

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI
ANONİM ŞİRKETİ**

**CONSOLIDATED FINANCIAL STATEMENTS
AND RELATED DISCLOSURES AS OF 31 MARCH 2024
WITH AUDITORS' REVIEW REPORT**

**(CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL
STATEMENTS AND RELATED DISCLOSURES
ORIGINALLY ISSUED IN TURKISH)**



AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

(Convenience translation of the independent auditor's review report originally issued in Turkish, See Note I.b of Section Three)

To the General Assembly of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi;

Introduction

We have reviewed the consolidated balance sheet of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi ("the Bank") and its consolidated subsidiaries (collectively referred to as "the Group") at 31 March 2024 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the three-month period then ended. The Group management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

Scope of Review

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

Basis for the Qualified Conclusion

As explained in Section Five Part II. 9.3 of Explanations and Notes to the Consolidated Financial Statements; a portion of free provision amounting to TL 4.800.000 thousand is reversed in the current period out of the total free provision of TL 17.800.000 thousand provided by the Group management in prior periods outside of the requirements of BRSA Accounting and Financial Reporting Legislation; therefore, the remaining free provision amount as at 31 March 2024 is TL 13.000.000 thousand in the accompanying consolidated financial statements.



Qualified Conclusion

Based on our review, except for the effects of the matter on the consolidated financial statements described in the basis for the qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial information do not present fairly in all material respects the consolidated financial position of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi and its consolidated subsidiaries at 31 March 2024 and the results of its consolidated operations and its consolidated cash flows for the three-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

Report on other regulatory requirements arising from legislation

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

Additional Paragraph for Convenience Translation:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 March 2024. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

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

Didem Demer Kaya, SMMM
Independent Auditor

Istanbul, 20 May 2024



**THE CONSOLIDATED FINANCIAL REPORT OF
TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş. AS OF 31 MARCH 2024**

The Bank's Headquarter Address: Finanskent Mahallesi Finans Caddesi
No:44/A Ümraniye/İSTANBUL
Phone: (216) 590 20 00
Facsimile: (312) 584 25 51
Website: www.ziraatbank.com.tr

The consolidated financial report for the three-month period includes the following sections in accordance with the "Communiqué on the Financial Statements and Related Policies and Disclosures to be Publicly Announced" as regulated by the Banking Regulation and Supervision Agency, is consist of the section listed below.

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION ON THE FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE GROUP
- EXPLANATIONS AND DISCLOSURES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS
- AUDITOR'S REVIEW REPORT
- INTERIM ACTIVITY REPORT

Within the framework of this three-month financial report, our consolidated financial statements of subsidiaries, associates and jointly controlled entities are as follows:

DOMESTIC SUBSIDIARIES

Ziraat Yatırım Menkul Değerler A.Ş.
Ziraat Portföy Yönetimi A.Ş.
Ziraat Katılım Bankası A.Ş.
Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.
Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş.
Ziraat Dinamik Banka A.Ş.
Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş.

FOREIGN SUBSIDIARIES

Ziraat Bank International AG
Ziraat Bank BH d.d.
Ziraat Bank (Moscow) JSC
Kazakhstan Ziraat International Bank
Ziraat Bank Azerbaycan ASC
Ziraat Bank Montenegro AD
JSC Ziraat Bank Georgia
Ziraat Bank Uzbekistan JSC

ASSOCIATES

Arap Türk Bankası A.Ş.
Birleşim Varlık Yönetim A.Ş.

ENTITIES UNDER COMMON CONTROL

Turkmen Turkish Joint Stock Commercial Bank

In addition, Ziraat DPR Finance Company, which is a "Structured Entity", although not a subsidiary of our Bank, is included in the consolidation.

The accompanying consolidated financial statements and notes to these financial statements for the three-month period which are expressed, unless otherwise stated, in thousands of Turkish Lira have been prepared and presented based on the accounting books of the Bank in accordance with the Regulation on the Principles and Procedures Regarding Banks' Accounting and Keeping of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and related appendices and interpretations of these, and have been independently reviewed.

Burhaneddin TANYERİ
Chairman of the Board

Alpaslan ÇAKAR
Member of the Board,
CEO

Fazlı KILIÇ
Member of the Board,
Member of the Audit Committee

Dr. İsmail İlhan HATİPOĞLU
Member of the Board,
Member of the Audit Committee

Süleyman YALÇIN
Executive Vice President for
Financial Coordination

Rehber BİRKAN
Senior Vice President of Financial
Coordination and Reporting

For the questions regarding this financial report, contact details of the personnel in charge are presented below:

Name/Title : Menşure BEŞKAYA / Financial Statements Manager
Telephone Number : 0216 590 59 24

SECTION ONE
General Information about the Parent Bank

		Page Number
I.	History of the Parent Bank including its incorporation date, initial legal status and amendments to legal status	1
II.	Explanation about the Parent Bank's capital structure, shareholders of the Parent Bank who are in charge of the management and/or auditing of the Parent Bank directly or indirectly, changes in these matters (if any) and the group the Parent Bank belongs to	1
III.	Information on the Board of Directors, members of the audit committee, CEO and executive vice presidents, changes in these matters (if any) and shares of the Parent Bank they possess	1
IV.	Information about the persons and institutions that have qualified shares attributable to the Parent Bank	2
V.	Summary information on the Parent Bank's activities and services	2
VI.	Differences between The Communique on Preparation of Consolidated Financial Statements Of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods	3
VII.	Current or likely, actual or legal barriers to immediate transfer of equity or repayment of debts between the Parent Bank and its subsidiaries	3

SECTION TWO
Consolidated Financial Statements

I.	Consolidated Balance Sheet (Statement of Financial Position) - Assets	5
II.	Consolidated Balance Sheet (Statement of Financial Position) - Liabilities	6
III.	Consolidated Statement of Off-Balance Sheet Commitments	7
IV.	Consolidated Statement of Profit or Loss	8
V.	Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
VI.	Consolidated Statement of Changes in Shareholders' Equity	10-11
VII.	Consolidated Statement of Cash Flows	12

SECTION THREE
Explanations on Accounting Policies

I.	Basis of presentation	13-14
II.	Explanations on strategy of using financial instruments and foreign currency transactions	14
III.	Information on consolidated subsidiaries	15-17
IV.	Explanations on forward transactions, options and derivative instruments	17
V.	Explanations on interest income and expense	18
VI.	Explanations on fee and commission income and expense	18
VII.	Explanations on financial assets	18-21
VIII.	Explanations on impairment of financial assets	21-24
IX.	Explanations on offsetting of financial instruments	24
X.	Explanations on sales and repurchase agreements and securities lending transactions	24
XI.	Information on non-current assets or disposal groups 'held for sale' and related to discontinued operations and explanations on liabilities related with these assets	24-25
XII.	Explanations on goodwill and other intangible assets	25
XIII.	Explanations on property and equipment	26
XIV.	Explanations on investment properties	27
XV.	Explanations on leasing transactions	27-28
XVI.	Explanations on provisions, contingent asset and liabilities	28
XVII.	Explanations on obligations related to employee rights	28-31
XVIII.	Explanations on taxation	31-34
XIX.	Explanations on borrowings	34
XX.	Explanations on issuance of share certificates	34
XXI.	Explanations on analyzed drafts and acceptances	34
XXII.	Explanations on government grants	35
XXIII.	Cash and cash equivalents	35
XXIV.	Explanations on segment reporting	35
XXV.	Explanations on other matters	35

SECTION FOUR
Explanations Related to the Financial Position and Risk Management

I.	Explanations on the components of consolidated shareholders' equity	36-42
II.	Explanations on the consolidated currency risk	42-45
III.	Explanations on the consolidated interest rate risk	46-48
IV.	Explanations on the position risk of consolidated equity instruments	49
V.	Explanations on consolidated liquidity risk management, liquidity coverage ratio and net stable funding ratio	50-57
VI.	Explanations on consolidated leverage ratio	58
VII.	Explanations on consolidated risk management	59
VIII.	Explanations on consolidated on hedging procedures	60
IX.	Explanations on consolidated operating segments	60-63

SECTION FIVE
Explanations and Notes Related to Consolidated Financial Statements

I.	Explanations and notes related to consolidated assets	64-79
II.	Explanations and notes related to consolidated liabilities	80-86
III.	Explanations and notes related to consolidated off-balance sheet accounts	86-87
IV.	Explanations and notes related to consolidated profit or loss statement	88-92
V.	Explanations and notes related to the risk group that the Parent Bank belongs to	93
VI.	Explanations and notes related to subsequent events	93

SECTION SIX
Explanations on Auditor's Review Report

I.	Explanations on independent auditors' review report	94
II.	Explanations and notes prepared by the independent auditors	94

SECTION SEVEN
Explanations on Interim Activity Report

I.	Interim period activity report included assessments of chairman of the board of directors and CEO for the interim activities	95-100
----	--	--------

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024

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

SECTION ONE

GENERAL INFORMATION ABOUT THE PARENT BANK

I. HISTORY OF THE PARENT BANK INCLUDING ITS INCORPORATION DATE, INITIAL LEGAL STATUS AND AMENDMENTS TO LEGAL STATUS

The foundation of Türkiye Cumhuriyeti Ziraat Bankası A.Ş. (“Ziraat Bankası”, “Bank” or “The Parent Bank”) is based on Government Funds established in 1863. In 1883, Government Funds were replaced with Benefit Funds. The Parent Bank was officially established by the re-organization of the Benefit Funds in 1888, to grant loans to farmers, to accept interest-bearing deposits and to act as a moneylender and an intermediary for agricultural operations. All shares of the Parent Bank, which was given the authority to perform all banking activities, belonged to the Republic of Türkiye Prime Ministry Undersecretariat of Treasury (“Treasury”) transferred to the Türkiye Wealth Fund with the decision of the Council of Ministers numbered 2017/9756 dated 24 January 2017. The Bank’s head office is located in İstanbul.

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

The total share capital of the Parent Bank is TL 84.600.000. This capital is divided into 84.600.000.000 registered share with a nominal value of TL 1 each and is fully paid. The Parent Bank's sole and controlling shareholder is the Türkiye Wealth Fund.

III. INFORMATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, CEO AND EXECUTIVE VICE PRESIDENTS, CHANGES IN THESE MATTERS (IF ANY) AND SHARES OF THE BANK THEY POSSESS

Name	Administrative Function
Members of the Board of Directors	
Burhaneddin TANYERİ	Chairman
Alpaslan ÇAKAR	CEO and Member
Veysi KAYNAK	Vice Chairman and Member
Dr. İsmail İlhan HATİPOĞLU	Member
Fatih AYDOĞAN	Member
Fazlı KILIÇ	Member
Feyzi ÇUTUR	Member
Serdar KILIÇ	Member
Serruh KALELİ	Member
Audit Committee Members	
Dr. İsmail İlhan HATİPOĞLU	Member
Fazlı KILIÇ	Member
Executive Vice Presidents	
Ahmet ACAR	Credit Risk Monitoring and Liquidation
Cüneyt SAĞLIK	Digital Banking and Payment Systems
Emrah GÜNDÜZ	Banking Operations and Corporate Communications
Ferhat PIŞMAF	Corporate Banking
Hüseyin ÖZUYSAL	Human Resources
Mehmet Şükrü TAŞCI	Credit Allocation and Management
Süleyman YALÇIN	Financial Coordination
Yasin ÖZTURK	Treasury Management
Yüksel CESUR	Retail Banking

The Parent Bank's Chairman and Members of the Board of Directors, Members of the Audit Committee, General Manager and Executive Vice Presidents do not own any shares of the Parent Bank.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024

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

GENERAL INFORMATION ABOUT THE PARENT BANK (Continued)

IV. INFORMATION ABOUT THE PERSONS AND INSTITUTIONS THAT HAVE QUALIFIED SHARES ATTRIBUTABLE TO THE PARENT BANK

Name/Trade Name	Amount of Share	Percentage of Share (%)	Paid-in Shares	Unpaid Shares
Türkiye Wealth Fund	84.600.000	100	84.600.000	-

The Parent Bank's sole shareholder is the Türkiye Wealth Fund.

V. SUMMARY INFORMATION ON THE PARENT BANK’S ACTIVITIES AND SERVICES

The purpose of activity of the Parent Bank is stated in articles of association as to perform all kinds of banking activities including acceptance of deposits. For this purpose, the Parent Bank can perform all sorts of operations, without prejudice to the provisions of banking regulations and other legislations, such as launching all kinds of cash and non-cash loans in terms of Turkish Lira and foreign currencies, acting as an intermediary in trade and issue of the financial instruments that are used in local and international markets, performing investment banking transactions, forwards dealing in domestic and foreign futures markets, providing funds from interbank money market, domestic and foreign markets, making all kinds of capital market transactions, acting as an intermediary in export and import transactions, acting as an agency for insurance and other financial institutions, participating in all sort of partnership that is founded by domestic or foreign banks or participated by them within the terms of the related legislation or establishing new partnerships for this purpose, performing all kinds of transactions, such as; acquiring limited real and personal claims like all kinds of movable and immovable goods, industrial and intellectual properties, right of usufruct, easement, superficies and disposing and transferring acquired properties and rights, placing pledge and mortgage on those properties and rights, releasing pledged and mortgaged items and declaring leasing agreements and sale commitments to the registry office.

As of 31 March 2024, the Parent Bank carries its activities with a grand total of 1.752 branches (31 December 2023: 1.744 domestic branches) and branches abroad which are London branch in England, Baghdad and Arbil branches in Iraq, Athens, Komotini and Xanthi branches in Greece, Sofia, Plovdiv, Kardzhali, Varna and Burgas branches in Bulgaria, Jeddah branch in Saudi Arabia, Pristina, Prizren, Peja, Gilan and Ferizaj branches in Kosovo, Bahrain branch in Bahrain, Lefkoşa, Girne, Güzelyurt, Gazimağusa, Gönnyeli, Taşkinköy, Karaoğlanoğlu and İskele branches in Turkish Republic of Northern Cyprus, it operates with a total of 26 branches and total of 1.778 branches (31 December 2023: 1.769 branches).

The Parent Bank and the consolidated subsidiaries in Note III of Section Three are referred to ‘Group’.

As of 31 March 2024, the Group has 30.345 employees (31 December 2023: 29.912).

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024

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

GENERAL INFORMATION ABOUT THE PARENT BANK (Continued)

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

According to Communiqué regarding the Preparation of the Consolidated Financial Statements and Turkish Accounting Standards, Arap Türk Bankası A.Ş. and Birleşim Varlık Yönetim A.Ş. are among the associates of the Parent Bank, and Turkmen Turkish Joint Stock Commercial Bank, entity under common control of the Parent Bank, is accounted by using equity method in the consolidated financial statements of the Parent Bank.

As Ziraat Teknoloji A.Ş. is non-financial subsidiaries of the Parent Bank, is not consolidated in the consolidated financial statements of the Parent Bank in accordance with Communiqué of the Preparation Consolidated Financial Statements. Bileşim Finansal Teknolojiler ve Ödeme Sistemleri A.Ş. is non-financial associates of the Parent Bank is not consolidated in the consolidated financial statements. Ziraat Filo Yönetimi ve Mobilite Çözümler A.Ş. (Former Title: Central Oto Kiralama A.Ş.), ZG Tarım Piyasaları A.Ş., which are subsidiaries of Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş. and it’s subsidiaries, ZY Elektrik Traktör Sanayi Ve Ticaret A.Ş. and MESA İmalat Sanayi ve Ticaret A.Ş. as they are not financial institutions, they are not consolidated. All other associates and subsidiaries are fully consolidated.

VII. CURRENT OR LIKELY, ACTUAL OR LEGAL BARRIERS TO IMMEDIATE TRANSFER OF EQUITY OR REPAYMENT OF DEBTS BETWEEN THE PARENT BANK AND ITS SUBSIDIARIES

None.

SECTION TWO

Consolidated Financial Statements

- I. Consolidated Balance Sheet (Statement of Financial Position) - Assets
- II. Consolidated Balance Sheet (Statement of Financial Position) - Liabilities
- III. Consolidated Statement of Off-Balance Sheet Commitments
- IV. Consolidated Statement of Profit or Loss
- V. Consolidated Statement of Profit or Loss and Other Comprehensive Income
- VI. Consolidated Statement of Changes in Shareholders' Equity
- VII. Consolidated Statement of Cash Flows

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 31 MARCH 2024

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

I-CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note (Section Five I)	Current Period 31 March 2024			Prior Period 31 December 2023		
ASSETS			TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (NET)			542.902.363	979.847.958	1.522.750.321	617.261.950	905.618.465
1.1	Cash and Cash Equivalents		221.737.557	531.970.336	753.707.893	329.397.476	503.787.926	833.185.402
1.1.1	Cash and Balances with Central Bank	(1)	211.213.594	462.806.984	674.020.578	171.925.888	436.901.293	608.827.181
1.1.2	Banks	(4)	5.477.182	69.114.126	74.591.308	3.485.889	66.805.198	70.291.087
1.1.3	Money Market Receivables		5.051.466	103.623	5.155.089	154.012.312	128.907	154.141.219
1.1.4	Expected Loss Provision (-)		4.685	54.397	59.082	26.613	47.472	74.085
1.2	Financial Assets at Fair Value Through Profit or Loss	(2)	11.046.623	73.146.577	84.193.200	11.141.584	60.574.328	71.715.912
1.2.1	Government Debt Securities		364.168	70.085.866	70.450.034	363.039	57.997.920	58.360.959
1.2.2	Equity Instruments		155.144	-	155.144	192.889	-	192.889
1.2.3	Other Financial Assets		10.527.311	3.060.711	13.588.022	10.585.656	2.576.408	13.162.064
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(5), (6)	304.180.222	370.267.812	674.448.034	271.733.553	335.796.917	607.530.470
1.3.1	Government Debt Securities		301.438.534	367.906.510	669.345.044	269.304.112	333.645.990	602.950.102
1.3.2	Equity Instruments		2.711.430	146.524	2.857.954	2.414.003	132.776	2.546.779
1.3.3	Other Financial Assets		30.258	2.214.778	2.245.036	15.438	2.018.151	2.033.589
1.4	Derivative Financial Assets	(3)	5.937.961	4.463.233	10.401.194	4.989.337	5.459.294	10.448.631
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss		5.937.961	4.463.233	10.401.194	4.989.337	5.459.294	10.448.631
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		1.913.420.111	906.906.447	2.820.326.558	1.799.668.643	762.352.710	2.562.021.353
2.1	Loans	(7)	1.621.766.739	853.553.638	2.475.320.377	1.527.245.221	710.452.570	2.237.697.791
2.2	Lease Receivables	(12)	41.649.887	11.565.552	53.215.439	41.601.878	11.057.218	52.659.096
2.3	Factoring Receivables		-	-	-	-	-	-
2.4	Other Financial Assets Measured at Amortized Cost	(8)	289.892.239	85.171.678	375.063.917	270.091.948	78.573.998	348.665.946
2.4.1	Government Debt Securities		286.727.990	83.917.587	370.645.577	266.941.796	77.601.923	344.543.719
2.4.2	Other Financial Assets		3.164.249	1.254.091	4.418.340	3.150.152	972.075	4.122.227
2.5	Expected Credit Loss (-)		39.888.754	43.384.421	83.273.175	39.270.404	37.731.076	77.001.480
III.	NON-CURRENT ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "HELD FROM DISCONTINUED OPERATIONS (Net)	(15)	6.290.739	769.472	7.060.211	6.214.015	756.812	6.970.827
3.1	Held for Sale Purpose		6.290.739	769.472	7.060.211	6.214.015	756.812	6.970.827
3.2	Held from Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		5.315.611	1.654.417	6.970.028	4.941.049	1.596.863	6.537.912
4.1	Investments in Associates (Net)	(9)	1.245.041	5.096	1.250.137	1.290.984	4.661	1.295.645
4.1.1	Associates Valued Based on Equity Method		456.012	-	456.012	452.059	-	452.059
4.1.2	Unconsolidated Associates		789.029	5.096	794.125	838.925	4.661	843.586
4.2	Subsidiaries (Net)	(10)	4.070.570	38.957	4.109.527	3.650.065	34.983	3.685.048
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		4.070.570	38.957	4.109.527	3.650.065	34.983	3.685.048
4.3	Entities under Common Control (Joint Ventures) (Net)	(11)	-	1.610.364	1.610.364	-	1.557.219	1.557.219
4.3.1	Joint Ventures Valued Based on Equity Method		-	1.610.364	1.610.364	-	1.557.219	1.557.219
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	PROPERTY AND EQUIPMENT (Net)		73.995.013	3.985.705	77.980.718	57.127.247	3.657.238	60.784.485
VI.	INTANGIBLE ASSETS (Net)		5.350.481	409.610	5.760.091	4.371.535	385.962	4.757.497
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		5.350.481	409.610	5.760.091	4.371.535	385.962	4.757.497
VII.	INVESTMENT PROPERTY (Net)	(14)	1.438.400	-	1.438.400	1.434.220	-	1,434,220
VIII.	CURRENT TAX ASSET		11.988	24.685	36.673	50.656	16.397	67.053
IX.	DEFERRED TAX ASSET	(19)	36.206.448	65.397	36.271.845	33.463.189	4.369	33,467,558
X.	OTHER ASSETS (Net)	(20)	62.644.809	6.163.594	68.808.403	48.484.102	7.024.620	55,508,722
TOTAL ASSETS			2,647,575,963	1,899,827,285	4,547,403,248	2,573,016,606	1,681,413,436	4,254,430,042

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 31 MARCH 2024

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

II- CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note (Section Five II)	Current Period 31 March 2024			Prior Period 31 December 2023		
			TL	FC	Total	TL	FC	Total
I.	DEPOSITS	(1)	1,835,080.294	1,520,435.855	3,355,516.149	1,907,061.388	1,392,762.459	3,299,823.847
II.	FUNDS BORROWED	(3)	2,020.448	264,226.928	266,247.376	7,420.298	203,100.767	210,521.065
III.	MONEY MARKETS BORROWINGS	(4)	65,767.815	95,135.255	160,903.070	5,469.316	88,831.593	94,300.909
IV.	SECURITIES ISSUED (Net)	(5)	6,152.291	122,680.150	128,832.441	5,456.221	61,111.533	66,567.754
4.1	Bills		-	47,622.715	47,622.715	995.040	7,518.533	8,513.573
4.2	Asset Backed Securities		6,152.291	16,683.618	22,835.909	4,461.181	14,918.648	19,379.829
4.3	Bonds		-	58,373.817	58,373.817	-	38,674.352	38,674.352
V.	FUNDS		34,646	-	34,646	24,055	-	24,055
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		34,646	-	34,646	24,055	-	24,055
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(2)	2,687.081	5,625.931	8,313.012	784.425	2,885.647	3,670.072
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		2,687.081	5,625.931	8,313.012	784.425	2,885.647	3,670.072
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	FACTORING LIABILITIES		-	-	-	-	-	-
IX.	LEASE LIABILITIES (Net)	(7)	5,303.254	230.361	5,533.615	4,569.589	217.529	4,787.118
X.	PROVISIONS	(9)	29,450.458	5,769.417	35,219.875	32,939.301	5,534.146	38,473.447
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		7,186.584	40.696	7,227.280	6,204.725	31.460	6,236.185
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		22,263.874	5,728.721	27,992.595	26,734.576	5,502.686	32,237.262
XI.	CURRENT TAX LIABILITY	(10)	18,989.804	111.765	19,101.569	12,091.518	196.547	12,288.065
XII.	DEFERRED TAX LIABILITY	(10)	27.877	15.187	43.064	2.621	13.786	16.407
XIII.	LIABILITIES RELATED TO NON-CURRENT ASSETS “HELD FOR SALE” AND “HELD FROM DISCONTINUED OPERATIONS” (Net)	(11)	-	-	-	-	-	-
13.1	Held for Sale Purpose		-	-	-	-	-	-
13.2	Held from Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS	(12)	30,325	55,390.949	55,421.274	-	51,072.217	51,072.217
14.1	Loans		30,325	4,806.488	4,836.813	-	4,451.686	4,451.686
14.2	Other Debt Instruments		-	50,584.461	50,584.461	-	46,620.531	46,620.531
XV.	OTHER LIABILITIES	(6)	92,200.409	29,269.892	121,470.301	73,968.538	35,930.457	109,898.995
XVI.	SHAREHOLDERS' EQUITY	(13)	401,284.455	(10,517.599)	390,766.856	370,017.687	(7,031.596)	362,986.091
16.1	Paid-in capital		84,600.000	-	84,600.000	84,600.000	-	84,600.000
16.2	Capital Reserves		-	-	-	-	-	-
16.2.1	Share Premium		-	-	-	-	-	-
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		-	-	-	-	-	-
16.3	Accumulated Other Comprehensive Income or Expense Not Reclassified Through Profit or Loss		48,289.730	603.995	48,893.725	39,302.938	506.768	39,809.706
16.4	Accumulated Other Comprehensive Income or Expense Reclassified Through Profit or Loss		23,824.127	(16,776.711)	7,047.416	22,303.724	(12,807.126)	9,496.598
16.5	Profit Reserves		115,559.770	5,655.117	121,214.887	115,390.234	5,268.762	120,658.996
16.5.1	Legal Reserves		8,291.198	420.913	8,712.111	8,291.198	215.719	8,506.917
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		106,985.581	124.322	107,109.903	106,849.547	116.184	106,965.731
16.5.4	Other Profit Reserves		282.991	5,109.882	5,392.873	249.489	4,936.859	5,186.348
16.6	Profit or (Loss)		122,064.542	-	122,064.542	101,536.877	-	101,536.877
16.6.1	Prior Periods' Profit or (Loss)		101,799.611	-	101,799.611	2,192.570	-	2,192.570
16.6.2	Current Period Profit or (Loss)		20,264.931	-	20,264.931	99,344.307	-	99,344.307
16.7	Minority Interest		6,946.286	-	6,946.286	6,883.914	-	6,883.914
TOTAL LIABILITIES			2,459,029.157	2,088,374.091	4,547,403.248	2,419,804.957	1,834,625.085	4,254,430.042

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AS OF 31 MARCH 2024

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

III. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS	Note (Section Five III)	Current Period 31 March 2024			Prior Period 31 December 2023		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)		1.599.310.504	2.013.700.188	3.613.010.692	1.198.625.252	1.678.825.121	2.877.450.373
I. GUARANTEES AND WARRANTIES	(1)	400.507.370	573.723.066	974.230.436	336.979.643	530.264.192	867.243.835
1.1 Letters of Guarantee		337.098.131	439.176.228	776.274.359	282.069.537	410.303.320	692.372.857
1.1.1 Guarantees Subject to State Tender Law		7.045.004	98.203.570	105.248.574	6.522.014	89.577.964	96.099.978
1.1.2 Guarantees Given for Foreign Trade Operations		249.540.115	270.614.179	520.154.294	218.804.060	261.891.995	480.696.055
1.1.3 Other Letters of Guarantee		80.513.012	70.358.479	150.871.491	56.743.463	58.833.361	115.576.824
1.2 Bank Acceptances		1.090.921	5.682.786	6.773.707	1.305.171	7.087.875	8.393.046
1.2.1 Import Letter of Acceptance		1.090.921	5.633.816	6.724.737	1.305.171	7.059.590	8.364.761
1.2.2 Other Bank Acceptances		-	48.970	48.970	-	28.285	28.285
1.3 Letters of Credit		477.957	128.394.858	128.872.815	635.033	111.634.011	112.269.044
1.3.1 Documentary Letters of Credit		477.957	127.076.508	127.554.465	635.033	111.386.311	112.021.344
1.3.2 Other Letters of Credit		-	1.318.350	1.318.350	-	247.700	247.700
1.4 Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5 Endorsements		61.805.841	396.215	62.202.056	52.950.762	362.683	53.313.445
1.5.1 Endorsements to the Central Bank of Türkiye		61.805.841	396.215	62.202.056	52.950.762	362.683	53.313.445
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7 Factoring Guarantees		-	-	-	-	-	-
1.8 Other Guarantees		9.946	72.979	82.925	10.586	876.303	886.889
1.9 Other Collaterals		24.574	-	24.574	8.554	-	8.554
II. COMMITMENTS	(1)	882.655.446	251.221.126	1.133.876.572	594.527.025	138.610.241	733.137.266
2.1 Irrevocable Commitments		882.655.446	180.090.086	1.062.745.532	594.527.025	73.269.205	667.796.230
2.1.1 Asset Purchase Commitments		89.999.719	166.535.232	256.534.951	42.836.921	61.553.228	104.390.149
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Loan Granting Commitments		114.249.458	129.137	114.378.595	98.853.463	171.994	99.025.457
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheques Payments		32.598.724	536	32.599.260	20.924.030	436	20.924.466
2.1.8 Tax and Fund Liabilities from Export Commitments		392.621	-	392.621	296.293	-	296.293
2.1.9 Commitments for Credit Card Limits		594.708.455	247.544	594.955.999	392.965.041	207.161	393.172.202
2.1.10 Commitments for Credit Cards and Banking Services Promotions		355.000	-	355.000	260.816	-	260.816
2.1.11 Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12 Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		50.351.469	13.177.637	63.529.106	38.390.461	11.336.386	49.726.847
2.2 Revocable Commitments		-	71.131.040	71.131.040	-	65.341.036	65.341.036
2.2.1 Revocable Loan Granting Commitments		-	4.338.043	4.338.043	-	3.797.670	3.797.670
2.2.2 Other Revocable Commitments		-	66.792.997	66.792.997	-	61.543.366	61.543.366
III. DERIVATIVE FINANCIAL INSTRUMENTS		316.147.688	1.188.755.996	1.504.903.684	267.118.584	1.009.950.688	1.277.069.272
3.1 Hedging Derivative Financial Instruments		-	-	-	-	-	-
3.1.1 Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2 Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3 Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2 Trading Derivative Financial Instruments		316.147.688	1.188.755.996	1.504.903.684	267.118.584	1.009.950.688	1.277.069.272
3.2.1 Forward Foreign Currency Buy/Sell Transactions		9.610.531	23.445.894	33.056.425	18.011.147	22.843.608	40.854.755
3.2.1.1 Forward Foreign Currency Transactions-Buy		4.903.288	11.653.206	16.556.494	9.050.559	11.401.268	20.451.827
3.2.1.2 Forward Foreign Currency Transactions-Sell		4.707.243	11.792.688	16.499.931	8.960.588	11.442.340	20.402.928
3.2.2 Swap Transactions Related to Foreign Currency and Interest Rates		306.537.157	1.159.165.252	1.465.702.409	249.107.437	975.837.382	1.224.944.819
3.2.2.1 Foreign Currency Swap-Buy		18.865.435	638.695.557	657.560.992	14.878.180	528.892.444	543.770.624
3.2.2.2 Foreign Currency Swap-Sell		287.531.722	375.403.851	662.935.573	234.079.257	312.066.718	546.145.975
3.2.2.3 Interest Rate Swap-Buy		70.000	72.532.922	72.602.922	75.000	67.439.110	67.514.110
3.2.2.4 Interest Rate Swap-Sell		70.000	72.532.922	72.602.922	75.000	67.439.110	67.514.110
3.2.3 Foreign Currency, Interest rate and Securities Options		-	6.144.850	6.144.850	-	11.269.698	11.269.698
3.2.3.1 Foreign Currency Options-Buy		-	3.019.447	3.019.447	-	5.634.848	5.634.848
3.2.3.2 Foreign Currency Options-Sell		-	3.125.403	3.125.403	-	5.634.850	5.634.850
3.2.3.3 Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4 Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5 Securities Options-Buy		-	-	-	-	-	-
3.2.3.6 Securities Options-Sell		-	-	-	-	-	-
3.2.4 Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1 Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2 Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5 Interest Rate Futures		-	-	-	-	-	-
3.2.5.1 Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2 Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		6.903.965.861	2.137.709.164	9.041.675.025	6.026.119.258	1.812.644.986	7.838.764.244
IV. ITEMS HELD IN CUSTODY		886.853.836	411.408.271	1.298.262.107	723.419.663	343.174.704	1.066.594.367
4.1 Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2 Investment Securities Held in Custody		21.515.686	162.823.617	184.339.303	19.483.334	145.053.703	164.537.037
4.3 Cheques Received for Collection		137.368.726	4.614.073	141.982.799	114.910.279	3.726.744	118.637.023
4.4 Commercial Notes Received for Collection		72.905.256	4.449.497	77.354.753	62.726.797	3.969.230	66.696.027
4.5 Other Assets Received for Collection		8.816	-	8.816	8.816	-	8.816
4.6 Assets Received for Public Offering		405.809.172	61.370.620	467.179.792	356.075.512	42.469.593	398.545.105
4.7 Other Items Under Custody		249.244.531	154.603.675	403.848.206	170.213.276	130.202.937	300.416.213
4.8 Custodians		1.649	23.546.789	23.548.438	1.649	17.752.497	17.754.146
V. PLEDGES RECEIVED		6.012.506.972	1.704.159.419	7.716.666.391	5.298.139.275	1.449.471.897	6.747.611.172
5.1 Marketable Securities		5.986.739	6.152.623	12.139.362	5.827.171	5.666.160	11.493.331
5.2 Guarantee Notes		62.684.655	41.340.082	104.024.737	69.033.463	41.434.461	110.467.924
5.3 Commodity		36.308.730	15.368.172	51.676.902	29.537.469	11.402.155	40.939.624
5.4 Warranty		-	-	-	-	-	-
5.5 Immovable		5.170.635.044	1.163.355.304	6.333.990.348	4.486.668.950	956.982.243	5.443.651.193
5.6 Other Pledged Items		736.886.595	477.826.723	1.214.713.318	707.067.013	433.880.113	1.140.947.126
5.7 Pledged Items-Depository		5.209	116.515	121.724	5.209	106.765	111.974
VI. ACCEPTED BILL, GUARANTEES AND WARRANTIES		4.605.053	22.141.474	26.746.527	4.560.320	19.998.385	24.558.705
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		8.503.276.365	4.151.409.352	12.654.685.717	7.224.744.510	3.491.470.107	10.716.214.617

