

TÜRKİYE EMLAK KATILIM BANKASI ANONİM ŞİRKETİ

**PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
AND RELATED DISCLOSURES AT DECEMBER 31, 2024 TOGETHER
WITH INDEPENDENT AUDITOR’S REPORT**

*(CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED
FINANCIAL STATEMENTS, RELATED DISCLOSURES AND AUDIT REPORT
ORIGINALLY ISSUED IN TURKISH – SEE SECTION THREE NOTE I.A)*



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH
(See Note I.b of Section Three)
INDEPENDENT AUDITOR'S REPORT**

To the General Assembly of Türkiye Emlak Katılım Bankası Anonim Şirketi

A. Audit of the Consolidated Financial Statements

1. Qualified Opinion

We have audited the accompanying consolidated financial statements of Türkiye Emlak Katılım Bankası Anonim Şirketi (the “Bank”) its consolidated subsidiaries (collectively referred to as “the Group”) which comprise the statement of consolidated balance sheet as at 31 December 2024, 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 for the year then ended and the notes to the consolidated financial statements and a summary of significant accounting policies and consolidated financial statement notes.

In our opinion, except for the effect of the matter on the consolidated financial statements described in the basis for the qualified opinion section below, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended 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 Financial Reporting Standards (“TFRS”) for those matters not regulated by the aforementioned regulations.

2. Basis for Qualified Opinion

As explained in Section Five Part II. 7.c of Explanations and Notes to the Consolidated Financial Statements; the accompanying consolidated financial statements as at 31 December 2024 include a free provision in total of TL 7,500,000 thousand which consist of TL 2,850,432 thousand provided in the prior periods and TL 4,649,568 thousand recognized in the current period on net basis; and related deferred tax amounting to TL 2,250,000 thousand which consists of TL 855,130 thousand provided in prior periods and TL 1,394,870 thousand recognized in the current year by the Group management, which is not within the requirements of BRSA Accounting and Financial Reporting Legislation. Had this provision not been accounted for, other provisions and deferred tax asset would have decreased by TL 7,500,000 thousand and TL 2,250,000 thousand, respectively; net profit and equity would have increased by TL 3,254,698 thousand and TL 5,250,000 thousand, respectively for the year ended 31 December 2024.

Our audit was conducted in accordance with the “Regulation on Independent Audit of Banks” published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and the Standards on Independent Auditing (the “SIA”) that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the “POA”). Our responsibilities under these standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the “Ethical Rules”) and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the consolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our qualified opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion Section we have determined the matters described below to be key audit matters to be communicated in our report.

<i>Key Audit Matter</i>	<i>How the key audit matter was addressed in the audit</i>
<p>Expected credit losses for loans and receivables</p> <p>The Group has total expected credit losses provision for loans and receivables amounting to TL 1,094,086 thousand in respect to total loans and receivables amounting to TL 116,009,289 thousand which represent a significant portion of the Group's total assets in its consolidated financial statements as at 31 December 2024. Explanations and notes regarding the provision for impairment of loans are represented in Notes VIII of Section Three, II of Section Four, VIII of Section Four and I.6 of Section Five of the accompanying consolidated financial statements as at 31 December 2024.</p> <p>The Group recognizes provision for impairment in accordance with "TFRS 9 Financial Instruments" ("TFRS 9") requirements and the "Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided" as published in the Official Gazette dated 22 June 2016 numbered 29750. The Group exercises significant decisions using subjective judgement, interpretation and assumptions over when and how much to record as loan impairment.</p>	<p>Within our audit procedures, we assessed policies and procedures together with the overall governance established by the Group with respect to classification of loans and receivables and the calculation of expected credit losses in accordance with the applicable regulations. We tested the design and the operating effectiveness of relevant systems and processes implemented in accordance with these principles.</p> <p>We checked the appropriateness of matters considered in methodology applied by the Group with TFRS 9 for calculation of the provision amount through stage classification of loans and receivables. For forward looking assumptions made by the Group's management in its expected credit losses calculations, we held discussions with management and evaluated the assumptions using publicly available information. Regarding expected credit losses methodology, we have assessed reasonability and tested model segmentation, lifetime probability of default model, exposure at default calculation, loss given default model and the approaches to reflecting macroeconomic expectations with our financial risk experts. We have assessed interpretation of expert opinion regarding reasonable and supportable forward-looking expectations (including macroeconomic factors).</p>

<i>Key Audit Matter</i>	<i>How the key audit matter was addressed in the audit</i>
<p>Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as historical loss experiences, current conditions, macro-economic expectations; the significance of the loans and receivables balances, the classification of loans and receivables as per their credit risk (staging) and the importance of determination of the associated expected credit loss. Timely and correct identification of default event and significant increase in credit risk and level of judgements and estimations made by the management have significant impacts on the amount of impairment provisions for loans and receivables. Therefore, this area is considered as key audit matter.</p>	<p>Our procedures also included the following:</p> <ul style="list-style-type: none"> - Together with our financial risk experts, we evaluated and tested reasonableness of the changes in the expected credit loss allowance methodology and the performance of the impairment models used. - We checked the suitability and accuracy of the data used in the expected credit loss approach to determine the Group's impairment allowance. - We checked accuracy of resultant expected credit losses calculations on a sample basis. - To assess the appropriateness of the Group's determination of staging for credit risk in the framework of existing regulations, identification of impairment and timely and appropriate provisioning for impairment we have performed loan review procedures based on a selected sample. - We evaluated the adequacy of the disclosures made in the consolidated financial statements regarding the provision for impairment of loans and receivables.

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

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



B. Other Responsibilities Arising from Regulatory Requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Bank's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Bank's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

Additional Paragraph for Convenience Translation

BRSA Accounting and Financial Reporting Legislation explained in detail in Section 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 December 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.

Talar Gül, SMMM
Independent Auditor

İstanbul, 14 Mart 2025

**CONSOLIDATED FINANCIAL REPORT OF
TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

Parent Bank's headquarter address	: Barbaros Mahallesi, Begonya Sk. No:9A, 34746 Ataşehir / İstanbul
Parent Bank's phone number and facsimile	: 0 (216) 266 26 26 – 0 (216) 275 25 25
Parent Bank's website	: www.emlakkatilim.com.tr
Electronic mail contact info	: bilgi@emlakkatilim.com.tr

The consolidated Financial report for the nine-month period ended prepared in accordance with the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by the Banking Regulation and Supervision Agency is comprised of the following sections.

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE ACCOUNTING PRINCIPLES APPLIED IN THE RELATED PERIOD
- INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- INDEPENDENT AUDITOR'S REPORT

Our subsidiaries whose financial statements are consolidated within the framework of this financial report are as follows:

Subsidiaries

- Emlak Varlık Kiralama A.Ş.
- Emlak Katılım Varlık Kiralama A.Ş.

The consolidated financial statements and related disclosures and footnotes for year ended; presented in **thousands of Turkish Lira** unless otherwise indicated; have been prepared in accordance with the Communiqué on Accounting Applications of Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related appendices and interpretations and in compliance with the records of our Bank, have been reviewed and presented as attached.

Prof. Dr. Mehmet Emin BİRPINAR
Chairman of the Board of
Directors

Onur GÖK
General Manager

Mehmet Nuri YAZICI
Chairman of the Audit
Committee

Volkan Mutlu COŞKUN
Member of the Audit
Committee

Tuğba GEDİKLİ
Executive Vice President
Responsible of Finance

Hakan ULUS
Statutory Reporting Manager

Contact information of the personnel in charge of the addressing of questions about this financial report:

Name-Surname/Title: Hakan ULUS / Statutory Reporting Manager
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TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

SECTION ONE
GENERAL INFORMATION

I. History of the Parent Bank Including its Incorporation Date, Initial Legal Status and Amendments to Legal Status:

Türkiye Emlak Katılım Bankası A.Ş. (“The Parent Bank”) was incorporated in Ankara June 3, 1926 with the name of Emlak ve Eytam Bankası, in accordance with instructions of Mustafa Kemal Atatürk. The aim of establishment of the Parent Bank is to support public construction, to provide necessary loan and to protect orphan’s right. The Parent Bank had restructured on 1 September 1946 and after this date the title of the Parent Bank had changed as Türkiye Emlak Kredi Bankası Anonim Ortaklığı. The Parent Bank had merged with Anadolu Bankası A.Ş. and assumed the title of Türkiye Emlak Bankası A.Ş. as of 6 January 1988.

Denizcilik Bankası A.Ş. had transferred to Türkiye Emlak Bankası A.Ş. with the all of its assets and liabilities on 29 November 1992 and maritime loans were also collected at this Bank.

During the period in which the Türkiye Emlak Bankası A.Ş. operates, in addition to its banking activities has become serious brand in the construction of qualified housing projects in line with the its establishment purpose, and has produced important housing projects in many provinces of Türkiye, especially in İstanbul, Ankara and İzmir. İstanbul-Ataköy, Ataşehir, Bahçeşehir, Mimaroba, Sinanoba, Ankara-Bilkent, Elvankent, Konutkent, İzmir-Gaziemir and Mavişehir projects are included in the Parent Bank’s important projects.

The Parent Bank has entered into a restructuring process with the Law about Türkiye Cumhuriyeti Ziraat Bankası A.Ş., Türkiye Halk Bankası A.Ş. and Türkiye Emlak Bankası A.Ş. no. 4603 dated November 21, 2000, and the transition from the public law status to the status of private law has achieved.

According to BRSA’s decision dated July 6, 2001, Türkiye Emlak Bankası A.Ş. was transferred to Türkiye Cumhuriyeti Ziraat Bankası A.Ş. with its assets and liabilities. In this regard, No. 4684 Certain Laws and Delegated Legislation Law Amending the Law No. 4603 and Article 2 of the Law about Türkiye Cumhuriyeti Ziraat Bank, Türkiye Halk Bankası A.Ş. and Türkiye Emlak Bank A.Ş. attached Provisional Article 3 of the Law (3) In accordance with the provisions of paragraph, the permission of Türkiye Emlak Katılım Bankası A.Ş. to accept deposits and perform banking operations came to an end on July 6, 2001.

The Parent Bank’s all assets including banking services, branches, deposits, and commitments and liabilities arising from and banking services were transferred to Ziraat and Halk Bank with the protocol held on July 7, 2001. From this date, the Parent Bank’s permission for banking activities and collection of deposit removed.

Board of Liquidation, Board of Directors and Board of Supervisors of the Parent Bank had established with the extraordinary general assembly held on September 14, 2001, and liquidation process had actually started with the personnel on temporary duty sent by Türkiye Cumhuriyeti Ziraat Bankası A.Ş. As a result of the Parent Bank’s repayment of its debts to the Treasury Department and all other debts after the end of 16 years with the Law of “Some Receivables and Re-Structuring and Certain Laws and Decree Law Amending No. 7020 with the following regulation made in the Law of Türkiye Cumhuriyeti Ziraat Bankası A.Ş., Türkiye Halk Bankası A.Ş. and Türkiye Emlak Bank A.Ş. No. 4603, the liquidation of the Parent Bank has been removed, as of May 27, 2017.

After the liquidation of the Parent Bank, in the General Assembly held on September 3, 2018, the new Articles of Association approved and the status was determined as participation bank. The title of the Parent Bank was registered as Türkiye Emlak Katılım Bankası A.Ş. on September 10, 2018.

The Parent Bank has obtained the operating permission with the decision of the Banking Regulation and Supervision Board dated February 26, 2019 and numbered 8262 published in the Official Gazette dated February 27, 2019 and numbered 30699 and commenced operations as of March 21, 2019.

The Parent Bank’s head office is located in İstanbul and there are 113 branches of the Parent Bank as of December 31, 2024. (December 31, 2023: 101). The Parent Bank is operating with 1.713 staff as of December 31, 2024 (December 31, 2023: 1.494).

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish (See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

GENERAL INFORMATION(Continued):

II. Shareholding Structure, Shareholders Having Direct or Indirect, Joint or Individual Control Over The Management of The Parent Bank And Disclosures on Related Changes In The Current Year, If Any:

The Parent Bank's share is TL 1.026.915 and 99,99% of the Parent Bank's share are owned by Ministry of Treasury and Finance. Except by Ministry of Treasury and Finance, T. Emlak Bankası A.Ş. Emekli ve Yardım Sandığı Vakfı and 33 real person have shares amounting to TL 80,57 (full) and TL 3,38 (full), respectively.

TL 1.026.915 portion of the capital amounting to TL 1.026.915 has been paid and TL 2,82 (full) portion has not been paid by the 33 real person.

The part of the capital belonging to the Ministry of Treasury and Finance is represented by the Ministry of Environment, Urbanisation and Climate Change.

III. Explanation on the Chairman and Members of Board of Directors, Members of Audit Committee, General Manager and Assistant General Managers, Their Areas of Responsibility and Their Shares in the Parent Bank, If Any:

Name and Surname	Administrative Function and Responsibility	Educational Degree
Prof. Dr. Mehmet Emin BİRPINAR	Chairman of BOD	Doctorate
Prof. Dr. Murat BALCI	Vice Chairman of the Board of Directors	Doctorate
Hasan SUVER	Member of BOD	Master
Mahmut GÜRCAN	Member of BOD	Bachelor
Mahmut KAÇAR	Member of BOD	Bachelor
Mehmet Nuri YAZICI	Member of BOD and Chairman of the Audit Committee	Bachelor
Volkan Mutlu COŞKUN	Member of BOD and Member of Audit Committee	Bachelor
Onur GÖK	Member of BOD / General Manager	Master
Tuğba GEDİKLİ	Assistant General Manager Responsible for Finance	Bachelor
Ali Kemal KÜÇÜKCAN	Assistant General Manager Responsible for Treasury and International Banking	Master
Şenol ALTUNDAŞ	Assistant General Manager Responsible for Sales and Marketing	Master
Nihat BULUT	Assistant General Manager Responsible for Credits Risk Management	Bachelor
Bülent KARACALAR	Assistant General Manager Responsible for Credits Allocation	Bachelor
Serkan UMAN	Assistant General Manager Responsible for Digital Banking	Master
Yusuf OKUR	Assistant General Manager Responsible for Operations	Bachelor
Uğur KARA	Assistant General Manager Responsible for Human Resources	Master

The Bank's Chairman and Members of the Board of Directors, Audit Committee Members, General Manager and Deputy General Managers do not have any shares in the Bank.

IV. Information On The Parent Bank's Qualified Shareholders:

The Parent Bank's paid in capital amounting to TL 1.026.915 consists of 102.691.549.916 number of shares with a nominal value of TL 0,01 (full) for each share.

Name/Commercial name	Share Amount	Share Ratio	Paid Shares	Unpaid Shares
Ministry of Treasury and Finance	1.026.915	%99,99999	1.026.915	-

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

GENERAL INFORMATION(Continued):

V. Summary on the Parent Bank’s Service Activities and Field of Operations:

The Parent Bank operates in accordance with the principles of interest-free banking as a participation bank. The Parent Bank mainly collects funds through current accounts and through profit sharing accounts based on profit/loss sharing agreement, lends such funds through corporate finance support, retail finance support, finance lease, financing commodity against document and joint investments.

Briefly, the fields of activity of the Parent Bank are specified in the Articles of Association as follows;

- To buy or sell money or capital market instruments on the spot or in the term according to the legislation and interest-free banking principles and to mediate their purchase and sale, to operate in stock exchanges,
- Within the principles of interest-free banking; to allocate funds to the economy, to use loans in cash and non-cash in all types and forms,
- To make financial leasing transactions, to make operational leasing transactions,
- To make all kinds of payment and collection transactions, payment such as travel checks, credit cards the activities of the vehicles, to provide merchant services (POS), consultancy and advising, providing safe deposit services,
- Buying, acquiring, building any kind of real estate and transferring, renting them to other people when necessary and making all kinds of savings on them,
- For Companies and organizations (including insurance companies); giving services of representation, substitution and being agentship,
- To support Agricultural Credit Cooperatives and SMEs, to carry out activities to support urban transformation,
- To carry out portfolio management and management operations,
- Providing custody services,
- The Parent Bank extends non-cash funds in the type of letter of guarantee, loan of acceptance, letter of credit.

The field of activity of the Parent Bank is not limited to the transactions written in the articles above. If it is deemed beneficial for the Parent Bank to carry out any other transaction than these transactions, it will depend on the decision of the Board of Directors upon the proposal of the Board of Directors, the approval of the necessary legal authorities and the approval of the decision by the Ministry of Customs and Trade. In this way, the approved decision is added to the Articles of Association.

VI. Differences Between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards and Short Explanation About The Institutions Subject To Line-By-Line Method or Proportional Consolidation and Institutions Which Are Deducted From Equity or Not Included in These Three Methods:

The Parent Bank and its subsidiaries Emlak Varlık Kiralama A.Ş. and Emlak Katılım Varlık Kiralama A.Ş. consolidated financial statements with full consolidation method.

VII. The Existing or Potential, Actual or Legal Obstacles on Immediate Transfer of Equity or Reimbursement of Liabilities Between The Parent Bank And Its Subsidiaries:

There is no immediate transfer of equity between the Parent Bank and its subsidiaries. There is no existing or potential, actual or legal obstacle to the reimbursement of liabilities between the Parent Bank and its subsidiaries.

SECTION TWO

THE CONSOLIDATED FINANCIAL STATEMENTS

- I. CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
- II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET
- III. CONSOLIDATED STATEMENT OF PROFIT OR LOSS
- IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
- V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
- VI. CONSOLIDATED STATEMENT OF CASH FLOWS
- VII. CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION

**Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish
(See Note 1.a of Section Three)**

**TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF BALANCE SHEET (FINANCIAL POSITION)
AS OF DECEMBER 31, 2024**

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

ASSETS	Note (Fifth Section-I)	THOUSAND TL CURRENT PERIOD (31/12/2024)			THOUSAND TL PRIOR PERIOD (31/12/2023)		
		TL	FC	TOTAL	TL	FC	TOTAL
I. FINANCIAL ASSETS (NET)		21.383.040	66.606.163	87.989.203	25.230.481	72.995.979	98.226.460
1.1 Cash and cash equivalents		12.938.156	58.860.909	71.799.065	17.437.371	66.608.196	84.045.567
1.1.1 Cash and Balances with Central Bank	(1)	12.906.549	40.354.160	53.260.709	17.401.769	52.842.067	70.243.836
1.1.2 Banks	(2)	33.684	18.549.373	18.583.057	42.378	13.835.514	13.877.892
1.1.3 Money Market Placements		-	-	-	-	-	-
1.1.4 Expected Loss Provisions (-)		2.077	42.624	44.701	6.776	69.385	76.161
1.2 Financial Assets Measured at Fair Value Through Profit/Loss (FVTPL)	(3)	1.778	2.433.176	2.434.954	1.420	2.048.892	2.050.312
1.2.1 Government Debt Securities		1.778	2.208.759	2.210.537	1.420	2.017.761	2.019.181
1.2.2 Equity Securities		-	-	-	-	-	-
1.2.3 Other Financial Assets		-	224.417	224.417	-	31.131	31.131
1.3 Financial Assets Measured at Fair Value Through Other Comprehensive Income (FVOCI)	(4)	8.441.914	5.232.150	13.674.064	7.788.752	4.337.825	12.126.577
1.3.1 Government Debt Securities		8.434.255	5.227.022	13.661.277	7.781.093	4.337.825	12.118.918
1.3.2 Equity Securities		7.659	5.128	12.787	7.659	-	7.659
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	(5)	1.192	79.928	81.120	2.938	1.066	4.004
1.4.1 Derivative Financial Assets Measured at FVTPL		1.192	79.928	81.120	2.938	1.066	4.004
1.4.2 Derivative Financial Assets Measured at FVOCI		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)		80.833.282	49.102.259	129.935.541	55.286.670	28.763.425	84.050.095
2.1 Loans	(6)	70.581.089	44.993.683	115.574.772	45.848.320	21.694.016	67.542.336
2.2 Lease Receivables	(8)	109.763	324.754	434.517	262.580	120.246	382.826
2.3 Other Financial Assets Measured at Amortized Cost	(7)	11.009.290	4.079.829	15.089.119	9.592.906	7.099.147	16.692.053
2.3.1 Government Debt Securities		11.009.290	4.079.829	15.089.119	9.592.906	7.099.147	16.692.053
2.3.2 Other Financial Assets		-	-	-	-	-	-
2.4 Expected Loss Provisions (-)	(6)	866.860	296.007	1.162.867	417.136	149.984	567.120
III. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(9)	166.063	-	166.063	8.283	-	8.283
3.1 Asset Held for Sale		166.063	-	166.063	8.283	-	8.283
3.2 Assets of Discontinued Operations		-	-	-	-	-	-
IV. PARTNERSHIP INVESTMENTS		67.500	-	67.500	22.500	-	22.500
4.1 Associates (Net)	(10)	67.500	-	67.500	22.500	-	22.500
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		67.500	-	67.500	22.500	-	22.500
4.2 Subsidiaries (Net)		-	-	-	-	-	-
4.2.1 Unconsolidated Financial Investments in Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)		-	-	-	-	-	-
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2 Unconsolidated Joint-Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (NET)	(11)	1.146.340	-	1.146.340	922.856	-	922.856
VI. INTANGIBLE ASSETS (NET)	(12)	548.057	-	548.057	250.364	-	250.364
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		548.057	-	548.057	250.364	-	250.364
VII. INVESTMENT PROPERTY (NET)	(13)	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		-	-	-	-	-	-
IX. DEFERRED TAX ASSETS	(14)	4.487.028	-	4.487.028	1.718.345	-	1.718.345
X. OTHER ASSETS	(15)	3.033.779	71.937	3.105.716	2.477.451	10.439	2.487.890
TOTAL ASSETS		111.665.089	115.780.359	227.445.448	85.916.950	101.769.843	187.686.793

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

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish
(See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF BALANCE SHEET (FINANCIAL POSITION)
AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

LIABILITIES	Note (Fifth Section-II)	THOUSAND TL			THOUSAND TL		
		CURRENT PERIOD (31/12/2024)			PRIOR PERIOD (31/12/2023)		
		TL	FC	TOTAL	TL	FC	TOTAL
I. FUNDS COLLECTED	(1)	63.254.192	103.382.306	166.636.498	57.981.289	93.497.685	151.478.974
II. FUNDS BORROWED	(2)	188.750	2.223.080	2.411.830	242.905	1.004.966	1.247.871
III. MONEY MARKET FUNDS		-	-	-	-	-	-
IV. SECURITIES ISSUED (Net)	(3)	15.432.580	-	15.432.580	8.730.931	-	8.730.931
V. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VI. DERIVATIVE FINANCIAL LIABILITIES		13.085	17.487	30.572	27.199	-	27.199
6.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss	(4)	13.085	17.487	30.572	27.199	-	27.199
6.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(6)	-	-	-	-	-	-
VII. LEASE PAYABLES (NET)	(5)	739.965	-	739.965	507.319	-	507.319
VIII. PROVISIONS	(7)	9.460.439	661.743	10.122.182	3.536.924	292.693	3.829.617
8.1 General Provisions		-	-	-	-	-	-
8.2 Reserve for Employee Benefits		1.416.000	-	1.416.000	558.907	-	558.907
8.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
8.4 Other Provisions		8.044.439	661.743	8.706.182	2.978.017	292.693	3.270.710
IX. CURRENT TAX LIABILITY	(8)	2.185.238	-	2.185.238	1.336.476	-	1.336.476
X. DEFERRED TAX LIABILITY		-	-	-	-	-	-
XI. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(9)	-	-	-	-	-	-
11.1 Held for Sale Purpose		-	-	-	-	-	-
11.2 Related to Discontinued Operations		-	-	-	-	-	-
XII. SUBORDINATED DEBT INSTRUMENTS	(10)	-	7.664.460	7.664.460	-	7.078.467	7.078.467
12.1 Loans		-	7.664.460	7.664.460	-	7.078.467	7.078.467
12.2 Other Debt Instruments		-	-	-	-	-	-
XIII. OTHER LIABILITIES	(11)	3.857.577	134.470	3.992.047	751.278	2.266.416	3.017.694
XIV. SHAREHOLDERS' EQUITY	(12)	18.152.474	77.602	18.230.076	10.323.361	108.884	10.432.245
14.1 Paid-in capital		1.026.915	-	1.026.915	1.026.915	-	1.026.915
14.2 Capital Reserves		113.906	-	113.906	39.272	-	39.272
14.2.1 Share Premium		-	-	-	-	-	-
14.2.2 Share Cancellation Profits		-	-	-	-	-	-
14.2.3 Other Capital Reserve		113.906	-	113.906	39.272	-	39.272
14.3 Other Accumulated Comprehensive Income or Loss That Will Not Be Reclassified Through Profit or Loss		(12.722)	-	(12.722)	2.987	-	2.987
14.4 Other Accumulated Comprehensive Income or Loss That Will Be Reclassified Through Profit or Loss		(285.545)	77.602	(207.943)	671.615	108.884	780.499
14.5 Profit Reserves		8.563.985	-	8.563.985	3.434.584	-	3.434.584
14.5.1 Legal Reserves		684.762	-	684.762	428.286	-	428.286
14.5.2 Status Reserves		-	-	-	-	-	-
14.5.3 Extraordinary Reserves		7.879.223	-	7.879.223	3.006.298	-	3.006.298
14.5.4 Other Profit Reserves		-	-	-	-	-	-
14.6 Income or (Loss)		8.745.935	-	8.745.935	5.147.988	-	5.147.988
14.6.1 Prior Periods' Income or (Loss)		18.454	-	18.454	4.133	-	4.133
14.6.2 Current Period Income or (Loss)		8.727.481	-	8.727.481	5.143.855	-	5.143.855
TOTAL LIABILITIES		113.284.300	114.161.148	227.445.448	83.437.682	104.249.111	187.686.793

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

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish
(See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

CONSOLIDATED STATEMENT OF OFF BALANCE SHEET (FINANCIAL POSITION)

AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

STATEMENT OF OFF BALANCE SHEET	Note (Fifth Section- III)	THOUSAND TL			THOUSAND TL		
		CURRENT PERIOD (31/12/2024)			PRIOR PERIOD (31/12/2023)		
		TL	FC	TOTAL	TL	FC	TOTAL
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)		51.881.877	25.695.365	77.577.242	30.623.995	18.872.890	49.496.885
I. GUARANTEES AND SURETIES	(1)	22.828.675	9.710.404	32.539.079	15.438.616	4.450.678	19.889.294
1.1 Letters of Guarantees		22.820.009	7.252.127	30.072.136	15.427.366	3.851.866	19.279.232
1.1.1 Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2 Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3 Other Letters of Guarantee		22.820.009	7.252.127	30.072.136	15.427.366	3.851.866	19.279.232
1.2 Bank Loans		4.847	168.863	173.710	11.250	6.905	18.155
1.2.1 Import Letter of Acceptances		4.847	168.863	173.710	11.250	6.905	18.155
1.2.2 Other Bank Acceptances		-	-	-	-	-	-
1.3 Letter of Credits		3.819	2.289.414	2.293.233	-	591.907	591.907
1.3.1 Documentary Letter of Credits		3.819	2.289.414	2.293.233	-	591.907	591.907
1.3.2 Other Letter of Credits		-	-	-	-	-	-
1.4 Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Other Guarantees		-	-	-	-	-	-
1.7 Other Collaterals		-	-	-	-	-	-
II. COMMITMENTS	(1)	27.667.206	1.778.522	29.445.728	9.525.408	9.017.365	18.542.773
2.1 Irrevocable Commitments		27.667.206	1.778.522	29.445.728	9.525.408	9.017.365	18.542.773
2.1.1 Asset Purchase and Sale Commitments		257.030	1.151.923	1.408.953	17.597	8.492.543	8.510.140
2.1.2 Share Capital Commitment to Associates and Subsidiaries		22.500	-	22.500	67.500	-	67.500
2.1.3 Loan Granting Commitments		26.858.081	-	26.858.081	9.126.506	-	9.126.506
2.1.4 Securities Underwriting Commitments		-	-	-	-	-	-
2.1.5 Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.6 Payment Commitment for Cheques		457.605	-	457.605	313.805	-	313.805
2.1.7 Tax And Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.8 Commitments for Credit Card Expenditure Limits		71.990	-	71.990	-	-	-
2.1.9 Commitments for Promotions Related with Credit Cards and Banking Activities		-	-	-	-	-	-
2.1.10 Receivables From Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.11 Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12 Other Irrevocable Commitments		-	626.599	626.599	-	524.822	524.822
2.2 Revocable Commitments		-	-	-	-	-	-
2.2.1 Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2 Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		1.385.996	14.206.439	15.592.435	5.659.971	5.404.847	11.064.818
3.1 Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1 Fair Value Hedge		-	-	-	-	-	-
3.1.2 Cash Flow Hedge		-	-	-	-	-	-
3.1.3 Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2 Held for Trading Transactions	(3)	1.385.996	14.206.439	15.592.435	5.659.971	5.404.847	11.064.818
3.2.1 Forward Foreign Currency Buy/Sell Transactions		44.101	5.138.970	5.183.071	256.594	234.281	490.875
3.2.1.1 Forward Foreign Currency Transactions-Buy		22.043	2.595.364	2.617.407	128.879	117.149	246.028
3.2.1.2 Forward Foreign Currency Transactions-Sell		22.058	2.543.606	2.565.664	127.715	117.132	244.847
3.2.2 Other Forward Buy/Sell Transactions		1.341.895	9.067.469	10.409.364	5.403.377	5.170.566	10.573.943
3.3 Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		1.192.003.347	87.120.421	1.279.123.768	648.260.645	57.007.019	705.267.664
IV. ITEMS HELD IN CUSTODY		37.467.026	14.628.132	52.095.158	30.723.306	13.172.276	43.895.582
4.1 Assets Under Management		-	-	-	-	-	-
4.2 Investment Securities Held in Custody		14.674.350	2.065.950	16.740.300	7.639.437	1.464.484	9.103.921
4.3 Cheques Received for Collection		10.185.548	218.873	10.404.421	9.227.575	91.562	9.319.137
4.4 Commercial Notes Received for Collection		1.180.631	-	1.180.631	1.398.913	-	1.398.913
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Assets Received for Public Offering		-	-	-	-	-	-
4.7 Other Items Under Custody		51.748	-	51.748	24.325	-	24.325
4.8 Custodians		11.374.749	12.343.309	23.718.058	12.433.056	11.616.230	24.049.286
V. PLEDGED ITEMS		1.154.536.321	72.492.289	1.227.028.610	617.537.339	43.834.743	661.372.082
5.1 Marketable Securities		9.570.400	-	9.570.400	817.400	-	817.400
5.2 Guarantee Notes		-	-	-	-	-	-
5.3 Commodity		11.905.088	3.152.112	15.057.200	10.073.899	3.175.397	13.249.296
5.4 Warranty		-	-	-	-	-	-
5.5 Properties		161.965.468	-	161.965.468	89.186.170	-	89.186.170
5.6 Other Pledged Items		971.095.365	69.340.177	1.040.435.542	517.459.870	40.659.346	558.119.216
5.7 Pledged Items-Depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		1.243.885.224	112.815.786	1.356.701.010	678.884.640	75.879.909	754.764.549

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

**Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish
(See Note 1.a of Section Three)**

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

STATEMENT OF PROFIT AND LOSS		Note (Fifth Section-IV)	THOUSAND TL	THOUSAND TL
			Current period 1 January – 30 December 2024	Previous period 1 January – 30 December 2023
I.	PROFIT SHARE INCOME	(1)	33.590.444	16.659.286
1.1	Profit Share on Loans		25.541.726	10.896.178
1.2	Income Received from Reserve Deposits		2.113.923	764.274
1.3	Income Received from Banks		34.053	6.923
1.4	Income Received from Money Market Placements		-	-
1.5	Income Received from Marketable Securities Portfolio		5.754.730	4.886.791
1.5.1	Financial Assets at Fair Value Through Profit and Loss		177.958	421.352
1.5.2	Financial Assets at Fair Value through Other Comprehensive Income		3.221.716	2.836.885
1.5.3	Financial Assets Measured at Amortised Cost		2.355.056	1.628.554
1.6	Finance Lease Income		67.080	91.230
1.7	Other Profit Share Income		78.932	13.890
II.	PROFIT SHARE EXPENSE (-)	(2)	24.687.443	10.372.716
2.1	Expense on Profit Sharing Accounts		18.904.116	7.868.820
2.2	Profit Share Expense on Funds Borrowed		363.434	424.563
2.3	Profit Share Expense on Money Market Borrowings		93.154	12.621
2.4	Expense on Securities Issued		5.241.588	1.971.391
2.5	Lease Profit Share Expense		85.151	95.321
2.6	Other Profit Share Expenses		-	-
III.	NET PROFIT SHARE INCOME (I - II)		8.903.001	6.286.570
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		2.488.578	2.296.116
4.1	Fees and Commissions Received		2.660.234	2.459.977
4.1.1	Non-Cash Loans		300.640	171.865
4.1.2	Other	(3)	2.359.594	2.288.112
4.2	Fees and Commissions Paid (-)		171.656	163.861
4.2.1	Non-Cash Loans		604	263
4.2.2	Other	(3)	171.052	163.598
V.	DIVIDEND INCOME	(4)	-	-
VI.	NET TRADING INCOME	(5)	12.901.710	4.727.742
6.1	Capital Market Transaction Gains / (Losses)		4.179	44.946
6.2	Gains/ (Losses) from Derivative Financial Instruments		1.819.245	(809.649)
6.3	Foreign Exchange Gains / (Losses)		11.078.286	5.492.445
VII.	OTHER OPERATING INCOME	(6)	1.020.684	651.682
VIII.	TOTAL OPERATING PROFIT (III+IV+V+VI+VII)		25.313.973	13.962.110
IX.	PROVISION FOR EXPECTED LOSS (-)	(7)	1.031.760	429.826
X.	OTHER PROVISION EXPENSES (-)	(7)	5.756.729	2.333.578
XI.	PERSONNEL EXPENSES (-)		3.997.017	1.582.049
XII.	OTHER OPERATING EXPENSES (-)	(8)	2.388.623	2.016.269
XIII.	NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		12.139.844	7.600.388
XIV.	INCOME RESULTED FROM MERGERS		-	-
XV.	GAIN/LOSS ON NET MONETARY POSITION		-	-
XVI.	PROFIT/LOSS FROM PARTNERSHIPS USING THE EQUITY METHOD		-	-
XVII.	PROFIT/LOSS BEFORE TAXES (XIII+...+XVI)		-	-
XVIII.	PROVISION FOR TAXES (±)		12.139.844	7.600.388
XVIII.	TAX PROVISION FOR CONTINUING OPERATIONS (±)	(10)	3.412.363	2.456.533
18.1	Current Tax Provision		5.767.429	3.332.030
18.2	Deferred Tax Expense (+)		2.747.299	2.065.460
18.3	Deferred Tax Income (-)		5.102.365	2.940.957
XIX.	NET OPERATING PROFIT/LOSS AFTER TAXES (XIII+...+XVI)	(9)	8.727.481	5.143.855
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from Assets Held for Sale		-	-
20.2	Income from Sale of Associates, Subsidiaries and Joint-Ventures		-	-
20.3	Income from Other Discontinued Operations		-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses on Assets Held for Sale		-	-
21.2	Expenses on Sale of Associates, Subsidiaries and Joint-Ventures		-	-
21.3	Expenses from Other Discontinued Operations		-	-
XXII.	PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XIX-XX)		-	-
XXIII.	PROVISION FOR TAXES OF DISCONTINUED OPERATIONS (±)	(9)	-	-
23.1	Current Tax Provision		-	-
23.2	Deferred Tax Expense (+)		-	-
23.3	Deferred Tax Income (-)		-	-
XXIV.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI-XXII)		-	-
XXV.	NET PROFIT/LOSS (XVIII+XXIII)		8.727.481	5.143.855
	Earnings Per Share		0,08473	0,05009

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

Convenience Translation of the Independent Auditor’s Limited Review Report Originally Issued in Turkish
(See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS OF DECEMBER 31, 2024**

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

	THOUSAND TL	THOUSAND TL
	CURRENT PERIOD (01/01/2024- 31/12/2024)	PRIOR PERIOD (01/01/2023- 31/12/2023)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
I. CURRENT PERIOD PROFIT/LOSS	8.727.481	5.143.855
II. OTHER COMPREHENSIVE INCOME	(923.778)	(739.627)
2.1 Other Income/Expense Items not to be Recycled to Profit or Loss	(9.837)	22.101
2.1.1 Revaluation Surplus on Tangible Assets	-	-
2.1.2 Revaluation Surplus on Intangible Assets	-	-
2.1.3 Defined Benefit Plans’ Actuarial Gains/Losses	-	-
2.1.4 Other Income/Expense Items not to be Recycled to Profit or Loss	(14.053)	31.573
2.1.5 Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	4.216	(9.472)
2.2 Other Income/Expense Items to be Recycled to Profit or Loss	(913.941)	(761.728)
2.2.1 Translation Differences	-	-
2.2.2 Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at Fair Value through Other Comprehensive Income	(1.399.067)	(1.088.189)
2.2.3 Gains/losses from Cash Flow Hedges	-	-
2.2.4 Gains/Losses on Hedges of Net Investments in Foreign Operations	-	-
2.2.5 Other Income/Expense Items to be Recycled to Profit or Loss	74.501	-
2.2.6 Deferred Taxes on Other Comprehensive Income to be Recycled to Profit or Loss	410.625	326.461
III. TOTAL COMPREHENSIVE INCOME (I+II)	7.803.703	4.404.228

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

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish (See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

CHANGES IN EQUITY		Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss		Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss													
CURRENT PERIOD (01/01/2024-31/12/2024)		Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Except for Minority shares	Minority Shares	Total Shareholders' Equity
I.	Balances at Beginning Period	1.026.915	-	-	39.272	-	2.987	-	-	780.499	-	3.434.584	4.133	5.143.855	10.432.245	-	10.432.245
II.	Correction made as per TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	3.434.584	4.133	5.143.855	10.432.245	-	10.432.245
III.	Adjusted Balances at Beginning of Period (I+II)	1.026.915	-	-	39.272	-	2.987	-	-	780.499	-	-	-	8.727.481	7.797.831	-	7.797.831
IV.	Total Comprehensive Income	-	-	-	-	-	(15.709)	-	-	(988.442)	74.501	-	-	-	-	-	-
V.	Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase from Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Adjustments to Paid-in Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Other Changes	-	-	-	(29.389)	-	-	-	-	-	6.301	-	23.088	-	-	-	-
XI.	Profit Distribution	-	-	-	133	-	-	-	-	-	-	5.129.401	14.321	(5.143.855)	-	-	-
11.1	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves	-	-	-	133	-	-	-	-	-	-	5.129.401	-	(5.129.534)	-	-	-
11.3	Others	-	-	-	-	-	-	-	-	-	-	-	14.321	(14.321)	-	-	-
Balances at end of the period (III+IV...+X+XI)		1.026.915	-	-	10.016	-	(12.722)	-	-	(207.943)	80.802	8.563.985	41.542	8.727.481	18.230.076	-	18.230.076

1. Revaluation surplus on tangible and intangible assets,

2. Defined Benefit Plans' Actuarial Gains/Losses,

3. Other (Accumulated amounts of share of investments accounted for by the equity method that can not be classified as profit / loss from other comprehensive income with other comprehensive income that will not be reclassified to other profit or loss),

4. Foreign Currency Translation Differences,

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

6. Other (Accumulated amount of cash flow hedge gains / losses, equity attributable to equity holders of the Group for profit or loss from other comprehensive income and other comprehensive income to be reclassified to other profit or loss),

(*) The parent bank, with the approval of the Banking Regulation and Supervision Agency (BRSA) dated December 30,2024, secured a subordinated loan of 100 million Euros under the additional core capital framework, which is non-term and non-profit sharing, from the Türkiye Wealth Fund (TVF) Market Stability and Balance Sub-Fund on April, 30 2024. This includes the initial accounting effects of financial assets measured at amortized cost.

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

Convenience Translation of the Independent Auditor's Limited Review Report originally issued in Turkish (See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

CHANGES IN EQUITY					Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
PRIOR PERIOD (01/01/2023-31/12/2023)	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Except for Minority Shares	Minority Shares	Total Shareholders' Equity
I. Balances at Beginning Period	1.026.915	-	-	33.186	-	(19.114)	-	-	1.542.227	-	630.721	287	2.813.795	6.028.017	-	6.028.017
II. Correction made as per TAS 8 (**)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balances at Beginning of Period (I+II)	1.026.915	-	-	33.186	-	(19.114)	-	-	1.542.227	-	630.721	287	2.813.795	6.028.017	-	6.028.017
IV. Total Comprehensive Income	-	-	-	-	-	22.101	-	-	(761.728)	-	-	-	5.143.855	4.142.402	-	4.404.228
V. Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Adjustments to Paid-in Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution	-	-	-	6.086	-	-	-	-	-	-	2.803.863	3.846	(2.813.795)	-	-	-
11.1 Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves	-	-	-	6.086	-	-	-	-	-	-	2.803.863	-	(2.809.949)	-	-	-
11.3 Others	-	-	-	-	-	-	-	-	-	-	-	3.846	(3.846)	-	-	-
Balances at end of the period (III+IV...+X+XI)	1.026.915	-	-	39.272	-	2.987	-	-	780.499	-	3.434.584	4.133	5.143.855	10.170.419	-	10.432.245

1. Revaluation surplus on tangible and intangible assets,

2. Defined Benefit Plans' Actuarial Gains/Losses,

3. Other (Accumulated amounts of share of investments accounted for by the equity method that can not be classified as profit / loss from other comprehensive income with other comprehensive income that will not be reclassified to other profit or loss),

4. Foreign Currency Translation Differences,

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

6. Other (Accumulated amount of cash flow hedge gains / losses, equity attributable to equity holders of the Group for profit or loss from other comprehensive income and other comprehensive income to be reclassified to other profit or loss),

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

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish (See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

CONSOLIDATED STATEMENT OF CASH FLOWS AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

		THOUSAND TL	THOUSAND TL
STATEMENT OF CASH FLOWS		CURRENT PERIOD (01/01/2024-31/12/2024)	PRIOR PERIOD (01/01/2023-31/12/2023)
A.	CASH FLOWS FROM BANKING OPERATIONS		
I.1	Operating Profit Before Changes In Assets And Liabilities from Banking Operations	14.604.062	27.029.487
I.1.1	Profit Share Income Received	28.541.863	15.821.757
I.1.2	Profit Share Expense Paid	(23.950.821)	(8.848.994)
I.1.3	Dividend Received	-	-
I.1.4	Fees and Commissions Received	2.660.234	2.459.977
I.1.5	Other Income	961.406	296.361
I.1.6	Collections from Previously Written off Loans	119.907	304.568
I.1.7	Payments to Personnel and Service Suppliers	(3.142.412)	(1.582.049)
I.1.8	Taxes Paid	(5.185.399)	(2.557.632)
I.1.9	Others	14.599.284	21.135.499
I.2	Changes in Assets and Liabilities from Banking Operations	(44.131.259)	8.274.907
I.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss	1.359.746	(896.630)
I.2.2	Net (Increase) Decrease in Due From Banks and Other Financial Institutions	(1.600.312)	(17.183.251)
I.2.3	Net (Increase) Decrease in Loans	(42.356.712)	(16.241.720)
I.2.4	Net (Increase) Decrease in Other Assets	(530.709)	272.021
I.2.5	Net Increase (Decrease) in Bank Deposits	1.545.861	4.276.685
I.2.6	Net Increase (Decrease) in Other Deposits	(4.062.691)	40.406.011
I.2.7	Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value Through Profit or Loss	-	-
I.2.8	Net Increase (Decrease) in Funds Borrowed	6.969.439	(348.936)
I.2.9	Net Increase (Decrease) in Matured Payables	-	-
I.2.10	Net Increase (Decrease) in Other Liabilities	(5.455.881)	(2.009.273)
I.	Net Cash Flows from Banking Operations	(29.527.197)	35.304.394
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
II.	Net cash flow from investing activities	2.495.087	(4.307.900)
2.1	Cash Paid For Acquisition of Investments, Associates and Subsidiaries	(45.000)	(22.500)
2.2	Cash Obtained From Disposal of Investments, Associates and Subsidiaries	-	-
2.3	Purchases of Property and Equipment	(537.211)	(586.445)
2.4	Disposals of Property and Equipment	19.443	783
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income	(709.554)	(1.685.192)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income	1.288.655	798.810
2.7	Purchase of Financial Assets Measured at Amortised Cost	(4.759.960)	(2.500.000)
2.8	Sale of Financial Assets Measured at Amortised Cost	7.238.714	-
2.9	Other	-	(313.356)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
III.	Net Cash Flows from Financing Activities	6.528.784	(852.415)
3.1	Cash Obtained from Funds Borrowed and Securities Issued	28.841.641	166.115.246
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued	(22.231.583)	(166.941.418)
3.3	Issued Capital Instruments	-	-
3.4	Dividends Paid	-	-
3.5	Payments for Finance Leases	(81.274)	(26.243)
3.6	Other	-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	6.625.052	5.823.987
V.	Net Increase/(Decrease) in Cash and Cash Equivalents	(13.878.274)	35.968.066
VI.	Cash and Cash Equivalents at the Beginning of the period	53.215.879	17.247.813
VII.	Cash and Cash Equivalents at the End of the period	39.337.605	53.215.879

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

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish (See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

STATEMENT OF PROFIT DISTRIBUTION	CURRENT PERIOD ^(*) December 31, 2024	PRIOR PERIOD December 31, 2023
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1. CURRENT YEAR INCOME	12.139.844	7.600.388
1.2. TAX AND DUTIES PAYABLE (-)	3.412.363	2.456.533
1.2.1. Corporate tax (Income tax)	5.767.429	3.332.030
1.2.2. Income withholding tax	-	-
1.2.3. Other taxes and legal liabilities ^(**)	(2.355.066)	(875.497)
A. NET INCOME FOR THE YEAR (1.1-1.2)	8.727.481	5.143.855
1.3. PRIOR YEAR LOSSES (-)	-	-
1.4. First legal reserves (-)	-	256.477
1.5. Other statutory reserves (-)	-	133
B. DISTRIBUTABLE NET PERIOD INCOME [(A-(1.3+1.4+1.5))(*)]	8.727.481	4.887.245
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1. To owners of ordinary shares	-	-
1.6.2. To owners of preferred shares	-	-
1.6.3. To owners of preferred shares (Preemptive rights)	-	-
1.6.4. To Profit sharing bonds	-	-
1.6.5. To owners of the profit /loss sharing certificates	-	-
1.7. DIVIDEND TO PERSONNEL (-)	-	-
1.8. DIVIDEND TO BOARD OF DIRECTIONS (-)	-	-
1.9. SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1. To owners of ordinary shares	-	-
1.9.2. To owners of preferred shares	-	-
1.9.3. To owners of preferred shares (Preemptive rights)	-	-
1.9.4. To profit sharing bonds	-	-
1.9.5. To owners of the profit /loss sharing Certificates	-	-
1.10. SECOND LEGAL RESERVE (-)	-	-
1.11. STATUS RESERVE (-)	-	-
1.12. EXTRAORDINARY RESERVE	-	4.887.245
1.13. OTHER RESERVE	-	-
1.14. SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES		
2.1. DISTRIBUTED RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. SHARE TO SHAREHOLDERS (-)	-	-
2.3.1. To owners of ordinary shares	-	-
2.3.2. To owners of preferred shares	-	-
2.3.3. To owners of preferred shares (Preemptive rights)	-	-
2.3.4 To profit sharing bonds	-	-
2.3.5. To owners of the profit /loss sharing certificates	-	-
2.4. SHARED TO PERSONNEL (-)	-	-
2.5. SHARE TO BOARD OF DIRECTIONS (-)	-	-
III. EARNINGS PER SHARE		
3.1. TO OWNERS OF ORDINARY SHARES (***) (Full TL)	0.08499	0.05009
3.2. TO OWNERS OF ORDINARY SHARES (%)	8.5	5.0
3.3. TO OWNERS OF PREFERRED SHARES	-	-
3.4. TO OWNERS OF PREFERRED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1. TO OWNERS OF ORDINARY SHARES (Full TL)	-	-
4.2. TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3. TO OWNERS OF PREFERRED SHARES	-	-
4.4. TO OWNERS OF PREFERRED SHARES (%)	-	-

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

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

SECTION THREE

Accounting Policies

I. Explanations on Basis of Presentation:

a. The Preparation of the Financial Statements and Related Notes and Explanations in Accordance with the "Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks" Accounting Application and Safeguarding of Documents:

The consolidated financial statements have been prepared in accordance with the provisions of the Regulation on the Procedures and Principles Regarding Accounting Applications of Banks and Safeguarding of Documents, published in the Official Gazette dated 1 November 2006 and numbered 26333, in relation to the Banking Law numbered 5411, and other regulations, communiqués, explanations and circulars published by the Banking Regulation and Supervision Agency ("BRSA") on accounting and financial reporting principles, and in cases not regulated by these, the provisions of the Turkish Accounting Standard 34 (TS 34) Interim Financial Reporting Standard and Turkish Financial Reporting Standards ("TFRS") put into effect by the Public Oversight, Accounting and Auditing Standards Authority ("KGK") (collectively, "BRSA Accounting and Financial Reporting Legislation"). The format and content of the consolidated financial statements to be disclosed to the public, as well as their explanations and footnotes, have been prepared in accordance with the "Communiqué on Financial Statements to be Disclosed to the Public by Banks and the Relevant Explanations and Footnotes" and "Communiqué on Disclosures to be Made to the Public by Banks on Risk Management" published in the Official Gazette dated 28 June 2012 and numbered 28337, as well as the communiqués that make additions and amendments to these. The Parent Bank keeps its accounting records in Turkish currency in accordance with the Banking Law, the Turkish Commercial Code and Turkish tax legislation.

Consolidated financial statements have been prepared in TL based on the historical cost principle, except for financial assets and liabilities shown at their fair values.

Additional Paragraph For Convenience Translation to English:

BRSA Accounting and Financial Reporting Legislation, as described in this section, differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and the differences between accounting principles have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

In preparing financial statements in accordance with TFRS, the Group management is required to make assumptions and estimates regarding the assets and liabilities in the balance sheet and contingent issues as of the balance sheet date. The assumptions and estimates in question include the fair value calculations of financial instruments and the impairment of financial assets and are reviewed regularly. Necessary adjustments are made and the effects of these adjustments are reflected in the income statement. The assumptions and estimates used are explained in the relevant footnotes.

b. Accounting Policies and Valuation Principles Applied in the Preparation of Consolidated Financial Statements:

The accounting policies followed and the valuation principles used in the preparation of financial statements are in accordance with the regulations, communiqués, explanations and circulars published by the BRSA regarding the principles of accounting and financial reporting, and TAS/TFRS put into effect by the KGK on matters not regulated by these (all "BRSA Accounting and Financial Reporting Legislation") has been determined according to the principles included in the scope. Accounting policies for the current periods and valuation principles used are explained in footnotes II to XXIII.

With its announcement dated November 2023, KGK stated that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting Standard in High Inflation Economies ("TAS 29"). He explained that institutions or organizations authorized to regulate and supervise their own fields may determine different transition dates for the implementation of TAS 29 provisions. Based on this announcement of the KGK, BRSA, with its decision numbered 10744 dated December 12, 2023, decided that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA's decision dated January 11, 2024 and numbered 10825; It has been decided that banks, financial leasing, factoring, financing, savings financing and asset management companies will switch to inflation accounting as of January 1, 2025. Accordingly, no inflation adjustment was made in the consolidated financial statements dated December 31, 2024 within the scope of TAS 29 Financial Reporting Standard in Highly Inflationary Economies.

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish (See Note 1.a of Section Three)

TÜRKİYE EMLAK KATILIM BANKASI A.Ş.

NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2024

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

ACCOUNTING POLICIES (Continued):

I. Explanations on Basis of Presentation (Continued):

c. Comparative Information and Classifications:

Significant changes in accounting policies are applied retrospectively and the financial statements of the previous period are restated. The financial statements of the Parent Bank are prepared in comparison with the previous period in order to allow the determination of financial status and performance trends. Comparative information is restated when necessary in order to comply with the presentation of the current period financial statements.

II. Explanations on Strategy of Using Financial Instruments and Foreign Currency Transactions:

The Group creates its strategies regarding financial instruments by taking into account the resource structure. The Parent Bank's resource structure mainly consists of funds collected as "special current accounts", "participation accounts" and "participation accounts investment proxy pools". Apart from the funds collected, the Parent Bank's most important fund sources are equity and funds provided from domestic/foreign financial institutions.

Exchange rate difference income and expenses arising from foreign currency transactions are accounted for in the period in which the transaction is made, based on the "Turkish Accounting Standard on the Effects of Exchange Rate Changes" ("TAS 21"). Foreign currency assets and liabilities are converted into Turkish Lira by being valued at the end-of-period exchange rates, and the resulting exchange rate differences are reflected in the records as foreign exchange transaction profit or loss.

When loans monitored in foreign currency credit accounts are transferred to follow-up, they continue to be monitored in foreign currency credit accounts and are valued at current rates.

Differences arising from the conversion of securities representing debt and monetary financial assets into Turkish Lira are included in the income statement.

Assets and liabilities in precious metals that are monitored in asset and liability accounts and are not subject to a maturity are converted into Turkish Lira by being valued at the Borsa Istanbul weighted average price at the end of the period, and the resulting valuation differences are reflected in the records as foreign exchange transaction profit or loss.

III. Information on Consolidated Associates:

Parent Bank and its subsidiaries Emlak Varlık Kiralama A.Ş. and Emlak Katılım Varlık Kiralama A.Ş. It is included in the accompanying consolidated financial statements using the full consolidation method. In the preparation of consolidated financial statements, the methods, procedures and principles specified in the "Communiqué on the Preparation of Consolidated Financial Statements of Banks" and the "Turkish Financial Reporting Standard on Consolidated Financial Statements" ("TFRS 10") published in the Official Gazette dated 8 November 2006 and numbered 26340 are followed.

a. Consolidation Principles of Subsidiaries:

Subsidiaries are the Parent Bank's shares, either (a) through its authority to exercise more than 50% of the voting rights regarding the shares in the companies as a result of the shares directly and/or indirectly owned by it, or (b) through its authority to exercise more than 50% of the voting rights. It refers to companies that have the authority and power to control the financial and operating policies in line with the interests of the Group, by using the actual dominant influence over the financial and operating policies, although it does not have the authority to use them.

Control is the Parent Bank's direct or indirect ownership of the majority of the capital in a legal entity, or its holding of privileged shares although it does not have this majority, or its ability to exercise the majority of the voting rights pursuant to agreements made with other shareholders, or its ability to appoint the majority of the members of the board of directors in any way, or It was accepted that he had the power to dismiss.

