via the Company's website using the email addresses [GFYatirimcilliskileri@garantibbvafactoring.com](mailto:GFYatirimcilliskileri@garantibbvafactoring.com) and [bilgi@garantibbvafactoring.com](mailto:bilgi@garantibbvafactoring.com) are answered within the timeframes specified in the Corporate Governance Communiqué.

The Company aims to measure employee satisfaction and engagement through employee engagement surveys and internal customer satisfaction surveys, and to improve them through actions taken based on the results.

Garanti BBVA Factoring conducts an annual Employee Engagement Survey to gather employees' opinions on work-life balance, performance management, compensation, and training and development opportunities. The 360-Degree Evaluation and Feedback process aims to disseminate a culture of giving and receiving feedback by collecting our employees' views about themselves, their colleagues, their managers, and the team members they work with.

At the vision meetings held annually with a presentation by the General Manager, Garanti BBVA Factoring's current status and its strategy, goals, and objectives for the following year are shared with all employees. In addition, employees are instantly informed of all procedures, policies, and announcements published on the internal company portal.

Stakeholders can reach the Corporate Governance Committee or the Audit Committee through their preferred method of communication.

# Corporate Governance Principles Compliance Report

In accordance with Article 3.1 on the Prevention of Conflicts of Interest of the “Garanti BBVA Factoring Ethical Principles and Integrity Procedures,” the procedures to be followed by employees in the event of a conflict of interest are set out in the “Ethics Reporting Line Procedure.” In the event of illegal or unethical transactions by the Company, employees can report them to the ‘Ethics Hotline’ via the email address ‘etikbildirim@garantibbvafactoring.com’ or by phone at ‘+(90) 216 625 40 88,’ which is under the responsibility of the Compliance Department.

Potential conflicts of interest that may arise between the Company and its service providers are prevented through the contracts concluded.

## Stakeholder Participation in Management

The Company’s business and management are conducted by the Board of Directors, which is elected by the General Assembly. There are no initiatives regarding the participation of stakeholders in management.

## Human Resources Policy

The objective of Garanti BBVA Factoring’s human resources policy is to be an institution with happy employees, where everyone is the leader of their own work; that embraces international human rights without discrimination based on language, religion, race, or gender; that is governed by the Company’s ethical rules; where

success is rewarded through transparent and measurable performance criteria; and that is focused on success and efficiency and open to continuous development.

At Garanti BBVA Factoring, where all our employees receive training to develop their technical, professional, and personal competencies, there are career paths determined by objective and transparent criteria. In addition to the importance it places on training on the path to success, Garanti BBVA Factoring has also adopted the principle of providing its employees with all kinds of social opportunities to the extent of the Company’s resources.

Believing that quality human capital is the most important factor behind the success that sets it apart in the sector, Garanti BBVA Factoring continuously invests in enhancing its employees’ potential and performance.

No human resources representative has been appointed to manage employee relations. Because the Company is a medium-sized subsidiary with 122 employees across Türkiye, the Human Resources Unit staff carry out all roles and responsibilities of human resources management in line with general HR functions.

Regarding personnel recruitment, the relevant criteria are defined in Article 20 of the

Human Resources Regulation under the heading ‘Hiring Conditions.’

There have been no complaints regarding discrimination. All processes concerning human resources management are evaluated by the Human Resources Unit, and if necessary, they are shared with senior management to find a solution as quickly as possible.

The Company is restructuring certain unit functions and regions based on needs and requests. The establishment of new units to support the Company’s development, changes in unit names, structuring of new regional directorates, and the creation of job descriptions for employees are carried out by the Organization and Process Development Unit and the Human Resources Unit, and are regularly announced on the Company’s web portal (intranet), which is easily accessible to employees.

The performance and remuneration process conducted by the Human Resources Unit is explained clearly and explicitly to company employees via the company web portal, and employees are informed about their performance scores. Policies and regulations regarding promotions, changes in duties, and the eva bonus systems, which are linked to performance results, are announced on the Company’s web portal (intranet).

## Code of Ethics and Social Responsibility

The “Garanti Faktoring A.Ş. Ethical Principles and Rules” policy is made publicly available on [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com) under the “Corporate Governance” section.

Within the scope of the policy, the Garanti BBVA Factoring Ethics and Integrity Committee has been established. It is an internal body established under the provisions of the Principles of Ethics and Integrity (Ethical Principles), with its operating principles approved by the Board of Directors.

Garanti BBVA Factoring, in its line of business and in line with its vision, mission, and strategic objectives, has adopted the following principles:

- a corporate approach aimed at achieving reliability and efficiency,
- acting in a respectful, accountable, transparent, honest, fair, and open manner in its relations with all individuals and institutions it engages with,
- adopting a fair, trustworthy, and development-oriented approach towards its employees,
- embracing the values of respect for people, the environment, and the work performed,
- basing all its activities on all applicable laws and regulations.

It is the responsibility of all the Company’s managers and employees to implement these ethical principles and to develop them in line with changing conditions to ensure their sustainability and permanence.

Protecting the Company’s reputation and diligently fulfilling all the requirements of its business area form the basis of this responsibility.

Garanti BBVA Factoring demonstrates the utmost care and attention to environmental and social concerns in all its transactions, ensuring that the environmental impacts of its business relationships and customer requests are clearly assessed. In this context, it is ensured that all transactions and customer activities meet the social and environmental standards required by the Company’s policies and legislation. To manage its environmental and social impacts, our Company put its Environmental and Social Credit Policies into effect with the Board of Directors’ resolution dated August 19, 2014, and numbered 2014/53.

In accordance with Law No. 6361 on Financial Leasing, Factoring and Financing Companies, the principles in its Donations and Aid Policy, and the regulations to which it is subject, the Company presents all donations and aid made during each fiscal period to the shareholders as a separate agenda item at the General Assembly Meeting for that year and discloses them to the public in its annual report.

Garanti BBVA Factoring donated a total of TL 687,857, comprising TL 438,750 to the Community Volunteers Foundation, TL 234,907 to the Teacher Academy Foundation, and TL 14,200 to the Turkish Education Foundation.

As part of its social responsibility activities:

## Environmental Practices

To support recycling within the Company, waste bins have been removed from desks at the Head Office, and separate bins for paper, plastic, and other waste have been placed at designated points on the floor.

## Talent, Culture, and Training

### Continuous Learning and Development

In 2025, our goal as an institution is to build the future together, not just focus on the present. In line with this vision, we offer innovative, flexible, and personalized development solutions to help our employees adapt quickly to changing conditions, learn continuously, and reach their full potential.

Through upskilling, reskilling, microlearning, and data-supported learning approaches, we support our employees in investing today in the competencies of the future.

With our training programs, which we enrich each year, we offer a wide range of learning opportunities—from technological transformation and leadership development to diversity and sustainability—creating a robust learning ecosystem where our employees can contribute to providing the best experience for our customers.

# Corporate Governance Principles Compliance Report

In 2025, 88 webinar training sessions were planned at Garanti BBVA Faktoring, with 122 employees participating. Digital training accounted for 65% of all training on an hourly basis. Seventy in-class training sessions were conducted, with 101 employees participating in these training programs. The “Becoming a Stronger Team Together” training was organized in two groups as a classroom session specifically for Garanti BBVA Faktoring employees to enhance teamwork, strengthen the culture of trust-based collaboration, and enable employees to work together more effectively toward common goals.

## Radical Customer Perspective-Empathy Training Journey

The Radical Customer Perspective-Empathy Training Journey, designed in line with Garanti BBVA’s strategic priorities, aims to support a customer-centric transformation and help employees internalize an empathetic, solution-oriented, and collaborative approach. The program aims to strengthen customer experience, accelerate cultural transformation, and deliver a sustainable contribution to NPS scores.

As part of this development journey, which focuses on integrating empathy into daily ways of working, employees are supported in translating trust, empathy, and consistency into their behavior in interactions with both internal and external customers.

Built on six core cultural building blocks—effective problem-solving, reliability and consistency, conscious communication, empathy and understanding, a solution-oriented mindset, and a positive attitude—the program aims to create a common customer language throughout the organization via interactive content and applied learning methods.

## AI Academy

The AI Academy initiative, which we launched with the goal of strengthening the knowledge and competencies of all our employees to best prepare them for the strategic transformation that artificial intelligence will create, offers various development tools. In this context, to develop competencies in artificial intelligence technologies, data analytics, and automation, we continued to offer various development opportunities in 2025. These included live and interactive training programs for competency and skill development; digital training and podcasts offered through the Garanti BBVA Campus platform; training programs available from global platforms such as Coursera; certified programs; and training programs specifically designed for target audiences.

## The Camp Gamified Learning Platform;

Launched in the first quarter of 2025 under the BBVA brand, The Camp platform is a holistic learning and experience journey that aims to develop strategic competencies across the Group

through upskilling and reskilling programs. Through new learning journeys added to the platform during the year, employees’ development options were diversified, creating a path for sustainable progress in both their current roles and their careers. This program, designed for all employees, comprises structured training modules at the beginner, intermediate, and advanced levels to meet employees’ needs across different levels. Participants who successfully complete the learning journeys are awarded a certificate.

## Digital Training Platform

In addition to these comprehensive innovations, significant enhancements were made to our digital training platform, both strengthening the existing structure and adding new features. The innovative digital learning platform, Campus Garanti BBVA, supports the professional and personal development of employees with over 10,000 solutions and personalization options that they can access whenever needed. Through the Campus portal, all our employees can:

- receive priority digital training for their development, as well as training tailored to their personal preferences,
- benefit from personalized training recommendations,
- benefit from various training solutions, such as podcasts,
- easily access resources that reinforce the training,
- interactively share the training programs they like with one another.

Garanti BBVA, which considers ensuring the development of its talent and retaining key talent to be one of its main focuses, has continued to provide employees with rich training content and data-driven “smart training recommendations.” Connect Mobile Campus, integrated into the “Connect,” employee mobile application, is a user-friendly mobile platform that allows employees to access their learning processes anytime, anywhere.

## Employee Engagement in Training

Throughout 2025, alongside the innovations we implemented, we continued to maintain and further develop our existing programs that support employee development and strengthen our corporate culture.

The B-Token gamification application, available on both web and mobile training platforms and positioned as a training marketplace, offers a personalized digital learning experience that enables employees to be proactive and take on leadership roles. This application is a virtual marketplace that allows employees to earn points as they complete digital training and spend these points on different training programs. In 2025, all employees became leaders of their own development journeys through this application, which offers an opportunity for the democratization of training.

In 2025, a total of 370 webinar training sessions were conducted through our elective training catalog for competency and skill development, covering 85 different topics across 15 competencies. To strengthen the internal peer-to-peer learning culture, the “Let’s Ask Someone Who Went” events, in which employees shared knowledge and experience acquired at events they had attended, continued throughout the year. The gamified learning platform Mobixa has become an innovative learning solution that strengthens the employee experience in line with our institution’s next-generation differentiation and meaningful impact strategies.

## Role-Specific Training

In our Company, the “Data Specialist” training program, designed for our colleagues who collect, process, and generate value from data, includes training such as Basic SQL and Advanced SQL, as well as training on the data visualization tool QlikSense and Python. Additionally, training such as effective presentation, storytelling, and dashboard design aims to strengthen participants’ competencies in delivering presentations and structuring them as narratives.

The Agile Development Programs aim to create awareness about Agile, establish a common language in the work environment by sharing accurate and up-to-date information on agile ways of working, and convey the Garanti BBVA Agile Framework.

In addition to basic training such as Scrum Fundamentals, Kanban Fundamentals, and Introduction to the Product Owner Role (101), programs are organized to strengthen role-specific competencies, including Product Owner Empowerment, Developer Empowerment, Scrum Master / Kanban Master Empowerment, and Leadership Empowerment.

Workshops such as AlignAutonomy and User Story Mapping, as well as certification training programs such as Professional Scrum Product Owner, Professional Scrum Master, and Professional Agile Leadership are also offered.

## Training for the Acquisition of New Competencies and Skills

To better prepare our employees for the future and enable their competency-based transformation, we have continued to offer reskilling & upskilling development programs focused particularly on new technologies.

The “Enabler Technologies Certificate Program,” which has been running for the past five years in the field of applied technologies and continues to be offered. It includes components such as digital content from the world’s most distinguished universities (Columbia, Wharton, MIT, ELU), technology sessions, online training, project work, workshops, and one-on-one coaching and mentoring. The goal is to help employees who meet specific criteria at Garanti BBVA and all group companies achieve their career objectives and to increase the Company’s expertise and innovation capacity by encouraging them to enroll in postgraduate education programs.

# Corporate Governance Principles Compliance Report

As an institution, we have created an Elective Training Catalog for Competency and Skill Development to support our employees in adapting to current and future business needs. The catalog was designed with consideration of the institution's strategic competencies and the World Economic Forum's (WEF) Future of Skills framework.

The training covers key development areas such as analytical thinking, digital literacy, leadership and social impact, empathy and effective communication, creativity, agility, taking responsibility, curiosity, and continuous learning. The content is structured to support employees in developing competencies according to their roles, responsibilities, and goals. Within the learning ecosystem, employees earn B-Token points by completing video training on the platform. The points earned can be used for elective classroom or online training available in the catalog. This structure offers a model that encourages learning behaviors, rewards development, and makes participation sustainable.

## Sustainability-Focused Training and Development Practices

Garanti BBVA Factoring has integrated sustainable development goals into its business processes, making environmental awareness a corporate value. By increasing awareness of environmental responsibility at both individual

and corporate levels, training on carbon footprint, zero waste, and climate change provided to employees of the Bank and its domestic subsidiaries has contributed to reducing environmental impacts in business processes and daily life.

Optional digital training sessions open to all employees were offered throughout the year to enable them to acquire new skills and enhance their sustainability awareness.

## Training That Creates Value in Critical Moments

Garanti BBVA Factoring has long been conducting training and awareness activities to ensure that its employees and their families are prepared for potential disasters. The project, launched with the motto "We Will Heal by Learning," aimed to increase earthquake awareness through newsletters and educational content.

The initial phase focused on psychological support training, while the subsequent phase focused on technical awareness training and "Family Disaster Plan" training. During Earthquake Week, various activities are also carried out, such as presentations by expert speakers, an Earthquake Simulation Truck, and a First Aid Training Booth. The activities will be carried out under the motto "Strong Together, Conscious in Earthquake."

## Accessibility and Inclusivity Training

Launched in 2024, the TalentAccess Training Program aims to support the inclusion of people with disabilities in the workforce and to provide an accessible employee experience. The program, whose scope was expanded in 2025 to include interns, enables participants to develop their behavioral and technical competencies and supports their career development. Various digital training content was provided to raise awareness among all employees. Training on "Unconscious Bias," "Inclusive Communication with People with Disabilities," and "Accessible Banking Solutions" increased the awareness level of employees.

## Training Programs for Foreign Languages and Areas of Personal Interest

While language programs that strengthen global collaboration and customer communication were gradually expanded, content on the foreign-language platform and the Campus portal continued to be offered to contribute to the development of employees' foreign-language skills. Employees' language skills were supported through continued collaborations with external platforms and institutions for Spanish and English. GETKültür training programs, designed to broaden employees' perspectives, develop new skills, and, by aligning their interests with their professional lives, contribute both to their personal development and to stronger customer relationships, continued in 2025.

## Leadership Development Programs

Leadership development is carried out through a holistic approach designed according to different job titles, levels of experience, and areas of responsibility, from new managers to senior management. Leadership development programs are structured to strengthen and deepen leaders' existing competencies in line with the changing dynamics of the business world, evolving leadership expectations, and differing role requirements. This approach focuses on ensuring the continuity of leadership capacity that supports the sustainability of organizational success.

Within this framework, the aim is to transform individual leadership development into corporate success with an approach that meets today's needs while also considering the leadership requirements of the future. Leadership development solutions, differentiated based on leaders' experience levels and areas of responsibility, are updated annually in line with the Company's strategic priorities and from a customer-centric perspective.

In addition to structured programs, leadership development is also supported by the Leadership Development Catalog. In this context, beyond segmented programs, flexible solutions are offered to meet leaders' development needs through elective training delivered using various learning methods, with a focus on self-management, people management, and

work management. Under the Recommended Growth Plan, personalized development journeys are offered.

Garanti BBVA leaders actively participate in international programs conducted under the BBVA Group.

## D. BOARD OF DIRECTORS

### Structure and Composition of the Board of Directors

The Board of Directors is elected from among the candidates nominated by Group (A) shareholders. The number and qualifications of independent members who will serve on the Board of Directors are determined, and those members are selected in accordance with the Capital Markets Board of Türkiye's regulations on the Corporate Governance Principles that are mandatory to implement.

Article seven of the Garanti BBVA Factoring Articles of Association addresses the duties and term of office of the Board of Directors, Board of Directors meetings, and the remuneration of its members.

If a vacancy occurs on the Board of Directors, the Board temporarily elects a person from the same group of shareholders who meets the legal requirements to be submitted for approval at the next General Assembly. The member thus elected shall serve until the General Assembly meeting and, if the General Assembly approves their election, shall complete the remaining terms of the members they were elected to replace. In the event of a vacancy among the Independent

Board Members, the regulations of the Capital Markets Board of Türkiye regarding the mandatory Corporate Governance Principles are followed.

The Company's Board of Directors consists of nine members. The Company's Chairman is Mahmut Akten, and its General Manager is Selahattin Güldü.

The Executive Board Member is Selahattin Güldü.

The Non-Executive Board Members are Mahmut Akten, Gökhan Koca, Osman Bahri Turgut, Cemal Onaran, and Sibel Kaya.

The Independent Board Members are Ebru Oğan Knottnerus, Halil Hüsnü Erel, and Mustafa Taylan Baykut.

### Board Members' Roles and Terms of Office;

Pursuant to Article Nine of the Articles of Association, the term of office of the Board of Directors is three years. At the end of this term, it is possible for a member whose term has expired to be re-elected.

At the Ordinary General Assembly Meeting for the year 2024 held on 22 May 2025, it was resolved that the Board Members shall continue to serve for a term of three years.

By the Board of Directors' resolution dated November 11, 2025, and numbered 202548, it was decided to elect Mustafa Taylan Baykut as an independent board member to serve for the remainder of the terms of the current Board members. This will be submitted for approval at the first General Assembly to be held in 2026.

# Corporate Governance Principles Compliance Report

The distribution of duties of the Board of Directors is specified below.

- The Chairman is Mahmut Akten, and the Vice Chairman is Gökhan Koca.
- Our Independent Board Members Ebru Oğan Knottnerus and Halil Hüsnü Erel are members of the audit committee. Halil Hüsnü Erel is the Chairman of the Committee.
- A corporate governance committee has been established within the Board of Directors in accordance with the Capital Markets Board of Türkiye's Communiqué on Corporate Governance Principles. Due to the structure of the Board of Directors, a separate Nomination Committee and Remuneration Committee have not been formed; therefore, the Corporate Governance Committee fulfills the duties of these committees.
- In accordance with the Capital Markets Board of Türkiye's Communiqué on Corporate Governance Principles and the Turkish Commercial Code No. 6102, a committee for the early detection of risk has been established within the Board of Directors. The committee members are Halil Hüsnü Erel and Sibel Kaya.

## Board Members' Biographical Information and External Positions;

The biographical information of the Board Members and their external duties are provided on pages 34, 35, and 36 of the annual report

Statements of Independence of the Independent Board Members;

## STATEMENT OF INDEPENDENCE

22/05/2025

### TO THE CORPORATE GOVERNANCE COMMITTEE OF GARANTİ FAKTORİNG A.Ş.,

I hereby declare that I am a candidate to serve as an "independent member" in the Board of Directors of Garanti Faktoring A.Ş. ("Company") within the scope of the criteria set forth in the legislation, articles of association and the Capital Markets Board's Corporate Governance Communiqué;

a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,

b) In the last five years, I have not worked as a partner (5% or more), in a managerial position to assume important duties and

responsibilities, or as a board member in companies from which the Company purchases or sells services or products to a significant extent within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the Company, during the periods when the services or products were purchased or sold;

c) I have the educational background, knowledge, and experience necessary for me to duly perform the tasks I will assume as an independent board member,

d) I do not work on a full-time basis at public agencies and institutions after my appointment as a member except for the Lecturer position at universities in line with applicable laws,

e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31/12/1960,

f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company's operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,

g) I will make sufficient time for keeping track of the Company's activities and for fully performing my duties on behalf of the Company,

h) I have not served as a Board Member of the Company for more than six years within the last ten years;

i) I have not been an independent Board Member in the Company or in more than three of the companies controlled by the shareholders who control the management of the Company and in more than a total of five of the companies publicly traded in Borsa Istanbul,

j) I will serve as a member of the Company's Board of Directors as a natural person and, in this context, have not been registered and announced on behalf of a legal entity elected as a board member,

In the event that a situation arises that would compromise my independence, immediately notifying the Board of Directors so that the change may be disclosed to the public, and in such case, resigning first from my membership of the Board of Directors and from all my duties due to the loss of my independence.

Sincerely,  
Ebru Oğan Knottnerus, Halil Hüsnü Erel, Mustafa Taylan Baykut

The independence declarations of the independent board members are disclosed on the Company's website at [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com) under the "Investor Relations" "General Assembly Meetings" section.

It has been resolved by the General Assembly to authorize the board members to undertake additional duties outside the Company in accordance with Articles 395 and 396 of the Turkish Commercial Code and the Corporate Governance Principles of the Capital Markets Board.