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF 31 MARCH 2024

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

IV- CONSOLIDATED STATEMENT OF PROFIT OR LOSS INCOME AND EXPENSE ITEMS		Note (Section Five IV)	Current Period 1 January- 31 March 2024	Prior Period 1 January 31 March 2023
I.	INTEREST INCOME	(1)	200.088.251	65.969.809
1.1	Interest on Loans		139.678.865	44.121.881
1.2	Interest on Reserve Requirements		4.093.780	3.119
1.3	Interest on Banks		1.714.685	1.597.993
1.4	Interest on Money Market Transactions		2.941.554	14.777
1.5	Interest on Marketable Securities Portfolio		46.863.699	18.900.605
1.5.1	Fair Value Through Profit or Loss		387.064	197.413
1.5.2	Fair Value through Other Comprehensive Income		28.610.467	12.235.911
1.5.3	Measured at Amortized Cost		17.866.168	6.467.281
1.6	Financial Lease Interest Income		3.719.343	805.992
1.7	Other Interest Income		1.076.325	525.442
II.	INTEREST EXPENSE (-)	(2)	170.378.138	43.983.795
2.1	Interest on Deposits		157.183.533	35.194.555
2.2	Interest on Funds Borrowed		5.431.793	1.735.760
2.3	Interest Expense on Money Market Transactions		4.117.846	1.835.446
2.4	Interest on Securities Issued		2.886.327	1.178.832
2.5	Interest on Leases		409.399	81.251
2.6	Other Interest Expenses		349.240	3.957.951
III.	NET INTEREST INCOME (I - II)		29.710.113	21.986.014
IV.	NET FEES AND COMMISSIONS INCOME		17.002.033	6.137.129
4.1	Fees and Commissions Received		26.034.932	7.622.692
4.1.1	Non-cash Loans		2.088.761	1.070.890
4.1.2	Other		23.946.171	6.551.802
4.2	Fees and Commissions Paid (-)		9.032.899	1.485.563
4.2.1	Non-cash Loans		387	287
4.2.2	Other		9.032.512	1.485.276
V.	DIVIDEND INCOME		917	-
VI.	TRADING PROFIT/(LOSS) (Net)	(3)	(7.149.240)	158.939
6.1	Trading Gains/(Losses) on Securities		2.332.084	(548.626)
6.2	Gains / (Losses) on Derivative Financial Transactions		(19.520.937)	(2.079.754)
6.3	Foreign Exchange Gains/(Losses)		10.039.613	2.787.319
VII.	OTHER OPERATING INCOME	(4)	13.373.197	22.583.546
VIII.	GROSS OPERATING PROFIT (III+IV+V+VI+VII)		52.937.020	50.865.628
IX.	EXPECTED CREDIT LOSS (-)	(5)	7.198.956	3.529.045
X.	OTHER PROVISION EXPENSES (-)	(5)	365.997	194.542
XI.	PERSONNEL EXPENSE (-)		9.448.602	5.838.781
XII.	OTHER OPERATING EXPENSES (-)	(6)	14.674.497	31.471.519
XIII.	NET OPERATING PROFIT/(LOSS) (VIII-IX-X-XI-XII)		21.248.968	9.831.741
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XV.	PROFIT/LOSS FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		64.841	42.112
XVI.	PROFIT/(LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)	(7)	21.313.809	9.873.853
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(8)	(1.004.157)	(1.433.638)
18.1	Current Tax Provision		(6.139.827)	(172.503)
18.2	Deferred Tax Expense Effect (+)		(962.913)	(5.880.606)
18.3	Deferred Tax Income Effect (-)		6.098.583	4.619.471
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(9)	20.309.652	8.440.215
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from Non-Current Assets Held for Sale		-	-
20.2	Income from Sales of Associates, Subsidiaries and Entities under Common Control (Joint Ventures)		-	-
20.3	Income from Other Discontinued Operations		-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses on Non-Current Assets Held for Sale		-	-
21.2	Expense from Sales of Associates, Subsidiaries and Entities under Common Control (Joint Ventures)		-	-
21.3	Expenses for Other Discontinued Operations		-	-
XXII.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Current Tax Provision		-	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		-	-
XXIV.	CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV.	NET PROFIT /(LOSS) (XIX+XXIV)	(10)	20.309.652	8.440.215
25.1	Profit/(Loss) from the Group		20.264.931	8.435.614
25.2	Profit/(Loss) from Minority Interest		44.721	4.601
	Earnings/(Loss) per share (in TL full)		0,240	0,234

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 31 MARCH 2024

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

V. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		Current Period 1 January - 31 March 2024	Prior Period 1 January- 31 March 2023
I.	PROFIT (LOSS)	20.309.652	8.440.215
II.	OTHER COMPREHENSIVE INCOME	6.634.837	5.592.845
2.1	Other Comprehensive Income That will not Be Reclassified to Profit or Loss	9.084.019	(240.005)
2.1.1	Gains (Losses) on Revaluation of Property, Plant and Equipment	14.005.528	220.009
2.1.2	Gains (Losses) on revaluation of Intangible Assets	-	-
2.1.3	Gains (Losses) on remeasurements of defined benefit plans	-	1.191
2.1.4	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit or Loss	(752.226)	(125.366)
2.1.5	Taxes Relating to Components of Other Comprehensive Income That Will Not Be Reclassified to Profit or Loss	(4.169.283)	(335.839)
2.2	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(2.449.182)	5.832.850
2.2.1	Exchange Differences on Translation	878.068	229.623
2.2.2	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(5.891.953)	7.105.736
2.2.3	Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	799.009	274.115
2.2.5	Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	-	-
2.2.6	Taxes Relating to Components of Other Comprehensive Income That Will Be Reclassified to Profit or Loss	1.765.694	(1.776.624)
III.	TOTAL COMPREHENSIVE INCOME (I+II)	26.944.489	14.033.060

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 31 MARCH 2024

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

VI - CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Net Profit/(loss)	Current Period Net Profit/(loss)	Shareholders' Equity Before Minority Interest	Minority Interest	Total Equity
					1	2	3	4	5	6						
Current Period 31 March 2024																
I. Prior Period End Balance	84.600.000	-	-	-	35.897.420	(1.475.432)	5.387.718	9.185.755	(7.705.909)	8.016.752	120.658.996	101.536.877	-	356.102.177	6.883.914	362.986.091
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I+II)	84.600.000	-	-	-	35.897.420	(1.475.432)	5.387.718	9.185.755	(7.705.909)	8.016.752	120.658.996	101.536.877	-	356.102.177	6.883.914	362.986.091
IV. Total Comprehensive Income (Loss)	-	-	-	-	9.836.245	(752.226)	878.068	(4.126.259)	799.009	-	-	20.264.931	-	26.899.768	44.721	26.944.489
V. Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase Through Internal Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated debt instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase/(Decrease) Through Other Changes	-	-	-	-	-	-	-	-	-	-	555.891	262.734	-	818.625	17.651	836.276
XI. Profit distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.1 Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period (III+IV+X+XI)	84.600.000	-	-	-	45.733.665	(1.475.432)	4.635.492	10.063.823	(11.832.168)	8.815.761	121.214.887	101.799.611	20.264.931	383.820.570	6.946.286	390.766.856

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve

2. Accumulated Gains / Losses on Remeasurements of Defined Benefit Plans

3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Not Reclassified Through Profit or Loss Differences on Translation)

4. Exchange Differences on Translation

5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets at fair value through other comprehensive income

6. Other (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Reclassified Through Profit or Loss)

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 31 MARCH 2023

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

VI. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Net Profit/(loss)	Current Period Net Profit/(loss)	Shareholders' Equity Before Minority Interest	Minority Interest	Total Equity
					1	2	3	4	5	6						
					Prior Period 31 March 2023											
I. Prior Period End Balance	34.900.000	-	-	-	24.730.136	(2.852.002)	2.119.796	5.623.376	19.938.833	3.792.404	74.732.663	47.416.520	-	210.401.726	3.680.024	214.081.750
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I+II)	34.900.000	-	-	-	24.730.136	(2.852.002)	2.119.796	5.623.376	19.938.833	3.792.404	74.732.663	47.416.520	-	210.401.726	3.680.024	214.081.750
IV. Total Comprehensive Income (Loss)	-	-	-	-	(140.605)	893	(100.293)	229.623	5.329.112	274.115	-	-	8.435.614	14.028.459	4.601	14.033.060
V. Capital Increase in Cash	49.700.000	-	-	-	-	-	-	-	-	-	-	-	-	49.700.000	-	49.700.000
VI. Capital Increase Through Internal Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated debt instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase/(Decrease) Through Other Changes	-	-	-	-	130	-	457	-	-	-	131.225	(179.980)	-	(48.168)	5.354	(42.814)
XI. Profit distribution	-	-	-	-	-	-	-	-	-	-	(51.614)	51.614	-	-	-	-
11.1 Dividends paid	-	-	-	-	-	-	-	-	-	-	(51.614)	51.614	-	-	-	-
11.2 Transfers to reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period (III+IV+.....+X+XI)	84.600.000	-	-	-	24.589.661	(2.851.109)	2.019.960	5.852.999	25.267.945	4.066.519	74.812.274	47.288.154	8.435.614	274.082.017	3.689.979	277.771.996

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve
2. Accumulated Gains / Losses on Remeasurements of Defined Benefit Plans
3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Not Reclassified Through Profit or Loss Differences on Translation)
4. Exchange Differences on Translation
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets at fair value through other comprehensive income
6. Other (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Reclassified Through Profit or Loss)

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 31 MARCH 2024

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

VII. CONSOLIDATED STATEMENT OF CASH FLOWS	Note	Current Period 1 January- 31 March 2024	Prior Period 1 January- 31 March 2023
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit Before Changes in Operating Assets and Liabilities		9.564.710	15.961.350
1.1.1 Interest Received		181.016.030	62.225.415
1.1.2 Interest Paid		(142.767.782)	(43.618.694)
1.1.3 Dividend Received		917	-
1.1.4 Fees and Commissions Received		28.315.877	12.332.078
1.1.5 Other Income		6.625.713	1.599.434
1.1.6 Collections from Previously Written-off Loans and Other Receivables		2.108.836	1.118.730
1.1.7 Cash Payments to Personnel and Service Suppliers		(10.615.591)	(6.323.242)
1.1.8 Taxes Paid		(1.275.573)	(209.715)
1.1.9 Other		(53.843.717)	(11.162.656)
1.2 Changes in Operating Assets and Liabilities		(227.979.064)	23.378.896
1.2.1 Net (Increase) / Decrease in Financial Assets at Fair Value Through Profit or Loss		(12.035.743)	(8.181.533)
1.2.2 Net (Increase) / Decrease in Due from Banks and Other Financial Institutions		(103.395.245)	(1.679.998)
1.2.3 Net (Increase) / Decrease in Loans		(203.152.658)	(180.213.991)
1.2.4 Net (Increase) / Decrease in Other Assets		(13.249.764)	(27.875.956)
1.2.5 Net Increase / (Decrease) in Bank Deposits		5.494.010	1.233.229
1.2.6 Net Increase / (Decrease) in Other Deposits		(20.587.895)	165.678.363
1.2.7 Net Increase / (Decrease) in Financial Liabilities at Fair Value Through Profit or Loss		-	-
1.2.8 Net Increase / (Decrease) in Funds Borrowed		38.625.414	(8.956.961)
1.2.9 Net Increase / (Decrease) in Payables		-	-
1.2.10 Net Increase / (Decrease) in Other Liabilities		80.322.817	83.375.743
I. Net Cash Provided from Banking Operation		(218.414.354)	39.340.246
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided from Investing Activities		(60.826.136)	(108.973.941)
2.1 Cash Paid for Acquisition of Investments, Associates, Subsidiaries and Entities under Common Control (Joint Venture)		(22.500)	(119.285)
2.2 Cash Obtained from Disposal of Investments, Associates, Subsidiaries and Entities under Common Control (Joint Venture)		-	-
2.3 Purchases of Property and Equipment		(3.032.803)	(2.124.805)
2.4 Disposals of Property and Equipment		189.498	25.735
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(92.249.713)	(42.140.886)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		41.806.276	23.487.870
2.7 Purchase of Financial Assets Measured at Amortized Cost		(9.132.951)	(90.528.145)
2.8 Sale of Financial Assets Measured at Amortized Cost		1.616.057	2.425.575
2.9 Other		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Provided from Financing Activities		60.436.549	58.703.376
3.1 Cash Obtained from Funds Borrowed and Securities Issued		67.486.105	15.763.090
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(6.510.765)	(6.584.296)
3.3 Issued Equity Instruments		-	49.700.000
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		(538.791)	(175.418)
3.6 Other		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		14.659.253	2.332.674
V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)		(204.144.688)	(8.597.645)
VI. Cash and Cash Equivalents at Beginning of the Period		491.845.595	229.305.437
VII. Cash and Cash Equivalents at End of the Period		287.700.907	220.707.792

The accompanying explanations and notes form an integral part of these financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. BASIS OF PRESENTATION

The consolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” (“Regulation”) related with Banking Law numbered 5411 published in the Official Gazette No. 26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency (“BRSA”) and circulars and interpretations published by BRSA (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards 34 (“TAS 34”) Interim Financial Reporting Standard and Turkish Financial Reporting Standards (“TFRS”) and (referred as “Turkish Accounting and Financial Reporting Regulations” or “Reporting Standards”) put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”).

The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements”, published in the Official Gazette No. 28337, dated 28 June 2012 and the “Communiqué on Public Disclosures on Risk Management by Banks”, published in the Official Gazette No. 29511, dated 23 October 2015 and amendments to these Communiqué. The Parent Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

Financial statements of subsidiaries in abroad are prepared in accordance with prevalent law and legislation in their country, adjustments and reclassifications are reflected on the purpose of fair presentation pursuant to Reporting Standards.

The consolidated financial statements have been prepared under the historical cost convention, except for the financial assets and liabilities carried at fair value.

The preparation of financial statements requires the use of certain critical estimates on assets and liabilities reported as of balance sheet date or amount of contingent assets and liabilities explained and amount of income and expenses occurred in related period. Although these estimates rely on the management’s best judgment, actual results can vary from these estimates. Judgements and estimates are explained in related notes.

Unless otherwise specified, all balances in the financial statements and related disclosures are expressed in Thousand Turkish Lira (“TL”).

The Parent Bank reflected the estimates and judgments into the calculation of expected credit losses with the maximum effort and the best estimation method. The Parent Bank has revised its macroeconomic expectations and has reflected to the financial statement as of 31 March 2024, by taking into account the change in probability of default and loss given default.

In this context, the Parent Bank has measured the impact of its macroeconomic expectations on NPL receivables in different scenarios. In the NPL conversion rate, it has taken into consideration in the calculation by reflecting the coefficient, which is considered to reflect the current situation, to the loan parameters.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

I. BASIS OF PRESENTATION (Continued)

On 23 November 2023, POA announced that, entities reporting under the TFRS should begin implementing "TAS - 29 Financial Reporting in Hyperinflationary Economies" standard in their financial statements, from periods ending on and after 31 December 2023. Besides, regulatory and auditing bodies that are authorized in their respective areas have flexibility to determine alternative transition dates for the application of TAS - 29. Within the scope of the decision dated 12 December 2023 and numbered 10744 by the BRSA, banks, financial leasing, factoring, financing, savings financing, and asset management companies are not subject to inflation adjustments required under TAS-29 in their financial statements as of 31 December 2023. Based on the decision Numbered 10825 dated 11 January 2024, inflation accounting will be implemented starting from 1 January 2025. Therefore, in the financial statements dated 31 March 2024, TAS 29 was not applied, and no inflation adjustments were made.

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

Main activity of the Group comprises of banking services, such as; launching all kinds of cash and non-cash loans denominated in Turkish Lira and foreign currencies, performing transactions in local, international money and capital markets, supporting agricultural sector financially and collecting deposits denominated in Turkish Lira and foreign currencies. The Parent Bank’s main funding sources are deposits, repurchase agreements, issued securities and shareholders’ equity. The Parent Bank directs these funds to assets with high return and low risk that include predominantly domestic government bonds and loans. The Parent Bank’s liquidity structure is considered the financing of all liabilities at due date. Although most of the sources in the Parent Bank’s balance sheet are with fixed interest rate, some of the securities in assets’ return have floating interest rate. Since the remaining time to re-pricing date of sources is short, cost of sources is repriced in short periods based on the market conditions. Moreover, the Parent Bank adopts higher return principle for its long-term placements.

Loans and securities are instruments from which the Parent Bank gets returns above the average returns within its activity. Letter of guarantees, bank loans, commercial letter of credits, commitments for cheque payments and commitments for credit card limits are the most important risk areas within the off-balance sheet accounts.

Since the Parent Bank’s total debt to the market is low among its total liabilities, the Parent Bank can borrow easily from short-term markets, such as Borsa Istanbul (“BIST”), Central Bank of the Republic of Türkiye, Money Market or Interbank Money Market in case of need. In case of a liquidity crisis, the deposit base of the Parent Bank is not presumed to be significantly affected from liquidity risk since the Parent Bank is a public bank with an extensive branch network.

The cost of foreign currency resources and the return on assets are closely monitored. Deposit interest rates are adjusted in line with market rates to maintain a positive profit margin.

Foreign currency operations are valued by Bank’s prevailing counter currency buying rate at transaction date and reflected to records. At period ends, foreign currency asset and liability balances are valued at the Bank’s period end counter currency buying rates and converted to Turkish currency and the resulting exchange differences are recognized as a “foreign exchange profit or loss”.

For the exchange risk arising from foreign currency conversion of Ziraat Bank International AG, Ziraat Bank BH dd and Ziraat Bank Montenegro AD, the Bank’s subsidiaries to which capital was paid in Euro amounts, Euro deposits are used for hedging purposes. Information on fair value hedge accounting applied in order to hedge the said total capital amount of EUR 346.853 thousand (31 December 2023: EUR 346.853 thousand), which is associated with this purpose, from exchange rate risk effects arising from changes in investment in business abroad, is presented in Section Four, article no VIII.

Assets and liabilities of the overseas branches of the Parent Bank are converted into Turkish Lira with the Parent Bank’s prevailing counter currency buying rates at the balance sheet date.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

III. INFORMATION ON CONSOLIDATED SUBSIDIARIES

1. Consolidation Principles Applied

The consolidated financial statements have been prepared in accordance with the procedures listed in the “Communiqués related to the Regulation on the Preparation of the Consolidated Financial Statements of Banks” published in the Official Gazette No. 26340 dated 8 November 2006 and the “Consolidated Financial Statements” (“TFRS 10”).

1.1. Consolidation Principles for Subsidiaries

Subsidiaries are all entities in which the Group has the power to control financial and operational policies for the benefit of the Parent Bank (a) directly and indirectly, with the authority to exercise more than 50% of the voting rights pertaining to shares in the owned companies; or (b) not having the power to exercise more than 50% of the rights of use, otherwise having control over financial and business policies.

Control is evident when the Parent Bank owns, either directly or indirectly, the majority of the share capital of the company or owns the privileged shares or owns the right of controlling the operations of the company in accordance with the agreements made with other shareholders or owns the right of appointment or the designation of the majority of the board of directors of the company.

Subsidiaries are consolidated with full consolidation method, considering the size of their assets and equity within the scope of their activities and the materiality principle. Subsidiaries are included in the scope of consolidation since the control of their activities is transferred to the group and are excluded from the scope of consolidation from the date the control disappears. Where necessary, the accounting policies of the subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

According to the full consolidation method, 100% of the balance sheet, profit or loss statement and off-balance sheet items of the subsidiaries are consolidated with the balance sheet, profit or loss statement and off-balance sheet items of the Parent Bank. The carrying amount of the Group's investments in each subsidiary is netted off with the portion of the capital of each subsidiary that belongs to the Group. Unrealized gains and losses and balances arising from transactions between subsidiaries included in consolidation are eliminated. In order to determine the net income of the Group, minority interest in the net income of the consolidated subsidiaries have been determined and deducted from the net income of the subsidiary. Minority interests in the consolidated balance sheet are presented separately from the liabilities and shares of the Group shareholders. In addition, minority interests are presented separately in the profit or loss statement interest.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

III. INFORMATION ON CONSOLIDATED SUBSIDIARIES (Continued)

1. Consolidation Principles Applied (Continued)

1.1. Consolidation Principles for Subsidiaries (Continued)

The subsidiaries included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	Address (City/Country)	Main Activities	Parent Bank's Share Percentage (%)	Parent Bank's Risk Group Share Percentage (%)
Ziraat Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	Brokerage Houses	99,60	99,60
Ziraat Portföy Yönetimi A.Ş.	İstanbul/Türkiye	Portfolio Management	74,90	95,08
Ziraat Katılım Bankası A.Ş.	İstanbul/Türkiye	Banking	100,00	100,00
Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul/Türkiye	Real Estate	81,06	81,06
Ziraat Girişim Sermayesi Ortaklığı A.Ş.	İstanbul/Türkiye	Venture Capital	100,00	100,00
Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş.	İstanbul/Türkiye	Payment Services	100,00	100,00
Ziraat Dinamik Banka A.Ş.	İstanbul/Türkiye	Banking	100,00	100,00
Ziraat Bank International AG	Frankfurt/Almanya	Banking	100,00	100,00
Ziraat Bank BH d.d.	Saraybosna/Bosna Hersek	Banking	100,00	100,00
Ziraat Bank (Moscow) JSC	Moscow/Russia	Banking	99,91	100,00
Kazakhstan Ziraat Int. Bank	Almaty/Kazakhstan	Banking	99,92	99,92
Ziraat Bank Azerbaijan ASC	Baku/Azerbaijan	Banking	99,98	100,00
Ziraat Bank Montenegro AD	Podgorica/Montenegro	Banking	100,00	100,00
JSC Ziraat Bank Georgia	Tbilisi/Georgia	Banking	100,00	100,00
Ziraat Bank Uzbekistan JSC	Tashkent/Uzbekistan	Banking	100,00	100,00

1.2. Consolidation Principles of Associates and Entities under common control

An associate is a partnership with which the Parent Bank participates in its capital and has significant effect on it although it has no capital or management control, whose main operation is banking, and which operates according to special legislation with permission and license and is established abroad. The related associate is consolidated with equity method in accordance with materiality principle. Significant effect refers to the participation power on the constitution of the financial and management policies of the participated associate. If the Parent Bank has 10% or more voting right on the associate, as long as it is not proved otherwise, it will be accepted that the Parent Bank has significant effect on that associate. Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in an associate from the changed amount in the associate participating shareholder's equity during the period by the portion of the participant and the deduction of the dividend from the associate from the changed value of the associate amount. The associates and joint ventures consolidated with the equity method, their title, place of incorporation, main activities, effective shareholding rates and direct and indirect shareholding rates are as follows:

Title	Address (City/Country)	Main Activities	Parent Bank's Share Percentage (%)	Group's Share Percentage (%)
Turkmen Turkish Joint Stock Commercial Bank	Ashkhabad/Turkmenistan	Banking	50,00	50,00
Arap Türk Bankası A.Ş.	İstanbul/Türkiye	Banking	15,43	15,43
Birleşim Varlık Yönetim A.Ş.	İstanbul/Türkiye	Asset Management	16,00	16,00

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

III. INFORMATION ON CONSOLIDATED SUBSIDIARIES (Continued)

1. Consolidation Principles Applied (Continued)

1.3. Principles Applied During Share Transfer, Merger and Acquisition

Acquisition of entities are accounted by the purchase method on the date of purchase when the control is being transferred to the Group. Control explains managing power of Group on entity’s financial and operational policies for the purpose of providing benefit from operations of entity. While evaluating control, executable potential voting rights are taken consideration by Group.

1.4. Transactions with Minority Shareholders

The Group considers transactions with minority shareholders as transactions within the Parent Bank. For acquisitions from minority shareholders, the difference between the acquisition cost and related portion of net assets’ booked value is deducted from equity. Profit or loss resulting from sales to minority shareholders is booked under equity.

1.5. Presentation of Unconsolidated Subsidiaries and Associates in Consolidated Financial Statements

Subsidiaries, which are not included in the scope of consolidation, are accounted for their fair values, while associates are accounted for at their cost values after netting impairment if any and are reflected in the consolidated financial statements.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS

The Group’s derivative transactions include cross currency swaps, interest rate swaps, currency and precious metal swaps, long-term financing transactions, full indemnity options and forward foreign currency buy/sell transactions. The Parent Bank has no embedded derivative instruments separated from the articles of association.

Derivative financial instruments of the Group are classified under “IFRS 9 Financial Instruments Standard” (“IFRS 9”), “Derivative Financial Assets Measured at Fair Value through Profit or Loss”.

Derivative financial instruments are initially recognized at fair value. Derivative transactions, depending on the fair value being positive or negative is shown as derivative financial assets measured at fair value through profit or/ loss or derivative financial liabilities measured at fair value through profit or/loss in the following periods of the recording. Differences in fair value as a result of the valuation are accounted for under profit/loss from derivative financial transactions and profit/loss from foreign exchange transactions in the commercial profit/loss item in the profit or loss statement.

The fair value of derivative instruments is calculated by taking into account the market values or by applying the cash flow model discounted with market rates.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts with their contractual values.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE

Interest income and expenses of the group are recognized according to the effective interest method (rate equal to the rate in calculation of present value of future cash flows of financial assets or liabilities).

Interest income from financial assets is recognized as gross carrying amount according to the effective interest rate method except for interest income from purchased or originated credit-impaired financial assets or financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. The Parent Bank has started to calculate rediscount as of 1 January 2018 for its non-performing loans. Rediscount is calculated over the net book value (Gross Book Value - Expected Credit Losses) of the non-performing loans.

If the expectations for the cash flows in the financial asset are revised for reasons other than the credit risk, the amendment is reflected in the carrying amount of the asset and in the related profit or loss statement line and is amortized over the estimated life of the financial asset.

Total of minimum rental payments including interests and principals are recorded under “financial lease receivables” as gross. The interest which is the difference between the total of rental payments and the cost of the related tangible asset is recorded under “unearned income”. When the rent payment incurs, the rent amount is deducted from “financial lease receivables”; and the interest portion is recorded as interest income in the profit or loss statement.

Profit share income is accounted for by applying the internal rate of return method. Group calculates expense accrual according to the unit value calculation method over the participation accounts.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSE

Income and expenses from banking, agency and intermediary services are recognized as income/expense and conformant with TFRS 15 Revenue from Contracts with Customers on the date they are collected.

Prepaid expense amounts are recognized as expense on an accrual basis during the service period.

Commission income from individual, corporate and commercial loans are transferred to income accounts according to periodicity principle using effective interest rate method on an accrual basis.

