

Siemens Finansal Kiralama Anonim Şirketi

**Financial statements and independent auditor's audit
report for the period 1 October 2023 - 30 September
2024**

*(Convenience Translation of the Financial Statements and
independent auditor's audit report originally issued in Turkish)*



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH
INDEPENDENT AUDITOR'S REPORT**

To the General Assembly of Siemens Finansal Kiralama A.Ş.

A. Audit of the Financial Statements

1. Opinion

We have audited the accompanying financial statements of Siemens Finansal Kiralama A.Ş. (the "Company"), which comprise the statement of financial position as at 30 September 2024, the statement of profit and loss, statement of profit or loss and other comprehensive income, statement of changes in shareholders' equity, statement of cash flows for the year then ended and the notes to the financial statements and a summary of significant accounting policies and financial statement notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 30 September 2024, and its financial performance and its cash flows for the year then ended in accordance with the "Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring, Financing, and Savings Finance Companies" published in the Official Gazette dated 24 December 2013 and numbered 28861, as well as the regulations, communiqués, circulars, and announcements issued by the Banking Regulation and Supervision Agency ("BRSA"); and to the extent not regulated by them, the "BRSA Accounting and Financial Reporting Regulations", which incorporate the provisions of the Turkish Financial Reporting Standards.

2. Basis for Opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (Including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate 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 of the current period. Key audit matters were addressed in the context of our independent audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the key audit matter was addressed in the audit
<p>Expected credit losses for financial lease receivables</p> <p>The Company has total gross financial lease receivables of 10,940,093 thousand TL, which represent a significant portion of the Company's total assets in its financial statements as of 30 September 2024, and total impairment provisions of 82,962 thousand TL related to these receivables. Explanations and footnotes regarding the impairment provisions for financial lease receivables are presented in notes 3,5 and 25 of the financial statements issued as of 30 September 2024.</p> <p>According to the "Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring, Financing, and Savings Finance Companies" published in the Official Gazette dated 24 December 2013, and numbered 28861, the Company recognizes provision for impairment of financial lease receivables in accordance with the "TFRS 9 Financial Instruments Standard" ("TFRS 9"). TFRS 9 is a complex accounting standard that requires a significant degree of judgment and interpretation in practice. These judgments and interpretations are key in developing financial models used to measure expected credit losses on financial lease receivables measured at amortized cost.</p>	<p>Within the scope of our audit procedures, we evaluated the Company's policies, procedures, and management principles regarding the classification of financial lease receivables by their characteristics and the determination of impairment calculations in accordance with relevant legislation.</p> <p>We evaluated and tested, together with our financial risk experts, the methods used in the Company's models for determining provisions for significant financial lease receivables to ensure compliance with the policies, procedures, and principles established by the Company and in accordance with TFRS 9 principles. We also assessed the calculations contained in these models with our financial risk experts. The approaches used in the models, including segmentation, lifetime expected default probabilities, default loss rates, and the reflection of macroeconomic expectations, were independently reviewed by our relevant experts.</p> <p>We conducted loan review procedures for a sample of selected credits to determine whether the classification of financial lease receivables according to current regulations is reasonable, to ascertain whether they are impaired, and to verify whether impairment provisions for these receivables have been established in a timely manner and in accordance with legislative provisions.</p>



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Expected credit losses for financial lease receivables (Continued)</p> <p>The reason for our focus on this area during our audit is the complexity involved in determining provisions for expected credit losses, including past loss experience, current conditions, and the creation and weighting of forward-looking macroeconomic scenarios; the size of the existing financial lease receivables; and the importance of correctly classifying these receivables based on their characteristics (stages) under current regulations and determining the provision for these receivables. The accurate and timely identification of default in financial lease receivables and other judgments and estimates made by management significantly impact the amount of provision for impairment recognized in the balance sheet, and therefore, this area has been considered a key audit matter.</p>	<p>We checked the consistency and adequacy of the notes to the financial statements relating to financial lease receivables and their impairment in the Company's financial statements.</p>



4. Other Matter

The financial statements of the Company as at 30 September 2023 were audited by another auditor whose report dated 4 March 2024 expressed an unqualified opinion.

5. Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company management is responsible for the preparation and fair presentation of the financial statements in accordance with the BRSA Accounting and 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 are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is 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 independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements 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 independent audit conducted in accordance with SIA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in 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.

- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



B. Other Responsibilities Arising From Regulatory Requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 October 2023 to 30 September 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

Additional Paragraph for Convenience Translation

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

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

A handwritten signature in blue ink, appearing to be "Gökçe Yaşar Temel", is written over a horizontal line.

Gökçe Yaşar Temel, SMMM
Independent Auditor

Istanbul, 3 February 2025

Siemens Finansal Kiralama A.Ş.

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

Siemens Finansal Kiralama A.Ş.

Statement of Financial Position (Balance Sheet) as at 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

ASSETS	Notes	Audited Current Period			Audited Prior Period		
		30 September 2024			30 September 2023		
		TL	FC	Total	TL	FC	Total
I. CASH, CASH EQUIVALENTS AND CENTRAL BANK	4	148.209	104.183	252.392	42.686	105.089	147.775
II. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT/LOSS (FVTPL)		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL ASSETS	11	-	-	-	-	569	569
IV. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)		-	-	-	-	-	-
V. FINANCIAL ASSETS MEASURED AT AMORTISED COST	5	1.536.040	7.333.176	8.869.216	1.442.823	4.507.634	5.950.457
5.1 Factoring Receivables		-	-	-	-	-	-
5.1.1 Discounted Factoring Receivables(Net)		-	-	-	-	-	-
5.1.2 Other Factoring Receivables		-	-	-	-	-	-
5.2 Savings Financing Receivables		-	-	-	-	-	-
5.2.1 Loans From Pool of Funds		-	-	-	-	-	-
5.2.2 From Equity		-	-	-	-	-	-
5.3 Financial Loans		-	-	-	-	-	-
5.3.1 Consumer Loans		-	-	-	-	-	-
5.3.2 Credit Card		-	-	-	-	-	-
5.3.3 Commercial Instalment Loans		-	-	-	-	-	-
5.4 Leasing Activities (Net)	5	1.552.092	7.360.718	8.912.810	1.446.855	4.514.298	5.961.153
5.4.1 Finance Lease Receivables	5	2.539.816	8.400.277	10.940.093	2.079.140	5.076.751	7.155.891
5.4.2 Operational Lease Receivables		-	-	-	-	-	-
5.4.3 Unearned Revenue (-)	5	(987.724)	(1.039.559)	(2.027.283)	(632.285)	(562.453)	(1.194.738)
5.5 Other Financial Assets Measured at Amortized Cost		-	-	-	-	-	-
5.6 Non-Performing Loans	5	2.963	36.405	39.368	614	718	1.332
5.7 Expected Loss Provisions (-)	5	(19.015)	(63.947)	(82.962)	(4.646)	(7.382)	(12.028)
VI. OWNERSHIP INVESTMENTS		-	-	-	-	-	-
6.1 Associates (Net)		-	-	-	-	-	-
6.2 Subsidiaries (Net)		-	-	-	-	-	-
6.3 Joint Ventures (Net)		-	-	-	-	-	-
VII. TANGIBLE ASSETS (Net)	6	31.739	-	31.739	6.059	-	6.059
VIII. INTANGIBLE ASSETS (Net)	7	3.350	-	3.350	2.502	-	2.502
IX. INVESTMENT PROPERTY (Net)		-	-	-	-	-	-
X. CURRENT TAX ASSET	21	-	-	-	567	-	567
XI. DEFERRED TAX ASSET	8	30.154	-	30.154	12.501	-	12.501
XII. OTHER ASSETS	10	95.282	377.983	473.265	78.726	613.091	691.817
SUBTOTAL		1.844.774	7.815.342	9.660.116	1.585.864	5.226.383	6.812.247
XIII. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	9	-	-	-	-	-	-
13.1 Asset Held for Resale		-	-	-	-	-	-
13.2 Assets of Discontinued Operations		-	-	-	-	-	-
TOTAL ASSETS		1.844.774	7.815.342	9.660.116	1.585.864	5.226.383	6.812.247

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

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

Siemens Finansal Kiralama A.Ş.

Statement of Financial Position (Balance Sheet) as at 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

LIABILITIES	Notes	Audited Current Period			Audited Prior Period		
		30 September 2024			30 September 2023		
		TL	FC	Total	TL	FC	Total
I. FUNDS BORROWED	12	562.659	7.240.653	7.803.312	829.560	4.575.944	5.405.504
II. FACTORING PAYABLES		-	-	-	-	-	-
III. PAYABLES FROM THE POOL OF SAVING FUNDS		-	-	-	-	-	-
IV. LEASE OBLIGATIONS		-	-	-	-	-	-
V. DEBT SECURITIES ISSUED (Net)		-	-	-	-	-	-
VI. FINANCIAL LIABILITIES VALUED AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	11	-	-	-	-	1.552	1.552
VIII. PROVISIONS	14	94.813	-	94.813	59.684	-	59.684
8.1 Restructuring Reserves		-	-	-	-	-	-
8.2 Reserve for Employee Benefits	14	64.080	-	64.080	36.323	-	36.323
8.3 General Provisions		-	-	-	-	-	-
8.4 Other Provisions	14	30.733	-	30.733	23.361	-	23.361
IX. CURRENT TAX LIABILITY	21	41.389	-	41.389	-	-	-
X. DEFERRED TAX LIABILITY		-	-	-	-	-	-
XI. SUBORDINATED DEBTS		-	-	-	-	-	-
XII. OTHER LIABILITIES	13	107.479	513.932	621.411	76.143	513.439	589.582
SUBTOTAL		806.340	7.754.585	8.560.925	965.387	5.090.935	6.056.322
XIII. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
13.1 Asset Held for Sale		-	-	-	-	-	-
13.2 Assets of Discontinued Operations		-	-	-	-	-	-
XIV. SHAREHOLDERS' EQUITY		1.099.191	-	1.099.191	755.925	-	755.925
14.1 Paid-in Capital	15	234.000	-	234.000	234.000	-	234.000
14.2 Capital Reserves		-	-	-	-	-	-
14.2.1 Share Premium		-	-	-	-	-	-
14.2.2 Share Cancellation Profits		-	-	-	-	-	-
14.2.3 Other Capital Reserves		-	-	-	-	-	-
14.3 Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss		(3.381)	-	(3.381)	(8.917)	-	(8.917)
14.4 Accrued Other Comprehensive income or Expense Reclassified in Profit and Loss		-	-	-	-	-	-
14.5 Profit Reserves		511.864	-	511.864	175.431	-	175.431
14.5.1 Legal Reserves		69.180	-	69.180	52.358	-	52.358
14.5.2 Statutory Reserves		-	-	-	-	-	-
14.5.3 Extraordinary Reserves		442.684	-	442.684	123.073	-	123.073
14.5.4 Other Profit Reserves		-	-	-	-	-	-
14.6 Profit or Loss		356.708	-	356.708	355.411	-	355.411
14.6.1 Prior Years' Profit/Loss		18.979	-	18.979	152.964	-	152.964
14.6.2 Current Period Net Profit/Loss		337.729	-	337.729	202.447	-	202.447
TOTAL LIABILITIES		1.905.531	7.754.585	9.660.116	1.721.312	5.090.935	6.812.247

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

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Siemens Finansal Kiralama A.Ş.

