

**FİBA FAKTORİNG A.Ş.**

**2024**

**ANNUAL REPORT**



The Company's annual reports are prepared in Turkish in line with *Regulation on Determination of the Minimum Content of the Annual Activity Report of the Companies* of the Ministry of Customs and Trade published on the Official Gazette dated August 28, 2012, numbered 28395.

**FİBA FAKTORİNG ANONİM ŞİRKETİ**  
**BOARD OF DIRECTORS**  
**ENDING 31.12.2024**  
**REGARDING THE ANNUAL ACTIVITY REPORT**  
**INDEPENDENT AUDITOR'S REPORT**

**To the General Assembly of**  
**Fiba Faktoring Anonim Şirketi**

**Eren Bağımsız Denetim A.Ş.**

Maslak, Eski Büyükdere Cad.

No.14 Kat :10

34396 Sarıyer / İstanbul, Turkey

T +90 212 373 00 00

F +90 212 291 77 97

www.grantthornton.com.tr

**1. Opinion**

We have audited the annual report of Fiba Faktoring Anonim Şirketi ("the Company") for the accounting period 01.01.-31.12.2024.

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

**2. Basic for Opinion**

We conducted our audit in accordance with Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under these Standards are described in detail in the Independent Auditor's Responsibilities for the Independent Audit of the Annual Report section of our report. We declare that we are independent of the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") published by POA and the ethical requirements in the regulations issued by POA that are relevant to audit. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and regulations. We believe that the audit evidence we have obtained during the independent audit is sufficient and appropriate to provide a basis for our opinion.

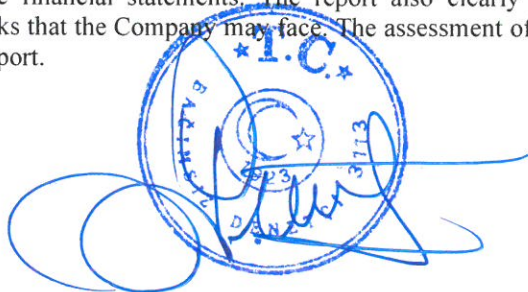
**3. Our Opinion on the Full Set of Financial Statements**

We have expressed an unqualified opinion in our auditor's report dated 19.02.2025 on the full set financial statements of the Company for the accounting period 01.01.-31.12.2024.

**4. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

In accordance with Articles 514 and 516 of the Turkish Commercial Code No. 6102 ("TCC"), the Company management is responsible for the following in relation to the annual report

- Prepares the annual activity report within the first three months following the balance sheet date and submits it to the general assembly.
- Prepares the annual report in such a way that it reflects the flow of the Company's activities for that year and its financial status in all aspects accurately, completely, straightforwardly, truthfully and honestly. In this report, the financial situation is evaluated according to the financial statements. The report also clearly indicates the development of the Company and the possible risks that the Company may face. The assessment of the Board of Directors on these issues is also included in the report.



c) The annual report also includes the following points:

- Events of special significance that occurred in the company after the end of the activity year,
- Company's research and development work,
- Financial benefits such as salaries, premiums, bonuses, allowances, travel, accommodation and representation expenses, in-kind and cash benefits, insurances and similar guarantees paid to board members and senior executives.

While preparing the annual report, the board of directors also takes into account the secondary legislation regulations made by the Ministry of Customs and Trade and related institutions.

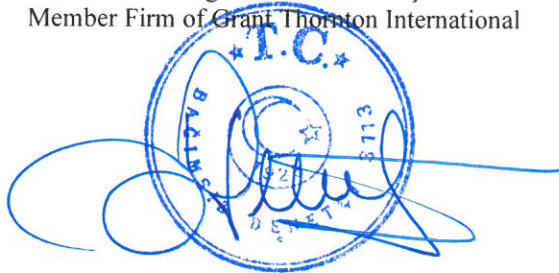
#### 5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our aim is to express an opinion, in accordance with the provisions of the Turkish Commercial Code, on whether the financial information provided in the annual report and the discussions of the Board of Directors are consistent with the audited financial statements of the Company and the information obtained during the independent audit and whether they give a true and fair view, and to prepare a report containing our opinion.

We conducted our audit in accordance with ISAs. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial information in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the financial statements and the information obtained during the audit.

İstanbul, 19.02.2025

Eren Bağımsız Denetim A.Ş.  
Member Firm of Grant Thornton International



Gül Şahin  
Partner

Reşitpaşa Mahallesi,  
Eski Büyükdere Caddesi,  
Park Plaza, No: 14, Kat: 10,  
Maslak/Sarıyer – İstanbul

**FİBA FAKTORİNG A.Ş.**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
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**I. CORPORATE PROFILE**

Fiba Factoring, a member of the Fiba Group, a strong and respected player in the financial services industry, was founded in 1992. Determining its strategies with the aim of becoming a leading company in the factoring sector, Fiba Faktoring has been maintaining its identity as an exemplary company by its strong financial structure, balanced customer portfolio and trust-identical brand in its sector since the day it was founded. Company activities are regulated according to 6361 numbered “Financial Leasing, Factoring, Finance and Saving Financing Companies Law” published on the Official Gazette No. 28496, dated 13 December 2012 and the "Regulation of Establishment and Operation Principles of Financial Leasing, Factoring, Finance and Saving Finance Companies” of the Banking Regulation and Supervision Agency ("BRSA").