VII. EXPLANATIONS ON FINANCIAL ASSETS

Financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 “Recognition and Derecognition.” Financial assets are measured at fair value at initial recognition in the financial statements. They are included in the balance sheet of the Group, if the Group is a legal party to these instruments.

The Group classifies and recognizes its financial assets as “Financial Assets Measured at Fair Value Through Profit/Loss”, “Financial Assets Measured at Fair Value Through Other Comprehensive Income” or “Financial Assets Measured at Amortized Cost”. This classification is based on the contractual cash flow characteristics of the related business model used for management of the financial assets at initial recognition.

Financial assets mainly constitute the Group’s commercial activities and operations. These instruments have the ability to expose, affect and diminish the liquidity, credit, and interest rate risks in the financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)

Classification and Measurement within the Scope of TFRS 9

In accordance with TFRS 9 Financial Instruments Standard, financial assets are measured at amortized cost, fair value through other comprehensive income and fair value through profit or loss.

"Business Model Assessment" and "Contractual Cash Properties Test" are performed to determine the classification of financial assets.

Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss;

- managed by a business model other than the business model aimed at holding contractual cash flows for collection and the business model aiming at collecting and selling contractual cash flows,
- are obtained in order to profit from fluctuations in prices and similar factors in the short-term in the market, or are part of a portfolio aimed at making a profit in the short-term, regardless of the reason for the acquisition,
- the terms of the contract for the financial asset do not result in cash flows that only include principal and interest payments on the principal balance at specified dates

are financial assets.

Financial assets at the fair value through profit or loss are initially recognized at fair value. All gains and losses arising from these valuations are included in the profit/loss accounts, and the interest earned is shown in interest income.

Among the financial assets at fair value through profit or loss, Government Bonds, Lease Certificates and Treasury Bills traded in the BIST, the weighted average clearing prices formed in the BIST on the balance sheet date, and the financial assets not traded in the BIST, with the prices of the Central Bank of the Republic of Türkiye, Eurobonds Bench The transaction prices in the Upmarket and the funds in the Bank's portfolio are valued according to the fund price announced for the relevant day. Gains and losses resulting from the valuation are included in the profit/loss accounts.

Financial Assets at Fair Value Through Other Comprehensive Income

Financial assets are classified as financial assets at fair value through other comprehensive income where the business models aim to hold financial assets in order to collect the contractual cash flows and selling assets and the terms of financial asset give rise to cash flows that are solely payments of principal of interest at certain dates.

Financial assets at fair value through other comprehensive income are subsequently measured at their fair value. The interest income of financial assets at fair value through other comprehensive income that are calculated by effective interest rate method and dividend income from equity instruments are reflected in the statement of profit or loss. “Unrealized profits and losses”, the difference between the fair value of debt instruments at fair value through other comprehensive income and their amortized cost, are not reflected in the statement of profit or loss for the period until the corresponding financial asset is collected, sold, disposed of or weakened and is followed in the “Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss” account under equity. Accumulated fair value differences under equity are reflected to the income statement when such securities are collected or disposed.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)

Financial Assets at Fair Value Through Other Comprehensive Income (Continued)

Securities representing a share in the capital are recognized at fair value if they are traded in organized markets and / or their fair value can be determined reliably, and if they are not traded in organized markets, they are reflected in the financial statements with their values found using other valuation models. The valuation differences of the said securities are followed in the “Other Accumulated Comprehensive Income or Expenses Not to be Reclassified in Profit or Loss” account under equity.

Financial Assets at Measured at Amortized Cost

A financial asset is classified as a financial asset measured at amortized cost when the Parent Bank’s policy within a business model is to hold the asset to collect contractual cash flows and the terms give rise to cash flows that are solely payments of principal of interest at certain dates.

Measured at amortized cost is recognized at cost which represents its fair value at initial recognition by adding the transaction costs and subsequently measured at amortized cost by using the effective interest rate method. Interest income related to the financial asset measured at amortized cost is recognized in the statement of profit or loss.

Financial assets measured at fair value through other comprehensive income and “financial assets measured at amortized cost portfolios of the Group include Consumer Price Index (CPI) indexed bonds. Mentioned securities are valued and accounted according to the effective interest rate method which is calculated according to the real coupon rate and the reference inflation index on the issue date. The actual coupon payment amounts of these securities, purchase and sale transactions and year-end valuations are calculated by using the index announced by the treasury. Index calculations related to CPI indexed bonds are made by the method specified in Ministry of Treasury and Finance’s CPI Indexed Bonds Investor Guide.

The estimated inflation rate used during the year can be updated if necessary. In this context, as of 31 March 2024, the valuation of the assets was made according to the annual inflation forecast of 35% At the end of the year, the actual inflation rate is used. A 5% increase in the CPI estimate will increase pre-tax profit by TL 2.384 million as of 31 March 2024, while a 5% decrease will decrease it by TL 2.484 million.

Loans

Loans consist of financial assets which are created by providing money, goods or services to the debtor. Loans are initially recognized at acquisition cost presenting their fair value and thereafter measured at amortized cost using the “Effective Interest Rate Method”.

Cash loans are accounted with their original balances in the accounts specified in Uniform Chart of Accounts and Prospectus according to their type, maturity, and collateral structures. Foreign exchange loans are recognized with fixed price and revalued by the counter foreign exchange buying rate of the Bank.

The Group sets aside the expected loss provision for its loans and receivables by taking into consideration the “Regulation on the Classification of Loans and the Procedures and Principles Regarding the Provisions to be Set Aside” published in the Official Gazette dated 22 June 2016 and numbered 29750. In this context, the Parent Bank takes into consideration the general structure of the loan portfolio, the financial structure of the customers, the non-financial data, and the economic conjuncture in line with the credit risk policies and prudence principle when determining its estimates.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)

Loans (Continued)

In calculating the expected loss provision for its loans, the Group has also taken into account the possible difficulties that the uncertainties related to the earthquake disaster experienced on 6 February 2023 may cause in the cash flows or payments of the customers.

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS

Explanations on Expected Loss Provisions

The main principle of the expected credit loss model is to reflect the general outlook of deterioration or improvement in the credit quality of financial instruments. The amount of expected credit losses known as loss provision or provision varies according to the degree of increase in credit risk. There are two measurements according to the general approach:

- 12 Month Expected Loss Provision (Stage 1) applies to all assets unless there is a significant deterioration in credit quality.
- Lifetime Expected Loss Provision (Stage 2 and Stage 3) is applied when there is a significant increase in credit risk.

In addition, using expert opinion, the Bank has made provision on the model outputs for customer groups that it believed that the model did not statistically respond to credit risk factors. In accordance with TFRS 9, in the expected credit loss calculation, a certain part of commercial and corporate loans are obtained in accordance with internal policies, taking into account the threshold amounts determined for risk according to the bank's current classification policy and segment structure. The calculation is made by discounting the cash flows expected from the customer or collateral sales to their present value with the effective interest rate. The reserve will be reviewed in the following reporting periods, considering the impact of the loan portfolio, and changes in future expectations.

Impairment

The expected credit loss model includes instruments that are recorded at amortized cost or at fair value in other comprehensive income tables (such as bank deposits, loans, and securities) and, in addition, financial lease receivables that are not measured at fair value through profit or loss, credit commitments and financial guarantee contracts.

The guiding principle of the expected credit loss model is to reflect the increase in credit risk of financial instruments or the general view of the recovery. The amount of allowance for the loss depends on the extent of the increase in credit risk since the initial issuance of the loan.

Expected credit loss is an estimate of the expected credit losses over the life of a financial instrument and the following aspects are important for the measurement.

- Probability-weighted and neutral amount determined by taking into account possible outcomes,
- Time value of the money,
- Reasonable and supportable information on past events, current conditions and forecast of future economic conditions at the time of reporting.

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)

Impairment (Continued)

12 Month Expected Credit Losses (Stage 1)

These are the financial assets that do not have a significant increase in credit risk at the time of recognition or since initial recognition. For such assets, impairment for credit risk is recorded in the amount of 12-month expected credit losses. It is valid for all assets unless there is a significant deterioration in the credit quality.

The expected 12-month loss values (within 12 months after the reporting date or within a shorter period if the life of a financial instrument is shorter than 12 months) are part of the estimation of lifetime loss expectancy.

Significant Increase in Credit Risk (Stage 2)

While the expected loss provision is calculated for 1 year for loans in the 1st stage, it is calculated by taking into account the entire remaining maturity for loans in the 2nd stage.

The basic criteria for the classification of financial assets in the second stage are as follows;

- Receivables with a delay of 30 days or more
- Restructuring of the loan
- Close monitoring criteria in the Bank's Early Warning System
- Early warning note
- Significant increase in credit risk

In identifying customers with a significant increase in credit risk, the probability of default at the time of loan allocation/disbursement and the change in the probability of default produced by behavioral models as of the reporting date are taken into account. Customers whose changes exceed the determined threshold value are classified under the second group. Corporate loans are processed on a customer basis, while individual loans are processed on a product basis.

Credit-Impaired Losses (Stage 3)

Includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognized.

The Group considers the debt to be in default in the following two cases:

- **Objective Default Definition:** It means debt having past due more than 90 days. This assumption can be proved otherwise in the light of supportable information.
- **Subjective Default Definition:** It means it is considered as unlikeliness to pay. Whenever it is considered that an obligor is unlikely to pay its credit obligations, it should be considered as defaulted regardless of the existence of any past-due amount or of the number of days past due.

Collective assessment of financial instruments is based on homogeneous group assets referring to portfolio segmentation including similar credit risk and product characteristics. This section provides an overview of the risk parameter estimation methods for the expected loss calculation approach on a common basis for each stage.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024**

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)

Impairment (Continued)

Credit-Impaired Losses (Stage 3) (Continued)

Credits that differ in cash flows or have different characteristics with other credits may be subject to individual valuation instead of aggregate valuation. A credit loss can be defined as the difference between all contractual cash flows that are outstanding under the contract and the original expected Effective Interest Rate value and discounted cash flows.

When cash flows are estimated, the following situations are considered:

- All contractual terms of the financial instrument during the expected life,
- Cash flows expected to be obtained from collateral sales.

In the calculation of the expected credit loss, the basic parameters which are expressed as probability of default, loss in default and default amount are used.

Probability of Default (PD)

Probability of default refers to the likelihood that a loan will default at a certain time. In default probability models, sectorial information for the corporate portfolio and product information for the individual portfolio are taken as the basis.

Exposure at Default (EAD)

The EAD represents an estimate of the exposure to credit risk at the time of a potential default occurring during the life of a financial instrument.

Loss Given Default (LGD)

Loss given default refers to the ratio of the economic net loss resulting from the default of a loan to the default amount. In other words, it refers to the ratio of net loss due to a defaulted loan to the balance at the time of default.

Future Expectations

The using scenarios linked to macroeconomic factors, the impact of future expectations is included in the credit risk parameters used in the calculation of expected credit losses. The Parent Bank uses the macroeconomic forecasting model it has developed in the process of creating multiple scenarios to be used in expected credit loss calculations. Gross Domestic Product (GDP) and Unemployment Rate are the prominent macroeconomic variables in the estimation process, and risk parameters are updated when deemed necessary by considering their compatibility with the portfolio. In addition to macroeconomic indicators, the Parent Bank has preferred a precautionary approach by adding expert opinion while creating macroeconomic models considering economic conditions, and the numerical effects of these risks are also included in the models.

The Methodology of Behavioral Maturity Calculation

The loans in Stage 1, expected loss provision is calculated until their maturity for the ones which have less than one year to due date and for 1 year which have more than one year to due date. The loans in Stage 2, expected loss provision is calculated for lifetime (until maturity date) of the loan. In this calculation, the remaining maturity information of the loan is taken as basis for each loan. While this information is used for products with real maturity information, behavioral maturity is calculated by analyzing historical data for products with no maturity information. Expected loss provisions are calculated based on these maturities depending on the type of loan.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)

Impairment (Continued)

Write-off Policy

The amendment with respect to the regulation "Regulation on the Amendment of the Regulation on the Classification of Loans and the Procedures and Principles Regarding the Classification of Loans and Provisions for These" entered into force with its publication in the Official Gazette No.31533 on 6 July 2021. Pursuant to the regulation, the banks are enabled to write down and move off the balance sheet the portion of a loan which is classified as “Group V Loan” (Loans Classified as Loss) within the period deemed appropriate by the bank specific to the situation of the debtor, if it cannot reasonably be expected to be recovered. Since the reporting period, it can be written-off from the records under TFRS 9. The write-off is an accounting policy and does not result in the waiver of the right to receivable.

IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when the Bank has legally enforceable rights to offset the recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS

Securities sold under agreements for repurchase agreements (“Repos”) are classified as “Fair Value Through Profit or Loss”, “Fair Value Through Other Comprehensive Income” and “Financial Asset Measured at Amortized Cost” in the portfolio of the bank, according to the purposes of the Bank, and they are subject to valuation according to the portfolio which are belong. Funds obtained in return for repo agreements are accounted in "Money Markets Receivables" account and interest expense accruals for the period are calculated with the effective interest rate method.

Securities purchased with resale commitment (“Reverse Repo”) are accounted in “Money Markets Receivables” on the balance sheet and interest income accruals for the period are calculated with the effective interest rate method.

XI. INFORMATION ON NON-CURRENT ASSETS OR DISPOSAL GROUPS “HELD FOR SALE” AND RELATED TO DISCONTINUED OPERATIONS AND EXPLANATIONS ON LIABILITIES RELATED WITH THESE ASSETS

The assets acquired by the Group due to its receivables are accounted for in accordance with “TFRS 5 Turkish Financial Reporting Standard for Non-current Assets Held for Sale and Discontinued Operations” in financial statement of the Group.

The assets that meet the criteria of being classified under assets held for sale are measured at the lower of their book values or fair value less costs to be incurred for sale, and depreciation for these assets is ceased and these assets are presented separately in the balance sheet. In order for an asset to be classified as an asset held for sale, the related asset (or the asset group to be disposed) shall be ready to be sold immediately under usual conditions and should have a high possibility to be sold. In order to have a high probability of sales, a plan for the sale of the asset (or group of assets to be disposed of) must have been prepared by an appropriate management team and an active program has been initiated to identify buyers and complete the plan. Various events or circumstances may extend the completion time of the sale transaction beyond one year. Assets are continued to be classified as held for sale if there is sufficient evidence that the delay is due to events or conditions beyond the Bank's control and that the Bank's plan to sell the related asset (or disposal group) is in progress.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XI. INFORMATION ON NON-CURRENT ASSETS OR DISPOSAL GROUPS “HELD FOR SALE” AND RELATED TO DISCONTINUED OPERATIONS AND EXPLANATIONS ON LIABILITIES RELATED WITH THESE ASSETS (Continued)

The properties acquired by the Group due to receivables are shown in the line of held for sale purpose in the financial statements depending on the termination of the term sales contract.

A discontinued operation is a division of a business that is classified as disposed or held for sale. The results related to discontinuing operations are presented separately in the profit or loss statement. The Group does not have any discontinued operations.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS

As of the date of balance sheet, the Group has no goodwill in its financial statements. (31 December 2023: None).

Other intangible assets are based on their initial acquisition amounts and other direct costs required to make the asset available. Other intangible assets were revalued over their remaining amounts after deducting the accumulated depreciation and, if any, the accumulated depreciation from the cost value in the period following their recording.

Other intangible assets are amortized using the straight-line method based on their useful lives. Useful lives of other intangible assets are determined with assessments such as the expected life of the asset, technical, technological, or other types of aging and the maintenance costs required to obtain the economic benefit expected from the asset. There is no change in the depreciation method applied in the current period. Expenditures for other intangible assets are amortized with equal amounts within the lease period, and if the lease period is not certain or is more than five years, the redemption period is accepted as five years (depreciation rate 20%).

The Group recognizes its software costs incurred under the intangible assets-intangible rights account and the expenses that qualify as development are added to software’s initial costs and amortized over 3 years considering the useful lives. The Parent Bank has determined estimated useful lives of the intangible assets between 3 and 15 years and it applies depreciation rates between 33.3% to 6.7%

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT

Property and equipment are measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. As of 31 January 2014, the Parent Bank has changed its accounting policies and has decided to pursue the real estates registered in its portfolio at fair values. Valuation differences arising as a result of the valuation made by independent expertise firms for real estates are accounted under the tangible asset revaluation differences account under equity.

Property and equipment (except for immovables) are presented in the financial statements over their remaining cost after deducting accumulated depreciation from cost amounts, if any, and after deducting accumulated depreciation from their fair values. Property and equipment are depreciated over their estimated useful lives using the straight-line method. The amortization method applied in the current period has not been changed.

Estimated useful lives and amortization rates of property and equipment are below:

	Estimated Useful Lives (Year)	Amortization Rate
Buildings	50	2%
Safe-deposit boxes	50	2%
Other movable properties	3-15	33,33-6,66%
Assets held under leases	10	10%

Gains or losses emerging from the disposal of property and equipment are reflected in the profit or loss account as the difference between the net disposal revenue of tangible asset and its net book value.

Ordinary maintenance and repair expenses for tangible assets items are recognized as expenses. Investment expenditures that increase the future benefit by enhancing the capacity of property and equipment are capitalized. The investment expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

There are no mortgages, pledges or similar precautionary measures on tangible assets or commitments given for the purchase or any restrictions designated for the use of those tangible fixed assets.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIV. EXPLANATIONS ON INVESTMENT PROPERTIES

Investment properties consist of assets held to earn rent and / or value increase. The mentioned real estates owned by the Group are shown in the consolidated financial statements using the fair value method within the framework of TAS 40 "Investment Properties". Gains and losses arising from a change in the fair value of investment properties are reflected in the profit / loss accounts in the period they occur.

XV. EXPLANATIONS ON LEASING TRANSACTIONS

Leases in TFRS 16

The Group measures the operational lease liabilities based on the present value of the lease payments that have not been paid at the date of lease is actually started, in accordance with TFRS 16. Lease payments are discounted by using the Group’s incremental borrowing rate. 2-year government bond indicator interest rates are used for Turkish Lira rentals, and Eurobond indicator interest rates are used for foreign currency leasing transactions for ongoing contracts.

After the lease actually started, the Group; Increases the carrying amount to reflect the interest in the lease obligation, reduce the carrying value to reflect the lease payments made, and re-measure the carrying value to reflect reassessments and changes to the lease, or to reflect fixed lease payments in revised core.

The interest on the lease liability for each period of the lease term, is the amount calculated by charging a fixed periodic interest rate on remaining balance of lease liability.

After the date of lease actually started, the Group remeasures the lease liability to reflect the changes in lease payments. The Group reflects the remeasurement amount of the lease liability, in financial statements as adjustments in right to use assets.

The Group uses a revised discount rate that reflects changes in the interest rate if there is a change in the initial lease period or the use of the purchase option.

The Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate for a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification. The revised discount rate is determined as the alternative borrowing interest rate at the effective date of the modification. The Group decreases carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. Any gain or loss relating to the partial or full termination of the lease is recognized in profit or loss. A corresponding adjustment to the right-of-use asset is made for all other lease modifications.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XV. EXPLANATIONS ON LEASING TRANSACTIONS (Continued)

Leases in TFRS 16 (Continued)

The Group does not apply the standard provisions for leases shorter than 1 year in line except for the relevant standard. The Group reflects the lease payments associated with these leases linearly throughout the lease period and reflects them in the financial statements.

Subject to financial leasing in the consolidated balance sheet of the entity is shown as a receivable equal to net leasing. The interest income is determined to form a fixed revenue return ratio using net investment method related to lease asset of the lessor, and the portion of interest income which does not take part in the related term is followed under the unearned interest income account.

Tangible assets that are acquired under leasing are amortized with respect to the rates used for directly acquired assets that have similar nature. Assets held under leases are recognized under the tangible fixed assets account and are depreciated on annual and monthly basis with respect to their useful lives. Principal and installment paid for tangible fixed assets that are acquired under leasing are charged to liability account “Lease Liabilities”, whereas interests are recognized in “Deferred Leasing Expenses” account. At installment payments, principal and interest amount of installment amount is debited to “Lease Liabilities” account, whereas interest is credited in “Deferred Leasing Expenses” account and recorded to the “Other Interest Expenses”.

XVI. EXPLANATIONS ON PROVISIONS, CONTINGENT ASSET AND LIABILITIES

Provisions other than provisions for impairment set for loans and other receivables and provisory liabilities are accounted in accordance with TAS 37 “Turkish Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets Corresponding”.

The Group provides provision in case of an existing liability (legal or implicit) as a result of an incident that took place in the past, there is possibility of disposal of assets that bring economic benefit, and the liability is measurable. When a reliable estimate of the amount of obligation from the Parent Bank cannot be made, it is considered that a “contingent” liability exists, and it is disclosed in the related notes to the financial statements.

For transactions that can affect financial structure, provisions are provided by using the existing data if they are accurate, otherwise by using the estimates.

As of the balance sheet date, there are no probable contingent liabilities resulting from past events whose amount can be reliably measured.

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

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS

Severance Pay and Leave Rights

The Group recognizes its liabilities of employment terminations and vacation benefits in accordance with TAS 19 “Turkish Accounting Standard about Benefits for Employee” and estimates the net present value of future liabilities arising from employment terminations and vacation benefits and reflects this provision amount in the financial statements.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)

Severance Pay and Leave Rights (Continued)

Under the Turkish legislation as supplemented by union agreements, Employment Termination Benefit payments are made in case of retirement or employment termination or resignation depending on the arise of the legal conditions. According to the related legislation, depending on the status and position of the employee in the Group and social security institution, retirement bonus pension/severance payments are calculated for the hours that the personnel has worked. Employment termination is calculated based on actuarial assumptions. These assumptions based on the calculation are below:

The Parent Bank uses independent actuaries in determining liability and makes assumptions about issues such as discount rate and inflation. As of 31 March 2024, retirement benefit obligation is TL 5.673.977 (31 December 2023: TL 5.312.642).

	Current Period	Prior Period
Discount Rate	28,00%	28,00%
Inflation	23,67%	23,67%

The Group accounts for actuarial losses and gains under equity in accordance with the revised TAS 19 Turkish Accounting Standard for Employee Benefits, which entered into force as of January 1, 2013. The Group has reclassified actuarial loss of TL 1.475.432 under equity after deferred tax effect (31 December 2023: TL 1.475.432).

Unused vacation liability is calculated based on number of unused vacation days which is calculated by subtracting used vacation days of all personnel from legally deserved vacation days.

The Parent Bank is not employing its personnel by means of limited-period contracts.

Liability of T.C. Ziraat Bankası and T. Halk Bankası Members Pension and Relief Fund

Some of the Parent Bank and Ziraat Katılım Bankası A.Ş. personnel are the members of T.C. Ziraat Bankası and T. Halk Bankası A.Ş. Employees' Pension Fund (“Fund”) which was established by 20th provisional article of Social Security Law Act numbered 506. In accordance with 23rd provisional clause of the Banking Law numbered 5411; the pension fund established within Social Security Law is expected to be transferred to the Social Security Institution by three years following the declaration of the banking Law numbered 5411. Procedures and principles of the transfer are determined by the decision of Council of Ministers numbered 2006/11345 dated 30 November 2006. However, the 1st paragraph of the 1st article of the 23rd provisional clause of Banking Law numbered 5411 allowing pension funds to be transferred to Social Security Institution (“SSI”) is annulled following the resolution of Constitutional Court declared in the Official Gazette dated 31 March 2007 numbered 26479 E.2005/139, K.2007/13 and K.2007/33.

With the publication of the reasoning of the decision, the Grand National Assembly of Türkiye (“GNAT”) started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the “Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations” No 5754 (“the New Law”) regulating the transfer of the funds were approved by the GNAT on 17 April 2008. The New Law was published in the Official Gazette dated 8 May 2008, numbered 26870, and came into force.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)

Liability of T.C. Ziraat Bankası and T. Halk Bankası Members Pension and Relief Fund (Continued)

According to the new law bank pension funds participants and salaried members or the rightful owners would be transferred to Social Security Institution and would be subject to its legislation within three years beginning from the date of publication without any required transaction. Three years transfer period would be extended by two years at most with the decision of Council of Ministers. In accordance with the related legislation, as of the transfer date, the cash value of the liabilities will be calculated by considering the income and expenses of the transferred funds by the insurance branches and by using the actuarial interest rate of 9,80%. Moreover, the unfulfilled other social rights and payments existed in the settlement deeds of the subjected pension funds of the transferred participants, members or the rightful owners will be continued to be fulfilled by the employer entities of the funds and its participants.

In accordance with 58th article and 7th provisional article of the Banking Law, restricting banks from transferring any funds to the pension funds in order to compensate the actuarial deficits effective from 1 January 2008, has been delayed up to 5 years.

Based on the Council of Ministers’ decree numbered 2011/1559 and issued in the Official Gazette numbered 27900, dated 9 April 2011, and 20th provisional article of law numbered 506, the deadline for transferring banks, insurance and reinsurance companies, chambers of commerce, chambers of industry, exchange markets and the participants of the funds that were founded for the personnel constituting these entities and the ones having salary or income and the right holders of them to Social Security Institution has been extended for two years.

Besides, the phrase of “two years” in Clause (2), Article 1 of the temporary 20th provision of the law numbered 5510 is revised as “four years” with the law numbered 6283 amending on the Social Insurance and General Health Insurance Law, published in the Official Gazette numbered 28227, dated 8 March 2012.

Based on the Council of Ministers’ decree numbered 2014/6042 and issued in the Official Gazette numbered 28987 dated 30 April 2014, the participants of the funds that were founded for the personnel constituting these entities and the ones having salary or income and the right holders of them to Social Security Institution has been extended for one year.

Lastly, 51st article of Law No.6645 dated 23 April 2015, published on Official Gazette and the first paragraph of the transient 20th article of Law No.5510 related to the transfer of Bank and Insurance Funds to Social Security Institution; “Council of Ministers is the authority to determine the date of transfer of banks, insurance and reinsurance companies, boards of trade, chambers of industry and stock markets or the participants of funds established for their constitute union personnel and the ones that were endowed salary or income and their beneficiaries within the scope of transient 20th article of Law No.506. As from the transfer date, the participants are considered as insured within the scope of clause (a), first paragraph and 4th article of this Law. Based on the decision of the Council of Ministers dated 24 February 2014; May 2015 was determined as the transfer period. As a result of the last amendment made in the first paragraph of the provisional 20th article of Law no.5510 and the Occupational Health and Safety Law No. 6645 published in the Official Gazette dated 23 April 2015 and numbered 29335; The Council of Ministers has been authorized to determine the transfer date and the President has been authorized to determine the transfer date in the repeated Official Gazette numbered 30473 on 9 July 2018.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)

Liability of T.C. Ziraat Bankası and T. Halk Bankası Members Pension and Relief Fund (Continued)

The technical balance sheet report as of 31 December 2023 which is prepared in accordance with the new law and the rate determined as 9,80%, concluded no technical deficit arises in the above-mentioned fund. Since the Parent Bank has no legal right to hold the present value of any economic benefits available in the form of refunds from Pension Fund or reductions in future contributions to Pension Fund, no asset is recognized in the Parent Bank’s financial statements.

XVIII. EXPLANATIONS ON TAXATION

Current Tax

The corporate tax rate of 20% was designated in Corporate Tax Law No. 5520 which was taken into effect on 1 January 2006 after being published in the Official Gazette dated 21 June 2006 numbered 26205 for corporate earnings.

However;

Pursuant to Article 25 of Law No. 7394 published in the Official Gazette dated 15 April 2022 and numbered 31810; Corporate tax rate has been determined as 25% for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies is determined as 25%, and this rate will be effective as of 1 July 2022. It came into force to start with the declarations that must be submitted and to be applied to corporate earnings for accounting periods starting from 1 January 2022.

In accordance with Article 21 of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, starting from the declarations that must be submitted as of 1/10/2023; The corporate tax rate to be applied to the earnings of corporations in 2023 and the following taxation periods has been increased from 25% to 30% for banks and other institutions mentioned in the law. As of 31 December 2023, the corporate tax rate has been applied as 30% in the financial statements.

The corporate tax rate is applied to the tax base to be found as a result of the addition of the non-deductible expenses in accordance with the tax laws to the commercial income of the corporations and deducting the exceptions (such as the participation earnings exemption) and deductions in the tax laws. No further tax is paid if the profit is not distributed.

Dividends paid to non-resident corporations, which have a place of business or permanent attorney in Türkiye or to resident corporations are not subject to withholding tax. While dividends paid to individuals and corporations were subject to withholding tax at the rate of 15%, this rate has been changed to 10% with the Presidential Decision published in the Official Gazette dated 22 December 2021 and No. 31697. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

Corporations calculate advance tax quarterly on their financial profits at the corporate tax rate valid for that year and declare and pay until the 17th day of the second month following that period. Advance tax paid by corporations for the current period is offset against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be used to offset any other financial liabilities to the government.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVIII. EXPLANATIONS ON TAXATION (Continued)

Current Tax (Continued)

According to 5.1.e. article of Corporation Tax Law which is important tax exemption that is applied by banks, corporations’ 50% of revenues that occur from selling of their real estates, are in assets, that belong to the corporations at least two years (730 days), 75% of revenues that occur from selling their founding bonds that are belong to the corporations as long as time of participation stocks, redeemed shares and option to call are exempted from corporation tax. On the other hand, the exemption application for real estates held in the Bank's assets for at least two years was abolished with the 19th article of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, and in the 22nd article of the law “... The 50% rate in subparagraph (e) of the first paragraph of Article 5 is applied as 25% for the immovable sales earnings to be made after the effective date of this article.” and it has been announced that the exception rate will be 50% for sales made before 15 July 2023 and 25% for sales made after.

This exemption applies to the period the sale is made and the part of return on sales that benefits from the exemption is held in a special fund in the liabilities account until the end of the fifth year started from the following year sale is made. However, the sales payment must be collected until the end of the second calendar year following the year in which the sale is made. Taxes which are not realized in time due to the exemption that hits uncollected sales payment are considered tax loss.

Taxes which do not accrue on time because the applying exemption for the transfer of the exempted part of revenue to the other accounts with other ways out of capitalizing in five years or withdrawn from company or transferring from limited taxpayer corporations to the headquarters, are considered as tax loss. This is also be applicable in the condition of liquidation of business (Except transfers and divisions that make according to this code).