Subsidiaries are consolidated using the full consolidation method within the framework of the materiality principle on the basis of their operating results, asset and equity sizes.

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ACCOUNTING POLICIES (Continued):

III. Information on Consolidated Associates (Continued):

a. Consolidation Principles of Subsidiaries (Continued):

Subsidiaries are included in the scope of consolidation from the date on which control over their activities is transferred to the Group and will be excluded from the scope of consolidation on the date on which control ceases. When deemed necessary, the accounting policies applied for subsidiaries may be changed to ensure consistency with the accounting policies applied by the Group.

According to the full consolidation method, 100% of the subsidiary's assets, liabilities, profit or loss and off-balance sheet items are combined with the Parent Bank's assets, liabilities, profit or loss and off-balance sheet items. The book value of the Group's investment in the subsidiary and the portion of the capital of the subsidiary belonging to the Group are netted off. Balances and unrealized profits and losses arising from transactions between partnerships within the scope of consolidation have been mutually offset. There are no minority rights in the consolidated subsidiary net income.

Emlak Varlık Kiralama A.Ş., a subsidiary of the Parent Bank, was established on 5 August 2019 in accordance with the permission received from the Banking Regulation and Supervision Board and the Capital Markets Board and was registered in the trade registry. It was established and started its operations on 5 August 2019 with a capital of 50 TL, fully paid by the Parent Bank, for the sole purpose of issuing lease certificates within the framework of the CMB's Lease Certificates Communiqué (III-61.1) published in the Official Gazette dated 7 June 2013 and numbered 28760.

Emlak Katılım Varlık Kiralama A.Ş., a subsidiary of the Parent Bank, was established on January 20, 2020, in line with the permission received from the Banking Regulation and Supervision Agency and the Capital Markets Board, and was registered in the trade registry. Emlak Katılım Varlık Kiralama Anonim Şirketi was established on 16 March 2019 with a capital of 50 TL, fully paid by the Parent Bank, for the sole purpose of issuing lease certificates within the framework of the CMB's Lease Certificates Communiqué (III-61.1) published in the Official Gazette dated 7 June 2013 and numbered 28760. The company was established and started its operations.

The titles of the partnerships within the scope of consolidation, their headquarters, their fields of activity and their effective, direct and indirect partnership rates are as follows:

Title	Operation Center (City/Country)	Main Activities	Effective Rates (%)	Direct and Indirect Rates (%)
Emlak Varlık Kiralama A.Ş.	İstanbul/Türkiye	Lease Certificate Issue	100	100
Emlak Katılım Varlık Kiralama A.Ş.	İstanbul/Türkiye	Lease Certificate Issue	100	100

b. Presentation of Subsidiaries, Affiliates and Jointly Controlled Partnerships Not Included in the Scope of Consolidation in Consolidated Financial Statements:

The Group does not have any affiliates, subsidiaries or jointly controlled partnerships that are not included in the scope of consolidation.

IV. Explanations on Forward, Option Contracts and Derivative Instruments:

The derivative financial instruments of the Group consist of forward foreign currency, forward precious metal and swap agreements. The Group records the spot foreign currency transactions in asset purchase and sale commitments.

The Group's derivative instruments are classified, measured and accounted in accordance with "TFRS 9 Financial Instruments". Derivative instruments are initially recognized at fair value and subsequently measured at fair value.

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ACCOUNTING POLICIES (Continued):

IV. Explanations on Forward, Option Contracts and Derivative Instruments (Continued):

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contractual values. The derivative transactions are accounted for at fair value subsequent to initial recognition and are presented in the “Derivative Financial Assets at Fair Value Through Profit or Loss”, “Derivative Financial Assets at Fair Value Through Other Comprehensive Income” or “Derivative Financial Liabilities at Fair Value Through Profit or Loss” and “Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income” items of the balance sheet depending on the resulting positive or negative amounts of the computed value. These amounts on the balance sheet present the fair values of derivative transactions. The differences that occur in the fair value as a result of the valuation are accounted in the “Income / loss from derivative financial transactions” in the income statement.

V. Explanations on Profit Share Income and Expenses:

Profit share income

Profit share income is accounted in accordance with the internal rate of return method, which is equal to the net present value of the future cash flows of the financial asset determined in TFRS 9 and reflected to the accrual basis.

Profit share expense

The Group records profit share expenses on accrual basis. The profit share expense accrual calculated in accordance with the unit value method on profit sharing accounts has been included under the account ‘Funds Collected’ in the balance sheet.

VI. Explanations on Fees, Commission Income and Expenses:

Other than commission income and fees and expenses for various banking services that are reflected as income/expense when collected/paid, fees and commission income and expenses are reflected to income statement depending on the term of the related transaction. The commissions and fees other those whose amortised costs are integral part of their effective profit rate, are accounted for in accordance with the TFRS 15 Revenue from Contracts with Customer Standard.

In accordance with provisions of TFRS the portion of the commission and fees which are related to the reporting period and collected in advance for cash and non-cash loans granted is reflected to the income statement by using the internal rate of return method and straight-line methods, respectively over the commission period of the related loan, respectively. Fees and commission collected in advance which are related to the future periods are recorded under the account “Unearned Revenues” and included in “Other Liabilities” in the balance sheet. The commission received from cash loans corresponding to the current period is presented in “Profit Share from Loans” in the statement of profit or loss.

VII. Explanations on Financial Assets and Liabilities:

The Group categorizes its financial assets as “Fair Value Through Profit or Loss”, “Fair Value Through Other Comprehensive Income” or “Measured at Amortized Cost”. Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part three Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated January 19, 2017 by the Public Oversight Accounting and Auditing Standards Authority. Financial assets are measured at fair value at initial recognition in the financial statements.

During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

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

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ACCOUNTING POLICIES (Continued):

VII. Explanations on Financial Assets and Liabilities (Continued):

Financial Assets at Fair Value Through Profit or Loss:

Financial assets at fair value through profit or loss classified under two main categories as "Derivative Financial Assets" and "Financial assets at fair value through profit or loss". Financial assets classified in this group are taken into the financial statements with cost values that reflect their fair values and are shown in the financial statements at fair value in the following periods. The resulting valuation gain and loss are included in the profit / loss accounts.

Financial assets at fair value through profit or loss classified, which are among the financial assets whose fair value difference is reflected in profit or loss, are valued at the weighted average clearing prices formed in BIST on the balance sheet date, while financial assets not traded in BIST are valued at the prices of the Central Bank of the Republic of Turkey. Gains and losses arising from the valuation are included in the profit/loss accounts.

Financial Assets Valued at Fair Value Through Other Comprehensive Income:

Financial assets at fair value through other comprehensive income are initially recognized at cost; which reflects their fair values; including the transaction costs. After the initial recognition, financial assets valued at fair value through other comprehensive income are measured at fair value and the unrealized gains or losses resulting from the difference between the amortized cost and the fair value is recorded in "accumulated other comprehensive income or expense to be reclassified through profit or loss" under equity. In case of a disposal of financial assets valued at fair value through profit and loss, increases/decreases which have been recorded in the "accumulated other comprehensive income or expense to be reclassified through profit or loss" under the equity is transferred to income statement.

Financial assets at fair value through other comprehensive income which do not have a quoted market price in an active market and whose fair values can not be reliably measured are carried at cost, less impairment, if any.

In addition, the appropriate value difference to be kept in the Group's securities portfolio is considered as other comprehensive income financial assets given, financial assets held at fair value through profit or loss and amortization as financial assets saved at estimated cost government bonds. These securities are real coupon rates, and the effective interest rate is based on the index calculated by taking into account the inflation index and the estimated inflation rate at the time of issue they are valued and accounted for using the method. As stated in the Indexed Bonds Investor's Guide, the actual coupon payment of these securities is based on the CPI of two months ago, and the reference indices used in the calculation of the amounts are based on the CPI of two months ago.

Financial Assets and Liabilities Measured at Amortized Cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and profit share are classified as financial assets measured at amortized cost. Financial assets and liabilities measured at amortized cost are initially recognized at cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at amortized cost by using the internal rate of return. Profit share income and profit share expense obtained from financial assets and liabilities measured at amortized cost are accounted in the income statement.

Credits:

Loans are non-derivative financial assets that have fixed or determinable payments and are not traded in an active market. These loans are first recorded by adding transaction costs to the acquisition cost, which reflects their fair value, and are measured at their amortized cost using the "internal rate of return method" following their recording. The Group periodically evaluates the provisions set aside for loans and other receivables in accordance with TFRS 9, based on their results, and makes updates to the staging rules and parameters used in the calculation of the relevant provision balances, if deemed necessary, as a result of these evaluations.

ACCOUNTING POLICIES (Continued)

VIII. Explanations On Expected Credit Losses:

As of January 1, 2020, the Group recognizes a loss allowance for expected credit losses on financial assets based on TFRS 9 “Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks’ Loans and Other Receivables and the Provision for These Loans and Other Receivables” and the regulation published in the Official Gazette no. 29750 dated June 22, 2016 in connection with “Procedures and Principals regarding Classification of Loans and Allowances Allocated for Such Loans. In this context, as of December 31, 2019, the method of reserving credit provisions within the framework of the relevant legislation of the BRSA has changed by applying the expected credit losses model with the implementation of TFRS 9. The expected credit loss estimate contains unbiased, supportable information about current and future economic conditions.

The Group classifies the financial asset as stage 1 if the credit risk of a financial instrument does not materially increase since initial recognition to the financial statements and measures the amount of the impairment on the financial asset equal to 12-month expected credit losses at each reporting date. The purpose of impairment is to recognize lifetime expected credit losses in the financial statement for the credit risk of all financial instruments those materially increase since initial recognition to the financial statements with considering all supportable information individually or collectively including reasonable and prospective information.

Calculation of Expected Credit Losses:

The Group measures expected credit losses with reasonable, objective and supportable information available as of the reporting date, including estimates of past events and current conditions, weighted according to probabilities determined by taking into account expected credit losses. The Group could not develop an internal model to estimate these risk parameters due to insufficient historical data for modelling. In 12-month expected credit loss provision calculations, the average of annual default rates is used as the probability of default (PD) parameter, based on the year-end data announced to the public by participation banks after 2014. In lifetime expected loan loss provision calculations, the average of close monitoring provision ratios is used as the PD parameter, based on the year-end data announced to the public by participation banks after 2014. For the Loss in Case of Default (LWD) parameter, it uses a reasonable approach of 45%, in line with the Basic IDD approach in the Communiqué on the Calculation of the Amount Subject to Credit Risk with Internal Rating-Based Approaches published by BRSA. Calculation of expected credit losses consists of three main parameters: Probability of Default (PD), Loss Given Default (LDL), Amount at Default (TT).

Parameters Used in Calculating Expected Loss Provisions:

Probability of Default (PD):

PD represents the likelihood of a default over a specified time period. The Group uses two different default probability values when calculating the expected credit loss in accordance with TFRS 9:

- 12-Month default probability: Estimate the probability of default in 12 months after the reporting date
- Lifetime default probability: Estimation of the probability that the financial instrument will default to its expected lifetime

Loss Given Default (LGD):

LGD represents an estimate of the loss at the time of a potential default occurring during the life of a financial instrument. It is expressed as a ratio.

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ACCOUNTING POLICIES (Continued):

VIII. Explanations on Expected Credit Losses (Continued):

Exposure at Default (EAD):

In cash loans, it refers to the balance as of the report date. In non-cash loans and commitments, it is the value calculated by applying the conversion ratio to the loan. The loan conversion rate corresponds to the loan conversion rate used in the adjustment of possible risk increases between the current date and the default date.

The expected credit loss estimate contains unbiased, supportable information about current and future economic conditions. These financial assets are divided into the following three categories depending on the increase in credit risks observed since they were first included in the financial statements:

12-Month Expected Loss Provision (Stage 1):

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. The number of delay days does not exceed 30 days. 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 credit quality. The 12-month expected loss values are part of the expected lifetime loss calculation (within 12 months after the reporting date or less if the life of a financial instrument is less than 12 months).

Significant Increase in Credit Risk (Stage 2):

As of the reporting date of the financial asset, in the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses.

The Group classifies financial assets as stage 2 by considering the following criterias:

- Loans with overdue days exceeding 30 days but not exceeding 90 days
- Data received from the early warning system and the evaluation of the Parent Bank in this case,
- In order to determine whether the default risk of the customer has increased significantly since the first definition of the loan, the Parent Bank's management concludes that there is a significant increase in credit risk as a result of comparison with the risk of default in the loan,
- Loans whose reimbursement is totally collateralized and whose loans are below the net realizable value receivable amount.

Default (3rd Stage / Special Provision):

According to the internal procedures of the Group if the following conditions exist, the relevant financial asset is included in the default:

- Credits with a delay of 90 days from the date of the last installment (In this case, the customer is monitored as default on the 91st day),
- Restructured loans and classified as a performing loan and overdue more than 30 days during the one-year monitoring period (In this case, the customer is followed as default on the 31st day),
- Restructured loans and classified as performing loan and that have been structured at least once more during the one-year monitoring period.

IX. Explanations on Offsetting of Financial Instruments:

Financial instruments are offset when the Group has a legally enforceable right to net off the recognized amounts, and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. There are no such offset of financial assets and liabilities.

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ACCOUNTING POLICIES (Continued):

X. Explanations On Sale and Repurchase Agreements and Lending of Securities:

Securities subject to repurchase agreement are classified as at “fair value through profit or loss”, “fair value through other comprehensive income” or “measured on amortised cost” according to the investment purposes of the Group and measured according to the portfolio to which they belong. Funds obtained from the related agreements are accounted under “Borrowings from Money Markets” in liabilities and the difference between the sale and repurchase price is accrued over the life of the agreements using the internal rate of return method. Profit share expense on such transactions is recorded under “Profit Share Expense on Money Market Borrowings” in the income statement. The Group has no securities lending transactions.

Accounting Policies (Continued)

XI. Explanations on Assets Held For Sale and Discontinued Operations and Liabilities Related to These Assets:

Assets held for sale (or disposal group) in accordance with TFRS 5 (“Assets Held for Sale and Discontinued Operations”) are measured at the lower of the carrying amount of assets and fair value less any cost to be incurred for disposal. In order to classify an asset as held for sale, the possibility of sale should be highly probable and the asset (or disposal group) should be available for immediate sale in its present condition. Highly saleable condition requires a plan designed by an appropriate level of management regarding the sale of the asset to be disposed of together with an active program for the determination of buyers as well as for the completion of the plan. Also the asset shall be actively marketed in conformity with its fair value. In addition, the sale is expected to be recognized as a completed sale within one year after the classification date and the necessary transactions and procedures to complete the plan should demonstrate the fact that there is remote possibility of making any significant changes in the plan or cancellation of the plan.

A discontinued operation is a part of the Group’s business which has been disposed of or classified as held-for-sale. The operating results of the discontinued operations are disclosed separately in the income statement.

The Group has no discontinued operations.

XII. Explanations on Goodwill and Other Intangible Assets:

Goodwill and other intangible assets are recorded at cost in accordance with TAS 38 “Turkish Accounting Standards for Intangible Assets”.

As of December 31, 2024, there is no goodwill in the financial statements of the Group. (December 31, 2023: None).

The Group’s intangible assets consist of software and intangible rights. The costs of the intangible assets purchased before December 31, 2004 have been restated from the purchasing dates to December 31, 2004 the date the hyperinflationary period is considered to be ended. Intangible assets purchased after this date have been recorded at their historical costs. Intangible assets are amortised by the Group over their estimated economic useful lives in equal amounts on a straight-line basis. Useful lives of the Group’s software have been determined as 3 to 4 years and other intangible assets’ useful lives have been determined as 15 years.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the TAS 36 “Turkish Accounting Standard for Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

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ACCOUNTING POLICIES (Continued):

XIII. Explanations on Tangible Assets:

The cost of the tangible assets purchased before December 31, 2004 have been restated by inflationary index from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The tangible assets purchased after this date are recorded at their historical costs. Tangible assets are recorded at cost less accumulated depreciation and provision for impairment, if any in compliance with the TAS 16 “Turkish Accounting Standards for Tangible Assets” in the financial statements.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets. There are no changes in the accounting estimates which are expected to have an impact in the current or subsequent periods.

Depreciation is calculated on a straight-line basis. Depreciation rates used are determined by considering the estimated economic useful life of the assets:

	Depreciation Rate (%)
Computers	10-33
Furniture and Equipment	20
Other Moveables	7-33
Vehicles	20
Intangible Assets (Rights)	7-33
Buildings	2

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year-end.

Gain or loss resulting from disposals of the tangible assets is calculated as the difference between the net proceeds from the sale and the net book value of the related asset.

The repair and maintenance costs of the tangible assets are capitalized, if the expenditure increases the economic life of the asset, other repair and maintenance costs are expensed.

XIV. Explanations on Leasing Transactions:

The Group applies the TFRS 16 leases standard. The Group recognizes the right of use and the rent obligation on the financial statements at the effective date of the lease. The right of use is measured initially at cost value and subsequently measured at cost less accumulated depreciation and accumulated impairment losses and adjusted for the re-measurement of the lease obligation. TAS 36 Impairment of Assets is applied in order to determine whether the real estates that are entitled to use have been impaired and to recognize the impairment loss.

With the TFRS 16 Leases Standard effective from January 1, 2019, the difference between operating leases and financial leases is eliminated and leases are presented as assets by the lessees under Tangible Assets and as liabilities under Liabilities from Leasing Transactions.

TFRS 16 introduces a single leasing accounting model for lessees. As a result, the Group, as a lessee, has acquired the lease rights representing the lease rights representing the right to use the underlying asset and the lease payments to the financial statements. Accounting for the lessor is similar to the previous accounting policies.

The Group when valuing its leasing obligations, discounted its leasing payments using an alternative borrowing rate. The weighted-average rate applied is 37,15% for leasing agreements denominated in Turkish liras.

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ACCOUNTING POLICIES (Continued):

XIV. Explanations on Leasing Transactions (Continued):

Existence of Right to Use:

The right to use asset is first recognized by cost method and includes:

- The initial measurement amount of the lease obligation,
- The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- All initial direct costs incurred by the Group.

When applying the cost method, the existence of the right to use:

- Accumulated depreciation and accumulated impairment losses are deducted and measures the restatement of the lease obligation at the restated cost.

The Group applies depreciation provisions in TAS 16 Property, Plant and Equipment while depreciating the right to use assets.

The Lease Obligations:

At the effective date of the lease, the Group measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the lease's implied profit share rate, if that rate is easily determined. If this ratio cannot be easily calculated, the Group employs its alternative borrowing profit share rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

After the effective date of the lease, the Group measures the leasing liability as follows:

- Increase the book value to reflect the interest on the lease obligation
- Reduces the book value to reflect the lease payments made and
- The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

The profit share on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic profit share rate to the remaining balance of the lease liability.

XV. Explanations on Provisions and Contingent Liabilities:

Provisions and contingent liabilities, excluding the general and specific provisions for impairment on loans, are accounted in accordance with TAS 37: "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the cut-off principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Group; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

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ACCOUNTING POLICIES (Continued):

XVI. Explanations on Liabilities Regarding Employee Rights:

The Group fulfills its obligations for severance pay and leave rights under "TAS 19 - Provided to Employees Benefits" and in the balance sheet "Provision for Employee Benefits" account.

According to Türkiye's current labor laws, the Group may resign and resign as specified in the Labor Law by making a certain lump sum payment to employees who are dismissed for reasons other than liable behavior. Provision for severance pay, which is a probable liability under this law, is calculated over its present value using certain actuarial estimates and is reflected in the financial statements as actuarial losses and gains, in accordance with "TAS 19 - Employee Benefits" accounted for under equity.

The leave fee obligation means that all personnel are legally entitled to leave each year in excess of the cumulative total of unused vacation days found by subtracting the is calculated.

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

Some of the Group's 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.

As of August 16, 2002, employees who started working at T.C. Ziraat Bankası A.Ş. and Türkiye Halk Bankası A.Ş. were registered as members of the Fund. Employees of Ziraat Katılım Bankası A.Ş. have been fund members since February 1, 2016 and employees of Türkiye Emlak Katılım Bankası A.Ş. have been fund members since April 1, 2016, following amendments to the foundation charter, allowing them to benefit from fund services. Since Türkiye Halk Bankası A.Ş. established its own fund in 2004, employees hired after this date have been registered in its own fund.

As of February 15, 2024 Ziraat Katılım Katılım Bankası and Türkiye Emlak Katılım Bankası A.Ş. have joined the T.C. Ziraat Bankası ve T. Halk Bankası Members Pension and Relief Fund (TZHEMSAN) as founding members alongside T.C. Ziraat Bankası A.Ş. and T. Halk Bankası A.Ş. Bank employees constitute 6% of the active members of the fund.

According to the new law Group 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.

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ACCOUNTING POLICIES (Continued):

XVI. Explanations on Liabilities Regarding Employee Rights (Continued):

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 Group 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 article 20 of the 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.

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 Group 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 Group’s financial statements.

XVII. Explanations on Taxation:

Current Tax:

With the publication of Law No. 7394 in the Official Gazette dated April 15, 2022, banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. The corporate tax rate has been permanently increased to 25%. However, with Law No. 7456 published on July 15, 2023, the rate in question was increased to 30% to be applied to the cumulative bases included in the declarations that must be submitted as of October 1, 2023; The corporate tax rate will be applied as 30% in future periods, starting from the provisional corporate tax return to be submitted for the period 1 January 2023 - 30 September 2023. There is no withholding tax on dividends paid to institutions resident in Türkiye. Dividend payments made to individuals and institutions other than these are subject to 10% withholding tax. Addition of profit to capital is not considered profit distribution and withholding tax is not applied.

Corporations calculate provisional tax based on their quarterly financial profits at the current rate and declare it by the 17th day of the second month following that period and pay it by the evening of the same day. The provisional tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If the amount of advance tax paid remains despite the offset, this amount can be refunded in cash or offset against other financial debts to the state.

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ACCOUNTING POLICIES (Continued):

XVII. Explanations on Taxation (Continued):

Provided that 50% of the profits arising from the sale of subsidiary shares and real estate held for at least two years are added to the capital for real estate and 75% for subsidiaries, as stipulated in the Corporate Tax Law, or are kept in a special fund account in liabilities for 5 years. is exempt from tax. However, with the Law No. 7456 published on July 15, 2023, this exception has been abolished for real estates to be acquired after the publication date of the decision; If real estate acquired before this date is sold after the effective date of the decision, 25% of the real estate sales gain will be exempt from corporate tax.

According to Turkish tax legislation, financial losses shown on the declaration can be deducted from the period corporate income for a period not exceeding 5 years. However financial losses can not be offsetted from last year's profits. In Türkiye, there is no practice of reaching an agreement with the tax authority regarding the taxes to be paid.

Corporate tax returns are submitted to the relevant tax office by the evening of the last day of the fourth month following the month in which the accounting period closes. However, the authorities authorized for tax inspection may examine the accounting records within the five years before the current period, and if incorrect transactions are detected, the tax amounts to be paid may change and sectoral examinations may be carried out.

Within the framework of the provision of Article 298/A of the Tax Procedure Law, the conditions required for inflation adjustment in the corporate tax calculation have been met as of the end of the 2021 calendar year. However, with the "Law on Amendments to the Tax Procedure Law and the Corporate Tax Law" numbered 7352, published in the Official Gazette numbered 31734 dated January 29, 2022, the temporary article 33 was added to the Tax Procedure Law numbered 213, including provisional tax periods. In the 2021 and 2022 accounting periods (as of the accounting periods ending in 2022 and 2023 for those assigned a special accounting period) and the 2023 accounting period provisional tax periods, the financial statements will not be subject to inflation adjustment, regardless of whether the conditions for inflation adjustment within the scope of Article 298 are met or not, 31 It has become law that the financial statements dated December 2023 will be subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met or not, and the profit/loss differences arising from the inflation adjustment will be shown in the previous years' profit/loss account Based on the Tax Procedural Law General Communiqué No. 560 published in the Official Gazette dated 30 April 2024; There will be no inflation adjustment for the 1st provisional tax period of the 2024 accounting period. However, according to the Communiqué, inflation adjustment will not be applied only in the 1st provisional tax period for now, and unless a contrary regulation is made in the following provisional accounting periods of the 2024 accounting period, inflation adjustment will continue to be applied if the conditions in Article 298/A of the TPL are met

Assets within the scope of the provisional Article 32 of the Tax Procedure Law No. 213 are valued and taxed at 2%. The assets included in the scope of Repeated Article 298 are revalued with the revaluation rate announced in the relevant year and no tax is paid on the increase in value.

Deferred Tax:

Deferred tax assets or liabilities, according to principles of "Turkish Accounting Standards on Income Taxes" ("TAS 12"), are calculated as measuring the affect of the temporary difference that accours between the amount of assets and liabilities figured in financial tables and the amount calculated according to tax legislation, by considering tax rate for releated period.

Deferred tax is been figured in financial tables by netting assets and liabilities. While deferred tax liability can be calculated for all taxable temporary difference, deferred tax assets only can be calculated on the condition that if high possiibilty exists to take profit from difference occurs from deferred tax assets arises from reducable temporary differences to be profitable on taxes.

Deferred tax is calculated based on the tax rates that are valid or almost certain to come into force in the period when assets are created or liabilities are fulfilled and are recorded as expense or income in the statement of profit or loss. However, deferred tax is recognized directly in equity accounts if it relates to assets directly attributable to equity in the same or a different period. While preparing the financial statements dated December 31, 2024, the Parent Bank used a 30% tax rate for temporary differences expected to be realized or closed.

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ACCOUNTING POLICIES (Continued):

XVII. Explanations on Taxation (Continued):

Transfer Pricing:

Transfer pricing is regulated through the article 13 of Corporate Tax Law titled “Disguised Profit Distribution by way of Transfer Pricing”. Detailed information for the practice regarding the subject is found in the “General Communiqué on Disguised Profit Distribution by way of Transfer Pricing”.

According to the related regulation, in the case of making purchase or sales of goods or services with related persons/corporations at a price that is determined against “the arm’s length principle”, the gain is considered to be distributed implicitly through transfer pricing and such distribution of gains is not deductible in calculation of corporate tax.

XVIII. Additional Explanations on Borrowings:

Funds provided from debt instruments issued by the Parent Bank through an asset leasing company are presented under "Securities Issued". Borrowings, except for funds collected, are recognized at amortized cost using the effective internal rate of return method in the following periods after the initial recognition.

XIX. Explanations on Issued Share Certificates:

None.

XX. Explanations on Acceptances and Aailed Drafts:

The Group aval and acceptances are carried out simultaneously with customers' payments and are shown in off-balance sheet obligations as possible debts and commitments.

XXI. Explanations on Government Grants:

As of the balance sheet date, there are no government grants received by the Group.

XXII. Explanations on Segment Reporting:

Business segment is a component of the Group that engages in business activities from which the Group may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, which and for discrete financial available.

Segment reporting is disclosed in Section Four, Note IX.

XXIII. Explanations Regarding Subsidiaries, Affiliates and Jointly Controlled Partnerships:

Subsidiaries and affiliates denominated in Turkish currency are accounted for at cost in accordance with the "Turkish Accounting Standard for Individual Financial Statements" ("TAS 27") and are reflected in the consolidated financial statements after deducting the provision for impairment, if any.

XXIV. Information on Other Issues:

None.