High credibility in financial markets gives Fiba Factoring access to extensive sources of funding while the Company's membership in Factors Chain International (FCI) and strong international relations further reinforce its market position.

The number of employees of the Company as at 31 December 2024 is 109.

The address of the registered office of Fiba Faktoring is as follows:

Esentepe Mah. Büyükdere Cad. 1.Levent Plaza No:173/A Kat:2 34394 Şişli/İstanbul. The Company's principal activity is to provide factoring services substantially in one geographical segment (Turkey).

Trade Name	: FİBA FAKTORİNG A.Ş
Trade Register Number	: 292152
Annual Report Period	: year of 2024
Head Office Address	: Esentepe Mah. Büyükdere Cad. 1.Levent Plaza, No:173/A Kat:2 34394 Şişli/İstanbul
Phone Number	: 0212 385 14 00
Fax Number	: 0212 385 14 60
Website	: <a href="http://www.fibafactoring.com.tr">www.fibafactoring.com.tr</a>
Electronic mail	: <a href="mailto:info@fibafactoring.com.tr">info@fibafactoring.com.tr</a>

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**As of 31.12.2024 Branches**

<b>Head Office / Branch</b>	<b>Address</b>	<b>Phone</b>	<b>Fax</b>
<b>Head Office</b>	Esentepe Mah. Büyükdere Cad. 1. Levent Plaza, No:173/A Kat:2 34394 Şişli – İSTANBUL	(212) 385 1400	(212) 385 1460
<b>Güneşli Branch</b>	Ataköy 7-8-9-10. Kısım Mahallesi, Çobançeşme E-5 Yan Yol Caddesi Selenium Retro İş Merkezi Kapı No:18 1/A Blok D:83/84 Bakırköy - İSTANBUL	(212) 630 1255	(212) 823 0211
<b>Kozyatağı Branch</b>	Sahrayıcedit Mahallesi Batman Sokak Royal Plaza No:18 Kat:8 Bağımsız Bölüm:9 ve Kat:10 Bağımsız Bölüm 11 Kadıköy - İSTANBUL	(216) 411 0044	(216) 411 0700
<b>Ankara Branch</b>	Turan Güneş Bulvarı Sukarno Caddesi No: 3/2 06640 Çankaya – ANKARA	(312) 439 6444	(312) 439 6463

**Capital Structure**

At 31 December 2024, paid-in capital of the Company TL 228,000 thousand. The nominal paid-in capital of the Company comprises 228,000,000 unprivileged shares of TL 1 each.

<b>31/12/2024</b>		
	<b>Number of shares</b>	<b>Share (%)</b>
Fiba Holding A.Ş.	205,200,000	90.00
Other	22,800,000	10.00
	<b>228,000,000</b>	<b>100.00</b>

Company has no privileged shares. In relation to the voting rights of shareholders of our Company, there are no different regulations other than the ones regulated in the relevant provisions of Turkish Commercial Code. Therefore, each one the shares has one voting right.

**FİBA FAKTORİNG A.Ş.**  
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Vision

Our Vision is to be the first company that comes to mind as a leading institution in the factoring sector.

Mission

To be one of the leading factoring companies that contribute to the growth and development of the sector, to ensure the highest level of satisfaction of our customers, employees and financiers.

Our strategies

Our Strategies are to produce world-class products and services, to provide accurate, fast and quality service to its customers.

To be a determinant in the sector by developing new products with our dynamic and expert staff and to meet the changing demands of the customers.

To offer products structured in line with the needs of companies.

To gain competitive advantage in the sector with innovative and fast solutions and to be preferred primarily by customers.

Introducing the effect of factoring service to companies that increase the trade volume, both in the domestic market and in international trade, and to increase the factoring volume of Turkey.

To be a creative and leading company that adapts to changing economic conditions by using its effective and productive resources rationally.

Business approach of Fiba Factoring

- To be one of the leading factoring companies that contribute to the growth and development of the sector
- To ensure the highest level of satisfaction of our customers, employees and financiers.
- To provide quality, fast and effective service,
- To be able to produce creative solutions specific to different sectors and companies,
- Effective risk managements
- Based on strong customer relationships

Providing classical factoring services with its dynamic and expert staff, the company produces special solutions that best meet the expectations of its customers in different fields with innovative approach.

With its credibility in financial markets and extensive funding opportunities, Fiba Faktoring is one of the leading factoring companies in the Factors Chain International (FCI) membership and its competence in international relations reinforces its market position.

One of the indispensable players in its sector with its effective service approach and vision focused on customer satisfaction Fiba Faktoring continues to grow by taking strength from the principles of the Group to which it belongs.