According to the Board of Directors' General Policy on Diversity and Suitability, in order to ensure the effectiveness of the Board, the Company's non-executive directors may serve on the boards of up to four publicly traded companies outside the Garanti BBVA Group.

## Responsibilities and Activities of the Board of Directors

Board of Directors meetings are conducted in accordance with the "Internal Regulation on Procedures and Principles to be Applied in Board of Directors Meetings," prepared within the framework of the Articles of Association, the Turkish Commercial Code, and the Corporate Governance Principles of the Capital Markets Board of Türkiye.

The Board of Directors convenes with the majority of the total number of members and makes decisions by a majority of those present at the meeting. No weighted voting rights and/or negative veto rights are granted to board members. Votes in the Board of Directors are cast as either for or against. Abstentions are not permitted. A member who votes against a decision signs below the decision after writing the reason for their dissent.

The resolutions adopted by the Board of Directors following discussions at its meetings are recorded in the board of directors' resolution book. In accordance with the relevant article of the New Turkish Commercial Code, the opening and closing of the Board of Directors' resolution books are notarized and carried out within the prescribed periods.

In 2025, thirty-seven board of directors meetings were held with a majority of the total number of members present. As a result of the Board of Directors' meetings, eighty-eight pages of minutes were prepared. The Board of Directors has adopted a total of sixty-three resolutions, both in meetings and through file reviews. During the period, no Board Member expressed any dissenting opinions on resolutions that would have required inclusion in the meeting minutes. No weighted voting rights or negative veto rights are granted to board members.

# Corporate Governance Principles Compliance Report

## Number, Structure, and Independence of Committees Established within the Board of Directors

In accordance with the Corporate Governance Principles of the Capital Markets Board of Türkiye, the Board of Directors has established an audit committee and a corporate governance committee that report to the Board. Due to the structure of the Board of Directors, separate nomination and remuneration committees have not been established, and the duties of these committees are performed by the Corporate Governance Committee. The Board of Directors may also establish other committees as necessary or required within the framework of the relevant legislation. The working principles of the committees are determined by the Board of Directors, and committee members are elected by the Board of Directors. The duties, working principles, and composition of the established committees are publicly disclosed on the Public Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)) and the Company's website.

The chief executive and the general manager have not served on any committees. Due to the structure of our Company's board of directors, the number of independent board members is 3 (three). Since at least the chairpersons

of the established committees and the entire audit committee must consist of independent members, the principle that a board member should not serve on more than one committee could not be fulfilled. One of our independent Board members is required to serve on two separate committees.

The committees established within the Board of Directors are detailed on page 40 of the annual report.

## E. RISK MANAGEMENT AND INTERNAL CONTROL

Establishing an effective risk management system and a strong internal control environment for the Company is considered one of the most important cornerstones of sustainable growth and development. Thanks to its technological infrastructure and developed business processes, the Company continuously monitors the risks it assumes and provides reporting that informs managerial levels as well as strategic and day-to-day decision-making. The Company conducts value-at-risk and maturity analyses to measure market and liquidity risks. The Company's foreign exchange position is monitored daily and reported to the relevant units and senior management to ensure it is managed within allocated limits.

The Risk Management Strategy, Policy, and Implementation Procedures of Garanti BBVA Factoring A.Ş. were approved and came into effect with the Board of Directors' resolution dated April 7, 2014, numbered 2014/15. This policy aims to ensure that Garanti BBVA Factoring's risk management strategy achieves optimal capital allocation and growth within a balanced framework by measuring risks and considering the risk-return balance within the scope of the Company's activities. In this context, the fundamental implementation principles are defined as identifying and analyzing risks appropriate to the volume, nature and complexity of the Company's activities; ensuring compliance with international and local legal regulations; preserving financial strength by monitoring and controlling risks in order to limit the impact of potential adverse market conditions on capital and revenues; and establishing a company-wide risk culture by promoting risk transparency and risk awareness.

Internal control mechanisms have been established to be followed and implemented by personnel at all levels of the Company, to ensure that the Company's activities are carried out in compliance with applicable legislation and within the framework determined by the Board of Directors, and to ensure the integrity and reliability of accounting and reporting systems.

The Internal Audit Unit, which operates under the Board of Directors through the Audit Committee, audits the effectiveness and efficiency of the internal control and risk management systems across the entire company within the scope of the annual audit plan prepared based on risk assessments.

## F. THE COMPANY'S STRATEGIC OBJECTIVES

Garanti BBVA Factoring's strategic objectives are provided on page 24 of the annual report.

## G. FINANCIAL RIGHTS

The Remuneration Policy, which was established and approved by the board of directors regarding all rights, benefits, and fees provided to board members and senior executives, as well as the criteria and principles used in their determination, is available to the public on the website [www.garantibbvafactoring.com](http://www.garantibbvafactoring.com) under the "Investor Relations > Corporate Governance" section.

The financial rights provided to board members and senior executives were included as agenda item twelve at the Company's Ordinary General Assembly Meeting held on May 22, 2025. It was resolved to submit for the General Assembly's approval an annual gross fee of TL 660,000 and a monthly gross fee of TL 55,000 for each independent board member for the year 2025, within the scope of the Garanti Faktoring A.Ş. remuneration policy. The resolution was unanimously approved at the General Assembly.

The Company's remuneration policy, which sets out the principles for the remuneration of Board members and senior executives in accordance with the Corporate Governance Principles, is disclosed on the Investor Relations section of the Company's website. For the accounting period ending December 31, 2025, a total net remuneration of TL 43,308,406.52 was paid to Board members and key management personnel.

Our Company does not grant loans to, or extend credit to, any of its board members or executives, nor does it, through a third party, provide credit presented as personal loans, nor does it provide guarantees, such as surety, on their behalf.

# Corporate Governance Principles Compliance Report

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
<b>1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS</b>						
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
<b>1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION</b>						
1.2.1- Management did not enter into any transaction that would complicate the conduct of special audit.	X					
<b>1.3. GENERAL ASSEMBLY</b>						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the Company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.			X			
<b>1.4. VOTING RIGHTS</b>						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	

# Corporate Governance Principles Compliance Report

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
<b>1.5. MINORITY RIGHTS</b>						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.		X				Article 17 of the Articles of Association provides that: "Minority rights shall be exercised by shareholders holding at least one-twentieth of the capital. Shareholders holding at least one-twentieth of the capital may request the Board of Directors to call a General Assembly meeting in accordance with Article 411 of the Turkish Commercial Code, or, if the General Assembly is already scheduled to convene, they may request that items they wish to be discussed and resolved be included in the agenda." In addition, all shareholders are treated equally in terms of disclosure and investor relations activities, without any discrimination.
<b>1.6. DIVIDEND RIGHT</b>						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the Company website	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.		X				

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the Company.	X					
<b>1.7. TRANSFER OF SHARES</b>						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
<b>2.1. CORPORATE WEBSITE</b>						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					

# Corporate Governance Principles Compliance Report

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
<b>2.2. ANNUAL REPORT</b>						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the Company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
<b>3.1. CORPORATION'S POLICY ON STAKEHOLDERS</b>						
3.1.1 - The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the Company's website.		X				Certain policies and procedures concerning stakeholder rights are made available on the Company's corporate website under the Investor Relations and Corporate Governance section.
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
<b>3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT</b>						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/ manuals), regulate the participation of employees in management.			X			
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.		X				Garanti Factoring A.Ş. organizes annual vision meetings attended by all Company employees, featuring a presentation by the General Manager, while updates on the Company's development are shared, suggestions are put forward, and progress is monitored through periodic regional budget and performance meetings, as well as weekly Asset-Liability Committee meetings.
<b>3.3. HUMAN RESOURCES POLICY</b>						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					

# Corporate Governance Principles Compliance Report

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
3.3.4 - Meetings have been organised to inform employees on the financial status of the Company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.					X	

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
3.3.9 - A safe working environment for employees is maintained.	X					
<b>3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS</b>						
3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
<b>3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY</b>						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					

# Corporate Governance Principles Compliance Report

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
<b>4.1. ROLE OF THE BOARD OF DIRECTORS</b>						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the Company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
<b>4.2. ACTIVITIES OF THE BOARD OF DIRECTORS</b>						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the Company has an internal control framework adequate for its activities, size and complexity.	X					

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					The Parent Company, T. Garanti Bankasi, has a directors' and officers' liability policy of EUR 100 million, which also covers its subsidiaries.

# Corporate Governance Principles Compliance Report

Compliance Status						
Yes	Partial	No	Exempt	Not Applicable	Explanation	
<b>4.3. STRUCTURE OF THE BOARD OF DIRECTORS</b>						
	X				4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	
					To determine the principles and criteria regarding the adequate structure, suitability, and diversity of the Company's Board of Directors, the 'Board of Directors Diversity and Suitability General Policy' was approved and put into effect by the Board of Directors resolution dated March 27, 2023, and numbered 15.	
	X				4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	
<b>4.4. BOARD MEETING PROCEDURES</b>						
	X				4.4.1 - Each board member attend the majority of the board meetings in person or via an electronic board meeting system.	
				X	4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	

Compliance Status						
Yes	Partial	No	Exempt	Not Applicable	Explanation	
					X	4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.
					X	4.4.4 - Each member of the board has one vote.
					X	4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.
					X	4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.
					X	4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.

# Corporate Governance Principles Compliance Report

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
<b>4.5. BOARD COMMITTEES</b>						
4.5.5 - Board members serve in only one of the Board's committees.			X			Considering the size of the Board and its committees, each Board member serves on more than one committee.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	X					
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
<b>4.6. FINANCIAL RIGHTS</b>						
4.6.1 - The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					The Board of Directors' performance evaluation process was approved and came into force by Board resolution dated March 27, 2023 (No. 15), and is set out under the heading "Principles of the Board's Self-Evaluation" in Article 4 of the Board of Directors' Working Procedures and Principles.

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
4.6.4 - The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.		X				
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.					X	The annual remuneration paid to independent members of the Board of Directors is disclosed in the annual report. No remuneration is paid to other members of the Board of Directors. The remuneration paid to senior management and executives with administrative responsibilities is disclosed as an aggregate amount at General Assembly meetings and in the annual reports.

# Corporate Governance Information Form

SHAREHOLDERS	
<b>1.1. Facilitating the Exercise of Shareholder Rights</b>	
The number of investor meetings (conference, seminar/ etc.) organised by the company during the year	0
<b>1.2. Right to Obtain and Examine Information</b>	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
<b>1.3. General Assembly</b>	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	<a href="https://kap.org.tr/tr/Bildirim/1428426">https://kap.org.tr/tr/Bildirim/1428426</a>
Whether the general assembly meeting documents were presented in Turkish and English languages simultaneously	No
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	-
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	<a href="https://kap.org.tr/tr/Bildirim/1384762">https://kap.org.tr/tr/Bildirim/1384762</a>
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	-
The name of the section on the corporate website that demonstrates the donation policy of the Company	Investor Relations/Corporate Governance/Donation and Aid Policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	<a href="https://kap.org.tr/tr/Bildirim/1015394">https://kap.org.tr/tr/Bildirim/1015394</a>
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 17
Information regarding the stakeholders who attend general assemblies	-
<b>1.4. Voting Rights</b>	
Whether there are any privileged voting rights	No
In case there are voting privileges, indicate the privileged shareholders and their voting percentages	-
Shareholding rate of the majority shareholder	81.84%
<b>1.5. Minority Rights</b>	
Whether minority rights have been expanded (in terms of content or ratio) in the Company's Articles of Association	Yes
Whether the scope of minority rights is expanded (in terms of content or percentage) in the Articles of the Association	Article 17

1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations/Corporate Governance/Dividend Distribution Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	At the Company's 2024 Ordinary General Assembly Meeting, it was resolved that, in accordance with the "determination and distribution of profit" principle set out in the Company's Articles of Association, and based on the financial statements for the period 1 January 2024 – 31 December 2024 prepared in compliance with Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS) and the mandatory formats prescribed by the Capital Markets Board (CMB), and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, the net profit for the period amounting to TL 1,438,087,328.45, remaining after the provision for taxes from the total 2024 profit of TL 2,046,817,057.86, and also taking into account the net tax effect of TL 19,675,876.14 calculated from the 2024 profit, be allocated to legal and extraordinary reserves and retained within the Company. The resolution was adopted unanimously by the shareholders present, representing shares with a nominal value of TL 364,192,884.855.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	<a href="https://kap.org.tr/tr/Bildirim/1441170">https://kap.org.tr/tr/Bildirim/1441170</a>
<b>General Assembly Meetings</b>	
General Assembly Date	22.05.2025
The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	0
Shareholder participation rate to the general assembly meeting	91.62%
Percentage of shares directly present	-
Percentage of shares represented by proxy	91.62%
Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Investor Relations/General Assembly Meetings
Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	Investor Relations/General Assembly Meetings
The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	-
The number of declarations by insiders received by the board of directors	114
The PDP link of the general assembly notification	<a href="https://kap.org.tr/tr/Bildirim/1428426">https://kap.org.tr/tr/Bildirim/1428426</a>

# Corporate Governance Information Form

<b>PUBLIC DISCLOSURE AND TRANSPARENCY</b>	
<b>2.1. Corporate Website</b>	
The headings of the sections on the corporate website that include information required by the corporate governance principle numbered 2.1.1	Investor Relations / <a href="https://www.garantibbvafactoring.com/tr/yatirimci-iliskileri">https://www.garantibbvafactoring.com/tr/yatirimci-iliskileri</a>
The heading of the section on the corporate website that includes the list of real person shareholders who own more than 5% of the Company's shares, directly or indirectly	Investor Relations/Shareholding Structure/ <a href="https://www.garantibbvafactoring.com/tr/yatirimci-iliskileri/ortaklik-yapisi">https://www.garantibbvafactoring.com/tr/yatirimci-iliskileri/ortaklik-yapisi</a>
Languages in which the corporate website is available	Turkish, English
<b>2.2. Annual Report</b>	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Board of Directors
b) Page number or heading of the section in the annual report that provides information on the committees established under the Board of Directors	Committees and Attendance at Committee Meetings
c) Page number or heading of the section in the annual report that includes the number of board meetings held throughout the year, and the members' attendance status	Board of Directors
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Significant Improvements in Company Operations
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Significant Improvements in Company Operations
f) Page number or heading of the section in the annual report that provides information on the conflicts of interest between the Company and entities providing investment advisory and rating services to the Company, and the precautions taken to prevent these	None
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	None
h) Page number or heading of the section that provides information on employees' benefits and professional training, as well as other corporate social responsibility activities related to the Company's operations that have social and environmental impacts	Our Mission, Our Values, Our Strategic Priorities
<b>STAKEHOLDERS</b>	
<b>3.1. Corporation's Policy on Stakeholders</b>	
The heading of the section on the corporate website that includes the policy on compensation	Investor Relations/Policies/Severance and Notice Compensation Policy
The number of final court verdicts against the Company that result from violation of employee rights	None

The title of the individual in charge of the whistleblowing programme	Senior Director, Talent and Culture Unit
Contact information of the Company's mechanism to report	In the event of any non-compliant or unethical conduct within the Company, employees may submit reports to the Ethics Reporting Line, operated by the Internal Control and Compliance Unit, via etikbildirim@garantibbvafactoring.com or by phone at +(90) 216 625 40 88.
<b>3.2. Supporting the Participation of the Stakeholders in the Corporation's Management</b>	
The heading of the section on the corporate website that includes internal regulations on employees' participation in the managerial bodies of the Company	Although there are no formal written internal regulations, in line with the Company's strategic priorities, employees are given the opportunity to contribute and provide input, and their participation in decision-making is taken into account across all projects and activities undertaken.
Corporate bodies where employees are represented	Although there are no written internal regulations, in line with the Company's strategic priorities, employees are given the opportunity to provide feedback and their participation in decisions is ensured in all projects and activities carried out.
<b>3.3. Human Resources Policy</b>	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	A succession plan for key management positions is in place and is reviewed annually by the Executive Board Member serving as General Manager.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities	It is available at <a href="https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-insan-kaynaklari-politikasi.pdf">https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-insan-kaynaklari-politikasi.pdf</a> . Garanti BBVA Factoring's Human Resources Policy can be summarized as follows: prioritizing people, making continuous investments, allocating the necessary resources for training, prioritizing internal promotions and implementing programs to support this approach, developing human resources systems, fostering participation through an open communication environment, maintaining a fair and objective approach, and developing practices in line with international standards. In this context, the mission of the Talent and Culture Department is defined as playing a strategic role by implementing effective human resources policies that support the achievement of the organization's business objectives. To this end, the Talent and Culture Department operates within the ethical values of Garanti BBVA Factoring and in accordance with the principle of equality. The Company and its employees uphold fair treatment in all business relationships, without discrimination based on language, race, gender, political opinion, philosophical belief, religion, denomination, sexual orientation, family responsibilities, disability, age, health status, union membership, or similar factors. Both the Company and its employees respect human rights. With a clear understanding of Garanti BBVA Factoring's business objectives and a close alignment with business units and field operations, the Department utilizes competency-based, objective, and position-specific assessment and evaluation tools developed in line with organizational needs to ensure the placement of the right person in the right role. In alignment with company strategies, it develops human resources practices, implements initiatives to enhance employee motivation, fosters open communication environments that enable employees to express themselves, provides career counseling based on employees' competencies, knowledge, skills, needs, and expectations, and ensures access to training required for personal development. Standard criteria (such as experience, tenure in position, performance, competency assessments, examinations, and interviews) are established for all internal promotions and role transitions. These criteria are communicated across the organization transparently within the framework of career maps. At Garanti BBVA Factoring, employees are guided and supported in line with their chosen career paths.

# Corporate Governance Information Form

Whether the company provides an employee stock ownership programme	There is no share acquisition plan.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also, provide a summary of relevant parts of the human resource policy	<p>Our employees act in a manner that ensures the creation of a professional working environment within the framework of courtesy and respect. They do not require another employee to perform personal tasks that are incompatible with their duties, authority, and responsibilities. Outside the workplace as well, they do not engage in verbal abuse towards one another or use offensive language, nor do they engage in any form of mistreatment such as physical assault or violence. Employees at all levels maintain their relationships with one another in a manner that will not be interpreted as sexual harassment, discrimination, or mistreatment, whether inside or outside the workplace, and that will not disrupt the working environment.</p> <p>Our managers take the necessary measures to prevent any form of mistreatment, discrimination, or sexual harassment in the workplace, and report suspected cases to the Human Resources Unit. Employees also report their complaints on this matter to their supervisors or directly to the Human Resources Unit. Making such complaints shall not be used against the complainant; such complaints are taken seriously and duly investigated and concluded. Any form of mistreatment, discrimination, or sexual harassment, as well as any attempt to conceal such behavior, is subject to the most severe sanctions within the Company.</p>
The number of definitive convictions the company is subject to in relation to health and safety measures	None
<b>3.5. Ethical Rules and Social Responsibility</b>	
The heading of the section on the corporate website that includes the policy on ethical principles	Investor Relations/Ethical Principles and Rules
The name of the section on the company website that demonstrates the corporate social responsibility report. If there is no report on corporate social responsibility, precautions taken with respect to the environmental, social and corporate governance issues	Investor Relations/Corporate Governance. Garanti Factoring places the utmost importance on environmental and social responsibility in all its operations and ensures that the environmental impacts of its activities and client engagements are properly assessed. In this context, the Company ensures that all transactions and client activities comply with the social and environmental standards required by its internal policies and applicable legislation. Garanti Factoring does not finance any activities or projects that are prohibited or restricted under national legislation or international agreements to which Türkiye is a party, including those listed below, regardless of the transaction amount and without exception.
Any measures combatting any kind of corruption including embezzlement and bribery	The Garanti Faktoring A.Ş. Anti-Corruption Policy was approved and came into effect at the Board of Directors meeting on September 24, 2020. The policy was updated on March 31, 2023.