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SECTION FOUR

INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT

I. Explanations on Capital Adequacy Standard Ratio:

Equity amount and capital adequacy standard ratio are calculated within the framework of the "Regulation on Equity of Banks" and the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks". The Group's current period equity amount calculated as of December 31, 2024 is 22.742.022 TL and the capital adequacy standard rate is 23,38%. The equity amount for December 31, 2023 is 15.374.501 TL and the capital adequacy standard rate is 23,08%. The Group's capital adequacy standard ratio is above the minimum ratio determined by the relevant legislation.

a) Information on Consolidated Total Capital Items:

	Current Period 31 December 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	1.026.915	1.026.915
Share issue premiums	-	-
Reserves	8.563.985	3.434.584
Gains recognized in equity as per TAS	10.016	705.872
Profit	8.745.935	5.147.988
Current Period Profit	8.727.481	5.143.855
Prior Period Profit	18.454	4.133
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	18.346.851	10.315.359
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1 st 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	256.912	-
Leasehold improvements	118.914	119.326
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	543.412	248.862
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
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	-	-
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	-	-
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	2.744.267	723.628
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 1 Capital	3.663.505	1.091.816
Total Common Equity Tier 1 Capital	14.683.346	9.223.543

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

I. Explanation on Capital Adequacy Standard Ratio (Continued):

a) Information on Consolidated Shareholder's Equity (Continued):

	Current Period 30 December 2024	Prior Period 31 December 2023
ADDITIONAL TIER 1 CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	7.652.085	5.709.739
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	7.652.085	5.709.739
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in 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	-	-
Total Additional Tier I Capital	7.652.085	5.709.739
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	22.335.431	14.933.282
TIER 2 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)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	408.818	444.659
Contribution Capital Before Discounts	408.818	444.659
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	408.818	444.659
Total Capital (The sum of Tier I Capital and Tier II Capital)	22.744.249	15.377.941
Deductions from Capital	22.749.249	15.377.941
Deductions from Capital Loans granted contrary to the 50th and 51th 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	2.227	3.440
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	-	-

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I. Explanation on Capital Adequacy Standard Ratio (Continued):

a) Explanation on Consolidated Shareholder's Equity (Continued):

	Current Period 31 December 2024	Prior Period 31 December 2023
SHAREHOLDER'S EQUITY		
Total Capital (The sum of Tier I Capital and Tier II Capital and After the Deductions from Total Capital)	22.742.022	15.374.501
Total Risk Weighted Amounts	97.286.237	66.615.195
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	15,09	13,85
Tier I Capital Adequacy Ratio (%)	22,96	22,42
Capital Adequacy Ratio (%)	23,38	23,08
BUFFERS		
Total buffer requirement (a+b+c)	2,5	2,5
a) Capital conservation buffer requirement (%)	2,5	2,5
b) Bank specific counter-cyclical buffer requirement (%)	-	-
c) Systemic important bank buffer ratio (%)	-	-
The ratio of Additional Common Equity Tier I capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	10,59	9,35
Amounts Lower Than Excesses as per Deduction Rules		
Portion of the total of net long positions of 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	-	-
Portion of the total of 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	-	-
Limits related to provisions considered in Tier II calculation	-	-
Amount arising from deferred tax assets based on temporary differences	1.742.761	994.717
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	408.818	444.659
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	408.818	444.659
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0,6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

“In accordance with the BRSA's Decision dated 12.12.2023 and numbered 10747; In accordance with the Regulation on Measurement and Evaluation of Capital Adequacy of Banks, published in the Official Gazette dated 23.10.2015 and numbered 29511, specified in the Board Decision dated 31.01.2023 and numbered 10496, in the calculation of the amount subject to credit risk; The practice of using the foreign exchange buying rate of the Central Bank of the Republic of Türkiye (Central Bank) dated 30.12.2022 when calculating the valued amounts and relevant special provision amounts of items other than items in foreign currency, as of 01.01.2024, until a Board Decision to the contrary is taken. It has been decided to continue to be implemented by using the Central Bank foreign exchange buying rate of 26.06.2023.

In addition, according to the BRSA's Decision dated 16 April 2020 and numbered 8999; Turkish Republic Center of Banks Measuring the Capital Adequacy of Banks for their receivables from their management and issued in FX, and Amount subject to credit risk in accordance with Standard Approach within the scope of Regulation on Evaluation It is possible to apply 0% risk weight in the calculation.

As of December 31, 2024, the Parent Bank had taken advantage of these opportunities in its Capital Adequacy calculations. Board decisions have a 5,06% impact on the standard capital adequacy ratio.”

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I. Explanation on Capital Adequacy Standard Ratio (Continued):

b) Information on Consolidated Debt Instruments to be Included in the Equity Calculation:

Issuer	Türkiye Varlık Fonu Piyasa İstikrar Ve Denge Alt Fonu
Unique Identifier (CUSIP, ISIN etc.)	TRT240424F22
Governing Law(s) of the Instrument	Regulation on Banks"Equity Communique on Principles Regarding Borrowing Instruments to be Included in Bank"Equity Calculation
Special Consideration in the Calculation of Equity	
As of January 1,2015, consideration to be subject to a 10% reduction application status	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Subordinated Loan
Amount recognized in regulatory capital (as of most recent reporting date)	3.694.204
Par Value of Instrument	3.671.116
Accounting Classification	Subordinated Loan
Original date of Issuance	24.04.2019
Perpetual or dated	Undated
Maturity date	24.04.2019
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	Repayment Option Date: The amount of 100 EUR will be repaid no earlier than five years from the loan disbursement date.
Subsequent call dates	-
Profit Share/Dividends	
Fixed or floating profit share/dividend	-
Profit share rate and any related index	-
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	Fully discretionary
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	Noncumulative
Convertible or Non-convertible	
If convertible, conversion trigger	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	In case of the ratio of core capital adequacy ratio falls below 5,125 %
If write-down, full or partial	At least to ensure that the core capital ratio exceeds 5,125 %
If write down, permanent or temporary	Permanent and Temporary
If temporary write-down, description of write-up mechanism	There is write-up mechanism.
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After all creditors and participation fund owners
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with article number 7
Details of incompliance with article number 7 and 8 of "Own fund regulation"	In compliance with article number 7

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I. Explanation on Capital Adequacy Standard Ratio (Continued):

b) Information on Consolidated Debt Instruments to be Included in the Equity Calculation: (Continued):

Issuer	Türkiye Varlık Fonu Piyasa İstikrar Ve Denge Alt Fonu
Unique Identifier (CUSIP, ISIN etc.)	TRT211229F12
Governing Law(s) of the Instrument	Regulation on Banks"Equity Communique on Principles Regarding Borrowing Instruments to be Included in Bank"Equity Calculation
Special Consideration in the Calculation of Equity	
As Of 1 January 2015, Consideration to Be Subject to A 10% Reduction Application Status	No
Eligible At Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Government Domestic Debt Securities with Subordinated Loan (Additional Capital)
Amount Recognized in Regulatory Capital (As of Most Recent Reporting Date)	656.932
Par Value of Instrument	1.163.321
Accounting Classification	Subordinated Loan
Original Date of Issuance	09.03.2022
Perpetual or Dated	Undated
Maturity Date	09.03.2022
Issuer Call Subject to Prior Supervisory (BRSA) Approval	Yes
Optional Call Date, Contingent Call Dates and Redemption Amount	Repayment Option Date: The amount equivalent to 500,000 TL in EUR will be repaid no earlier than five years from the loan disbursement date.
Subsequent Call Dates	-
Profit Share/Dividends	
Fixed Or Floating Profit Share/Dividend	-
Profit Share Rate and Any Related Index	-
Existence of A Dividend Stopper	-
Fully Discretionary, Partially Discretionary or Mandatory	Full discretionary
Existence of Step Up or Other Incentive to Redeem	-
Noncumulative Or Cumulative	Noncumulative
Convertible Or Non-Convertible	
If Convertible, Conversion Trigger	-
If Convertible, Fully or Partially	-
If Convertible, Conversion Rate	-
If Convertible, Mandatory or Optional Conversion	-
If Convertible, Specify Instrument Type Convertible Into	-
If Convertible, Specify Issuer of Instrument It Converts Into	-
Write-Down Feature	
If Write-Down, Write-Down Trigger(S)	In case of the ratio of core capital adequacy falls below 5,125 %
If Write-Down, Full or Partial	At least to ensure that the core capital ratio exceeds 5,125 %
If Write Down, Permanent or Temporary	Permanent and Temporary
If Temporary Write-Down, Description of Write-Up Mechanism	There is write-up mechanism.
Position in Subordination Hierarchy in Liquidation (Specify Instrument Type Immediately Senior to Instrument)	After all creditors and participation fund owners
In Compliance with Article Number 7 And 8 Of "Own Fund Regulation"	In compliance with article number 7
Details of Incompliances with Article Number 7 And 8 Of "Own Fund Regulation"	In compliance with article number 7

Convenience Translation of the Independent Auditor's Limited Review Report Originally Issued in Turkish (See Note 1.a of Section Three)

**TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

II. Explanation on Capital Adequacy Standard Ratio (Continued):

b) Information on Consolidated Debt Instruments to be Included in the Equity Calculation (Continued):

Issuer	Türkiye Varlık Fonu Piyasa İstikrar Ve Denge Alt Fonu
Unique Identifier (CUSIP, ISIN etc.)	TRT250232F15
Governing Law(s) of the Instrument	Regulation on Banks"Equity Communique on Principles Regarding Borrowing Instruments to be Included in Bank"Equity Calculation
Special Consideration in the Calculation of Equity	
As Of 1 January 2015, consideration to be subject to a 10% reduction application status	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Subordinated Loan
Amount recognized in regulatory capital (as of most recent reporting date)	3.300.949
Par Value of Instrument	3.671.116
Accounting Classification	Subordinated Loan
Original date of Issuance	27.12.2024
Perpetual or dated	Undated
Maturity date	30.12.2024
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date: 24.05.2024 Total Repayment Amount: EUR 200 million (full)
Subsequent call dates	-
Profit Share/Dividends	
Fixed or floating profit share/dividend	-
Profit share rate and any related index	-
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	Full discretionary
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	Noncumulative
Convertible or Non-convertible	
If convertible, conversion trigger	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	In case of the ratio of core capital adequacy falls below 5,125 %
If write-down, full or partial	At least to ensure that the core capital ratio exceeds 5,125 %
If write down, permanent or temporary	Permanent and Temporary
If temporary write-down, description of write-up mechanism	There is write-up mechanism.
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After all creditors and participation fund owners
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with article number 7
Details of incompliances with article number 7 and 8 of "Own fund regulation"	In compliance with article number 7

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

I. Explanation on Capital Adequacy Standard Ratio (Continued):

c. Explanations on Consolidated Reconciliation of Equity Items and Balance Sheet Amounts:

The difference between Total Capital and Equity in the consolidated balance sheet mainly arises from Stage 1 and Stage 2 expected credit losses, debt instruments, and share issue premiums deemed suitable by the BRSA. In the calculation of Total Capital, Stage 1 and Stage 2 expected credit losses up to 1,25% of the credit risk is taken into consideration as Tier II Capital. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities, net book value of immovables that are acquired against overdue receivables and retained more than five years, other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. Explanations on Consolidated Credit Risk:

Credit risk is defined as the potential loss the Bank may face due to the credit customer's partial or complete failure to fulfill their obligations under the agreed terms in a timely manner.

Credit allocation authority essentially lies with the Board of Directors, and this authority can be delegated to subcommittees in accordance with the Banking Law. The Board determines credit policies and macro-level credit limits, establishes policies regarding credit approval, authorization, and other administrative principles, monitors compliance with policies, concentrations, and limits and takes necessary measures. It also ensures an appropriate environment for the effective and sound functioning of the credit function. Adequate personnel and software are provided, and roles, authorities, and limits are clearly defined, with necessary controls in place. Credit risk is periodically measured, analyzed, and reported.

Preparations are made to use scoring and rating models that produce rating scores and probability of default in order to measure the credit risk of customers according to their segments. The ratings produced are used in making decisions about working with the customer and determining working conditions. Credit limit allocations are made separately for the customer or credit group, based on financial analysis and intelligence reports, rating grades given to the customer and segment. Allocated limits are reviewed at the periods specified in commercial and individual credit policies, and the customer's intelligence and rating report is renewed. Care is taken to ensure balanced sectoral distribution of loans and to ensure that TL resources are used in TL and foreign currency resources are used in FX, without causing any exchange rate mismatch. Credit limitations specified in the Banking Law and relevant legislation are complied with. Although the creditworthiness of the customer is essential, care is taken to provide collateral to reduce risk. Maximum care is taken to ensure that the maturity and currency of the loan and the collateral are compatible and that an independent valuation is carried out. The guarantees received are periodically evaluated and insured.

Provisions are made for defaulted loan receivables in accordance with TFRS 9 "Regulation on Procedures and Principles for Determining the Qualifications of Loans and Other Receivables by Banks and Provisions to be Set Aside for These".

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

II. Explanations on consolidated credit risk (Continued):

The total amount of risks exposed after offsetting transactions, without considering the effects of credit risk mitigation, along with the average amount of risks segregated by different risk classes and types for the relevant period:

Risk Categories	Current Period Risk Amount	Average Risk Amount
1 Receivables from central governments or central banks	72.253.230	79.804.864
2 Receivables from regional or local governments	115.883	43.958
3 Receivables from administrative units and non-commercial enterprises	6.245	366.752
4 Receivables from multilateral development banks	-	-
5 Receivables from international organizations	-	-
6 Receivables from banks and brokerage houses	17.323.427	13.962.307
7 Receivables from corporates	54.190.881	38.919.157
8 Retail receivables	7.482.438	8.292.389
9 Receivables secured by mortgages on property	4.350.332	3.036.264
10 Past due receivables	162.941	95.990
11 Receivables defined in high risk category by BRSA	6.956.606	14.363.260
12 Securities collateralized by mortgages	-	-
13 Securitization positions	-	-
14 Short-term receivables from banks, brokerage houses and corporates	-	-
15 Investments similar to collective investment funds	-	-
16 Equity security investments	-	-
17 Other Receivables	8.138.131	6.994.145
Total (*)	170.980.114	165.879.088

(*) Average risk amount was tested by taking the arithmetic average of monthly risk amounts for 2024.

Risk Categories	Prior Period Risk Amount	Average Risk Amount
1 Receivables from central governments or central banks	76.375.508	56.694.948
2 Receivables from regional or local governments	94.549	161.756
3 Receivables from administrative units and non-commercial enterprises	442.667	326.684
4 Receivables from multilateral development banks	-	-
5 Receivables from international organizations	-	-
6 Receivables from banks and brokerage houses	6.411.940	10.695.846
7 Receivables from corporates	29.274.530	23.894.089
8 Retail receivables	8.967.648	7.662.321
9 Receivables secured by mortgages on property	2.524.840	1.910.093
10 Past due receivables	30.284	19.585
11 Receivables defined in high risk category by BRSA	9.199.949	2.071.809
12 Securities collateralized by mortgages	-	-
13 Securitization positions	-	-
14 Short-term receivables from banks, brokerage houses and corporates	-	-
15 Investments similar to collective investment funds	-	-
16 Equity security investments	-	-
17 Other Receivables	5.692.499	5.668.953
Total (*)	139.010.414	109.106.085

(*) Average risk amount was tested by taking the arithmetic average of monthly risk amounts for 2023.

The Bank considers that long-term commitments are exposed to more credit risk than short-term commitments, and matters such as defining risk limits and obtaining collateral for long-term risks are addressed more extensively as compared to short-term risks. The Bank has credit lines in different countries within the scope of its banking activity and due inquiries (economic, cyclical, etc.) are carried out during the allocation and revision of such credit lines.

For the banks where correspondent activity and international commodity transactions are intended to be carried out, credit limits are allocated by the related credit committees taking into account the size of the correspondent bank and the size of Bank itself and concentration of risk is avoided. The Bank does not carry any serious risk in this respect.

(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

		Risk Categories*																	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
1	Current Period																		
2	Domestic	72.253.229	115.883	6.245	-	-	10.025.653	52.404.974	7.467.020	4.307.626	162.941	426.457	-	-	-	-	-	8.102.753	155.272.781
3	EU Countries	-	-	-	-	-	329.104	-	283	-	-	-	-	-	-	-	-	-	329.387
3	OECD Countries (**)	-	-	-	-	-	2.278.493	-	207	-	-	-	-	-	-	-	-	35.378	2.314.078
4	Off-shore Banking Regions	-	-	-	-	-	183	1.723.417	10.254	42.706	-	-	-	-	-	-	-	-	1.776.560
5	USA, Canada	-	-	-	-	-	230.554	-	-	-	-	-	-	-	-	-	-	-	230.554
6	Other Countries	-	-	-	-	-	4.459.440	62.490	4.674	-	-	6.530.149	-	-	-	-	-	-	11.056.753
7	Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Unallocated Assets/Liabilities (***)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Total	72.253.229	115.883	6.245	-	-	17.323.427	54.190.881	7.482.438	4.350.332	162.941	6.956.606	-	-	-	-	-	8.138.131	170.980.113
1	Prior Period																		
1	Domestic	76.375.508	94.549	442.667	-	-	839.939	28.534.854	8.933.803	2.522.383	30.284	5.915.937	-	-	-	-	-	5.692.499	129.382.423
2	EU Countries	-	-	-	-	-	216.503	-	314	136	-	-	-	-	-	-	-	-	216.953
3	OECD Countries (**)	-	-	-	-	-	1.474.561	-	-	-	-	-	-	-	-	-	-	-	1.474.561
4	Off-shore Banking Regions	-	-	-	-	-	467.212	324.541	30.272	2.321	-	10.180	-	-	-	-	-	-	834.526
5	USA, Canada	-	-	-	-	-	400.644	-	2.856	-	-	-	-	-	-	-	-	-	403.500
6	Other Countries	-	-	-	-	-	3.013.081	415.135	403	-	-	3.273.832	-	-	-	-	-	-	6.702.451
7	Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100	100
8	Unallocated Assets/Liabilities (***)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	76.375.508	94.549	442.667	-	-	6.411.940	29.274.530	8.967.648	2.524.840	30.284	9.199.949	-	-	-	-	-	5.692.499	139.014.414

- 1 Conditional and unconditional receivables from central government and Central Banks
- 2 Conditional and unconditional receivables from regional or local governments
- 3 Conditional and unconditional receivables from administrative bodies and non-commercial enterprises
- 4 Conditional and unconditional claims from multilateral development banks
- 5 Contingent and unconditional receivables from international organizations
- 6 Conditional and unconditional receivables from banks and brokerage houses
- 7 Conditional and unconditional receivables from corporates
- 8 Conditional and unconditional receivables from retail portfolios
- 9 Receivables secured by real estate mortgages

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued)

II. Explanations on Consolidated Credit Risk (Continued):

Geographical distribution of risk amounts disaggregated by significant risk classes in important regions; Distribution of risks, disaggregated by risk classes, by sectors or counterparties, and distribution of all risks by remaining maturities (Continued):

Profile on significant risks in significant regions: (Continued):

Current Period	Risk Categories*																	TL	FC	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17			
1 Agriculture	-	-	-	-	-	-	308.537	36.223	6.193	188	17.721	-	-	-	-	-	61	351.344	17.579	368.923
1.1 Farming and stockbreeding	-	-	-	-	-	-	170.245	34.850	50	188	17.721	-	-	-	-	-	61	206.798	16.317	223.115
1.2 Forestry	-	-	-	-	-	-	123.758	94	6.143	-	-	-	-	-	-	-	-	129.995	-	129.995
1.3 Fishery	-	-	-	-	-	-	14.534	1.279	-	-	-	-	-	-	-	-	-	14.551	1.262	15.813
2 Manufacturing	-	-	-	-	-	-	20.018.398	1.773.666	570.324	44.180	149.546	-	-	-	-	-	16.612	11.286.703	11.286.023	22.572.726
2.1 Mining and quarrying	-	-	-	-	-	-	1.140.500	43.169	-	383	-	-	-	-	-	-	44	647.201	536.895	1.184.096
2.2 Production	-	-	-	-	-	-	15.849.332	1.650.128	554.165	43.797	149.546	-	-	-	-	-	15.540	9.606.498	8.656.010	18.262.508
2.3 Electricity, gas, water	-	-	-	-	-	-	3.028.566	80.369	16.159	-	-	-	-	-	-	-	1.028	1.033.004	2.093.118	3.126.122
3 Construction	-	-	-	-	-	-	7.477.279	1.166.575	1.332.519	44.436	47.379	-	-	-	-	-	2.308	8.715.207	1.355.289	10.070.496
4 Services	67.255.316	-	147	-	-	17.323.427	24.001.800	2.606.402	1.558.175	71.121	6.741.960	-	-	-	-	-	3.669.706	43.886.456	79.341.598	123.228.054
4.1 Wholesale and retail trade	-	-	106	-	-	-	12.952.783	1.854.607	818.639	62.296	162.645	-	-	-	-	-	2.023	12.321.138	3.531.961	15.853.099
4.2 Hotel, food and beverage services	-	-	-	-	-	-	337.489	50.148	19.475	178	-	-	-	-	-	-	27	292.748	114.569	407.317
4.3 Transportation and telecommunication	-	-	-	-	-	-	2.462.241	325.516	324.332	326	35.796	-	-	-	-	-	345	1.334.015	1.814.541	3.148.556
4.4 Financial institutions	67.255.316	-	-	-	-	17.323.427	1.993.645	14.335	4.910	-	6.530.149	-	-	-	-	-	1.602.249	23.183.389	71.540.642	94.724.031
4.5 Real estate and renting services	-	-	-	-	-	-	5.785.579	317.469	326.267	8.321	13.370	-	-	-	-	-	2.065.062	6.176.183	2.339.885	8.516.068
4.6 Self-employment services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.7 Education services	-	-	41	-	-	-	138.611	22.427	48.613	-	-	-	-	-	-	-	-	209.692	-	209.692
4.8 Health and social services	-	-	-	-	-	-	331.452	21.900	15.939	-	-	-	-	-	-	-	-	369.291	-	369.291
5 Other	4.997.914	115.883	6.098	-	-	-	2.384.867	1.899.572	883.121	3.016	-	-	-	-	-	-	4.449.444	11.898.033	2.841.882	14.739.915
6 Total	72.253.230	115.883	6.245	-	-	17.323.427	54.190.881	7.482.438	4.350.332	162.941	6.956.606	-	-	-	-	-	8.138.131	76.137.743	94.842.371	170.980.114

(*) It refers to the risk classes included in the Regulation on Measurement and Assessment of Capital Adequacy of Banks.

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|---|--|
| 1 Conditional and unconditional receivables from central government and Central Banks | 10 Past due receivables |
| 2 Conditional and unconditional receivables from regional or local governments | 11 Receivables defined under high risk category by BRSA |
| 3 Conditional and unconditional receivables from administrative bodies and non-commercial enterprises | 12 Mortgage-backed securities |
| 4 Conditional and unconditional claims from multilateral development banks | 13 Securitization positions |
| 5 Contingent and unconditional receivables from international organizations | 14 Short-term receivables and short-term corporate receivables from banks and brokerage houses |
| 6 Conditional and unconditional receivables from banks and brokerage houses | 15 Investments that qualify as a collective investment institution |
| 7 Conditional and unconditional receivables from corporates | 16 Equity share investments |
| 8 Conditional and unconditional receivables from retail portfolios | 17 Other receivables |
| 9 Receivables secured by real estate mortgages | |

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

II. Explanations on Consolidated Credit Risk (Continued):

Geographical distribution of risk amounts disaggregated by significant risk classes in important regions; Distribution of risks, disaggregated by risk classes, by sectors or counterparties, and distribution of all risks by remaining maturities (Continued):

Profile on significant risk in significant regions: (Continued)

:

Prior Period	Risk Categories*																	TL	FC	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17			
1 Agriculture	-	-	-	-	-	-	150.419	73.190	800	-	92.832	-	-	-	-	-	-	299.434	17.807	317.241
1.1 Farming and stockbreeding	-	-	-	-	-	-	107.522	67.824	800	-	64.481	-	-	-	-	-	-	240.627	-	240.627
1.2 Forestry	-	-	-	-	-	-	6.780	5.319	-	-	25.399	-	-	-	-	-	-	37.498	-	37.498
1.3 Fishery	-	-	-	-	-	-	36.117	47	-	-	2.952	-	-	-	-	-	-	21.309	17.807	39.116
2 Manufacturing	-	-	-	-	-	-	10.849.504	2.439.363	437.151	7.752	1.568.132	-	-	-	-	-	9.755	8.515.907	6.795.750	15.311.657
2.1 Mining and quarrying	-	-	-	-	-	-	1.027.574	48.771	4.691	-	6.619	-	-	-	-	-	155	500.689	587.121	1.087.810
2.2 Production	-	-	-	-	-	-	8.245.925	2.326.078	408.961	7.752	1.341.903	-	-	-	-	-	8.631	7.282.999	5.056.250	12.339.249
2.3 Electricity, gas, water	-	-	-	-	-	-	1.576.005	64.514	23.499	-	219.610	-	-	-	-	-	969	732.219	1.152.379	1.884.598
3 Construction	-	-	427.099	-	-	-	4.070.578	1.240.052	880.779	5.351	595.240	-	-	-	-	-	2.365	6.622.812	598.651	7.221.463
4 Services	74.654.329	-	125	-	-	6.411.940	11.442.241	3.376.109	754.833	16.721	6.661.200	-	-	-	-	-	2.179.231	52.258.293	53.238.436	105.496.729
4.1 Wholesale and retail trade	-	-	106	-	-	-	6.289.190	2.376.144	463.775	15.845	2.372.898	-	-	-	-	-	614	8.143.292	3.375.280	11.518.572
4.2 Hotel, food and beverage services	-	-	-	-	-	-	60.961	97.740	1.991	-	443	-	-	-	-	-	1	158.146	2.990	161.136
4.3 Transportation and telecommunication	-	-	-	-	-	-	1.763.909	434.289	200.057	385	144.693	-	-	-	-	-	681	810.487	1.733.526	2.544.013
4.4 Financial institutions	74.654.329	-	-	-	-	6.411.940	1.096.323	9.046	2.526	-	3.273.832	-	-	-	-	-	111.606	37.661.911	47.897.690	85.559.601
4.5 Real estate and renting services	-	-	-	-	-	-	1.819.359	397.899	74.175	491	823.629	-	-	-	-	-	2.066.329	4.955.149	226.734	5.181.883
4.6 Self-employment services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.7 Education services	-	-	19	-	-	-	44.230	21.157	919	-	30.973	-	-	-	-	-	-	97.299	-	97.299
4.8 Health and social services	-	-	-	-	-	-	368.269	39.834	11.390	-	14.732	-	-	-	-	-	-	432.009	2.216	434.225
5 Other	1.721.179	94.549	15.443	-	-	-	2.761.788	1.838.934	451.277	460	282.545	-	-	-	-	-	3.501.148	8.114.246	2.553.178	10.667.424
6 Total	76.375.508	94.549	442.667	-	-	6.411.940	29.274.530	8.967.648	2.524.840	30.284	9.199.949	-	-	-	-	-	5.692.499	75.810.692	63.203.822	139.014.414

(*) It refers to the risk classes included in the Regulation on Measurement and Assessment of Capital Adequacy of Banks.