**FİBA FAKTORİNG A.Ş.**  
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**Board of Directors**

Name-Surname	Position	Date of Appointment	Educational Background	Professional Experience
Mehmet Güleşci	Chairman of Board of Directors	2024	Master's Degree	41 years
Murat Özyeğin	Vice-Chairman of Board of Directors	2024	Master's Degree	27 years
F. Özge Yılmaz	Member of Board of Directors (General Manager)	2024	Bachelor Degree	30 years
Ayşe Can Özyeğin Oktay	Member of Board of Directors	2024	Master's Degree	22 years
Fevzi Bozer	Member of Board of Directors	2024	Master's Degree	41 years
Faik Onur Umut	Member of Board of Directors	2024	Bachelor Degree	40 years

**Mehmet GÜLEŞCİ - Vice Chairman**

Following his graduation from the Business Administration department of Boğaziçi University, he completed his master degree in the same department. He worked in Istanbul and Boston offices of Ernst & Young between the years of 1984 and 1996 and got CPA license from Turkey and Massachusetts, USA. While he was a partner responsible from the financial sector, he joined to Finansbank as Assistant General Manager at the beginning of 1997 and he worked as Managing Director in the Board of Directors of Finansbank until the end of year 2009. He is member of Board of Directors and Executive Committee Fiba Group, besides he is board member of group financial and non-financial investments both domestic and international.

**Murat ÖZYEGİN- Board Member**

He began his career in 1998 as a financial analyst in the New York office of the Merger and Acquisition Group of Bear Stearns & Co., a New York-based global investment bank and transferred to the company's London office as a Senior Analyst in 2000. He returned to Turkey in 2003 to take an active role in the management of Fiba Group. He established the Strategic Planning and Business Development divisions at Finansbank and Fiba Holding. Before assuming the role of Chairman of Fiba Holding and Fina Holding companies, Murat Özyeğin served as a member of the Board of Directors of Fiba Holding and Fina Holding during 2003-2019 and Chairman of all non-financial subsidiaries. He is also Vice Chairman of Credit Europe Bank, the group's largest subsidiary in finance. Murat Özyeğin also serves as Vice President of the Turkish Industrialists and Businessmen Association (TÜSİAD), President of DEİK/Turkey-The Netherlands Business Council, Chairman of the Advisory Board of Women on Board Association Turkey, Vice President of Energy Efficiency Association, Trustee of Özyeğin University, Trustee of Hüsnü M. Özyeğin Foundation, member of Harvard University Global Advisory Board, member of Endeavor Board of Directors, Trustee of WWF Turkey and member of Global Relations Forum. He has been serving as Honorary Consul – General of the Republic of Singapore since 2016. He graduated Carnegie Mellon University with a double major in Industrial Management and Economics and holds an MBA from Harvard Business School. He is 48 years old and has three daughter and one boy children.

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**F. Özge YILMAZ - Member of Board of Directors & General Manager**

Özge Yılmaz was graduated from Economics Department of Middle East Technical University and in 1995 she commenced her professional business life in Deloitte. During years 1996-2000 she worked in Finansbank, and during years 2000-2001 she worked in Osmanlı Bankası and during years 2002-2004 she worked as Corporate Banking Manager in Akbank. She worked as Assistant General Manager responsible from Sales & Marketing during years 2004-2013 in Fiba Faktoring A.Ş. During years 2013-2014 she worked as a General Manager and Member of Board of Directors in ING Faktoring A.Ş. and ING Finansal Kiralama A.Ş. She has been working as the General Manager and Member of Board of Directors in Fiba Faktoring A.Ş. since 2014.

**Ayşe Can ÖZYEĞİN OKTAY- Member of Board of Directors**

Ayşe Can Özyeğin Oktay graduated in Economics from Duke University and joined Finansbank Retail Banking Department in 2003. In 2006 she joined Fiba Group, and was active in new projects in the Strategic Planning and Business Development division (2006-2007). After receiving her MBA from the Stanford Graduate School of Business in 2009, she returned to Fiba Group to serve on the Board of Directors of Fiba Holding and various subsidiaries for 10 years before assuming the position of Vice Chair of Fiba Group in 2019. In 2021, she became the Vice Chair of Credit Europe Bank Supervisory Board and serves as the Chair of Fiba Group ESG Committee. Ayşecan Özyeğin Oktay is active in the fields of philanthropy and social entrepreneurship and leads the groups social investments. She serves as Chair of Board of Directors of Mother Child Education Foundation, Trustee of Hüsnü Özyeğin Foundation and is a member of TUSIAD Round Table on Entrepreneurship and Youth, Ashoka Support Network, Esas Sosyal Advisory Board, UN SDSN Turkey Advisory Board and Endeavour Mentor Network. She also served on Management Board of Stanford Graduate School of Business between 2014-2018.