Moreover, according to 5.1.f. article of Corporation Tax Law; corporations which have been fallen to legal proceedings because of owe to the bank or Savings Deposit Insurance Funds, and their warranters’ real estates, participation stocks, founding bonds, redeemed shares, options to call of mortgagors’ revenues that used for against debts or transferring to SDIF, 50% of the profits arising from the sale of the said assets obtained by the banks in this way, and 75% of the profits arising from the sale of others are exempted from corporation tax.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

Tax returns are required to be filled and delivered to the related tax office until the end of the fourth month following the balance sheet date and the accrued tax is paid until the end of the same month. Tax returns are open for 5 years from the beginning of the year following the balance sheet date and during this period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based and may issue re-assessments based on their findings. As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the Law No. 7352 on the Amendment of the Tax Procedure Law and the Corporate Tax Law, published in the Official Gazette dated 29 January 2022 and numbered 31734, the temporary article 33 was added to the Tax Procedure Law No. 213, including the provisional tax periods. Financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods (for those designated as a special accounting period, as of the accounting periods ending in 2022 and 2023) and the provisional tax periods for the 2023 accounting period, regardless of whether the conditions for the repetitive inflation adjustment within the scope of Article 298 are met.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVIII. EXPLANATIONS ON TAXATION (Continued)

Current Tax (Continued)

It has been enacted that the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the conditions for the inflation adjustment are met, and the profit/loss differences arising from the inflation adjustment to be made will be shown in the previous years' profit/loss account. According to the 17th article of the Law No. 7491 on Amendments to Certain Laws and Decree Laws published in the Official Gazette No. 32413 dated 28 December 2023, banks are companies within the scope of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 dated 21 November 2012. Profit/loss differences arising from the inflation adjustment to be made by payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in the 2024 and 2025 accounting periods, including the provisional tax periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base. The President is authorized to extend the periods determined within the scope of this paragraph by one accounting period, including provisional tax periods.

With the Tax Procedure Law General Communiqué numbered 560 published in the Official Gazette dated 30 April 2024 and numbered 32532, it has been declared that it is appropriate not to make inflation adjustment in the first provisional tax period of the 2024 accounting period.

Tax rates used in tax calculation considering the related countries' tax legislation as of 31 March 2024 are presented below:

Russia	20%
Kazakhstan	20%
Germany	15%
Bosnia Herzegovina	10%
Azerbaijan	20%
Montenegro	15%
Georgia	15%
Uzbekistan	20%

Deferred Tax

The Parent Bank calculates deferred tax for the temporary differences between the applied accounting policies and valuation principles and the tax base value determined in accordance with the tax legislation, in accordance with TAS 12 “Turkish Accounting Standard on Income Taxes”, taking into account the additional regulation introduced with the Law No. 7316 dated 22 April 2021 and accounting.

With the Law No. 7394 on the Evaluation of Immovable Property Owned by the Treasury and Amending the Value Added Tax Law, which was published in the Official Gazette dated 15 April 2022 and numbered 31810, and the Law on Amendments to Some Laws and Decree-Laws, with Article 26 of the Law No. 5520 With the paragraph added to the temporary article 13 of the Corporate Tax Law, the Corporate Tax rate was rearranged for the corporate earnings of the 2022 taxation period and it was stated that the tax rate would be applied as 25% for the banks. In accordance with Article 21 of Law No. 7456 published in the Official Gazette No. 32249 dated 15 July 2023, starting from the declarations that must be submitted as of 1 October 2023; The corporate tax rate to be applied to the profits of corporations in 2023 and the following taxation periods has been increased from 25% to 30% for banks and other institutions mentioned in the law.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVIII. EXPLANATIONS ON TAXATION (Continued)

Deferred Tax (Continued)

Deferred tax liability or assets are determined by calculating the tax effects of the temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base, according to the balance sheet method, taking into account the enacted tax rates. In the calculation of deferred tax, the Bank estimates the time when temporary differences will be taxable/deductible and uses enacted tax rates as of the balance sheet date in accordance with the current tax legislation. As the deferred tax assets or liabilities within the scope of TAS 12 are calculated based on the tax rates (and tax laws) that are in effect or nearly effective as of the end of the reporting period (balance sheet date), using the tax rates expected to be applied in the periods when the assets are converted into income or the liabilities are paid, the Bank has as of 31 December 2023, deferred tax calculations were made based on rates varying between 30% on assets and liabilities. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future. Except for goodwill or business combinations, deferred tax liability or asset is not calculated for temporary timing differences arising from the initial recognition of assets or liabilities and which do not affect both commercial and financial profit or loss.

However, with the regulation made by the Law No. 7491 on the Amendment of Certain Laws and Decree Laws, it has been regulated that the profit / loss difference arising from the inflation adjustment to be made by the banks in the 2024 and 2025 accounting periods, including the provisional tax periods, will not be taken into account in the determination of earnings. With the Tax Procedure Law General Communiqué numbered 560 published in the Official Gazette dated 30 April 2024 and numbered 32532, it has been declared that it is appropriate not to make inflation adjustment in the first provisional tax period of the 2024 accounting period. Within the framework of the Provisional Article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of the financial statements as of 31 March 2024 in accordance with the Tax Procedure Law are included in the deferred tax calculation as of 31 March 2024.

XIX. EXPLANATIONS ON BORROWINGS

The Group recognizes its debt instruments in accordance with TFRS 9 “Financial Instruments” and all financial liabilities are carried at amortized cost by using effective interest rate method. The Group has no borrowings that require hedging techniques for accounting and revaluation of debt instruments and liabilities representing the borrowings.

If required, the Group borrows from domestic and foreign real people and entities with debt instruments such as bill/bond issuance. These transactions are recognized at fair value including acquisition costs at the transaction date while accounted with effective interest rate method over their discounted costs in the following periods.

XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES

There are no issued shares by the Group in the current and prior periods.

XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES

Commitments regarding bill guarantees and acceptances of the Group are presented in the “Off-Balance Sheet” commitments.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXII. EXPLANATIONS ON GOVERNMENT GRANTS

There are no government incentives utilized by the Group as of the balance sheet date.

XXIII. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are cash on hand, demand deposits and other highly liquid short-term investments with maturities of 3 months or less following the date of acquisition, which is readily convertible to a known amount of cash and does not bear the risk of significant amount of value change. The book values of these assets represent their fair values. FC cash equivalents and balances regarding banks are valued by the period end counter foreign currency buying rate of the Bank.

For the purposes of the cash flow statement, “Cash” includes cash, effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and “Cash equivalents” include interbank money markets placements and time deposits at banks with original maturity periods of less than three months.

XXIV. EXPLANATIONS ON SEGMENT REPORTING

Information about operating segments which are determined in line with TFRS 8 “Turkish Accounting Standard Operating Segments” together with organizational and internal reporting structure of the Group, are disclosed in Note IX of Section Four.

XXV. EXPLANATIONS ON OTHER MATTERS

Profit Distribution

Since the Ordinary General Assembly Meeting of the Bank for the year 2023 has not been held as of the date of the report, dividend distribution for the year 2023 has not been made yet.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

SECTION FOUR

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT

I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS' EQUITY

Shareholders' equity and capital adequacy ratio were calculated within the framework of “Regulation on Banks' Equity” and “Regulation on Measurement and Evaluation of Capital Adequacy of Banks” and in addition to these, the following regulations of the BRSA.

- In accordance with the Decision of the Banking Regulation and Supervision Agency dated 12 December 2023 and numbered 10747, the Central Bank's foreign exchange buying rate of 26 June 2023 was used while calculating the valued amounts in foreign currency in calculating the amount subject to credit risk.
- Within the framework of the regulation dated 12 December 2023 No. 10747, if the net valuation differences of the securities held by banks in the portfolio of “Financial Assets at Fair Value through Other Comprehensive Income” are negative, these differences may not be taken into consideration in the calculation of equity amount. The said exception was not used in the calculation of equity on 1 January 2024.

As of 31 March 2024, the Parent Bank's total regulatory capital has been calculated as TL 474.165.081 (31 December 2023: TL 426.846.562), capital adequacy ratio is 14,87% (31 December 2023: 16,79%). This ratio is well above the minimum ratio required by the legislation.

1. Information Related to The Components of Shareholders' Equity

	Current Period 31 March 2024	Prior Period 31 December 2023
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	84.600.000	84.600.000
Share issue premiums	-	-
Reserves	121.214.887	120.658.996
Gains recognized in equity as per TAS	71.264.614	60.986.317
Profit	122.064.542	101.536.877
Current Period Profit	20.264.931	99.344.307
Prior Period Profit	101.799.611	2.192.570
Shares acquired free of charge from subsidiaries, affiliates and entities under common control and cannot be recognized within profit for the period	1.453.238	1.127.113
Minority Interest	1.165	823
Common Equity Tier 1 Capital Before Deductions	400.598.446	368.910.126
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	6.064.691	12.807.126
Improvement costs for operating leasing	1.331.911	992.825
Goodwill (net of related tax liability)	-	-
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	5.760.091	4.757.497
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS' EQUITY (Continued)

1. Information Related to The Components of Shareholders' Equity (Continued)

	Current Period 31 March 2024	Prior Period 31 December 2023
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA (-)	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions from Common Equity Tier I Capital	13.156.693	18.557.448
Total Common Equity Tier I Capital	387.441.753	350.352.678
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	52.258.387	48.758.145
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Third parties' share in the secondary capital	-	-
Third parties' share in the secondary capital (Covered by Temporary Article 3)	-	-
Additional Tier I Capital before Deductions	52.258.387	48.758.145
Deductions from Additional Tier I Capital		
Direct and Indirect Investments of the Bank on its own Additional Tier I Capital (-)	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other Items to be defined by the BRSA (-)	-	-
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions from Additional Tier I Capital	52.258.387	48.758.145
Total Additional Tier I Capital	52.258.387	48.758.145
Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)	439.700.140	399.110.823
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	-	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Third parties' share in the secondary capital	-	-
Third parties' share in the secondary capital (Covered by Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	34.541.483	27.811.243
Tier II Capital Before Deductions	34.541.483	27.811.243
Deductions from Tier II Capital		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	34.541.483	27.811.243
Total Capital (The sum of Tier I Capital and Tier II Capital)	474.241.623	426.922.066

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS' EQUITY (Continued)

1. Information Related to The Components of Shareholders' Equity (Continued)

	Current Period 31 March 2024	Prior Period 31 December 2023
Total Capital and Contribution Capital (Total Equity)	474.241.623	426.922.066
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA	76.542	75.504
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	474.165.081	426.846.562
Total Risk Weighted Assets	3.189.009.787	2.542.020.315
CAPITAL ADEQUACY RATIOS		
Consolidated CET 1 Capital Ratio (%)	12,15	13,78
Consolidated Tier I Capital Ratio (%)	13,79	15,70
Consolidated Capital Adequacy Ratio (%)	14,87	16,79
BUFFERS		
Total additional core capital requirement ratio (a+b+c)	4,558	4,578
a) Capital conservation buffer requirement (%)	2,50	2,50
b) Bank specific countercyclical buffer requirement (%)	0,058	0,078
c) Higher bank buffer requirement ratio (%)	2	2
Additional CET 1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation	7,65	9,28
Amounts Lower than Excesses as per Deduction Rules		
Remaining Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	728.433	431.023
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	230.831	210.486
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	36.271.845	33.467.558
Limits for Provisions Used in Tier II Capital Calculation		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty-five per the thousand)	66.583.057	60.569.964
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	34.541.483	27.811.243
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
Debt Instruments Covered by Temporary Article 4 (effective between 1.1.2018-1.1.2022)		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS’ EQUITY (Continued)

2. Items Included in Capital Calculation

Information about instruments included in total capital calculation-Current Period	
Issuer	T.C Ziraat Bankası A.Ş.
Identifier (CUSIP, ISIN etc.)	XS1984644739
Governing law (s) of the instrument	Subject to English Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Communiqué VII-128.8 on Debt Instruments of the Capital Markets Board and the Regulation on Bank Capital and Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	None.
Eligible on consolidated and /or unconsolidated basis	Eligible on consolidated and unconsolidated
Instrument type	Additional Capital Bond Issuance (Tier 1 Capital)
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	48.301
Nominal value of instrument (TL million)	48.301
Accounting classification of the instrument	347001- Subordinated Debts
Original date of issuance	24 April 2019
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	24 April 2019
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount	Subject to the approval of the BRSA, a repayment option is available at the end of each 5-year period from the date of issue.
Subsequent call dates, if applicable	24 April 2024 (*)
Interest/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	First 5 years fixed 5,076%, next 5 years MS + 5,031% fixed
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	Fully discretionary
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Yes. Article 7 of the Regulation on Bank Capital
If bond can be written-down, full or partial	Has full or partial write down feature
If bond can be written-down, permanent or temporary	Has permanent or temporary write down feature
If temporary write-down, description of write-up mechanism.	Has-write up mechanism
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.
Details of incompliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.

(*) The repayment option has not been exercised.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS’ EQUITY (Continued)

2. Items Included in Capital Calculation (Continued)

Information about instruments included in total capital calculation-Current Period	
Issuer	Türkiye Wealth Fund.
Identifier (CUSIP, ISIN etc.)	-
Governing law (s) of the instrument	Regulation on Equities of Banks published in the Official Gazette on September 5, 2013.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on consolidated and /or unconsolidated basis	Eligible on unconsolidated and /or consolidated basis
Instrument type	Additional capital
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	2.710
Nominal value of instrument (TL million)	3.472
Accounting classification of the instrument	347000- Subordinated Loans
Original date of issuance	24 April 2019
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	24 April 2019
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount	Option date is 5 years, (it is subject to BRSA permission).
Subsequent call dates, if applicable	- ^(*)
Interest/dividend payment	
Fixed or floating coupon/dividend payments	None
Coupon rate and any related index	None
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	None
Convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	If the Core Capital adequacy ratio or the consolidated Core Capital adequacy ratio falls below 5,125 percent
If bond can be written-down, full or partial	Yes
If bond can be written-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism.	It is possible to write up after temporary write down.
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	i. After payments within the scope of Priority Liabilities, ii. Equal (pari passu) among themselves and with all other Co-Liabilities without order of preference, and iii. Prior to all payments under Low-Degree Liabilities
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.
Details of incompliances with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.

^(*) The repayment option has not been exercised.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS’ EQUITY (Continued)

2. Items Included in Capital Calculation (Continued)

Information about instruments included in total capital calculation-Current Period	
Issuer	Türkiye Wealth Fund.
Identifier (CUSIP, ISIN etc.)	-
Governing law (s) of the instrument	Regulation on Equities of Banks published in the Official Gazette on September 5, 2013.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	None
Eligible on consolidated and /or unconsolidated basis	Eligible on consolidated and unconsolidated
Instrument type	Additional Capital
Amount recognized in regulatory capital (Currency in TL million, 729 as of most recent reporting date)	1.217
Nominal value of instrument (TL million)	1.980
Accounting classification of the instrument	347000- Subordinated Debts
Original date of issuance	9 March 2022
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	9 March 2022
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount	Subject to the approval of the BRSA, a repayment option is available at the end of each 5-year period from the date of issue
Subsequent call dates, if applicable	-
Interest/dividend payment	
Fixed or floating coupon/dividend payments	None
Coupon rate and any related index	None
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	None
Convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	If the CET 1 Capital adequacy ratio or the consolidated CET 1 Capital ratio falls below 5.125 percent
If bond can be written-down, full or partial	Yes
If bond can be written-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism.	It is possible to write up after temporary write down
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	1. After payments within the scope of Priority Liabilities, ii. Equal (pari passu) among themselves and with all other Co-Liabilities without order of preference, and iii. Prior to all payments under Low-Degree Liabilities
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.
Details of incompliances with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS’ EQUITY (Continued)

3. Necessary Explanations in order to Reach an Agreement Between the Statement of Shareholders’ Equity and Balance-Sheet Amounts

	Current Period	Prior Period
Balance Sheet - Equity	390.766.856	362.986.091
Operational Leasing Development Costs	(1.331.911)	(992.825)
Goodwill and Other Intangible Assets and Related Deferred	(5.760.091)	(4.757.497)
Taxes Liabilities	34.541.483	27.811.243
TIER 2 Capital (Provisions)	52.258.387	48.758.145
Debt Instruments and the Related Issuance Premiums	(76.542)	(75.504)
Defined by the BRSA TIER 2 Capital (Provisions)	(6.945.121)	(6.883.091)
Other deductions from common equity	10.712.020	-
Amount recognized in regulatory capital	474.165.081	426.846.562

II. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK

1. Whether the Parent Bank is Exposed to Foreign Currency Risk, Whether The Effects of This Matter are Estimated, Whether Limits for The Daily Followed Positions are Determined by The Board of Director

The Parent Bank’s policy is to avoid carrying significant position by means of foreign currency management. Risks are monitored by the currency risk tables prepared based on the standard method. Besides, Value at Risk (VAR) is calculated for daily foreign exchange position and reported to the related departments. VAR based currency risk limit approved by the Board of Directors is also monitored on daily basis. Additionally, dealer’s position and operational limits for foreign exchange transactions are under the authorization of the Board of Directors.

2. Hedge Against Foreign Exchange Debt Instruments and Net Foreign Exchange Investments by Hedging Derivative Instruments, if Material

None.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

II. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK (Continued)

3. Management Policy for Foreign Currency Risk

Periodic “Liquidity Gap Analysis” and “Repricing Gap Analysis” to determine the liquidity and structural interest rate risks in the US Dollar and Euro, which are the most important foreign currencies in which the Parent Bank operates, and the historical renewal rates of foreign exchange deposit accounts. “Structural Liquidity Gap Analysis” is performed. In addition, daily VAR analysis for the follow-up of the currency risk and within the scope of legal reporting, Foreign Currency Net General Position/Equity Standard Ratio and Foreign Currency Liquidity Position are regularly monitored. The Parent Bank manages the Turkish Lira or foreign currency risks that may occur in domestic and international markets and follow the transactions that create these risks and manages these risks at the optimum level within the framework of market expectations and within the scope of its strategies by considering the balance with other financial risks. Sensitivity analysis regarding the currency risk that the Group is exposed to is explained in Note 6.

4. Current Foreign Exchange Bid Rates of The Parent Bank for The Last 5 Business Days Prior to The Financial Statement Date

	USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100 JPY
22.03.2024	31,8202	34,3799	20,7355	4,6104	3,0186	35,4036	23,4063	2,9631	40,0648	8,4764	21,0268
25.03.2024	31,9225	34,5583	20,8580	4,6345	3,0208	35,5531	23,4872	2,9837	40,3118	8,5034	21,0702
26.03.2024	31,9681	34,6224	20,8721	4,6437	3,0197	35,3737	23,5330	2,9752	40,3399	8,5151	21,0964
27.03.2024	32,0419	34,6245	20,9010	4,6437	3,0173	35,3684	23,5695	2,9727	40,4086	8,5348	21,1688
28.03.2024	32,0900	34,6224	20,8964	4,6427	3,0044	35,5614	23,6667	2,9623	40,5046	8,5478	21,2041
29.03.2024	31,9623	34,5009	20,8576	4,6261	2,9926	35,4612	23,6015	2,9520	40,3871	8,5224	21,1359

5. Simple Arithmetic Average of The Parent Bank’s Current Foreign Exchange Bid Rates for The Last 30 Days Prior to The Balance Sheet Date

	USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100 JPY
	30,5869	33,1724	20,0927	4,4499	2,9403	34,9517	22,6720	2,9057	38,7464	8,1497	20,5847

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

II. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK (Continued)

6. Information on The Foreign Currency Risk of The Group

	EUR	USD	Other FC	Total
Current Period				
Assets				
Cash (Cash in vault, effectives, money in transit, cheques purchased) and Balances with Central Bank of the Republic of Türkiye	176.085.457	220.605.795	66.093.167	462.784.419
Banks ⁽⁷⁾	14.125.915	25.966.376	28.990.003	69.082.294
Financial Assets at Fair Value Through Profit and Loss	-	8.385.003	64.761.574	73.146.577
Money Markets Receivables	103.623	-	-	103.623
Financial Assets at Fair Value Through Other Comprehensive Income	26.473.877	342.930.601	863.334	370.267.812
Loans ^{(1) (6)}	391.133.382	400.231.570	30.515.881	821.880.833
Subsidiaries, Associates, Entities Under Common Control (Joint Ventures)	-	1.610.365	44.052	1.654.417
Financial Assets Measured at Amortized Cost	67.320.355	17.522.902	278.018	85.121.275
Derivative Financial Assets for Hedging Purposes	-	-	-	-
Tangible Fixed Assets	1.939.498	53.876	1.992.331	3.985.705
Intangible Assets	138.353	16.321	254.936	409.610
Other Assets ⁽³⁾	1.958.649	7.022.466	2.157.490	11.138.605
Total Assets ⁽⁴⁾	679.279.109	1.024.345.275	195.950.786	1.899.575.170
Liabilities				
Interbank Deposits	50.983.904	12.030.878	6.650.361	69.665.143
Foreign Currency Deposits	614.944.360	555.013.538	280.812.814	1.450.770.712
Money Market Borrowings	-	95.135.255	-	95.135.255
Funds Provided from Other Financial Institutions	101.421.207	158.587.135	4.218.586	264.226.928
Issued Marketable Securities ⁽⁵⁾	53.543.634	119.720.977	-	173.264.611
Miscellaneous Payables	6.603.681	4.973.805	513.722	12.091.208
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-
Other Liabilities	12.530.604	17.993.801	3.213.428	33.737.833
Total Liabilities	840.027.390	963.455.389	295.408.911	2.098.891.690
Net Balance Sheet Position	(160.748.281)	60.889.886	(99.458.125)	(199.316.520)
Net Off-Balance Sheet Position ⁽²⁾	170.719.069	(54.704.909)	147.032.108	263.046.268
Financial Derivative Assets	213.094.626	357.070.466	155.736.040	725.901.132
Financial Derivative Liabilities	42.375.557	411.775.375	8.703.932	462.854.864
Non-cash loans	201.539.514	311.033.691	61.149.861	573.723.066
Prior Period				
Total Assets	604.266.396	907.837.881	169.111.502	1.681.215.779
Total Liabilities	772.055.145	820.814.604	248.786.932	1.841.656.681
Net Balance Sheet Position	(167.788.749)	87.023.277	(79.675.430)	(160.440.902)
Net Off-Balance Sheet Position ⁽²⁾	171.375.286	(51.387.183)	96.796.549	216.784.652
Financial Derivative Assets	208.963.520	299.286.840	105.117.310	613.367.670
Financial Derivative Liabilities	37.588.234	350.674.023	8.320.761	396.583.018
Non-cash loans	192.408.922	285.857.771	51.997.499	530.264.192

(1) TL 78.310 equivalent of loans granted is USD and TL 17.351 equivalent of EUR balance is caused by foreign currency indexed loans (31 December 2023: TL 85.650 equivalent of loans granted is USD and TL 28.777 equivalent of EUR balance is caused by foreign currency indexed loans).

(2) Indicates the net balance of receivables and payables on derivative financial instruments.

(3) Prepaid expenses in other assets amounting to TL 347.776 are not included in the table. (31 December 2023: Prepaid expenses in other assets amounting to TL 312.084 are not included in the table)

(4) Expected loss provisions for financial assets and other assets are reflected in related items.

(5) Includes subordinated debt instruments.

(6) Includes receivables from lease transactions and factoring receivables.

(7) Includes the guarantees given for derivative and repo transactions with foreign banks.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

II. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK (Continued)

6. Information on The Foreign Currency Risk of The Group (Continued)

Analysis of Sensitivity to Currency Risk

The effect of 10% depreciation of TL against the USD, Euro and other currencies on the equity and profit or loss statement (excluding tax effects) for the three-month accounting periods ending on 31 March 2024 and 31 March 2023 is shown in the table below.

This analysis has been prepared with the assumption that all other variables, especially interest rates, remain constant.

	Current Period – 31 March 2024		Prior Period – 31 March 2023	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	2.495.062	1.782.433	(359.896)	(843.762)
EUR	(309.518)	(1.016.918)	(81.565)	(428.561)
Other currencies	1.220.572	1.220.572	553.752	553.752
Total (Net) (**)	3.406.116	1.986.087	112.291	(718.571)

(*) Equity effect also includes the effect of the profit or loss to occur due to the 10% depreciation of the TL against the relevant foreign currencies.

(**) Associates, subsidiaries, and entities under common control are included in the profit or loss statement impact calculation, but not in equity impact calculation. Tangible and intangible assets are not included in the equity and profit or loss statement impact calculation.

The effect of 10% appreciation of TL against the USD, Euro and other currencies on the equity and profit or loss statement (excluding tax effects) for three-month accounting periods ending on 31 March 2024 and 31 March 2023 is shown in the table below:

	Current Period – 31 March 2024		Prior Period – 31 March 2023	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	(2.495.062)	(1.782.433)	359.896	843.762
EUR	309.518	1.016.918	81.565	428.561
Other currencies	(1.220.572)	(1.220.572)	(553.752)	(553.752)
Total (Net) (**)	(3.406.116)	(1.986.087)	(112.291)	718.571

(*) Equity effect also includes the effect of the profit or loss to occur due to the 10% appreciation of the TL against the relevant foreign currencies.

(**) Associates, subsidiaries, and entities under common control are included in the profit or loss statement impact calculation, but not in equity impact calculation. Tangible and intangible assets are not included in the equity and profit or loss statement impact calculation.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

III. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK

1. Information Related to Interest Rate Sensitivity of Assets, Liabilities and Off-Balance Sheet Items

(Based on days to repricing dates)

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with Central Bank of the Republic of Türkiye	218.949.879	-	-	-	-	455.045.289	673.995.168
Banks ⁽⁸⁾	25.306.462	854.411	719.394	-	-	47.677.741	74.558.008
Financial Assets at Fair Value Through Profit and Loss	14.444.340	526.698	22.367.756	28.949.229	4.216.916	13.688.261	84.193.200
Money Markets Receivables	5.154.717	-	-	-	-	-	5.154.717
Financial Assets at Fair Value Through Other Comprehensive Income	38.388.291	91.217.328	187.803.148	214.632.826	138.819.081	3.587.360	674.448.034
Loans Given ⁽³⁾⁽⁷⁾	847.244.975	452.148.755	415.946.049	597.431.580	124.894.759	7.683.368	2.445.349.486
Financial Assets Measured at Amortized Cost	109.992.353	39.431.858	77.531.323	91.412.383	56.609.155	-	374.977.072
Other Assets ⁽²⁾	4.625.293	289.226	208.291	2.196.387	5.519.831	201.888.535	214.727.563
Total Assets ⁽¹⁾⁽⁵⁾	1.264.106.310	584.468.276	704.575.961	934.622.405	330.059.742	729.570.554	4.547.403.248
Liabilities							
Interbank Deposits	52.436.215	36.843.482	1.497.785	562.606	-	13.779.784	105.119.872
Other Deposits	1.281.672.208	492.073.308	345.870.535	24.037.461	2.372.130	1.104.370.635	3.250.396.277
Money Market Borrowings	85.567.592	10.788.551	16.088.143	48.458.784	-	-	160.903.070
Miscellaneous Payables	8	183	1.733	6.443	630	74.376.691	74.385.688
Issued Marketable Securities ⁽⁶⁾	52.118.463	29.914.287	23.043.877	74.340.275	-	-	179.416.902
Funds Provided from Other Financial Institutions	94.574.030	105.854.337	48.915.390	14.804.296	2.050.642	48.681	266.247.376
Other Liabilities ⁽⁴⁾⁽⁶⁾	7.977.736	500.282	319.350	4.942.073	1.822.030	495.372.592	510.934.063
Total Liabilities ⁽¹⁾	1.574.346.252	675.974.430	435.736.813	167.151.938	6.245.432	1.687.948.383	4.547.403.248
Balance Sheet Long Position	-	-	268.839.148	767.470.467	323.814.310	-	1.360.123.925
Balance Sheet Short Position	(310.239.942)	(91.506.154)	-	-	-	(958.377.829)	(1.360.123.925)
Off-Balance Sheet Long Position	(1.761.377)	197.015	-	4.756	-	(52.269)	(1.611.875)
Off-Balance Sheet Short Position	(7.354.152)	(1.041.477)	(72.571)	-	(1.015.345)	-	(9.483.545)
Total Position	(319.355.471)	(92.350.616)	268.766.577	767.475.223	322.798.965	(958.430.098)	(11.095.420)

(1) Balances without fixed maturity are shown in the “Non-Interest Bearing” columns.

(2) Deferred tax asset is shown under the “Non-Interest Bearing” column.

(3) Net balance of loans under follow-up is shown under the “Non-Interest Bearing” column in loans given.

(4) Total shareholders’ equity is shown under the “Non-Interest Bearing” column.

(5) Allowance for expected losses for financial assets and other assets are reflected in the related items.

(6) Includes subordinated debt instruments.

(7) Includes receivables from leasing transactions.