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|---|--|
| 1 Conditional and unconditional receivables from central government and Central Banks | 10 Past due receivables |
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| 3 Conditional and unconditional receivables from administrative bodies and non-commercial enterprises | 12 Mortgage-backed securities |
| 4 Conditional and unconditional claims from multilateral development banks | 13 Securitization positions |
| 5 Contingent and unconditional receivables from international organizations | 14 Short-term receivables and short-term corporate receivables from banks and brokerage houses |
| 6 Conditional and unconditional receivables from banks and brokerage houses | 15 Investments that qualify as a collective investment institution |
| 7 Conditional and unconditional receivables from corporates | 16 Equity share investments |
| 8 Conditional and unconditional receivables from retail portfolios | 17 Other receivables |
| 9 Receivables secured by real estate mortgages | |

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

II. Explanations on Consolidated Credit Risk (Continued):

Distribution of risks with term structure according to remaining maturities:

Risk Categories – Current Period	Time to Maturity					Undistributable
	1 months	1-3 months	3-6 months	6-12 months	1 year and over	
1 Conditional and unconditional receivables from central governments or central banks	-	-	4.265.896	2.367.930	22.436.096	43.183.307
2 Conditional and unconditional receivables from regional or local governments	1.985	1.516	759	6.760	104.863	-
3 Conditional and unconditional receivables from administrative units and non-commercial enterprises	3.131	-	-	-	3.114	-
4 Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-
5 Conditional and unconditional receivables from international organizations	-	-	-	-	-	-
6 Conditional and unconditional receivables from banks and brokerage houses	9.636.422	-	43.580	96.372	100.032	7.447.021
7 Conditional and unconditional receivables from corporates	17.055.673	6.559.285	6.301.277	12.850.605	11.424.041	-
8 Conditional and unconditional retail receivables	1.439.164	743.551	1.089.321	1.759.511	2.450.891	-
9 Receivables secured by mortgages on property	526.483	371.032	683.476	935.166	1.834.175	-
10 Past due receivables	128.280	6.300	8.952	17.443	1.966	-
11 Receivables defined in high risk category by BRSA	123.030	42.482	98.099	145.282	17.564	6.530.149
12 Securities collateralized by mortgages	-	-	-	-	-	-
13 Subject to the securitisation framework	-	-	-	-	-	-
14 Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
15 Investments similar to collective investment funds	-	-	-	-	-	-
16 Equity share investments	-	-	-	-	-	-
17 Other receivables	-	-	-	-	-	8.138.131
Total	28.914.168	7.724.166	12.491.360	18.179.069	38.372.742	65.298.608

Risk Categories – Prior Period	Time to Maturity					Undistributable
	1 month	1-3 months	3-6 month	6-12 month	1 year and over	
1 Conditional and unconditional receivables from central governments or central banks	26.426.524	-	-	-	-	49.948.984
2 Conditional and unconditional receivables from regional or local governments	266	1.182	-	43.861	49.240	-
3 Conditional and unconditional receivables from administrative units and non-commercial enterprises	596	-	-	1.750	440.321	-
4 Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-
5 Conditional and unconditional receivables from international organizations	-	-	-	-	-	-
6 Conditional and unconditional receivables from banks and brokerage houses	129.252	-	-	-	495.941	5.786.747
7 Conditional and unconditional receivables from corporates	6.179.016	3.302.143	4.175.283	10.625.050	4.993.038	-
8 Conditional and unconditional retail receivables	1.800.333	1.015.912	1.057.677	2.812.958	2.280.768	-
9 Receivables secured by mortgages on property	307.219	186.921	295.260	1.052.424	683.016	-
10 Past due receivables	19.517	4.130	26	1.068	5.543	-
11 Receivables defined in high risk category by BRSA	234.992	1.072.783	663.169	3.368.822	586.351	3.273.832
12 Securities collateralized by mortgages	-	-	-	-	-	-
13 Securitization positions	-	-	-	-	-	-
14 Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
15 Investments similar to collective investment funds	-	-	-	-	-	-
16 Equity share investments	-	-	-	-	-	-
17 Other receivables	-	-	-	-	-	5.692.599
Total	35.097.715	5.583.071	6.191.415	17.905.933	9.534.218	64.702.162

Explanations for risk classes specified in Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy of Banks:

For the entire risk class of receivables from central governments or central banks, the ratings given by the international credit rating agency Islamic International Rating Agency (IIRA) are taken into account. Türkiye's long-term foreign currency credit rating (BBB-), T.R. Foreign currency securities issued by the Treasury and Turkish Republic. It is also used for other foreign currency risks associated with the Central Government. According to capital adequacy regulations, in determining the risk weights of risk classes of receivables from banks and intermediary institutions, the ratings given by rating agencies authorized by the Board or directly recognized for receivables whose counterparties are located abroad are used. Receivables whose counterparty is located within the country are considered unrated and included in the capital adequacy calculation. The "Credit Quality Levels" corresponding to the ratings given by the rating institutions authorized by the Board or directly recognized are given in the table below.

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II. Explanations on Consolidated Credit Risk (Continued):

Explanations for risk classes specified in Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy of Banks (Continued):

		Credit Quality stage	Fitch Ratings	Moody's Investor Service	S&P Ratings Services	Japan Credit Rating Agency	DBRS	IIRA
The match-up of the ratings	Long term credit ratings	1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA-	AAA to AA (lower)	AAA to AA-
		2	A+ to A-	A1 to A3	A+ to A-	A+ to A-	A (high) to A (lower)	A+ to A-
		3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB+ to BBB-	BBB (high) to BBB (lower)	BBB+ to BBB-
		4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-	BB+ to BB-	BB (high) to BB (lower)	BB+ to BB-
		5	B+ to B-	B1 to B3	B+ to B-	B+ to B-	B (high) to B (lower)	B+ to B-
		6	CCC+ and lower	Caa1 and lower	CCC+ and lower	CCC and lower	CCC (high) and lower	CCC+ and lower
	Short term credit ratings	1	F1+ to F1	P-1	A-1+ to A-1	J-1	R-1 (high) to R-1 (lower)	A-1+ to A-1
		2	F2	P-2	A-2	J-2	R-2 (high) to R-2 (lower)	A-2
		3	F3	P-3	A-3	J-3	R-3	A-3
		4	F3 lower	NP	A-3 lower	J-3 lower	R-3 lower	A-3 lower
		5	-	-	-	-	-	-
		6	-	-	-	-	-	-
	Ratings for long term securitization positions	1	AAA to AA-	Aaa to Aa3	AAA to AA-	-	AAA to AA (lower)	AAA to AA-
		2	A+ to A-	A1 to A3	A+ to A-	-	A (high) to A (lower)	A+ to A-
		3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	-	BBB (high) to BBB (lower)	BBB+ to BBB-
		4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-	-	BB (high) to BB (lower)	BB+ to BB-
		5	B+ and lower	B1 and lower	B+ and lower	-	B (high) and lower	B+ and lower
	Ratings for short term securitization positions	1	F1+ to F1	P-1	A-1+ to A-1	-	R-1 (high) to R-1 (lower)	A-1+ to A-1
		2	F2	P-2	A-2	-	R-2 (high) to R-2 (lower)	A-2
		3	F3	P-3	A-3	-	R-3	A-3
		Others	F3 lower	NP	A-3 lower	-	R-3	A-3 lower
The match-up for collective investment undertakings		1	AAA to AA-	Aaa to Aa3	FCQR: AAAf to AA-f; PSFR: AAAm to AA-m	-	-	-
		2	A+ to A-	A1 to A3	FCQR: A+f to A-f; PSFR: A+m to A-m	-	-	-
		3	BBB+ to BBB-	Baa1 to Baa3	FCQR: BBB+f to BBB-f; PSFR: BBB+m to BBB-m	-	-	-
		4	BB+ to BB-	Ba1 to Ba3	FCQR: BB+f to BB-f; PSFR: BB+m to BB-m	-	-	-
		5	B+ to B-	B1 to B3	FCQR: B+f to B-f; PSFR: B+m to B-m	-	-	-
		6	CCC+ and lower	Caa1 and lower	FCQR: CCC+f and lower; PSFR: CCC+m and lower	-	-	-

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II. Explanations on Consolidated Credit Risk (Continued):

Risk amounts according to risk weights:

Risk Weights– Current Period		%0	%10	%20	%35	%50	%75	%100	%150	%200	%250	Deductions from Shareholders' Equity
1	Amount before credit risk mitigation	74.453.306	-	18.523.515	1.273.854	4.685.721	7.482.459	57.604.652	6.530.149	-	426.457	1.271.994
2	Amount after credit risk mitigation	75.142.561	-	19.118.784	1.273.854	5.138.034	7.237.599	56.112.676	6.530.149	-	426.457	1.271.994
Risk Weights– Prior Period		%0	%10	%20	%35	%50	%75	%100	%150	%200	%250	Deductions from Shareholders' Equity
1	Amount before credit risk mitigation	76.872.211	-	7.446.969	785.356	3.270.394	8.973.311	32.466.324	3.308.878	5.820.551	70.520	910.159
2	Amount after credit risk mitigation	78.101.773	-	7.640.666	785.356	3.450.609	8.645.211	31.190.739	3.308.878	5.820.551	70.520	910.159

By sectors or counterparty type; Separately, impaired loan and overdue loan amounts, value adjustments and provisions, amounts related to value adjustments and provisions during the period:

As of December 31, 2024, the Bank has allocated lifetime expected loss provisions for loans classified as Stage 2, based on the risk assessments made within the scope of TFRS 9. A lifetime expected loss provision has been set aside for loans that are classified as Stage 3 and determined to be impaired.

As of December 31, 2024, loans that did not have a significant increase in credit risk when they were first included in the financial statements or later were classified as Stage 1 and a 12-month expected loss provision was allocated for these loans.

		Loans (*)			Provisions
Current Period		Impaired Credits (TFRS 9)			
Important Sectors/Counterparties		Significant increase in credit risk (Stage 2)	Non-performing (Stage 3)	Expected Loss Provisions (TFRS9)	
1	Agriculture	27.259	637	758	
1.1	Farming and stockbreeding	27.259	637	758	
1.2	Forestry	-	-	-	
1.3	Fishery	-	-	-	
2	Manufacturing	328.495	345.810	232.820	
2.1	Mining and quarrying	-	1.959	1.209	
2.2	Production	328.495	343.849	231.609	
2.3	Electricity, gas, water	-	2	2	
3	Construction	254.514	234.177	152.851	
4	Services	236.568	461.661	276.291	
4.1	Wholesale and retail trade	225.385	396.776	238.649	
4.2	Hotel, food and beverage services	1.959	622	364	
4.3	Transportation and telecommunication	5.350	5.673	4.347	
4.4	Financial institutions	-	-	-	
4.5	Real estate and renting services	3.875	58.590	32.930	
4.6	Self-employment services	-	-	-	
4.7	Education services	-	-	-	
4.8	Health and social services	-	-	-	
5	Other	41.678	24.565	9.711	
Total		888.514	1.066.850	672.431	

(*) The breakdown of cash loans is given.

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II. Explanations on Consolidated Credit Risk (Continued):

By sectors or counterparty type; Separately, impaired loan and overdue loan amounts, value adjustments and provisions, amounts related to value adjustments and provisions during the period (Continued):

		Loans (*)		Provisions
Prior Period		Impaired Credits (TFRS 9)		
		Significant increase in credit risk (Stage 2)	Non-performing (Stage 3)	Expected Loss Provisions (TFRS9)
Important Sectors/Counterparties				
1	Agriculture	-	-	-
1.1	Farming and stockbreeding	-	-	-
1.2	Forestry	-	-	-
1.3	Fishery	-	-	-
2	Manufacturing	158.870	104.718	105.573
2.1	Mining and quarrying	14.813	-	100
2.2	Production	144.057	104.718	105.473
2.3	Electricity, gas, water	-	-	-
3	Construction	127.762	40.792	30.403
4	Services	240.774	94.431	74.493
4.1	Wholesale and retail trade	42.144	83.602	53.591
4.2	Hotel, food and beverage services	321	-	1
4.3	Transportation and telecommunication	152.342	4.686	16.055
4.4	Financial institutions	-	-	-
4.5	Real estate and renting services	45.967	6.143	4.846
4.6	Self-employment services	-	-	-
4.7	Education services	-	-	-
4.8	Health and social services	-	-	-
5	Other	-	2.935	2.561
Total		527.406	242.876	213.030

(*) The breakdown of cash loans is given.

Information about value adjustment and change in provisions

Current Period					
	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments	Closing Balance
1 Third Stage	183.087	507.247	(41.303)	-	649.031
2 First and Second Stage	384.033	214.919	(85.116)	-	513.836
Prior Period					
	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments	Closing Balance
1 Third Stage	79.871	103.257	(41)	-	183.087
2 First and Second Stage	573.923	-	(189.890)	-	384.033

Risk involved in counter-cyclical capital buffer calculation

Current Period			
Country where risk is ultimately taken	Private sector loans in banking books	Risk weighted amount calculated within trading book	Total
Türkiye	112.849.541	3.816.692	116.666.233
United Arab Emirates	17.699	-	17.699
Marshall Islands	884.467	-	884.467
Other Countries	1.581.958	-	1.581.958
Prior Period			
Country where risk is ultimately taken	Private sector loans in banking books	Risk weighted amount calculated within trading book	Total
Türkiye	66.004.439	3.726.558	69.730.997
United Arab Emirates	648.056	-	648.056
Marshall Islands	957.360	-	957.360
Other Countries	132.219	-	132.219

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II. Explanations on Consolidated Credit Risk (Continued):

Foreign currency risk arises from the Group's possible exposure to the changes in foreign currencies.

- a) The Group is exposed to currency risks as a market risk and pay attention to keep at a minimum level by avoiding keeping any positions. The Group calculates the Value at Risk for the foreign currency position on a daily basis. All foreign currency assets, liabilities and foreign currency forward transactions are taken into consideration while capital requirement to be employed for foreign currency risk is calculated. Standard Method used in legal reporting and value at market risk is calculated on a monthly basis.
- b) The Group does not have any derivative financial instruments held for hedging purposes.
- c) TL resources are used in TL and foreign currency resources are used in related currencies without causing any currency inconsistency in the use of loans. Due to uncertainty and volatility that may arise in the markets, foreign currency position limit that can be formed for strategic purposes is limited and monitored.
- d) Foreign exchange buying rates of the last five working days before the balance sheet date as publicly announced by the Group are as follows:

	USD	EUR
As of December 31, 2024 - Balance sheet evaluation rate	35,2759	36,7112
As of December 20, 2024	35,2510	36,7839
As of December 27, 2024	35,1167	36,5996
As of December 26, 2024	35,2065	36,5561
As of December 25, 2024	35,2049	36,5798
As of December 24, 2024,	35,1754	36,5624

- e) The simple arithmetical average of the major foreign exchange buying rates of the Group for the thirty days before the balance sheet date is full TL 34,9290 for 1 USD (December 2023: full TL 29,1176), full TL 36,5819 for 1 Euro (December, 2023: full TL 31,8008).

The Group is mainly exposed to USD and Euro currency risks.

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

III. Explanations on Consolidated Currency Risk:

Information on the Group's Currency Risk:

	EUR	USD	Other FC	Total
Current Period				
Assets				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye ^(*)	17.717.801	19.798.553	2.837.806	40.354.160
Banks ^(*)	443.142	2.783.628	15.322.603	18.549.373
Financial assets at fair value through profit and loss	-	1.496.969	936.207	2.433.176
Money market placements	-	-	-	-
Financial Assets Valued at Fair Value Through Profit and Loss	564.629	4.667.521	-	5.232.150
Loans and financial lease receivables ^(**)	23.680.458	21.637.979	-	45.318.437
Subsidiaries, associates and joint ventures	-	-	-	-
Financial Assets Measured at Amortized Cost	4.079.829	-	-	4.079.829
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	-	-	-
Intangible assets	-	-	-	-
Other assets ^(***)	2.449	78.793	70.623	151.865
Total Assets	46.488.308	50.463.443	19.167.239	116.118.990
Liabilities				
Current account and funds collected from banks via participation accounts	1.890.196	56.419	422.940	2.369.555
Other current and profit-sharing accounts	31.865.007	54.015.436	15.132.308	101.012.751
Money market borrowings	-	-	-	-
Funds provided from other financial institutions and subordinated loans	8.382.895	1.504.645	-	9.887.540
Marketable securities issued	-	-	-	-
Miscellaneous payables	-	-	-	-
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities ^(****)	353.784	510.245	27.273	891.302
Total liabilities	42.491.882	56.086.745	15.582.521	114.161.148
Net balance sheet position	3.996.426	(5.623.302)	3.584.718	1.957.842
Net off balance sheet position	(3.854.672)	5.751.430	(3.184.125)	(1.287.367)
Derivative financial instruments assets	-	6.124.008	335.528	6.459.536
Derivative financial instruments liabilities	3.854.672	372.578	3.519.653	7.746.903
Non-cash loans	5.617.901	3.943.089	149.414	9.710.404
Prior Period				
Total assets	32.242.100	55.909.251	13.837.861	101.989.212
Total liabilities	32.709.463	59.049.069	12.490.579	104.249.111
Net balance sheet position	(467.363)	(3.139.818)	1.347.282	(2.259.899)
Net off balance sheet position	575.485	3.297.563	(1.368.325)	2.504.723
Derivative financial instruments assets	747.873	6.371.091	1.082.092	8.201.056
Derivative financial instruments liabilities	172.388	3.073.528	2.450.417	5.696.333
Non-cash loans	1.830.598	2.563.907	56.173	4.450.678

^(*) The currency risk calculation does not include an expected loss provision of TL 10.561 for Cash and the Central Bank and TL 32.063 for banks.

^(**) The currency risk calculation excludes an expected loss provision of TL 296.007 for loans and financial lease receivables.

^(***) Financial Instruments with Derivatives Currency income and expense rediscounts, as well as the hedge accounting records associated with these rediscounts, are not considered in the calculation of currency risk not received.

Explanations regarding stock position risk arising from banking accounts

None (December 31, 2023: None).

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IV. Explanations on Consolidated Liquidity Risk:

Liquidity Risk is managed by Asset and Liability Committee (“ALCO”) in line with risk management policies and risk appetite approved by the Board of Directors in order to take the necessary measures in a timely and correct manner against possible liquidity shortages that may result from market conditions and balance sheet structure of the Group.

The Board of Directors reviews the liquidity risk management strategy, policy and practices and approves the liquidity strategy and policies within the framework of risk management strategy and policies, ensures the effective of practice of policies and integrations with Group’s risk management strategy. The Board of Directors determines the basic metrics in liquidity risk measurement and monitoring.

ALCO takes necessary decisions which will be executed by related departments by assessing the liquidity risk that the Parent Bank is exposed to and considering the Group’s strategy and conditions of competition and pursues the implementations.

The liquidity structure is evaluated in the framework of ALCO decisions for liquidity management and a placement strategy is developed. Liquidity risk management strategy is determined by considering both normal economic conditions and stress conditions.

Risk Management Presidency, liquidity risk; periodically reports to the relevant unit, the relevant committee and the senior management with the methods of measurement of liquidity risk in compliance with the standards. It manages liquidity risk in accordance with the Group's portfolio, strategic plans and policies and legal limits, and informs and coordinates the relevant parties on time. In accordance with the market conditions and the Group's structure, the relevant liquidity risk measurement methods establish, assumptions and parameters used in liquidity risk analyzes are reviewed. Liquidity risk analyzes and important liquidity indicators are regularly reported to senior management. In the stress conditions are carried out in the framework of “Emergency Funding Plan”.

The Group's high level management to determine management strategies for liquidity risk;

- follows obligations arising from domestic and foreign currencies,
- determine the concentration risks of placements,
- actively follows funding sources,
- consider the portfolio diversity,
- follow up the fund flows related to assets and liabilities depending on the maturities.

Market conditions are continuously follow and access problems for the bank's fund requirements are analyzed and the impact of sudden changes in fund sources is evaluated. Liquidity adequacy is measured by applying stress test to the factors affecting liquidity. Liquidity Risk Stress Test analyzes the compliance of the Group's cash flow capacity to the cash flow capacity within the framework of the specified scenarios. The scenarios needed for stress tests are based on the changing balance sheet structure. The results are taken into consideration in determining the policies related to liquidity risk and in the preparation of an emergency action plan.

For the purpose of reducing the liquidity risk that the Group may be exposed to compliance with the strategies implemented (monitoring of concentration, diversification of funding sources, high quality liquid assets, etc.) is monitored effectively by the senior management of the Group taking into account legal and prudential limits. For non-mitigation risks, acceptance of the current risk level, reducing or terminating the risk-causing activity are evaluated.

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

IV. Explanations on Consolidated Liquidity Risk (Continued):

Liquidity on Consolidated Coverage Ratio:

	Current Period	Rate of "Percentage to be taken into account " not Implemented Total value ^(*)		Rate of "Percentage to be taken into account " Implemented Total value ^(*)	
		TL+FC	FC	TL+FC	FC
1	HIGH QUALITY LIQUID ASSETS (HQLA)				
	HIGH QUALITY LIQUID ASSETS			75.415.497	54.824.562
	CASH OUTFLOWS				
2	Retail and Real Person Funds Collected	28.867.211	24.288.402	2.845.576	2.428.840
3	Stable Funds Collected	822.900	-	41.145	-
4	Less stable Funds Collected	28.044.311	24.288.402	2.804.431	2.428.840
5	Unsecured Funding other than Retail and Real Person	59.448.583	49.394.398	27.486.460	21.257.689
6	Customers Deposits	-	-	-	-
7	Operational Funds Collected	58.045.362	49.305.996	26.083.239	21.169.287
8	Non-Operational Funds Collected	1.403.221	88.402	1.403.221	88.402
9	Secured Funding			-	-
10	Other Cash Flows	14.713.143	11.902.789	14.713.143	11.902.789
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	12.132.868	11.902.789	12.132.868	11.902.789
12	Debts related to the structured financial products	2.580.275	-	2.580.275	-
13	Commitment related to the structured financial markets and other off-balance sheet liabilities	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15	Other irrevocable or conditionally revocable commitments	57.712.342	8.801.237	27.596.431	731.108
16	TOTAL CASH OUTFLOWS			72.641.610	36.320.426
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	44.000.586	22.277.990	37.077.265	20.614.493
19	Other contractual cash inflows	12.304.635	7.187.658	12.304.635	7.187.658
20	TOTAL CASH INFLOWS	56.305.221	29.465.648	49.381.900	27.802.151
21	TOTAL HQLA			75.415.497	54.824.562
22	TOTAL NET CASH OUTFLOWS			23.259.710	9.080.197
23	LIQUIDITY COVERAGE RATIO (%)			324,23	603,79

^(*) It is the average of the liquidity coverage ratio calculated by taking the simple weekly arithmetic average for the last three months.

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated March 21, 2014, the weeks on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months are as follows:

Liquidity Coverage Ratio (%)	Current Period – 31.12.2024			
	TL+FC	Month	FC	Month
Lowest (%)	220,26	November 5, 2024	353,18	December 6, 2024
Highest (%)	489,18	October 31, 2024	732,55	October 2, 2024
Avarage	322,28		565,02	

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IV. Explanations on Consolidated Liquidity Risk (Continued):

Liquidity on Consolidated Coverage Ratio (Continued):

Prior Period	Rate of "Percentage to be taken into account " not Implemented Total value (*)		Rate of "Percentage to be taken into account " Implemented Total value (*)	
	TL+FC	FC	TL+FC	FC
1 HIGH QUALITY LIQUID ASSETS (HQLA)			75.297.535	55.105.123
2 CASH OUTFLOWS				
2 Retail and Real Person Funds Collected	35.459.748	29.504.308	3.503.855	2.950.431
3 Stable Funds Collected	842.402	-	42.120	-
4 Less stable Funds Collected	34.617.346	29.504.308	3.461.735	2.950.431
5 Unsecured Funding other than Retail and Real Person	62.355.538	55.332.483	26.921.614	22.628.418
6 Customers Deposits	-	-	-	-
7 Operational Funds Collected	61.554.037	55.269.466	26.120.113	22.565.401
8 Non-Operational Funds Collected	801.501	63.017	801.501	63.017
9 Secured Funding				
10 Other Cash Flows	8.672.244	4.814.675	8.672.244	4.814.675
11 Liquidity needs related to derivatives and market valuation changes on derivatives transactions	6.832.228	4.814.675	6.832.228	4.814.675
12 Debts related to the structured financial products	1.840.016	-	1.840.016	-
13 Commitment related to the structured financial markets and other off-balance sheet liabilities	-	-	-	-
14 Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15 Other irrevocable or conditionally revocable commitments	25.576.887	5.021.127	9.250.992	481.350
16 TOTAL CASH OUTFLOWS			48.348.705	30.874.874
CASH INFLOWS				
17 Secured Lending Transactions	-	-	-	-
18 Unsecured Lending Transactions	33.461.745	18.045.946	29.110.813	17.124.386
19 Other contractual cash inflows	6.890.985	6.286.784	6.890.985	6.286.784
20 TOTAL CASH INFLOWS	40.352.730	24.332.730	36.001.798	23.411.170
21 TOTAL HQLA			75.297.535	55.105.123
22 TOTAL NET CASH OUTFLOWS			12.346.907	7.718.719
23 LIQUIDITY COVERAGE RATIO (%)			609,85	713,92

(*) It is the average of the liquidity coverage ratio calculated by taking the simple monthly arithmetic average for the last three months.

Liquidity Coverage Ratio (%)	Prior Period – 31.12.2023			
	TL+FC	Month	FC	Month
Lowest (%)	364,81	December 29, 2023	371,94	December 22, 2023
Highest (%)	726,01	October 27, 2023	821,33	October 2, 2023
Avarage	577,23		648,85	

Liquidity coverage ratio is calculated by dividing the high quality liquid assets owned by the Parent Bank to the net cash outflows within the 30-day maturity window. Important balance sheet items that are decisive on the ratio; Required reserves held by the CBRT, receivables from banks. can be listed as collected funds. Since these items have a high share in liquid assets and net cash outflows, their rate of consideration is high, and they may vary over time, their impact on the liquidity coverage ratio is greater than other items.

High-quality liquid assets consist of cash, accounts with central banks and high-quality liquid securities. Required reserves are taken into account in the calculation of high-quality liquid assets, limited to the amount allowed by the relevant central bank policies to be used by banks in times of liquidity shortage.

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IV. Explanations on Consolidated Liquidity Risk (Continued):

Liquidity on Consolidated Coverage Ratio (Continued):

The Group's high quality liquid assets are composed of 4,19% cash, 71,30% deposits in central banks and 24,25% securities considered as high quality liquid assets.

The Group's main funding sources are funds collected, funds borrowed, borrowings from money market and subordinated loans. Funding source composition in report date is 86,59% funds collected, 9,43% funds borrowed and 3,98% subordinated debt instruments.