**Fevzi BOZER- Member of Board of Directors**

Born in 1955. Mr. Bozer holds a BA degree in Business Administration from Indiana University and an MBA degree from Roosevelt University. He started his banking career in 1984 at CitiBank. He joined Finansbank as branch manager in 1988 and then appointed as the General Manager of Finansbank (Credit Europe Bank) Suisse S.A. between 1991 and 1993. Then Mr. Bozer served as the General Manager of Finansbank A.Ş. between 1995-1999. Since 1999, he has been Board Member of Fiba Group's international Banks and Fiba Holding A.Ş. He still serves in the Board of Directors of Fibabanka and Credit Europe Bank Suisse.

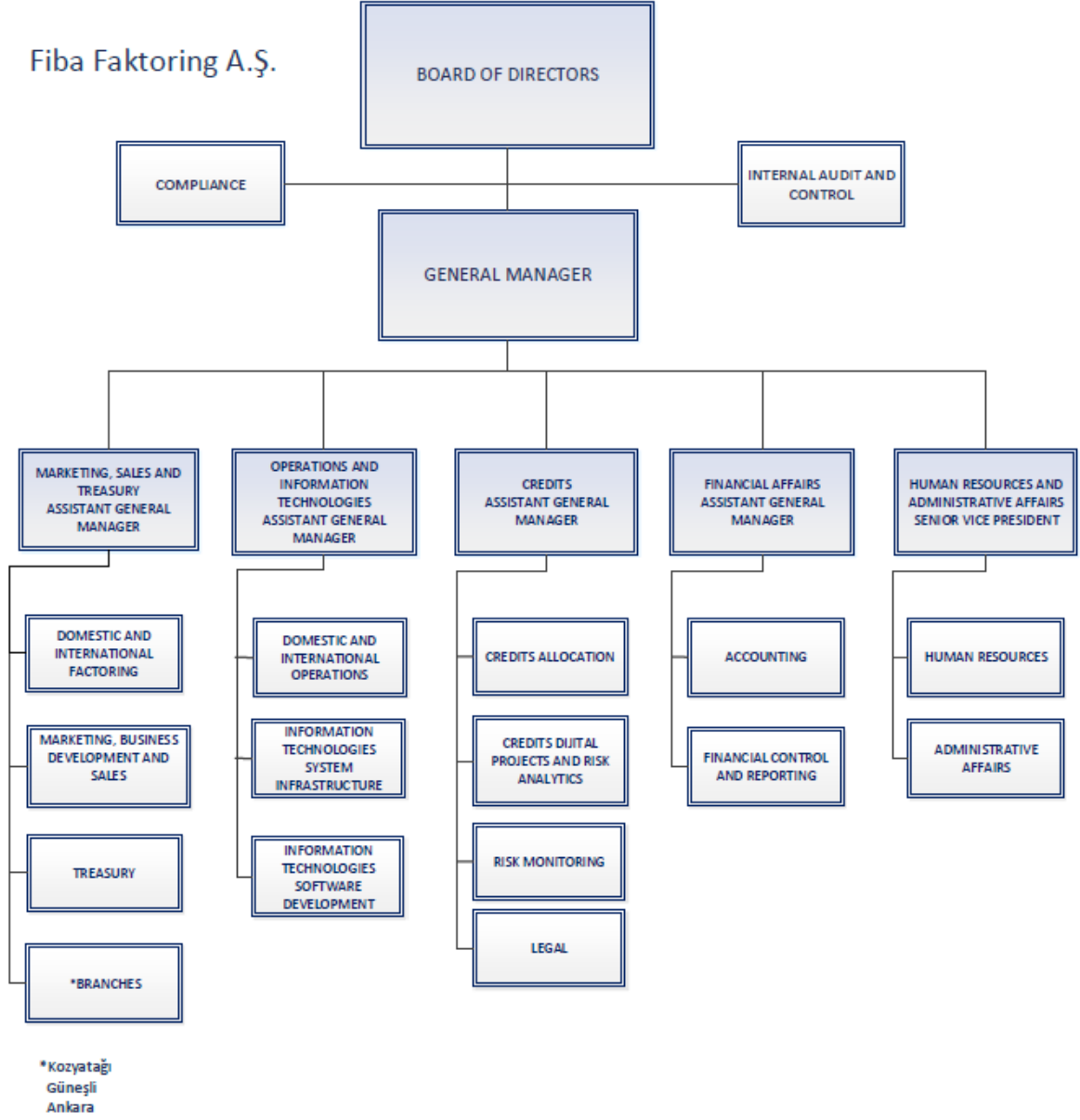
**Faik Onur UMUT- Member of Board of Directors**

Born in 1962. After completing his education in Boğaziçi University Industrial Engineering, he worked at İktisat Bank A.Ş. between 1985-1988. He joined Fiba Group in 1988. He worked as the General Manager of Finansbank (Credit Europe Bank) Holland between the years of 1996-1999 and of Finansbank A.Ş. between the years of 1999-2003. Since then, he has been Board Member of Fiba Group's international Banks and Fiba Holding A.Ş. He still serves in the Board of Directors of Fibabanka, Credit Europe Bank Russia ve Credit Europe Bank Romania.