<b>BOARD OF DIRECTORS-I</b>	
<b>4.2. Principles of Activity of the Board of Directors</b>	
Date of the last board evaluation conducted	None
Whether the board evaluation was externally facilitated	No
Whether all board members were released for their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Mahmut Akten -Chairman Gökhan Koca-Vice Chairman
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	6
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Committees and Attendance at Committee Meetings
Name of the Chair	Mahmut Akten
Name of the CEO	Selahattin Güldü
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	-
The number and ratio of woman directors within the Board of Directors	2, 22%

# Corporate Governance Information Form

## Board Members

Name-Surname	Person Acting on Behalf of a Legal Entity Member	Gender	Position	Profession	The First Election Date to Board	Executive or Not	Duties in the Incorporation in the Last 5 Years	Positions Held Outside the Company as of the Latest Status	Whether the Member Has at Least 5 Years of Experience in Auditing, Accounting, and/or Finance or Not	Share in Capital (%)	Share Group Represented	Whether Independent Board Member or Not	Link to PDP Notification that includes the Independence Declaration	Whether the Independent Director Considered by the Nomination Committee	Whether She/He Is the Director Who Ceased to Satisfy Independence or Not	Committees and Duties
MAHMUT AKTEN		Male	Chairman	Banker	16.10.2024	Non-executive	Board Member	T. Garanti Bankası A.Ş. General Manager and Board Member, Garanti Finansal Kiralama A.Ş. Board Member, Garanti Kültür A.Ş. Board Member, Garanti Yatırım Menkul Kıymetler A.Ş. Vice Chairman, Garanti Bank S.A. Board Member, Garanti Konut Finansmanı Danışmanlık Hizmetleri A.Ş. Chairman, Garanti Filo Yönetim Hizmetleri A.Ş. Chairman	Yes	0		Not an independent member				
Gökhan KOCA		Male	Vice Chairman	Banker	15.02.2021	Non-executive	Vice Chairman		Yes	0		Not an independent member				
SELAHATTİN GÜLDÜ		Male	Board Member	Financial Sector Professional	4.12.2024	Executive	Board Member, General Manager	FKB Vice Chairman, Garanti BBVA Leasing Board Member	Yes	0		Not an independent member				
OSMAN BAHRİ TURGUT		Male	Board Member	Banker	23.03.2016	Non-executive	Board Member	Board Member and Audit Committee Member at Garanti Finansal Kiralama A.Ş. and Garanti Filo Yönetimi Hizmetleri A.Ş., member of the Pension and Assistance Fund Foundation of T. Garanti Bankası A.Ş., Board Member at Garanti Kültür A.Ş., Audit Committee Member at Garanti Leasing SA, Garanti Consumer Finance SA, and Garanti Ödeme Sistemleri A.Ş., Board Member and Audit Committee Member at Garanti Filo Yönetimi Hizmetleri A.Ş., Member of the Pension and Assistance Fund Foundation of T. Garanti Bankası A.Ş., Board Member at Garanti Kültür A.Ş., Audit Committee Member at Garanti Leasing SA Audit Committee Member at Garanti Consumer Finance SA Audit Committee Member at Garanti Ödeme Sistemleri A.Ş.	Yes	0	-	Not an independent member				Corporate Governance Committee Members
CEMAL ONARAN		Male	Board Member	Banker	13.03.2017	Non-executive	Board Member	Executive Vice President at T. Garanti Bankası A.Ş., Board Member at Garanti Bank S.A., Vice Chairman at Garanti Finansal Kiralama A.Ş., Member of the Board of Trustees at the Teacher Academy Foundation	Yes	0	-	Not an independent member				-
SİBEL KAYA		Female	Board Member	Banker	15.02.2021	Executive	Board Member	Executive Vice President at T. Garanti Bankası A.Ş., Board Member at Garanti Finansal Kiralama A.Ş., Garanti Emeklilik ve Hayat A.Ş., and Garanti Ödeme Sistemleri A.Ş.	Yes	0		Not an independent member				
Halil Hüsnü EREL		Male	Board Member	Banker	22.05.2025	Non-executive	Independent Board Member	Independent Board Member at T. Garanti Bankası A.Ş.	Yes	0		Independent member		Assessed		Audit Committee Member, Early Detection of Risk Committee Member, Corporate Governance Committee Member
EBRU OĞAN KNOTTNERUS		Female	Board Member	Banker	22.05.2025	Non-executive	Independent Board Member	Board Member at T. Garanti Bankası A.Ş. and Garanti BBVA Romania	Yes	0		Independent member		Assessed		Audit Committee Member, Early Detection of Risk Committee Member
Mustafa Taylan BAYKUT		Male	Board Member	Banker	28.06.2024	Non-executive	Independent Board Member	Baykut Tax Advisory-Tax Partner	Yes	0		Independent member		Assessed		Corporate Governance Committee Member

# Corporate Governance Information Form

BOARD OF DIRECTORS-II	
<b>4.4. Meeting Procedures of the Board of Directors</b>	
Number of physical board meetings in the reporting period (meetings in person)	37
Director average attendance rate at board meetings	95%
Whether the board uses an electronic portal to support its work or not	No
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	3
The name of the section on the corporate website that demonstrates information about the board charter	<a href="https://www.garantibbvafactoring.com/tr/yatirimci-iliskileri/politikalar">https://www.garantibbvafactoring.com/tr/yatirimci-iliskileri/politikalar</a> It is included in the Board of Directors Diversity and Suitability General Policy.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	The Board of Directors Diversity and Suitability General Policy provides that: "4.6. To ensure the effectiveness of the Board, the Company's Non-Executive Board Members may serve on the boards of up to four publicly listed companies outside the Garanti BBVA Group."
<b>4.5. Board Committees</b>	
Page numbers or section names of the annual report where information about the board committees are presented	Committees and Attendance at Committee Meetings
Link(s) to the PDP announcement(s) with the board committee charters	<a href="https://www.kap.org.tr/Bildirim/224354">https://www.kap.org.tr/Bildirim/224354</a>

## Composition of Board Committees-I

Name-Surname of Board of Directors Committees	Name of Committees Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Audit Committee	-	Halil Hüsnü EREL	Yes	Independent Board Member
		EBRU OĞAN KNOTTNERUS	No	Independent Board Member
Corporate Governance Committee	-	Halil Hüsnü EREL	Yes	Independent Board Member
		Osman Bahri Turgut	No	Board Member
		Serap Çakır	No	Not a Board Member
Early Detection of Risk Committee Member	-	Halil Hüsnü EREL	Yes	Independent Board Member
		EBRU OĞAN KNOTTNERUS	No	Independent Board Member

BOARD OF DIRECTORS-III	
<b>4.5. Committees Established under the Board of Directors-II</b>	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/Committees
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/Committees
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/Committees/Corporate Governance Committee
Specify where the activities of the risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/Committees
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/Committees/Corporate Governance Committee
<b>4.6. Financial Rights</b>	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Previous Period Budget and Performance Assessment
Specify the section of the website where remuneration policy for executive and non-executive directors are presented	Investor Relations/Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Remuneration and Benefits Provided to Board Members and Executives with Administrative Responsibility

## Composition of Board Committees-II

Name-Surname of Board of Directors Committees	Name of Committees Defined as "Other" in the First Column	Percentage of Non-Executive Directors	Percentage of Independent Directors in the Committee	Number of Meetings Held in Person	Number of Reports on Its Activities Submitted to the Board
Audit Committee	-	100%	100%	4	5
Corporate Governance Committee	-	100%	50%	6	7
Early Detection of Risk Committee Member	-	100%	100%	6	6

# Sustainability Compliance Report

The TSRS-Compliant Sustainability Report 2024 is available on the following page: <https://www.garantibbvafactoring.com/tr/surdurulebilirlik>

The TSRS-Compliant Sustainability Report 2025 will be published on the same date as the financial reports for the 30.06.2026 reporting period.

	Company Compliance Status				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
<b>A. GENERAL PRINCIPLES</b>						
<b>A1. Strategy, Policy and Targets</b>						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				The Garanti BBVA Factoring TSRS-Compliant Sustainability Report 2024 has been prepared in accordance with Turkish Sustainability Reporting Standards 1 and 2 (TSRS 1 and 2), published in the Official Gazette dated December 29, 2023, and numbered 32414(M), and in line with the guidance and principles set out in these standards. It was published on the Public Disclosure Platform (KAP) on July 29, 2025. Under section 4.1, "Sustainability and Climate Issues," risks and opportunities related to ESG (Environmental, Social, and Governance) factors are identified.	TSRS-Compliant Sustainability Report 2024, Pages 13–14–15 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X				Garanti BBVA Factoring's policies regarding sustainability issues are publicly disclosed through its corporate website.	<a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X				This is explained under the heading '6.5 Sustainability and Climate-Related Targets' in Garanti BBVA Factoring's TSRS-Compliant Sustainability Report 2024.	TSRS-Compliant Sustainability Report 2024, Page 29 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>
<b>A2. Implementation/Monitoring</b>						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X				A responsible committee and its members have been designated for sustainability compliance efforts, and this was approved by a Board of Directors resolution dated 22.06.2023. The members of the Sustainability Committee and the committee's responsibilities are publicly disclosed via the corporate website.	<a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=surdurulebilirlik-komitesi-komitenin-amaci-ve-sorumluluklar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=surdurulebilirlik-komitesi-komitenin-amaci-ve-sorumluluklar</a>

	Company Compliance Status				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X				This is disclosed under the 'Committees and Attendance at Committee Meetings' section of the annual report.	It is included on page 42 of the annual report under the heading 'Sustainability Committee'.
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	X				In line with Garanti BBVA Group's 2050 Net Zero commitments and 2030 interim decarbonization targets, Garanti BBVA Factoring is also working on improvements to monitor the carbon reduction performance of its own portfolio and to take measures to reduce risk exposure. This is explained under the heading '4.5.3 Decarbonization of the Portfolio' in Garanti BBVA Factoring's TSRS-Compliant Sustainability Report 2024.	TSRS-Compliant Sustainability Report 2024, Page 20 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	X				ESG key performance indicators and their annual monitoring are publicly disclosed through the TSRS-Compliant Sustainability Report and the corporate website.	TSRS-Compliant Sustainability Report 2024 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X				Activities aimed at improving sustainability performance in business processes or products and services have been publicly disclosed in the TSRS-Compliant Sustainability Report.	TSRS-Compliant Sustainability Report 2024, Pages 9-12 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>
<b>A3. Reporting</b>						
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company in an understandable, accurate and sufficient manner.	X				Information regarding the relevant performance, targets, and actions is disclosed under the 'Metrics and Targets' section of the annual report and the TSRS-Compliant Sustainability Report.	TSRS-Compliant Sustainability Report 2024, Page 26 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a> <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>

# Sustainability Compliance Report

	Company Compliance Status				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X				The contribution to the UN Sustainable Development Goals is publicly disclosed through the TSRS-Compliant Sustainability Report.	TSRS-Compliant Sustainability Report 2024 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a> <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.	X				There are no lawsuits.	TSRS-Compliant Sustainability Report 2024 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a> <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>
<b>A4. Verification</b>						
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	X				The identified ESG key performance indicators are verified by an independent third party and are publicly disclosed through the TSRS-Compliant Sustainability Report.	TSRS-Compliant Sustainability Report 2024 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a> <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>
<b>B. ENVIRONMENTAL PRINCIPLES</b>						
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X				Garanti BBVA Factoring, operating within buildings owned by Garanti BBVA, works in alignment with the ISO 14001 Environmental Management System certified in 2012 by Garanti BBVA to systematically manage and control environmental impacts arising from operations. Third-party audits conducted in 2024 were successfully completed, and the continuity of the ISO 14001 Environmental Management System Certification has been maintained.	TSRS-Compliant Sustainability Report 2024 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a> <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>

	Company Compliance Status				Description	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.			X			
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).		X			Within the scope of performance incentive systems, reward criteria are publicly disclosed through integrated reports.	TSRS-Compliant Sustainability Report 2024 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a> <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.		X			Matters related to the integration of environmental issues into business objectives and strategies are publicly disclosed under the 'Strategy' section of Garanti BBVA Factoring's TSRS-Compliant Sustainability Report 2024.	TSRS-Compliant Sustainability Report 2024, Pages 13-22
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.		X			The management of environmental issues across the entire partnership value chain, including suppliers and customers within the operational process, is publicly disclosed under the '2.2 Business Model and Value Chain' section of Garanti BBVA Factoring's TSRS-Compliant Sustainability Report 2024.	TSRS-Compliant Sustainability Report 2024, Pages 5-6

# Sustainability Compliance Report

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed	X				Garanti BBVA Factoring develops its policies in alignment with the sustainability initiatives undertaken by its main shareholder, T. Garanti Bankası A.Ş. (Garanti BBVA), since 2012, as well as with Garanti BBVA's policies.  <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik/Politikalar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik/Politikalar</a>
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	X				Environmental indicators are disclosed under the 'Metrics and Targets' section of the TSRS-Compliant Sustainability Report.  TSRS-Compliant Sustainability Report 2024, Pages 26-29 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a> <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a>
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed	X				Sector-based metrics have been prepared in accordance with the TSRS Sectoral Application Guidance (TSRS-2) and the TSRS Volume 16 Commercial Banking Sector Standards.  TSRS-Compliant Sustainability Report 2024, Pages 26-29 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X				The TSRS-Compliant Sustainability Report was published for the first time for the year 2024, and the 2025 report will include comparative 2024-2025 data.  TSRS-Compliant Sustainability Report 2024 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	X				Short- and long-term targets, as well as progress status, are disclosed under the '6.5 Sustainability and Climate-Related Targets' section of Garanti BBVA Factoring's TSRS-Compliant Sustainability Report 2024.  TSRS-Compliant Sustainability Report 2024, Page 29 <a href="https://kap.org.tr/tr/Bildirim/1468009">https://kap.org.tr/tr/Bildirim/1468009</a>
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X				Garanti BBVA Factoring prioritizes climate change mitigation and inclusive growth within the BBVA Group as part of its sustainability strategy. This is publicly disclosed under the 'Strategy' section of Garanti BBVA Factoring's TSRS-Compliant Sustainability Report 2024.  TSRS-Compliant Sustainability Report 2024, Pages 13-22
B14. The programs/ procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X				This is publicly disclosed under the 'Governance' section of Garanti BBVA Factoring's TSRS-Compliant Sustainability Report 2024.  TSRS-Compliant Sustainability Report 2024, Pages 09-12
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.	X				The Supplier Code of Conduct is accessible via the corporate website. In alignment with its commitment under the Net-Zero Banking Alliance to achieve net zero emissions by 2050 at the latest, Garanti BBVA has defined interim decarbonization targets for 2030, specifically for selected carbon-intensive sectors, and has publicly disclosed these targets.  TSRS-Compliant Sustainability Report
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X				The benefits generated by initiatives and projects aimed at reducing environmental impacts are publicly disclosed through the TSRS-Compliant Sustainability Report.  TSRS-Compliant Sustainability Report 2024, Page 28

# Sustainability Compliance Report

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X				Energy consumption data under Scope 1 and Scope 2 is publicly disclosed in the TSRS-Compliant Sustainability Report under the section titled "6.2.1 Greenhouse Gas Emissions5 – Scope 1 and 2." TSRS-Compliant Sustainability Report 2024, Page 26-27
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X				It is publicly disclosed in the TSRS-Compliant Sustainability Report under the section "6.2.3 Energy, Water and Waste Management." TSRS-Compliant Sustainability Report 2024, page 18 – Renewable Energy
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X				Garanti BBVA procures all of its electricity from suppliers holding renewable energy certificates. The organization also evaluates solar energy potential across its operational sites, including its branches and the Pendik Campus. TSRS-Compliant Sustainability Report 2024, page 18 – Renewable Energy
B19. The renewable energy production and usage data has been publicly disclosed.	X				Through its initiatives in renewable energy, Garanti BBVA supports Türkiye's efforts to combat the climate crisis. At the Pendik Campus, installed solar power systems with a capacity of 103 kW contribute to increasing the share of renewable energy while also helping to reduce the organization's carbon footprint. TSRS-Compliant Sustainability Report 2024, page 18 – Renewable Energy
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	X				It is publicly disclosed in the TSRS-Compliant Sustainability Report under the section "4.5.1 Direct Impacts." TSRS-Compliant Sustainability Report 2024, Pages 18–19

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X				It is publicly disclosed in the TSRS-Compliant Sustainability Report under the section "4.5.1 Direct Impacts." TSRS-Compliant Sustainability Report 2024, Pages 18–19
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	X				Since 2024 is the initial transition year, the operations and activities have not yet been included in any carbon pricing system. TSRS-Compliant Sustainability Report 2024
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.	X				Since 2024 is the initial transition year, there are currently no accumulated or purchased carbon credits. TSRS-Compliant Sustainability Report 2024
B24. If carbon pricing is applied within the Company, the details have been disclosed.			X		
B25. The platforms where the Company discloses its environmental information have been disclosed.	X				Explanations are provided on the website <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik">https://www.garantibbvafactoring.com/tr/surdurulebilirlik</a> Explanations are included under the "Sustainability Compliance Report" section of the Sustainability Compliance Report and the Annual Report 2024. <a href="https://www.kap.org.tr/tr/sirket-bilgileri/ozet/959-garanti-factoring-a-s">https://www.kap.org.tr/tr/sirket-bilgileri/ozet/959-garanti-factoring-a-s</a>

# Sustainability Compliance Report

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
<b>C. SOCIAL PRINCIPLES</b>					
<b>C1. Human Rights and Employee Rights</b>					
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.	X				In line with the general principles of its Corporate Social Responsibility Policy, Garanti BBVA consistently respects human dignity and fundamental human rights. This commitment is grounded in internationally recognized frameworks, including the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, and the International Labour Organization's Fundamental Principles and Rights at Work.  <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar</a>
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labour standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights	X				It is addressed under Section 3.3, "Respect for People," within the Ethical and Integrity Principles.  <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar</a>
C1.3. The measures taken for the minority rights/ equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.			X		

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labour have been disclosed.	X				It is addressed under Section 3.3, "Respect for People," within the Ethical and Integrity Principles.  <a href="https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-etik-ve-dogruluk-ilkeleri-2023.pdf">https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-etik-ve-dogruluk-ilkeleri-2023.pdf</a>
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X				Employee rights are formally documented in the Personnel Regulations.  <a href="https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-insan-kaynaklari-politikasi.pdf">https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-insan-kaynaklari-politikasi.pdf</a>
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X				Relevant mechanisms are publicly disclosed through the Human Resources Policy.  <a href="https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-insan-kaynaklari-politikasi.pdf">https://www.garantibbvafactoring.com/assets/uploads/pdf/gf-insan-kaynaklari-politikasi.pdf</a>
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X				Employee satisfaction surveys have been conducted, and actions have been implemented to improve satisfaction levels. These are also referenced in the Corporate Governance Compliance Rating Report.  <a href="https://www.kap.org.tr/sirket-bilgileri/ozet/959-garanti-faktoring-a-s">https://www.kap.org.tr/sirket-bilgileri/ozet/959-garanti-faktoring-a-s</a>  Sustainability Compliance Report
C1.6. The occupational health and safety policies have been established and disclosed.	X				The Occupational Health and Safety Policy is publicly available via the corporate website.  <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar</a>

# Sustainability Compliance Report

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X				Measures taken for the prevention of workplace accidents and the protection of occupational health are disclosed to the public through annual reports. <a href="https://www.kap.org.tr/tr/sirket-bilgileri/ozet/959-garanti-factoring-a-s">https://www.kap.org.tr/tr/sirket-bilgileri/ozet/959-garanti-factoring-a-s</a>
C1.7. The personal data protection and data security policies have been established and disclosed.	X				The Personal Data Protection and Processing Policy was approved by the Board of Directors on 02.06.2023 and subsequently published. <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar</a>
C1.8. The ethics policy have been established and disclosed.	X				The Garanti BBVA Factoring Code of Ethics and Integrity was updated and approved by the Board of Directors on 30.01.2023. <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar</a>
C1.9. The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	X				Work carried out on the relevant matters is disclosed to the public through annual reports and corporate governance compliance reports. <a href="https://www.kap.org.tr/tr/Bildirim/1253082">https://www.kap.org.tr/tr/Bildirim/1253082</a> <a href="https://www.kap.org.tr/tr/Bildirim/1253075">https://www.kap.org.tr/tr/Bildirim/1253075</a>
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X				Through our training platform, Garanti Campus, fourteen different sustainability-related training programs have been developed and made available to employees. <a href="https://kampusgarantibbva/">https://kampusgarantibbva/</a>
<b>C2. Stakeholders, International Standards and Initiatives</b>					
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X				A Customer Satisfaction Quality Policy is in place, and the Customer Satisfaction Regulation has been established to ensure that all activities in this area are aligned with Garanti BBVA Factoring's vision, mission, core values, and Customer Satisfaction Quality Policy. <a href="https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar">https://www.garantibbvafactoring.com/tr/surdurulebilirlik?activesection=politikalar</a>
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X				The Annual Corporate Governance Principles Compliance Statement and the semi-annual Investor Relations Activity Report disclose information on meetings and engagements with shareholders. In addition, periodic review meetings are held with Company employees through quarterly presentations delivered by the General Manager. BBVA Holding's periodic senior-level briefings and presentations are conducted via live broadcasts accessible to all employees. <a href="https://www.kap.org.tr/tr/Bildirim/1253082">https://www.kap.org.tr/tr/Bildirim/1253082</a>

Description	Company Compliance Status				Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable	
C2.3. The international reporting standards that adopted in reporting have been explained.	X				This is disclosed under Note 2 to the annual and interim financial statements. <a href="https://www.kap.org.tr/tr/Bildirim/1384762">https://www.kap.org.tr/tr/Bildirim/1384762</a>
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.			X		
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.			X		
<b>CORPORATE GOVERNANCE PRINCIPLES</b>					
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.		X			
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X				Fourteen different sustainability-related training programs have been developed and made available to employees through our training platform, Garanti Campus. <a href="https://kampusgarantibbva/">https://kampusgarantibbva/</a>

# Statement of Responsibility Regarding the Acceptance of the Financial Statements

Istanbul, 30/01/2026

**BORSA ISTANBUL A.Ş. DIRECTORATE**  
İstinye / ISTANBUL

**BOARD OF DIRECTORS' RESOLUTION ON THE APPROVAL OF FINANCIAL STATEMENTS**  
**RESOLUTION DATE: 30/01/2026**  
**RESOLUTION NO: 2026/03**

## **STATEMENT OF RESPONSIBILITY AS PER THE 9<sup>th</sup> ARTICLE OF THE SECOND SECTION OF THE CAPITAL MARKETS BOARD COMMUNIQUÉ NO.14.1 SERIES: II**

- a) We have reviewed Garanti Faktoring A.Ş.'s (Company) financial tables prepared as of 31.12.2025.
- b) Within the framework of the information we obtained as part of our tasks and responsibilities at the Company, the financial statements do not include any misleading disclosure on material matters or deficiencies that might cause misconceptions about the disclosure as of the date it was made.
- c) Within the framework of the information we obtained as part of our tasks and responsibilities at the Company, we do declare that the financial statements and annual report prepared and issued as per the Communiqué on Financial Reporting Principles in Capital Markets (II-14.1) accurately reflect the facts, the progress, and the performance of the business and the financial status of the Company, together with the important risks and uncertainties.