Off-Balance Sheet Items as at 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

OFF-BALANCE SHEET ACCOUNTS		Notes	Audited Current Period			Audited Prior Period		
			30 September 2024			30 September 2023		
			TL	FC	Total	TL	FC	Total
I.	IRREVOCABLE FACTORING TRANSACTIONS		-	-	-	-	-	-
II.	REVOCABLE FACTORING TRANSACTIONS		-	-	-	-	-	-
III.	SAVING FINANCE TRANSACTIONS		-	-	-	-	-	-
IV.	COLLATERALS RECEIVED	5	10.270.173	38.410.615	48.680.788	8.694.802	27.279.700	35.974.502
V.	COLLATERALS GIVEN	24	628	-	628	648	-	648
VI.	COMMITMENTS		156.942	1.755.303	1.912.245	103.177	1.420.598	1.523.775
6.1	Irrevocable Commitments	24	-	-	-	-	81.482	81.482
6.2	Revocable Commitments	24	156.942	1.755.303	1.912.245	103.177	1.339.116	1.442.293
6.2.1	Lease Commitments		156.942	1.755.303	1.912.245	103.177	1.339.116	1.442.293
6.2.1.1	Financial Lease Commitments		156.942	1.755.303	1.912.245	103.177	1.339.116	1.442.293
6.2.1.2	Operating Lease Commitments		-	-	-	-	-	-
6.2.2	Other Revocable Commitments		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL INSTRUMENTS	11	-	-	-	35.081	31.353	66.434
7.1	Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
7.1.1	Fair Value Hedge		-	-	-	-	-	-
7.1.2	Cash Flow Hedge		-	-	-	-	-	-
7.1.3	Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
7.2	Held for Trading Transactions		-	-	-	35.081	31.353	66.434
7.2.1	Forward Foreign Currency Buy/Sell Transactions		-	-	-	35.081	31.353	66.434
7.2.2	Swap Purchases/Sales		-	-	-	-	-	-
7.2.3	Put/call options		-	-	-	-	-	-
7.2.4	Futures purchases/sales		-	-	-	-	-	-
7.2.5	Other		-	-	-	-	-	-
VIII.	ITEMS HELD IN CUSTODY		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS			10.427.743	40.165.918	50.593.661	8.833.708	28.731.651	37.565.359

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

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

Siemens Finansal Kiralama A.Ş.

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

PROFIT OR LOSS STATEMENT	Notes	Audited Current Period	Audited Prior Period
		1 October 2023-30 September 2024	1 October 2022-30 September 2023
I. OPERATING INCOME		1.102.436	624.774
 FACTORING INCOME		-	-
1.1 Factoring Interest Income		-	-
1.1.1 Discounted		-	-
1.1.2 Other		-	-
1.2 Factoring Commission Income		-	-
1.2.1 Discounted		-	-
1.2.2 Other		-	-
 INCOME FROM FINANCING LOANS		-	-
1.3 Interests Income from Financing Loans		-	-
1.4 Fees and Commissions Received from Financing Loans		-	-
 LEASE INCOME	17	1.102.436	624.774
1.5 Finance Lease Income		1.102.436	624.774
1.6 Operating Lease Income		-	-
1.7 Fees and Commissions Income on Lease Operations		-	-
 SAVING FINANCE INCOME		-	-
1.8 Dividends Received from Savings Financing Receivables		-	-
1.9 Fees and Commissions Received from Savings Financing Activities		-	-
II. FINANCIAL EXPENSES (-)	20	(499.482)	(354.116)
2.1 Dividends Given to the Savings Fund Pool		-	-
2.2 Interest Expense on Funds Borrowed		(461.021)	(328.573)
2.3 Interest Expense on Factoring Payables		-	-
2.4 Interest Expense of Finance Leasing Expenses		-	(1.086)
2.5 Interest Expense on Securities Issued		-	-
2.6 Other Interest Expenses		-	-
2.7 Fees and Commissions Paid		(38.461)	(24.457)
III. GROSS PROFIT/LOSS		602.954	270.658
IV. OPERATING EXPENSES (-)	18	(250.981)	(135.535)
4.1 Personal Expenses		(167.748)	(86.434)
4.2 Employee Severance Indemnity Expense		(4.632)	(706)
4.3 Research and Development Expenses		-	-
4.4 General Administration Expenses		(74.784)	(46.935)
4.5 Other		(3.817)	(1.460)
V. OPERATING GROSS PROFIT/LOSS		351.973	135.123
VI. OTHER OPERATING INCOME	19	13.907.156	16.816.316
6.1 Interest Income on Bank Deposits		100.961	20.821
6.2 Interest Income on Securities Portfolio		-	-
6.3 Dividend Income		-	-
6.4 Trading Account Income		-	-
6.5 Income From Derivative Financial Instruments		5.798	8.226
6.6 Foreign Exchange Gains		13.691.148	16.721.116
6.7 Others		109.249	66.153
VII. PROVISIONS		(81.446)	(7.241)
7.1 Specific Provisions		-	-
7.2 Expected Credit Losses		(70.935)	1.854
7.3 General Provisions		-	-
7.4 Other		(10.511)	(9.095)
VIII. OTHER OPERATING EXPENSES (-)	19	(13.688.484)	(16.680.308)
8.1 Impairment Losses on Securities Portfolio		-	-
8.2 Impairment Losses on Non-Current Assets		-	-
8.3 Capital Market Transactions Losses		-	-
8.4 Losses From Derivative Financial Instruments		(8.649)	(2.022)
8.5 Foreign Exchange Losses		(13.640.183)	(16.659.731)
8.6 Other		(39.652)	(18.555)
IX. NET OPERATING PROFIT / LOSS		489.199	263.890
X. INCOME RESULTED FROM MERGER		-	-
XI. SHARES OF THE PROFITS / LOSSES OF INVESTMENTS VALUED BY USING THE EQUITY METHOD		-	-
XII. GAIN/LOSS ON NET MONETARY POSITION		-	-
XIII. PROFIT FROM CONTINUING OPERATIONS BEFORE TAX		489.199	263.890
XIV. INCOME TAX EXPENSE FROM CONTINUING OPERATIONS (±)	21	(151.470)	(61.443)
14.1 Current Tax Charge		(171.495)	(63.405)
14.2 Deferred Tax Expense (+)	8	(2.314)	(4.149)
14.3 Deferred Tax Income (-)	8	22.339	6.111
XV. NET PROFIT FROM CONTINUING OPERATIONS		337.729	202.447
XVI. INCOME FROM DISCONTINUED OPERATIONS		-	-
16.1 Income from Assets Held for Sale		-	-
16.2 Gain on Sale of Associates, Subsidiaries and Jointly Controlled Entities		-	-
16.3 Other Income from Discontinued Operations		-	-
XVII. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
17.1 Expense on Assets Held for Sale		-	-
17.2 Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities		-	-
17.3 Other Expenses from Discontinued Operations		-	-
XVIII. PROFIT FROM DISCONTINUED OPERATIONS BEFORE TAX		-	-
XIX. INCOME TAX EXPENSE FROM DISCONTINUED OPERATIONS (±)		-	-
19.1 Current Tax Charge		-	-
19.2 Deferred Tax Expense (-)		-	-
19.3 Deferred Tax Income (+)		-	-
XX. NET PROFIT FROM DISCONTINUED OPERATIONS		-	-
XXI. NET PROFIT FOR THE PERIOD		337.729	202.447
EARNINGS PER SHARE		-	-

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

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

Siemens Finansal Kiralama A.Ş.

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT	Notes	Audited Current Period	Audited Prior Period
		1 October 2023-30 September 2024	1 October 2022- 30 September 2023
I. CURRENT PERIOD PROFIT/LOSS		337.729	202.447
II. OTHER COMPREHENSIVE INCOME		5.536	(4.067)
2.1 Items that will not be Reclassified to Profit or Loss		5.536	(4.067)
2.1.1 Tangible Assets Revaluation Increases/Decreases		-	-
2.1.2 Intangible Assets Revaluation Increases/Decreases		-	-
2.1.3 Employee Benefits Re-Measuring Loss/Income	14	7.909	(6.273)
2.1.4 Other Comprehensive Income that will not be Reclassified to Profit or Loss		-	-
2.1.5 Taxes related with Comprehensive Income that will not be Reclassified to Profit or Loss	8	(2.373)	2.206
2.2 Items that may be Reclassified subsequently to Profit or Loss		-	-
2.2.1 Foreign Exchange Differences for Foreign Currency Transactions		-	-
2.2.2 Value Increases or Decreases on Assets Held for Sales		-	-
2.2.3 Cash Flow Hedge Income/Losses		-	-
2.2.4 Net Investment Hedge Income/Losses		-	-
2.2.5 Other Comprehensive Income that may be Reclassified Subsequently to Profit or Loss		-	-
2.2.6 Taxes related with Comprehensive Income that may be Reclassified subsequently to Profit or Loss		-	-
III. TOTAL COMPREHENSIVE INCOME (I+II)		343.265	198.380

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

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

Siemens Finansal Kiralama A.Ş.