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**Fiba Faktoring A.Ş. Organization Chart (31.12.2024)**



**II. REAL AND CASH ALLOWANCES GRANTED TO SENIOR MANAGERS AND REPRESENTATION EXPENSES**

The amount of financial benefits like salary, bonus, dividend is TL 40,888 thousand and benefits like food and transportation allowances, life and health insurance provided to the key management by the Company for the period ended as of 31 December 2024 is TL 1,918 thousand.

### **III. RESEARCH & DEVELOPMENT STUDIES OF OUR COMPANY**

Since the date we commenced our activities, we have adopted providing the high-quality service understanding and our main target was always to meet the requirements of our customers at maximum levels. For this purpose, we have been continuing our various development and research studies in relation to develop innovative products and services concerning to meet financing requirements, collection and recording of receivable accounts and factoring guarantee services. In line with these objectives, necessary actions are being taken within shortest periods, by following-up the expectations of our customers at maximum levels.

### **IV. ACTIVITIES AND SIGNIFICANT PROGRESS IN THE ACTIVITIES**

- a) In the 2024 accounting period, there are no significant company investments.
- b) Opinions of our Company Management in relation to the internal control system and internal audit activities within our Company are as follows;  
Internal Control Department of our Company has been conducting its control and audit studies on a regular basis and by working independently as affiliated to the Board of Directors in order to control the compliance of company activities to the applicable legislations and to the internal procedures and policies of our Company as well as to enable efficient and productive control activities and to enable the reports to be issued reliable and complete and to preserve the assets of our company.
- c) Fiba Faktoring A.Ş. has no direct or indirect subsidiaries nor any respective share ratios.
- d) Fiba Faktoring A.Ş. has no own shares it acquired.
- e) Our Company was audited during year of 2024 activity period by Eren Bağımsız Denetim A.Ş. trade named independent audit company. Within the scope of “Year 2024 Corporate Tax Return Attestation” the relevant audits are being conducted by Güreli Yeminli Mali Müşavirlik ve Bağımsız Denetim Hizmetleri A.Ş. trade named independent audit company. Furthermore, our Company is subject to regular and permanent supervision and audits of the Banking Regulation and Supervision Agency within the scope of “Regulation concerning the Rules of Establishment and Activities of Financial Leasing, Factoring, Saving Finance and Finance Companies”.
- f) No lawsuit was filed against Fiba Faktoring A.Ş. which might have an impact on the financial status and activities of Fiba Faktoring.
- g) No administrative or civil sanction was imposed on the Company and the Management.
- h) Our Company has accomplished its objectives during year 2024 and it has fulfilled the decisions of its General Assembly.

#### ***Extraordinary General Assembly Meeting Agenda of Fiba Faktoring A.Ş. held on 11 March 2024***

- 1. Opening and forming the presidency of the meeting,
- 2. Determination the number of the Board of Directors members and election of Board of Directors,
- 3. Authorization and granting of permit to the Members of Board of Directors as specified in Articles 395 and 396 of Turkish Commercial Code,
- 4. Wishes and closing.

**FİBA FAKTORİNG A.Ş.**  
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***Ordinary General Assembly Meeting Agenda of Fiba Faktoring A.Ş. held on 28 March 2024***

1. Opening and forming the presidency of the meeting,
2. Reading and negotiating of Activity Report prepared by the Board of Directors related with the accounts and activities of the company, belonging to year 2023,
3. Reading and negotiating of Audit Report belonging to accounting year of 2023,
4. Reading, negotiating and submitting to the approval of Balance Sheet and Profit and Loss Accounts (Financial) Statements belonging to activity year of 2023,
5. Taking decisions regarding the release of debt and acquittance of members of board of directors for their activities performed in year 2023,
6. Determination the number of the Board of Directors members,
7. Determination wages of the Board of Directors members,
8. Determination of utilization type of the profits earned during year 2023,
9. Election of Independent Audit Company in relation to the auditing of accounts belonging to 2024 accounting year,
10. Reading and negotiating of Affiliation Report belonging to year 2023,
11. Authorization and granting of permit to the Members of Board of Directors as specified in Articles 395 and 396 of Turkish Commercial Code,
12. Wishes and closing.

***Extraordinary General Assembly Meeting Agenda of Fiba Faktoring A.Ş. held on 26 July 2024***

1. Opening and forming the presidency of the meeting,
2. Submission of the amendment to the Articles of Association for the approval of the General Assembly
3. Determination the number of the Board of Directors members and election of Board of Directors,
4. Authorization and granting of permit to the Members of Board of Directors as specified in Articles 395 and 396 of Turkish Commercial Code,
5. Invitation and presence of the Ministry Commissioner in order to represent the Ministry of Customs and Trade, during the Extraordinary General Assembly Meeting,
6. Wishes and closing.