(8) Includes the guarantees given for derivative and repo transactions with foreign banks.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

III. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (Continued)

1. Information Related to Interest Rate Sensitivity of Assets, Liabilities and Off-Balance Sheet (Continued)

(Based on days to repricing dates)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with Central Bank of the Republic of Türkiye	171.411.646	-	-	-	-	437.387.924	608.799.570
Banks ⁽⁸⁾	24.234.777	858.733	947.204	-	-	44.204.335	70.245.049
Financial Assets at Fair Value Through Profit and Loss	152.430	17.959.570	23.032.512	12.977.323	4.286.324	13.307.753	71.715.912
Money Markets Receivables	154.140.783	-	-	-	-	-	154.140.783
Financial Assets at Fair Value Through Other Comprehensive Income	130.092.912	51.795.743	113.292.616	189.144.843	118.569.491	4.634.865	607.530.470
Loans Given ⁽³⁾⁽⁷⁾	792.327.142	295.686.060	459.839.848	547.349.315	110.945.114	7.288.894	2.213.436.373
Financial Assets Measured at Amortized Cost	34.898.144	69.441.446	96.476.527	65.426.870	82.341.993	-	348.584.980
Other Assets ⁽²⁾	6.001.788	4.451.961	1.555.238	309.375	38.030	167.620.513	179.976.905
Total Assets ⁽¹⁾⁽⁵⁾	1.313.259.622	440.193.513	695.143.945	815.207.726	316.180.952	674.444.284	4.254.430.042
Liabilities							
Interbank Deposits	51.042.271	33.990.985	234.278	-	-	11.285.647	96.553.181
Other Deposits	1.542.383.529	347.152.375	333.856.129	19.285.991	1.397.523	959.195.119	3.203.270.666
Money Market Borrowings	33.873.058	7.535.254	8.781.615	44.110.982	-	-	94.300.909
Miscellaneous Payables	9	165	695	4.689	447	67.474.124	67.480.129
Issued Marketable Securities ⁽⁶⁾	1.529.981	5.382.542	53.620.034	52.655.728	-	-	113.188.285
Funds Provided from Other Financial Institutions	73.379.500	85.864.849	32.771.143	16.409.091	2.096.482	-	210.521.065
Other Liabilities ⁽⁴⁾⁽⁶⁾	1.355.878	629.293	1.624.909	2.585.046	1.316.124	461.604.557	469.115.807
Total Liabilities ⁽¹⁾	1.703.564.226	480.555.463	430.888.803	135.051.527	4.810.576	1.499.559.447	4.254.430.042
Balance Sheet Long Position	-	-	264.255.142	680.156.199	311.370.376	-	1.255.781.717
Balance Sheet Short Position	(390.304.604)	(40.361.950)	-	-	-	(825.115.163)	(1.255.781.717)
Off-Balance Sheet Long Position	2.686.937	6.388.495	43.450	655.969	-	-	9.774.851
Off-Balance Sheet Short Position	977.326	4.746.671	36.776	-	(1.015.345)	-	4.745.428
Total Position	(386.640.341)	(29.226.784)	264.335.368	680.812.168	310.355.031	(825.115.163)	14.520.279

(1) Balances without fixed maturity are shown in the “Non-Interest Bearing” columns.

(2) Deferred tax asset is shown under the “Non-Interest Bearing” column.

(3) Net balance of loans under follow-up is shown under the “Non-Interest Bearing” column in loans given.

(4) Total shareholders’ equity is shown under the “Non-Interest Bearing” column.

(5) Allowance for expected losses for financial assets and other assets are reflected in the related items.

(6) Includes subordinated debt instruments.

(7) Includes receivables from leasing transactions.

(8) Includes the guarantees given for derivative and repo transactions with foreign banks.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

III. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (Continued)

2. Average Interest Rate Applied to the Monetary Financial Instruments (%) (Represents Values Belonging to the Parent Bank) (%)

	EUR	USD	JPY	TL
Current Period				
Assets				
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye ⁽¹⁾	-	-	-	25,00
Banks	3,98	5,42	-	47,00
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Markets Receivables	-	-	-	33,43
Financial Assets at Fair Value Through Other Comprehensive Income	4,11	6,24	-	29,47
Loans Given ⁽²⁾	7,93	8,86	-	31,78
Financial Assets Measured at Amortized Cost	4,53	8,39	-	20,92
Liabilities				
Interbank Deposits	5,06	5,00	-	52,68
Other Deposits	1,26	2,50	-	40,65
Money Markets Borrowings	-	7,56	-	51,56
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities ⁽³⁾	5,03	6,76	-	-
Funds Provided from Other Financial Institutions	6,76	7,85	-	39,92

(1) Indicates the interest rate applied by the CBRT to TL-denominated required reserves according to the conditions specified in the instruction.

(2) Credit card loan balances are not included.

(3) Subordinated debt instruments are included.

	EUR	USD	JPY	TL
Prior Period				
Assets				
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	-	-	-	-
Banks	4,55	5,65	-	43,50
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Market Receivables	-	-	-	42,95
Financial Assets at Fair Value Through Other Comprehensive Income	3,70	6,18	-	24,85
Loans Given ⁽¹⁾	7,71	9,06	-	27,89
Financial Assets Measured at Amortized Cost	4,55	8,39	-	17,81
Liabilities				
Interbank Deposits	4,87	5,65	-	43,61
Other Deposits	1,59	3,44	-	37,11
Money Market Borrowings	-	7,62	-	36,53
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities ⁽²⁾	5,08	6,89	-	36,38
Funds Provided from Other Financial Institutions	6,71	7,72	-	34,74

(1) Credit card loan balances are not included.

(2) Subordinated debt instruments are included.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

IV. EXPLANATIONS ON THE POSITION RISK OF CONSOLIDATED EQUITY INSTRUMENTS

1. Equity Instruments Position Risk Derived from Banking Books

Comparison with the market value if the market value is significantly different from the fair value for balance sheet, fair and market values of equity share

Investments in Equity Instruments – Current Period	Comparison		
	Balance Sheet Value	Fair Value	Market Value
1. Investment in Equity Instruments Group A	-	-	-
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	-	-	-
Traded on Stock Exchange	-	-	-
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other ⁽¹⁾	2.805.042	2.805.042	-

⁽¹⁾ The mentioned stock investments are not traded on the stock exchange and there is no stock market price since they are not publicly traded.

Investments in Equity Instruments – Prior Period	Comparison		
	Balance Sheet Value	Fair Value	Market Value
1. Investment in Equity Instruments Group A	-	-	-
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	-	-	-
Traded on Stock Exchange	-	-	-
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other ⁽¹⁾	2.546.781	2.546.781	-

⁽¹⁾ The mentioned stock investments are not traded on the stock exchange and there is no stock market price since they are not publicly traded.

The breakdown of capital requirements on the basis of related investments in equity instruments depending on the method of the calculation of capital requirement which is chosen by Bank among approaches that are allowed to be used within the Communiqué regarding Credit Risk Standard Method or the Calculation of Counterparty Credit Risk based upon Internal Rating Approaches

The investments in equity instruments, partaking in banking accounts according to the credit risk standard method, are amounted TL 2.805.042 and all of them are 100% risk weighted (31 December 2023: TL 2.546.781 and all of them are 100% risk weighted).

Total unrealized gains or losses, total revaluation value increases and their amounts included in principal and contribution capital

Portfolio	Realized Gain/Loss in Current Period	Revaluation Surplus		Unrealized Gain and Loss		
		Total	Included in Supplementary Capital	Total	Included in Main Capital	Included in Supplementary Capital
1. Private Capital Investments	-	-	-	-	-	-
2. Publicly Traded Stocks	-	-	-	-	-	-
3. Other Stocks	-	1.957.860	1.957.860	-	-	-
Total	-	1.957.860	1.957.860	-	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024**

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

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

**V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT,
LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO**

Matters related to liquidity and financial emergency management are determined in the Liquidity and Financial Emergency Management-Liquidity Funding Plan Approved by the Board of Directors.

The Parent Bank conducts the remaining maturity analysis in order to observe the maturity structure of its balance sheet, liquidity gap and structural liquidity gap analysis to monitor the liquidity need by periods, and Liquidity Stress Test in order to evaluate the liquidity need of the Parent Bank in the worst possible situation. Core deposit analysis is carried out to determine the stable part of the deposit, which is the most important fund resource of the Parent Bank. In addition, the Parent Bank-sector maturity structures and legal liquidity ratios are monitored in order to compare the Parent Bank's liquidity risk level with the sector.

1. Liquidity Risk

Explanations related to the liquidity risk management including the Parent Bank's risk capacity, responsibilities and structure of liquidity risk management, reporting of liquidity risk in internal banking, the strategy of liquidity risk and how to provide the communication of policies and implementations with board of directors and business lines

The Parent Bank's risk capacity, risk appetite, responsibilities and tasks of liquidity risk management and sharing of issues related to liquidity risk management with the bank network are explained in Parent Bank's “Regulations of Risk Management” of the Parent Bank. In this context, liquidity risk strategies, policies and implementations are shared within the Parent Bank on a weekly, monthly, quarterly/semi-annual and annual basis with all relevant departments and the Parent Bank's senior management. The analysis and reports made within this scope are handled at the Asset-Liability Committee meetings and the Board of Directors is informed through the Audit Committee.

Liquidity management and the degree of centralization of fund strategies, the information about the procedure between Bank and the subsidiaries of Bank

Continuous information exchange is provided between the Parent Bank and its partners regarding liquidity needs and excesses, and necessary guidance and transactions are carried out with the coordination of the treasury management and units responsible for the management of subsidiaries in order to effectively manage liquidity needs and surpluses.

Information on the Bank's funding strategy, including policies on diversity of funding sources and duration

The Parent Bank's main funding resource is deposit and the strategy of preserving the granular deposit structure is sustained. Moreover, within the diversification of funding strategy, long-term and cost-effective non-deposit funding is also targeted. In the non-deposit funding, repurchase agreements, post finance, syndication loan facility, loans from international financial institutions, marketable securities issuances, subordinated debt instruments and bilateral loan agreements are at the forefront.

Explanation related to liquidity management as currencies forming at least 5 percentage of aggregate liabilities of the Parent Bank

The Parent Bank's total liabilities are consisted of mostly TL, USD and EUR currencies. Besides these currencies, for other currencies, daily and long-term cash flows are monitored, and future projections are made for effective liquidity management purposes.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

1. Liquidity Risk (Continued)

Information related to the techniques about the reduction of current liquidity risk

The Parent Bank's source of funds is mainly formed of deposits. The Parent Bank's deposits do not fluctuate considerably in line with the broadly dispersed customer network and the granular structure of the deposits. Besides, in order to increase the diversification of funds and decrease the maturity gap between assets and liabilities, non-deposit funds such as bond/bill issuances, repo transactions and funds borrowed are executed.

Explanation regarding the usage of the stress test

In the presence of unexpected negative circumstances, periodical stress tests being done in order to test the endurance of the parent bank. These actions have been shared with key management of the Bank and all related units for the purpose of taking necessary precautions. Additionally, stress tests also taken into consideration on subjects like the Parent Bank's estimated financial position for the next period, the progress of legal ratios and the liquidity need in short and long term as part of budget practices.

General information on liquidity urgent and unexpected situation plan

The internal and external sources which can be used in an emergency case to satisfy the liquidity need are periodically monitored and the borrowing limits of the Bank from organized market and other banks are on the level where they meet the structural liquidity deficits on different maturity segments. The Bank lines off its exposition to liquidity risk by limits that are approved by Board of Directors and within the frame of "Regulation on Risk Management". In addition, matters related to liquidity and financial emergency management have been identified.

2. Liquidity Coverage Ratio

Within the framework of "Regulation on Calculation of Liquidity Covered Rate of Banks" published in the Official Gazette dated 21 March 2014 and numbered 28948 by the BRSA, the Parent Bank calculates the liquidity coverage ratio and transmits unconsolidated on weekly and consolidated on monthly basis to the BRSA. Within the last 3 months the consolidated lowest rate are as follows:

Current Period- 31 March 2024

	FC		TL+FC	
	Date	Ratio	Date	Ratio
Liquidity Coverage Ratio	January 2024	360,69	January 2024	204,05
	February 2024	475,23	February 2024	189,60
	March 2024	493,76	March 2024	186,08

Prior Period- 31 December 2023

	FC		TL+FC	
	Date	Ratio	Date	Ratio
Liquidity Coverage Ratio	October 2023	371,37	October 2023	187,80
	November 2023	443,16	November 2023	184,41
	December 2023	388,23	December 2023	186,98

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

2. Liquidity Coverage Ratio (Continued)

Current Period	Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			1.218.010.420	619.585.821
CASH OUTFLOWS				
Retail and Small Business Customers, of which:	2.038.884.108	933.620.534	183.461.753	93.360.829
Stable deposits	408.533.158	24.493	20.426.658	1.225
Less stable deposits	1.630.350.950	933.596.041	163.035.095	93.359.604
Unsecured wholesale funding, of which:	1.269.671.246	551.781.990	631.398.027	284.012.533
Operational deposit	44.944.315	15.685.444	11.028.898	3.782.707
Non-operational deposits	990.966.270	443.629.087	426.038.339	189.440.440
Other unsecured funding	233.760.661	92.467.459	194.330.790	90.789.386
Secured funding			-	-
Other cash outflows, of which:	856.514.323	72.876.964	99.613.237	43.225.344
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	34.159.583	36.534.048	34.159.583	36.534.048
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	822.354.740	36.342.916	65.453.654	6.691.296
Other revocable off-balance sheet commitments and contractual obligations	74.145.702	74.145.702	3.707.285	3.707.285
Other irrevocable or conditionally revocable off-balance sheet obligations	301.174.499	175.914.589	16.266.895	8.795.729
TOTAL CASH OUTFLOWS			934.447.197	433.101.720
CASH INFLOWS				
Secured lending	-	-	-	-
Unsecured lending	355.903.260	165.268.512	277.404.255	143.473.682
Other cash inflows	23.964.090	152.767.733	23.910.697	152.714.340
TOTAL CASH INFLOW	379.867.350	318.036.245	301.314.952	296.188.022
			Upper Limit Applied Amounts	
TOTAL HQLA STOCK			1.218.010.420	619.585.821
TOTAL NET CASH OUTFLOWS			633.132.245	136.913.698
LIQUIDITY COVERAGE RATIO (%)			192,38	452,54

(*) The average of last three months' liquidity coverage ratio calculated by monthly simple averages.

Prior Period	Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			1.134.101.388	557.566.260
CASH OUTFLOWS				
Retail and Small Business Customers, of which:	1.836.011.270	839.016.378	164.098.855	83.900.031
Stable deposits	390.045.429	32.140	19.502.271	1.607
Less stable deposits	1.445.965.841	838.984.238	144.596.584	83.898.424
Unsecured wholesale funding, of which:	1.179.112.518	488.447.509	551.247.775	231.431.355
Operational deposit	44.143.037	13.942.200	10.750.245	3.296.623
Non-operational deposits	980.425.089	415.727.319	417.142.908	170.563.767
Other unsecured funding	154.544.392	58.777.990	123.354.622	57.570.965
Secured funding			-	-
Other cash outflows, of which:	635.959.697	74.922.610	78.490.282	33.227.676
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	26.425.497	26.361.019	26.425.497	26.361.019
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	609.534.200	48.561.591	52.064.785	6.866.657
Other revocable off-balance sheet commitments and contractual obligations	67.104.112	67.104.112	3.355.206	3.355.206
Other irrevocable or conditionally revocable off-balance sheet obligations	253.276.703	155.101.052	13.795.627	7.755.053
TOTAL CASH OUTFLOWS			810.987.745	359.669.321
CASH INFLOWS				
Secured lending	-	-	-	-
Unsecured lending	258.108.583	126.985.874	190.822.740	108.137.776
Other cash inflows	10.801.097	110.038.442	10.749.814	109.987.159
TOTAL CASH INFLOW	268.909.680	237.024.316	201.572.554	218.124.935
			Upper Limit Applied Amounts	
TOTAL HQLA STOCK			1.134.101.388	557.566.260
TOTAL NET CASH OUTFLOWS			609.415.191	141.544.386
LIQUIDITY COVERAGE RATIO (%)			186,10	393,92

(*) The average of last three months' liquidity coverage ratio calculated by monthly simple averages.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024**

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

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

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

3. Explanations on Liquidity Coverage Ratio

***Important points affecting the results of liquidity coverage ratio and the changes of the considered items
in the course of time to calculate this ratio***

Parent Bank deposits, which constitute a significant part of its resources and cash outflows in the liquidity coverage ratio, have a non-fluctuating structure, but may cause periodic changes in total deposits compared to public deposits and other deposits. While considering the previous periods, the amount of the total deposits has an increasing trend.

Although they have low conversion into cash rate, non-cash loans also have a remarkable extent in proportion to financial statement, they have an impact on the calculation of liquidity coverage ratio. Comparing to previous periods, non-cash loans are in increasing trend.

Bonds and bills in the securities portfolio are being used in repo transactions as collateral. Since the securities used in repo transactions lose the characteristic of being free, in accordance with that securities can be used as collateral, liquidity coverage ratio is affected.

The content of high-quality liquid assets

All of the high-quality liquid assets in the calculation of liquidity coverage ratio are first quality liquid assets. These are cash, the accounts in Central Bank, reserve requirements and securities portfolio (the important part of bonds and T-bills issued by Republic of Türkiye Ministry of Treasury and Finance and other bonds).

The content of funds and their share in the total liabilities and funding

A major part of the resources of funds in Group is comprised of deposits, the remaining is divided according to their share in the balance sheet as repo, funds borrowed, and issued securities.

***Information about cash out-flows arising from derivative operations and margin operations likely to
processing***

Derivative operations in Parent Bank are carried out on the purpose of protection from the risks that may exist or occur in the balance sheet, liquidity management, or meeting customer demand. Customer operations are carried out under the “Framework Agreement on Purchase and Sale of Derivative Instruments” or ISDA (International Swaps and Derivatives Association) and CSA (Credit Support Annex), as well as transactions with banks are performed again under ISDA and CSA agreements signed. Operations performed under the said contracts in the determined periods are subject to daily market valuation and additional cash margining. Operations could create additional collateral inflow or outflow depending on market valuation.

The concentration limits regarding collateral and counterparty and product-based fund resources

Limits have been determined within the scope of "Risk Management Legislation" for the counterparty and product-based concentration risk with the approval of the Parent Bank's senior management, and these limits are monitored at certain frequencies and are also reported to the relevant units and the Bank's senior management. There was no excess in the limits during the activity period.

***Liquidity risk and needed funding on the basis of the bank itself, the branches in foreign countries and
the partnerships consolidated by considering operational and legal factors preventing liquidity transfer***

The needed and surplus of liquidity of the branches in foreign countries of the parent bank and partnerships consolidated are followed and managed regularly. There is no constraint of operational and legal factors preventing liquidity transfer. In the analysis made, it is observed that the impact of the foreign branches and subsidiaries on the Parent Bank's liquidity structure remain limited comparing to the size of the balance sheet. The need and surplus of the liquidity is encountered properly between partnerships, as well as the branches abroad.

***Explanations of cash in-flow and cash out-flow items that are considered to be related to liquidity
profile of the Bank and to be placed on the calculation of liquidity coverage ratio but not on the
second paragraph of the disclosure template***

All items on the calculation of liquidity coverage ratio are included in calculation in aggregated form on the table. In this context, there is no point included in the calculation of liquidity coverage ratio and not included in the disclosure template.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

4. Presentation of Assets and Liabilities According to Their Remaining Maturities

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed ⁽¹⁾	Total
Current Period								
Assets								
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	208.592.361	465.402.807	-	-	-	-	-	673.995.168
Banks ⁽⁵⁾	47.677.741	25.306.462	854.411	719.394	-	-	-	74.558.008
Financial Assets at Fair Value Through Profit and Loss	1.655.822	14.444.340	526.698	22.367.756	28.949.229	4.216.916	12.032.439	84.193.200
Money Markets Receivables	-	5.154.717	-	-	-	-	-	5.154.717
Financial Assets at Fair Value Through Other Comprehensive Income	-	7.174.683	30.485.127	98.796.175	373.994.361	161.139.734	2.857.954	674.448.034
Loans Given ⁽⁴⁾	-	100.239.222	336.703.832	956.741.488	800.814.555	243.167.021	7.683.368	2.445.349.486
Investments Held-to-Maturity	-	68.430.258	26.460.988	44.999.532	142.388.120	92.698.174	-	374.977.072
Other Assets	76.623.130	3.000.662	289.275	208.345	2.196.337	5.519.760	126.890.054	214.727.563
Total Assets ⁽²⁾	334.549.054	689.153.151	395.320.331	1.123.832.690	1.348.342.602	506.741.605	149.463.815	4.547.403.248
Liabilities								
Interbank Deposits	13.779.784	52.436.215	36.843.482	1.497.785	562.606	-	-	105.119.872
Other Deposits	1.104.370.635	1.281.664.011	492.061.388	345.801.595	24.123.990	2.374.658	-	3.250.396.277
Funds Provided from Other Financial Institutions	-	54.866.789	14.414.647	38.261.078	147.145.655	11.559.207	-	266.247.376
Money Markets Borrowings	-	85.567.592	10.788.551	16.088.143	48.458.784	-	-	160.903.070
Issued Marketable Securities ⁽³⁾	-	52.118.463	29.914.287	23.043.877	74.340.275	-	-	179.416.902
Miscellaneous Payables	18.528.609	54.180.008	-	-	-	-	1.677.071	74.385.688
Other Liabilities ⁽³⁾	100.470.598	13.902.974	11.826.645	319.350	4.942.073	8.674.014	370.798.409	510.934.063
Total Liabilities	1.237.149.626	1.594.736.052	595.849.000	425.011.828	299.573.383	22.607.879	372.475.480	4.547.403.248
Liquidity Gap	(902.600.572)	(905.582.901)	(200.528.669)	698.820.862	1.048.769.219	484.133.726	(223.011.665)	-
Net Off-Balance Sheet Position								
Financial Derivative Assets	-	(6.362.941)	(3.540.820)	(84.259)	(14.012)	4.578.058	-	(5.423.974)
Financial Derivative Liabilities	-	544.281.544	113.038.165	9.423.828	4.799.993	5.593.403	-	677.136.933
Non-cash Loans	259.260.863	30.980.463	60.206.559	346.857.890	180.436.278	96.488.383	-	974.230.436
Prior Period								
Total Assets	384.109.937	664.443.329	347.575.815	1.144.394.489	1.118.445.175	473.651.949	121.809.348	4.254.430.042
Total Liabilities	1.085.812.172	1.686.935.173	408.689.811	468.996.549	228.967.563	19.410.885	355.617.889	4.254.430.042
Liquidity Gap	(701.702.235)	(1.022.491.844)	(61.113.996)	675.397.940	889.477.612	454.241.064	(233.808.541)	-
Net Off-Balance Sheet Position								
Financial Derivative Assets	-	835.839	(7.213.346)	35.317	(65.007)	4.080.743	-	(2.326.454)
Financial Derivative Liabilities	-	365.573.649	185.667.086	8.039.498	5.480.978	5.096.088	-	569.857.299
Non-cash Loans	231.799.204	40.637.480	66.171.079	265.449.449	181.154.736	82.031.887	-	867.243.835

(1) Assets which are required for banking operations and could not be converted into cash in short-term, such as; property and equipment, associates, subsidiaries and entities under common control, office supply inventory, prepaid expenses and net under follow-up loans as well as securities representing a share in capital; and other liabilities such as provisions which are not considered as payables and equity are classified as undistributed.

(2) Expected loss provision for financial assets and other assets are recognized in the related account.

(3) Includes subordinated debt instruments.

(4) Includes lease receivables.

(5) Includes the guarantees given for derivative and repo transactions with foreign banks.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

5. Net Stable Funding Ratio

In accordance with the “Regulation on Banks' Calculation of Net Stable Funding Ratio” published by the BRSA in the Official Gazette dated 26 May 2023 and numbered 32202, the Bank calculates the Net Stable Funding Ratio and submits it to the BRSA on a monthly basis on consolidated and unconsolidated basis. Net stable funding ratio is calculated by dividing the available stable funding amount by the required stable funding amount. Available stable funding is the portion of banks' liabilities and equity that is expected to be permanent; required stable funding is the portion of banks' on-balance sheet assets and off-balance sheet liabilities that are expected to be refinanced. The amount of available stable funding is calculated by summing the amounts to be found after applying the relevant consideration ratios determined within the scope of the legislation to the amounts of banks' liabilities and equity elements valued in accordance with TFRS. The required amount of stable funds is calculated by adding the amounts calculated by deducting the specific provisions set aside in accordance with the Regulation on the Procedures and Principles Regarding the Classification of Loans and the Provisions to be set aside in accordance with the Regulation on the Procedures and Principles Regarding the Classification of Loans and the Provisions to be set aside from the amounts of banks' on-balance sheet assets valued in accordance with TFRS and off-balance sheet liabilities, after applying the relevant consideration rates determined in accordance with the legislation.

The three-month simple arithmetic average of the consolidated and unconsolidated NSFR calculated monthly as of the equity calculation periods as of March, June, September and December cannot be less than 100%.

As of 31 March 2024, the NSFR is 104,61% (109,30% as of 31 December 2023). The average NSFR for the last three months of the current period was 106,35% (109,60% as of 31 December 2023). There are no changes in the Bank's strategies, funding structure, asset and liability composition that would significantly affect the net stable funding ratio compared to the previous period.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

5. Net Stable Funding Ratio (Continued)

Current Period	Unweighted value by residual maturity				Weighted Value
	Without Maturity*	Less than 6 Months	6 Months to < 1 Year	1 Year and More Than 1 Year	
Available Stable Funds					
Capital	435.139.929	52.258.387	-	-	487.398.316
Tier I and Tier II Capital	435.139.929	52.258.387	-	-	487.398.316
Other Capital Instruments	-	-	-	-	-
Deposits from the Natural Persons and Small Business Customers	785.460.982	1.073.675.497	61.426.127	8.288.704	1.755.983.717
Stable Deposits / Participation Funds	165.162.619	232.234.479	2.754.362	199.298	380.333.220
Less Stable Deposits / Participation Funds	620.298.363	841.441.018	58.671.765	8.089.406	1.375.650.497
Wholesale Funding	-	1.512.300.578	45.461.240	129.946.299	508.923.508
Operational Deposits	-	-	-	-	-
Other Wholesale Funding	-	1.512.300.578	45.461.240	129.946.299	508.923.508
Liabilities with Matching Independent Assets					
Other Liabilities	468.889.913	8.280.029	-	-	-
Derivative Liabilities				8.280.029	
All Other Equity and Liabilities not Included in the Above Categories	468.889.913	-	-	-	-
Available Stable Fund					2.752.305.541
Required Stable Funding					
High Quality Liquid Assets (HQLA)					35.161.106
Deposits Held at Credit Institutions of Financial Institutions for Operational Purposes	-	-	-	2.516.375	1.258.188
Performing Loans and Securities	25.035.409	506.305.879	541.033.266	1.093.837.332	1.448.278.529
Performing Loans to Credit Institutions or Financial Institutions Secured by Level 1 HQLA	-	-	-	-	-
Performing Loans to Credit Institutions or Financial Institutions Secured by Non Level 1 HQLA and Unsecured Performing Loans to Credit Institutions or Financial Institutions	25.035.409	2.879.215	1.113.079	-	4.743.733
Performing Loans to Non Financial Corporate Clients, Loans to Natural Person Customers and Small Business Customers, and Loans to sovereigns, Central Banks and PSEs	-	503.426.664	539.920.187	1.090.712.506	1.440.878.694
Loans with a Risk Weight of Less Than or Equal to 35%	-	-	-	37.783.103	24.559.017
Performing Loans Encumbered with Residential Mortgages	-	-	-	-	-
Loans with a Risk Weight of Less Than or Equal to 35%	-	-	-	-	-
Exchange Traded Equities and Securities That are Not in Default and Do not Qualify as HQLA	-	-	-	3.124.826	2.656.102
Assets With Matching Interdependent Liabilities					
Other Assets	8.113.409	-	-	1.094.029.056	1.040.929.285
Physical Traded Commodities, Including Gold	2.289.602				1.946.162
Assets Posted as Initial Margin for Derivative Contracts or Contributions to Default Funds of Central Counterparties				1.010.391	858.832
Derivative Assets				3.658.313	3.658.313
Derivative Liabilities Before Deduction of Variation Margin Posted				8.336.380	833.638
All Other Assets Not Included in the Above Categories	5.823.807	-	-	1.081.023.972	1.033.632.340
Off-Balance Sheet Items		256.534.951	-	1.851.572.057	105.405.350
Required Stable Fund					2.631.032.457
Net Stable Funding Ratio (%)					104,61

*Items to be reported in the “without maturity” time bucket do not have a stated maturity. These may include but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-high quality liquid asset equities and physical traded commodities.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

5. Net Stable Funding Ratio (Continued)

Prior Period	Unweighted value by residual maturity				Weighted Value
	Without Maturity*	Less than 6 Months	6 Months to <1 Year	1 Year and More Than 1 Year	
Available Stable Funds					
Capital	396.721.369	48.758.145	-	-	445.479.514
Tier I and Tier II Capital	396.721.369	48.758.145	-	-	445.479.514
Other Capital Instruments	-	-	-	-	-
Deposits from the Natural Persons and Small Business Customers	684.004.238	991.385.860	92.145.468	7.269.598	1.616.355.413
Stable Deposits / Participation Funds	148.953.265	225.550.278	5.869.010	242.754	361.584.542
Less Stable Deposits / Participation Funds	535.050.973	765.835.582	86.276.459	7.026.844	1.254.770.872
Wholesale Funding	-	1.513.905.317	27.895.582	109.183.760	558.173.906
Operational Deposits	-	-	-	-	-
Other Wholesale Funding	-	1.513.905.317	27.895.582	109.183.760	558.173.906
Liabilities with Matching Independent Assets					
Other Liabilities	396.702.398	7.214.317	-	-	-
Derivative Liabilities				7.214.317	
All Other Equity and Liabilities not Included in the Above Categories	396.702.398	-	-	-	-
Available Stable Fund					2.620.008.833
Required Stable Funding					
High Quality Liquid Assets (HQLA)					32.978.093
Deposits Held at Credit Institutions of Financial Institutions for Operational Purposes	-	-	-	687.863	343.932
Performing Loans and Securities	28.603.744	920.171.128	131.890.445	1.023.976.988	1.305.112.838
Performing Loans to Credit Institutions or Financial Institutions Secured by Level 1 HQAL	-	12.845.825	-	-	1.284.583
Performing Loans to Credit Institutions or Financial Institutions Secured by Non Level 1 HQLA and Unsecured Performing Loans to Credit Institutions or Financial Institutions	28.603.744	1.193.205	13.527	-	4.476.306
Performing Loans to Non Financial Corporate Clients, Loans to Natural Person Customers and Small Business Customers, and Loans to sovereigns, Central Banks and PSEs	-	906.132.097	131.876.918	913.073.741	1.226.642.528
Loans with a Risk Weight of Less Than or Equal to 35%	-	-	-	91.423	59.425
Performing Loans Encumbered with Residential Mortgages	-	-	-	107.791.688	70.064.597
Loans with a Risk Weight of Less Than or Equal to 35%	-	-	-	107.791.688	70.064.597
Exchange Traded Equities and Securities That are Not in Default and Do not Qualify as HQLA	-	-	-	3.111.559	2.644.825
Assets With Matching Interdependent Liabilities					
Other Assets	6.574.034	-	-	1.023.811.567	978.654.832
Physical Traded Commodities, Including Gold	1.542.253				1.310.915
Assets Posted as Initial Margin for Derivative Contracts or Contributions to Default Funds of Central Counterparties				936.528	796.049
Derivative Assets				-	-
Derivative Liabilities Before Deduction of Variation Margin Posted				3.636.160	363.616
All Other Assets Not Included in the Above Categories	5.031.781	-	-	1.023.811.567	976.184.252
Off-Balance Sheet Items		104.390.149	-	1.495.990.952	80.019.055
Required Stable Fund					2.397.108.750
Net Stable Funding Ratio (%)					109,30

* Items to be reported in the “without maturity” time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-high quality liquid asset equities and physical traded commodities.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

VI. EXPLANATIONS ON CONSOLIDATED LEVERAGE RATIO

1. Explanations on Issues that Cause Differences Between Leverage Ratios

The Group’s leverage calculated by force of the regulation “Regulation on Measurement and Assessment of Leverage Ratios of Banks” is 6,42% (31 December 2023: 6,60%). The regulation sentenced the minimum leverage ratio as 3%.