Statement of Changes in Equity for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

CHANGES IN EQUITY	Notes					Other comprehensive income and expenses that will not be reclassified in profit or loss			Other comprehensive income and expenses that will be reclassified in profit or loss						
		Paid-in Capital	Share Premiums	Share Certificate Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period's Profit/Loss	Current Period's Net Profit/(Loss)	Total Equity
Prior Period (01.10.2022 – 30.09.2023)															
I. Balances at the beginning of the period	16	234.000	-	-	-	-	(4.850)	-	-	-	-	179.665	18.979	133.985	561.779
II. Amendments Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of Correction of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Changes in Accounting Policy		-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I + II)	16	234.000	-	-	-	-	(4.850)	-	-	-	-	179.665	18.979	133.985	561.779
IV. Total Comprehensive Income		-	-	-	-	-	(4.067)	-	-	-	-	-	-	-	(4.067)
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Inflation Adjustment to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Loan		-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase / Decrease Due to Other Changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Net Profit or Loss for the Period		-	-	-	-	-	-	-	-	-	-	-	-	202.447	202.447
XII. Profit Distribution		-	-	-	-	-	-	-	-	-	-	(4.234)	133.985	(133.985)	(4.234)
12.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	(4.234)	-	-	(4.234)
12.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	133.985	(133.985)	-
12.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period (III+IV+.....+XI+XII)		234.000	-	-	-	-	(8.917)	-	-	-	-	175.431	152.964	202.447	755.925
Current Period (01.10.2023 – 30.09.2024)															
I. Balances at the beginning of the period	16	234.000	-	-	-	-	(8.917)	-	-	-	-	175.431	152.964	202.447	755.925
II. Amendments Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of Correction of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Changes in Accounting Policy		-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I + II)	16	234.000	-	-	-	-	(8.917)	-	-	-	-	175.431	152.964	202.447	755.925
IV. Total Comprehensive Income		-	-	-	-	-	5.536	-	-	-	-	-	-	-	5.536
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Resources		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Inflation Adjustment to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Loan		-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase / Decrease Due to Other Changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Net Profit or Loss for the Period		-	-	-	-	-	-	-	-	-	-	-	-	337.729	337.729
XII. Profit Distribution		-	-	-	-	-	-	-	-	-	-	336.433	(133.985)	(202.447)	-
12.1 Dividend Paid	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	336.433	(133.985)	(202.447)	-
12.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period (III+IV+.....+XI+XII)		234.000	-	-	-	-	(3.381)	-	-	-	-	511.864	18.979	337.729	1.099.191

1. Non-current assets revaluation increases / decreases,

2. Accumulated re-measurement gains / losses of defined benefit plans,

3. Other (the share of investments that are valued by equity method that will not be reclassified from profit or loss to other comprehensive income and the accumulated amounts of other comprehensive income items that cannot be reclassified as other profit or loss)

4. Foreign currency exchange differences,

5. Accumulated revaluation and / or classification gains / losses of financial assets at fair value through profit or loss,

6. Other (gains / losses on cash flow hedges, shares to be classified in profit / loss from other comprehensive income of investments accounted by equity method and accumulated amounts of other comprehensive income items to be reclassified as other profit or loss)

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

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

Siemens Finansal Kiralama A.Ş.

Statement of Cash Flows for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

	Notes	Audited Current Period	Audited Prior Period
		30 September 2024	30 September 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES			
1,1 Operating Profit Before Changes In Operating Assets and Liabilities		376.637	88.759
1.1.1 Interests Received/Lease Income		1.175.287	626.097
1.1.2 Interest Paid / Lease Expenses	20	(459.070)	(326.671)
1.1.3 Dividends Received		-	-
1.1.4 Fees and Commissions Received		-	-
1.1.5 Other Income		-	-
1.1.6 Collections from Non-performing Receivables		-	-
1.1.7 Payments to Personnel and Service Suppliers	21	(137.665)	(77.976)
1.1.8 Taxes Paid		(130.106)	(64.373)
1.1.9 Others		(71.809)	(68.318)
1,2 Changes in Operating Assets and Liabilities		(287.046)	(145.581)
1.2.1 Net (Increase) Decrease in Factoring Receivables		-	-
1.2.2 Net (Increase) Decrease in Financing Loans		-	-
1.2.3 Net (Increase) Decrease in Lease Receivables	5	(2.961.583)	(2.513.723)
1.2.4 Net (Increase) Decrease in Other Assets		203.513	(339.011)
1.2.5 Net Increase (Decrease) in Factoring Payables		-	-
1.2.6 Net Increase (Decrease) in Lease Payables		-	(5.359)
1.2.7 Net Increase (Decrease) in Funds Borrowed	12	2.397.808	2.403.552
1.2.8 Net Increase (Decrease) in Due Payables		-	-
1.2.9 Net Increase (Decrease) in Other Liabilities		73.216	308.960
I. NET CASH PROVIDED FROM / USED IN OPERATING ACTIVITIES		89.591	(56.822)
B. Cash Flows From Investing Activities			
2.1 Cash Paid for Purchase Of Associates, Subsidiaries and Joint-ventures		-	-
2.2 Cash Obtained From Sale of Associates, Subsidiaries and Joint-Ventures		-	-
2.3 Purchases of Tangible and Intangible Assets	6,7	(31.422)	(10.138)
2.4 Proceeds From Sale of Tangible and Intangible Assets	6	331	10.587
2.5 Cash Paid for Purchase of Financial Assets Available for Sale		-	-
2.6 Proceeds From Sale of Financial Assets Available for Sale		-	-
2.7 Cash Paid for Purchase of Held-to-Maturity Investment Securities		-	-
2.8 Proceeds from Sale of Held-to-Maturity Investment Securities		-	-
2.9 Other		-	-
II. Net Cash Provided from / Used in Investing Activities		(31.091)	449
C. CASH FLOWS FROM FINANCING ACTIVITIES			
3.1 Cash Obtained from Funds Borrowed and Securities Issued		-	-
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		-	-
3.3 Issued Capital Instruments		-	-
3.4 Dividends Paid	15	-	(4.234)
3.5 Payments for Finance Leases		-	(2.988)
3.6 Other		-	-
III. Net Cash Provided from / Used in Finance Activities		-	(7.222)
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		44.168	61.369
V. Net Increase/(Decrease) in Cash and Cash Equivalents		102.668	(2.226)
VI. Cash and Cash Equivalents at Beginning of the Period	4	147.773	149.999
VII. Cash and Cash Equivalents at End of the Period	4	250.441	147.773

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

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

Siemens Finansal Kiralama A.Ş.

Statement of Profit Distribution for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("thousand TL") unless otherwise stated.)

	Audited Current Period	Audited Prior Period
	1 October 2023-30 September 2024	1 October 2022-30 September 2023
I. Distribution Of Current Period Profit		
1.1 Profit for the Period	489.199	263.890
1.2 Taxes and Dues Payable (-)	(151.470)	(61.443)
1.2.1 Corporate Tax (income tax)	(171.495)	(63.405)
1.2.2 Withholding Tax	-	-
1.2.3 Other Taxes and Dues	20.025	1.962
A. Net Profit for the Period (1,1-1,2)	337.729	202.447
1.3 Prior Years Losses (-)	-	-
1.4 First Legal Reserve (-)	(16.886)	(10.122)
1.5 Other Statutory Reserves Needed To Be Kept In The Company (-) ^(*)	-	(1.962)
B. Distributable Net Period Profit [(A-1.3+1.4+1.5)] (*)	320.843	190.363
1.6 First Dividend to Shareholders (-)	-	-
1.6.1 To Owners of Ordinary Shares	-	-
1.6.2 To Owners of Preferred Stocks	-	-
1.6.3 To Owners of Preferred Stocks (Pre-emptive Rights)	-	-
1.6.4 To Profit Sharing Bonds	-	-
1.6.5 To Owners of The Profit /Loss Sharing Certificates	-	-
1.7 Dividend to Personnel (-)	-	-
1.8 Dividend to Board Of Directors (-)	-	-
1.9 Second Dividend To Shareholders (-)	-	-
1.9.1 To Owners Of Ordinary Shares	-	-
1.9.2 To Owners Of Preferred Stocks	-	-
1.9.3 To Owners Of Preferred Stocks (Pre-emptive Rights)	-	-
1.9.4 To Profit Sharing Bonds	-	-
1.9.5 To Owners Of The Profit /Loss Sharing Certificates	-	-
1.10 Second Legal Reserve (-)	-	-
1.11 Statutory Reserves (-)	-	-
1.12 Extraordinary Reserves	-	-
1.13 Other Reserves	-	-
1.14 Special Funds	-	-
II. Distribution of reserves	-	-
2.1 Distributed Reserves	-	(4.704)
2.2 Second Legal Reserves(-)	-	470
2.3 Share to Shareholders (-)	-	-
2.3.1 To Owners of Ordinary Shares	-	-
2.3.2 To Owners of Preferred Stocks	-	-
2.3.3 To Owners of Preferred Stocks (Pre-emptive Rights)	-	-
2.3.4 To Profit Sharing Bonds	-	-
2.3.5 To Owners of The Profit /Loss Sharing Certificates	-	-
2.4 Share to Personnel (-)	-	-
2.5 Share to Board Of Directors (-)	-	-
III. Earnings per share	-	-
3.1 To Owners of Stocks (TL)	-	-
3.2 To Owners of Stocks (%)	-	-
3.3 To Owners of Preferred Stocks (TL)	-	-
3.4 To Owners of Preferred Stocks (%)	-	-
IV. Dividend per share	-	-
4.1 To Owners of Stocks (TL)	-	-
4.2 To Owners of Stocks (%)	-	-
4.3 To Owners of Preferred Stocks (TL)	-	-
4.4 To Owners of Preferred Stocks (%)	-	-

(*) Since the general assembly of the Company has not held, the table above does not show the distributable profit amount calculated by the management of the Company .

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

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024
(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

1. Organization and Operations of the Company

The Company was established on 9 July 1997, in Istanbul, within the framework of the Financial Leasing Law No: 3226 following the permit by the Under secretariat of Treasury and Foreign Trade in order to operate in Turkey, under the ownership of Siemens Finance and Leasing GmbH (Germany). The principal activity of the Company is to engage in all kinds of leasing and rental operations at home and abroad, within the framework of the regulatory provisions. The Company operates in accordance with "Financial Leasing, Factoring and Financing Companies Law" published on the Official Gazette no. 28496 dated 13 December 2012 and "Regulation on Principles for Establishment and Operations of Financial Leasing, Factoring and Financing Companies" of Banking Regulation and Supervision Agency ("BRSA").

The fiscal year-end of the Company, 100% of the shares of which is owned by Siemens AG, is by the end of the 9th month of the year.

The Company continues its operations at Esentepe, Yakacık Caddesi No:111, 34870 Kartal / İstanbul.

As at 30 September 2024, the number of personnel of the Company is 72 (30 September 2023: 68).

As of 30 September 2024, The Company has 2 branches, one in Ankara and one in İzmir. (30 September 2023:1).

The Company continues its leasing activities mainly in one geographical region (Turkey).

Approval of financial statements

The financial statements as at 30 September 2024 have been approved by the Board of Directors of the Company on 3 February 2025. General Assembly and / or legal authorities have the discretion of making changes in the accompanying financial statements after their issuance.

2. Basis of Presentation of Financial Statements

2.1 Accounting standards applied

The Company has prepared the unconsolidated financial statements in accordance with the "Regulation on Accounting Applications and Financial Statements of Financial Leasing, Factoring and Finance Companies", which was enacted by the Banking Regulation and Supervision Agency ("BRSA") upon its publication in the Official Gazette dated 24 December 2013 and numbered 28861, and the "Communiqué on the Uniform Chart of Accounts and Explanations to be Applied by Financial Leasing, Factoring and Finance Companies", which was published in the Official Gazette, the Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS"), and the annexes and interpretations thereof, put into effect by the Public Oversight, Accounting and Auditing Standards Authority ("KGK"), and the regulations, communiqués, explanations and circulars published by BRSA on accounting and reporting principles (collectively, the "BRSA Accounting and Financial Reporting Legislation"). However, TMS 29 "Financial Reporting in Hyperinflationary Economies" standard included in TFRS is not applied to banks and financial leasing, factoring, financing, savings financing and asset management companies, as explained below.