***Extraordinary General Assembly Meeting Agenda of Fiba Faktoring A.Ş. held on 7 August 2024***

1. Opening and forming the presidency of the meeting,
2. Determination of utilization type of the profits standing in the retained earnings,
3. Invitation and presence of the Ministry Commissioner in order to represent the Ministry of Customs and Trade, during the Extraordinary General Assembly Meeting,
4. Wishes and closing.

j) Total amount of the expenditures made for the donations and aids made by the Company within the framework of social responsibility projects is TL 115,318 thousand.

k) With regard to the transactions realized with direct parent company of our Company, which is Fiba Holding A.Ş. and its other subsidiary companies; there are no precautions required to be taken or required to be avoided in favor of the company. In all of such legal transactions performed, the relevant agreements were made as if they are made with other persons outside of the group companies in accordance with the same kind of procedures, rules and principles thereon. There were no actions taken against the benefit of our company pursuant to any initiatives or interests of the parent company or its subsidiary companies.

l) According to the circumstances and conditions within our knowledge with regard to the legal transactions realized with the parent company and subsidiary companies of the parent company as specified in detail in the said Affiliation Report, a proper and convenient counter performance was gained by our company in each and all of such transactions. Within this framework, there are no precautions required to be taken or required to be avoided and there are no losses or damages for our company thereof. As a result of examinations and audits conducted for the financial transactions realized by our company together with its parent company and subsidiary companies of the parent company pursuant to Article 199 of Turkish Commercial Code, it was understood and seen that overall transactions performed by our company are compliant with the then date market conditions, precedents and market prices valid during such transaction dates and they were made as if they were executed with third parties.

## **V. FINANCIAL STATUS**

### **Evaluations of the Board of Directors regarding the Activity Period and Expectations for the Future**

In the January update of World Economic Outlook report, the IMF raised its growth forecast for the global economy to 3.3% for 2025 and kept its forecast unchanged for 2026. In October 2024 forecast, the IMF had predicted that the world economy would grow by 3.2% this year and 3.3% next year. Also shared the economic growth forecasts of the countries, stated that Turkey's economy is expected to grow by 2.6% this year and 3.2% next year in this report.

Along with growth expectations, the decisions of central banks were closely monitored. At its first meeting of the year in January, the US Federal Reserve kept its policy rate unchanged between 4.25%-4.50%, in line with expectations. The Fed, which has cut interest rates 3 times in a row since September 2024, took a break with this decision.

Having cut interest rates four times in 2024, the European Central Bank signaled after the December meeting that interest rate cuts would continue gradually in 2025. Accordingly, the Bank cut the benchmark interest rates by 0.25 points to 2.75% at its January meeting.

Central Bank of the Republic of Turkey (CBRT) cut its policy rate by 0.25 points to 45% in line with expectations at its meeting held on January 23. In the decision text, the statement that the tight monetary policy stance will be maintained until a permanent fall in inflation and price stability is achieved was maintained.

According to Turkish Statistical Institute (TurkStat) data, monthly CPI inflation was realized as 5.03% in January. Annual CPI inflation decreased to 42.12%. Domestic PPI inflation was realized as monthly 3.06% and yearly 27.20%.

In 2024, the factoring sector realized a transaction volume of TL 1,239 billion and generated a net profit of TL 21.2 billion. 48 companies operating in the sector and total factoring receivables amounted to TL 288 billion at the end of December 2024.

In 2024, Fiba Faktoring intermediated factoring transactions worth TL 21.4 billion with 2,800 active clients. Our asset size was TL 7.7 billion and our net profit was TL 912 million. The SME segment accounted for 93% of our active customers.

In 2024, we continue to support companies from all segments, especially SMEs, with our guarantee, collection and financing services and innovative solutions. We closely follow technological developments that can add value to our product range and business processes, and we continue our digital investments that will enable us to reach more and more companies every day.

We believe that we will successfully complete 2025, thanks to our innovative and experienced employees, our strong shareholders and our valued customers who continue to support us.

**Mehmet GÜLEŞCİ**  
**Chairman**

**F. Özge YILMAZ**  
**Board of Directors Member/ General Manager**

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**Sectorial Developments**

At the end of year 2024 there were 48 factoring companies of which had obtained operating licenses from the BRSA in Turkey. At the end of year 2024, branch number was 395 and personnel number was realized as 4,379 persons in the sector.

When we look at the balance sheet sizes of our Company on sectorial basis; total assets had risen by 47.6% at the end of year 2024 when compared with the previous year. The factoring receivables constitute the most important balance sheet item in the assets section. At the end of year 2024, the factoring receivables became 91% of the total assets.

<b>Factoring Sector Key Balance Sheet Items</b>	<i>(million TL)</i>	
	<b>2024</b>	<b>2023</b>
Factoring Receivables	287,992	196,909
Non-Performing Receivables	5,122	2,576
Specific Provisions (-)	4,660	2,813
Non-Performing Receivables (Net)	462	(237)
Banks	9,203	6,763
Total Assets	315,980	214,094
Funds Borrowed	218,748	148,185
Marketable Securities Issued (Net)	21,090	20,859
Shareholders' Equity	57,221	33,973
Off-Balance Sheet Items	4,216,865	2,459,121

Source: BRSA monthly bulletin informations

Factoring income as being the most weighted item among the income items, realized TL 115,089 million, was risen by 89%. Factoring interest expenses were increased by 100%, and actualized TL 74,240 million. During 2024 with TL 9,687 million operating expenses, TL 2,271 million net non-factoring income and TL 3,874 million non-performing loan expenses, sector net income reached to TL 21,196 million.