Balance sheet assets	Current Period ^(*)	Prior Period ^(*)
On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	4.409.831.922	4.036.046.993
(Assets deducted in determining Tier 1 capital)	(24.861.776)	(26.897.360)
Total on-balance sheet risks (sum of lines 1 and 2)	4.384.970.146	4.009.149.633
Derivative financial instruments and credit derivatives		
Replacement cost associated with all derivative financial instruments and credit derivatives	10.980.944	11.406.900
Add-on amounts for PFE associated with all derivative financial instruments and credit derivatives	15.522.335	13.687.512
Total risks of derivative financial instruments and credit derivatives	26.503.279	25.094.412
Securities or commodity financing transactions (SCFT)		
Risks from SCFT assets (Excluding the balance sheet)	104.158.369	101.743.019
Risks from brokerage activities related exposures	-	-
Total risks related with securities or commodity financing transactions	104.158.369	101.743.019
Other off-balance sheet transactions		
Gross notional amounts of off-balance sheet transactions	1.923.991.981	1.495.151.793
(Adjustments for conversion to credit equivalent amounts)	(62.694.583)	(56.563.248)
Total risks of off-balance sheet items	1.861.297.398	1.438.588.545
Capital and total risks		
Tier 1 capital	408.993.728	367.895.106
Total risks	6.376.929.192	5.574.575.609
Leverage ratio		
Leverage ratio %	6,42	6,60

^(*) Three-month average of the amounts in the table are taken into account.

2. An Extract Comparison Table of Total Risks Placed in Consolidated Financial Statements Coordinated in Accordance With TAS

	Current Period ^(*)	Prior Period ^(*)
Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards ^(**)	4.547.737.428	4.254.505.851
The difference between total assets prepared in accordance with Turkish Accounting Standards and total assets in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements”	334.180	75.809
The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such instruments	1.297.460.618	1.185.091.295
The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts	88.693.910	54.819.391
The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such items	62.694.583	56.563.248
Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amount of such items	(181.871.335)	(145.902.254)
Total risk amount	6.376.929.192	5.575.305.999

^(*) The amounts shown in the table are 3-month averages.

^(**) The current year balance of the Consolidated Financial Statements prepared in accordance with paragraph 6 of Article 5 of the Communiqué on Preparation of Consolidated Financial Statements of Banks has been prepared by using the temporary financial statements dated 31 March 2024 of the nonfinancial subsidiaries.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT

Notes and explanations prepared in accordance with “the Communiqué on Disclosures about Risk Management to Be Announced to Public by Banks” published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016 are presented in this section.

1. Explanations on Risk Management and Risk Weighted Amount

Overview of Risk Weighted Amounts

		Risk Weighted Amount		Minimum capital Requirement
		Current Period	Prior Period	Current Period
1	Credit Risk (excluding counterparty credit risk)	2.710.180.392	2.186.838.040	216.814.431
2	Standardized approach	2.710.180.392	2.186.838.040	216.814.431
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	51.306.604	36.936.387	4.104.528
5	Standardized approach for counterparty credit risk	51.306.604	36.936.387	4.104.528
6	Internal model method	-	-	-
7	Basic risk weight approach to internal model’s equity position in the banking account	-	-	-
8	Investments made in collective investment companies-look through approach	-	-	-
9	Investments made in collective investment companies-mandate-based approach	1.831.613	1.124.974	146.529
10	Investments made in collective investment companies-1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach	-	-	-
14	IRB Supervisory Formula approach	-	-	-
15	SA/simplified supervisory formula approach	-	-	-
16	Market risk	174.268.110	174.370.639	13.941.449
17	Standardized approach	174.268.110	174.370.639	13.941.449
18	Internal model approaches	-	-	-
19	Operational risk	251.423.068	142.750.275	20.113.845
20	Basic Indicator approach	251.423.068	142.750.275	20.113.845
21	Standard approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	3.189.009.787	2.542.020.315	255.120.782

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

VIII. EXPLANATIONS ON HEDGING PROCEDURES

Along with the financial risk hedge accounting, the Parent Bank applies net investment hedging in order to hedge its investments abroad, which are included in the consolidated financial statements. The effective part of the fair value change of the hedging instrument in the net investment hedging transaction has been accounted for in the "Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss" under equity.

The efficiency test is performed using the "Amount balancing method" ("Dollar off-set method") to compare the changes in fair value of the hedging instrument and the item subject to financial risk hedging. Efficiency tests are carried out at the beginning of hedge accounting and as of reporting periods. According to this method, the change in the value of the hedged item between the date when the hedging relationship started, and the end of each reporting period is compared with the change in the value of the hedging instrument and the effectiveness ratio of the hedging relationship is calculated.

Hedge accounting is terminated when the hedging instrument expires, realizes, is sold or the effectiveness test is ineffective. If efficiency is restored, hedge accounting can be resumed.

The Parent Bank implements a net investment hedging strategy in order to avoid the exchange rate risk arising from the net investment value of its subsidiary Ziraat Bank International AG, Ziraat Bank BH dd and Ziraat Bank Montenegro AD. The deposit in Euro supplied by the Parent Bank from the customers has been defined as a "hedging instrument".

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items	Ineffective Portion
FC Deposit (EUR)	EUR Capital Amounts Allocated to Foreign Partnerships	Foreign exchange rate risk	(8.815.761)	8.815.761	-

IX. EXPLANATIONS ON CONSOLIDATED OPERATING SEGMENTS

Organizational and internal reporting structure of the Group is determined in line with TFRS 8 "Operating Segments".

The Group has operations in retail banking, corporate and commercial banking, specialized banking, investment banking and international banking areas.

As the bank with the largest branch network in Türkiye in the field of retail banking, the Parent Bank offers deposits, consumer loans, pension payments, credit cards, automatic and regular payments, cheques-bills of exchange, money order, EFT, foreign exchange buying and selling, ATM, internet. banking, mobile banking, safe deposit box and insurance brokerage services are offered. In addition, the Parent Bank improves and develops its existing products and designs new banking products in order to ensure that some services undertaken as a public bank can be used to increase the profitability of the Parent Bank. The "Key" IT system, which operates within the central structure of the Parent Bank, provides the technological infrastructure that can meet the customer needs required by modern banking.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

IX. EXPLANATIONS ON CONSOLIDATED OPERATING SEGMENTS (Continued)

In the context of corporate and commercial banking, the Group allocates working capital loans, mid-term and long-term investment loans, foreign trade financing loans, letter of credits and guarantees in Turkish Lira and foreign currencies; renders project financing, other corporate finance related services, foreign exchange transactions and banking services to large-scale corporate clients and middle-small scale enterprises.

As the Parent Bank is the main financial institution that meets the financing needs of agricultural sector in Türkiye, it extends agricultural working capital and investment loans from its own sources for crop and animal production, fishery products and agricultural mechanization directly to producers and The Central Union of Turkish Agricultural Loan Cooperatives. Besides, it gives support to entities and enterprises having operations in agricultural sector by acting as an intermediary for loans originated from public funds.

Treasury transactions and international banking activities are conducted by the treasury management and departments responsible for international banking management and, spot and forward TL, foreign currency, precious metal, securities, derivative transactions are executed in local and international organized and over the counter money and capital markets. Also, the Parent Bank's liquidity and securities portfolio management, deposit and non-deposit funding management activities are being executed. Additionally, the distribution of treasury products to branches and other channels for marketing purposes and the intermediation to the customers' trade finance are other responsibilities. The Parent Bank acts as an intermediary for sale and purchase of securities, for public offerings as an agency of Ziraat Yatırım Menkul Değerler A.Ş. and for transaction of mutual funds founded by Ziraat Portföy Yönetimi A.Ş. and other portfolio management companies. It also provides custody service for these financial instruments and besides, long term financing from banks and international financial institutions, issuing bonds in local and international markets, managing relationship with correspondent banks and relations with international investors so as to diversify its funding base are among the responsibilities of the department.

Besides, the Parent Bank has commission revenue from life, non-life and private pension insurance and other finance institutions by rendering agency services through its branches.

As The information table regarding the business segment prepared as of 31 March 2024 within the framework of the "Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to the Public by Banks" is included on the following page.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

IX. EXPLANATIONS ON CONSOLIDATED OPERATING SEGMENTS (Continued)

1. Table for Segment Reporting

Current Period	Retail Banking	Corporate/ Commercial banking	Specialized Banking	Treasury/ Investment Banking	Other	Total
OPERATING INCOME/EXPENSE						
Interest Income	16.891.107	69.712.889	40.004.295	72.279.953	1.200.007	200.088.251
Interest Expenses	84.797.982	66.804.016	-	17.985.053	791.087	170.378.138
Net Interest Income/Expense	(67.906.875)	2.908.873	40.004.295	54.294.900	408.920	29.710.113
Net Fees and Commission Income/Expense	14.285.877	8.118.544	613.180	(8.168.097)	2.152.529	17.002.033
Dividend Income	-	-	-	917	-	917
Trading Profit / Loss (Net)	-	-	-	(7.417.730)	268.490	(7.149.240)
Other Operating Income	31.961	3.188.420	82.416	29.703	10.040.697	13.373.197
Provision for Expected Loss (-)	855.204	4.631.702	1.243.586	167.220	667.241	7.564.953
Other Expenses	4.928.393	304.481	375.707	48.697	18.465.821	24.123.099
Net Operating Profit / Loss	(59.372.634)	9.279.654	39.080.598	38.523.776	(6.262.426)	21.248.968
Profit/Loss on Equity Method Applied						
Subsidiaries	-	-	-	32.044	32.797	64.841
Tax Provision	-	-	-	-	(1.004.157)	(1.004.157)
Net Profit / Loss	(59.372.634)	9.279.654	39.080.598	38.555.820	(7.233.786)	20.309.652
SEGMENT ASSETS						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	84.193.200	-	84.193.200
Banks and Receivables from Money Markets	-	-	-	79.712.725	-	79.712.725
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	674.448.034	-	674.448.034
Loans	354.351.788	1.319.901.560	543.267.445	227.828.693	-	2.445.349.486
Financial Assets Measured at Amortized Cost (Net)	-	-	-	374.977.072	-	374.977.072
Derivative Financial Assets	-	-	-	10.401.194	-	10.401.194
Associates, Subsidiaries and Entities under Common Control	-	-	-	6.970.028	-	6.970.028
Other Assets	20.627	9.523.722	76.129	583.837.292	277.893.739	871.351.509
Total Segment Assets	354.372.415	1.329.425.282	543.343.574	2.042.368.238	277.893.739	4.547.403.248
SEGMENT LIABILITIES						
Deposits	2.223.455.565	829.143.624	-	103.182.871	199.734.089	3.355.516.149
Derivative Financial Liabilities Held for Trading	-	-	-	8.313.012	-	8.313.012
Funds Borrowed	-	-	-	266.247.376	-	266.247.376
Money Markets Borrowing	54.694	64.037.072	-	96.811.304	-	160.903.070
Securities Issued (Net)	-	-	-	128.832.441	-	128.832.441
Provisions	32.574	9.284.376	-	5.761	25.897.164	35.219.875
Other Liabilities	-	-	-	-	201.604.469	201.604.469
Shareholders' Equity	-	-	-	-	390.766.856	390.766.856
Total Segment Liabilities	2.223.542.833	902.465.072	-	603.392.765	818.002.578	4.547.403.248

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

IX. EXPLANATIONS ON CONSOLIDATED OPERATING SEGMENTS (Continued)

1. Table for Segment Reporting (Continued)

	Retail Banking	Corporate/ Commercial banking	Specialized Banking	Treasury/ Investment Banking	Other	Total
Prior Period						
OPERATING INCOME/EXPENSE						
Interest Income	8.444.947	22.945.132	8.695.754	25.284.180	599.796	65.969.809
Interest Expenses	16.167.826	17.816.472	-	5.949.522	4.049.975	43.983.795
Net Interest Income/Expense	(7.722.879)	5.128.660	8.695.754	19.334.658	(3.450.179)	21.986.014
Net Fees and Commission Income/Expense	3.678.367	2.249.505	395.015	(1.252.828)	1.067.070	6.137.129
Dividend Income	-	-	-	-	-	-
Trading Profit / Loss (Net)	-	-	-	36.522	122.417	158.939
Other Operating Income	25.396	1.935.985	47.025	5.033	20.570.107	22.583.546
Provision for Expected Loss (-)	466.797	2.315.502	526.083	123.397	291.808	3.723.587
Other Expenses	4.971.824	212.045	271.306	-	31.855.125	37.310.300
Net Operating Profit / Loss	(9.457.737)	6.786.603	8.340.405	17.999.988	(13.837.518)	9.831.741
Profit/Loss on Equity Method Applied Subsidiaries	-	-	-	26.315	15.797	42.112
Tax Provision	-	-	-	-	(1.433.638)	(1.433.638)
Net Profit / Loss	(9.457.737)	6.786.603	8.340.405	18.026.303	(15.255.359)	8.440.215
SEGMENT ASSETS						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	71.715.912	-	71.715.912
Banks and Receivables from Money Markets	-	-	-	224.385.832	-	224.385.832
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	607.530.470	-	607.530.470
Loans	322.664.244	1.216.712.548	482.939.430	191.120.151	-	2.213.436.373
Financial Assets Measured at Amortized Cost (Net)	-	-	-	348.584.980	-	348.584.980
Derivative Financial Assets	-	-	-	10.448.631	-	10.448.631
Associates, Subsidiaries and Entities under Common Control	-	-	-	6.537.912	-	6.537.912
Other Assets	659.273	10.430.176	81.634	515.754.137	244.864.712	771.789.932
Total Segment Assets	323.323.517	1.227.142.724	483.021.064	1.976.078.025	244.864.712	4.254.430.042
SEGMENT LIABILITIES						
Deposits	2.056.158.069	985.544.523	-	96.770.781	161.350.474	3.299.823.847
Derivative Financial Liabilities Held for Trading	-	-	-	3.670.072	-	3.670.072
Funds Borrowed	-	-	-	210.521.065	-	210.521.065
Money Markets Borrowing	74.468	4.959.170	-	89.267.271	-	94.300.909
Securities Issued (Net)	-	-	-	66.567.754	-	66.567.754
Provisions	8.402	8.700.757	-	2.160	29.762.128	38.473.447
Other Liabilities	-	-	-	-	178.086.857	178.086.857
Shareholders' Equity	-	-	-	-	362.986.091	362.986.091
Total Segment Liabilities	2.056.240.939	999.204.450	-	466.799.103	732.185.550	4.254.430.042

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

SECTION FIVE

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS

1. Information related to cash equivalents and the account of the Central Bank of the Republic of Türkiye (the “CBRT”)

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	8.359.477	24.520.332	8.052.511	23.193.238
Central Bank of the Republic of Türkiye	202.278.690	434.178.240	163.124.885	411.638.527
Other	575.427	4.108.412	748.492	2.069.528
Total	211.213.594	462.806.984	171.925.888	436.901.293

Explanation on reserve requirements

Banks that are established in Türkiye or performing their operations by opening branches in Türkiye are subject to Communiqué on Required Reserves of Central Bank of the Republic of Türkiye’s numbered 2013/15. Based on accounting standards and registration layout for banks and financing companies, the items specified within the Communiqué, except from liabilities to Central Bank, Treasury, domestic banks, and head offices and branches in Türkiye of the banks established by international agreements, constitute required reserves liabilities.

Banks establish required reserves at the Central Bank of the Republic of Türkiye for their Turkish Lira and foreign currency liabilities specified in the a forementioned communiqué. Establishment of required reserves begins on Friday, two weeks after the liability calculation date, and lasts for 14 days. Required reserves can be kept in Turkish Lira, USD, EUR and standard gold in accordance with the "Communiqué on Required Reserves" at the Central Bank of the Republic of Türkiye. Required reserve ratios vary according to the maturity structure of the liabilities and are applied between 0% - 8% for Turkish Lira deposits and other liabilities, and between 5% and 30% for foreign currency deposits and other liabilities and for accounts with exchange rate/price protection support, it is applied in the range of 10% - 25%.

Information on the account of the Central Bank of the Republic of Türkiye

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	73.485.868	68.511.965	123.079.523	68.550.700
Unrestricted Time Deposit	-	28.943.772	-	43.680.750
Restricted Time Deposit	-	-	-	-
Other ⁽¹⁾	128.792.822	336.722.503	40.045.362	299.407.077
Total	202.278.690	434.178.240	163.124.885	411.638.527

⁽¹⁾ Includes required reserves and CBRT restricted electronic money funds amounting to TL 106.010 required reserve of branches abroad amounting to TL 1.960.604 is presented in this line. (31 December 2023: Includes required reserves and CBRT restricted electronic money funds amounting to TL 100.023 required reserve of branches abroad amounting to TL 1.630.572 is presented in this line TL).

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

2. Information on Financial Assets at Fair Value Through Profit and Loss Given or Blocked as Collateral or Subject to Repurchase Agreements

	Current Period	Prior Period
Assets Subject to Repurchase Agreements	12.197.902	8.632.164
Assets Blocked/Given as Collateral	58.200.458	49.721.746
Total	70.398.360	58.353.910

3. Positive Differences Statement Regarding Trading Derivative Financial Asset

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	121.022	150.867	115.017	53.092
Swap Transactions	5.811.176	4.216.076	4.872.177	5.197.401
Futures Transactions	-	-	-	-
Options	-	94.786	-	208.262
Other	5.763	1.504	2.143	539
Total	5.937.961	4.463.233	4.989.337	5.459.294

4. Information on Bank Account and Foreign Banks

4.1. Information on Bank Balances

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic Banks	1.014.428	3.150.230	415.723	3.122.124
Foreign Banks	4.462.754	65.963.896	3.070.166	63.683.074
Foreign Head Office and Branches	-	-	-	-
Total	5.477.182	69.114.126	3.485.889	66.805.198

5. Explanation Regarding to the Comparison of Net Values of Financial Assets at Fair Value Through Other Comprehensive Income or Blocked as Collateral and Subject to Repurchase Agreements

	Current Period	Prior Period
Assets Subject to Repurchase Agreements	127.145.907	110.555.469
Assets Blocked/Given as Collateral	352.939.084	307.759.863
Total	480.084.991	418.315.332

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

6. Information on Financial Assets at Fair Value Through Other Comprehensive Income

	Current Period	Prior Period
Debt Securities	700.410.581	627.731.753
Quoted in Stock Exchange	698.950.974	626.403.477
Not Quoted in Stock Exchange	1.459.607	1.328.276
Share Certificates	2.970.585	2.649.444
Quoted in Stock Exchange	6.184	4.942
Not Quoted in Stock Exchange	2.964.401	2.644.502
Provision for Impairment (-)	28.933.132	22.850.727
Total	674.448.034	607.530.470

7. Explanations Related to Loans

7.1. Information on All Types of Loans and Advances Given to Shareholders and Employees of The Group

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	-	-	-
Granted loans to Legal Entity partners	-	-	-	-
Granted loans to Individual partners	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees ⁽¹⁾	3.961.715	-	3.267.860	-
Total	3.961.715	-	3.267.860	-

⁽¹⁾ Since the balance of overdraft accounts related to employees amounting TL 146.789 is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above (31 December 2023: Since the balance of overdraft accounts related to employees amounting TL 121.780 is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above)

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Explanations Related to Loans (Continued)

7.2. Information on the First and Second Group Loans and Other Receivables Including Restructured or Rescheduled Loans

Current Period		Loans Under Close Monitoring			
		Standard Loans	Not Under the Scope of Restructuring	Loans Under Restructuring	
				Loans with Revised Contract Terms	Refinancing
Cash Loans					
Non-Specialized Loans	1.751.084.592	46.857.464	3.495.147	106.036.202	
Commercial Loans	979.291.294	28.219.785	2.885.338	102.692.918	
Export Loans	238.395.045	3.423.626	29.641	3.253.723	
Import Loans	28.308	-	-	-	
Loans Given to Financial Sector	28.087.464	-	-	-	
Consumer Loans	204.110.598	4.386.829	579.756	86.787	
Credit Cards	267.774.274	9.758.012	-	2.774	
Other	33.397.609	1.069.212	412	-	
Specialized Lending ⁽¹⁾	520.692.080	15.471.081	7.262	604.955	
Other Receivables	-	-	-	-	
Total	2.271.776.672	62.328.545	3.502.409	106.641.157	

⁽¹⁾ Agricultural loans to support farmers are shown in specialized loans.

Prior Period		Loans Under Close Monitoring			
		Standard Loans	Not Under the Scope of Restructuring	Loans Under Restructuring	
				Loans with Revised Contract Terms	Refinancing
Cash Loans					
Non-Specialized Loans	1.585.943.132	35.844.742	4.440.321	98.437.427	
Commercial Loans	906.116.675	22.113.843	4.179.320	94.636.248	
Export Loans	197.168.455	1.326.977	27.093	3.724.641	
Import Loans	41.262	-	-	-	
Loans Given to Financial Sector	23.531.207	-	-	-	
Consumer Loans	206.317.900	3.833.373	233.517	72.928	
Credit Cards	217.199.037	6.935.242	-	3.601	
Other	35.568.596	1.635.307	391	9	
Specialized Lending ⁽¹⁾	475.396.346	7.152.116	14.757	538.090	
Other Receivables	-	-	-	-	
Total	2.061.339.478	42.996.858	4.455.078	98.975.517	

⁽¹⁾ Funds originated agricultural loans are shown in specialized loans.

	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
Expected Credit Loss of Stage 1 and Stage 2				
12 Month Expected Credit Losses	12.776.244	-	11.201.691	-
Significant Increase in Credit Risk	-	47.021.860	-	43.076.857

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Explanations Related to Loans (Continued)

7.3. Information on Consumer Loans, Personal Credit Cards and Personnel Loans and Personnel Credit Card

Current Period	Short Term	Medium and Long Term	Total
Consumer Loans-TL	16.087.578	174.906.435	190.994.013
Mortgage Loans	6.514	113.621.973	113.628.487
Automotive Loans	308.863	10.972.408	11.281.271
Consumer Loans	15.772.201	50.312.054	66.084.255
Other	-	-	-
Consumer Loans- Indexed to FC	107	498.626	498.733
Mortgage Loans	-	117.171	117.171
Automotive Loans	-	18	18
Consumer Loans	-	188.271	188.271
Other	107	193.166	193.273
Consumer Loans-FC	249.359	6.445.374	6.694.733
Mortgage Loans	988	1.449.753	1.450.741
Automotive Loans	5.547	145.533	151.080
Consumer Loans	31.701	1.654.637	1.686.338
Other	211.123	3.195.451	3.406.574
Retail Credit Cards- TL	141.658.155	2.158.590	143.816.745
With Installment	48.389.476	1.645.227	50.034.703
Without Installment	93.268.679	513.363	93.782.042
Retail Credit Cards- FC	145.743	1.666	147.409
With Installment	120.119	-	120.119
Without Installment	25.624	1.666	27.290
Personnel Loans- TL	1.205.539	1.356.252	2.561.791
Mortgage Loans	-	16.435	16.435
Automotive Loans	-	3.741	3.741
Consumer Loans	1.205.539	1.336.076	2.541.615
Other	-	-	-
Personnel Loans-Indexed to FC	3.507	28.379	31.886
Mortgage Loans	-	11.533	11.533
Automotive Loans	-	1.676	1.676
Consumer Loans	3.507	12.883	16.390
Other	-	2.287	2.287
Personnel Loans-FC	342	149.921	150.263
Mortgage Loans	-	74.238	74.238
Automotive Loans	-	-	-
Consumer Loans	-	30.488	30.488
Other	342	45.195	45.537
Personnel Credit Cards- TL	1.195.293	17.522	1.212.815
With Installment	412.765	17.522	430.287
Without Installment	782.528	-	782.528
Personnel Credit Cards- FC	4.960	-	4.960
With Installment	4.162	-	4.162
Without Installment	798	-	798
Overdraft Accounts- TL (Real Person)	8.232.378	-	8.232.378
Overdraft Accounts- FC (Real Person)	173	-	173
Total	168.783.134	185.562.765	354.345.899

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Explanations Related to Loans (Continued)

7.3. Information on Consumer Loans, Personal Credit Cards and Personnel Loans and Personnel Credit Card (Continued)

Prior Period	Short Term	Medium and Long Term	Total
Consumer Loans- TL	7.167.153	188.235.893	195.403.046
Mortgage Loans	8.519	118.753.415	118.761.934
Automotive Loans	360.883	12.342.602	12.703.485
Consumer Loans	6.797.751	57.139.876	63.937.627
Other	-	-	-
Consumer Loans- Indexed to FC	235	507.911	508.146
Mortgage Loans	-	114.244	114.244
Automotive Loans	-	34	34
Consumer Loans	-	192.692	192.692
Other	235	200.941	201.176
Consumer Loans-FC	146.014	5.620.395	5.766.409
Mortgage Loans	761	1.229.408	1.230.169
Automotive Loans	3.602	69.382	72.984
Consumer Loans	15.960	1.482.999	1.498.959
Other	125.691	2.838.606	2.964.297
Retail Credit Cards- TL	109.102.184	1.854.777	110.956.961
With Installment	41.637.877	1.456.893	43.094.770
Without Installment	67.464.307	397.884	67.862.191
Retail Credit Cards-FC	133.258	684	133.942
With Installment	112.735	-	112.735
Without Installment	20.523	684	21.207
Personnel Loans- TL	454.228	1.490.350	1.944.578
Mortgage Loans	-	18.320	18.320
Automotive Loans	-	4.170	4.170
Consumer Loans	454.228	1.467.860	1.922.088
Other	-	-	-
Personnel Loans-Indexed to FC	-	13.396	13.396
Mortgage Loans	-	4.477	4.477
Automotive Loans	-	-	-
Consumer Loans	-	6.287	6.287
Other	-	2.632	2.632
Personnel Loans-FC	3.600	156.507	160.107
Mortgage Loans	-	75.418	75.418
Automotive Loans	-	1.283	1.283
Consumer Loans	3.146	37.488	40.634
Other	454	42.318	42.772
Personnel Credit Cards- TL	1.126.834	18.535	1.145.369
With Installment	435.581	18.535	454.116
Without Installment	691.253	-	691.253
Personnel Credit Cards- FC	4.410	-	4.410
With Installment	4.124	-	4.124
Without Installment	286	-	286
Overdraft Accounts- TL (Real Person)	6.661.843	-	6.661.843
Overdraft Accounts-FC (Real Person)	193	-	193
Total	124.799.952	197.898.448	322.698.400

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Explanations Related to Loans (Continued)

7.4. Information on Commercial Installment Loans and Corporate Credit Cards

Current Period	Short Term	Medium and Long Term	Total
Installment Based Commercial Loans- TL	7.589.614	89.143.362	96.732.976
Mortgage Loans	-	819.161	819.161
Automotive Loans	699.000	3.306.350	4.005.350
Consumer Loans	6.890.614	85.017.851	91.908.465
Other	-	-	-
Installment Based Commercial Loans- Indexed to FC	-	1.187.773	1.187.773
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	1.187.773	1.187.773
Other	-	-	-
Installment Based Commercial Loans - FC	12.566.722	174.552.536	187.119.258
Mortgage Loans	106.560	2.203.987	2.310.547
Automotive Loans	5.985	221.725	227.710
Consumer Loans	10.316.443	166.437.296	176.753.739
Other	2.137.734	5.689.528	7.827.262
Corporate Credit Cards- TL	118.884.118	13.451.961	132.336.079
With Installment	51.139.739	13.399.457	64.539.196
Without Installment	67.744.379	52.504	67.796.883
Corporate Credit Cards-FC	17.052	-	17.052
With Installment	9.379	-	9.379
Without Installment	7.673	-	7.673
Overdraft Account- TL (Legal Entity)	42.841.588	-	42.841.588
Overdraft Account-FC (Legal Entity)	379.615	-	379.615
Total ⁽¹⁾	182.278.709	278.335.632	460.614.341

⁽¹⁾ Accrual and rediscount amounts related to loans are included in the table.