Kind regards,

### **Annexes:**

1. Independently Audited Financial Statements as of December 31, 2025

**Şule FİRUZMENT BEKÇE**  
Executive Vice President

**Selahattin GÜLDÜ**  
General Manager

**Halil Hüsnü EREL**  
Audit Committee Member

**Ebru OGAN KNOTTNERUS**  
Audit Committee Member

## **GARANTİ FAKTORİNG A.Ş.**

Financial Statements as and  
for the Year Ended 31 December 2025  
With Independent Auditors' Report  
(Convenience Translation of Financial Statements  
and Related Disclosures and Footnotes  
Originally Issued in Turkish)



Güney Bağımsız Denetim ve SMMM A.Ş.  
Maslak Mah. Eski Büyükdere Cad.  
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Mersis No: 0-4350-3032-6000017

(Convenience translation of a report on financial statements originally prepared and issued in Turkish)

## INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Garanti Faktoring A.Ş.

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

#### 1) Opinion

We have audited the accompanying statement of financial position of Garanti Faktoring A.Ş. ("the Company"), which comprise the statement of balance sheet as at December 31, 2025 and the statement of profit or loss, the statement of profit or loss and other comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and its financial performance and cash flows for the year then ended in accordance with the Communiqué on Financial Leasing, Factoring and Uniform chart of Accounts which shall be applied by Finance Companies published in Official Gazette dated December 24, 2013 and numbered 28861 and Regulation, Communiqué and Circular on Accounting Policies of Financial Leasing, Factoring and Finance Companies and their Financial Statements and announcements published by the Banking Regulation and Supervision Authority ("BRSA") together referred as "BRSA Accounting and Financial Reporting Legislation" which includes provisions of Turkish Financial Reporting Standards ("TFRS") for the matters which are not regulated by the aforementioned regulations.

#### 2) Basis for Opinion

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

#### 3) Key Audit Matters

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



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Key Audit Matter	How the Key Audit Matter Addressed in the Audit
<p><b>Recognition of the impairment of financial assets and related important disclosures</b></p> <p>As at 31 December 2025, factoring receivables comprise 96% of the Company's total assets.</p> <p>The Company recognizes its factoring receivables in accordance with BRSA Accounting and Financial Reporting Legislation and TFRS 9 Financial Instruments standard ("Standard").</p> <p>As presented in disclosure 5, we considered impairment of the financial assets as a key audit matter due to:</p> <ul style="list-style-type: none"> <li>- Financial assets that are subject to expected credit loss calculation are material for the financial statements</li> <li>- The policies that are established by the management of the Company to calculate the expected credit losses have important risks related to compliance with the requirements of legislation and other practices.</li> <li>- The important and complex judgments and estimations in the calculation of expected credit losses.</li> </ul>	<p>Our procedures for testing the impairment of factoring receivables include below:</p> <ul style="list-style-type: none"> <li>- Evaluating the reasonableness of management's key estimates and judgements in expected credit loss calculations, including selection of methods, models, assumptions and data sources and evaluating the appropriateness of accounting policies, our business understanding and industry practice.</li> <li>- Involving Financial risk management specialists to challenge significant assumptions / judgements relating to credit risk grading, significant increase in credit risk, definition of default, probability of default, macro-economic variables, and recovery rates.</li> <li>- Assessing the completeness, accuracy and relevance of the data used for the calculation of expected credit loss.</li> <li>- Testing mathematical accuracy of Expected credit loss by using samples.</li> <li>- Evaluating the reasonableness and the accuracy of post-model adjustments.</li> </ul> <p>Additionally, we have also evaluated the adequacy of accounting policies applied and the disclosures in the financial statements.</p>

(Convenience translation of a report on financial statements originally prepared and issued in Turkish)

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

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

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

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

#### 5) Auditors' Responsibilities for the Audit of the Financial Statements

In an independent audit, as auditors our responsibilities are:

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

As part of an audit in accordance with the Independent Auditing Standards issued by the Capital Markets Board of Türkiye and InAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

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



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**B) Report on Other Legal and Regulatory Requirements**

- 1) Pursuant to the fourth paragraph of Article 398 of Turkish Commercial Code ("TCC") no. 6102; Auditors' Report on System and Committee of Early Identification of Risks is presented to the Board of Directors of the Company on January 30, 2026.
- 2) In accordance with Article 402 paragraph 4 of the Turkish Commercial Code ("TCC") no 6102; no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period January 1 – December 31, 2025 are not in compliance with the TCC and provisions of the Company's articles of association in relation to financial reporting.
- 3) In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

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

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

Hayrettin Ergül, SMMM  
Partner

January 30, 2026  
İstanbul, Türkiye

# GARANTİ FAKTORİNG A.Ş.

## Balance Sheet (Statement of Financial Position) at 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

ASSETS	FootNotes	Audited 31 December 2025			Audited 31 December 2024		
		TL	FC	Total	TL	FC	Total
I. CASH, CASH EQUIVALENTS AND BALANCES AT CENTRAL BANK	3	844.518	58.568	903.086	135.036	29.984	165.020
II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Net)	4	-	50	50	-	36	36
III. DERIVATIVE FINANCIAL ASSETS	-	-	-	-	-	-	-
IV. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Net)	-	-	-	-	-	-	-
V. FINANCIAL ASSETS AT AMORTISED COST (Net)	5	28.662.594	3.560.386	32.222.980	10.680.988	2.267.231	12.948.219
5.1 Factoring Receivables	5.1	28.611.312	3.563.197	32.174.509	10.688.383	2.268.560	12.956.943
5.1.1 Discounted Factoring Receivables (Net)	-	23.209.550	1.137.447	24.346.997	7.383.201	143.035	7.526.236
5.1.2 Other Factoring Receivables	-	5.401.762	2.425.750	7.827.512	3.305.182	2.125.525	5.430.707
5.2 Savings Finance Receivables	-	-	-	-	-	-	-
5.2.1 From Savings Fund Pool	-	-	-	-	-	-	-
5.2.2 From Equity	-	-	-	-	-	-	-
5.3 Financial Loans	-	-	-	-	-	-	-
5.3.1 Consumer loans	-	-	-	-	-	-	-
5.3.2 Credit Cards	-	-	-	-	-	-	-
5.3.3 Installment Commercial Loans	-	-	-	-	-	-	-
5.4 Leasing Transactions (Net)	-	-	-	-	-	-	-
5.4.1 Finance lease receivables	-	-	-	-	-	-	-
5.4.2 Operating Lease Receivables	-	-	-	-	-	-	-
5.4.3 Unearned Income (-)	-	-	-	-	-	-	-
5.5 Other Financial Assets Measured at Amortised Cost	-	-	-	-	-	-	-
5.6 Non Performing Receivables	5.2	425.853	-	425.853	121.767	-	121.767
5.7 Allowance For Expected Credit Losses / Specific Provisions (-)	5.3	(374.571)	(2.811)	(377.382)	(129.162)	(1.329)	(130.491)
VI. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES	-	-	-	-	-	-	-
6.1 Investments in Associates (Net)	-	-	-	-	-	-	-
6.2 Investments in Subsidiaries (Net)	-	-	-	-	-	-	-
6.3 Jointly Controlled Partnerships (JointVentures) (Net)	-	-	-	-	-	-	-
VII. TANGIBLE ASSETS (Net)	6	37.453	-	37.453	2.751	-	2.751
VIII. INTANGIBLE ASSETS AND GOODWILL (Net)	7	152.735	-	152.735	80.528	-	80.528
IX. INVESTMENT PROPERTY (Net)	-	-	-	-	-	-	-
X. CURRENT TAX ASSETS	-	-	-	-	-	-	-
XI. DEFERRED TAX ASSET	8	73.078	-	73.078	41.356	-	41.356
XII. OTHER ASSETS	9	143.951	2.548	146.499	62.148	320	62.468
SUBTOTAL	-	29.914.329	3.621.552	33.535.881	11.002.807	2.297.571	13.300.378
XIII. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	-	-	-	-	-	-	-
13.1 Held for Sale	-	-	-	-	-	-	-
13.2 Non-Current Assets From Discontinued Operations	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	-	<b>29.914.329</b>	<b>3.621.552</b>	<b>33.535.881</b>	<b>11.002.807</b>	<b>2.297.571</b>	<b>13.300.378</b>

# GARANTİ FAKTORİNG A.Ş.

## Balance Sheet (Statement of Financial Position) at 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

LIABILITY AND EQUITY ITEMS	FootNotes	Audited 31 December 2025			Audited 31 December 2024		
		TL	FC	Total	TL	FC	Total
I. LOANS RECEIVED	10	24.122.003	3.501.557	27.623.560	7.488.005	2.247.848	9.735.853
II. FACTORING PAYABLES	5.1	2.813	36.352	39.165	2.203	8.039	10.242
III. PAYABLES FROM SAVINGS FUND POOL	-	-	-	-	-	-	-
IV. LEASE PAYABLES	11	34.429	-	34.429	2.724	-	2.724
V. MARKETABLE SECURITIES (Net)	-	-	-	-	-	-	-
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	-	-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	-	-	-	-	-	-	-
VIII. PROVISIONS	12	167.285	24.561	191.846	154.491	18.267	172.758
8.1 Provision for Restructuring	-	-	-	-	-	-	-
8.2 Reserves For Employee Benefits	12.1	110.385	-	110.385	63.660	-	63.660
8.3 General Loan Loss Provisions	-	-	-	-	-	-	-
8.4 Other provisions	12.2	56.900	24.561	81.461	90.831	18.267	109.098
IX. CURRENT TAX LIABILITIES	8	232.950	-	232.950	166.863	-	166.863
X. DEFERRED TAX LIABILITY	-	-	-	-	-	-	-
XI. SUBORDINATED DEBT	-	-	-	-	-	-	-
XII. OTHER LIABILITIES	13	100.232	10.379	110.611	38.177	1.291	39.468
SUBTOTAL	-	24.659.712	3.572.849	28.232.561	7.852.463	2.275.445	10.127.908
XIII. LIABILITIES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	-	-	-	-	-	-	-
13.1 Held For Sale	-	-	-	-	-	-	-
13.2 Related to Discontinued Operations	-	-	-	-	-	-	-
XIV. EQUITY	14	5.303.320	-	5.303.320	3.172.470	-	3.172.470
14.1 Issued capital	-	397.500	-	397.500	397.500	-	397.500
14.2 Capital Reserves	-	-	-	-	-	-	-
14.2.1 Equity Share Premiums	-	-	-	-	-	-	-
14.2.2 Share Cancellation Profits	-	-	-	-	-	-	-
14.2.3 Other Capital Reserves	-	-	-	-	-	-	-
14.3 Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit Or Loss	-	(7.365)	-	(7.365)	(8.140)	-	(8.140)
14.4 Other Accumulated Comprehensive Income That Will Be Reclassified In Profit Or Loss	-	-	-	-	-	-	-
14.5 Profit Reserves	-	2.783.110	-	2.783.110	1.345.022	-	1.345.022
14.5.1 Legal Reserves	-	79.500	-	79.500	15.900	-	15.900
14.5.2 Statutory Reserves	-	-	-	-	-	-	-
14.5.3 Extraordinary Reserves	-	2.703.610	-	2.703.610	1.329.122	-	1.329.122
14.5.4 Other Profit Reserves	-	-	-	-	-	-	-
14.6 Profit or Loss	-	2.130.075	-	2.130.075	1.438.088	-	1.438.088
14.6.1 Prior Years' Profit or Loss	-	-	-	-	-	-	-
14.6.2 Current Period Net Profit Or Loss	-	2.130.075	-	2.130.075	1.438.088	-	1.438.088
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	-	<b>29.963.032</b>	<b>3.572.849</b>	<b>33.535.881</b>	<b>11.024.933</b>	<b>2.275.445</b>	<b>13.300.378</b>

# GARANTİ FAKTORİNG A.Ş.

## Off-Balance Sheet Items at 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

	OFF-BALANCE SHEET ITEMS	Foot Notes	Audited			Audited		
			31 December 2025			31 December 2024		
			TP	YP	Total	TP	YP	Total
I.	IRREVOCABLE FACTORING TRANSACTIONS		15.749.966	2.705.504	18.455.470	5.270.457	1.656.380	6.926.837
II.	REVOCABLE FACTORING TRANSACTIONS		10.178.294	326.034	10.504.328	3.938.925	73.315	4.012.240
III.	SAVINGS FINANCE CONTRACTS TRANSACTIONS		-	-	-	-	-	-
IV.	COLLATERALS RECEIVED	23.1	19.517	268.258.876	268.278.393	554.024	141.444.990	141.999.014
V.	COLLATERALS GIVEN	23.2	14.042.018	218.141	14.260.159	4.514.311	69.746	4.584.057
VI.	COMMITMENTS		-	-	-	-	-	-
6.1	Irrevocable Commitments		-	-	-	-	-	-
6.2	Revocable Commitments		-	-	-	-	-	-
6.2.1	Lease Commitments		-	-	-	-	-	-
6.2.1.1	Finance Lease Commitments		-	-	-	-	-	-
6.2.1.2	Operational Lease Commitments		-	-	-	-	-	-
6.2.2	Other Revocable Commitments		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL INSTRUMENTS		-	-	-	-	-	-
7.1	Derivative Financial Instruments Held For Hedging		-	-	-	-	-	-
7.1.1	Fair Value Hedges		-	-	-	-	-	-
7.1.2	Cash Flow Hedges		-	-	-	-	-	-
7.1.3	Hedges of Net Investment in Foreign Operations		-	-	-	-	-	-
7.2	Derivative Financial Instruments Held For Trading		-	-	-	-	-	-
7.2.1	Forward Buy or Sell Transactions		-	-	-	-	-	-
7.2.2	Swap Purchases or Sales		-	-	-	-	-	-
7.2.3	Option Purchases or Sales		-	-	-	-	-	-
7.2.4	Futures Purchases or Sales		-	-	-	-	-	-
7.2.5	Other		-	-	-	-	-	-
VIII.	ITEMS HELD IN CUSTODY	23.3	22.783.193	1.274.123	24.057.316	6.869.404	440.388	7.309.792
	TOTAL OFF-BALANCE SHEET ITEMS		62.772.988	272.782.678	335.555.666	21.147.121	143.684.819	164.831.940

# GARANTİ FAKTORİNG A.Ş.

## Statement of Profit or Loss at 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

Statement of Profit or Loss	Foot Notes	Audited	Audited
		1 January 2025 - 31 December 2025	1 January 2024 - 31 December 2024
I. OPERATING INCOME	15	10.474.300	5.629.853
FACTORING INCOME		10.474.300	5.629.853
1.1 Factoring Interest Income		10.318.564	5.510.505
1.1.1 Discounted		7.543.568	3.785.775
1.1.2 Other		2.774.996	1.724.730
1.2 Factoring Fee and Commission Income		155.736	119.348
1.2.1 Discounted		127.093	88.061
1.2.2 Other		28.643	31.287
INCOME FROM FINANCING LOANS		-	-
1.3 Interest Income From Financing Loans		-	-
1.4 Fee and Commission Income From Financing Loans		-	-
LEASE INCOME		-	-
1.5 Finance Lease Income		-	-
1.6 Operational Lease Income		-	-
1.7 Fee and Commission Income From Lease Operations		-	-
SAVINGS FINANCE INCOME		-	-
1.8 Profit Share on Savings Finance Receivables		-	-
1.9 Fees and Commissions Received From Savings Finance Operations		-	-
II. FINANCE COST (-)	16	(6.763.138)	(3.260.210)
2.1 Profit Share Expense on Savings Fund Pool		-	-
2.2 Interest Expenses on Funds Borrowed		(6.438.599)	(2.572.666)
2.3 Interest Expenses On Factoring Payables		-	-
2.4 Lease Interest Expenses		(11.352)	(1.210)
2.5 Interest Expenses on Securities Issued		(254.932)	(645.223)
2.6 Other Interest Expense		(6)	(326)
2.7 Fees and Commissions Paid		(58.249)	(40.785)
III. GROSS PROFIT (LOSS)		3.711.162	2.369.643
IV. OPERATING EXPENSES (-)	17	(642.593)	(405.260)
4.1 Personnel Expenses		(419.077)	(276.077)
4.2 Provision Expense for Employment Termination Benefits		(9.878)	(7.094)
4.3 Research and development expense		-	-
4.4 General Operating Expenses		(212.845)	(122.089)
4.5 Other		-	-
V. GROSS OPERATING PROFIT (LOSS)		3.068.569	1.964.383
OTHER OPERATING INCOME	18	216.395	295.410
6.1 Interest Income on Banks		177.832	92.423
6.2 Interest Income on Marketable Securities Portfolio		-	-
6.3 Dividend Income		-	-
6.4 Gains Arising from Capital Markets Transactions		-	-
6.5 Derivative Financial Transactions' Gains		-	-
6.6 Foreign Exchange Gains		33.778	70.707
6.7 Other		104.785	132.280
VII. PROVISION EXPENSES		(353.136)	(111.401)
7.1 Specific Provisions		-	-
7.2 Allowances For Expected Credit Losses	19	(342.156)	(93.672)
7.3 General Loan Loss Provisions		-	-
7.4 Other		(10.980)	(17.729)
VIII. OTHER OPERATING EXPENSES (-)	20	(11.736)	(101.574)
8.1 Impairment in Value of Securities		-	-
8.2 Impairment in Value of Non-Current Assets		-	-
8.3 Capital Market Transactions Losses		-	-
8.4 Loss Arising from Derivative Financial Transaction		-	(35.195)
8.5 Foreign Exchange Losses		(11.583)	(66.365)
8.6 Other		(153)	(14)
IX. NET OPERATING PROFIT (LOSS)		3.020.092	2.046.818
X. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XI. PROFIT (LOSS) FROM COMPANIES ACCOUNTED FOR USING EQUITY METHOD		-	-
XII. NET MONETARY POSITION GAIN (LOSS)		-	-
XIII. PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		3.020.092	2.046.818
XIV. TAX PROVISION FOR CONTINUING OPERATIONS (+/-)	8	(890.617)	(608.734)
14.1 Current Tax Provision		(922.071)	(628.406)
14.2 Expense Effect of Deferred Tax		(9.278)	-
14.3 Income Effect of Deferred Tax		41.782	19.676
XV. NET PERIOD PROFIT (LOSS) FROM CONTINUING OPERATIONS		2.130.075	1.438.088
XVI. INCOME ON DISCONTINUED OPERATIONS		-	-
16.1 Income on Assets Held for Sale		-	-
16.2 Gain on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
16.3 Other Income on Discontinued Operations		-	-
XVII. EXPENSES ON DISCONTINUED OPERATIONS (-)		-	-
17.1 Expense on Assets Held for Sale		-	-
17.2 Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
17.3 Other Expenses on Discontinued Operations		-	-
XVIII. PROFIT (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAX		-	-
XIX. TAX PROVISION FOR DISCONTINUED OPERATIONS (+/-)		-	-
19.1 Current Tax Provision		-	-
19.2 Expense Effect of Deferred Tax		-	-
19.3 Income Effect of Deferred Tax		-	-
XX. NET PERIOD PROFIT (LOSS) FROM DISCONTINUED OPERATIONS		-	-
XXI. NET PERIOD PROFIT (LOSS) FOR THE PERIOD		2.130.075	1.438.088
Profit per Share from Continuing Operations	21	5,358679	3,617831

# GARANTİ FAKTORİNG A.Ş.

## Statement of Profit or Loss and Other Comprehensive Income at 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Foot Notes	Audited 1 January 2025- 31 December 2025	Audited 1 January 2024- 31 December 2024
<b>I. CURRENT PERIOD PROFIT/LOSS</b>		<b>2.130.075</b>	<b>1.438.088</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>		<b>775</b>	<b>300</b>
<b>Other Comprehensive Income that will not be Reclassified to Profit or Loss</b>		<b>300</b>	<b>300</b>
2.1.1 Gains (Losses) on Revaluation of Property, Plant and Equipment		-	-
2.1.2 Gains (Losses) on Revaluation of Intangible Assets		-	-
2.1.3 Gains (Losses) on Remeasurements of Defined Benefit Plans		1.107	428
2.1.4 Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss		-	-
2.1.5 Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		(332)	(128)
<b>Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>		<b>-</b>	<b>-</b>
2.2 Exchange Differences on Translation		-	-
2.2.1 Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income		-	-
2.2.2		-	-
2.2.3 Income (Losses) from Cash Flow Hedges		-	-
2.2.4 Income (Losses) on Hedges of Net Investments in Foreign Operations		-	-
2.2.5 Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss		-	-
2.2.6 Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		-	-
<b>III. TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)</b>		<b>2.130.850</b>	<b>1.438.388</b>