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated	Total
Assets								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye Banks	20.754.548 18.583.057	32.506.161 -	- -	- -	- -	- -	- -	53.260.709 18.583.057
Financial Assets at Fair Value Through Profit and Loss	-	332.471	-	672.592	1.067.429	362.462	-	2.434.954
Money Market Placements	-	-	-	-	-	-	-	-
Financial assets valued at fair value through other comprehensive income	-	-	-	4.432.510	8.277.350	951.417	12.787	13.674.064
Loans	-	34.435.875	13.269.771	44.378.431	20.513.834	2.314.737	1.096.641	116.009.289
Financial assets valued at amortised cost	-	-	-	-	9.985.702	5.103.417	-	15.089.119
Other Assets (*)	-	-	-	-	-	-	9.601.824	9.601.824
Total Assets	39.337.605	67.274.507	13.269.771	49.483.533	39.844.315	8.732.033	10.711.252	228.653.016
Liabilities								
Current account and funds collected from banks via participation accounts	2.518.551	1.646.342	2.070.553	100.649	-	-	-	6.336.095
Other current and profit-sharing accounts	68.523.551	55.614.520	29.626.059	6.428.312	107.961	-	-	160.300.403
Funds provided from other financial institutions and subordinated loans	-	492.340	13.877	1.579.428	326.185	-	7.664.460	10.076.290
Money market borrowings	-	-	-	-	-	-	-	-
Marketable securities issued	-	3.420.896	5.329.696	5.065.801	1.616.187	-	-	15.432.580
Other liabilities (**)	-	2.955.775	-	-	-	-	32.344.305	35.300.080
Total Liabilities	71.042.102	64.129.873	37.040.185	13.174.190	2.050.333	-	40.008.765	227.445.448
Liquidity Gap	(31.704.497)	3.144.634	(23.770.414)	36.309.343	37.793.982	8.732.033	(29.297.513)	1.207.568
Net Off-balance sheet Position								
Financial Derivative Assets	-	54.575	-	(60)	-	-	-	54.515
Financial Derivative Liabilities	-	7.810.257	-	13.218	-	-	-	7.823.475
Financial Derivative Liabilities	-	7.755.682	-	13.278	-	-	-	7.768.960
Non-cash Loans	-	621.123	1.876.866	9.089.936	7.489.127	1.353.275	9.641.809	30.072.136
Prior Period								
Total Assets	53.215.879	39.657.812	11.179.784	44.440.425	25.085.627	9.040.874	5.664.777	188.285.178
Total Liabilities	90.895.265	44.610.303	20.414.591	7.976.264	832.063	-	22.958.307	187.686.793
Liquidity Gap	(37.679.386)	(4.952.491)	(9.234.807)	36.464.161	24.253.564	9.040.874	(17.293.530)	598.385
Net Off-balance sheet Position								
Financial Derivative Assets	-	(285)	(232.726)	817	-	-	-	(232.194)
Financial Derivative Assets	-	1.329.288	4.024.789	62.235	-	-	-	5.416.312
Financial Derivative Liabilities	-	1.329.573	4.257.515	61.418	-	-	-	5.648.506
Non-cash Loans	-	461.967	1.182.872	6.822.917	4.725.789	165.948	5.919.739	19.279.232

(*) Other undistributable assets column consists of assets held for sale, partnership investments, tangible and intangible assets, current and deferred tax assets and other assets.

(**) Other undistributed liabilities column consists of equity and provision balances.

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IV. Explanations on Consolidated Liquidity Risk (Continued):

Liquidity on Consolidated Coverage Ratio (Continued):

The net stable funding rate (NFSR) is calculated by dividing the current stable fund amount by the required stable fund amount. The current stable fund includes the portion of banks' liabilities and equity that are expected to be permanent; The required stable fund refers to the portion of banks' on-balance sheet assets and off-balance sheet liabilities that are expected to be refunded. The current stable fund amount is calculated by adding the amounts to be found after applying the relevant consideration rates determined within the scope of the legislation to the amounts of banks' liabilities and equity elements valued in accordance with TFRS. The required stable fund amount will be found after applying the relevant consideration rates determined within the scope of the legislation to the value calculated by deducting the special provisions set aside in accordance with the Regulation on the Procedures and Principles on the Classification of Loans and the Provisions to be Set Aside from the amounts of the banks' on-balance sheet assets and off-balance sheet liabilities valued in accordance with TFRS. The amounts are calculated by adding them together. The three-month simple arithmetic average of the consolidated and unconsolidated NFSR calculated monthly as of the equity calculation periods as of March, June, September and December cannot be less than one hundred percent.

Current Period 31.12.2024		a	b	c	d	e
		Unweighted Amount According to Residual Maturity				Total Amount with Consideration Applied
		Non-Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
Current stable funding						
1	Capital Instruments	26.407.754	-	-	-	26.407.754
2	Tier 1 Capital and Tier 2 Capital	26.407.754	-	-	-	26.407.754
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	20.983.332	25.172.178	-	79.583	43.437.396
5	Stable Deposits	15.393.518	21.090.213	-	32.511	34.690.430
6	Less Stable Deposits	5.589.814	4.081.965	-	47.072	8.746.966
7	Other Obligations	-	110.787.186	2.478.611	1.879.808	58.512.707
8	Operational deposits	-	-	-	-	-
9	Other Obligations	-	10.787.186	2.478.611	1.879.808	58.512.707
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	21.150.973	-	-	-	-
12	Derivative liabilities					
13	All other equity not included in the above categories	21.150.973	-	-	-	-
14	Available stable funding					128.357.857
Required stable funding						
15	High Quality Liquid Assets					910.324
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	-	69.312.878	23.024.854	22.910.581	56.405.501
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	25.983.064	-	-	3.897.460
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	43.329.814	23.024.854	22.195.824	52.043.449
21	Loans with a risk weight of less than or equal to %35	-	-	-	22.195.824	18.866.115
22	Residential mortgages	-	-	-	714.757	464.592
23	Residential mortgages with a risk weight of less than or equal to %35	-	-	-	714.757	464.592
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	-	-	-	-
25	Assets equivalent to interconnected liabilities					
26	Other Assets	939.376	8.513.876	-	40.839.076	50.292.328
27	Physical traded commodities, including gold	-	-	-	-	-
28	Initial margin posted or given guarantee fund to central counterparty		-	-	-	-
29	Derivative Assets		8.513.876	-	-	8.513.876
30	Derivative Liabilities before the deduction of the variation margin		-	-	-	-
31	Other Assets not included above	939.376	-	-	40.839.076	41.778.452
32	Off-balance sheet commitments		67.506.104	-	-	3.375.305
33	Total Required stable funding					110.983.458
34	Net Stable Funding Ratio (%)					115,65

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IV. Explanations on Consolidated Liquidity Risk (Continued):

Liquidity on Consolidated Coverage Ratio (Continued):

Prior Period 31.12.2023	a	b	c	d	e
	Unweighted Amount According to Residual Maturity				Total Amount with Consideration Applied
	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
Current stable funding					
1 Capital Instruments	16.473.197	-	-	-	16.473.197
2 Tier 1 Capital and Tier 2 Capital	16.473.197	-	-	-	16.473.197
3 Other Capital Instruments	-	-	-	-	-
4 Real-person and Retail Customer Deposits	30.895.449	21.226.863	-	224.753	49.055.979
5 Stable Deposits	22.243.664	16.553.409	-	75.340	36.928.792
6 Less Stable Deposits	8.651.785	4.673.454	-	149.413	12.127.187
7 Other Obligations	-	90.964.514	1.398.782	-	46.181.648
8 Operational deposits	-	-	-	-	-
9 Other Obligations	-	90.964.514	1.398.782	-	46.181.648
10 Liabilities equivalent to interconnected assets					
11 Other Liabilities	11.151.044	-	-	-	-
12 Derivative liabilities					
13 All other equity not included in the above categories	11.151.044	-	-	-	-
14 Available stable funding					111.710.824
Required stable funding					
15 High Quality Liquid Assets					1.165.975
16 Deposits held at financial institutions for operational purposes	-	-	-	-	-
17 Performing Loans	-	482.426	53.289.512	11.198.320	36.111.920
18 Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19 Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	482.426	-	-	72.364
20 Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	-	53.289.512	10.582.896	35.639.530
21 Loans with a risk weight of less than or equal to %35	-	-	-	10.582.896	8.994.774
22 Residential mortgages	-	-	-	615.424	400.026
23 Residential mortgages with a risk weight of less than or equal to %35	-	-	-	615.424	400.026
24 Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	-	-	-	-
25 Assets equivalent to interconnected liabilities					
26 Other Assets	233.137	4.137.218	-	28.990.873	33.111.920
27 Physical traded commodities, including gold	-				
28 Initial margin posted or given guarantee fund to central counterparty		-	-	-	-
29 Derivative Assets		4.137.218	-	-	4.137.218
30 Derivative Liabilities before the deduction of the variation margin		-	-	-	-
31 Other Assets not included above	233.137	-	-	28.990.873	29.224.010
32 Off-balance sheet commitments		33.571.361	-	-	1.678.568
33 Total Required stable funding					72.317.691
34 Net Stable Funding Ratio (%)					154,47

As of December 31, 2024, the Net Stable Funding Rate was 115,65% (previous period: 154,47%). Considering the amounts to which the consideration rate is applied, the Equity Elements to which the highest consideration rate is applied within the scope of the legislation are 21% of the Current Stable Fund amount (previous period: 14,75%) and the Real Person and Retail Customer Participation Fund is the amount of the Current Stable Fund. It constitutes 34% (previous period: 43,91%). The item with the largest share in the Required Stable Fund is the Other Assets item with 51% (previous period: 49,94%). Factors such as the development of major balance sheet items such as inter-period Loans and Participation Fund, change in balance sheet maturity structure and asset collateralization are effective in the development of the rate.

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V. Explanations on Consolidated Leverage Ratio:

As of December 31, 2024, leverage ratio of the Group calculated from the arithmetic average of the last 3 months is 7,07% (December 31, 2023 6,64%). Leverage ratio is required to remain minimum 3% as per "Communiqué on Measurement and Evaluation for Leverage Ratios of Banks".

Disclosure of Leverage Ratio Template:

	Current Period December 31, 2024 (*)	Prior Period December 31, 2023 (*)
Balance sheet assets		
1 Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	220.852.318	179.103.337
2 (Assets deducted from Core capital)	(867.189)	(377.283)
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	219.985.129	178.726.054
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	-	-
5 Potential credit risk amount of derivative financial assets and credit derivatives	218.958	259.012
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	218.958	259.012
Financing transactions secured by marketable security or commodity		
7 Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	4.926.224	15.949.481
8 Risk amount arising from intermediary transactions	-	-
9 Total risk amount of financing transactions secured by marketable security or commodity (sum of lines 7 and 8)	4.926.224	15.949.481
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	67.236.646	37.707.582
11 (Correction amount due to multiplication with credit conversion rates)	-	-
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	67.236.646	37.707.582
Capital and total risk		
13 Core Capital	20.656.656	15.436.089
14 Total risk amount (sum of lines 3, 6, 9 and 12)	292.366.957	232.642.129
Leverage ratio		
15 Leverage ratio (%)	7,07	6,64

(*) Amounts in the table show quarterly averages.

VI. Explanations on Consolidated Regarding the Fair Value of Financial Assets and Liabilities:

a. Information on the fair value of consolidated financial assets and liabilities:

	Book Value		Fair Value	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Financial Assets				
Due from Interbank Money Market	-	-	-	-
Banks	18.583.057	13.877.892	18.583.057	13.877.892
Financial Assets at Fair Value through Profit or Loss	2.434.954	2.050.312	2.434.954	2.050.312
Financial Assets at Fair Value Through Other Comprehensive Income	13.674.064	12.126.577	13.674.064	12.126.577
Financial Assets Valued Over Amortized Cost	15.089.119	16.692.053	15.140.176	17.622.900
Loans and financial lease receivables	116.009.289	67.925.162	122.366.852	71.712.537
Financial Liabilities				
Funds collected from banks through current accounts and participation accounts	6.336.095	4.648.570	6.336.095	4.648.570
Other current accounts and participation accounts	160.300.403	146.830.404	160.300.403	146.830.404
Funds from other financial institutions	10.076.290	8.326.338	10.127.347	8.326.338
Debts to Money Markets	-	-	-	-
Securities issued	15.432.580	8.730.931	15.432.580	8.730.931
Other Liabilities	3.992.047	3.017.694	3.992.047	3.017.694

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VI. Explanations on Consolidated Regarding the Fair Value of Financial Assets and Liabilities (Continued):

b. Information on fair value measurements recognized in the financial statements:

According to TFRS 7 “Financial Instruments: Explanations” Standard, the accounts recognized with the fair value in the balance sheet should be presented and classified sequentially in the related notes.

- At level one, the financial instruments whose fair values are determined with the recorded prices in the active markets for the assets and liabilities with identical fair values,
- At level two, the financial instruments whose fair value is based on the directly or indirectly observable market indicators,
- At level three; the financial instruments whose fair value is not based on the directly or indirectly observable market indicators are considered.

The financial instruments which are recognized with their fair values at the Bank’s balance sheet, are presented with respect to such basis of classification in the table below:

Current Period	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Assets at Fair Value Through Profit or (Loss)	1.496.969	937.985	-	2.434.954
Government Debt Securities	1.272.552	937.985	-	2.210.537
Share Certificates	-	-	-	-
Other financial assets	224.417	-	-	224.417
Financial Assets at Fair Value Through Other Comprehensive Income	5.046.367	8.627.697	-	13.674.064
Equity Securities (*)	5.033.580	8.627.697	-	13.661.277
Government Debt Securities	12.787	-	-	12.787
Other financial assets	-	-	-	-
Derivative Financial Assets	-	81.120	-	81.120
Financial liabilities				
Derivative financial liabilities	-	30.572	-	30.572

(*) The financial assets whose fair value difference is reflected in other comprehensive income, the realization price has been reflected in the financial statements for the securities worth 7.659 TL not being traded in an active market, and the related securities are not shown in this table.

Prior Period	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Assets at Fair Value Through Profit or (Loss)	803.429	141.530	-	2.217.961
Government Debt Securities	803.429	141.530	-	944.959
Share Certificates	-	-	-	-
Other financial assets	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	7.916.625	2.524.760	-	10.441.385
Equity Securities	7.916.625	2.517.101	-	10.433.726
Government Debt Securities	-	7.659	-	7.659
Other financial assets	-	-	-	-
Derivative Financial Assets	17.597	-	-	17.597
Financial liabilities				
Derivative financial liabilities	13.797	-	-	13.797

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INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT (Continued):

VII. Explanations Regarding the Activities Carried Out on Behalf and Account of Other Persons:

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

VIII. Explanations on Consolidated Risk Management:

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures About Risk Management To Be Announced To Public By Banks that have been published in Official Gazette numbered 29511 on October 23, 2015 and became effective as of December 30, 2016. The tables related to ‘Internal Rating-Based (IRB) Approach’ are not presented due to the usage of standard approach for the calculation of capital adequacy.

a. Consolidated risk management strategy and risk weighted amounts:

a.1. Explanations on group’s risk management:

The aim of the Bank’s Risk management system is basically to ensure identification, measurement, monitoring and controlling of risks exposed, through establishment of policies, implementation procedure and limits for monitoring, controlling and in case of need changing the risk/return structure of future cash flows, and accordingly nature and level of operations.

The Board of Directors has a responsibility of establishing and providing compatible, adequate and effective system on internal control, risk management and internal auditing as anticipated by the Banking Law for the purpose of monitoring and controlling risks emerging from operations.

The Board of Directors is responsible for establishing risk management policies and strategies. These policies are revised and evaluated periodically according to prevailing market conditions.

The general manager is responsible from ensuring that departments of the bank operate in accordance with the specified policies and strategies about risk management as determined by the Board of Directors.

The Board of Directors of the Bank takes an important part in the processes of risk management by following policies and strategies on consolidated and unconsolidated basis, setting up limit systems and procedures in the Bank.

The related limits are monitored, reported and maintained within the set limits by the units under the internal systems and the related departments in the bank. Risk Management Department, organized within the frame of Risk Management regulations, undertakes activities for measuring, monitoring, controlling and reporting of risks.

Ultimate goal of the bank’s risk management system is to allocate capital in accordance with risks that functional activities have (economical capital), to maximize return on capital adjusted according to risk and to increase added value created.

In Asset and Liability Committee, asset-liability structure is managed via evaluating fund collection activities in line with risk management policies and domestic and foreign conditions regarding the bank’s fund lending.

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VIII. Explanations regarding risk management (Continued):

a. Consolidated risk management strategy and risk weighted amounts (Continued):

a.1. Explanations on group’s risk management (Continued):

The risks that the Bank is exposed to or may be exposed to in the future are determined and the definition of these risks is made. Defined risks are measured and prioritized as far as possible. It is provided that all important risks are in the risk appetite considering the potential impact of the risks and the strategy arising from the bank’s strategies to risk profile. The bank’s strategies are integrated with risk profile and risk appetite. If it is expected that the risk profile is going to change in the future, this change is assessed with the degree of capital impact.

The bank’s risk tolerance is the most comprehensive calculated risk amount which may be accepted in accordance with the determined mission and vision. In other words, before deciding on the necessity of taking measures, it is the bank’s readiness to exposure of any risk amount. In this respect, the risk tolerance, in connection with the variety of services offered by the bank, is the level of risk it identifies as acceptable.

The common feature of the bank’s risk appetite and risk tolerance is to drive the lines regarding risk acceptance. However, risk tolerance is more comprehensive.

By means of “Risk Appetite Policy” approved by the board of directors, risk levels can be taken to implement risk strategies and to achieve the objectives of the Banks were identified. Limits, which are determined within the framework of risk profile of the bank in accordance with the bank’s risk appetite and risk tolerance, and triggering functions, were described in detail.

Considering the bank’s financial position, activity profile and the growth expectations of the future, the amount of capital needed for the strategic targets to be met have been calculated by the basis of static and dynamic stress tests and scenario analyses.

Considering the factors that may affect the bank operates market today and in the future, stress tests and scenario analysis studies on the financial structure of the bank have been assessed together with the other financial indicators; in this context, a coordination based on harmony was created between prepared capital plans and processes of the bank.

Aiming to ensure capital allocation compatible with the risks of its functional operations and increase the capital yield set according to these risks to the maximum level, the bank evaluates risks by classifying them as market risks, liquidity risk, credit risk, operational risk, strategic risk and credibility risk.

Market Risk:

The Bank’s market risk; refers to the probability of loss may be exposed to exchange rate risk, equity position risk, profit rate risk and commodity risk.

The Bank measures its market risks by using the standard method in accordance with the provisions of the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”.

Whether the market risk of our Bank is in conformity with legal regulations and the determined limits is constantly monitored. Our foreign currency risk is discussed and evaluated at every Assets/Liabilities Committee meeting and our foreign currency strategy is based on holding this risk constant by holding to square foreign currency position (i.e. no short or long positions are taken).

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VIII. Explanations regarding risk management (Continued):

a. Consolidated risk management strategy and risk weighted amounts (Continued):

a.1. Explanations on group's risk management (Continued):

Liquidity Risk:

The Bank's liquidity risk, consists of funding related liquidity risk and market-related liquidity risk. The liquidity risk is the situation whereby, as a result of any imbalances in the cash flows, there is a potential for not being able to meet the Participation Funds which have matured or other due liabilities in a timely manner due to shortage of liquid funds.

Market liquidity risk is an expression of the likelihood of the bank's suffering a loss because the bank is unable to close or cover a particular position at the market price owing to insufficient market depth or to excessive market volatility.

Liquidity risk could be caused by such factors as maturity mismatch, deterioration in the quality of assets, unexpected funding outflows, erosion in profitability levels and economic crisis.

In order to manage liquidity risk, the Bank monitors the cash flows on a daily basis and takes preventive and improving measures taken so that commitments are met duly in time. The Liquidity risk is also evaluated by ALCO on a weekly basis.

The Bank applies a policy whereby liquid assets are kept in sufficient volumes and qualities in consideration of the minimum liquidity coverage ratios determined by the related regulations and the liquidity experiences of the past in order to meet any liquidity requirement that could arise with unexpected volatilities in the markets

Credit Risk:

Credit risk is defined as the probability of losses to the Bank due to customers failing to partially or completely pay their commitments to the Bank in a timely manner, in violation of the provisions of their credit contracts. This risk also contains any losses in the market value of the customers due to any deterioration in the financial position of the customer. The definition of credit risk includes not just the portfolios within the balance sheet, but also those kept off balance sheet.

The authority to approve credits belongs to the Board of Directors at our Bank. The Board of Directors determines the policies concerning the utilization, approval, risk management of the credits and other related management principles. It then ensures the implementation and supervision of these policies, taking required measures when necessary. The Board of Directors has transferred some of its authority in approving credit lines to the Credit Committee and General Management within the framework of the procedures and principles determined by the legal provisions. The General Management uses that authority to utilize credits by means of the credit departments and Bank branches. At our Bank, credit allocations are realized within those limits that are determined on the basis of each debtor and group of debtors.

It is systematically not possible for customers to exceed the predetermined and approved limit. Close attention is paid to prevent any sector concentration that might impair the health of the credit portfolio. Utmost care is given to the prevention of risks concentrating on a small number of customers. Credit risks are constantly monitored and reported by the internal systems units and risk management bodies. Credit risks are ensured to be in conformity to "Regulation on Credit Policies and Implementation Procedures".

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VIII. Explanations Regarding Risk Management (Continued):

Liquidity Risk (Continued):

a. Consolidated risk management strategy and risk weighted amounts (Continued):

a.1. Explanations on group’s risk management (Continued)

Operational Risk:

Operational risk is a risk of loss caused by insufficient or unsuccessful internal processes, by persons and systems or external events, wherein the legal risks and compliance risks are included while the strategic (making wrong decisions at the wrong time) and reputational risk are excluded.

Operational risk is a type of risk present in all activities of the Bank. It could arise from errors of the staff or the system, from such transactions as may have been made based on insufficient or incorrect legal information or documents, due to impediments in the flow of information between the divisions in the organizational structure of the Bank, due to uncertainties in the definition of limits of authorities or from structural and/or operational changes, natural disasters, terror and frauds.

The Bank classifies operational risks into five groups according to their sources: staff risks, technological risks, organizational risks, legal and compliance risks and external risks. The Bank also takes required measures to maintain operational risks at acceptable levels.

Other Risks:

The other risks that the Bank could encounter include strategic and reputational risk, counterparty credit risk, country risk, and concentration risk. For the management of strategic risk, the Bank keeps a close watch on the domestic and international situation, on technological, financial, and social developments, on the legal and regulatory frameworks, and on the banking industry as a whole in order to make rational decisions and to change them as circumstances warrant.

The Bank regards reputational risk as anything that might lead to the Bank’s suffering a loss on account of adverse developments such as a reduction in the confidence that is had in it or any impairment in its good standing due to unfavorable opinions that existing or potential customers, shareholders, competitors, regulatory agencies, or other outside or associated parties may have about it or due to any breach of existing laws and regulations. For the risk of reputation to be avoided and/or controlled by the Bank’s Risk Management System, a proactive communication mechanism that gives the customer priority is established any time a condition that could detriment the Bank’s reputation or image is detected.

In addition, the Bank’s operations in accordance with the principles of participation banking are also considered as a component of the bank’s specific reputation risk management.

Counterparty credit risk is an expression of the likelihood that the counterparty in any transaction that imposes an obligation on two parties will default on the obligation before the final payment in the transaction’s cash flow sequence. The Bank manages its counterparty credit risk exposure as required by laws and regulations, taking best practices into consideration, and compatibly with the volume, nature, and complexity of its operations. Country risk is an expression of the likelihood that the bank will suffer a loss because debtors in another country fail to fulfill or avoid fulfilling their obligations owing to uncertainties in the economic, social, and/or political conditions of that country. The Bank enters into business relationships with foreign financial institutions and/or the agencies of foreign countries taking legal and regulatory restrictions, market conditions, and customer satisfaction into consideration and on the basis of feasibility studies that take the country’s economic conditions into account.

Concentration risk is defined as the likelihood that a single risk or several risks that have some attribute in common may, if realized, cause losses that are capable of endangering the bank itself or its ability to carry out its essential activities. Policies aimed at managing concentration risk are formulated so as to deal with particular aspects of it such as sectoral concentration, collateral concentration, market risk concentration, types of loss concentration, and creditor concentration

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VIII. Explanations Regarding Risk Management (Continued):

a. Risk management strategy and risk weighted amounts:

a.2. General overview of risk weighted amounts:

		Risk weighted assets		Minimum Capital Requirements
		Current Period	Prior Period	Current Period
1	Credit risk (excluding counterparty credit risk) (CCR)	80.307.291	58.177.245	6.424.583
2	Of which standardised approach (SA)	80.307.291	58.177.245	6.424.583
3	Of which internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	38.575	27.689	3.086
5	Of which standardised approach for counterparty credit risk (SA-CCR)	38.575	27.689	3.086
6	Of which internal model method (IMM)	-	-	-
7	Equity positions in banking book under market-based approach	-	-	-
8	Equity investments in funds – look-through approach	-	-	-
9	Equity investments in funds – mandate-based approach	-	-	-
10	Equity investments in funds – fall-back approach (1250% risk weight)	-	-	-
11	Settlement risk	-	-	-
12	Securitisation exposures in banking book	-	-	-
13	Of which IRB ratings-based approach (RBA)	-	-	-
14	Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	3.816.691	3.695.989	305.335
17	Of which standardised approach (SA)	3.816.691	3.695.989	305.335
18	Of which internal model approaches (IMM)	-	-	-
19	Operational risk	13.123.680	4.708.826	1.049.895
20	Of which Basic Indicator Approach	13.123.680	4.708.826	1.049.895
21	Of which Standardised Approach	-	-	-
22	Of which Advanced Measurement Approach	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	97.286.237	66.609.749	7.782.899

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VIII. Explanations Regarding Risk Management (Continued):

b. Financial statements and regulatory exposures reconciliation

b.1. Differences and Matching Between accounting-related consolidation and legal consolidation:

Current Period	Carrying value reported in financial tables in accordance with Turkish Accounting Standards (TAS)	Carrying values of items in accordance with Turkish Accounting Standards (TAS)				
		Subject to credit risk	Subject to counterparty credit risk	Securitization positions	Subject to market risk (*)	Not subject to capital requirements or deducted from capital
Assets						
Cash and balances at central bank	53.260.709	53.260.709	-	-	-	-
Banks	18.583.057	18.583.057	-	-	-	-
Receivables from Money markets	-	-	-	-	-	-
Expected Loss Provisions (-)	44.701	-	-	-	-	44.701
Financial assets at fair value through profit or Loss	2.434.954	-	-	-	2.434.954	-
Financial assets at fair value through other comprehensive income	13.674.064	13.674.064	-	-	-	-
Derivative financial assets	81.120	-	81.120	-	81.120	-
Loans	115.574.772	115.574.772	-	-	-	2.227
Leasing receivables	434.517	434.517	-	-	-	-
Financial assets maasured at amortized cost	15.089.119	15.089.119	-	-	-	-
Expected loss provisions	1.162.867	649.031	-	-	-	560.322
Assets held for sale and disContinued operations (net)	166.063	166.063	-	-	-	-
Partnership inverstments	67.600	67.000	-	-	-	-
Tangible fixed asset (net)	1.146.340	1.027.426	-	-	-	118.914
Intangible asset (net)	548.057	-	-	-	-	548.057
Investment properties (net)	-	-	-	-	-	-
Current tax asset	-	-	-	-	-	-
Deffered tax assets	4.487.028	4.487.028	-	-	-	-
Other assets	3.105.716	3.105.716	-	-	-	-
Total Assets	227.445.448	224.820.940	81.120	-	2.516.074	1.274.221
Liabilities						
Funds collected	166.636.498	-	-	-	-	-
Funds borrowed	2.411.830	-	-	-	-	-
Debt to Money markets	-	-	-	-	-	-
Debt securities in issue	15.432.580	-	-	-	-	15.432.580
Financial liabilities at fair value through profit and loss	-	-	-	-	-	-
Derivative financial liabilities	30.572	-	-	-	30.572	-
Liavilities from leases	739.965	-	-	-	-	-
Provisions	10.122.182	18.853	-	-	-	-
Current tax liability	2.185.238	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-
Non-current assets held for sale and disContinued operations (net)	-	-	-	-	-	-
Subordinated debt	7.664.460	-	-	-	-	-
Other liabilities	3.992.047	-	-	-	-	-
Equity	18.230.076	-	-	-	-	-
Total Liabilities	227.445.448	18.853	-	-	30.572	15.432.580