Prior Period	Short Term	Medium and Long Term	Total
Installment Based Commercial Loans- TL	3.813.629	96.724.151	100.537.780
Mortgage Loans	-	887.747	887.747
Automotive Loans	775.299	2.810.160	3.585.459
Consumer Loans	3.038.330	93.026.244	96.064.574
Other	-	-	-
Installment Based Commercial Loans- Indexed to FC	-	1.232.992	1.232.992
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	1.232.992	1.232.992
Other	-	-	-
Installment Based Commercial Loans - FC	10.190.466	139.366.509	149.556.975
Mortgage Loans	12.283	1.911.454	1.923.737
Automotive Loans	6.909	190.207	197.116
Consumer Loans	8.988.949	131.782.922	140.771.871
Other	1.182.325	5.481.926	6.664.251
Corporate Credit Cards- TL	98.598.994	13.287.697	111.886.691
With Installment	44.453.021	13.227.533	57.680.554
Without Installment	54.145.973	60.164	54.206.137
Corporate Credit Cards-FC	10.507	-	10.507
With Installment	7.595	-	7.595
Without Installment	2.912	-	2.912
Overdraft Account- TL (Legal Entity)	9.957.138	-	9.957.138
Overdraft Account-FC (Legal Entity)	175.890	180.563	356.453
Total ⁽¹⁾	122.746.624	250.791.912	373.538.536

⁽¹⁾ Accrual and rediscount amounts related to loans are included in the table.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Explanations Related to Loans (Continued)

7.5. Distribution of Domestic and Foreign Loans

	Current Period	Prior Period
Domestic Loans	2.383.194.078	2.143.776.681
Foreign Loans	61.054.705	63.990.250
Total	2.444.248.783	2.207.766.931

7.6. Loans Granted to Investments in Associates and Subsidiaries

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	3.935.552	3.560.312
Indirect loans granted to subsidiaries and associates	-	-
Total	3.935.552	3.560.312

7.7. Credit-Impaired Losses (Stage III)

	Current Period	Prior Period
Loans and other receivables with limited collectability	3.303.342	8.524.723
Loans and other receivables with doubtful collectability	7.849.535	2.196.710
Uncollectible loans and other receivables	12.235.349	11.920.533
Total	23.388.226	22.641.966

7.8. Information on Non-performing Loans (Net)

7.8.1. Information on Non-performing Loans Restructured or Rescheduled and other Receivables

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period			
Gross amounts before the provisions	174.310	1.827.047	881.314
Restructured loans	174.310	1.827.047	881.314
Prior Period			
Gross amounts before the provisions	255.160	1.016.908	880.997
Restructured loans	255.160	1.016.908	880.997

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Explanations Related to Loans (Continued)

7.8. Information on Non-performing Loans (Net) (Continued)

7.8.2. Information on the Movement of Total Non-performing Loans

	Group III	Group IV	Group V
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Prior Period Ending Balance	11.318.875	4.105.559	14.506.426
Additions (+)	1.195.264	1.765.694	519.632
Transfers from Other Categories of Loans under Follow-Up (+)	-	7.084.936	1.303.057
Transfers to Other Categories of Loans under Follow-Up (-)	7.084.936	1.303.057	-
Collections (-) ⁽¹⁾	330.243	672.472	1.334.402
Write-offs (-) ⁽²⁾	481	1.748	510
Sold (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Current Period End Balance	5.098.479	10.978.912	14.994.203
Provision (-)	3.303.342	7.849.535	12.235.349
Net Balance on Balance Sheet	1.795.137	3.129.377	2.758.854

⁽¹⁾ Includes transfers to first and second group loans amounting to TL 228.281.

⁽²⁾ As of 31 March 2024, there is a loan written off in the amount of TL 2.739 (31 December 2023: TL 587.000). Loans written off do not change the Group's non-performing loan and NPL ratio.

7.8.3. Information on Non-performing Loans Granted as Foreign Currency Loans

	Group III	Group IV	Group V
	Loans With Limited Collectability	Loans With Doubtful Collectability	Uncollectible Loans
Current Period:			
Period Ending Balance	3.824.138	5.775.939	5.571.641
Provision (-)	2.764.186	4.670.257	4.720.011
Net Balance on Balance Sheet	1.059.952	1.105.682	851.630
Prior Period:			
Period Ending Balance	8.063.637	2.396.909	4.512.562
Provision (-)	4.735.117	1.358.582	4.053.016
Net Balance on Balance Sheet	3.328.520	1.038.327	459.546

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Explanations Related to Loans (Continued)

7.8. Information on Non-performing Loans (Net) (Continued)

7.8.4. Breakdown of Non-performing Loans According to Their Gross and Net Values

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period (Net)	1.795.137	3.129.377	2.758.854
Loans to Real Persons and Legal Entities (Gross)	5.098.479	10.978.912	14.808.070
Provisions (-)	3.303.342	7.849.535	12.049.216
Loans to Real Persons and Legal Entities (Net)	1.795.137	3.129.377	2.758.854
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	186.133
Provisions (-)	-	-	186.133
Other Loans (Net)	-	-	-
Prior Period (Net)	2.794.152	1.908.849	2.585.893
Loans to Real Persons and Legal Entities (Gross)	11.318.875	4.105.559	14.321.011
Provisions (-)	8.524.723	2.196.710	11.735.118
Loans to Real Persons and Legal Entities (Net)	2.794.152	1.908.849	2.585.893
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	185.415
Provisions (-)	-	-	185.415
Other Loans (Net)	-	-	-

7.8.5. Information on Interest Accruals, Rediscount and Valuation Effect and Their Provisions Calculated for Non-Performing Loans Banks which Provide Expected Credit Loss According to TFRS 9

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period (Net)	88.814	118.292	124.197
Interest Accruals and Valuation Differences	219.428	676.185	791.965
Provisions (-)	130.614	557.893	667.768
Prior Period (Net)	82.280	64.362	114.823
Interest Accruals and Valuation Differences	651.213	133.832	775.473
Provisions (-)	568.933	69.470	660.650

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

8. Other Financial Assets Measured at Amortized Cost

8.1. Information on Financial Assets Subject to Repurchase Agreements and those Given as Collateral/Blocked

Financial Assets Measured at Amortized Cost subject to repo transactions

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	57.054.268	8.194.703	-	9.155.480
Treasury Bills	-	-	-	-
Other Government Debts	-	-	-	-
Bank Bonds and Bank Guaranteed Bonds	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
Total	57.054.268	8.194.703	-	9.155.480

Financial Assets Measured at Amortized Cost given as collateral or blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	-	-	-	-
Bonds and Similar Investment Securities	151.047.745	69.074.404	143.859.019	62.284.619
Other	-	-	-	-
Total	151.047.745	69.074.404	143.859.019	62.284.619

8.2. Information on Government Debt Securities at Amortized Cost Current

	Current Period	Prior Period
Government Bonds	368.381.930	342.629.160
Treasury Bills	-	-
Other Public Sector Debt Securities	2.263.647	1.914.559
Total	370.645.577	344.543.719

8.3. Information on Financial Assets Measured at Amortized Cost

	Current Period	Prior Period
Debt securities	375.066.022	348.667.948
Quoted at Stock Exchange	344.918.398	321.811.537
Unquoted at Stock Exchange	30.147.624	26.856.411
Provision for Impairment (-)	2.105	2.002
Total	375.063.917	348.665.946

8.4. The Movements of Financial Assets Measured at Amortized Cost

	Current Period	Prior Period
Beginning Balance	348.665.946	165.423.085
Foreign Currency Differences on Monetary Assets	5.790.082	25.097.891
Purchases During the Year ⁽¹⁾	22.226.051	169.413.220
Disposals through Sales and Redemptions	(1.616.057)	(11.266.248)
Provision for Impairment (-)	2.105	2.002
Period End Balance	375.063.917	348.665.946

⁽¹⁾ Rediscounts are shown in “Purchases During the Year”.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

9. Information on Associates Accounts (Net)

9.1. Information on Unconsolidated Associates

	Description	Address (City/ Country)	The Bank’s Share Percentage, if- Different, Voting Percentage (%)	The Bank’s Risk Group Share Percentage (%)
1	Bileşim Finansal Teknolojiler ve Ödeme Sistemleri A.Ş.	İstanbul/Türkiye	33,34	33,34

	Total Assets ⁽¹⁾	Shareholders’ Equity ⁽¹⁾	Total Non- Current Assets ⁽¹⁾⁽²⁾	Total Non- Current Assets ⁽¹⁾	Interest Income ⁽¹⁾	Current Period Profit/Loss ⁽¹⁾	Prior Period Profit / Loss ⁽¹⁾	Fair Value
1	748.480	595.122	415.653	11.288	-	688	9.814	-

⁽¹⁾ Within the framework of BRSA regulations, current period financial statement information of the associates was taken from the financial statements dated 31 March 2024, which were not subject to inflation accounting.

⁽²⁾ Total fixed assets include tangible and intangible assets.

9.2. Information on Consolidated Associates

	Description	Address (City/ Country))	The Bank’s Share Percentage, if Different, Voting Percentage (%)	The Bank’s Risk Group Share Percentage (%)
1	Arap Türk Bankası A.Ş.	İstanbul/ Türkiye	15,43	15,43
2	Birleşim Varlık Yönetim A.Ş.	İstanbul/ Türkiye	16,00	16,00

	Total Assets ⁽¹⁾	Shareholders’ Equity ⁽¹⁾	Total Non- Current Assets ⁽¹⁾	Interest Income ⁽¹⁾	Income from Marketable Securities ⁽¹⁾	Current Period Profit / Loss ⁽¹⁾	Prior Period Profit / Loss ⁽¹⁾	Fair Value
1	15.329.017	2.130.280	956.472	164.810	95.307	35.584	18.046	-
2	942.287	795.687	27.687	99.682	-	38.799	28.789	-

⁽¹⁾ Within the framework of BRSA regulations, current period financial statement information of the associates was taken from the financial statements dated 31 March 2024, which were not subject to inflation accounting.

9.3. Information on Financial Associates

	Current Period	Prior Period
Balance at the Beginning of the Period	452.059	282.763
Movement During the Period	3.953	169.296
Additions	-	119.285
Bonus Share Certificates	-	-
Shares of Current Year Profits	11.699	41.247
Sales/Liquidation	-	-
Revaluation Increase	-	8.764
Revaluation/Impairment (-)	7.746	-
Balance at the End of the Period	456.012	452.059
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

9. Information on Associates Accounts (Net) (Continued)

9.4. Sectoral Information on Financial Associates and the Related Carrying Amounts

	Current Period	Prior Period
Banks	328.702	329.828
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Associates	127.310	122.231

9.5. Information on Subsidiaries Quoted to a Stock Exchange

None (31 December 2023: None).

10. Information on Subsidiaries (Net)

10.1 Information on Unconsolidated Subsidiaries of the Parent Company

	Description	Address (City/ Country)	The Parent Bank’s Share Percentage-if different Voting Percentage (%)	The Parent Bank’s Group Share Percentage (%)
1	Ziraat Teknoloji A.Ş.	İstanbul / Türkiye	100,00	100,00

	Total Assets	Shareholders’ Equity	Total Non- Current Assets	Interest Income	Income from Marketable Securities	Current Period Profit / Loss	Prior Period Profit / Loss	Fair Value
1	946.351	386.041	63.643	8.260	-	195.675	(67.164)	278.705

(1) Within the framework of BRSA regulations, current period financial statement information of subsidiaries was taken from their financial statements dated 31 March 2024, which were not subject to inflation accounting.

10.2 Information on Consolidated Subsidiaries

	Description	Address (City/ Country)	The Bank’s Share Percentage-if different Voting Percentage (%)	The Bank’s Risk Group Share Percentage (%)
1	Ziraat Yatırım Menkul Değerler A.Ş.	İstanbul / Türkiye	99,60	99,60
2	Ziraat Portföy Yönetimi A.Ş.	İstanbul / Türkiye	74,90	95,08
3	Ziraat Katılım Bankası A.Ş.	İstanbul / Türkiye	100,00	100,00
4	Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul / Türkiye	81,06	81,06
5	Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş.	İstanbul / Türkiye	100,00	100,00
6	Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş. (**)	İstanbul / Türkiye	100,00	100,00
7	Ziraat Dinamik Banka A.Ş. (*)	İstanbul / Türkiye	100,00	100,00
8	Ziraat Bank International A.G.	Frankfurt / Almanya	100,00	100,00
9	Ziraat Bank BH d.d.	Saraybosna / Bosna Hersek	100,00	100,00
10	Ziraat Bank (Moscow) JSC	Moskova / Rusya	99,91	100,00
11	Kazakhstan Ziraat Int. Bank	Almati / Kazakistan	99,92	99,92
12	Ziraat Bank Azerbaycan ASC	Bakü / Azerbaycan	99,98	100,00
13	Ziraat Bank Montenegro AD	Podgoritsa / Karadağ	100,00	100,00
14	JSC Ziraat Bank Georgia	Tiflis / Gürcistan	100,00	100,00
15	Ziraat Bank Uzbekistan JSC	Taşkent / Özbekistan	100,00	100,00

(*) The Bank’s Subsidiary, Ziraat Dinamik Banka A.Ş., was established with the permission of the BRSA dated 23 March 2023 and numbered 10542 and was registered on 18 April 2023, and has not started operations yet as of the end of the period.

(**) Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş., which is among the subsidiaries. It started to be followed as a financial partnership. Operating permission was received from the CBRT on 30 January 2024.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

10. Information on Subsidiaries (Net) (Continued)

10.2 Information on Consolidated Subsidiaries (Continued)

	Total Assets ⁽²⁾	Shareholders Equity ⁽²⁾	Total Non-Current Assets ⁽²⁾	Interest Income ⁽²⁾	Income from Marketable Securities ⁽²⁾	Current Period Profit/Loss ⁽²⁾	Prior Period Profit/Loss	Fair Value	Shareholder's equity amount needed
1	8.329.211	3.972.101	24.686	708.422	-	869.268	2.151.551	4.839.147	-
2	883.453	720.115	40.249	11	-	131.715	416.918	556.999	-
3	381.315.484	20.013.978	3.417.206	18.372.205	2.543.235	449.772	998.080	15.958.668	-
4	41.041.809	36.568.874	39.360.647	77.537	-	242.289	36.953	22.663.443	-
5	5.174.929	5.170.922	2.066	70.941	-	69.082	2.331.997	5.170.428	-
6	228.659	226.710	19.315	16.433	-	14.488	20.508	200.000	-
7	2.500.000	2.500.000	-	-	-	-	-	2.500.000	-
8	36.195.274	11.454.023	1.554.369	450.620	31.562	371.946	333.880	5.005.866	-
9	25.951.556	3.738.298	168.013	184.363	-	113.408	225.371	1.462.781	-
10	4.545.954	2.016.991	60.342	155.768	520	153.107	265.930	1.031.853	-
11	15.829.947	5.529.335	418.442	324.967	2.349	258.803	777.627	3.535.560	-
12	13.870.447	2.195.059	453.623	161.650	13.566	57.952	192.543	1.134.100	-
13	3.662.443	615.634	27.877	29.871	5.835	10.344	15.237	433.950	-
14	2.585.310	883.700	63.376	35.896	1.389	16.410	64.747	342.333	-
15	9.344.933	1.185.829	161.452	90.235	-	40.366	92.922	719.558	-

⁽¹⁾ The amounts shown in the interest income column of Ziraat Katılım Bankası A.Ş. include profit share income.

⁽²⁾ Within the framework of BRSA regulations, current period financial statement information of subsidiaries was taken from the financial statements dated 31 March 2024, which were not subject to inflation accounting.

(Represents the values of the Parent Bank)

	Current Period	Prior Period
Balance at the Beginning of the Period	61.349.652	41.946.035
Movements During the Period	4.205.036	19.403.617
Purchases	-	10.615.681
Bonus Shares Obtained	-	163.757
Dividends from current year income	-	-
Sales	-	-
Revaluation Increase ⁽¹⁾	4.543.163	12.652.181
Impairment Provision (-)	338.127	4.028.002
Balance at the End of the Period ⁽²⁾	65.554.688	61.349.652
Capital Commitments	-	-
Share percentage at the end of the period (%)	-	-

⁽¹⁾ Includes changes arising from conversion of subsidiaries, whose capitals are paid in Euro amounts, into TL at period end currency rate.

⁽²⁾ Non-financial subsidiaries amounting to TL 278.705 are not included in the table. (31 December 2023: Non-financial subsidiaries amounting to TL 278.705 are not included in the table).

10.3. Sectoral Information on Financial Subsidiaries and the Related Carrying Amounts

(Represents the values of the Parent Bank)

	Current Period	Prior Period
Banks	32.124.669	31.663.788
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	33.430.019	29.685.864

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

10. Information on Subsidiaries (Net) (Continued)

10.4. Subsidiaries Quoted to a Stock Exchange

(Represents the values of the Parent Bank)

	Current Period	Prior Period
Quoted at Domestic Stock Exchanges	22.663.443	20.255.507
Quoted at International Stock Exchanges	-	-

11. Information on Entities Under Common Control (Joint Ventures)

Entities under Common Control (Joint Ventures) ⁽¹⁾	Parent Bank's Share (%)	Group's Share (%)	Current Assets	Non-Current Assets	Long Term Liabilities	Income	Expense
Turkmen Turkish Joint Stock Commercial Bank	50,00	50,00	24.272.395	109.901	63.774	271.479	154.489

⁽¹⁾ Information on entity under joint control is provided from the unaudited financial statements as of 31 March 2024.

12. Information on Lease Receivables

Information on receivables from leasing transactions is presented in the table below.

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	147.425	139.708	224.845	214.022
1-5 Years	59.358.980	43.747.280	59.991.932	41.215.163
More than 5 Years	11.785.793	9.328.451	13.243.798	11.229.911
Total	71.292.198	53.215.439	73.460.575	52.659.096

13. Information on Derivative Financial Assets for Hedging Purposes

The Group does not have any derivative financial assets for hedging purposes.

14. Information on Investment Property

The Group's investment properties are TL 1.438.400 (31 December 2023: TL 1.434.220).

15. Information on Assets Held for Sale and Tangibles Corresponding Discontinuing Operations

The Group does not have any discontinued operations. The assets held for sale are composed of immovables acquired due to consumer, commercial and agricultural loans, and immovables for which has no necessity of use exists by the Parent Bank. Those immovables considered for sales are announced at the web site of the Parent Bank.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

15. Information on Assets Held for Sale and Tangibles Corresponding Discontinuing Operations (Continued)

The total of the partnership shares acquired by the Group due to its receivables is TL 38.948 (31 December 2023:TL 38.948) To be TL 726.778 (31 December 2023:TL 15.712), due to individual receivables of the Group, TL 5.695.061 due to the trade receivables (31 December 2023:TL 6.288.579) due to the agricultural receivables TL 76.129 (31 December 2023:TL 81.634) the total of the real estates acquired for the purpose of sale is TL 6.497.968 (31 December 2023:TL 6.385.925) and the other real estates held for sale is TL 447.908 (31 December 2023:TL 447.908). In addition, the total of the movables acquired due to its receivables is TL 75.387 (31 December 2023:TL 98.046) In addition, the total of the movables acquired due to its receivables is TL 2.522.833 (31 December 2023:TL 2.548.008).

16. The Impairment Provision Set or Cancelled in the Current Period According to the Asset Groups not Individually Significant but Materially Affecting According to Overall Financial Statements and the Reason and Conditions for This

None.

17. Pledges, Mortgages and Other Restrictions on the Tangible Assets, Expenses Arising from the Construction for Tangible Assets, Commitments Given for the Purchases of Tangible Assets

None.

18. Information on Expected Credit Loss for Financial Assets

	Current Period	Prior Period
Cash and Balances at Central Bank	25.410	27.611
Banks and Receivables from Money Markets	33.672	46.474
Financial Assets Measured at Amortized Cost	86.845	80.966
Other assets	316.851	270.826
Total	462.778	425.877

19. Information on Deferred Tax Asset

The Group calculates and reflects deferred tax in accordance with the provisions of “Turkish Accounting Standard for Income Taxes” (“TAS 12”) for taxable temporary differences that arise between the book value of an asset or liability and its tax basis determined in accordance with the tax legislation. In the calculation of deferred tax, enacted tax rates valid as of the balance sheet date are used in accordance with the current tax legislation.

Deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly probable to benefit from these differences by earning taxable profit in the future. Calculated deferred tax receivables and deferred tax liabilities are netted off in the consolidated subsidiaries' separate financial statements.

As of 31 March 2024, the deferred tax asset is TL 36.271.845 (31 December 2023: TL 33.467.558).

20. Information on Other Asset

As of 31 March 2024 and 31 December 2023, other assets do not exceed 10% of the total assets excluding off-balance sheet commitments.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES

1. Information on Deposits/Funds Collected

1.1. Information on Maturity Structure of Deposits

Current Period	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits	191.976.667	-	33.284.125	314.223.272	212.729.350	194.655.100	96.371.895	123.293	1.043.363.702
Foreign Currency Deposits	585.324.218	-	136.906.055	271.231.325	57.766.673	41.700.250	92.324.149	19.013	1.185.271.683
Residents in Türkiye	445.258.025	-	128.349.308	232.000.909	41.113.338	17.193.191	26.971.892	14.408	890.901.071
Residents Abroad	140.066.193	-	8.556.747	39.230.416	16.653.335	24.507.059	65.352.257	4.605	294.370.612
Public Sector Deposits	36.669.981	-	39.767.730	41.691.264	12.405.510	581.677	155.908	-	131.272.070
Commercial Deposits	87.519.842	-	144.008.623	182.761.491	42.945.815	71.304.086	56.758.382	-	585.298.239
Other Institutions Deposits	14.448.390	-	6.975.482	42.397.612	17.030.275	3.527.034	1.187.358	-	85.566.151
Precious Metals Deposit	188.431.537	-	3.723.467	22.541.849	3.107.334	727.037	1.093.208	-	219.624.432
Interbank Deposits	13.779.784	-	43.539.957	27.063.616	20.500.918	159.843	75.754	-	105.119.872
The CBRT	6.632.489	-	-	-	-	-	-	-	6.632.489
Domestic Banks	827.113	-	38.322.759	3.115.575	1.005.929	511	-	-	43.271.887
Foreign Banks	5.960.258	-	5.217.198	23.948.041	19.494.989	159.332	75.754	-	54.855.572
Participation Banks	359.924	-	-	-	-	-	-	-	359.924
Other	-	-	-	-	-	-	-	-	-
Total (*)	1.118.150.419	-	408.205.439	901.910.429	366.485.875	312.655.027	247.966.654	142.306	3.355.516.149

(*) As of 31 March 2024, the balance of savings the deposit balance includes the amount of TL 17.446.735 Treasury Currency Protected Deposit, TL 329.891.283 CBRT Currency Protected Deposit and TL 105.301.822 YUVAM Account Deposits.

Prior Period	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits	175.609.256	-	28.427.379	321.850.914	266.165.080	93.219.497	85.420.590	127.978	970.820.694
Foreign Currency Deposits	482.977.685	-	171.140.479	259.762.076	48.156.541	40.618.989	88.313.900	17.851	1.090.987.521
Residents in Türkiye	352.748.963	-	165.474.988	225.071.571	30.718.870	16.100.399	25.810.393	13.659	815.938.843
Residents Abroad	130.228.722	-	5.665.491	34.690.505	17.437.671	24.518.590	62.503.507	4.192	275.048.678
Public Sector Deposits	36.669.339	-	130.419.435	48.298.041	4.444.001	233.006	143.897	-	220.207.719
Commercial Deposits	100.914.099	-	181.333.459	236.061.118	62.493.497	45.411.903	36.831.359	-	663.045.435
Other Institutions Deposits	11.701.470	-	7.881.947	43.235.018	15.424.095	2.286.691	1.360.134	-	81.889.355
Precious Metals Deposit	151.323.270	-	3.027.113	18.214.111	2.181.984	628.895	944.569	-	176.319.942
Interbank Deposits	11.285.647	-	41.479.672	32.117.694	11.449.977	150.065	70.126	-	96.553.181
The CBRT	3.835.380	-	-	-	-	-	-	-	3.835.380
Domestic Banks	724.497	-	35.444.212	2.453.348	-	-	-	-	38.622.057
Foreign Banks	6.044.046	-	6.035.460	29.664.346	11.347.811	150.065	70.126	-	53.311.854
Participation Banks	681.724	-	-	-	102.166	-	-	-	783.890
Other	-	-	-	-	-	-	-	-	-
Total (*)	970.480.766	-	563.709.484	959.538.972	410.315.175	182.549.046	213.084.575	145.829	3.299.823.847

(*) As of 31 December 2023, the deposit balance includes the amount of TL 53.576.786 Treasury Currency Protected Deposit, TL 333.844.041 CBRT Currency Protected Deposit and TL 83.585.490 YUVAM Account Deposits.

1.2. Information on Saving Deposits Under the Guarantee of the Saving Deposit Insurance Fund and Amounts Exceeding the Limit of the Deposit Insurance Fund

Saving Deposits	Under the Guarantee of Deposit Insurance		Exceeding Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits ⁽¹⁾	501.064.231	400.109.821	536.702.511	570.467.136
Foreign Currency Saving Deposits ⁽¹⁾	417.259.067	306.661.188	455.480.962	457.116.037
Other Deposits in the form of Saving Deposits	-	-	-	-
Foreign Branches' Deposits under the Guarantees of Foreign Authority Insurance ⁽²⁾	9.716.015	8.857.133	4.925.647	4.796.767
Off-Shore Banking Regions' under Foreign Authorities' Insurance	-	-	-	-

⁽¹⁾ Related deposit balances do not include foreign branches.

⁽²⁾ Bulgaria and Greece, since both real person and legal entity's saving deposits are under the guarantee of insurance and since such balances included in insurance limit are calculated by the system, the legal entity saving deposits amounting to TL 5.108.559 and TL 87.265 respectively, cannot be decomposed by type and are therefore included in the table (31 December 2023:TL 5.010.092 and TL 61.595).

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

1. Information on Deposits/Funds Collected (Continued)

1.2. Information on Saving Deposits Under the Guarantee of the Saving Deposit Insurance Fund and Amounts Exceeding the Limit of the Deposit Insurance Fund (Continued)

In accordance with the Regulation on the Amendment of the Regulation on Deposits and Participation Funds Subject to Insurance and Premiums to be Collected by the Savings Deposit Insurance Fund, published in the Official Gazette dated 27 August 2022 and numbered 31936, all official institutions in the presence of credit institutions, except those belonging to credit institutions and financial institutions, deposits and participation funds are included in the scope of insurance. In line with this change, commercial deposits amounting to TL 62.845.629 (31 December 2023:TL 49.015.138) covered by insurance are not included in the table. The portion of the said deposits exceeding the insurance limit is TL 809.139.793 (31 December 2023:TL 845.925.049)

Based on the Council of Minister’s decree dated 29 December 2003 and numbered 2003/6668 TL 382 (31 December 2023:TL 382) of demand deposits is not included in the above calculation, since the Parent Bank paid the saving deposits amount attributable to T. İmar Bankası T.A.Ş.

1.3. Information on Saving Deposits/Real Persons’ Private Current and Accession Accounts Not Related to Commercial Transactions in a Turkish Branch of the Parent Bank Whose Head Office is Abroad, And Reasons if it is Covered in Where the Head Office is Located

The Parent Bank’s head office is located in Türkiye.

1.4. Saving Deposits of Real Persons which are not under the Guarantee of Saving Deposit Insurance Fund

	Current Period	Prior Period
Foreign branches’ saving deposits and other accounts	17.401	17.493
Deposits and other accounts belonging to dominant partners as well as their fathers, mothers, spouses and children under their custody	-	-
Deposits and other accounts belonging to the chairman and members of the board of directors, general managers and deputy general managers as well as their fathers, mothers, spouses and children under their custody	52.511	43.616
Deposits and other accounts covered by assets generated through the offenses mentioned in Article 282 of the Turkish Penal Code No.5237 and dated 26 September 2004	-	-
Deposits in the banks to be engaged exclusively in offshore banking in Türkiye	-	-

2. Negative Differences Statement Regarding Trading Derivative Financial Assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	94.674	142.549	80.030	49.505
Swap Transactions	2.592.407	5.368.521	704.395	2.629.363
Futures Transactions	-	-	-	-
Options	-	114.760	-	206.689
Other	-	101	-	90
Total	2.687.081	5.625.931	784.425	2.885.647

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

3. Information on Banks and Other Financial Institutions

3.1. General Information on Banks and Other Financial Institutions

	Current Period		Current Period	
	TL	FC	TL	FC
Borrowings from CBRT	1.206.486	-	1.206.486	-
From Domestic Banks and Institutions	813.962	12.613.508	6.213.812	10.121.311
From Foreign Banks, Institutions and Funds	-	251.613.420	-	192.979.456
Total	2.020.448	264.226.928	7.420.298	203.100.767

3.2. Information on Maturity Structure of Borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	611.192	36.552.887	6.084.912	22.394.428
Medium and Long-Term	1.409.256	227.674.041	1.335.386	180.706.339
Total	2.020.448	264.226.928	7.420.298	203.100.767

3.3. Further Information is Disclosed for the Areas of Liability Concentrations. Main Liability Concentration Areas are Fund Suppliers, Sector Groups or other Risk Concentration Criteria

73,79% of the Group’s total liabilities and shareholders’ equity consist of deposits. Deposits have a diversified base and have steady structures. The Group’s liabilities are not subject to a significant concentration risk.

4. Information on Money Market Borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
From Domestic Transactions	65.767.815	7.975.698	5.469.316	10.528.455
Financial Institutions and Organizations	65.131.772	7.975.698	5.115.675	10.528.455
Other Institutions and Organizations	581.009	-	279.173	-
Real Person	55.034	-	74.468	-
From Overseas Operations	-	87.159.557	-	78.303.138
Financial Institutions and Organizations	-	87.159.557	-	78.303.138
Other Institutions and Organizations	-	-	-	-
Real Person	-	-	-	-
Total	65.767.815	95.135.255	5.469.316	88.831.593

5. Information on Securities Issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bills	-	47.622.715	995.040	7.518.533
Asset-Backed Securities	6.152.291	16.683.618	4.461.181	14.918.648
Treasury Bonds	-	58.373.817	-	38.674.352
Total	6.152.291	122.680.150	5.456.221	61.111.533

6. If Other Foreign Liabilities Exceed 10% of the Balance Sheet Total, Name and Amount of Sub-Accounts Constituting at Least 20% of These Liabilities

Other foreign liabilities do not exceed 10% of the balance sheet total.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

7. Information on Lease Liabilities

Information on lease liabilities represented in the table below.

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	196.539	160.074	89.584	41.352
Between 1-4 Years	3.140.927	2.265.470	1.856.513	1.482.025
More than 4 Years	7.050.571	3.108.071	6.515.257	3.263.741
Total	10.388.037	5.533.615	8.461.354	4.787.118

8. Information on the Hedging Derivative Financial Liabilities

There are no hedging derivative financial liabilities of Group.

9. Information on Provisions

9.1. Provisions Related with Principal Foreign Currency Decrease of Foreign Indexed Loans and Finance Leasing Receivables

There are no foreign exchange loss provisions on foreign currency indexed loans and financial lease receivables (31 December 2023: None).

9.2. Liabilities on Employee Benefits Provision

9.2.1. Termination Benefit and Unused Vacation Rights

The Bank accounts for its vacation and retirement pay obligations in accordance with the TAS 19 “Employee Benefits”. The vacation and retirement pay obligations recognized in the balance sheet represent the present value of the defined benefit obligation. As of 31 March 2024, unpaid vacation liability amounted to TL 1.553.139 and employment termination amounted to TL 5.673.977 are presented under the “Employee Benefits Provision” in the financial statements (31 December 2023 unpaid vacation liability amounted to TL 923.379 and employment termination amounted to TL 5.312.642 are presented under the “Employee Benefits Provision” in the financial statements).