# GARANTİ FAKTORİNG A.Ş.

## Statement of Changes in Shareholders' Equity at 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Foot Notes	Paid-in Capital	Reserves	Share Premium	Other Capital Reserves	Other Accumulated Comprehensive Income That Will Not Be Reclassified in Profit and Loss						Total Shareholders' Equity	
						1	2	3	4	5	6		Prior Year's Profit/(Loss)
<b>Period ended 31 December 2024</b>													
<b>1 January 2024 Audited</b>													
I. Equity at beginning of period	14	79.500	-	-	-	-	-	-	-	-	-	-	1.734.082
II. Increase or Decrease Required by TAS 8		-	(8.440)	-	-	-	-	-	-	-	-	-	-
2.1. Effect of OCI Corrections		-	-	-	-	-	-	-	-	-	-	-	-
2.2. Other Comprehensive Income and Expenses from equity method investments not to be reclassified on profit/loss, and other accumulated comprehensive income and		-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance		79.500	(8.440)	-	-	-	-	-	-	-	-	-	1.734.082
IV. Total Comprehensive Income (Loss)		-	300	-	-	-	-	-	-	-	-	-	1.438.388
V. Cash Capital Increase		-	-	-	-	-	(318.000)	-	-	-	-	-	-
VI. Capital Increase Through Internal Reserves		318.000	-	-	-	-	-	-	-	-	-	-	-
VI.I. Initiation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-
VI.II. Subordinated Debt		-	-	-	-	-	-	-	-	-	-	-	-
VI.III. Increase (decrease) through other changes, equity		-	-	-	-	-	-	-	-	-	-	-	-
X. Profit Distributions		-	-	-	-	-	-	-	-	-	-	-	-
11.1 Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-
11.2 Dividends to Reserves		-	-	-	-	-	-	-	-	-	-	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-
Equity at end of period (I+II+III+IV+V+VI+VII+VIII+IX+X+XI)		397.500	(8.140)	-	-	-	1.345.022	-	-	-	-	1.438.088	3.172.470
<b>Current Period ended 31 December 2025</b>													
<b>1 January 2025 Audited</b>													
I. Equity at beginning of period	14	397.500	(8.140)	-	-	-	-	-	-	-	-	-	3.172.470
II. Increase or Decrease Required by TAS 8		-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of OCI Corrections		-	-	-	-	-	-	-	-	-	-	-	-
2.2. Other Comprehensive Income and Expenses from equity method investments not to be reclassified on profit/loss, and other accumulated comprehensive income and		-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance		397.500	(8.140)	-	-	-	-	-	-	-	-	-	3.172.470
IV. Total Comprehensive Income (Loss)		-	775	-	-	-	-	-	-	-	-	-	2.130.850
V. Cash Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase Through Internal Reserves		-	-	-	-	-	-	-	-	-	-	-	-
VI.I. Initiation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-
VI.II. Subordinated Debt		-	-	-	-	-	-	-	-	-	-	-	-
VI.III. Increase (decrease) through other changes, equity		-	-	-	-	-	-	-	-	-	-	-	-
X. Profit Distributions		-	-	-	-	-	-	-	-	-	-	-	-
11.1 Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-
11.2 Dividends to Reserves		-	-	-	-	-	-	-	-	-	-	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-
Equity at end of period (I+II+III+IV+V+VI+VII+VIII+IX+X+XI)		397.500	(7.365)	-	-	-	2.783.100	-	-	-	-	1.438.088	5.303.320

1. Revaluation surplus on tangible and intangible assets

2. Other Comprehensive Income and Expenses from equity method investments not to be reclassified on profit/loss, and other accumulated comprehensive income and

3. Other Comprehensive Income and Expenses from equity method investments not to be reclassified on profit/loss, and other accumulated comprehensive income and

4. Foreign exchange conversion differences

5. Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI

6. Other (Profit/Loss from cash flow hedges, other comprehensive income and expenses from equity method investments to be reclassified on profit/loss, and other accumulated comprehensive income and expenses to be reclassified on

# GARANTİ FAKTORİNG A.Ş.

## Statement of Cash Flows at 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

STATEMENT OF CASH FLOWS	Foot Notes	Audited	
		1 January - 31 December 2025	1 January - 31 December 2024
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1.1 Operating Profit/Loss Before Changes in Operating Assets and Liabilities		2.925.417	1.872.453
1.1.1 Interest Received / Profit Share Received / Lease Income		10.254.481	5.479.466
1.1.2 Interest Paid / Profit Share Paid / Lease Payments		(6.335.822)	(3.115.485)
1.1.3 Dividends received		-	-
1.1.4 Fees and Commissions Received		154.389	122.405
1.1.5 Other Gains		-	-
1.1.6 Collections from Previously Written Off Loans and Other Receivables		63.482	86.487
1.1.7 Cash Payments to Personnel and Service Suppliers		(487.158)	(305.424)
1.1.8 Taxes Paid	8	(855.984)	(458.542)
1.1.9 Other		132.029	63.546
1.2 Changes in Operating Assets and Liabilities		(2.521.001)	208.010
1.2.1 Net (Increase) Decrease in Factoring Receivables		(19.540.002)	(1.547.864)
1.2.2 Net (Increase) Decrease in Financing Loans		-	-
1.2.3 Net (Increase) Decrease in Receivables From Leasing Transactions		-	-
1.2.4 Net (Increase) Decrease in Savings Finance Receivables		-	-
1.2.5 Net (Increase) Decrease in Other Assets		(788.741)	54.198
1.2.6 Net Increase (Decrease) in Factoring Payables		28.923	(49.365)
1.2.7 Net Increase (Decrease) in Savings Fund Pool		-	-
1.2.8 Net Increase (Decrease) in Lease Payables		-	3.874
1.2.9 Net Increase (Decrease) in Funds Borrowed		17.774.133	1.841.654
1.2.10 Net Increase (Decrease) in Maturity Payables		-	-
1.2.11 Net Increase (Decrease) Other Liabilities		4.686	(94.487)
I. Cash flows from (used in) operating activities		404.416	2.080.463
<b>B. CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>			
2.1 Cash Paid for Purchase of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
2.2 Cash Obtained from Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
2.3 Tangible And Intangible Asset Purchases	6	(8.167)	(230)
2.4 Sale of Tangible Intangible Assets		-	-
2.5 Cash Paid for Purchase of Financial Assets At Fair Value Through Other Comprehensive Income		-	-
2.6 Cash Obtained from Sale of Financial Assets At Fair Value Through Other Comprehensive Income		-	-
2.7 Cash Paid for Purchase of Financial Assets At Amortised Cost		-	-
2.8 Cash Obtained from Sale of Financial Assets At Amortised Cost		-	-
2.9 Other	7	(102.286)	(64.534)
II. Net cash flows from (used in) investing activities		(110.453)	(64.764)
<b>C. CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>			
3.1 Cash Obtained from Loans and Securities Issued		1.086.568	3.096.318
3.2 Cash Outflow Arised From Loans and Securities Issued		(1.341.498)	(5.132.977)
3.3 Equity Instruments Issued		-	-
3.4 Dividends paid		-	-
3.5 Payments of lease liabilities		(18.218)	(6.205)
3.6 Other		-	-
III. Net cash flows from (used in) financing activities		(273.148)	(2.042.864)
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		12.209	5.562
<b>V. Net Increase (decrease) in cash and cash equivalents (I+II+III+IV)</b>		<b>33.024</b>	<b>(21.603)</b>
<b>VI. Cash and Cash Equivalents at Beginning of the Period</b>		<b>54.423</b>	<b>76.026</b>
<b>VII. Cash and Cash Equivalents at End of the Period (V+VI)</b>	2.5	<b>87.447</b>	<b>54.423</b>

# GARANTİ FAKTORİNG A.Ş.

## Profit Distribution Table for the Year Ended 31 December 2025

Presentation Currency : Thousands of Turkish Lira (TL)

	Foot Notes	Audited	
		1 January - 31 December 2025	1 January - 31 December 2024
<b>I. I. DISTRIBUTION OF CURRENT YEAR PROFIT (*)</b>			
1.1 CURRENT PERIOD PROFIT		3.020.092	2.046.818
1.2 TAXES AND LEGAL DUTIES PAYABLE (-)	8	890.017	608.730
1.2.1 Corporate tax (income tax)		922.071	628.406
1.2.2 Withholding tax		-	-
1.2.3 Other taxes and duties		(32.054)	(19.676)
<b>A. NET PROFIT FOR THE PERIOD (1.1-1.2)</b>		<b>2.130.075</b>	<b>1.438.088</b>
1.3 ACCUMULATED LOSSES (-)		-	-
1.4 FIRST LEGAL RESERVES (-)		-	63.600
1.5 OTHER STATUTORY RESERVES (-)		-	-
<b>B. NET PROFIT AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]</b>		<b>2.130.075</b>	<b>1.374.488</b>
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)		-	-
1.6.1 To owners of ordinary shares		-	-
1.6.2 To owners of privileged shares		-	-
1.6.3 To owners of redeemed shares		-	-
1.6.4 To profit sharing bonds		-	-
1.6.5 To holders of profit and loss sharing certificates		-	-
1.7 DIVIDENDS TO PERSONNEL (-)		-	-
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)		-	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)		-	-
1.9.1 To owners of ordinary shares		-	-
1.9.2 To owners of privileged shares		-	-
1.9.3 To owners of redeemed shares		-	-
1.9.4 To profit sharing bonds		-	-
1.9.5 To holders of profit and loss sharing certificates		-	-
1.10 STATUS RESERVES (-)		-	-
1.11 EXTRAORDINARY RESERVES		-	1.374.488
1.12 OTHER RESERVES		-	-
1.13 SPECIAL FUNDS		-	-
<b>II. DISTRIBUTION OF RESERVES</b>			
2.1 APPROPRIATED RESERVES		-	-
2.2 SECOND LEGAL RESERVES (-)		-	-
2.2 DIVIDENDS TO SHAREHOLDERS (-)		-	-
2.2.1 To owners of ordinary shares		-	-
2.2.2 To owners of privileged shares		-	-
2.2.3 To owners of redeemed shares		-	-
2.2.4 To profit sharing bonds		-	-
2.2.5 To holders of profit and loss sharing certificates		-	-
2.3 DIVIDENDS TO PERSONNEL (-)		-	-
2.4 DIVIDENDS TO BOARD OF DIRECTORS (-)		-	-
<b>III. EARNINGS PER SHARE</b>			
3.1 TO OWNERS OF ORDINARY SHARES (per TL'000 face value each)		-	3,457831
3.2 TO OWNERS OF ORDINARY SHARES (%)		-	345,78
3.3 TO OWNERS OF PRIVILEGED SHARES		-	-
3.4 TO OWNERS OF PRIVILEGED SHARES (%)		-	-
<b>IV. DIVIDEND PER SHARE</b>			
4.1 TO OWNERS OF ORDINARY SHARES (per TL'000 face value each)		-	-
4.2 TO OWNERS OF ORDINARY SHARES (%)		-	-
4.3 TO OWNERS OF PRIVILEGED SHARES		-	-
4.4 TO OWNERS OF PRIVILEGED SHARES (%)		-	-

(\*) Decision regarding to the 2025 profit distribution will be made at general assembly meeting.

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish

(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 1 ORGANIZATION AND OPERATIONS OF THE COMPANY

Garanti Faktoring A.Ş. was incorporated on 4 September 1990 in Turkey to provide factoring services to industrial and commercial firms. The commercial title of Aktif Finans Faktoring Hizmetleri A.Ş. was changed to Garanti Faktoring Hizmetleri A.Ş. with the approval of the General Assembly held on 27 March 2002. At the 2013 General Assembly Meeting of the company held on 17 April 2014 the commercial title of the Company was changed to Garanti Faktoring A.Ş. ("the Company").

The Company offered its shares to public in 1993 with the authorization of the Capital Markets Board ("CMB") and is quoted in Borsa İstanbul A.Ş. ("BİAŞ").

The Company operates in accordance with the Capital Markets Law and "Financial Leasing, Factoring and Financing Companies Law" published in the Official Gazette dated 13 December 2012 and numbered 28496 and the "Regulation on Principles For Establishment And Operations Of Financial Leasing, Factoring and Financing Companies" issued by the Banking Regulation and Supervision Agency ("BRSA") dated 24 April 2013 and numbered 28627 published in the Official Gazette.

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

Information about the Company's shareholders and respective shares are as follows:

	31 December 2025	Shareholding (%)	31 December 2024	Shareholding (%)
Türkiye Garanti Bankası A.Ş.	325.328	81,84	325.328	81,84
Türkiye İhracat Kredi Bankası A.Ş.	38.865	9,78	38.865	9,78
Publicly Traded	33.307	8,38	33.307	8,38
<b>Capital</b>	<b>397.500</b>	<b>100,00</b>	<b>397.500</b>	<b>100,00</b>

The shareholding of T. Garanti Bankası A.Ş. as of 31 December 2025 is 55,40% and T. Garanti Bankası A.Ş. has obtained the remaining 26,44% shares from public shares via Borsa İstanbul (31 December 2024: 55,40% and 26,44%).

The Company has 122 employees as at 31 December 2025 (31 December 2024: 120).

The Company is registered in Turkey and operates at the following address: Çamçeşme, Tersane Caddesi No: 15 Pendik / İstanbul

The Company provides factoring operations with 11 (eleven) branches in Turkey.

Approval of Financial Statements:

The financial statements were approved and authorized for issue by the Board of Directors based on the Board of Directors decision dated 30 January 2026 and numbered 03. The General Assembly has the authority to change the financial statements.

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish

(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

#### 2.1 Basis of Presentation

##### 2.1.1 Statement of Compliance

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

##### 2.1.2 Functional Currency

Financial statements of the Company are presented in Turkish Lira ("TL"), which is the Company's functional currency.

##### 2.1.3 Preparation of Financial Statements in Hyperinflationary Periods

Entities whose functional currency is the currency of a hyperinflationary economy present their financial statements in terms of the measuring unit current at the end of the reporting period according to "TAS 29 Financial Reporting in Hyperinflation Economies".

Based on the announcement made by Public Oversight, Accounting and Auditing Standards Authority (POA) on 23 November 2024, entities applying Turkish Financial Reporting Standards (TFRSs) are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after 31 December 2024, in accordance with the accounting principles specified in TAS 29.

In the same announcement, it was stated that institutions or organizations authorized to regulate and supervise in their respective scope might determine different transition dates for the implementation of inflation accounting. In accordance with the Banking Regulation and Supervision Agency's decision dated 5/12/2025 and numbered 11021, it was decided that banks and financial leasing, factoring, financing, savings financing and asset management companies would not apply inflation accounting in 2025.

Accordingly, "TAS 29 Financial Reporting Standard in Hyperinflationary Economies" was not applied in the Company's attached financial statements dated 31 December 2025.

##### 2.1.4 Offsetting

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

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish

(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

#### 2.2 Changes in Accounting Policies

Changes in accounting policies are applied retrospectively and the prior period financial statements are restated accordingly.

#### 2.3 Changes in Accounting Estimates and Errors

If the changes in accounting estimates relate to only one period, changes are applied in the current period but if changes in estimates relate to future periods, changes are applied both in the current and following periods prospectively. Material prior period errors are corrected retrospectively and prior period financial statements are restated.

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

The main notes for the items including estimates are as follows:

Note 3 –	Cash and Cash Equivalents and Central Bank
Note 4 –	Financial Assets At Fair Value Through Profit or Loss (Net)
Note 5 –	Factoring receivables, Non-performing Receivables
Note 6 –	Tangible Assets
Note 7 –	Intangible Assets
Note 8 –	Tax Assets and Liabilities
Note 12 –	Provisions

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

The accounting policies adopted in preparation of the financial statements as of December 31, 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2025 and thereafter. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

**i) The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows:**

##### Amendments to TAS 21 - Lack of exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. When applying the amendments, an entity cannot restate comparative information.

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

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

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(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.4 The new standards, amendments and interpretations (continued)

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

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures, when the new standards and interpretations become effective.

##### Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Company will wait until the final amendment to assess the impacts of the changes.

##### TFRS 17 - The new Standard for insurance contracts

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

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

##### Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

In August 2025, POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The amendment will be effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings.

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

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish

(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.4 The new standards, amendments and interpretations (continued)

##### ii) Standards issued but not yet effective and not early adopted (continued)

##### Annual Improvements to TFRSs – Volume 11

In September 2025, POA issued Annual Improvements to TFRSs – Volume 11, amending the followings:

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

Improvements are effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted for all.

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

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

In August 2025, POA issued Contracts Referencing Nature-dependent Electricity (Amendments to TFRS 9 and TFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The amendment will be effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted but will need to be disclosed. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

The amendments are not applicable for the Company will not have an impact on the financial position or performance of the Company.

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.4 The new standards, amendments and interpretations (continued)

##### ii) Standards issued but not yet effective and not early adopted (continued)

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

In May 2025, POA issued TFRS 18 which replaces TAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, there are consequential amendments to other accounting standards, such as TAS 7, TAS 8 and TAS 34. TFRS 18 and the related amendments are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. TFRS 18 will be applied retrospectively. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

##### TFRS 19 – The new Standard for Subsidiaries without Public Accountability: Disclosures

In August 2025, POA issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19. TFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under TFRS 19.

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

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

The following amendments to IAS 21 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company will make the necessary changes to its financial statements after the amendments are issued and become effective under TFRS.

##### Amendments to IAS 21 - Translation to a Hyperinflationary Presentation

The amendments issued by the Board in November 2025 require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. Accordingly, if an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the end of the current reporting period.

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish

(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

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

##### Amendments to IAS 21 - Translation to a Hyperinflationary Presentation (continued)

Furthermore, an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with IAS 29, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements.

### 2.5 Summary of Significant Accounting Policies

#### (a) Revenue

Factoring service income is composed of collected interest income and commission income earned from advance payments made to customers.

A proportion of factoring invoice total obtained constitutes commission income. Interest and commission income and other income and expenses are accounted accrual basis.

Other interest income is accrued based on the effective interest rate which equals the estimated cash flows to net book value of the related asset.

#### (b) Financial Instruments

##### Classification and measurement

Classification and measurement of financial assets in accordance with TFRS 9 Financial Instruments standard is determined by whether the financial asset is based on the business model in which the financial asset is managed and whether it is based on contractual cash flows including interest payments on principal and principal balance.

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

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

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

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

"Financial assets at fair value through other comprehensive income" are financial assets held as part of a business model for the collection and settlement of contract cash flows and for which there are cash flows from interest payments arising principally only at principal and principal amounts under contractual terms.

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

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(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

#### (b) Financial Instruments (continued)

##### Classification and measurement (continued)

Interest income, foreign currency gains and losses and impairment losses calculated using the effective interest method are recognized in profit or loss. Other gains and losses are recognized in other comprehensive income.

When financial assets are excluded from the statement of financial position, the total gains or losses that previously recognized in other comprehensive income are reclassified to profit or loss.

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

Under TFRS 9, all investments in equity instruments and contracts on those instruments must be measured at fair value. However, in limited circumstances, cost value may be an appropriate estimate of fair value.

The Company uses the cost method as a method to determine the fair value in case there is not sufficient information about the fair value measurement or if the fair value can be measured with more than one method and the cost reflects the fair value estimation among these methods.

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

##### Factoring Receivables and Other Receivables

Factoring receivables and other receivables are stated at fair value at initial recognition. Subsequent to initial recognition, all receivables except for factoring receivables are carried at amortized cost using the effective interest method. Interest income is calculated and accounted by using the effective interest rate method.

##### Disclosures on impairment of financial assets

As at 1 January 2019, loss allowance for expected credit losses is set aside for factoring receivables measured at amortized cost based on TFRS 9 and the regulation published in the Official Gazette no. 30409 dated 2 May 2018 and effective from 31 December 2019 in connection with "Regulation on Making Amendments to the Regulation on Accounting Practices and Financial Statements of Leasing, Factoring and Financing Companies".

At each reporting date, it shall be assessed whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, it shall be used the change in the risk of a default occurring for the financial instrument.

As of the reporting date, if the credit risk on a financial instrument has not increased significantly since initial recognition, it shall be measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. However, if there is a significant increase in credit risk of a financial instrument since initial recognition, it is measured loss allowance regarding such instrument at an amount equal to lifetime expected credit losses. The expected credit loss is calculated on a collective basis by means of grouping the financial assets having common credit risk features or on an individual basis.

# GARANTİ FAKTORİNG A.Ş.

## Notes to the Financial Statements as at and for the Year Ended 31 December 2025

Convenience Translation of Financial Statements and Related Disclosures and Footnotes Originally Issued in Turkish

(Amounts expressed in thousands of Turkish lira ("Thousands of TL") unless otherwise indicated.)

### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (b) Financial Instruments (continued)

###### Calculation of expected credit losses

Expected credit losses is calculated based on a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due based on the contract and the cash flows that are expected to be received.

Probability of Default (PD): PD refers to the likelihood that a loan will default, which is usually set at 12 months, given certain characteristics:

- 12-month PD: as the estimated probability of default occurring within the next 12 months.
- Lifetime PD: as the estimated probability of default occurring over the remaining life of the financial instrument.

Internal rating systems are used for commercial portfolios. The internal rating models used for the commercial portfolio include customer financial information and demographic information. Probability of default calculation has been carried out based on past information, current conditions and forward-looking macroeconomic parameters.

Loss Given Default (LGD): If a loan default occurs, it represents the economic loss incurred on the loan. It is expressed as a percentage.

LGD calculations are performed using historical data which best reflects current conditions. LGD summarizes all cash flows from customers subsequent to default. It covers all costs and collections that occur during the collection cycle, including collections from collaterals. It also includes the "time value of money" calculated by means of deducting costs and additional losses from the present value of collections.