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 2023, entities applying Turkish Financial Reporting Standards (TFRSs) are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after 31 December 2023, in accordance with the accounting principles specified in TAS 29. In the same announcement, it was stated that institutions or organizations authorized to regulate and supervise in their respective scope might determine different transition dates for the implementation of inflation accounting, and in this context, Banking Regulation and Supervision Agency (BRSA) announced that financial statements of banks, financial leasing, factoring, financing, savings financing and asset management companies as of 31 December 2023 would not be subject to the inflation adjustment in accordance with BRSA Board decision on 12 December 2023. Accordingly, "TAS 29 Financial Reporting Standard in High Inflation Economies" is not applied in the financial statements of the Company as of 31 December 2023.

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

2. Basis of Presentation of Financial Statements

2.1 Accounting standards applied

Explanation for convenience translation into English:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section 2 differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of TAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2022. Accordingly, the accompanying financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

2.2 Functional and reporting currency

The Company's functional and reporting currency is Turkish Lira (TL) and the amounts stated in Thousands of Turkish Lira unless otherwise specified.

2.3 New and amended standards and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of 30 September 2024 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRS interpretations effective as of January 1, 2024 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) Standards, amendments, and interpretations applicable as of 30 September 2024:

Narrow-scope amendments to TAS 1, Application Statement 2 and TAS 8

Effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. It did not have a significant impact on the overall financial position and performance of the Company.

Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction

Effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. It did not have a significant impact on the overall financial position and performance of the Company.

Amendment to TAS 12, International tax reform

The temporary exception is effective for December 2023 year ends and the disclosure requirements are effective for accounting periods beginning on or after 1 January 2023, with early application permitted. These amendments give companies temporary relief from accounting for deferred taxes arising from the Minimum Tax Implementation Handbook international tax reform. The amendments also introduce targeted disclosure requirements for affected companies. It did not have a significant impact on the overall financial position and performance of the Company.

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

2. Basis of Presentation of Financial Statements (continued)

2.3 New and amended standards and interpretations (continued)

ii) Standards, amendments, and interpretations that are issued but not effective as of 30 September 2024

Amendment to IAS 1 – Non-current liabilities with covenants

Effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. It did not have a significant impact on the overall financial position and performance of the Company.

Amendment to IFRS 16 – Leases on sale and leaseback

Effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. It did not have a significant impact on the overall financial position and performance of the Company.

Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements

Effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. It did not have a significant impact on the overall financial position and performance of the Company.

Amendments to IAS 21 - Lack of Exchangeability

Effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. It did not have a significant impact on the overall financial position and performance of the Company.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

Effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

It did not have a significant impact on the overall financial position and performance of the Company.

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

2. Basis of Presentation of Financial Statements (continued)

2.3 New and amended standards and interpretations (continued)

ii) Standards, amendments, and interpretations that are issued but not effective as of 30 September 2024 (continued)

IFRS 18 Presentation and Disclosure in Financial Statements

Effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

It did not have a significant impact on the overall financial position and performance of the Company.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

It did not have a significant impact on the overall financial position and performance of the Company.

IFRS S1, 'General requirements for disclosure of sustainability-related financial information'

Effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. It did not have a significant impact on the overall financial position and performance of the Company.

IFRS S2, 'Climate-related disclosures'

Effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities. It did not have a significant impact on the overall financial position and performance of the Company.

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024
(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

2. Basis of Presentation of Financial Statements (continued)

2.4 Comparative information and restatement of prior period financial statements

In accordance with the "Regulation on Accounting Practices and Financial Statements of Financial Leasing, Factoring and Financing Companies" published in the Official Gazette dated 1 February 2019 and numbered 30673, the related financial statements were disclosed comparatively. However, comparative information is reclassified when necessary and important differences are explained in order to conform to the presentation of the current period financial statements.

2.5 Offsetting

Financial assets and liabilities are stated with their net values in the balance sheet when there is a legal right of netting, if it is paid in net or collection is possible or if the fulfillment of the obligation can be realized simultaneously.

2.6 Changes in accounting estimates and errors

The effect of a change in an accounting estimate is recognised prospectively in the period of the change, if the change affects that period only; or the period of the change and future periods, if the change affects both. There has not been any significant change in the accounting estimates of the Company in the current year. Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods.

2.7 Significant accounting estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates. Estimates are regularly reviewed, necessary adjustments are made and reflected in the income statement of the period they occur. Main notes regarding estimates are as follows:

Note 5 – Financial lease receivables

Note 6 – Tangible Fixed Assets

Note 7 – Intangible Fixed Assets

Note 8 – Tax Assets and Liabilities

Note 14 – Liability for employee benefits

2.8 Changes in accounting policies

Changes in accounting estimates are applied prospectively in the current period when the change is made, if the change is related to future periods, both in the period in which the change is made and in future periods. There has been no significant change in the accounting estimates of the Company in the current year.

2.9 Going concern

The Company prepared its financial statements considering the going concern principle.

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

2. Basis of Presentation of Financial Statements (continued)

2.10 Foreign currency transactions

Foreign currency transactions are translated into TL at the rates ruling at the transaction dates. Foreign currency denominated assets and liabilities are valued in the reporting date exchange rates resulting exchange differences are reflected in the statement of profit or loss.

The main exchange rates used at the end of the period are as follows:

Date	USD / TL (full)	EUR / TL (full)
30 September 2024	34,0900	38,0180
30 September 2023	27,3767	29,0305

3. Measurement Principles / Accounting Policies

Financial Assets

The Company has been classifying and accounting its financial assets as "Fair Value Through Profit or Loss", "Fair Value Through Other Comprehensive Income" or "Measured at Amortized Cost" within the scope of "TFRS 9 – Financial Instruments" standard since January 1, 2018, taking into account the business model they are managed and the cash flow characteristics related to the contract. Financial assets are recorded or derecognized in accordance with the "Recognition and Derecognition" provisions of TFRS 9. The Company only includes a financial asset in the statement of financial position when it becomes a party to the contractual provisions related to the financial instrument. Financial assets are measured at their fair value when they are first included in the financial statements.

Effective interest method

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

Except for financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income, incomes related to classified financial assets are calculated by using the effective interest method.

Financial assets at fair value through profit or loss

Financial assets other than financial assets that are measured at amortized cost or at fair value through other comprehensive income, are measured at fair value through profit or loss. Financial assets at fair value through profit or loss are financial assets held for the purpose of generating profit from short-term fluctuations in price or similar factors in the market or being part of a portfolio for profitability in the short term, regardless of the acquisition reason. Financial assets at fair value through profit or loss are initially measured at fair value on the balance sheet and are subsequently re-measured at fair value. Gains or losses arising from the valuation are related to profit or loss.

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Notes to the financial statements as at and for the year ended 30 September 2024
(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

3. Measurement Principles / Accounting Policies (continued)

Financial Assets (continued)

Financial Assets Measured at Amortised Cost

Financial assets measured at amortized cost are those financial assets where the Company has the intention and ability to hold to the maturity, fixed or determinable payment plan, fixed-term debt instruments. Financial assets measured at amortized cost by using the effective interest rate method, net of any provision for impairment. The Company does not have financial assets measured at amortized cost as of 30 September 2024 and 30 September 2023.

Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)

The Company has equity investments and debt securities quoted on an active market and investments in fair values are classified as financial assets carried at fair value through other comprehensive income. The Company has equity instruments that are not traded and not quoted in an active market whose fair value differences are reflected in other comprehensive income and are measured at cost, since their fair value cannot be measured reliably. Gains and losses arising from changes in the fair value impairment loss recognized in the income statement, interest and monetary assets and interest and monetary assets calculated using the effective interest method are recognized in other comprehensive income and the financial assets are accumulated in the fund of revaluation.

In the event that the investment is disposed of or is impaired, the total profit / loss accumulated in the revaluation fund of financial assets is classified in the income statement. Dividends on equity instruments recognized at fair value through other comprehensive income are recognized in income statement when the Company's right to receive payment is established.

Finance Lease Receivables and Other Receivables

In the current period, the Company allocates a loss provision for expected credit losses for financial assets whose amortized cost or fair value difference is followed in other comprehensive income in accordance with the "TFRS 9-Financial Instruments" standard.

Within the scope of TFRS 9, expected credit losses and specific provisions are determined according to the "three-stage" impairment model, which is based on the change in the credit quality of financial assets after initial recognition and whose details are given under the following headings:

Stage 1:

One of the important determinants in the calculation of expected loss provisions under TFRS 9 is the evaluation of whether there is a significant increase in the credit risk of the financial asset. Financial assets that do not have a significant increase in credit risk since they are included in the financial statements for the first time are monitored in the 1st stage. Impairment provisions are applied to these financial assets in amounts equal to 12-month expected credit losses.

Stage 2:

Financial assets whose credit risk has increased significantly since they were included in the financial statements for the first time are transferred to the 2nd stage. The impairment provision for these financial assets is measured at an amount equal to lifetime expected credit losses. The following basic criteria are taken into account for the classification of a financial asset in the second stage:

- Less than 90 days, more than 30 days delay
- Restructuring of the loan
- Significant deterioration in the probability of default

In case of a significant deterioration in the default probability, it is considered that there is a significant increase in the credit risk and the financial asset is classified in stage 2.

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Notes to the financial statements as at and for the year ended 30 September 2024
(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

3. Measurement Principles / Accounting Policies (continued)

Financial Assets (continued)

Stage 3:

Financial assets that have sufficient and objective information for impairment as of the reporting date are classified in stage 3. A provision for impairment is applied for the financial assets at an amount equal to the lifetime expected credit loss. The following basic criteria are taken into account for the classification of a financial asset in the third stage:

- Delay of more than 90 days
- It is determined that the credit worthiness is weakened, that the credit is weakened or that it cannot be collected or to have a definite opinion on this matter

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

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period.

Tangible assets and depreciation

(i) *Tangible assets*

Tangible assets acquired before 1 October 2004 have been restated by applying the relevant conversion factors until 30 September 2004 and additions after 30 September 2004 at their purchase costs less accumulated depreciation and impairment.

(ii) *Subsequent expenses*

The expenses to replace any parts of tangible assets are capitalized. Subsequent expenditures can be capitalized if such expenditures enhance the asset's future economic benefits. All other expense items are recognized in the statement of profit or loss on an accrual basis.

(iii) *Depreciation*

Depreciation of tangible assets are calculated using the straight-line method based on their estimated useful lives, starting from date of its purchase or installation.

Depreciation of tangible assets reflecting the average duration of their economic lives are as follows:

	<u>Useful life</u>
Furniture and fixtures	3-10 years
Motor vehicles	2-5 years

Leasehold improvements are depreciated on a straight line basis according to the rent duration.