2024 Turkey's factoring sector turnover was TL 1,239 billion, 92% of turnover is comprised of domestic factoring. Besides in 2023 the factoring turnover realized as TL 820 billion.

<b>Factoring Sector Key Income Statement Items</b>	<i>(million TL)</i>	
	<b>2024</b>	<b>2023</b>
Factoring Income	115,089	61,025
<i>Factoring Interest Income</i>	<i>106,201</i>	<i>46,728</i>
<i>Factoring Commission Income</i>	<i>8,888</i>	<i>14,297</i>
Financial Expenses (-)	(74,240)	(37,108)
Operating Expenses (-)	(9,687)	(5,115)
Other Operational Income/Expense (Net)	2,271	3,072
Provision for Non-Performing Receivables (-)	(3,874)	(1,804)
Tax Provision (±)	(8,366)	(5,837)
<b>Net Period Profit/Loss</b>	<b>21,196</b>	<b>14,235</b>

Source: BRSA monthly bulletin informations



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Key indicators of Fiba Faktoring A.Ş. as of the year ends were given in the below table.

As of December 31<sup>st</sup>, 2024, our factoring receivables were realized as TL 6.4 billion.

<b>Fiba Faktoring's Key Indicators</b>	<i>(thousand TRY)</i>	
	<b>31/12/2024</b>	<b>31/12/2023</b>
Total Assets	7,751,706	5,046,556
Faktoring Receivables	6,371,514	4,319,161
Non-Performing Receivables (Net)	31,043	4,392
Funds Borrowed	5,079,524	3,357,623
Securities issued	-	341,814
Shareholders' Equity	2,319,153	1,127,795
Net Period Profit/Loss	912,136	467,830

As of 31 December 2024 and 31 December 2023, Fiba Faktoring A.Ş.'s income statement's selected items are summarized as follows;

<b>Fiba Faktoring Key Income Statement Items</b>	<i>(thousand TRY)</i>	
	<b>31/12/2024</b>	<b>31/12/2023</b>
Factoring Income	3,559,723	1,854,999
Financial Expenses (-)	(1,633,784)	(915,564)
Operating Expenses (-)	(404,883)	(218,407)
Other Operational Income/Expense (Net)	(8,523)	(14,025)
Specific Provision for Non-Performing Receivables (-)	(207,909)	(41,525)
Tax Provision (±)	(392,488)	(197,648)
<b>Net Period Profit/Loss</b>	<b>912,136</b>	<b>467,830</b>

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***Summary Financial Information for the year ended 31 December 2024***

**Balance Sheet Summary (thousand TL)**

<b>Assets</b>	<b>31/12/2024</b>	<b>31/12/2023</b>	<b>(%)</b>
Cash, Cash Equivalents	385,317	259,900	48
Derivative Financial Assets	2,022	-	100
Financial Assets Measured at Fair Value through Other Comprehensive Income	455,587	318,827	43
Factoring Receivables	6,371,514	4,319,161	48
Non-Performing Receivables	100,376	76,831	31
Allowances for Expected Credit Loss/Specific Provisions	(69,333)	(72,439)	(4)
Tangible Assets (Net)	214,880	25,366	747
Intangible Assets (Net)	2,333	1,831	27
Investment Property (Net)	166,300	16,459	910
Deferred Tax Assets	-	34,264	(100)
Other Assets	122,710	66,356	85
<b>Total Assets</b>	<b>7,751,706</b>	<b>5,046,556</b>	<b>54</b>
<b>Liabilities</b>	<b>31/12/2024</b>	<b>31/12/2023</b>	<b>(%)</b>
Funds Borrowed	5,079,524	3,357,623	51
Factoring Payables	2,092	595	252
Lease Obligations	26,558	17,549	51
Securities Issued	-	341,814	(100)
Derivative Financial Liabilities	-	-	-
Provisions	145,984	69,723	109
Current Tax Liabilities	104,850	33,772	210
Deferred Tax Liabilities	14,222	-	100
Other Liabilities	59,323	97,685	(39)
Shareholders' Equity	2,319,153	1,127,795	106
<b>Total Liabilities and Equity</b>	<b>7,751,706</b>	<b>5,046,556</b>	<b>54</b>

**Income Statement Summary (thousand TL)**

<b>Income and Expense Items</b>	<b>31/12/2024</b>	<b>31/12/2023</b>	<b>(%)</b>
Operating Income	3,559,723	1,854,999	92
Financial Expenses (-)	(1,633,784)	(915,564)	78
Operating Expenses (-)	(404,883)	(218,407)	85
Other Operational Income	159,479	148,302	8
Provision Expenses (-)	(207,909)	(41,525)	401
Other Operational Expenses (-)	(168,002)	(162,327)	3
Tax Provision for Continuing Operations (±)	(392,488)	(197,648)	99
<b>Net Period Profit Loss for Continuing Operations</b>	<b>912,136</b>	<b>467,830</b>	<b>95</b>

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**Capital Management**

Regarding the capital management, our Company has been sustaining the continuity of its activities and on the other hand, utilized its ratio of debt to equity in the most efficient manner and targets to increase its overall profits accordingly. Capital structure of our Company composed of equity capital items which are namely as follows: liabilities, cash and cash equivalents and issued capital, capital reserves and profit reserves.