Exposure at Default (EAD): For cash loans, it corresponds to the amount of loan granted as of the reporting date.

With the exception of 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.

Stage 1: 12-month expected credit loss represents the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date and calculated as the portion of lifetime expected credit losses. 12-month expected credit loss is calculated based on a probability of default realized within 12 months after the reporting date. Such expected 12-month probability of default is applied on an expected exposure at default, multiplied with loss given default rate and discounted with the original effective interest rate.

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

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (b) Financial Instruments (continued)

###### Calculation of expected credit losses (continued)

Stage 3: Lifetime expected credit losses are recognized for the impaired lease receivables. The methodology is similar to stage 2 and the probability of default is taken into account as 100%.

It is considered a debt as default on these two below conditions;

1. Objective Default Definition: It means debt having past due more than 90 days. Current definition of default in the Bank and its financial subsidiaries subject to consolidation is based on a more than 90 days past due definition. If a loan is exactly 90 days past due, it will not be considered as default. Default status starts on the 91st day.
2. Subjective Default Definition: It means it is considered that a debt is unlikely to be paid. Whenever it is considered that an obligor is unlikely to pay its credit obligations, it should be considered as defaulted regardless of the existence of any past-due amount or of the number of days past due.

In addition, a certain portion of commercial and corporate loans is assessed individually in accordance with the internal policies in the calculation of the expected credit losses based on TFRS 9. Such calculations are made by discounting the expected cash flows from the individual financial instrument to its present value using the effective interest rate. When measuring expected credit losses, it shall be considered the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the possibility of a credit loss occurring is very low. Such assessment is made by reflecting the estimate of expected credit loss which is unbiased and probability-weighted determined by evaluating a range of possible outcomes.

The Company updated the TFRS 9 models during the period in order to increase compliance and consistency with group policies. The relevant model update was made in the 4th quarter of 2025 and the expected loss provision calculated with the updated model was used in the year-end results.

###### **Forward-looking macroeconomic information**

Forward-looking macroeconomic information is incorporated into credit risk parameters during assessment of significant increase in credit risk and expected credit loss calculation.

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

Qualitative and quantitative assessments are performed regarding assessment of significant increase in credit risk.

Qualitative assessment:

It is classified the financial asset as Stage 2 (Significant Increase in Credit Risk) where any of the following conditions are satisfied as a result of a qualitative assessment.

- Loans overdue more than 30 days as of the reporting date,
- Loans classified as watchlist,
- When there is a change in the payment plan due to refinancing, restructuring or concession, the loan is not considered as default or written off and the change is not due to any commercial reason.

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (b) Financial Instruments (continued)

##### Calculation of expected credit losses (continued)

Quantitative assessment:

The quantitative reason explaining the significant increase in the credit risk is based on a comparison of the probability of default calculated at the origination of the loan and the probability of default assigned for the same loan as of the reporting date. It is classified the related financial asset as stage 2 (Significant Increase in Credit Risk) where both of the following criteria are satisfied as a result of quantitative assessment.

##### **Low credit risk**

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

It is not considered financial instruments to have low credit risk when they are regarded as having a low risk of loss simply because of the value of collateral and the financial instrument without that collateral would not be considered low credit risk.

Financial instruments are also not considered to have low credit risk simply because they have a lower risk of default than the other financial instruments or relative to the credit risk of the jurisdiction within which it is operated.

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

##### **Explanations on write down policy**

The Regulation on Accounting Practices and Financial Tables of Financial Leasing, Factoring and Financing Companies was published in the Official Gazette No. 30961 on November 27, 2019. With this regulation, it is possible to deduct the part of Factoring Receivables, which are classified as "Loss like Receivables" by financial institutions, for which there is no reasonable expectation of recovery by companies, and thus to be taken off the balance sheet.

The company makes an objective and subjective assessment while determining whether there are no reasonable expectations.

As explained in the accounting policies entitled Calculation of Expected Credit Loss, provisions for expected credit losses are made under TFRS 9 for the parts of Factoring receivables that are not expected to be collected.

Therefore, the portion of factoring receivables, which are deemed to have no reasonable expectation for the recovery of the loan by the unit responsible for the collection of the relevant receivables, and which are currently monitored in the uncollectable receivables category, up to the allocated provisions, may be subject to derecognition.

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (b) Financial Instruments (continued)

In addition, all factoring receivables that meet at least the following conditions are considered to be completely lost by the Company and can be deducted from the record based on the positive opinion of the relevant units:

In this context, the provision rates of the related receivables can be determined as 100% if the relevant units also have positive opinion.

- Being monitored as a receivable as a loss for at least 2 years,
- The fact that no collection has been made in the last 6 months or the Company has gone bankrupt in the last 6 months, and there is no new collection capacity due to the assets at the bankruptcy estate,
- Lack of a guarantee in kind,

	TL	FC	TL	FC
Deregistration of Factoring Receivables	62.802	-	-	-
	62.802	-	-	-

While the follow-up rate was 1,50% before the list, it regressed to 1,31% after the registration.

As of December 31, 2025, there are no factoring receivables for which sales have been made. As of 31 December 2024, factoring receivables sold are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Sold of Factoring Receivables	-	-	13.606	-
	-	-	13.606	-

31 December 2024 : While the follow-up ratio was 1,03% before the receivable sale, it decreased to 0,93% after the receivable sale.

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### Cash and Cash Equivalents

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

##### Derivative Financial Instruments

The Company's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative financial instruments (primarily foreign currency forward contracts) to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. Derivatives are initially recognized at fair value at the date a derivative contract is entered and are subsequently remeasured to their fair value at the end of each reporting period.

##### Financial Liabilities

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

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

##### Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are stated at fair value at initial recognition and remeasured at fair value as at the balance sheet date at each reporting period.

Changes in fair values are accounted in the statement of profit or loss. Net gains or losses which are accounted in the statement of profit or loss include the interest paid for the financial liabilities.

#### (c) TFRS 16 Leases

The Company has started to apply TFRS 16 Leases standard ("TFRS 16") starting from 1 January 2019. TFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognized right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

##### Definition of Leasing

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

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

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

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Company has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

The Company has allocated to each lease and non-lease component, based on its relative stand-alone price, at the reassessment or inception of a contract containing a lease component. However, for the properties it is tenant, the Company has chosen not to separate non-lease components and to account for non-lease and non-lease components as a single lease component.

##### As a lessee

The Company leases properties and vehicles. Under TFRS 16, the Company recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

However, the Company has elected not to recognise to the financial statements right-of-use assets and lease liabilities for properties and vehicles leases with a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company presents lease liabilities in 'Lease Liabilities (Net)' in the statement of financial position.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

When a right-of-use asset meets the definition of investment property, it is presented in investment property. The right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Company's accounting policies.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (d) Tangible Assets and Amortization

Tangible assets are carried at historical cost, less accumulated depreciation and accumulated impairment losses.

Tangible assets are depreciated principally on a straight-line basis considering the expected useful lives. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Expenses for the maintenance of tangible assets are normally recorded in profit and loss statement. Gain or loss arising on the disposal or retirement of an item of tangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

Tangible Asset	Estimated useful lives (Year)
Furniture and fixtures	5-15
Leasehold improvements	5-10

##### (e) Intangible Assets

###### Intangible Fixed Assets Acquired

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

###### Computer Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their useful lives.

Costs associated with developing or maintaining computer software programs are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible fixed assets. Costs include the software development employee costs and an appropriate portion of relevant overheads.

Intangible Assets	Estimated useful lives (Year)
Rights	5-15
Software	5

##### (f) Impairment of Assets

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

##### (g) Capital Increase

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

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (h) Retirement Pay Provision

Under the Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as being part of defined retirement benefit plan in accordance with the TAS 19 "Employee Benefits" ("TAS 19").

Retirement pay provision of the employees is calculated by discounting the future retirement liability of the employees and presented in the financial statements. All actuarial gains and losses are accounted under the other comprehensive income.

##### (i) Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

##### (i) Provisions, Contingent Liabilities and Contingent Assets (continued)

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

##### (j) Borrowing Costs

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

##### (k) Effects of Changes in Exchange Rates

The financial statements of the Company are presented in the currency of the primary economic environment in which the entity operates. The results and financial position of the Company is expressed in thousands of TL, which is the functional currency of the Company, and the presentation currency for the financial statements.

The foreign currency exchange rates used by the Company as of 31 December 2025 and 31 December 2024 are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
USD	42,8860	34,5480
EUR	50,3070	35,8470
GBP	57,6120	43,2870

In preparing the financial statements of the Company, transactions in currencies other than TL (foreign currencies) are recorded at the prevailing exchange rates at the transaction date. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (l) Earnings per Share

In Turkey, companies can raise their share capital by distributing "Bonus Shares" to shareholders from retained earnings. In computing earnings per share, such "Bonus Share" distributions are treated as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

##### (m) Events after the reporting period

Events after the balance sheet date comprise any event between the balance sheet date and the date of authorization of the financial statements for publication, even if any event after the balance sheet date occurred subsequent to an announcement on the Company's profit or following any financial information disclosed to public.

The Company adjusts the amounts recognized in its financial statements to reflect adjusting events after the balance sheet date if such subsequent events arise.

##### (n) Segment Reporting

No segmental information is disclosed as the Company operates in Turkey and provides only factoring services.

##### (o) Income Tax

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

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

Deferred tax is recognized on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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### 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

#### 2.5 Summary of Significant Accounting Policies (continued)

##### (o) Income Tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

##### (p) Statement of Cash Flows

In the statement of cash flows, cash flows are classified according to operating, investment and finance activities.

Cash flows from operating activities reflect cash flows mainly generated from factoring operations of the Company.

Cash flows from investment activities express cash used in investment activities (capital expenditures and financial investments) and cash flows generated from investment activities of the Company.

Cash flows relating to finance activities express sources of financial activities and payment schedules of the Company.

Cash and Cash Equivalents:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Case / effective	2	2
Cash and cash equivalents (*)	87.445	48.721
Time deposit (**)	814.958	116.449
Blocked Deposits (***)	(814.958)	(110.749)
	<b>87.447</b>	<b>54.423</b>

(\*)Expected credit loss amount TL 175 has not been presented as net (31 December 2024:152 TL).

(\*\*)The interest income rediscount of 856 TL has not been taken into account (31 December 2024:153 TL).

(\*\*\*)A cash collateral of 814.958 TL is kept for Takasbank Money Market transactions. (31 December 2024: TL 110.749).

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

Details of cash and cash equivalents as of 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Cash and cash equivalents	28.727	58.720	18.499	30.071
Time deposits(*)	815.814	-	116.602	-
Expected credit losses	(23)	(152)	(65)	(87)
	<b>844.518</b>	<b>58.568</b>	<b>135.036</b>	<b>29.984</b>

(\*) TL 814.958 is held as collateral for Takasbank Monetary Market transactions (31 December 2024: TL 110.895). The collateral amount is subject to accrual based on the Daily TLREF rate.

#### 4 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (NET)

Financial assets whose fair value difference is reflected in profit and loss as of December 31, 2025 and December 31, 2024 consist of FCI (Factor Chain International) participation shares. Our company is a member of the FCI organization, which includes banks and factoring companies operating on an international scale. International factoring transactions are conducted through the legal infrastructure and common database established by the FCI. The cost of these participation shares in foreign currency is assessed to reflect their fair value and is reflected in the financial statements accordingly.

	31 December 2025		31 December 2024			
	Carrying Value	% Share Rate	Carrying Value	% Share Rate		
	TP	FC	TP	FC		
Factors Chain International (FCI)	-	50	1,72	-	36	1,72
	-	<b>50</b>	-	<b>36</b>		

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#### 5 FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET)

##### 5.1 Factoring Receivables and Payables

###### Factoring Receivables

Details of factoring receivables as at 31 December 2025 and 31 December 2024 are as follows:

Financial assets at amortised cost (net)	31 December 2025		31 December 2024	
	TP	FC	TP	FC
Discounted Factoring Receivables (Net)	23.209.550	1.137.447	7.383.201	143.035
Other Factoring Receivables	5.401.762	2.425.750	3.305.182	2.125.525
Non Performing Receivables	425.853	-	121.767	0
Expected Credit Losses (-)	(374.571)	(2.811)	(129.162)	(1.329)
Stage 1	(30.453)	(2.811)	(12.937)	(1.329)
Stage 2	(8.746)	-	(3)	-
Stage 3	(335.372)	-	(116.222)	0
<b>Factoring receivables</b>	<b>28.662.594</b>	<b>3.560.386</b>	<b>10.680.988</b>	<b>2.267.231</b>

Stage 2 overdue receivables of the company are TL 25.259 (31 December 2024 : TL 2.746) and the delay periods are as follows:

Stage 2	31 December 2025		31 December 2024	
	TP	YP	TP	YP
Overdue 7 days	4.688	-	-	-
Overdue 1 month	11.246	-	2.659	-
Overdue 1-3 months	9.325	-	87	-
	<b>25.259</b>	<b>-</b>	<b>2.746</b>	<b>-</b>

Additionally, there are factoring receivables amounting to TL 100.597 that are classified under stage 2 and are not past due (December 31, 2024: TL 97).

###### Factoring Payables

Details of short-term factoring payables as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TP	FC	TP	FC
Factoring payables	2.813	36.352	2.203	8.039
	<b>2.813</b>	<b>36.352</b>	<b>2.203</b>	<b>8.039</b>

Factoring payables represent the amounts of collections on behalf of factoring customers not transferred to the factoring customer accounts yet.

## GARANTİ FAKTORİNG A.Ş.

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#### 5 FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET) (continued)

##### 5.2 Non-Performing Receivables

Details of the Company's non-performing factoring receivables as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TP	YP	TP	YP
Non-performing factoring receivables	425.853	-	121.767	-
<b>Non-performing factoring receivables</b>	<b>425.853</b>	<b>-</b>	<b>121.767</b>	<b>-</b>

##### 5.3 Expected Credit Losses

Details of the Company's expected credit losses for factoring receivables as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TP	YP	TP	YP
Expected credit losses	(374.571)	(2.811)	(129.162)	(1.329)
<b>Expected credit losses</b>	<b>(374.571)</b>	<b>(2.811)</b>	<b>(129.162)</b>	<b>(1.329)</b>

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#### 5 FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET) (continued)

##### 5.3 Expected Credit Losses (continued)

The movements of expected credit losses for factoring receivables for 31 December 2025 and 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
<b>Opening balance 1 January</b>	<b>130.491</b>	<b>91.677</b>
<i>Expected credit loss of the period</i>		
Stage 1	30.331	7.941
Stage 2	9.775	692
Stage 3	292.391	84.865
<i>Collections/reversals of the period;</i>		
Stage 1	(11.333)	(17.791)
Stage 2	(1.032)	(698)
Stage 3	(10.439)	(22.589)
<i>Losses from receivables written off</i>		
Stage 3	(62.802)	-
<i>Factoring receivables subject to sale</i>		
Stage 3	-	(13.606)
	<b>377.382</b>	<b>130.491</b>



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#### 7 INTANGIBLE ASSETS (continued)

The movement of intangible assets for the period ended 31 December 2024 is as follows:

	1 January 2024	Additions	Disposals	31 December 2024
<b>Acquisition Cost</b>				
Rights	74.976	64.534	-	139.510
Other (Software)	3.076	-	-	3.076
	<b>78.052</b>	<b>64.534</b>	-	<b>142.586</b>
		<b>Charge for the</b>		
<b>Accumulated Amortization</b>	<b>1 January 2024</b>	<b>period</b>	<b>Disposals</b>	<b>31 December 2024</b>
Rights	45.850	13.133	-	58.982
Other (Software)	3.076	-	-	3.076
	<b>48.926</b>	<b>13.133</b>	-	<b>62.058</b>
<b>Net book value</b>	<b>29.126</b>			<b>80.528</b>

As at 31 December 2025 and 31 December 2024, the Company has not any intangible asset that is generated within the company.

#### 8 TAX ASSETS AND LIABILITIES

##### Corporate Tax

While corporate tax which is applied to corporate earnings at the rate of 20% in Turkey, in accordance with the regulation introduced by the Law No.7456 "On the Formation of Additional Motor Vehicle Tax to Compensate the Economic Losses Caused by the Earthquakes That Occurred on 6/2/2024, Amending Certain Laws and the Decree Law No. 375, the corporate earnings of 2024 and later taxation periods this rate has been determined to be applied as 25% and for the banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies this rate has been determined to be applied as 30%.

This rate is applied to tax base which is calculated by adding certain non-deductible expenses for tax purposes and deducting certain exemptions (like dividend income) and other deductions on accounting income. If there is no dividend distribution, no further tax charges are made.

Dividends paid to the resident institutions and the institutions working through local offices or representatives in Turkey are not subject to withholding tax. As per the decisions No. 2009/14593 and 2009/14594 of the Council of Ministers published in the Official Gazette No. 27130 dated 3 February 2009, certain duty rates included in the Articles No.15 and 30 of the new Corporate Tax Law No.5520 are revised. Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions has been changed to 10% from 15% by the Presidential decision published in the Official Gazette No. 31697 dated 22 December 2021. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

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#### 8 TAX ASSETS AND LIABILITIES (continued)

##### Corporate Tax (continued)

The prepaid taxes are calculated and paid at the rates valid for the earnings of the related years. The prepayments can be deducted from the annual corporate tax calculated for the whole year's earnings. In accordance with the Turkish tax legislation, the tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

While 75% of earnings generated through sale of equity shares, founders' shares, redeemed shares and preemption rights are exempt from the corporate tax with the conditions that such earnings shall be held in a special reserve account under equity until the end of five years following the year of sale and shall be collected as cash until the end of the following two fiscal years.

While 50% of the profits arising from the sale of real estates included in the assets for the same period are subject to exemption from corporate tax on condition that they are kept in a special fund account in liabilities until the end of the fifth year following the year of sale and collected until the end of the second calendar year; in accordance with the regulation introduced by the Law No. 7456 on "Imposition of Additional Motor Vehicle Tax for Compensation of Economic Losses Caused by Earthquakes Occurring on 6/2/2024 and Amendment of Certain Laws and Legislative Decree No. 375", this exemption article has been abolished and it has been determined that the exemption rate will be applied as 25% for real estates included in the assets of institutions before the date of entry into force of the law (July 15, 2024).

All earnings generated through transfer of equity shares, founders' shares, redeemed shares and preemption rights by the companies being under legal proceedings or guarantor and mortgage provider of such companies, to banks, financial leasing companies and finance companies or the Savings Deposit Insurance Fund in connection with liquidation of their liabilities and earnings of banks, financial leasing companies and finance companies through sale of immovable part of such assets or other items are exempt from corporate tax at the rate of 50% and 75%, respectively.

As of 31 December 2021, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/ Ç of the Tax Procedure Law. These conditions are both the exceed in the increase of Producer Price Index in the last 3 accounting periods including current period by 100% and the exceed in the increase in the current period by 10%. However, temporary article 33 has been added on the Tax Procedure Law No. 213 with the regulation made with the Tax Procedure Law and the Law on Change in Corporate Tax Law No. 7352 published in the Official Gazette No.31734 dated 29 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2024. According to this, the financial statements for the 2021 and 2022 accounting periods, including the provisional tax periods, are not subject to inflation adjustment, and for the 2024 accounting period; are not subject to inflation adjustment as of the provisional tax periods, and the financial statements dated 31 December 2024 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met or not. Profit/loss difference arising from inflation adjustment in the financial statements are to be shown in previous years' profit/loss accounts and does not affect the corporate tax base.

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#### 8 TAX ASSETS AND LIABILITIES (continued)

Pursuant to Article 17 of Law No. 7491 on Amendments to Certain Laws and Decree Laws, published in the Official Gazette dated December 28, 2023 and numbered 32413, it has been enacted that the profit or loss differences arising from inflation adjustments to be made during the 2024 and 2025 fiscal periods, including interim tax periods, by banks; companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361 dated November 21, 2012; payment and electronic money institutions; authorized foreign exchange institutions; asset management companies; capital market institutions; insurance and reinsurance companies; and pension companies shall not be taken into account in the determination of taxable income. Under this provision, the President is authorized to extend the specified periods, including interim tax periods, by up to one fiscal period.

The Law No. 7566 titled "Law on Amendments to Tax Laws, Certain Other Laws and Decree Law No. 631," which was adopted by the Grand National Assembly of Türkiye on December 4, 2025, was published in the Official Gazette dated December 19, 2025 and numbered 33112 and entered into force. With the amendment made under Article 2 of the Law to Article 120 (repeated), titled "Interim Tax," of the Income Tax Law, the fourth interim tax period has been reintroduced into the system. Accordingly, taxpayers' earnings will be determined on a 3-, 6-, 9- and 12-month basis, and an interim tax return will be submitted for the last quarter of the year. The regulation entered into force on December 19, 2025, to be applied to tax returns relating to income and earnings for taxation periods beginning on or after January 1, 2025. Within this framework, corporations whose fiscal year corresponds to the calendar year will submit an interim tax return for the October–December period of 2025.

With the Communiqué No. 587 of the Tax Procedure Law, published in the Official Gazette dated December 24, 2025 and numbered 33117, it has been stipulated that inflation adjustment will not be applied for the fourth interim tax period of 2025.

Furthermore, pursuant to Law No. 7571 published in the Official Gazette dated December 25, 2025 and numbered 33118, it has been resolved that inflation adjustment shall not be applied for the 2025 fiscal period, including the related interim tax periods, as well as for the 2026 and 2027 fiscal periods, regardless of whether the statutory conditions for inflation adjustment are met.