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

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VIII. Explanations Regarding Risk Management (Continued):

b. Financial statements and regulatory exposures reconciliation (Continued):

b.1. Differences and matching between accounting-related consolidation and legal consolidation (Continued):

Prior Period	Carrrying value reported in financial tables in accordance with Turkish Accounting Standards (TAS)	Carrying values of items in accordance with Turkish Accounting Standards (TAS)				
		Subject to credit risk	Subject to counterparty credit risk	Securatization positions	Subject to market risk ^(*)	Not subject to capital requirements or deducted from capital
Assets						
Cash and balances at central bank	70.243.836	70.243.836	-	-	-	-
Banks	13.877.892	13.877.892	-	-	-	-
Receivables from Money markets	-	-	-	-	-	-
Expected Loss Provisions (-)	76.161	-	-	-	-	76.161
Financial assets at fair value through profit or Loss	2.050.312	-	-	-	2.050.312	-
Financial assets at fair value through other comprehensive income	12.126.577	12.126.577	-	-	-	-
Derivative financial assets	4.004	-	4.004	-	4.004	-
Loans	67.542.336	67.542.336	-	-	-	3.440
Leasing receivables	382.826	382.826	-	-	-	-
Financial assets mausured at amortized cost	16.692.053	16.692.053	-	-	-	-
Expected loss provisions	567.120	183.087	-	-	-	460.868
Assets held for sale and disContinued operations (net)	8.283	8.283	-	-	-	-
Partnership investerments	22.500	22.500	-	-	-	-
Tangible fixed asset (net)	922.856	803.530	-	-	-	119.326
Intangible asset (net)	250.364	-	-	-	-	250.364
Investment properties (net)	-	-	-	-	-	-
Current tax asset	-	-	-	-	-	-
Deffered tax assets	1.713.189	1.716.780	-	-	-	-
Other assets	2.487.890	2.487.890	-	-	-	-
Total Assets	187.685.228	185.721.416	4.004	-	2.054.316	(163.899)
Liabilities						
Funds collected	151.478.974	-	-	-	-	-
Funds borrowed	1.247.871	-	-	-	-	-
Debt to Money markets	-	-	-	-	-	-
Debt securities in issue	8.730.931	-	-	-	-	-
Financial liabilities at fair value through profit and loss	-	-	-	-	-	-
Derivative financial liabilities	27.199	-	-	-	27.199	-
Liavilities from leases	507.319	-	-	-	-	-
Provisions	3.829.617	1.175	-	-	-	-
Current tax liability	1.336.476	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-
Non-current assets held for sale and disContinued operations (net)	-	-	-	-	-	-
Subordinated debt	7.078.467	-	-	-	-	-
Other liabilities	3.016.733	-	-	-	-	-
Equity	10.431.641	-	-	-	-	-
Total Liabilities	187.685.228	1.175	-	-	27.199	-

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

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VIII. Explanations Regarding Risk Management (Continued):

I. Financial statements and regulatory exposures reconciliation (Continued):

b.2. Main reasons of the differences between the risk amounts and Carrying Value in accordance with Turkish Accounting Standards (TAS):

	Current Period	Total	Subject to credit risk	Securitisation position	Subject to counterparty credit risk	Subject to market risk ^(*)
1	Carrying value of assets within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	227.445.448	224.820.940	-	81.120	2.516.074
2	Carrying value of liabilities within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	18.853	18.853	-	-	-
3	Total net amount within the scope of legal consolidation	227.426.595	224.802.087	-	81.120	2.516.074
4	Off balance sheet amounts	77.577.242	69.854.765	-	17.001.388	-
5	Repo and similar transactions (**)	-	-	-	-	-
6	Differences in valuations	-	-	-	-	-
7	Differences arising from different netting rules (other than those set out in line 2)	-	-	-	-	-
8	Differences arising from consideration of provisions	-	-	-	-	-
9	Differences arising from BRSA's applications	-	-	-	-	-
10	Risk amounts	305.041.543	284.694.558	-	17.082.508	2.516.074

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

(**) In accordance with "Regulation on Measurement and Assessment of Capital Adequacy of Banks", it is counterparty credit risk amount calculated for repurchase agreements and similar transactions.

	Prior Period	Total	Subject to credit risk	Securitisation position	Subject to counterparty credit risk	Subject to market risk ^(*)
1	Carrying value of assets within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	187.685.228	185.721.416	-	4.004	2.054.316
2	Carrying value of liabilities within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	1.175	1.175	-	-	-
3	Total net amount within the scope of legal consolidation	187.686.403	185.722.591	-	4.004	2.054.316
4	Off balance sheet amounts	49.496.885	29.329.605	-	23.685	-
5	Repo and similar transactions (**)	-	-	-	-	-
6	Differences in valuations	-	-	-	-	-
7	Differences arising from different netting rules (other than those set out in line 2)	-	-	-	-	-
8	Differences arising from consideration of provisions	-	-	-	-	-
9	Differences arising from BRSA's applications	-	(76.037.782)	-	-	-
10	Risk amounts	237.183.288	139.014.414	-	27.689	2.054.316

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

(**) In accordance with "Regulation on Measurement and Assessment of Capital Adequacy of Banks", it is counterparty credit risk amount calculated for repurchase agreements and similar transactions.

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VIII. Explanations Regarding Risk Management (Continued):

1. Financial statements and regulatory exposures reconciliation (Continued):

b.3. Explanations on differences between carrying values in accordance with Turkish Accounting Standards (TAS) and risk amounts:

There is no significant difference between the financial statement amounts of assets and liabilities and the amounts included in capital adequacy calculation.

c. Credit Risk:

c.1. General information on credit risk:

c.1.1. General qualitative information on credit risk:

This information is already included in (II). Explanations on Credit Risk and (IX.a.I) The Bank's risk management approach.

c.1.2. Credit quality of assets:

Current Period	Gross carrying value in financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/ amortisation and impairments	Net value
	Defaulted	Non-defaulted		
1 Loans	1.066.850	114.942.439	1.140.573	114.868.716
2 Debt securities	-	31.198.137	66.995	31.131.142
3 Off-balance sheet exposures	62.701	59.792.067	279.732	59.575.036
4 Total	1.129.551	205.932.643	1.487.300	205.574.894

Prior Period	Gross carrying value in financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/ amortisation and impairments	Net value
	Defaulted	Non-defaulted		
1 Loans	242.876	67.682.286	522.224	67.402.938
2 Debt securities	-	30.868.942	132.392	30.736.550
3 Off-balance sheet exposures	6.184	29.323.421	131.301	29.198.304
4 Total	249.060	127.874.649	785.917	127.337.792

c.1.3. Changes in stock of default loans and debt securities:

	Current Period	Prior Period
1 Defaulted loans and debt securities at end of the previous reporting period	242.876	93.376
2 Loans and debt securities that have defaulted since the last reporting period	1.119.943	454.068
3 Receivables back to non-defaulted status	-	-
4 Amounts written off	-	-
5 Other changes	(295.969)	(304.568)
6 Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)	1.066.850	242.876

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VIII. Explanations Regarding Risk Management (Continued):

c. Credit Risk (Continued):

c.1.4. Additional information on credit quality of assets:

The scope and definitions of past due receivables and the methods used by the bank to determine the provisions are mentioned in the Explanations on Credit risk. The Bank may restructure not only non-performing credits but also the first and the second stage credits. Restructuring for the first and the second stage credits are made to improve the customer’s ability to repay the credit or for changes in contractual terms upon the customer request regardless of the customer’s credit risk.

Restructuring for non-performing credits are made for providing collection possibility by establishing a new payment plan. Breakdowns for receivables in terms of sectors are mentioned in the footnote numbered II (Explanations on Credit Risk). Breakdowns according to the remaining maturity for past due receivables and in terms of geographic locations receivables that specific provisions are set are represented below.

There are no financial assets that are overdue but not impaired by class of financial instruments. (December 31 2023: None).

Receivables that provisions are set in terms of geographical region:

Current Period	Non-performing Loans^(*)	Specific Provision^(*)
Domestic	1.066.850	649.031
Off-shore Banking Countries	-	-
Other Countries	-	-
Grand Total	1.066.850	649.031

(*) Represents amounts for cash loans.

Prior Period	Non-performing Loans^(*)	Specific Provision^(*)
Domestic	242.876	183.087
Off-shore Banking Countries	-	-
Other Countries	-	-
Grand Total	242.876	183.087

(*) Represents amounts for cash loans.

c.2. Credit Risk Mitigation:

c.2.1. Qualitative disclosure on credit risk mitigation techniques:

On and off balance sheet offsetting agreements are not utilized.

The risk mitigators that are used in credit process in compliance with Communiqué “The Risk Mitigation Techniques” which is published at December 6, 2014 are stated below:

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VIII. Explanations Regarding Risk Management (Continued):

c.2. Credit Risk Mitigation (Continued):

c.2.1. Qualitative disclosure on credit risks mitigation techniques (Continued) :

- a) Financial Collaterals (Treasury Bills, Government Bonds, Cash, Deposit or Participation Fund Pledge, Gold, Stock Pledge)
- b) Guarantees

The credibility of guarantors is monitored and evaluated within the framework of credit revision periods.

Collaterals obtained by the Bank are reviewed and appraised in accordance with related legislation as long as the credit relationship is outstanding.

If there are indicators on significant decreases of real estate's value in comparison to general market prices, the real estate's valuation is performed by the authorised valuation corporations authorised by Banking Regulation and Supervision Agency or Capital Markets Board of Türkiye.

The Bank monitors other banks' guarantees that are evaluated as risk mitigators within the framework of BRSA regulations on a regular basis and reviews the credibility of banks periodically.

The volatility in real estate market is monitored closely by the Bank and the market fluctuations are considered in credit activities

c.2.2. Qualitative disclosure on credit risk mitigation techniques:

Current Period		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collatera	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	104.922.279	11.087.010	2.779.214	979.358	972.205	-	-
2	Debt securities	31.198.137	-	-	-	-	-	-
3	Total	136.120.416	11.087.010	2.779.214	979.358	972.205	-	-
4	Of which defaulted	1.066.850	-	-	-	-	-	-
Prior Period		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collatera	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	59.674.449	7.728.489	2.731.872	683.695	674.345	-	-
2	Debt securities	30.736.550	-	-	-	-	-	-
3	Total	90.410.999	7.728.489	2.731.872	683.695	674.345	-	-
4	Of which defaulted	242.876	-	-	-	-	-	-

c.3. Credit Risk Under Standardised Approach:

c.3.1. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk:

Explanations on rating grades that the banks use for calculation of credit risk by the standardised approach are mentioned in the footnote numbered (II) for Explanations on Credit Risk.

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(Continued):

VIII. Explanations Regarding Risk Management (Continued):

c.3. Credit Risk Under Standardised Approach (Continued):

c.3.2. Credit risk exposure and credit risk mitigation techniques:

Current Period	Exposures before Credit Conversion Rate and Credit Risk Mitigation		Credit Risk Mitigation and Exposures post-Credit Conversion Rate		Risk Weighted Average and Risk Weighted Average Density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Risk classes						
Receivables from central governments or central banks	72.253.230	-	72.271.436	-	-	-
Receivables from regional or local governments	114.131	3.501	100.545	1.751	99.757	97,52
Receivables from administrative units and non-commercial enterprises	3.114	6.529	3.114	3.131	6.245	100,00%
Receivables from multilateral development banks	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-
Receivables from banks and brokerage houses	17.323.427	-	17.721.661	90.254	3.958.679	22,22%
Receivables from corporates	35.465.128	50.347.053	35.065.563	18.635.500	51.436.681	95,78%
Retail receivables	4.498.791	5.890.501	4.495.502	2.983.647	5.447.070	72,83%
Receivables secured by mortgages on property	1.207.972	136.671	1.207.972	65.882	445.849	35,00%
Receivables secured by mortgages on commercial property	2.492.231	1.123.697	2.492.231	584.246	2.212.653	71,92%
Past due receivables	162.941	-	162.941	-	110.320	67,71%
Receivables defined in high risk category by BRSA	6.956.606	-	6.956.606	-	11.927.508	171,46%
Securities collateralized by mortgages	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-
Other receivables	8.138.131	-	8.138.131	-	4.661.791	57,28%
Equity share investments	-	-	-	-	-	-
Total	148.615.702	57.507.952	148.615.702	22.364.411	80.306.553	46,97%

Prior Period	Exposures before Credit Conversion Rate and Credit Risk Mitigation		Credit Risk Mitigation and Exposures post-Credit Conversion Rate		Risk Weighted Average and Risk Weighted Average Density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Risk classes						
Receivables from central governments or central banks	76.375.508	-	76.396.295	590	-	-
Receivables from regional or local governments	94.283	532	-	266	-	0,00%
Receivables from administrative units and non-commercial enterprises	440.321	4.880	440.321	2.346	433.999	98,04%
Receivables from multilateral development banks	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-
Receivables from banks and brokerage houses	6.411.940	-	6.655.330	-	1.990.427	29,91%
Receivables from corporates	20.169.210	18.958.926	20.003.308	9.105.319	27.131.195	93,21%
Retail receivables	5.726.788	7.722.348	5.722.796	3.240.271	6.499.063	72,51%
Receivables secured by mortgages on property	722.796	126.095	722.796	64.683	275.936	35,04%
Receivables secured by mortgages on commercial property	1.272.753	839.679	1.272.753	464.608	1.164.048	67,00%
Past due receivables	30.284	-	30.284	-	21.007	69,37%
Receivables defined in high risk category by BRSA	9.199.949	-	9.199.949	-	16.974.184	184,32%
Securities collateralized by mortgages	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-
Other receivables	5.692.488	-	5.692.488	-	3.687.386	64,78%
Equity share investments	-	-	-	-	-	-
Total	126.136.320	27.652.460	126.136.320	12.878.083	58.177.245	41,84%

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VIII. Explanations Regarding Risk Management (Continued):

c.3. Credit Risk Under Standardised Approach (Continued):

c.3.3. Exposures by asset classes and risk weights:

Risk Classes/Risk Weighted		35% secured by Property mortgage									Total risk amount (post-CCF and CRM)
Current Period		0%	10%	20%	50%	75%	100%	150%	200%	Others	
1	Receivables from central governments or central banks	72.271.436	-	-	-	-	-	-	-	-	72.271.436
2	Receivables from regional or local governments	2.538	-	-	-	-	99.758	-	-	-	102.296
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	6.245	-	-	-	6.245
4	Receivables from multilateral deve banks	-	-	-	-	-	-	-	-	-	-
5	Receivables from international org	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	-	-	16.598.830	1.148.344	-	64.741	-	-	-	17.811.915
7	Receivables from corporates	521.375	-	830.759	2.156.800	-	50.192.127	-	-	-	53.701.061
8	Retail receivables	147.135	-	94.437	-	7.237.578	-	-	-	-	7.479.150
9	Receivables secured by mortgages on property	-	-	-	1.273.854	-	-	-	-	-	1.273.854
10	Receivables secured by mortgages on commercial property	-	-	-	1.727.648	-	1.348.830	-	-	-	3.076.478
11	Past due receivables	-	-	-	105.242	-	57.699	-	-	-	162.941
12	Receivables defined in high risk category by BRSA	-	-	-	-	-	-	6.530.149	-	426.457	6.956.606
13	Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-
16	Other receivables	-	-	-	-	-	-	-	-	-	-
17	Equity share investments	2.200.076	-	1.594.757	-	21	4.343.277	-	-	-	8.138.131
18	Total	75.142.560	-	19.118.783	1.273.854	5.138.034	7.237.599	56.112.677	6.530.149	-	170.980.113

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VIII. Explanations Regarding Risk Management (Continued):

c.3. Credit Risk Under Standardised Approach (Continued):

c.3.3. Exposures by asset classes and risk weights (Continued):

Risk Classes/Risk Weighted		35% secured by Property mortgage										Total risk amount (post-CCF and CRM)
Prior Period	0%	10%	20%	50%	75%	100%	150%	200%	Others			
1	Receivables from central governments , central banks	76.396.884	-	-	-	-	-	-	-	-	-	76.396.884
2	Receivables from regional or local governments	266	-	-	-	-	-	-	-	-	-	266
3	Receivables from administrative units and non-commercial enterprises	8.668	-	-	-	-	-	433.999	-	-	-	442.667
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	-	-	5.369.047	-	739.331	-	546.952	-	-	-	6.655.330
7	Receivables from corporates	972.741	-	290.880	-	1.543.976	-	26.301.031	-	-	-	29.108.628
8	Retail receivables	226.511	-	97.007	-	-	8.639.549	-	-	-	-	8.963.067
9	Receivables secured by mortgages on property	-	-	-	785.356	2.123	-	-	-	-	-	787.479
10	Receivables secured by mortgages on commercial property	-	-	-	-	1.146.626	-	590.735	-	-	-	1.737.361
11	Past due receivables	-	-	-	-	18.553	-	11.731	-	-	-	30.284
12	Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	3.308.878	5.820.551	70.520	9.199.949
13	Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Other receivables	-	-	-	-	-	-	-	-	-	-	-
17	Equity share investments	496.703	-	1.883.731	-	-	5.663	3.306.291	-	-	-	5.692.388
18	Total	78.101.773	-	7.640.665	785.356	3.450.609	8.645.212	31.190.739	3.308.878	5.820.551	70.520	139.014.303

d. Counterparty Credit Risk:

d.1. Qualitative disclosure on counterparty credit risk:

Derivatives and repurchase transactions in the calculation of counterparty credit risk are calculated according to the fair value in accordance with "Appendix-2 of Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette dated October 23, 2015 and numbered 29511. The sum of potential future exposures and positive replacement costs is taken in the calculation of the risk amount related to derivative transactions.

The Bank prepared "Charter on the Counterparty Credit Risk Management Policy and Implementation Procedures" in order to determine the basic principles that manage the counterparty credit risk and this regulation was approved by the Board of Directors. The Board of Directors periodically reviews and assesses the related policy.

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VIII. Explanations Regarding Risk Management (Continued):

d. Counterparty Credit Risk:

d.2. Counterparty credit risk (CCR) approach analysis:

		Replacement cost	Potential Future exposure	EEPE ^(*)	Alpha used for computing regulatory exposure at default	EAD post-CRM	RWA
1	Standardised Approach - CCR (for derivatives)	81.124	59.008		1,4	196.185	38.575
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	Total						38.575

(*) Effective Expected Positive Exposure

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VIII. Explanations Regarding Risk Management (Continued):

d. Counterparty Credit Risk:

d.2. Counterparty credit risk (CCR) approach analysis (Continued):

	Prior Period	Replacement cost	Potential Future exposure	EEPE ^(*)	Alpha used for computing regulatory exposure at default	EAD post- CRM	RWA
1	Standardised Approach - CCR (for derivatives)	4.004	23.685		-	27.689	27.689
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	Total						27.689

^(*) Effective Expected Positive Exposure

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VIII. Explanations Regarding Risk Management (Continued):

d. Counterparty Credit Risk:

d.3. Capital requirement for credit valuation adjustment (CVA):

		Current Period		Prior Period	
		EAD post-CRM	RWA	EAD post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital obligation	-	-	-	-
1	(i) VaR component (including the 3×multiplier)		-		-
2	(ii) Stressed VaR component (including the 3×multiplier)		-		-
3	All portfolios subject to the Standardised CVA capital obligation	196.185	284	27.689	27.689
4	Total subject to the CVA capital obligation	196.185	284	27.689	27.689

d.4. CCR exposures by risk class and risk weights:

Current Period		Risk Weighted								Total credit exposure(*)
Risk Classes		0%	10%	20%	50%	75%	100%	150%	Other	
Receivables from central governments or central banks		12.500	-	-	-	-	-	-	-	12.500
Receivables from regional or local governments		-	-	-	-	-	-	-	-	-
Receivables from administrative units and non-commercial enterprises		-	-	-	-	-	-	-	-	-
Receivables from multilateral development banks		-	-	-	-	-	-	-	-	-
Receivables from international organizations		-	-	-	-	-	-	-	-	-
Receivables from banks and brokerage houses		-	-	177.936	5.522	-	-	-	-	183.458
Receivables from corporates		-	-	-	-	-	227	-	-	227
Retail receivables		-	-	-	-	-	-	-	-	-
Receivables secured by mortgages on property		-	-	-	-	-	-	-	-	-
Past due receivables		-	-	-	-	-	-	-	-	-
Receivables defined in high risk category by BRSA		-	-	-	-	-	-	-	-	-
Securities collateralized by mortgages		-	-	-	-	-	-	-	-	-
Securitisation positions		-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates		-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds		-	-	-	-	-	-	-	-	-
Equity share investments		-	-	-	-	-	-	-	-	-
Other receivables		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Total		12.500	-	177.936	5.522	-	227	-	-	196.185

(*) Total credit risk represents the amount relating to CAR calculation after application of counterparty risk measurement techniques.

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VIII. Explanations Regarding Risk Management (Continued):

d. Counterparty Credit Risk (Continued):

d.3. Capital requirement for credit valuation adjustment (CVA) (Continued):

Prior Period	Risk Weighted									Total credit exposure(*)
Risk Classes	%0	%10	%20	%50	%75	%100	%150	Other		
Receivables from central governments or central banks	-	-	-	-	-	-	-	-	-	
Receivables from regional or local governments	-	-	-	-	-	-	-	-	-	
Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	
Receivables from international organizations	-	-	-	-	-	-	-	-	-	
Receivables from banks and brokerage houses	-	-	-	-	-	27.689	-	-	27.689	
Receivables from corporates	-	-	-	-	-	-	-	-	-	
Retail receivables	-	-	-	-	-	-	-	-	-	
Receivables secured by mortgages on property	-	-	-	-	-	-	-	-	-	
Past due receivables	-	-	-	-	-	-	-	-	-	
Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	
Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	
Securitisation positions	-	-	-	-	-	-	-	-	-	
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	
Equity share investments	-	-	-	-	-	-	-	-	-	
Other receivables	-	-	-	-	-	-	-	-	-	
Other assets	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	27.689	-	-	27.689	

(*) Total credit risk represents the amount relating to CAR calculation after application of counterparty risk measurement techniques.

d.5. Used collaterals for counterparty credit risk:

None (December 31, 2023:None).

d.6. Information on the risks of the Bank arising from purchased or sold credit derivatives:

None (December 31, 2023:None).

d.7. Information on risks of the Bank arising from central counterparty:

None (December 31, 2023:None).

e. Information to be announced to public on Securitization:

None (December 31, 2023: None).

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VIII. Explanations Regarding Risk Management (Continued):

f. Information To Be Disclosed To the Public Regarding Market Risk:

f.1. Qualitative disclosure on market risk:

The Bank measures market risk by using the standard method in accordance with "Regulation on the Measurement and Assessment of the Capital Adequacy of Banks" dated October 23, 2015 and numbered 29511 and allocates legal capital on this basis. On the other hand, the market risk is also calculated by using the internal model for testing (Value at Risk) and the results found are supported by considering backtesting results. The market risk value (Value at Risk) calculated by using the internal model is calculated on a daily basis by using Variance-Covariance, EWMA, Monte Carlo and Historical Simulation methods and is reported to the top management.

The Board of Directors sets limits for these risks by considering the main risks and revises these limits periodically in line with market conditions and Bank's strategies. In addition, the Board of Directors ensures that the risk management unit and senior management take all necessary measures to identify, measure, prioritize, and reduce at an acceptable level and to manage the various risks that the Bank is exposed to.

Risks that positions held by the Bank under on-balance sheet and off-balance sheet accounts may occur due to fluctuations in financial markets are measured. Information about the market risk considered in the calculation of legal capital as follows.

f.2. Market risk under standardised approach:

		Current Period	Prior Period
		RWA	RWA
Outright products			
1	Profit rate risk (general and specific)	1.631.286	1.089.878
2	Equity share (general and specific)	-	-
3	Foreign exchange risk	1.554.425	2.199.503
4	Commodity risk	630.981	406.608
Options			
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitisation	-	-
9	Total	3.816.692	3.695.989

g. Operational Risk:

Capital requirement for operational risk is calculated annually by using the Basic Indicator Method in accordance with Article 24 of the Regulation on the Measurement and Assessment of Capital Adequacy of Banks.

Current Period	2 PP Value	1 PP Tutar	CP Value	Total number of years for which gross income is positive	Rate (%)	Total
Gross Income	6.232.412	13.930.529	25.266.833	15.143.263	15	2.271.489
Amount subject to Operational Risk (Total*12,5)						
Current Period	2 PP Value	1 PP Tutar	CP Value	Total number of years for which gross income is positive	Rate (%)	Total
Gross Income	801.333	6.232.412	13.930.529	6.988.091	15	1.048.214
Amount subject to Operational Risk (Total*12,5)						4.714.161

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INFORMATION ON ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT
(Continued):

VIII. Explanations Regarding Risk Management (Continued):

h. Qualitative Disclosure on Profit Rate Risk Arising From Banking Books:

h.1. Important assumptions including the nature of profit rate risk arising from banking books and the early repayment of loans and movements in deposits other than time deposits with measurement frequency of the profit rate risk:

Profit rate risk arising from banking books measures profit rate risk arising from on-balance sheet and offbalance sheet positions in the Bank's banking books by standard shock method.

The Bank calculates and measures legal ratio for profit rate risk arising from banking books on a monthly basis in accordance with "Regulation on Measurement and Assessment of Interest Rate Risk arising from Banking Books by Standard Shock Method" that have been published in Official Gazette numbered 28034 and dated August 23, 2011.

h.2. Economic value differences arising from profit rate fluctuations in accordance with Regulation on Measurement and Assessment of Profit Rate Risk arising from Banking Books by Standard Shock Method:

Current Period

Currency	Applied Shock (+/-x basis point)	Gains/ (Losses)	Gains/Equity (Losses/Equity) (%)
TRY	(+) 500bp	(447.722)	-1,97
TRY	(-) 400bp	409.392	1,80
USD Dolar	(+) 200bp	74.288	0,33
USD Dolar	(-) 200bp	(73.930)	-0,33
EUR	(+) 200bp	132.066	0,58
EUR	(-) 200bp	(135.410)	-0,60
Total (For Negative Shocks)	-	200.052	0,88
Total (For Positive Shocks)	-	(241.368)	(1,06)

Prior Period

Currency	Applied Shock (+/-x basis point)	Gains/ (Losses)	Gains/Equity (Losses/Equity) (%)
TRY	(+) 500bp	(376.964)	(2,38)
TRY	(-) 400bp	342.087	2,16
USD Dolar	(+) 200bp	(63.222)	(0,40)
USD Dolar	(-) 200bp	72.869	0,46
EUR	(+) 200bp	60.526	0,38
EUR	(-) 200bp	(66.314)	(0,42)
Total (For Negative Shocks)	-	348.642	2,20
Total (For Positive Shocks)	-	(379.660)	(2,40)

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INFORMATION ON ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT
(Continued):

IX. Explanations on Consolidated Business Segments:

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

Current Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Total Assets	3.724.777	93.013.570	122.003.834	8.703.267	227.445.448
Total Liabilities	46.332.352	156.384.732	16.749.340	8.249.024	227.445.448
Net profit share income/(expense) (*)	2.147.137	11.223.680	(4.670.446)	202.630	8.903.001
Net fees and commissions income/(expense)	577.743	2.798.132	(892.087)	4.790	2.488.578
Other operating income/(expense)	2.343.809	6.846.695	(2.439.633)	(4.970.846)	1.780.025
Provision expenses	(126.652)	(877.217)	(14.674)	(13.217)	(1.031.760)
Profit/(loss) before tax	4.942.037	19.991.290	(8.016.840)	(4.776.643)	12.139.844
Provision for tax	-	-	-	(3.412.363)	(3.412.363)
Net profit / (loss) for the period	4.942.037	19.991.290	(8.016.840)	(8.189.006)	8.727.481

(*) The distribution difference in the retail, commercial and corporate segments stems from fund allocation and fund collection methods of the Bank.