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

3. Measurement Principles / Accounting Policies (continued)

Intangible assets

Intangible assets consist of computer software licenses. Computer software licenses acquired before 1 October 2004 have been restated by applying the relevant conversion factors until 30 September 2004 and additions after 30 September 2004 at their purchase costs less accumulated depreciation and impairment. Amortization of intangible assets are recognized over their estimated economic useful lives by using straight line method. Amortization of intangible assets reflecting the average duration of their economic lives are as follows:

	<u>Useful life</u>
Rights	3-15 years

Borrowings

When necessary, the Company meets its resource needs by obtaining loans from domestic and foreign organizations. Instruments representing debt; are recorded at the acquisition cost on the transaction date, and in the following periods, it is valued over the discounted costs using internal rate of return.

Share capital increases

Share capital increases from existing shareholders are recognized on the nominal values that are approved and registered at General Assembly.

Retirement pay liability

In accordance with the current labor law in Turkey, the company is obliged to pay the determined amount to the personnel who quit their job due to retirement or who are dismissed for reasons other than resignation and bad behavior.

The Company accounts for its liabilities regarding severance pay and leave rights in accordance with the provisions of the "Turkish Accounting Standard for Employee Benefits" ("TAS 19") and classifies them in the "Provision for Employee Rights Liability" account in the balance sheet.

According to the current Labor Laws in Turkey, the Company is obliged to make a certain lump sum payment to the employees whose employment is terminated due to retirement or resignation and for reasons other than the behaviors specified in the Labor Law. The provision for severance pay is calculated over the present value of the probable liability under this Law using certain actuarial estimates and reflected in the financial statements (Note 14). Actuarial losses and gains after 1 January 2013, revised TAS ,it is accounted for under equity in accordance with standard 19.

The Company has reflected the severance pay liability amount calculated by an independent actuary to the accompanying financial statements. The main actuarial estimates used on 30 September 2024 and 2023 are as follows:

	30 September 2024	30 September 2023
Discount rate	21,78%	23,08%
Estimated salary / ceiling increase rate	18,38%	27,30%
Inflation Rate	18,38%	27,30%

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

3. Measurement Principles / Accounting Policies (continued)

Provisions, contingent liabilities and contingent assets

Contingent Liabilities and Contingent Assets, a provision is recognized when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the specified criteria are not met, the Company discloses the related issues in the accompanying notes. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability if the time value of the money is significant to the provision. Contingent assets are disclosed in the notes and not recognized unless they are realized.

Accounting of income and expenses

(i) *Leasing interest income*

The value of the assets subject to lease within the scope of the Financial Leasing Law at the beginning of the lease is shown in the balance sheet as financial lease receivables. The interest income created by the difference between the total financial lease receivables and the investment value of the leased asset is recorded in the income statement of the period in which it is formed during the lease period by distributing the receivables falling for each accounting period to the periods with a fixed interest rate. Interest income not accrued in the relevant period is followed in the account of unearned interest income.

(ii) *Fees and commissions*

Fees and commissions received or paid relating to financial lease transactions are recognized in statement of profit or loss when the service is received or provided.

(iii) *Dividend income*

Dividend income is recognized in the statement of profit or loss at the time of collection.

(iv) *Other income and expenses*

Other income and expenses are recognized on an accrual basis.

(v) *Financial expenses*

Financing expenses include loan interest expenses and other financing expenses related to the borrowings made by the Company to meet its resource needs.

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

3. Measurement Principles / Accounting Policies (continued)

Taxation on income

Tax expense or tax income comprises current tax and deferred tax expense or deferred tax income. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or if the taxes are subject to the same financial authority and the acquisition of tax assets and the fulfillment of tax obligations simultaneously.

A deferred tax asset is recognized for unused tax losses, investment incentives, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred taxes related to fair value measurement of Financial assets measured at fair value through other comprehensive income are charged or credited to other comprehensive Income and subsequently recognized in profit or loss together with the deferred gains that are realized.

Related parties

Shareholders of the Company and companies of the shareholders and managers and directors of these companies are referred to as related parties according to TAS 24 – Related Party Disclosures.

For the purpose of these financial statements, the Company's shareholders, the companies that have indirect capital relations with the Company, the members of the Board of Directors and the senior managers are defined as "related parties" (Note 23).

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

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Notes to the financial statements as at and for the year ended 30 September 2024
(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

3. Measurement Principles / Accounting Policies (continued)

Related parties (continued)

- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Earnings per share

In accordance with the TAS 33, Earnings/losses per share is calculated by dividing the net income/loss by the weighted average number of common stock shares. Since the Company are not quoted on the stock exchange, the earnings per share did not calculated on the consolidated financial statements.

Events after the reporting period

Events after the reporting date are events that occur in favor of or against the entity between the reporting date and the date of authorization for the issue of the financial statements. In accordance with the provisions of TAS 10 – Turkish Accounting Standard Regarding Events After the Reporting Period, if there is new evidence that the said events exist as of the reporting date or if the related events occur after the reporting date and these events require restating the financial statements, the company adjusts its financial statements in accordance with the new situation. If the aforementioned events do not require the financial statements to be adjusted, the Company explains the said issues in the related footnotes.

Reporting of financial information by segment

For the years ended 30 September 2024 and 30 September 2023, the Company did not report its financial information by segments, as it operates in Turkey and only in the field of financial leasing.

Statement of cash flows

The Company prepares statement of cash flows to provide information to the users of financial statements on its ability to manage the changing conditions of net asset changes, financial structure and cash flows.

On the statement of cash flows, cash flows are classified and reported as, in the basis of operating, investing and financing activities. Cash flows from operating activities show the cash flow generated by the Company in its field of activity. Cash flows from investment activities show the investment activities (direct investments and financial investments) and cash inflows from investing activities. Cash flows from financing activities show the Company's funding sources and their repayments.

Siemens Finansal Kiralama A.Ş.

Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

4. Cash, Cash Equivalents and Central Bank

	30 September 2024			30 September 2023		
	TL	EUR	US Dollar	TL	EUR	US Dollar
Bank deposit, demand	1.408	53.258	50.925	41.114	68.968	36.121
Bank deposit, time	144.850	-	-	1.570	-	-
Cash and cash equivalent assets at the period end	146.258	53.258	50.925	42.684	68.968	36.121
Interest income accrual	1.951	-	-	2	-	-
Total Cash, Cash Equivalents and Central Bank	148.209	53.258	50.925	42.686	68.968	36.121

The breakdown of time deposits are as follows;

Currency	30 September 2024		30 September 2023	
	Amount	Annual interest rate	Amount	Annual interest rate
TL	144.850	45% -50%	1.570	29,00%
	144.850		1.570	

The maturities of the time deposits vary from 1 day to 32 days as at 30 September 2024 (As at 30 September 2023, the maturities of the time deposits vary from 1 day to 30 days).

As at 30 September 2024, there were no blockages on the bank deposits (30 September 2023: None).

5. Receivables from Leasing Activities

As at 30 September 2024 and 30 September 2023, the breakdown of the lease receivables is as follows:

	30 September 2024	30 September 2023
Finance lease receivables, gross	10.905.035	7.141.567
Invoiced leasing receivables	35.058	14.324
Deduct: Unearned income (-)	(2.027.283)	(1.194.738)
Expected credit loss – Stage 1	(39.168)	(6.714)
Expected credit loss – Stage 2	(18.354)	(3.982)
Total Finance lease receivables	8.855.288	5.950.457
NPLs	39.368	1.332
Expected credit loss – Stage 3	(25.440)	(1.332)
Finance lease receivables, net	8.869.216	5.950.457

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

5. Receivables from Leasing Activities (continued)

As at 30 September 2024 and 30 September 2023, the breakdown of the lease receivables is as follows:

2024	Carried value			Expected credit loss		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Finance lease receivables	8.702.492	217.747	31.939	(39.168)	(18.354)	(25.440)

2023	Carried value			Expected credit loss		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Finance lease receivables	5.820.152	141.001	1.332	(6.714)	(3.982)	(1.332)

As at 30 September 2024 and 30 September 2023, the maturity distribution of outstanding finance lease receivables is as follows;

2024	Up to 1	1-2 years	2-3 years	3-4	4 years	Total
	year			years	and over	
Finance lease receivables	5.526.462	3.109.495	1.463.836	701.801	138.499	10.940.093
Unearned interest	(1.133.841)	(547.717)	(237.849)	(89.063)	(18.813)	(2.027.283)
Gross finance lease receivables	4.392.621	2.561.778	1.225.987	612.738	119.686	8.912.810

2023	Up to 1	1-2 years	2-3 years	3-4	4 years	Total
	year			years	and over	
Finance lease receivables	3.401.394	2.151.168	1.054.215	406.975	142.139	7.155.891
Unearned interest	(694.706)	(335.306)	(116.486)	(38.433)	(9.807)	(1.194.738)
Gross finance lease receivables	2.706.688	1.815.862	937.729	368.542	132.332	5.961.153

As at 30 September 2024 and 30 September 2023, the currency distribution of overdue lease receivables and outstanding finance lease receivables is as follows:

30 September 2024				
Currency	Principal FC amount	Principal TL amount	Unearned income FC amount	Unearned income TL amount
Euro	180.491	6.861.923	24.894	946.414
US Dollars	14.632	498.795	2.732	93.145
TL	1.552.092	1.552.092	987.724	987.724
		8.912.810		2.027.283

30 September 2023				
Currency	Principal FC amount	Principal TL amount	Unearned income FC amount	Unearned income TL amount
Euro	148.464	4.309.988	18.045	523.851
US Dollars	7.463	204.310	1.410	38.602
TL	1.446.856	1.446.855	632.285	632.285
		5.961.153		1.194.738

As at 30 September 2024, the leasing agreements have fixed interests and the interest rates for lease receivables are 14,94% for USD, 8,82% for Euro and 58,96% for TL (30 September 2023: 12,78% for USD, 7,03% for Euro and 38,85% for TL). As of 30 September 2024 and 30 September 2023, unissued finance lease receivables have fixed interest rates.