According to Provisional Article 37 titled "Periods During Which Inflation Adjustment Will Not Be Applied," added to the Tax Procedure Law by Law No. 7571:

- Financial statements shall not be subject to inflation adjustment for the 2025 fiscal period (including the related interim tax periods) and for the 2026 and 2027 fiscal periods (for taxpayers subject to a special accounting period, for the fiscal periods ending in 2026, 2027, and 2028), regardless of whether the conditions set forth in repeated Article 298 are met.

-The President is authorized to extend the specified periods, including interim tax periods, for up to three fiscal periods.

-Since the periods during which inflation adjustment will not be applied (including any extended periods) shall be deemed as periods in which inflation adjustment conditions have not been met, revaluation may be performed for depreciable assets in accordance with paragraph (Ç) of repeated Article 298 of the Tax Procedure Law. The revaluation rate applicable for 2025 has been announced as 25.49%.

The Company has performed revaluation on its depreciable tangible assets presented in the statement of financial position.

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#### 8 TAX ASSETS AND LIABILITIES (continued)

##### Deferred Tax

According to Law No. 7440 on Restructuring of Certain Receivables and Amending Certain Laws published in the Official Gazette (dated on March 12, 2024 and numbered 32130), corporate tax payers are to be calculating additional tax in order to be indicated in corporate income tax returns of the year 2022. With the regulation of Law No. 5520 on the "Corporate Tax Law" and other tax regulations, an additional tax of 10% will be calculated based on the exemption and deduction amounts subject to deduction from corporate income and the tax bases subject to reduced corporate tax within the scope of Article 32/A of the same law and with the exception regulated in subparagraph (a) of the first paragraph of Article 5 of the Law No. 5520., an additional tax of 5% will be calculated based on exempted dividends and earnings from abroad. The first partial payment of this additional taxes is to be paid within the payment period of the corporate income tax, and the second partial payment is to be paid in the fourth month following this period.

According to the Turkish Accounting Standard 12 (TAS 12) "Income Taxes"; deferred tax assets and liabilities are recognized, using the balance sheet method, on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

As disclosed in the corporate income tax note, pursuant to the regulation introduced by Law No. 7456 titled "Law on the Introduction of an Additional Motor Vehicle Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurred on February 6, 2023 and Amendments to Certain Laws and Decree Law No. 375," the corporate income tax rate has been determined as 30% to be applied to the corporate earnings of banks; companies operating within the scope of Law No. 6361; electronic payment and electronic money institutions; authorized foreign exchange institutions; asset management companies; capital market institutions; insurance and reinsurance companies; and pension companies for the relevant taxation periods.

Accordingly, the Company calculated deferred tax assets and liabilities as of December 31, 2025 using a tax rate of 30%.

If transactions and other events are recognized in profit or loss, associated tax effects are also recognized in profit or loss. If transactions and other events are recognized directly in equity, the relevant tax effects are also recognized directly in equity accounts.

Calculated deferred tax receivables and deferred tax liabilities are netted in the financial statements. The carrying value of deferred tax assets is reviewed as of each balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Furthermore, the deferred tax assets are not subject to profit distribution or capital increase as per the BRSA's related circular in cases where there are net asset balances after netting deferred tax assets with deferred tax liabilities.

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#### 8 TAX ASSETS AND LIABILITIES (continued)

##### Transfer Pricing

In Turkey, transfer pricing regulations are specified in Article 13 of the Corporate Tax Law, titled "Disguised profit distribution through transfer pricing". The communiqué on disguised profit distribution through transfer pricing, dated November 18, 2007, regulates the details of the application. partially distributed through transfer pricing. Disguised profit distribution through such transfer pricing is considered as an expense that is not legally accepted for corporate tax

According to this Communiqué, if 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 General Communiqué No. 4 on Disguised Profit Distribution by Way of Transfer Pricing, 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.

##### Tax income/(expense)

The details of tax income / (expense) for the periods ended 31 December 2025 and 31 December 2024 are as follows:

Tax provision reconciliation	1 January-	1 January-
	31 December 2025	31 December 2024
Current tax expense	3.020.092	2.046.818
Calculated tax on reported profit	(906.028)	(614.045)
Permanent Differences:		
Revaluation difference	11.351	(282)
Disallowable expenses	(1.071)	(1.895)
Other	5.731	7.492
<b>Tax expense/(income)</b>	<b>(890.017)</b>	<b>(608.730)</b>

The details of tax income / (expense) for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Corporate tax provision	922.071	628.406
Temporary tax paid	(660.166)	(452.347)
Withholding income tax	(28.955)	(6.195)
Other (*)	-	(3.001)
<b>Current Period Tax Payable/ (Receivable)</b>	<b>232.950</b>	<b>166.863</b>

As of 31 December 2025, no provisional tax has arisen. There is TL 28.955 income tax withheld (As of 31 December 2024, no provisional tax has been incurred. There is TL 6.195 income tax withheld).

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#### 8 TAX ASSETS AND LIABILITIES (continued)

##### Deferred tax asset and liability

Carrying values of deferred tax assets and liabilities in the financial statements and tax goodwill and accounting, which are not subject to tax deduction, between the values used in the assessment and temporary differences, calculated on excluding differences in assets and liabilities recognized for the first time, which are not subject to taxation.

##### Recognition of deferred tax asset and liability

As of 31 December 2025 and 31 December 2024, deferred tax asset and liabilities calculated on the following items:

	31 December 2025	31 December 2024
<b>Temporary Differences</b>		
Premium provisions	59.000	26.640
Provisions for litigation and expense rediscounts	56.156	65.229
Factoring provisions for receivables (1st and 2nd stages)	42.010	14.269
Factoring receivables interest rediscount valuation differences	31.848	12.809
Revaluation of fixed assets	28.449	-
Leave provisions	24.912	16.569
Severance pay provision	15.952	8.823
Severance pay provision-actuarial loss/gain	10.521	11.628
Right of use interest and depreciation expense (net)	5.462	187
Credits received bitt rediscount	2.769	2.255
Vehicle valuation differences	760	-
Time/demand deposit provisions	175	152
Other	11	-
Fc exchange rate valuation	-	671
<b>Temporary differences related to deferred tax assets</b>	<b>278.025</b>	<b>159.232</b>
Prepaid loans and letter of guarantee commissions	20.671	7.800
Commission rediscounts for other factoring receivables	8.718	5.341
Loans received valuation differences	4.987	7.925
Fc exchange rate valuation	53	-
Temporary differences on tangible and intangible assets	-	309
<b>Temporary differences related to deferred tax liabilities</b>	<b>34.429</b>	<b>21.375</b>

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#### 8 TAX ASSETS AND LIABILITIES (continued)

##### Deferred tax asset and liability (continued)

	31 December 2025	31 December 2024
<b>Temporary Differences</b>		
Premium provisions	17.700	7.992
Provisions for litigation and expense discounts	16.846	19.569
Factoring provisions for receivables (1st and 2nd stages)	12.603	4.280
Factoring receivables interest discount valuation differences	9.554	3.843
Revaluation of fixed assets	8.535	-
Leave provisions	7.474	4.970
Severance pay provision	4.785	2.647
Severance pay provision-actuarial loss/gain	3.156	3.488
Right of use interest and depreciation expense (net)	1.638	56
Credits received bitt discount	831	677
Vehicle valuation differences	228	-
Time/demand deposit provisions	53	46
Other	3	-
Fc exchange rate valuation	-	201
<b>Temporary differences related to deferred tax assets</b>	<b>83.406</b>	<b>47.769</b>
Prepaid loans and letter of guarantee commissions	(6.201)	(2.340)
Commission discounts for other factoring receivables	(2.615)	(1.602)
Loans received valuation differences	(1.496)	(2.378)
Fc exchange rate valuation	(16)	-
Temporary differences on tangible and intangible assets	-	(93)
<b>Temporary differences related to deferred tax liabilities</b>	<b>(10.328)</b>	<b>(6.413)</b>
<b>Deferred tax assets (net)</b>	<b>73.078</b>	<b>41.356</b>

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#### 8 TAX ASSETS AND LIABILITIES (continued)

##### Deferred tax asset and liability (continued)

Movements of deferred tax assets are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
1 January	41.356	21.808
Deferred tax income	41.782	26.266
Deferred tax loss	(9.728)	(6.590)
Deferred tax income/(expense) related to other comprehensive income	(332)	(128)
<b>Balance at the end of the period</b>	<b>73.078</b>	<b>41.356</b>

The Company calculates deferred income tax assets and liabilities by taking into account the effects of temporary differences arising as a result of different evaluations between BRSA Accounting and Financial Reporting Legislation and Tax Procedure Law.

#### 9 OTHER ASSETS

Details of other assets as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Receivables from BITT accruals	126.444	2.548	53.772	277
Prepaid expenses	16.977	-	8.050	-
Other	530	-	326	43
	<b>143.951</b>	<b>2.548</b>	<b>62.148</b>	<b>320</b>

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#### 10 FUNDS BORROWED

Details of funds borrowed as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Funds borrowed	24.122.003	3.501.557	7.488.005	2.247.848
	<b>24.122.003</b>	<b>3.501.557</b>	<b>7.488.005</b>	<b>2.247.848</b>

Interest rates are the higher and lower rate interval for the variable and fixed rate loans as at 31 December 2025 and 31 December 2024.

	31 December 2025			31 December 2024		
	Original amount	Interest rate (%)	Up to 1 year	Original amount	Interest rate (%)	Up to 1 year
TL	24.122.003	37,73	24.122.003	7.488.005	48,23	7.488.005
USD	56.138	6,73	2.407.553	53.419	6,86	1.845.536
EUR	20.928	4,68	1.052.793	9.329	5,52	334.397
GBP	715	6,38	41.211	1.569	7,47	67.915
<b>Total</b>			<b>27.623.560</b>			<b>9.735.853</b>

TL 12.128.957 of the funds borrowed as at 31 December 2025 is borrowed from Takasbank Money Market (31 December 2024: TL 1.999.298). For the loans obtained from Takasbank Money Market, 814.958 TL cash collateral and 13.993.000 TL letter of guarantee were given (31 December 2024: 110.8951 TL cash collateral and 4.493.000 TL letter of guarantee).

As at 31 December 2025 and 31 December 2024, the remaining funds borrowed are uncollateralized.

#### 11 LEASE OBLIGATIONS (Net)

Details of lease obligations as at 31 December 2025 and 31 December 2025 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Nominal	57.125	-	4.394	-
Cost	(22.696)	-	(1.670)	-
<b>Carrying Value</b>	<b>34.429</b>	<b>-</b>	<b>2.724</b>	<b>-</b>

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#### 12 PROVISIONS

Details of provisions as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Provision for employee benefits	110.385	-	63.660	-
Other provisions	38.720	22.561	70.459	16.182
Provision for lawsuits	14.642	-	17.068	-
Resource utilization support fund expense rediscount	3.538	-	3.304	-
Provision for correspondent commissions	-	2.000	-	2.085
	<b>167.285</b>	<b>24.561</b>	<b>154.491</b>	<b>18.267</b>

#### 12.1 Provisions for employee benefits

Provision for employee benefits as at 31 December 2025 includes retirement pay provision amounting to TL 26.473 (31 December 2024: TL 20.451), unused vacation accrual amounting to TL 24.912 (31 December 2024: TL 16.569) and personnel bonus accrual amounting to TL 59.000 (31 December 2024: TL 26.640).

Under the Turkish Labor Law, the Company is required to pay employment termination benefits to each employee whose contract is terminated after one service year or who is entitled to a retirement at the age of 60 (58 for women) after 25 service years (20 for women) or who is called for military service or who is dead. Some transitional provisions related to the pre-retirement service term were excluded from the scope of the Law since the related law was amended as of 23 May 2002. The amount of compensation to be paid is equal to one month's salary and this amount for the period 1 January – 31 June 2026 is TL 64.948,77 (full), (31 December 2025: TL 53.919,68 (full)). The amount of compensation to be paid is equal to one month's salary for every and each year of employment.

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

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#### 12 PROVISIONS (continued)

##### 12.1 Provision for Employee Benefits (continued)

Consequently, in the accompanying financial statements as at 31 December 2025, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated assuming an annual inflation rate of 26,24 % and a discount rate of 31,10% (31 December 2024: inflation rate of 26,30 %, discount rate of 31,02%).

Movement of retirement pay provision as at 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
<b>Net liability at the beginning of the period</b>	<b>20.451</b>	<b>15.503</b>
Recognized under income statement	9.879	7.094
Severance indemnity paid in the period	(2.750)	(1.718)
Retirement provision recognized under other comprehensive income	(1.107)	(428)
<b>Net liability at the end of period</b>	<b>26.473</b>	<b>20.451</b>

##### Personnel Bonus Accrual

Movement of the personnel bonus provision as at 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
<b>Balance at 1 January</b>	<b>26.640</b>	<b>23.911</b>
Accrual for the period	(38.460)	(23.656)
Paid in the period	(2.700)	(11.000)
Reversal	73.520	37.385
<b>Balance at the end of the period</b>	<b>59.000</b>	<b>26.640</b>

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#### 12 PROVISIONS (continued)

##### 12.1 Provision for Employee Benefits (continued)

###### Unused Vacation Accrual

The movement of unused vacation provisions as at 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
<b>Balance at 1 January</b>	<b>16.569</b>	<b>9.334</b>
Accrual for the period	12.483	7.544
Paid in the period	(3.262)	(309)
Reversal	(878)	-
<b>Balance at the end of the period</b>	<b>24.912</b>	<b>16.569</b>

##### 12.2 Other Provisions

As at 31 December 2025, the Company has TL 61.281 other expense rediscounts and provisions, TL 2.000 correspondent allowance provision, TL 14.642 continuing legal proceedings, TL 3.538 expense rediscount for loans received. (31 December 2024: TL 2.085 correspondent allowance provision, TL 17.0685 continuing legal proceedings, TL 86.641 641 other expense rediscounts and provisions.)

The movement of other provision for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
<b>Balance at 1 January</b>	<b>90.831</b>	<b>18.267</b>	<b>70.267</b>	<b>15.929</b>
Paid in the period	(25.590)	(2.086)	(25.341)	(1.466)
Accrual for the period	(8.341)	8.380	45.905	3.804
<b>Balance at the end of the period</b>	<b>56.900</b>	<b>24.561</b>	<b>90.831</b>	<b>18.267</b>

#### 13 OTHER LIABILITIES

Details of other liabilities as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Taxes payable	90.597	-	36.714	-
Lenders to vendors	9.141	836	1.318	894
Unearned income	143	-	102	-
Remittances payable	23	952	-	-
Temporary accounts payable	213	8.591	37	397
Other creditors	115	-	6	-
<b>Other liabilities</b>	<b>100.232</b>	<b>10.379</b>	<b>38.177</b>	<b>1.291</b>

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#### 14 SHAREHOLDERS' EQUITY

##### 14.1 Paid-in Capital

As at 31 December 2025, the Company's share capital amounts to TL 397.500 (31 December 2024: TL 397.500). As at 31 December 2025, the Company has 39.750.000.000 (31 December 2024: 39.750.000.000) total registered shares consisting of 20.021.214.900 preferred shares and 19.728.785.100 ordinary shares with a par value of Kr 1 each (31 December 2024: Kr 1).

##### 14.2 Capital Reserves

None (31 December 2024: None).

##### 14.3 Other Comprehensive Income or Expense

As at 31 December 2025, TL (7.365) includes actuarial gain/ losses of employee termination benefits and its deferred tax effect that will not be reclassified subsequently to profit or loss (31 December 2024: TL (8.140) includes actuarial gain/ losses of employee termination benefits and its deferred tax effect that will not be reclassified subsequently to profit or loss).

##### 14.4 Profit Reserves

As at 31 December 2025, the Company's profit reserves comprise of the legal reserves amounting to TL 79.500 (31 December 2024: TL 15.900 and extraordinary reserves amounting to TL 2.703.610 (31 December 2024: TL 1.329.122).

##### 14.5 Profit Distribution

The profit distribution table dated December 31, 2024 was approved at the 2024 Ordinary General Assembly Meeting held on May 22, 2025.

As of the reporting date, the 2025 Ordinary General Assembly Meeting has not yet been held.

The profit distribution table as of December 31, 2025 is as follows.:

Profit distribution table	31 December 2025	31 December 2024
Net Profit for the year	2.130.075	1.438.088
Legal reserves (-)	79.500	63.600
Distributable net profit of the period	2.130.075	1.374.488
Donations (+)	-	500
Distributable net profit of the period (with donations)	2.130.075	1.374.988
Extraordinary reserves	-	1.374.488

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#### 15 OPERATING INCOME

The details of operating income for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Factoring interest income	10.318.564	5.510.505
Factoring fee and commission income	155.736	119.348
	<b>10.474.300</b>	<b>5.629.853</b>

#### 16 FINANCE EXPENSES

The details of finance expenses for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Interest expenses on funds borrowed	6.438.599	2.572.666
Interest expenses on marketable securities issued	254.932	645.223
Fees and commissions given (net)	58.249	40.785
Leasing expenses	11.352	1.210
Other interest expense	6	326
	<b>6.763.138</b>	<b>3.260.210</b>

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#### 17 OPERATING EXPENSES

The details of operating expenses for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Personel expenses	419.870	276.077
IT maintenance and contract expenses	75.815	52.453
Depreciation and amortization charges	43.478	17.896
Expenses paid for loans taken from abroad	35.431	13.440
Consultancy expenses	12.820	7.936
Litigation expenses	11.865	7.209
Provision for retirement pays	9.879	7.094
Institution membership dues	7.271	6.207
Maintenance and repair expenses	5.768	3.365
Vehicle expenses	5.333	3.431
Communication expenses	2.153	1.741
Other	12.910	8.411
	<b>642.593</b>	<b>405.260</b>

The details of operating expenses for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Salaries and wages	227.216	175.638
Bonuses	73.520	37.385
Social security premium employer's share	38.435	23.408
Personnel assistance and contributions	38.012	11.577
Personnel food expenses	17.745	10.698
Insurance expenses	10.049	7.491
Personnel transportation service expenses	3.609	2.227
Personnel transportation service expenses	3.098	2.949
Sitting fees	1.825	1.440
Other	6.361	3.264
	<b>419.870</b>	<b>276.077</b>

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#### 18 OTHER OPERATING INCOME

The details of other operating income for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Interests received from banks	177.832	92.423
Expected losses provision cancellations and collections from loss receivables	75.933	77.196
Foreign exchange profits	33.778	70.707
Cancellation of personnel premium provision	2.700	11.355
Other	26.152	28.729
Gains from the sale of non-performing loans	-	15.000
	<b>316.395</b>	<b>295.410</b>

#### 19 PROVISIONS

The details of expected credit loss for the periods ended as at 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Stage 1 (*)	30.660	7.983
Stage 2	9.555	692
Stage 3 (**)	301.941	84.997
	<b>342.156</b>	<b>93.672</b>

(\*) TL 110 expected loss provision is included for assets classified under Cash, Cash Equivalents and Central Bank (31 December 2024: TL 42 expected loss provision is included for assets classified under Cash, Cash Equivalents and Central Bank).

(\*\*) Includes TL 9.550 default interest provision (31 December 2024: 110 default interest provision).

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#### 20 OTHER OPERATING EXPENSES

The details of other operating expenses for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Foreign exchange losses	11.583	66.365
Other	153	14
Losses from swap transactions	-	35.195
	<b>11.736</b>	<b>101.574</b>

#### 21 EARNINGS SHARE

Calculation of earnings per share for the periods ended 31 December 2025 and 31 December 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
<b>Net profit for the period</b>	2.130.075	1.438.088
Weighted average number of shares with 1 KR of nominal value (thousand)	39.750.000.000	39.750.000.000
<b>Earnings per thousand shares (KR)</b>	<b>5,358679</b>	<b>3,617831</b>

#### 22 RELATED PARTY TRANSACTIONS

The details of receivables and payables due from and due to related parties as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
<b>Bank balances</b>				
Türkiye Garanti Bankası A.Ş.	28.184	52.182	23.448	24.911
Demand deposits	28.184	52.182	17.741	24.911
Time deposit	-	-	5.707	-
Garantibank International NV	-	-	-	2.008
Demand deposits	-	-	-	2.008
	<b>28.184</b>	<b>52.182</b>	<b>23.448</b>	<b>26.919</b>

The amount of cheques and notes at custody of Türkiye Garanti Bankası A.Ş. related with factoring receivables as at 31 December 2025 is TL 23.395.209 (31 December 2024: TL6.838.676 TL).