9.3. Information on Other Provisions

A portion of free provision amounting to TL 4.800.000 is reversed in the current period out of the total free provision of TL 17.800.000 provided by the Group management in prior periods outside of the requirements of BRSA Accounting and Financial Reporting Legislation; therefore, the remaining free provision amount as at 31 March 2024 is TL 13.000.000 in these consolidated financial statements (31 December 2023: These consolidated financial statements as at 31 December 2023 include a free provision amounting to TL 17.800.000 which consist of TL 29.304.000 provided in prior periods, TL 96.000 recognized in the current year and TL 11.600.000 reversed in the current year by the Group management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation).

Expected loss provisions for non-cash loans are TL 9.903.271 (31 December 2023: Expected loss provisions for non-cash loans are TL 9.204.333). The Group has made a provision amounting to TL 251.817 for the cases that have not been finalized yet (31 December 2023: The Group has made a provision amounting to TL 278.521 for the cases that are not yet finalized). In addition, there is other provision amounting to TL 4.837.507 (31 December 2023: Other provision amounting to TL 4.954.408).

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

10. Explanations on Tax Liability

10.1. Explanations on Current Tax Liability

10.1.1. Information on Taxes Payable

As of 31 March 2024, the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 11.915.233 (As of 31 December 2023 the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 6.920.888)

10.1.2. Information on Current Taxes Payable

	Current Period	Prior Period
Corporate Tax Payable	11.915.233	6.920.888
Taxation on Income from Securities	2.029.084	1.726.608
Property Tax	14.666	11.251
Banking Insurance Transaction Tax (BITT)	3.172.669	2.522.384
Foreign Exchange Transaction Tax	124.622	53.073
Value Added Tax Payable	192.367	228.094
Other	1.121.625	461.518
Total	18.570.266	11.923.816

10.1.3. Information on Premium Payables

	Current Period	Prior Period
Social Security Premiums - Employee	933	1.073
Social Security Premiums - Employer	1.451	1.428
Bank Social Aid Pension Fund Premium – Employee	179.795	118.457
Bank Social Aid Pension Fund Premium - Employer	263.529	173.733
Pension Fund Membership Fees and Provisions - Employee	138	117
Pension Fund Membership Fees and Provisions - Employer	34	25
Unemployment Insurance - Employee	28.476	23.141
Unemployment Insurance - Employer	56.947	46.275
Other	-	-
Total	531.303	364.249

10.2. Information on Deferred Tax Liabilities if any

The Group has TL 43.064 deferred tax liability. (31 December 2023: TL 16.407)

11. Information on liabilities related to non-current assets “held for sale” and “held from discontinued operations”

The Group does not have any liabilities related to non-current assets “held for sale” and “held from discontinued operations” (31 December 2023: None).

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

12. Information on Subordinated Loans

	Current Period		Current Period	
	TL	FC	TL	FC
Debt instruments to be included in additional capital calculation	-	55.390.949	-	51.072.217
Subordinated loans	-	4.806.488	-	4.451.686
Subordinated debt instruments	-	50.584.461	-	46.620.531
Debt instruments to be included in contribution capital calculation	30.325	-	-	-
Subordinated loans	30.325	-	-	-
Subordinated debt instruments	-	-	-	-
Total	30.325	55.390.949	-	51.072.217

(*) Subordinated loans are explained in detail in the Note “Information on debt instruments included in the calculation of equity” in Section Four.

13. Information on Shareholders’ Equity

13.1. Presentation of Paid-In Capital

	Current Period	Prior Period
Common stock	84.600.000	84.600.000
Preferred stock	-	-

13.2. Amount of Paid-In Capital, Explanation as to Whether the Registered Share Capital System is Applied, if so the Amount of Registered Share Capital Ceiling

The Parent Bank does not have a registered capital system.

13.3. Capital Increases and Sources in the Current Period and Other Information Based on Increased Capital Share

There are no capital increases in the current period.

13.4. Information on Share Capital Increases from Capital Reserves During the Current Period

There is no share capital amount included in capital.

13.5. Information on Capital Commitments, the Purpose and the Sources Until the End of the Fiscal Year and the Subsequent Interim Period

The Parent Bank has no capital commitments.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

13. Information on Shareholders’ Equity (Continued)

13.6. The Effects of Anticipations Based on the Financial Figures for Prior Periods Regarding the Group’s Income, Profitability and Liquidity, and Possible Effects of These Future Assumptions on the Group’s Equity due to Uncertainties at These Indicators

In the current period, The Parent Bank follows its operations in line with the previous periods. The Parent Bank’s balance sheet has been managed with precaution by being affected by the interest, rate of exchange and credit risks at the minimum level. This helps to reduce the effects of fluctuations in the market to The Parent Bank’s performance and contributes to the profitability structure to be sustainable.

13.7. Information on Privileges Given to Shares Representing the Capital

The Parent Bank has no preferred shares.

13.8. Information on Marketable Securities Value Increase Fund

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries, and Entities under Common Control (Joint Ventures)	222.469	(425.426)	222.468	(425.425)
Financial Assets at Fair Value Through Other Comprehensive Income	23.380.794	(16.780.137)	21.902.661	(12.810.408)
Foreign Exchange Differences	10.316.434	3.426	10.274.164	3.282
Total	33.919.697	(17.202.137)	32.399.293	(13.232.551)

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

1. Explanations on Off-Balance Sheet Commitments

1.1. Nature and Amount of Irrevocable Loan Commitments

	Current Period	Prior Period
Asset Purchase Commitments	256.534.951	104.390.149
Subsidiaries and Associates Capital Contribution Commitments	-	-
Loan Granting Commitments	114.378.595	99.025.457
Commitments for Cheque Payments	32.599.260	20.924.466
Commitments for Credit Card Expenditure Limits	594.955.999	393.172.202
Promotion Campaigns Commitments Relating to Credit Card and Bank Services	355.000	260.816
Tax and Fund Liabilities from Export Commitments	392.621	296.293
Other Irrevocable Commitments	63.529.106	49.726.847
Total	1.062.745.532	667.796.230

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

1. Explanations on Off-Balance Sheet Commitments (Continued)

1.2. A Nature and Amount of Possible Losses and Commitments Arising from the Off-Balance Sheet Items Including the Below Mentioned

The Group has provided provision amounting to TL 9.903.271 for expected credit losses arising from the off-balance sheet items in the current period (31 December 2023: TL 9.204.333).

1.2.1. Non-Cash Loans Including Guarantees, Acceptances, Financial Guarantees and Other Letter of Credits

	Current Period	Prior Period
Letters of Guarantee	776.274.359	692.372.857
Letters of Credit	128.872.815	112.269.044
Bank Acceptances	6.773.707	8.393.046
Endorsements	62.202.056	53.313.445
Other Guarantees	82.925	886.889
Other Collateral	24.574	8.554
Total	974.230.436	867.243.835

1.2.2. Certain Guarantees, Temporary Guarantees, Surety Ships and Similar Transactions

	Current Period	Prior Period
Letters of Certain Guarantees	421.425.930	417.115.185
Letters of Advance Guarantees	142.608.856	132.882.159
Letters of Temporary Guarantees	61.765.938	22.209.779
Letters of Guarantees Given to Customs Offices	6.582.081	5.066.196
Other Letters of Guarantees	143.891.554	115.099.538
Total	776.274.359	692.372.857

1.3. Explanations on Non-Cash Loans

1.3.1. Total Non-Cash Loans:

	Current Period	Prior Period
Non-Cash Loans for Providing Cash Loans	115.352.800	95.627.490
With Original Maturity of One Year or Less	48.123.832	37.876.385
With Original Maturity of More than One Year	67.228.968	57.751.105
Other Non-Cash Loans	858.877.636	771.616.345
Total	974.230.436	867.243.835

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT

1. Interest Income

1.1. Information on Interest Income from Loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on Loans ⁽¹⁾	122.862.901	16.815.964	36.188.535	7.933.346
Short Term Loans	56.185.868	3.800.084	15.333.021	1.480.846
Medium and Long-Term Loans	65.868.126	12.871.796	20.539.586	6.367.508
Interest on Loans Under Follow-Up	808.907	144.084	315.928	84.992
Premiums Received from the Resource Utilization Support Fund	-	-	-	-

⁽¹⁾ Includes fees and commissions income on cash loans.

1.2. Information on Interest Income on Banks

	Current Period		Prior Period	
	TL	FC	TL	FC
From Central Bank of the Republic of Türkiye	28.468	-	101.982	-
From Domestic Banks	38.899	649.775	8.745	1.242.351
From Foreign Banks	403.532	594.011	29.591	215.324
From Headquarters and Branches Abroad	-	-	-	-
Total	470.899	1.243.786	140.318	1.457.675

1.3. Information on Interest Income on Marketable Securities

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	338.945	48.119	182.908	14.505
Financial Assets at Fair Value Through Other Comprehensive Income	22.919.365	5.691.102	9.356.457	2.879.454
Financial Assets Measured at Amortized Cost	16.753.522	1.112.646	5.837.826	629.455
Total	40.011.832	6.851.867	15.377.191	3.523.414

1.4. Information on Interest Income Received from Associates and Subsidiaries

	Current Period	Prior Period
Interest Income from Associates and Subsidiaries	476.318	53.815

2. Interest Expense

2.1. Information of Interest Expense on Borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks ⁽¹⁾	815.027	4.501.394	135.132	1.548.772
Central Bank of the Republic of Türkiye	58.788	-	436	-
Domestic Banks	707.063	189.191	113.153	220.690
Foreign Banks	49.176	4.312.203	21.543	1.328.082
Foreign Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	115.372	-	51.856
Total	815.027	4.616.766	135.132	1.600.628

⁽¹⁾ Includes fees and commissions expenses on cash loans.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

2. Interest Expense (Continued)

2.2. Information on Interest Expense Given to Associates and Subsidiaries

	Current Period	Prior Period
Interest Expenses Given to Subsidiaries and Associates	34.165	7.775

2.3. Information on Interest Expense Given on Securities Issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expenses on Securities Issued	981.503	1.904.824	312.330	866.502

2.4. Maturity Structure of the Interest Expense on Deposits

Current Period	Account Name	Demand Deposit	Time Deposit					Cumulative Deposit	Total
			Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More Than 1 year		
TL	Bank Deposit	-	4.648.946	294.210	15.712	-	-	-	4.958.868
	Saving Deposit	-	2.871.046	32.686.397	27.249.299	13.589.418	4.743.326	2.781	81.142.267
	Public Sector Deposit	36	9.389.771	4.173.780	853.387	6.912	7.170	-	14.431.056
	Commercial Deposit	92	13.776.375	16.828.914	4.656.807	6.932.181	3.622.625	-	45.816.994
	Other Deposit	-	738.067	4.016.611	1.456.749	181.078	54.914	-	6.447.419
	Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
	Total	128	31.424.205	57.999.912	34.231.954	20.709.589	8.428.035	2.781	152.796.604
FC	Foreign Currency Deposit	377	1.104.246	1.527.427	271.855	419.705	440.018	-	3.763.628
	Bank Deposit	31.948	33.034	291.108	236.136	2.624	499	-	595.349
	Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
	Precious Metal Deposits	-	7.818	15.714	2.563	724	1.133	-	27.952
	Total	32.325	1.145.098	1.834.249	510.554	423.053	441.650	-	4.386.929
	Grand Total	32.453	32.569.303	59.834.161	34.742.508	21.132.642	8.869.685	2.781	157.183.533

Prior Period	Account Name	Demand Deposit	Time Deposit					Cumulative Deposit	Total
			Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More Than 1 year		
TL	Bank Deposit	-	930.678	55.245	-	-	-	-	985.923
	Saving Deposit	-	609.301	9.490.620	1.949.547	374.398	941.180	3.450	13.368.496
	Public Sector Deposit	36	3.073.393	613.581	104.279	19.133	215	-	3.810.637
	Commercial Deposit	76	3.873.082	5.263.899	1.027.151	2.214.137	110.881	-	12.489.226
	Other Deposit	-	366.892	1.012.877	84.328	2.699	12.814	-	1.479.610
	Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
	Total	112	8.853.346	16.436.222	3.165.305	2.610.367	1.065.090	3.450	32.133.892
FC	Foreign Currency Deposit	32.642	1.485.228	786.106	176.189	131.398	209.986	-	2.821.549
	Bank Deposit	-	52.624	71.969	-	93.673	855	-	219.121
	Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
	Precious Metal Deposits	-	4.319	13.023	1.260	640	751	-	19.993
	Total	32.642	1.542.171	871.098	177.449	225.711	211.592	-	3.060.663
	Grand Total	32.754	10.395.517	17.307.320	3.342.754	2.836.078	1.276.682	3.450	35.194.555

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

3. Information on Trading Profit/Loss (Net)

	Current Period	Prior Period
Profit	205.297.990	108.947.152
Trading Gains on Securities	2.361.129	237.793
Gains on Derivative Financial Transactions	10.615.009	4.222.642
Foreign Exchange Profits	192.321.852	104.486.717
Loss (-)	212.447.230	108.788.213
Trading Losses on Securities	29.045	786.419
Losses on Derivative Financial Instruments	30.135.946	6.302.396
Foreign Exchange Loss	182.282.239	101.699.398

4. Information on Other Operating Income

Significant proportion of other operating income consists of reversals from prior period provisions amounting to TL 8.845.694 and income from sales of assets amounting to TL 80.987 (31 March 2023: Significant proportion of other operating income consists of reversals from prior period provisions amounting TL 21.333.804 and income from sales of assets amounting to TL 109.008).

5. Expected Credit Loss and Other Provision Expense

	Current Period	Prior Period
Expected Credit Loss and Other Provision Expense	7.198.956	3.529.045
12 Month Expected Credit Loss (Stage 1)	2.945.641	1.904.669
Significant Increase in Credit Risk (Stage 2)	1.537.106	636.885
Non-Performing Loans (Stage 3)	2.716.209	987.491
Marketable Securities Impairment Expense	163.244	123.418
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	163.244	123.418
Subsidiaries, Associates and Entities Under Common Control Impairment Provision	-	-
Associates	-	-
Subsidiaries	-	-
Entities Under Common Control	-	-
Other	202.753	71.124
Total	7.564.953	3.723.587

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

6. Information Related to Other Operating Expenses

	Current Period	Prior Period
Reserve for Employee Termination Benefits	353.778	219.340
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	862.453	332.448
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	185.099	86.347
Impairment Expense of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Sale	-	-
Depreciation Expenses of Assets Held for Sale	-	-
Impairment Expenses for Non-Current Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	7.792.047	6.978.253
Leasing Expenses Related to TFRS 16 Exceptions	85.648	38.962
Maintenance Expenses	406.434	510.324
Advertisement Expenses	208.256	144.998
Other Expenses	7.091.709	6.283.969
Loss on Sales of Assets	165	111
Other ⁽¹⁾	5.480.955	23.855.020
Total	14.674.497	31.471.519

⁽¹⁾ TL 1.887.169 consists of Savings Deposit Insurance Fund rediscount expenses, TL 2.387.413 consists of taxes, duties and fees (31 March 2023: TL 1.155.963 consists of Savings Deposit Insurance Fund rediscount expenses, TL 1.075.330 TL consists of taxes, duties and fees, and TL 20.600.000 consists of the donation payment made to AFAD due to the earthquake disaster that occurred in Kahramanmaraş and surrounding provinces in February).

7. Information on Profit/Loss Before Tax from Continuing and Discontinuing Operations

The Group has no discontinued operations. The content of profit/loss amount before tax related to the continuing operations of the Group is given below:

	Current Period	Prior Period
Net Interest Income	29.710.113	21.986.014
Net Fees and Commissions Income	17.002.033	6.137.129
Other Operating Income	13.373.197	22.583.546
Dividend Income	917	-
Trading Profit/Loss (Net)	(7.149.240)	158.939
Personnel Expenses (-)	9.448.602	5.838.781
Expected Credit Loss (-)	7.198.956	3.529.045
Other Provision Expenses (-)	365.997	194.542
Other Operating Expenses (-)	14.674.497	31.471.519
Profit/Loss from Investments in Subsidiaries Consolidated based on Equity Method	64.841	42.112
Current Period Profit/Loss from Continued Operations	21.313.809	9.873.853

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

8. Information on Tax Provision for Continued and Discontinued Operations

As of 31 March 2024, TL 1.004.157 of the Group’s total tax provision expense amounting to TL 6.139.827 consists of current tax expense while remaining balances amounting to TL 5.135.670 consists of deferred tax income (As of 31 March 2023 TL 1.433.638 of the Group’s total tax provision expense amounting to TL 172.503 consists of current tax expense while remaining balances amounting to TL 1.261.135 consists of deferred tax income).

9. Explanation on Current Period Net Profit and Loss of Continued and Discontinued Operations

The Group's net profit from continuing operations is TL 20.309.652 (31 March 2023:TL 8.440.215).

10. Information on Net Profit/Loss

10.1. Nature, Amount and Frequency of Income and Expenses Arising from Ordinary Banking Activities, if Required for the Understanding the Performance of the Bank in The Current Period

The Parent Bank mainly utilizes its resources from domestic deposits on loans, securities and interbank operations. Besides, it obtains income via commissions taken from non-cash loans, other banking operations and insurance agencies.

10.2. The Effect of the Change in Accounting Estimates to the Net Profit/Loss; Including the Effects to the Future Period, if any

As of the balance sheet date, there is no change in accounting estimates that may require further explanations in the current period.

11. If Other Items in the Profit or Loss Statement Exceed 10% of the Profit or Loss Statement Total, Sub-Accounts Constituting At Least 20% of These Items are Shown Below

The “Other” statement under the “Fees and Commission Income” in the Profit or Loss Statement mainly consists of commissions received from credit card and fees and commissions received from banking transactions.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

V. EXPLANATIONS AND NOTES RELATED TO RISK GROUP THAT THE PARENT BANK BELONGS TO

1. Information on the Volume of Transactions Relating to the Parent Bank’s Risk Group, Outstanding Loan and Deposit Transactions and Profit and Loss of the Period

1.1 Information on Loans of the Bank’s Risk Group

Risk Group of the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans						
Beginning Balance	3.560.312	94.803	-	-	-	-
Ending Balance	3.935.552	74.636	-	-	-	-
Interest and Commissions Income	476.318	224	-	-	-	-

Risk Group of the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans						
Beginning Balance	1.595.222	27.560	-	-	-	-
Ending Balance	3.560.312	94.803	-	-	-	-
Interest and Commissions Income	53.815	135	-	-	-	-

1.2. Information on Deposits of the Parent Bank’s Risk Group

Risk Group of the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Venture)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Beginning Balance	802.612	290.714	-	-	-	-
Ending Balance	1.291.813	802.612	-	-	-	-
Interest Expense on Deposits	34.165	7.775	-	-	-	-

1.3. Information on Forward and Option Agreements and Other Similar Agreements made with the Parent Bank’s Risk Group

None (31 December 2023: None).

1.4. Information Regarding Benefits Provided to the Group’s Key Management

Fees paid to the Group’s key management amount to TL 90.155 (31 March 2023: 37.922 TL).

VI. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENT

The issuance of the subordinated debt instrument (Tier II Capital) with a nominal amount of USD 500 million, issued abroad by the Bank, with a maturity of 10 years and 3 months, with an early payment option within 3 months from the end of the 5th year, was completed as of 30 April 2024.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

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

SECTION SIX

EXPLANATIONS ON AUDITOR’S REVIEW REPORT

I. EXPLANATIONS ON INDEPENDENT AUDITOR’S REVIEW REPORT

The consolidated financial statements for the period ended 31 March 2024 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The auditor’s review report dated 20 May 2024 is presented preceding the consolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY THE INDEPENDENT AUDITORS

None.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 MARCH 2024**

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full).

**SECTION SEVEN
EXPLANATION ON INTERIM ACTIVITY REPORT**

I. CHAIRMAN'S ASSESSMENT

Last year, it was observed that central banks made significant interest rate increases globally within the framework of anti-inflation and price stability measures and financial conditions tightened.

In the first quarter of 2024, in an environment where the global economy displayed a resilient outlook, performance below the long-term average growth rate continued and soft landing expectations gained weight, it was observed that central banks prioritized reaching target levels smoothly without loosening monetary policy prematurely.

In this context, with the support of the easing in inflation rates, expectations regarding the start time, amount and pace of possible interest rate cuts have gained importance in the markets in the first quarter of this year. In addition, differences were observed between countries in expectations regarding monetary policy and interest rate reduction processes of central banks.

Messages were given by the central banks of developed countries, the US Federal Reserve (Fed) and the European Central Bank (ECB), that interest rates will remain high until there is more confidence in the decline of inflation towards the targets. The Fed kept interest rates at the same level in the last 5 meetings and the ECB in the last 4 meetings. Expectations have strengthened that the ECB will cut interest rates in June, but that the Fed will make a cut later in the year.

On the Asian side, the Chinese economy, which leads the region, is driven by the slowdown in the global economy in the first quarter of this year, the debt problem of local governments in the country and the debt problems in the real estate sector, as well as the ongoing comprehensive incentive steps of the Chinese government, loose monetary policy and the increase in consumer spending during the long public holiday period in the country. achieved growth above expectations. However, many data regarding economic activity were below expectations, indicating that more support for the country's economy continues to be necessary.

On the other hand, in addition to the ongoing war between Russia and Ukraine, increasing geopolitical risks originating from the Middle East and the decisions of the members of the OPEC+ Group, consisting of the Organization of Petroleum Exporting Countries (OPEC) and some non-OPEC producer countries, to continue the crude oil production cut, put an upward pressure on global energy prices. caused increased pressure.

The Turkish economy, on the other hand, recorded a growth of 4,5% last year, with the support of investment items, especially private and public consumption, despite the slowdown in the global economy, the weakening in many of our main export markets and the negative effects of the major earthquakes that occurred in our country in February, and thus the Medium Term Plan It performed slightly above the 2023 growth forecast predicted in (MTP).

On the other hand, the Turkish economy has continued its uninterrupted growth for the last 14 quarters, as of the last quarter of last year. Excluding earthquake expenses last year, the budget deficit/GDP ratio remained at very low levels and was significantly below the Maastricht criterion, which is used as a basis for international comparisons, indicating that fiscal discipline will be maintained. In the first quarter of this year, it is expected that the budget deficit/GDP ratio will be lower than envisaged in the MTP this year, with the government's maintenance of fiscal discipline to support price stability, effective income policy and comprehensive savings efforts.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full).

EXPLANATION ON INTERIM ACTIVITY REPORT(Continued)

I. CHAIRMAN'S ASSESSMENT (Continued)

The annual current account deficit decreased last year, especially due to the decrease in energy and gold imports, and continued to decline in the first quarter of this year. In addition, the fact that service revenues are at record levels with the contribution of tourism and transportation revenues and that exports continue their positive course despite difficult global conditions stood out as the main factors supporting the decline in the current account deficit.

On the monetary policy front, the policy rate was raised by 750 basis points to 50% in the first quarter of the year. In addition, it was stated that the tight monetary policy stance will be maintained until a significant and permanent decline in the underlying trend of monthly inflation is achieved and inflation expectations approach the projected forecast range, while selective credit and quantitative tightening decisions to support the monetary tightening process continued to be taken.

The banking sector is one of the main elements in the implementation of an effective policy in important areas for our country's economy such as growth, exports, employment, agriculture, manufacturing, and price stability. Ziraat Bankası continues its activities with the responsibility of being the leading bank by increasing its support to these areas that are extremely important for our country.

Burhaneddin TANYERİ
Chairman of the Board

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full).

EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

II. ASSESSMENT OF GENERAL MANAGER

We have left behind a period of rising global inflation, tightening in monetary policies, interest rate hikes by central banks and geopolitical risks, and have entered a new period in which inflation has started to decline and expectations have begun to form as to when the interest rate cut process will begin. Although the timing of interest rate cuts by central banks of developed countries is expected to start in 2024, we see that the weak course of global economic activity and geopolitical risks continue in the current period.

In this process, it is observed that tight monetary policy is maintained in Türkiye to ensure price stability and the increase in the policy rate, which started in the second half of last year, continued in the first quarter of this year, albeit at a slower pace. In addition, although macroprudential policies are maintained, steps towards simplifying these policies have also started to be taken. In this framework, banks continue their activities to provide the resources needed by our economy and to provide financing in a way to ensure the highest added value.

Ziraat Bankası continues its activities as the leading bank in the banking sector. Of our Bank's total assets of more than TL 4 trillion, TL 2,2 trillion consists of cash loans. In addition, the total financing we provide with non-cash loans amounting to TL 0.9 trillion exceeds TL 3 trillion.

Ziraat Bankası channels resources to the most effective areas by implementing a selective credit policy to support agriculture, production, exports and employment and by doing so in a broad-based manner. Within this framework, the distribution of our loans continues to be predominantly TL-denominated and focused on financing the real sector. While the agriculture and manufacturing sectors constitute the majority of our TL loans, small farmers and SMEs are prioritized, providing a more effective and widespread financing.

We see that the importance of the agricultural sector is increasing day by day and that it is one of the sectors that need to be supported and developed. As Ziraat Bankası, we offer joint studies and solutions together with all stakeholders of the sector within the scope of both meeting the financing needs of the agricultural sector in the most appropriate way and solving structural problems and increasing added value in all areas of agriculture. We offer our customers financing packages with favorable conditions to increase the added value of agriculture through practices such as domestic production of imported agricultural products, increasing productivity, expanding mechanization and technology use, supporting activities for the industrialization of agriculture such as storage, processing, packaging and marketing in addition to production. Our agricultural loans reached TL 473 billion. The “I Have a Lot of Reasons to Live in My Village” project, credit packages for young people and women farmers, credit products to support cooperatives and investments in the use of renewable energy resources contribute to agricultural production and provide the agricultural sector with widely accessible financing.

Within the scope of supporting exports, new credit packages provide financing under favorable conditions and contribute to the current account balance. Similarly, a significant amount of credit was disbursed within the scope of the support package for supporting investments and the support packages for young entrepreneurs and women entrepreneurs with positive discrimination.

The main funding source of our balance sheet continues to be deposits. In the management of deposits, we attach importance to maintaining a broad-based structure and increasing the share of TL in total deposits. We are also increasing non-deposit resources in order to diversify the funding structure and to provide long-term and cost-effective funding. Non-deposit resources were mainly realized within the scope of providing resources to our country from abroad. The size of the funds obtained from abroad approached USD 15 billion.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full).

EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

II. ASSESSMENT OF GENERAL MANAGER (Continued)

While making it easier to access financial services through our extensive branch and ATM network, we make it more convenient and easier with our digital banking applications and solutions. As a result of our investments in internet and mobile banking, the number of active digital banking customers has exceeded 22 million. We have increased the share of non-branch financial transactions in total to 97%. The number of customers in Süper Branch, the digital branch of our Bank, has reached 900 thousand. Our Super Platform and Z-Transformation Platform, which we developed to offer non-banking products/services to our customers in cooperation with companies from different sectors, continue to serve our customers with enriched content. With innovations in the fields of credit card, debit card and merchant services, we help our customers realize their transactions much more easily and advantageously. While maintaining our leading position in merchant and debit card transaction volume, we are increasing our credit card market share.

We follow national and international developments, integrate sustainability principles into business strategies and act with the awareness of our responsibility in this regard. The Bank's financial soundness, innovation and sustainability achievements are important factors that support its long-term success.

Ziraat Bankası continues to contribute more to our country with its widespread domestic and international service network, subsidiaries offering different financial services, effective solutions for financial needs, investments in digital banking, employees and customers, which it considers as its most important assets.

Alpaslan ÇAKAR
Member of the Board and CEO

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full).

EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

III. CORPORATE PROFILE

Ziraat Bank has become the leader of the banking sector today with the policies it has implemented since its establishment in 1863, has gradually strengthened its presence in the business lines it focuses on, has created increasing employment and has become the expression of reputation and high added value in the eyes of all its shareholders.

The Bank carries out its activities in a structure that uses its resources effectively in line with its strategy based on the principle of multifaceted efficiency, transfers a significant amount of resources to the public, directly contributes to our country's monetary policy with its practices, and attaches importance to its duty to support the real sector.

Ziraat Bank, which has always been a pioneer of economic development in different stages of Türkiye's history; It transfers uninterrupted resources to the agricultural sector, merchants, industrialists, entrepreneurs, retirees and employees.

Companies that make up Ziraat Bank's wide domestic and international subsidiary portfolio; It operates in the fields of banking, investment services, portfolio management, venture capital, real estate investment trust and financial technologies.

IV. SHAREHOLDING STRUCTURE

The paid in capital of T.C. Ziraat Bankası is TL 84.600.000.000. The Bank's sole shareholder is Türkiye Wealth Fund.

The Chairman and Members of the Board of Directors, Members of the Audit Committee, General Manager and Executive Vice Presidents do not own any shares of the Bank.

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full).

EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

IV. Main Consolidated Financial Indicators

ASSETS (TL Million)	31.03.2024	31.12.2023
Cash and Cash Equivalents	753.708	833.185
Securities Portfolio	1.133.705	1.027.912
Cash Loans (Gross)	2.475.320	2.237.698
Other Assets	184.670	155.635
Total Assets	4.547.403	4.254.430
LIABILITIES (TL Million)	31.03.2024	31.12.2023
Deposits	3.355.516	3.299.824
Non-deposits Funds	611.404	422.462
Other Liabilities	189.716	169.158
Shareholders' Equity	390.767	362.986
Total Liabilities	4.547.403	4.254.430
SUMMARY OF PROFIT OR LOSS TABLE (TL Million)	31.03.2024	31.03.2023
Net Interest Income	29.710	21.986
Net Fees and Commission Income	17.002	6.137
Other Operating Income	13.373	22.584
Other Operating Expense	14.674	31.472
Allowance for Expected Credit Losses	7.199	3.529
Net Profit/Losses	20.310	8.440
RATIOS (%)	31.03.2024	31.12.2023
Capital Adequacy Ratio	14,87	16,79
Equity / Total Assets	8,6	8,5
Cash Loans (Gross) / Total Assets	54,4	52,6
Loans under follow-up (Gross) / Total Loans	1,3	1,3
Liquid Assets / Total Assets	16,6	19,6