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

5. Receivables from Leasing Activities (continued)

The aging of overdue but not impaired finance lease receivables at 30 September 2024 and 30 September 2023 are as follows:

	30 September 2024		30 September 2023	
	Invoiced amount	Remaining principal	Invoiced amount	Remaining principal
0-30 days	21.887	179.612	11.901	17.244
30-90 days	16.122	108.180	3.336	8.530
90 days and more	836	30.548	1.115	7.650
	38.845	318.340	16.352	33.424

As of 30 September 2024, the total amount of guarantees received from customers for financial lease receivables is 48.680.789 TL (30 September 2023: 35.974.502 TL). The company does not consider collaterals exceeding the risk amount in risk reporting. The guarantee list of the Company prepared in this way is as follows:

	30 September 2024	30 September 2023
Pledged bank deposits	7.103.155	5.255.339
General Mortgages	230.303	163.846
Transfer of rights	86.003	86.088
Vehicle Pledge	-	37.842
Guarantee letters	-	497
Equipment Trust	-	91
Total	7.419.461	5.543.703

As at 30 September 2024 and 30 September 2023, the sectoral distributions of gross lease receivables is as follows:

	30 September 2024	%	30 September 2023	%
Construction	2.967.093	%27,1	1.413.746	%19,8
Machinery and equipment	2.056.116	%18,8	682.826	%9,5
Health and social services	1.527.049	%14,0	907.411	%12,7
Processed metal products industry	1.448.792	%13,2	1.050.916	%14,7
Main Metal Industry	517.737	%4,7	713.001	%10,0
Plastic goods production	341.631	%3,1	326.908	%4,6
Paper and paper products	236.227	%2,2	128.920	%1,8
Textile	224.755	%2,1	289.384	%4,0
Extracting mines of non-energy producing	181.477	%1,7	172.443	%2,4
Electrical machinery and equipment	113.292	%1,0	136.784	%1,9
Food	100.525	%0,9	102.521	%1,4
Extracting mines of energy-producing	61.165	%0,6	101.795	%1,4
Garment industry	44.822	%0,4	69.535	%1,0
Others	1.119.412	%10,2	1.059.701	%14,8
Total	10.940.093	%100	7.155.891	%100

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

6. Tangible Assets (Net)

Movements of tangible assets are as follows for the years ended 30 September 2024 and 30 September 2023:

	1 October 2023	Additions	Disposals	30 September 2024
Cost				
Furniture and fixtures	2.839	1.748	(164)	4.423
Motor vehicles	8.654	27.187	(167)	35.674
	11.493	28.935	(331)	40.097
Accumulated depreciation				
Furniture and fixtures	(1.643)	(1.137)	127	(2.653)
Motor vehicles	(3.791)	(2.081)	167	(5.705)
	(5.434)	(3.218)	294	(8.358)
Net book value	6.059			31.739

	1 October 2022	Additions	Disposals	30 September 2023
Cost				
Furniture and fixtures	2.002	1.025	(188)	2.839
Motor vehicles	7.015	1.824	(185)	8.654
Right of use assets	6.238	3.976	(10.214)	-
	15.255	6.825	(10.587)	11.493
Accumulated depreciation				
Furniture and fixtures	(1.140)	(665)	162	(1.643)
Motor vehicles	(2.442)	(1.517)	168	(3.791)
Right of use assets	(1.235)	(1.697)	2.932	-
	(4.817)	(3.879)	3.262	(5.434)
Net book value	10.438			6.059

As at 30 September 2024, the insurance amount on the tangible assets is TL 42.208 (30 September 2023: TL 46.893), the annual insurance premium amount TL 1.121 (30 September 2023: TL 719).

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Notes to the financial statements as at and for the year ended 30 September 2024

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7. Intangible Assets (Net)

Movements of intangible assets are as follows for the years ended 30 September 2024 and 30 September 2023:

	1 October 2023	Additions	Disposals	30 September 2024
Cost				
Rights	4.210	2.487	-	6.697
	4.210	2.487	-	6.697
Accumulated depreciation				
Rights	(1.708)	(1.639)	-	(3.347)
	(1.708)	(1.639)	-	(3.347)
Net book value	2.502			3.350

	1 October 2022	Additions	Disposals	30 September 2023
Cost				
Rights	897	3.313	-	4.210
	897	3.313	-	4.210
Accumulated depreciation				
Rights	(894)	(814)	-	(1.708)
	(894)	(814)	-	(1.708)
Net book value	3			2.502

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

8. Deferred Tax Assets and Liabilities

The Company calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for income Taxes" ("TAS 12") and the related declarations of the BRSA concerning this standard. In the deferred tax calculation, in accordance with the tax legislation, the tax rate enacted as of the balance sheet date is used.

Since the corporate tax rate of 25 percent entered into force with the "Law on Amendments to Certain Tax Laws and Some Other Laws" numbered 7061, the rate of 30 percent was used for the temporary differences that are likely to be recovered in 2023 and after while preparing the financial statements of 30 September 2023 in deferred tax calculations.

As at 30 September 2024 and 30 September 2023, the tax effects of the temporary differences are as follows;

	30 September 2024	30 September 2023
Provision for doubtful receivables	14.097	43
Provisions for risks	7.732	6.456
Severance pay	3.600	4.584
Vacation provision	1.666	877
Bonus provision (*)	1.400	-
Jubilee pay liabilities	908	434
Litigation provisions	528	266
General expense provision	385	-
Prepaid loan commission	209	2.228
Derivative valuation	-	295
Total deferred tax asset	30.525	15.183
Prepaid expenses	-	2.120
Interest and income accruals	371	562
Total deferred tax liability	371	2.682
Deferred tax asset, net	30.154	12.501

Movement of the deferred tax assets is as follows:

	2024	2023
Opening balance, 1 October	12.501	8.333
Deferred tax income/(expense)	20.025	1.962
Actuarial Loss/(Gain)	(2.373)	2.206
Closing balance, 30 September 2024	30.154	12.501

(*) As of 30 September 2024, the allocated premium provision will be paid before the Corporate Tax return, so it is not included on deferred tax calculation. The TL 1.400 seen in the Deferred Tax Asset account is the tax difference arising from the difference between the success premium provision allocated in the 2023 fiscal year and the success premium paid for 2023 in the 2024 fiscal year.

9. Assets Held for Sale and Discontinued Operations (Net)

As at 30 September 2024, the Company does not have any assets held for sale (30 September 2023: None).

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

10. Other Assets

As at 30 September 2024 and 30 September 2023, the detail of other assets is as follows:

	30 September 2024		30 September 2023	
	TL	FC	TL	FC
Insurance receivables (*)	56.958	196.642	40.947	106.232
Investment in progress subject to leases	33.853	136.784	29.691	417.843
Advances received	624	44.557	1.698	89.016
Other(**)	3.847	-	6.390	-
	95.282	377.983	78.726	613.091

(*) Consists of insurance premium receivables arising from insurance of goods subject to financial leasing and other expense receivables from customers arising from financial leasing transactions.

(**) It consists of prepaid expenses and receivables from personnel.

11. Financial Assets at Fair Value Through Profit and Loss/ Derivative Financial Liabilities Held for Trading Purpose

The details of the Company's derivative financial assets and liabilities held for trading as of 30 September 2024 and 30 September 2023 are as follows:

30 September 2024	Nominal Amount	Assets	Liabilities
Derivative financial instruments for hedging purposes			
Forward trading transactions	-	-	-
Total	-	-	-

30 September 2023	Nominal Amount	Assets	Liabilities
Derivative financial instruments for hedging purposes			
Forward trading transactions	31.353	569	1.552
Total	31.353	569	1.552

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

12. Funds Borrowed

The details of the short-term and long-term parts of the Company's loans as of 30 September 2024 and 30 September 2023

30 September 2024				
		Original amount	TL Equivalent	Interest rate range
Short-term bank loans	TL	19.308	19.308	44,80%
Short-term portion of long-term loans				
Bank loans	US Dollars	7.077	241.256	3,01%-6,49%
Bank loans	Euro	63.909	2.429.686	1,24%-4,53%
Bank loans	TL	349.083	349.083	18,11%-43,80%
Subtotal			3.039.333	
Long-term loans				
Bank loans	US Dollars	8.687	296.137	3,01%-6,49%
Bank loans	Euro	112.409	4.273.574	1,24%-3,83%
Bank loans	TL	194.268	194.268	17,25%-44,80%
Subtotal			4.763.979	
Total loans			7.803.312	
30 September 2023				
		Original amount	TL Equivalent	Interest rate range
Short-term bank loans	TL	110.379	110.379	15,85%-22,97%
Short-term portion of long-term loans				
Bank loans	US Dollars	2.828	77.426	3,01%-6,08%
Bank loans	Euro	46.792	1.358.396	1,23%-4,43%
Bank loans	TL	335.460	335.460	17,12%-43,05%
Subtotal			1.881.661	
Long-term loans				
Bank loans	US Dollars	5.128	140.375	3,01%-6,08%
Bank loans	Euro	103.331	2.999.747	1,23%-4,43%
Bank loans	TL	383.721	383.721	17,12%-43,05%
Subtotal			3.523.843	
Total loans			5.405.504	

As of 30 September 2024 and 30 September 2023, all borrowings are fixed interest rate loan and unsecured.

Repayment terms of long-term financial liabilities	30 September 2024	30 September 2023
Payable in 2025	-	1.316.667
Payable in 2026	2.334.027	1.038.708
Payable in 2027	1.703.258	756.825
Payable in 2028	686.719	411.643
Payable in 2029 and beyond	39.975	-
Total	4.763.979	3.523.843

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(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

13. Other Liabilities

As at 30 September 2024 and 30 September 2023, the details of the other payables are as follows:

	30 September 2024		30 September 2023	
	TL	FC	TL	FC
Insurance payables	60.998	199.160	47.535	107.048
Temporary accounts payable	37.351	179.061	19.696	263.806
Tax Payables	5.865	-	7.277	-
Other payables (*)	3.265	135.711	1.635	142.585
	107.479	513.932	76.143	513.439

(*) Other payables consist of the related parties and business vendors, and other miscellaneous payables. Payables to related parties are explained in Note 23.

14. Provisions

Total provisions for liabilities and expenses

As at 30 September 2024 and 30 September 2023, the details of provisions are as follows:

	30 September 2024	30 September 2023
Liability for employee benefits:		
Provision for success premium pay	43.500	16.678
Provisions for vacation pay	5.554	2.922
Provision for retirement pay	12.000	15.277
Provisions for jubilee pay	3.026	1.446
	64.080	36.323
Other provisions:		
Provisions for incentive penalty risk	18.663	17.248
Litigation provisions	8.871	5.160
Other provisions	3.199	953
	30.733	23.361
Total debt and expense provisions	94.813	59.684

In accordance with existing social legislation the Company is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Company and whose employment is terminated due to the retirement or for reasons other than resignation or misconduct.

Such payments are calculated on the basis of 30 days total gross wage and other rights as at 30 September 2024, full TL 41.828,42 (30 September 2023: TL 23.489,83) for each year of employment. The principal assumption used when calculating the total liability is that the maximum liability for each year of service is increased every six months by the inflation rate.

In the accompanying financial statements, the Company has established a liability for estimated using a statistical method and reflected to the records of those obligations.