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#### 22 RELATED PARTY TRANSACTIONS (continued)

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
<b>Factoring receivables</b>				
Garanti Filo Yönetim Hizmetleri A.Ş.	-	-	8.981	-
	<b>-</b>	<b>-</b>	<b>8.981</b>	<b>-</b>

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
<b>Funds borrowed</b>				
Türkiye Garanti Bankası A.Ş.	-	1.811.135	8.971	1.507.854
Garantibank International NV	919.853	718.253	1.671.048	188.819
	<b>919.853</b>	<b>2.529.388</b>	<b>1.680.019</b>	<b>1.696.673</b>

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
<b>Indemnity bond</b>				
Türkiye Garanti Bankası A.Ş.	48.057	-	20.203	-
	<b>48.057</b>	<b>-</b>	<b>20.203</b>	<b>-</b>

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#### 22 RELATED PARTY TRANSACTIONS (continued)

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
<b>Miscellaneous Payables</b>				
Türkiye Garanti Bankası A.Ş.	-	836	642	-
Garanti Filo Yönetim Hizmetleri A.Ş.	-	-	-	-
	-	<b>836</b>	<b>642</b>	-
	31 December 2025		31 December 2024	
	TL	FC	TL	FC
<b>Miscellaneous receivables</b>				
Garanti Filo Yönetim Hizmetleri A.Ş.	-	-	219	-
	-	-	<b>219</b>	-

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#### 22 RELATED PARTY TRANSACTIONS (continued)

Income and expenses from related parties for the periods ended 31 December 2025 and 31 December 2024 are as follow :

	31 December 2025	31 December 2024
<b>Interest income from factoring receivables and commissions</b>		
Garanti Filo Yönetim Hizmetleri A.Ş.	2.243	43.114
	<b>2.243</b>	<b>43.114</b>
	1 January-31 December 2025	1 January-31 December 2024
<b>Interest income on bank deposits</b>		
Türkiye Garanti Bankası A.Ş.	4.569	22.068
	<b>4.569</b>	<b>22.068</b>
	1 January-31 December 2025	1 January-31 December 2024
<b>Interest expenses on funds borrowed</b>		
Türkiye Garanti Bankası A.Ş.	105.497	199.723
Garanti Bank International NV	1.193.429	487.741
	<b>1.298.926</b>	<b>687.464</b>
	1 January-31 December 2025	1 January-31 December 2024
<b>Fees and commissions given</b>		
Türkiye Garanti Bankası A.Ş.	1.192	893
Garanti Bank International NV	698	632
Garanti Yatırım Menkul Kıymetler A.Ş.	982	511
	<b>2.872</b>	<b>2.036</b>

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#### 22 RELATED PARTY TRANSACTIONS (continued)

	1 January- 31 December 2025	1 January- 31 December 2025
<b>General Administrative Expenses (*)</b>		
Türkiye Garanti Bankası A.Ş.	71.928	52.569
Garanti Filo Yönetim Hizmetler A.Ş.	17.359	1.832
Garanti Emeklilik ve Hayat A.Ş.	946	951
	<b>90.233</b>	<b>55.352</b>
<i>(*)General Administrative Expenses comprises of rent expense, IT maintenance and contract expenses, transaction commissions, car rental expenses, travelling expenses and insurance expenses.</i>		
	1 January- 31 December 2025	1 January- 31 December 2025
<b>Losses from Financial Derivatives</b>		
Türkiye Garanti Bankası A.Ş.	-	35.195
	<b>-</b>	<b>35.195</b>

#### Salary and other benefits provided to board members and executives:

The net amount of salary and other benefits provided to board members and executives by the Company for the period ended 31 December 2025 is TL 43.308 (31 December 2024: TL 41.929).

#### Fees for services received from independent auditors/independent audit firms

In accordance with the decision of the POA dated March 26, 2021, the fee information for services received from independent auditors or independent audit firms for the reporting period is given in the table below, excluding VAT.

	1 January- 31 December 2025	1 January- 31 December 2025
Independent audit fee	3.179	1.584
	<b>3.179</b>	<b>1.584</b>

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#### 23 CONTINGENT ASSETS AND LIABILITIES

##### 23.1 Guarantees Received

Guarantees received for the Company's factoring receivables as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Mortgage	17.780	-	42.780	-
Finance notes	1.500	79.919.210	1.700	41.660.829
Guarantees received (*)	-	187.810.394	-	99.224.724
Insurance coverage	-	-	509.307	138.728
Correspondent guarantees	-	529.271	-	420.709
Other	237	1	237	-
	<b>19.517</b>	<b>268.258.876</b>	<b>554.024</b>	<b>141.444.990</b>

*(\*) The guarantees received consist of the total of the contract amounts guaranteed separately by each of the guarantors who signed the factoring agreement.*

##### 23.2 Guarantees Given

Guarantees given as at 31 December 2025 and 31 December 2024 consist of letters of guarantee given to the institutions below:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Takasbank (Note 10)	13.993.000	-	4.493.000	-
Guarantees given to correspondents	-	218.141	-	69.746
Courts	49.008	-	21.301	-
Other	10	-	10	-
	<b>14.042.018</b>	<b>218.141</b>	<b>4.514.311</b>	<b>69.746</b>

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#### 23 CONTINGENT ASSETS AND LIABILITIES (continued)

##### 23.3 Safety Securities

The details of cheques and notes in collection as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Cheques in collection	22.561.909	1.237.932	6.849.620	411.909
Notes in collection	221.284	36.191	19.784	28.479
	<b>22.783.193</b>	<b>1.274.123</b>	<b>6.869.404</b>	<b>440.388</b>

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#### 24 NATURE AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS

##### 24.1 Financial Risk Management Purposes and Policies

The Company's risk management strategy aims to measure the risks in the framework of the Company's activities by considering the risk-return balance for the optimum allocation of the capital and growth.

In this context, for the purposes of establishing a companywide risk culture, the basic principles of risk management implementation are defined by analyzing risks according to the volume, nature and complexity of the Company's activities; ensuring compliance with international and local regulations; controlling risks for protection of financial strength for limiting any potential adverse effects of market conditions on capital and income; creating risk transparency and risk awareness.

##### 24.1.1 Credit Risk

The Company is exposed to credit risk through its factoring transactions. The allocation and monitoring of credit risk management activities can be summarized as follows.

Under the credit allocation;

Credit committee of Garanti Faktoring A.Ş. assesses loan applications from customers on a weekly basis. Apart from this, authorized sub - committees can also grant loans by using their defined limits. Within the scope of the assessment, quality of receivables, borrower's credibility and the content of the trade are given particular importance. With the credit limit allocation, "limit validity time" application is applied, maximum limit is granted only for one year, but with the decision of the management the time limit can be reduced to shorter periods for control purposes.

During the assessment of credit allocations, determination of the credit risk and its management is carried out basically in two ways:

Criteria based limit allocation; a limit allocation is made to the appropriate buyer / seller side borrower company that complies with the criteria which are determined by the Credit Committee. These criteria would be revised if necessary, depending on the market conditions, sectoral developments and the results obtained from the current allocation process. If these criteria are no longer valid for a customer after the loan allocation, any other loan disbursements are stopped, and the risk liquidation process starts.

Standard analysis process; Credit allocations are made through the analysis made by the Credit Department within the scope of their limits.

Credit monitoring phase;

In order to monitor the allocated credits an early warning system has been developed. Periodically, customer credibility assessments are performed. In this context, overdraft checks, overdue factoring receivables and invoices are monitored on a daily basis and, if deemed necessary, additional intelligence investigations about customers are made.

For the due date checks, investigation department performs monthly risk controls and also assess concentration level by selecting certain customers from the total risk exposure. Then loan department reviews the work performed and re-assesses the loan limits for those selected customers.

In order to follow the customers with significant exposures, the top 20 borrowers with the highest risks, or the exposure to the related parties are reported to the Asset-Liability Committee on a weekly basis.

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### 24 NATURE AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

#### 24.1 Financial Risk Management Purposes and Policies (continued)

##### 24.1.2 Market Risk

The Company takes necessary precautions to safeguard itself according to the changing market conditions. The market risk is managed by taking the hedging positions and undertaking derivative transactions within the limits approved by the Board of Directors. The major cost element of the Company is the interest expenses from borrowings and it may be affected by the fluctuations in the market.

In this context, under the monitoring of the senior management, debt maturities are managed with respect to the interest expectations in the market. In addition, to manage the cash flow and liquidity risk, the maturity of factoring receivables, bank loans and deposit accounts is monitored. Daily status reports are prepared and end of day open treasury operations are reported to senior management.

Foreign exchange risk is monitored by the end of day open position limits under the Treasury Transaction Limits and end of day open positions are reported to the Company's management.

##### 24.1.3 Liquidity Risk

Liquidity Risk is managed by the Treasury and Asset Liability Committee within the framework of the risk management policies, in order to take the necessary measures timely and accurately to avoid the liquidity shortage due to the market conditions and the balance sheet structure.

Daily liquidity management is carried out by the Treasury Department. Treasury, while performing this task, considers early warning signals for possible liquidity shortages. Medium and long-term liquidity management is carried out by the Treasury in accordance with the Asset Liability Committee decisions.

The company policy for the liquidity management is designed to have the sufficient liquidity in order to, maintain funding, utilizing any investment opportunities, fulfilment of any credit demand and any possible liquidity shortage. The Company's funding is based on bank loans and bond issues. While constituting the asset structure to ensure efficient management of liquidity, following points are taken into consideration:

- Ease of liquidity,
- Ease of liquidity of collaterals received

The necessary diversification of assets and liabilities is provided in order to fulfil the payment obligations considering the related currencies. The Company monitors cash flows from assets and liabilities and predicts future liquidity needs in TL and FX liquidity management.

Early warning systems are established and monitored by taking into consideration of both the Company's own financial indicators as well as the Turkish capital market, macroeconomic data and global market indicators. The weight of the funding sources like borrowings and bonds in the liabilities, the counterparty transaction volume concentration and the maturity structure is monitored.

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### 24 NATURE AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

#### 24.1 Financial Risk Management Purposes and Policies (continued)

##### 24.1.4 Operational Risk

All operational risks are managed under the supervision of the Board of Directors and the Audit Committee in accordance with the framework that covers; risk identification, risk assessment, risk monitoring and risk control/mitigation. Each unit of the Company is responsible from their own operational risk monitoring, controlling and mitigating their operational risk by taking the necessary actions. The ultimate responsibility is on the relevant senior management.

In order to create an effective "internal control system", the Company makes necessary organizational arrangements, establishes the appropriate communication and information systems and constitutes monitoring function.

Internal Audit Department is responsible from the audit of departments at headquarters and branches and investigation of any fraudulent activities performed by the staff or third parties. It is also responsible from creating a sound internal control environment and its coordination, and also carrying out of the Company's operations within the legislation and regulations and in accordance with the Company management strategy and policy. In order to ensure compliance with national and international regulations, studies are carried out by the compliance officer in the scope of the strategy for the combat against the crime revenue and financing of terrorism.

The performance of the internal control system of the Company and the effectiveness of controlling operational risks is monitored regularly by the Internal Audit Department. In this context, system controls that constitute the internal control system, business cycle controls performed by the staff, organizational structure, segregation of duties, and basically general control environment are assessed.

This assessment can be performed centrally at the headquarters by utilizing computer-aided infrastructure or can be carried out traditionally by the "on site review". In addition, those responsible from the emergency and contingency plans and their backups are designated.

For the purposes of legal risk management, available controls that are designed for monitoring of the compliance of the Company's transactions with laws, internal policies and rules are monitored.

To strengthen the control environment in the operational areas, systemic or procedural limitations are applied. These limits that are set to limit the operational risks, are designed in accordance with the significance of the transactions for the Company, risk involved and probable amount of the loss and the qualifications of the staff. Limits are assessed and updated periodically depending on the needs. Operational risk limits are managed by determination of inconsistencies and approvals surrounding authorized signatures, authority over payments and transfers, accounting, purchase and sale and expense processes and loan disbursement process.

Operational risks are reported to the Audit Committee by the Internal Audit Department. In addition, the related business lines and units report their own operational risks to their respective senior management.

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### 24 NATURE AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

#### 24.1 Financial Risk Management Purposes and Policies (continued)

##### 24.1.5 Reputation Riski

The Board of Directors and the whole staff of the Company is responsible from the protection of the reputation of the Company. Human Resources and Internal Audit Department determines the principles of the ethical rules and code of conduct of the Company and monitor the compliance of the employees to those rules.

The Company tries to avoid any kind of operation that would create a reputational risk in the eyes of regulators, its customers and other market participants and perform its maximum effort to be beneficial to the society, nature and humanity. The Company performs its all transactions and operations within the framework of compliance with the legislation, corporate governance principles, social, ethical and environmental principles.

In order to regulate the behavioural affairs of its employees and their business relationships, "Ethical Principles Procedure" and "Fraud and Unethical Behaviour Prevention Policy" documents are available as prepared by the Human Resources Department and Internal Audit Department. The Company is committed to the principles of corporate governance and shows maximum effort in the implementation of these principles. Annual report and website is regularly updated, within the framework of corporate governance principle.

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### 24 NATURE AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

#### 24.2 Risk Management Disclosures

##### 24.2.1 Credit Risk

31 December 2025	Factoring Receivables			Non-performing receivables			Other Assets			Derivative financial-Assets held for trading
	Related Party	Others	Related Party	Others	Related Party	Others	Related Party	Others	Cash Equivalents	
<b>Maximum net credit risk as at balance sheet date (A+B+C+D+E) -</b>	-	<b>32.132.499</b>	-	<b>90.481</b>	-	-	-	-	<b>903.086</b>	<b>50</b>
A. Carrying value of financial assets that are not past due nor impaired	-	32.149.250	-	-	-	-	-	-	903.261	50
B. Net book value of financial assets whose terms are reassessed, if not accepted as past due nor impaired -	-	-	-	-	-	-	-	-	-	-
C. Financial assets that are past due but not impaired -	-	25.259	-	-	-	-	-	-	-	-
- carrying value	-	25.259	-	-	-	-	-	-	-	-
- the part under guarantee with collateral etc	-	(42.010)	-	-	-	-	-	-	(175)	-
D. Net book value of impaired assets	-	-	-	90.481	-	-	-	-	-	-
- Past due (gross carrying value)	-	(42.010)	-	425.853	-	-	-	-	(175)	-
- Impairment (-) (*)	-	-	-	(335.372)	-	-	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-	-	-	-	-
- Not past due (gross carrying value)	-	-	-	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-	-	-	-	-
D. Off balance sheet items that include credit risk	-	-	-	-	-	-	-	-	-	-



# GARANTİ FAKTORİNG A.Ş.

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### 24 NATURE AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

#### 24.2 Risk Management Disclosures (continued)

##### 24.2.3 Market risk

###### Foreign currency risk

Foreign currency risk is the risk arising from the value changes on financial instruments related with the change in exchange rates. The Company is exposed to currency risk due to its foreign currency borrowings. The currencies that the foreign currency risk of the Company mainly arises from are USD, Euro and GBP. As the financial statements of the Company are presented in TL, the financial statements are affected by fluctuations in these exchange rates against TL. The Company's net short/ (long) position arises from the assets, liabilities and derivative financial instruments in foreign currencies as at 31 December 2025 and 31 December 2024.

Foreign currency assets and liabilities as at 31 December 2025 and 31 December 2024 are as follows:

	(TL equivalent)	(TL equivalent)
A. Foreign currency monetary assets	3.621.552	2.297.571
B. Foreign currency monetary liabilities	(3.550.288)	(2.259.264)
<b>Net position (A+B)</b>	<b>71.264</b>	<b>38.307</b>

## GARANTİ FAKTORİNG A.Ş.

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### 24 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

#### 24.2 Explanations on Risk Management (continued)

##### 24.2.3 Market risk (continued)

###### Foreign currency risk (continued)

The table below summarizes the Company's foreign currency position in detail as at 31 December 2025 and 31 December 2024. Carrying amounts of the Company's foreign currency monetary assets and liabilities are presented with their original currencies:

	USD	EURO	GBP	Total
<b>31 December 2025</b>				
<b>Assets</b>				
Cash and cash equivalents	23.101	25.505	9.962	58.568
Financial assets at fair value through profit or loss	-	50	-	50
Factoring receivables (Net)	2.485.899	1.022.388	52.099	3.560.386
Other Assets	1.653	895	-	2.548
<b>Total assets</b>	<b>2.510.653</b>	<b>1.048.838</b>	<b>62.061</b>	<b>3.621.552</b>
<b>Liabilities</b>				
Funds borrowed	2.407.553	1.052.793	41.211	3.501.557
Factoring payables	16.698	10.961	8.693	36.352
Sundry creditors and other liabilities	9.548	2.613	218	12.379
<b>Total liabilities</b>	<b>2.433.799</b>	<b>1.066.367</b>	<b>50.122</b>	<b>3.550.288</b>
<b>Net foreign currency position</b>	<b>76.854</b>	<b>(17.529)</b>	<b>11.939</b>	<b>71.264</b>
<b>Net position</b>	<b>76.854</b>	<b>(17.529)</b>	<b>11.939</b>	<b>71.264</b>

(\*) Foreign currency provision amounting to TL 22.561 has not been taken into account in the currency risk calculation.

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	USD	EURO	GBP	Total
<b>24 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)</b>				
<b>24.2 Explanations on Risk Management (continued)</b>				
<b>24.2.3 Market risk (continued)</b>				
<b>31 December 2024</b>				
<b>Assets</b>				
Cash and cash equivalents	12.242	16.906	836	29.984
Financial assets at fair value through profit or loss	-	36	-	36
Factoring receivables (Net)	1.855.927	339.209	72.095	2.267.231
Other Assets (*)	67	253	-	320
<b>Total assets</b>	<b>1.868.236</b>	<b>356.404</b>	<b>72.931</b>	<b>2.297.571</b>
<b>Liabilities</b>				
Funds borrowed	1.845.536	334.397	67.915	2.247.848
Factoring payables	4.556	2.590	893	8.039
Sundry creditors and other liabilities	1.951	1.221	205	3.377
<b>Total liabilities</b>	<b>1.852.043</b>	<b>338.208</b>	<b>69.013</b>	<b>2.259.264</b>
<b>Net foreign currency position</b>	<b>16.193</b>	<b>18.196</b>	<b>3.918</b>	<b>38.307</b>
<b>Net position</b>	<b>16.193</b>	<b>18.196</b>	<b>3.918</b>	<b>38.307</b>

(\*) Foreign currency provision amounting to TL 16.181 has not been taken into account in the currency risk calculation.

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**24 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)****24.2 Explanations on Risk Management (continued)****24.2.3 Market risk (continued)**

Foreign currency sensitivity risk

10% decrease in the TL against the relevant foreign currencies for the periods ended 31 December 2025 and 2024 results in an increase in profit before tax for the period amounting to TL 7.127 (31 December 2024: TL 3.831 increase). This analysis is made with the assumption that the other variables were held constant for the periods ended 31 December 2025 and 31 December 2024.

TL	Profit/(Loss)
<b>31 December 2025</b>	
USD	7.685
EURO	(1.752)
GBP	1.194
<b>Total</b>	<b>7.127</b>

TL	Profit/(Loss)
<b>31 December 2024</b>	
USD	1.619
EURO	1.820
GBP	392
<b>Total</b>	<b>3.831</b>

**Interest Rate Risk**

Weighted average effective interest rates applied to financial instruments as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025				31 December 2024			
	USD (%)	EURO (%)	GBP (%)	TL (%)	USD (%)	EURO (%)	GBP (%)	TL (%)
<b>Assets</b>								
Term deposit	-	-	-	37,82	-	-	-	47,96
Factoring receivables	9,65	9,39	9,50	47,46	9,10	9,68	9,96	58,52
Credits received (*)	6,73	4,68	6,38	37,73	6,96	5,54	7,47	48,23

(\*) Does not include non-interest expenses paid.

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#### 24 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

##### 24.2 Explanations on Risk Management (continued)

##### 24.2.3 Market risk (continued)

Interest rate risk sensitivity analysis

The Company's financial instruments that have interest rate sensitivity as at 31 December 2025 and 31 December 2024 are as follows:

	Carrying Value	
	31 December 2025	31 December 2024
<b>Fixed Rate</b>		
Factoring receivables	27.834.905	10.964.125
Time deposit	815.814	116.602
Funds borrowed	25.534.649	9.400.824
<b>Variable Rate</b>		
Factoring receivables	4.339.604	1.992.818
Credits received	2.088.911	335.029

If interest rates of the floating rate instruments denominated in USD and EURO were 100 basis points higher/lower at the date of reissue and all other variables were constant as at 31 December 2025, net income for the period would decrease/increase by TL 22.507 (31 December 2024: TL 16.578) as a result of higher/lower interest expense from floating interest rate financial instruments

##### Capital Risk Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the profit through the optimisation of the debt and equity balance. The capital structure of the Company consists of debt, cash and cash equivalents and equity comprising issued capital, reserves and retained earnings disclosed in Note 15.

It is shown by the management reviews the cost of capital and the risks associated with each class of capital. As part of this review, the management considers the cost of capital and the risks associated with each class of capital and presents to the Board of Directors for approval.

The overall strategy of the Company did not differ materially from the prior period.

#### 25 FINANCIAL INSTRUMENT

##### Fair Value of Financial Instruments

The Company calculates its derivative financial assets and liabilities and securities whose fair value difference is reflected in profit/loss at their fair value.

The Company management shows the receivables from banks and factoring receivables and the loans received at their cost value discounted with effective interest. Receivables from banks and factoring receivables and the loans received are carried at their amortized cost values in the balance sheet and it is anticipated that their recorded values are approximately equal to their fair values due to their short terms.

The table below presents the fair value determination method of the financial instruments at fair value as at 31 December 2025. The method for each level is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

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#### 25 FINANCIAL INSTRUMENT (continued)

##### Fair Value of Financial Instruments (continued)

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (Net)	-	-	50	50
	-	-	50	50

31 December 2024	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (Net)	-	-	36	36
	-	-	36	36

#### 26 EVENTS AFTER THE REPORTING PERIOD

None.

# Garanti Faktoring A.Ş.

## Contact Information

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