Capital costs of our Company along with the risks connecting with each one of the capital items are being evaluated and considered by the top management of Fiba Faktoring A.Ş. During such examinations, top management of our Company evaluates the capital costs as well as the risks attributable and connecting with each one of the capital items and submits the relevant items to the evaluation of Board of Directors which are dependent upon the decisions of Board of Directors.

As at 31 December 2024 and 2023, ratio of net debt to equity is presented below:

<i>(thousand TL)</i>	<b>31/12/2024</b>	<b>31/12/2023</b>
Total liabilities	5,432,553	3,918,761
Cash and cash equivalents	(385,317)	(259,900)
Net debt	5,047,236	3,658,861
Total equity	2,319,153	1,127,795
Net debt/equity ratio	2.18	3.24

**a) Evaluations regarding the capital is not an uncovered capital and whether or not there is a circumstance of deep in debt status**

There are no circumstances in question for our Company that its capital is an uncovered capital or is in a deep debt status as specified in Article 376 of the Turkish Commercial Code.

**b) Actions taken in order to improve the financial structure of our Company**

Since our Company does not have an uncovered capital or deep debt status, there is no need for taking additional actions in order to improve the financial structure of our Company.

**Profit Distribution**

The Company's dividend policy is defined in line with Turkish Commercial Code taking into account the Turkish economy, sector conditions and the Company strategies and financial plans. The company's profit policy aims to distribute the maximum amount of dividend. The profit distribution decision will be set in the General Assembly Meeting.

The company decided to distribute a dividend of TL 70,174 thousand to the shareholders from the 2023 profit by the resolution of the Extraordinary General Assembly dated August 7, 2024, and the dividend payment was made on August 8, 2024.

## **VI. FINANCIAL RISK MANAGEMENT**

The Company has exposure to the following risks during the course of its operations, credit risk, liquidity risk and market risk. The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

### *Credit Risk*

The Company is subject to credit risk through its factoring operations. Risk Management and Analysis Department is responsible to manage the credit risk. The Company requires a certain amount of collateral in respect of its financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit processes. The Credit Risk Committee is met by every week by the members evaluating ongoing credit risk. On the other hand, The Company has a special purpose of computer program to monitor credit risk.

At reporting date, there were no significant concentrations of credit risk on customer basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. Typically, the Company ensures that it has sufficient liquid assets to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted. To manage liquidity risk arising from financial liabilities, the Company holds liquid assets mainly comprising cash and cash equivalents and investments in debt securities for which there is an active market.

### *Market risk*

All trading financial instruments are subject to market risk. Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Fiba Faktoring A.Ş. uses trading instruments to hedge itself against changing market conditions. Market risk is managed within the limits set by the Company's senior management by trading derivative instruments and taking risk preventive positions.

#### *(i) Foreign currency risk*

The Company is exposed to currency risk through transactions (such as factoring operations and borrowings) in foreign currencies. As the currency in which the Company presents its financial statements is TL, the financial statements are affected by movements in the exchange rates against TL.

*(ii) Interest rate risk*

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprice at different times or in differing amounts. In the case of floating rate assets and liabilities, the Company is also exposed to basis risk which is the difference in repricing characteristics of the various floating rate indices, such as year-end libor and different types of interest. Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Company's business strategies.

## **VII. OTHER ISSUES**

### **Other Issues**

The Company applied to the Capital Markets Board on August 8, 2024 for the approval of the prospectus for its public offering.

### **Events After the Reporting Period**

- a) With the decision of the Board of Directors dated February 6, 2025, the Company has decided to increase its paid-in capital from TL 228,000 thousand to TL 600,000 thousand and to amend the relevant article of its Articles of Association.
- b) The company issued two bonds with a nominal value of TL 359,000 thousand and TL 325,000 thousand on 12 February 2025, and they are to be sold to qualified investors. The maturity start date for issued bonds is 13 February 2025 and the maturity date is 12 August 2025.
- c) The Company has 6 branches targeted to be opened in Adana, Antalya, Bursa, Izmir, Gaziantep and Kocaeli. Branch opening permission was obtained from the BRSA on January 10, 2025 and the branches are planned to be registered and announced in the Turkish Trade Registry Gazette within three months following the permission date. Fiba Faktoring Gaziantep Branch has been opened on February 17, 2025.