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

14. Provisions (continued)

Allowance for retirement pay

The principal estimates used in the calculation of net present value of the liability as at 30 September 2024 and 30 September 2023 are as follows:

	30 September 2024	30 September 2023
Discount rate	21,78%	23,08%
Estimated salary / ceiling increase rate	18,38%	27,30%
Inflation Rate	18,38%	27,30%

The movement of retirement pay liability during the year is as follows:

	30 September 2024	30 September 2023
Provision for retirement pay at the beginning of the term, 1 October	15.277	8.298
Service cost	2.392	1.004
Interest cost	3.191	814
Severance pay paid	(951)	(1.112)
Actuarial loss/(gain)	(7.909)	6.273
Retirement pay liability at the end of the period	12.000	15.277

Provisions for vacation pay

The movement in the vacation pay liability during the period is as follows:

	30 September 2024	30 September 2023
Provision for vacation pay		
Vacation pay liability at the beginning of the period	2.922	1.774
Paid during the period	(348)	(1.931)
Provision during the period	2.980	3.079
Vacation pay liability at the end of the period	5.554	2.922

Provisions for jubilee pay

The movement in jubilee pay liability during the period is as follows:

	30 September 2024	30 September 2023
Provisions for jubilee pay		
Jubilee pay liability at the beginning of the period	1.446	813
Paid during the period	-	-
Provisions during the period	1.580	633
Jubilee pay liability at the end of the period	3.026	1.446

The jubilee pay is a kind of employee benefit that is granted to the employees who have been working for 10 years or more.

Provision for bonus payment

The movement in the provision for bonus payment to be paid to personnel during the year is as follows:

	30 September 2024	30 September 2023
Provision for bonus payment		
Provision for bonus payment at the beginning of the period	16.678	10.000
Paid during the period	(21.543)	(8.177)
Provision during the period	48.365	14.855
Provision for bonus payment at the end of the period	43.500	16.678

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

15. Shareholders' Equity

As at 30 September 2024 and 30 September 2023, the Company's shareholders and their shares in equity are as follows:

	30 September 2024			30 September 2023		
	Ownership share			Ownership share		
	Nominal	Amount	(%)	Nominal	Amount	(%)
Siemens Aktiengesellschaft (Siemens AG)	4.680.000	234.000	100	4.680.000	234.000	100
Paid-in-capital	4.680.000	234.000	100	4.680.000	234.000	100

As at 30 September 2024, the Company's registered capital consists of 4.680.000 unprivileged shares, each with nominal value of TL 0,05 (full).

Retained earnings in the statutory financial statements can be distributed, except for the decree relating to the legal reserves stated below:

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the Turkish Commercial Code, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital. It is not possible to use it in any other way.

The Company did not distribute any dividends in fiscal year 2024. The Company, after obtaining the necessary official approvals from the Banking Regulation and Supervision Agency (BRSA), dividends were respectively distributed in the amount of 4.234 TL to the main shareholders in March 2023.

16. Segment Reporting

As at 30 September 2024 and 30 September 2023, no segment reporting is provided as the Company operates only in Turkey and in financial leasing sector.

17. Lease Income

For the years ended 30 September 2023 and 30 September 2022, the details of the leasing income are as follows:

	1 October 2023- 30 September 2024	1 October 2022- 30 September 2023
Interest income from finance leases	1.074.150	604.928
Interest accrual income from finance leases	28.286	19.846
	1.102.436	624.774

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

18. Operating Expenses

For the years ended 30 September 2024 and 30 September 2023, the details of the operating expenses are as follows:

	1 October 2023- 30 September 2024	1 October 2022- 30 September 2023
Personnel expenses	167.748	86.434
Outsourced benefits and service expenses	28.259	12.681
IT expenses	25.213	17.466
Depreciation expenses	4.857	4.693
Severance pay provision expenses	4.632	706
Tax duties and fees	3.817	1.460
Other	16.455	12.095
	250.981	135.535

As of 30 September 2024, the company's independent audit expense for the reporting period is TL 1.283. (30 September 2023: TL 367)

19. Other Operating Income / Expenses

For the years ended 30 September 2024 and 30 September 2023, the details of the other operating income are as follows:

	1 October 2023- 30 September 2024	1 October 2022- 30 September 2023
Other Operating Income		
Foreign exchange income	13.691.148	16.721.116
Interest received from banks	100.961	20.821
Insurance income included in rent (*)	55.136	26.666
Derivative financial transactions profit	5.798	8.226
Other	54.113	39.487
	13.907.156	16.816.316

For the years ended 30 September 2024 and 30 September 2023, the details of the other operating expense are as follows:

	1 October 2023- 30 September 2024	1 October 2022- 30 September 2023
Other Operating Expenses		
Foreign exchange transactions loss	13.640.183	16.659.731
Loss from derivative financial transactions	8.649	2.022
Other	39.652	18.555
	13.688.484	16.680.308

(*) As of 2023, the insurance commission income and expenses are offsetted. As of 2024, total insurance commission income is TL 55.136. (2022: TL 26.666)

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

20. Financial Expenses

For the years ended 30 September 2024 and 30 September 2023, the details of the financial expenses are as follows:

	1 October 2023- 30 September 2024	1 October 2022- 30 September 2023
Interest expense (*)	459.070	293.411
Costs and commissions paid to related companies (**)	37.479	14.123
Interest accruals	1.951	35.162
Costs and commissions paid to unrelated companies	982	10.334
Operational leasing interest expenses	-	1.086
	499.482	354.116

(*) As of 30.09.2024, the total of loan interest and expenses paid to Siemens Bank GmbH is 470.609 TRY.

(**) Consists of loan usage expenses, commissions and letter of guarantee expenses paid to Siemens Bank GmbH in 2024 fiscal year.

21. Taxes

As at 30 September 2024 and 30 September 2023, the tax expense reconciliation is as follows:

	1 October 2023- 30 September 2024	1 October 2022- 30 September 2023
Profit/(loss) from continuing operations before tax	489.199	263.890
Income tax rate	%30	%25
Expected tax expense	(146.760)	(65.973)
Tax impact:		
Change in tax rate	-	-
Additions to tax base	(23.630)	(840)
Tax-free expense effect	(2.314)	(3.748)
Exceptions and discounts to be deducted even if there is a loss	1.209	7.156
Tax expense in the profit or loss statement	(171.495)	(63.405)

The tax items in the statement of profit and loss are summarized below for the periods ended 30 September 2024 and 30 September 2023:

	30 September 2024	30 September 2023
Current tax provision	171.495	63.405
Deferred tax income / (expense)	(20.025)	(1.962)
Total tax expense	151.470	61.443

	30 September 2024	30 September 2023
Corporate tax payables	171.495	63.806
Prepaid taxes	(130.106)	(64.373)
Corporate tax liabilities	41.389	(567)

Corporate tax

The Company is subject to taxation in accordance with the tax procedures and the legislation effective in Turkey.

The corporate tax rate to be accrued on taxable corporate income is calculated on the addition of non-deductible expenses from the tax base in the determination of business income, and the deduction of tax-exempt gains, non-taxable incomes and other deductions (past year losses, if any, and investment allowances used if preferred).

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Notes to the financial statements as at and for the year ended 30 September 2024

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21. Taxes (continued)

In Turkey, provisional tax is calculated and accrued on a quarterly basis. The provisional tax rate that should be calculated on corporate earnings during the taxation of 2024 corporate earnings as of temporary tax periods is 30% (30 September 2023: 25%). Losses can be carried forward for a maximum of 5 years, to be deducted from taxable profits in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

Income Withholding Tax

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. The rate of income withholding tax is 10% starting from 24 April 2003 by the end of 22 July 2006. However, this rate was changed to 15% commencing from 22 July 2006 upon the order no: 2006/10731 of the Council of Ministers. However, the new Council of Minister of the 10% rate will apply until there is a replacement for this rate. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

Withholding tax at the rate of 19.8% is still applied to investment allowances relating to investment incentive certificates obtained prior to 24 April 2003. Subsequent to this date, the investments without investment incentive certificates do not qualify for tax allowance.

22. Earnings per Share

According to TAS 33 "Earnings Per Share" standard, businesses whose stocks are not traded on the stock exchange are not required to disclose earnings per share.

23. Transactions and Balances with Related Parties

As at 30 September 2024 and 30 September 2023, the details of receivables and payables from related parties are as follows:

	30 September 2024	30 September 2023
Short-term portions of long-term loans		
Siemens Bank GmbH	2.666.199	1.161.359
Long-term loans		
Siemens Bank GmbH	4.692.886	3.216.966
Other liabilities		
Siemens Sanayi ve Ticaret A.Ş.	4.882	1.254
Siemens AG	1.223	640
Siemens Financial Services GmbH	1.449	1.048
Siemens Financial Services Inc.USA	128	103
Siemens Financial Services Private Ltd.India	80	411
Financing expenses		
Siemens Bank GmbH	470.609	186.695
Operating expenses		
Siemens Sanayi Ticaret A.Ş.	26.307	11.217
Siemens Financial Services GmbH	20.143	12.160
Siemens AG	2.194	950
Siemens Financial Services Private LTD. India	1.276	770
Siemens LTD	531	12

For the years ended 30 September 2024 the wages and similar remunerations paid to board of directors and top management are TL 22.600 (30 September 2023: TL 11.850).

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Notes to the financial statements as at and for the year ended 30 September 2024

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24. Provisions, Contingent Asset and Liabilities and Commitments

As at 30 September 2024, the Company has given letters of guarantee amounting to TL 628 (30 September 2023: TL 648) to the courts and letters of credit amounting to TL 0 (30 September 2023: TL 81.482) for leasing operations.

The Company has TL 2.114 lawsuit provision as of 30 September 2024 and TL 6.758 employee lawsuits (30 September 2023: TL 1.063 lawsuit provision and TL 4.098 employee lawsuits).

The Company has signed lease agreements available but not yet activated with the customers and the assets subject to finance leases due to import transactions. As at 30 September 2024 these type agreements was amounting TL 1.912.245 (30 September 2023: TL 1.442.293).

25. Financial Instruments and Financial Risk Management

Capital Risk Management

The main objective of the Company's capital management is to ensure business continuity and maximize profits by using the debt and equity balance in the most efficient way.

	30 September 2024	30 September 2023
Total liabilities	8.560.925	6.056.322
Cash and Cash equivalents (-)	(252.392)	(147.775)
Net liabilities	8.308.533	5.908.547
Total equity	1.099.191	755.925
Equity / Liability rate (%)	13,23%	12,79%

Market risk

Market risk is the risk that the Company will be adversely affected by changes in the market value of financial contracts, interest rates and foreign exchange rates.

The crucial risks for the Company are the changes in interest rates and foreign exchange rates. The Company follows the foreign exchange position on the statement of financial position to avoid currency risk and holds a currency risk at low level. The Company borrows in fixed interest rates for fixed rate leasing transactions and in floating interest rates for floating rate leasing transactions. Therefore the Company does not carry an interest rate risk.

Foreign Exchange rate risk

The Company carries foreign currency risk through transactions in foreign currencies (such as leasing transactions, and bank borrowings). Due to the financial statements of the Company are prepared on the basis of TL, the financial statements are affected by fluctuations of foreign currencies against TL.

Foreign currency risk is the risk that any change in exchange rates depending on the value of financial instruments arises. The Company has foreign currency risk due to foreign currency denominated borrowings. The main foreign currencies causes this risk are U.S. Dollar and Euro.

The Company monitors its foreign exchange position continuously to avoid exchange rate risk on the statement of financial position.

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25. Financial Instruments and Financial Risk Management (continued)**Market risk (continued)***Foreign Exchange rate risk (continued)*

The following table summarizes the foreign currency position of the Company as at 30 September 2024 and 30 September 2023. Foreign currency denominated assets and liabilities held by the Company based on the types of foreign currencies are as follows:

2024 Balance Sheet (TL)	US Dollars	Euro	Total
Banks	50.925	53.258	104.183
Lease receivables	591.940	7.808.337	8.400.277
Unearned interest income (-)	(93.145)	(946.414)	(1.039.559)
Doubtful receivables	99	36.306	36.405
Specific provisions (-)	(4.067)	(59.880)	(63.947)
Other assets (*)	24.683	353.300	377.983
Total assets	570.435	7.244.907	7.815.342
Funds borrowed	537.391	6.703.262	7.240.653
Other payables	43.031	470.901	513.932
Total liabilities	580.422	7.174.163	7.754.585
On-balance-sheet position	(9.987)	70.744	60.757
Derivative financial instruments long position	-	-	-
Derivative financial instruments short position	-	-	-
Off-balance-sheet position	-	-	-
Net foreign currency position	(9.987)	70.744	60.757

(*) Leasing contracts in progress amounting to TL 170.637 and advances given for lease transactions TL 45.181 are classified under other assets.

2023 Balance Sheet (TL)	US Dollars	Euro	Total
Banks	36.121	68.968	105.089
Lease receivables	242.912	4.833.839	5.076.751
Unearned interest income (-)	(38.602)	(523.851)	(562.453)
Doubtful receivables	525	193	718
Specific provisions (-)	(828)	(6.554)	(7.382)
Other assets (*)	107.698	505.393	613.091
Total assets	347.826	4.877.988	5.225.814
Funds borrowed	217.800	4.358.144	4.575.944
Other payables	128.044	385.395	513.439
Total liabilities	345.844	4.743.539	5.089.383
On-balance-sheet position	1.982	134.449	136.431
Derivative financial instruments long position	-	-	-
Derivative financial instruments short position	-	983	983
Off-balance-sheet position	-	(983)	(983)
Net foreign currency position	1.982	133.466	135.448

(*) Leasing contracts in progress amounting to TL 447.534 and advances given for lease transactions TL 90.714 are classified under other assets.

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Notes to the financial statements as at and for the year ended 30 September 2024

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25. Financial Instruments and Financial Risk Management (continued)

Market risk (continued)

Foreign exchange rate risk sensitivity analysis

As at 30 September 2024 and 30 September 2023, 10% depreciation or gain of TL appreciation foreign currencies listed above, would reduce or increase the pre-tax income as shown below. In this analysis, other variables, particularly interest rate is assumed to remain constant.

	2024		2023	
	Equity	Income/ (Loss)	Equity	Income/ (Loss)
10% increase	-	6.076	-	13.545
10% decrease	-	(6.076)	-	(13.545)

Interest rate risk

As at 30 September 2024, the Company does not have any interest sensitive assets and liabilities (30 September 2023: None).

Average interest rates applied to the financial instruments at 30 September 2024 and 30 September 2023 are as follows:

	2024		
	US \$ (%)	EUR (%)	TL (%)
Assets			
Time deposits	-	-	50,00%
Lease Receivables	14,94%	8,82%	58,96%
Liabilities			
Funds borrowed	5,55%	3,58%	36,65%

	2023		
	US \$ (%)	EUR (%)	TL (%)
Assets			
Time deposits	-	-	29,00%
Lease Receivables	12,78%	7,03%	38,85%
Liabilities			
Funds borrowed	4,99%	3,03%	32,99%

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure to credit risks and credit ratings of its counterparties are monitored periodically. Credit risk is controlled by restricting the limits of customers approved by the Board of Directors.

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

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25. Financial Instruments and Financial Risk Management (continued)

Credit risk (continued)

	30 September 2024			30 September 2023		
	Lease receivables	Other receivables	Banks	Lease receivables	Other receivables	Banks
Maximum amount of credit risk exposed as of reporting date (*)	8.869.216	253.600	252.392	5.950.457	147.179	147.775
Maximum credit risk secured guarantees etc. (**)	7.419.461	-	-	5.543.703	-	-
A. Net book value of financial assets either not due or not impaired	8.820.230	253.600	252.392	5.936.133	147.179	147.775
Not due or not impaired (gross book value)	8.877.752	253.600	252.392	5.946.829	147.179	147.775
Impairment amount (-)	(57.522)	-	-	(10.696)	-	-
Net value secured by guarantees etc.	7.419.461	-	-	5.543.703	-	-
B. Book value of financial assets with renegotiated conditions	-	-	-	-	-	-
Conditions are renegotiated (gross book value)	-	-	-	-	-	-
Impairment amount (-)	-	-	-	-	-	-
C. Net book value of assets past due but not impaired	35.058	-	-	14.324	-	-
Past due (gross book value)	35.058	-	-	14.324	-	-
Impairment amount (-)	-	-	-	-	-	-
Net value secured by guarantees etc	-	-	-	-	-	-
D. Net book value of assets impaired	13.928	-	-	-	-	-
Past due (gross book value)	39.368	-	-	1.332	-	-
Impairment amount (-) (***)	(25.440)	-	-	(1.332)	-	-
Net value secured by guarantees etc	-	-	-	-	-	-
E. Off-balance items exposed to credit risk	-	-	-	-	-	-

(*) The elements that increase the credibility such as guarantees received are not taken into account while determining the amount.

(**) Collaterals that exceed the risk are not taken into account. The assets that are subject to lease agreements are not taken into account.

(***) Impairment is also calculated for the undue amounts of the related overdue lease receivables. Undue lease receivables are classified in the Group A.

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Notes to the financial statements as at and for the year ended 30 September 2024

(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

25. Financial Instruments and Financial Risk Management (continued)**Liquidity risk**

Liquidity risk generally occurs during the funding of the Company's activities and the management of the positions. This risk also includes the risk of not funding the assets with the appropriate maturities and rates, and not to dispose an asset with a fair price at an appropriate time. The Company has rights to use banks and the shareholders as a funding source. The Company assesses the liquidity risk continuously in order to realize the determined goals by identifying and monitoring the changes in funding clauses. In addition to this, as a part of liquidity risk management strategy of the Company, a liquid portfolio is maintained. Since the short term receivables are greater than short term liabilities of the Company, there is no liquidity risk.

As at 30 September 2024 and 30 September 2023, the distribution of the monetary assets and liabilities according with their remaining maturities are as follows;

2024 Balance Sheet (TL)	Less than 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Demand	Total
Assets							
Banks	146.801	-	-	-	-	105.591	252.392
Lease receivables	414.504	846.465	1.102.891	1.973.831	4.575.119	-	8.912.810
Other assets(***)	88.480	88.375	66.280	109.825	120.305	-	473.265
Total assets (*)	649.785	934.840	1.169.171	2.083.656	4.695.424	105.591	9.638.467
Liabilities							
Funds borrowed	484.057	494.753	686.469	1.374.054	4.763.979	-	7.803.312
Current period tax liability	-	-	41.389	-	-	-	41.389
Provisions	-	-	62.163	12.070	20.580	-	94.813
Other payables	378.664	24.035	35.894	55.083	127.735	-	621.411
Total liabilities (**)	862.721	518.788	825.915	1.441.207	4.912.294	-	8.560.925
Net liquidity	(212.936)	416.052	343.256	642.449	(216.870)	105.591	1.077.542

(*) Non-performing receivables amounting to TL 39.368 and their specific provisions amounting to TL (82.962), property, plant and equipment amounting to TL 31.739, intangible assets amounting to TL 3.350, deferred tax assets amounting to TL 30.154 are not included.

(**) Shareholders' equity amounting to TL 1.099.191 is not included.

(***) Leasing contracts in progress amounting to TL 170.637 and advances given for lease transactions amounting to TL 45.175 are reclassified to other assets.

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Notes to the financial statements as at and for the year ended 30 September 2024

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25. Financial Instruments and Financial Risk Management (continued)

Liquidity risk (continued)

2023 Balance Sheet (TL)	Less than 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Demand	Total
Assets							
Banks	1.572	-	-	-	-	146.203	147.775
Lease receivables	244.330	517.567	668.020	1.244.467	3.286.769	-	5.961.153
Other assets(***)	297.241	188.061	70.507	53.642	82.933	-	692.384
Total assets (*)	543.143	705.628	738.527	1.298.109	3.369.702	146.203	6.801.312
Liabilities							
Funds borrowed	196.990	399.715	352.257	932.702	3.523.840	-	5.405.504
Current period tax liability	451.080	9.443	14.824	32.845	82.942	-	591.134
Provisions	-	-	33.926	6.113	19.645	-	59.684
Lease payables	-	-	-	-	-	-	-
Total liabilities (**)	648.070	409.158	401.007	971.660	3.626.427	-	6.056.322
Net liquidity	(104.927)	296.470	337.520	326.449	(256.725)	146.203	744.990

(*) Non-performing loans amounting to TL 1.332, and their specific provisions amounting to TL (12.028)l property, plant and equipment amounting to TL 6.059, intangible assets amounting to TL 2.502, deferred tax assets amounting to TL 12.501 are not included.

(**) Shareholders' equity amounting to TL 755.925 is not included.

(***) Leasing contracts in progress amounting to TL 447.534 and advances given for lease transactions amounting to TL 90.709 are reclassified to other assets.

(****) Derivative Financial Liabilities amounting to TL 983 are reclassified to Other Liabilities.

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(Currency: Thousands of Turkish Lira ("Thousand TL") unless otherwise stated.)

25. Financial Instruments and Financial Risk Management (continued)

Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realise in a current market exchange.

Fair value of other financial instruments is measured according to the assumptions based on quoted bid prices of similar instruments, or amounts derived from cash flow models.

The fair values of short term financial assets and liabilities excluding finance lease receivables and borrowings are considered to approximate their respective carrying values due to their short-term nature.

The table below indicates the book value and the fair value of the financial assets which are stated at their carrying amounts other than their fair values:

	30 September 2024		30 September 2023	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Lease receivables	8.912.810	8.956.733	5.961.153	6.062.079
Funds borrowed	7.803.312	7.787.720	5.405.504	5.381.478

Fair value hierarchy in accordance with TFRS 7 that reflects the significance of the inputs used in determining the fair values of financial assets and liabilities, those are carried with their fair values on the statement of financial position are as follows:

- Level 1: Financial assets and liabilities are valued at the stock exchange price in an active market for exactly the same assets and liabilities.
- Level 2: Financial assets and liabilities are valued with the inputs used to determine a directly or indirectly observable price other than the stock market price of the relevant asset or liability mentioned in Level 1.
- Level 3: Financial assets and liabilities are valued with inputs that cannot be based on data observable in the market and used to determine the fair value of the asset or liability.

As of 30 September 2024 and 2023, there are no financial instruments that are measured with their fair value.

27. Events after the Reporting Period

None.