Prior Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Total Assets	4.205.570	61.497.875	117.928.970	4.054.378	187.686.793
Total Liabilities	62.600.280	104.380.716	6.322.345	3.951.207	177.254.548
Net profit share income/(expense) (*)	824.232	4.688.342	982.696	(208.700)	6.286.570
Net fees and commissions income/(expense)	519.594	1.811.869	(23.463)	(11.884)	2.296.116
Other operating income/(expense)	1.947.858	2.012.388	(2.941)	(4.509.777)	(552.472)
Provision expenses	(74.335)	(267.470)	(87.957)	(64)	(429.826)
Profit/(loss) before tax	-	-	-	(2.456.533)	(2.456.533)
Provision for tax	-	-	-	(2.456.533)	(2.456.533)
Net profit / (loss) for the period	3.217.349	8.245.129	868.335	(7.186.958)	5.143.855

(*) The distribution difference in the retail, commercial and corporate segments stems from fund allocation and fund collection methods of the Bank.

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SECTION FIVE

EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Notes Related to Consolidated Assets:

1. a) Cash and Balances With the Central Bank of Republic of Türkiye (CBRT):

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash / Foreign currency	132.420	774.423	77.430	319.727
CBRT	12.667.593	34.769.819	17.215.441	49.495.840
Other (*)	106.536	4.809.918	108.898	3.026.500
Total	12.906.549	40.354.160	17.401.769	52.842.067

(*) As of 31 December 2024, it includes the precious metal deposit account amounting to TL 2.827.751 TL (December 31, 2023: 186.469 TL) and the money in transit account amounting to TL 22.088.704 TL (December 31, 2023: 2.948.929 TL).

b) Information Related to CBRT:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	8.077.543	6.853.708	13.772.897	22.032.535
Unrestricted time deposit	-	-	-	-
Restricted time deposit	-	-	-	-
Reserve requirements	4.590.050	27.916.111	3.442.544	27.463.305
Total	12.667.593	34.769.819	17.215.441	49.495.840

b.1) Explanations Regarding the Reserve Requirement Application:

The Group establishes required reserves at the CBRT for its Turkish currency and foreign currency liabilities in accordance with the CBRT's Communiqué No. 2005/1 on Reserve Requirements. Required reserves can be kept in Turkish Lira, US Dollar and/or Euro and standard gold according to the "Communiqué on Required Reserves" at the CBRT.

As of December 31, 2024, the Group's applicable rates for Turkish lira required reserves are between 3% and 33%, depending on the maturity structure for participation funds and other liabilities and the applicable rates for FX required reserves are between 5% and 30% and the required reserves for precious metal deposit accounts are 22% and 26% depending on the maturity structure. The reserve requirement ratio for participation funds in FX (excluding participation funds of banks abroad and precious metal deposit accounts) is 4%.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

2. a. Information on Banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	33.684	325.256	42.328	443.525
Foreign	-	18.224.117	50	13.391.989
Total	33.684	18.549.373	42.378	13.835.514

b. Information on Foreign Bank Accounts:

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

3. a. Information on Financial Assets at Fair Value Through Profit/Loss Subject to Repurchase Agreements and Given as Collateral/Blocked:

As of December 31, 2024, there is no repurchase agreements in financial assets at fair value through profit and loss is not available (December 31, 2023: None).

Amount subject to guaranteed/blocked is TL 575.648 (December 31, 2023: TL 887.467).

b. Information on Financial Assets at Fair Value Through Profit/Loss:

	Current Period	Prior Period
Debt securities	2.438.606	2.054.346
Quoted on a stock exchange	938.028	1.478.927
Unquoted on a stock exchange (*)	1.500.578	575.419
Share certificates	-	-
Quoted on a stock exchange	-	-
Unquoted on a stock exchange (*)	-	-
Impairment provision (-)	3.652	4.034
Total	2.434.954	2.050.312

(*) Includes debt securities that are listed on the stock exchange but are not traded at the end of the relevant period.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

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

i. Information on Financial Assets Valued at Fair Value Through Other comprehensive Income Subject to Repurchase Transactions, Given as a Guarantee or Blocked:

As of 31 December 2024, there is no amount subject to sale transactions with promises of repurchase in assets reflected in other comprehensive income financial statements. (December 31, 2023: None). The amount of those blocked given as collateral is TL 505.479 (December 31, 2023: TL 3.274.518).

ii. Financial Assets Valued at Fair Value Through Other Comprehensive Income:

	Current Period	Prior Period
Debt securities	12.101.823	12.145.754
Quoted on a stock exchange	7.907.321	8.080.774
Unquoted on a stock exchange (*)	4.194.502	4.064.980
Share certificates	12.997	7.659
Quoted on a stock exchange	-	-
Unquoted on a stock exchange	12.997	7.659
Impairment provision (-)	111	26.836
Total	12.114.709	12.126.577

(*) Includes debt securities that are listed on the stock exchange but are not traded at the end of the relevant period.

5. Information on Derivative Financial Assets:

a. Table of Positive Differences Related to Derivative Financial Assets:

	Current Period		Prior Period	
	TL	FC	TL	FC
Swap Transactions	-	9.228	84	-
Forward Transactions	1.192	70.700	2.854	1.066
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	1.192	79.928	2.938	1.066

6. Information on Loans:

a. Information on All Types of Loans and Advances Given to Shareholders and Employees of the Parent Bank:

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct Loans to Bank Partners	-	-	-	-
Loans to Legal Person Partners	-	-	-	-
Loans to Real Person Partners	-	-	-	-
Indirect Loans to Bank Partners	3.885	-	3.637	-
Loans to Bank Members	3.885	-	3.637	-
Total	3.885	-	3.637	-

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued):

b. Information on Standard Loans and Loans Under Close Monitoring Including Restructured or Rescheduled Loans:

b1. Detailed Table for Standard Loans and Loans Under Close Monitoring Including Restructured or Rescheduled Loans:

Current Period Cash Loans	Loans Under Close Monitoring			
	Restructured Loans			Refinance
	Standard Loans	Loans Not subject to restructured loans	Loans with Revised Contract Terms	
Loans	113.534.200	596.089	377.633	-
Export loans	-	-	-	-
Import loans	8.114.028	17.943	-	-
Business loans	66.567.599	422.379	377.633	-
Consumer loans	2.511.474	4.319	-	-
Credit cards	7.950	1.050	-	-
Loans given to financial sector	24.059.897	-	-	-
Other(*)	12.273.252	150.398	-	-
Other receivables	-	-	-	-
Total	113.534.200	596.089	377.633	-

(*) Details of other loans are provided below:

Commercial loans with installments	10.049.638
Loans given to abroad	17.315
Other investment loans	2.307.906
Other	48.791
Total	12.423.650

Prior Period Cash Loans	Loans Under Close Monitoring			
	Restructured Loans			Refinance
	Standard loans	Loans Not subject to restructured loans	Loans with Revised Contract Terms	
Loans	66.772.054	345.887	181.519	-
Export loans	-	-	-	-
Import loans	4.744.240	7.575	-	-
Business loans	45.508.742	164.942	181.519	-
Consumer loans	2.769.781	1.699	-	-
Credit cards	-	-	-	-
Loans given to financial sector	6.345.775	-	-	-
Other (*)	7.403.516	171.671	-	-
Other receivables	-	-	-	-
Total	66.772.054	345.887	181.519	-

(*) Details of other loans are provided below:

Commercial loans with installments	5.808.797
Loans given to abroad	127.382
Other investment loans	1.606.919
Other (*)	32.089
Total	7.575.187

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued):

b. Information on Standard Loans and Loans Under Close Monitoring Including Restructured or Rescheduled Loans (Continued):

b2. Information on Expected Credit Losses for Standard Loans and Loans Under Close Monitoring:

	Standard Loans	Loans under close monitoring
Current Period		
12 Month Expected Credit Losses	490.436	-
Significant Increase in Credit Risk	-	23.400
Prior Period		
12 Month Expected Credit Losses	354.090	-
Significant Increase in Credit Risk	-	29.943

c. Maturity Analysis of Cash Loans:

Current Period	Standard Loans and Other receivables	Loans Under Follow-Up and Other receivables		
Cash loans	Loans and Other receivables	Amendments to terms or contract	Loans and Other receivables	Amendments to terms or contract
Short term loans and other receivables	73.864.199	-	458.107	327.068
Medium and long-term loans and other receivables	39.670.001	-	137.982	50.565
Total	113.534.200	-	596.089	377.633
			Restructured	
Cash Loans Prior period	Standard Qualified Loans	Those Not Included in the Scope of Restructuring		Restructured
Short Term Loans	35.738.341	214.978		91.577
Medium and Long Term Loans	31.033.713	130.909		89.942
Total	66.772.054	345.887		181.519

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued):

d. Information on Consumer Loans, Retail Credit Cards, Loans Given to Personnel and personnel Credit Cards:

Current Period	Short-term	Medium and long-term	Total
Consumer loans-TL	750	2.511.864	2.512.614
Housing loans	160	2.457.721	2.457.881
Vehicle loans	553	42.820	43.373
Consumer loans	37	11.323	11.360
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Retail credit cards-TL	8.294	-	8.294
With installment	-	-	-
Without installment	8.294	-	8.294
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	264	2.915	3.179
Housing loans	-	2.185	2.185
Vehicle loans	264	640	904
Consumer loans	-	90	90
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TL	706	-	706
With installment	-	-	-
Without installment	706	-	706
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (real person)	-	-	-
Overdraft account-FC (real person)	-	-	-
Total	10.014	2.514.779	2.524.793

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (continued):

d. Information on Consumer loans, Retail Credit Cards, Loans Given to Personnel and Personnel Credit Cards (Continued):

Prior Period	Medium and long-term		Total
	Short-term		
Consumer loans-TL	29.773	2.738.070	2.767.843
Housing loans	11.877	2.596.282	2.608.159
Vehicle loans	5.470	120.900	126.370
Consumer loans	12.426	20.888	33.314
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Retail credit cards-TL	-	-	-
With installment	-	-	-
Without installment	-	-	-
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	139	3.498	3.637
Housing loans	-	2.061	2.061
Vehicle loans	139	1.273	1.412
Consumer loans	-	164	164
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TL	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (Real Person)	-	-	-
Overdraft account-FC (Real Person)	-	-	-
Total	29.912	2.741.568	2.771.480

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I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued):

e. Information on Commercial Loans With Installments and Corporate Credit Cards:

Current Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	2.408.376	2.661.620	5.069.996
Business loans	36.983	93.069	130.052
Vehicle loans	1.562.217	1.283.272	2.845.489
Consumer loans	809.176	1.285.279	2.094.455
Other	-	-	-
Commercial installment loans-FC indexed	-	-	-
Business loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Commercial installment Loans-FC	53.758	385.768	439.526
Business loans	-	15.445	15.445
Vehicle loans	46.020	275.599	321.619
Consumer loans	7.738	94.724	102.462
Other	-	-	-
Corporate credit cards-TL	-	-	-
With installment	-	-	-
Without installment	-	-	-
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	869.000	-	869.000
Overdraft account-FC (Legal Entity)	3.671.116	-	3.671.116
Total	7.002.250	3.047.388	10.049.638
Prior Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	2.069.630	3.501.720	5.571.350
Business loans	155.018	166.685	321.703
Vehicle loans	1.624.565	2.058.795	3.683.360
Consumer loans	290.047	1.276.240	1.566.287
Other	-	-	-
Commercial installment loans-FC indexed	-	-	-
Business loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Commercial installment Loans-FC	20.841	197.230	218.071
Business loans	-	23.065	23.065
Vehicle loans	18.409	112.867	131.276
Consumer loans	2.432	61.298	63.730
Other	-	-	-
Corporate credit cards-TL	-	-	-
With installment	-	-	-
Without installment	-	-	-
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	17.488	-	17.488
Overdraft account-FC (Legal Entity)	1.888	-	1.888
Total	2.109.847	3.698.950	5.808.797

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued):

f. Allocation of Loans by Customers:

	Current Period	Prior Period
Public	3.290.413	5.232.563
Private	111.217.506	62.066.897
Total	114.507.922	67.299.460

g. Breakdown of Domestic and Foreign Loans:

The distribution of loans excluding non-performing loans is as follows:

	Current Period	Prior Period
Domestic loans	112.200.016	65.692.541
Foreign loans	2.307.906	1.606.919
Total	114.507.922	67.299.460

h. Loans Granted to Subsidiaries and Associates:

None (December 31, 2023: None).

i. Default Provisions for Loans (Third Stage) Provisions:

	Current Period	Prior Period
Loans and Receivables with Limited Collectability	190.249	20.019
Doubtful Loans and Other Receivables	142.655	23.905
Uncollectible Loans and Receivables	167.854	139.163
Total	500.758	183.087

j. Information on Non-performing Loans and Receivables (Net):

j.1) Non-Performing Loans and Receivables Which are Restructured or Rescheduled:

None (December 31, 2023: None).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued):

j.2) Movements of Non-Performing Loans:

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Current Period			
Closing balance of prior period	42.980	39.959	159.937
Additions in the current period (+)	983.342	107.323	29.278
Transfers from other categories of non-performing loans (+)	-	578.091	178.456
Transfers to other categories of non-performing loans (-)	578.091	178.456	-
Collections in the current period (-)	164.538	66.069	65.362
Write offs (-)	-	-	-
Sales (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	283.693	480.848	302.309
Provision (-)	132.456	265.244	251.331
Net balance at the balance sheet	151.237	215.604	50.978

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibility	Loans and receivables with doubtful collectibility	Uncollectible loans and receivables
Prior Period			
Closing balance of prior period	35.852	27.204	30.320
Additions in the current period (+)	205.681	125.511	122.876
Transfers from other categories of non-performing loans (+)	-	76.412	61.424
Transfers to other categories of non-performing loans (-)	76.412	61.424	-
Collections in the current period (-)	122.141	127.744	54.683
Write offs (-)	-	-	-
Sales (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	42.980	39.959	159.937
Provision (-)	20.019	23.905	139.163
Net balance at the balance sheet	22.961	16.054	20.774

j.3) Non-Performing Loans and other Receivables in Foreign Currencies:

	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collection	Loss Loans
Current Period			
End of Period Balance	5.310	3.509	16.948
Provision Amount (-)	2.503	2.074	15.850
Net Balance	2.807	1.435	1.098
Prior Period			
End of Period Balance	-	11.228	16.121
Provision Amount (-)	-	6.917	11.926
Net Balance	-	4.311	4.195

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued):

j.4) Gross and Net Non-Performing Loans and Other Receivables Per Customer Categories:

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible loans
Current Period (Net)	151.237	215.604	50.978
Loans to individuals and corporates (gross)	283.693	480.848	302.309
Provision (-)	132.456	265.244	251.331
Loans to individuals and corporates (net)	151.237	215.604	50.978
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	-
Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)	22.961	16.054	20.774
Loans to Real Persons and Legal Entities (Gross)	42.980	39.959	159.937
Specific provision (-)	20.019	23.905	139.163
Loans to Real Persons and Legal Entities (Net)	22.961	16.054	20.774
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	-
Provision (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

j.5) Information on Profit Share Accrual Accruals and Valuation Differences Calculated for Non-Performing Loans by Banks Allocating Expected Credit Losses According to TFRS 9 and Their Equivalents:

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible loans
Current Period (Net)	17.328	35.698	2.589
Profit share accruals and valuation differences	32.504	79.615	15.355
Provisions (-)	15.176	43.917	12.766
Prior Period (Net)	1.469	1.049	1.488
Profit share accruals and valuation differences	2.416	2.637	8.124
Provisions (-)	947	1.588	6.636

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I. Explanations and Notes Related to Consolidated Assets (Continued):

6. Information on Loans (Continued)

k) Liquidation Policy for Uncollectible Loans and Other Receivables:

The Parent Bank initiates a legal process for the collection of receivables arising from credit transactions. The debtor’s and debtor related’s assets’ together with process of cash conversion of the collaterals which constitute of the Parent Bank receivables will be processed by the Parent Bank and in addition to this process the Parent Bank will try to collect and liquidate its receivables through administrative ways.

l) Information on “Write-Off” Policies:

In accordance with Article 8 of the "Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions to be Reserved for them", loans classified under “Fifth Group Loans of Loss” and which does not have reasonable expectations regarding the recovery of loans with a lifetime expected due to the default of the debtor or the provision of special provisions can be deducted from the records within the scope of TFRS 9 as of the first reporting period following their classification in this group. Deducting loans from records is an accounting practice that has no effect on withdrawal.

It is an accounting practice to deduct loans that do not have the possibility to collect from the records within the scope of the above provision, does not mean that result in giving up the right to receivable.

The general policy of the Bank is to write-off the receivables which are deemed to be impossible to collect during the legal follow-up process from the assets in accordance with the decision taken by the top management of the bank. There is no cancellation of the loans brought because it is believed that it will not be possible to collect it in 2024. (December 31, 2023: None).

7. Information on Financial Assets Measured at Amortized Cost:

a) Information on Government Debt Securities Measured at Amortized Cost:

	Current Period	Prior Period
Government Bonds	-	-
Treasury Bills	-	-
Other Government Securities	15.089.119	16.692.053
Total	15.089.119	16.692.053

b) Information on Investment Securities Measured at Amortized Cost:

	Current Period	Prior Period
Debt Securities	15.089.119	16.692.053
Quoted on a stock Exchange	10.403.523	9.592.906
Unquoted (*)	4.685.596	7.099.147
Share certificates	-	-
Quoted on a stock exchange	-	-
Unquoted	-	-
Impairment Provision (-)	-	-
Total	15.089.119	16.692.053

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I. Explanations and Notes Related to Consolidated Assets (Continued):

7. Information on Financial Assets Measured at Amortized Cost (Continued):

c) Information on Movements of Financial Assets Measured at Amortized Cost:

	Current Period	Prior Period
Balance at beginning of period	16.692.053	10.440.441
Foreign currency differences on monetary assets (*)	875.820	3.751.612
Purchases during period	4.759.960	2.500.000
Disposals through sales and redemptions	(7.238.714)	-
Impairment provision (-)	-	-
Closing Balance	15.089.119	16.692.053

(*) This amount includes TL 159.293 (December 31, 2023: TL 1.490.267) income accrual.

8. Information on Lease Receivables (Net):

a. Presentation of Remaining Maturities of Funds Lent Under Finance Lease Method:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	68.216	65.599	131.241	118.085
1 to 4 years	391.109	368.918	298.224	255.068
More than 4 years	-	-	11.400	9.673
Total	459.325	434.517	440.865	382.826

b. Information on Net Investments Through Finance Lease:

	Current Period	Prior Period
Finance lease receivables (gross)	459.325	440.865
Unearned finance lease receivable (-)	24.808	58.039
Receivable from finance leases (net)	434.517	382.826

c. General Explanation on Finance Lease Contracts:

Finance lease contracts are realized in accordance with the related articles of Finance Lease, Factoring and Financing Companies Act numbered 6361. There are no restrictions due to finance lease contracts, no renewals or contingent rent payments that materially affect the financial statements.

Information on leasing receivables:

	Standard Loans	Leasing Receivables Under Close Monitoring		
		Leasing receivables not subject to restructured loans	Restructured or rescheduled Leasing Receivables with Revised Contract Terms	Refinance
Current Period	424.659	-	9.858	-
Finance lease receivables (Net)		-		-
Prior Period	382.826	-	-	-
Finance lease receivables (Net)		-	-	-

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

9. Information on Assets Held for Sale and Assets of Discontinued Operations:

Financial assets held for sale consist of tangible assets acquired due to receivables.

	Current Period	Prior Period
Opening balance	8.283	5.242
Additions	176.062	4.164
Disposals	18.282	1.123
Transfers	-	-
Impairment Provision (-)	-	-
Closing balance	166.063	8.283

(*) This amount includes TL 141.950 income accrual. (December 31, 2023 None.)

10. Information on associates

a. Information on Investments in Associates (Net):

a.1 Information on Non-Consolidated Associates:

The Parent Bank became a shareholder of Katılım Finans Kefalet A.Ş., which was established for the purpose of creating a guarantee system in accordance with the principles and principles of Participation Banking, with a participation fee of 22.500 TL on April 30, 2023 and 22.500 TL on July 31, 2024, for a total of 67.500 TL. The total capital of the company is 600.000 TL and the Bank's total participation amount is 90.000 TL, which corresponds to 15%. The remaining 22.500 TL will be paid within 2 years. There is a member of the board of directors in the company to represent the Bank's shares.

Name	Address (City/Country)	Bank's share percentage - if different voting percentage (%)	Percentage of other shareholders (%)
Katılım Finans Kefalet A.Ş.	İstanbul/Türkiye	% 15	% 85

	Current Period	Prior Period
Balance at the beginning of the year	22.500	-
Movements during the year	-	-
Capital Increment	45.000	22.500
Purchasing / New Company Establishment	-	-
Bonus Shares Received	-	-
Dividends from current year income	-	-
Sales	-	-
Reveluation increase	-	-
Impairment provision (-)	-	-
Balance at the end of the year	67.500	22.500
Capital commitments	22.500	67.500
Share percentage at the end of the year (%)	15	15

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

I. Explanations and Notes Related to Consolidated Assets (Continued):

10. Information on Associates:

a.1 Information on Non-Consolidated Associates (Continued):

a.2 Information About Consolidated Associates:

None. (December, 31 2023: None.).

b. Information on Subsidiaries (Net):

b.1 Information on Unconsolidated Non-Financial Subsidiaries:

Emlak Menkul Değerler A.Ş., which is owned by the Parent Bank by 50%, has been reported to be bankrupt in the Audit Report prepared by Court of Account dated October 31, 2018. Emlak Menkul Değerler A.Ş. has not been consolidated as of December 31, 2024 and December 31, 2023.

b.2 Information on Consolidated Subsidiaries:

Emlak Varlık Kiralama A.Ş., which is a 100% subsidiaries of the Parent Bank was established and registered to the trade registry in August 5, 2019 with the permission taken from “Banking Regulation and Supervision Agency” and “Capital Markets Board of Türkiye”. Emlak Varlık Kiralama A.Ş. has been founded to operate lease certificate according to rulings of Capital Markets Board of Türkiye which was dated June 7, 2013 and numbered 28760 serial: 3 no: 61.1 published in Official Gazette. Emlak Varlık Kiralama A.Ş. was established and began to operate on August 5, 2019 with TL 50 capital amount paid by the Main Shareholder Parent Bank.

Emlak Katılım Varlık Kiralama A.Ş., 100% subsidiaries of the Parent Bank was established and registered to the trade registry in January 20, 2020 with the permission taken from “Banking Regulation and Supervision Agency” and “Capital Markets Board of Türkiye”. Within the framework of the CMB's Communiqué on Lease Certificates (III-61.1) published in the Official Gazette dated June 7, 2013 and numbered 28760, Emlak Katılım Varlık Kiralama A.Ş. was established on December 16, 2019, with a capital of TL 50 and started its activity.

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I. Explanations and Notes Related to Consolidated Assets (Continued):

10. Information on Associates:

b.2 Information on Consolidated Subsidiaries:

	Name	Adress (City/Country)	Operating Subject	Bank's share percentage (%)	Direct and Indirect Share Percentages (%)
1	Emlak Varlık Kiralama A.Ş.	İstanbul/Türkiye	Issuance of Lease Certificate	100	100
2	Emlak Katılım Varlık Kiralama A.Ş.	İstanbul/Türkiye	Issuance of Lease Certificate	100	100

The values stated in the table below are taken from the audited financial statements of Emlak Varlık Kiralama A.Ş. and Emlak Katılım Varlık Kiralama A.Ş.'s dated December 31, 2023, which have not been subjected to inflation accounting.

Name	Total Assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period income /loss	Prior period income /loss	Fair Value
Emlak Varlık Kiralama A.Ş.	8.001.667	45.264	-	2.863.505	-	26.750	18.454	-
Emlak Katılım Varlık Kiralama A.Ş.	15.737.928	122	-	5.277.741	-	72	-	-

b.2.1 Movement Information on Subsidiaries:

	Current Period	Prior Period
Amount at the beginning of the period	-	-
Movements inside the term	-	-
Purchases / new incorporations	-	-
Bonus shares	-	-
Profit received from current year share	-	-
Sales	-	-
Revaluation increases	-	-
Impairments	-	-
Amount at the end of the period	-	-
Capital commitments	-	-
Share of the capital at the end of the period (%)	-	-

b.2.2 Information on Investments in Joint-Ventures:

None. (December 31, 2023: None.).

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I. Explanations and Notes Related to Consolidated Assets (Continued):

11. Information on Tangible Assets:

Current Period	Immovables(*)	Leased tangible assets	Vehicles	Other TA	Total
Cost					
Opening balance: January 1, 2023	737.636	-	181.399	346.931	1.265.966
Additions	328.490	-	11.171	78.893	418.554
Revaluation differences	-	-	-	-	-
Disposals	-	-	-	(755)	(755)
Impairment losses(-)/	-	-	-	-	-
Reversal of impairment	-	-	-	-	-
Transfers	(99.721)	-	(13.385)	113.106	-
Ending balance: December 31, 2023	966.405	-	179.185	538.175	1.683.765
Accumulated depreciation (-)					
Opening balance: January 1, 2023	130.239	-	39.673	173.198	343.110
Depreciation expense	77.217	-	32.246	84.240	193.703
Reversal of depreciation of the disposed assets	-	-	-	612	612
Transfers	-	-	-	-	-
Ending balance: December 31, 2023	207.456	-	71.919	258.050	537.425
Total cost at the end of the year	966.405	-	179.185	538.175	1.683.765
Total accumulated depreciation at the end of the year	(207.456)	-	(71.919)	(258.050)	(537.425)
Closing net book values	758.949	-	107.266	280.125	1.146.340

(*) As of December 31, 2024, historical value of movables and real estates that are accounted for as a right of use is amounting to TL 966.405 (December 31, 2023: TL 737.636), in accordance with the "IFRS 16 Leases" standard, and the depreciation amount is TL 207.456. (December 31, 2023: TL 130.239)

Prior Period	Immovables(*)	Leased tangible assets	Vehicles	Other TA	Total
Cost					
Opening balance: January 1, 2023	274.238	-	76.793	277.823	628.854
Additions	464.198	-	105.625	69.108	638.931
Revaluation differences	-	-	-	-	-
Disposals	(800)	-	(1.019)	-	(1.819)
Impairment losses(-)/	-	-	-	-	-
Reversal of impairment	-	-	-	-	-
Transfers	-	-	-	-	-
Ending balance: December 31, 2023	737.636	-	181.399	346.931	1.265.966
Accumulated depreciation (-)					
Opening balance: January 1, 2023	67.955	-	20.089	108.522	196.566
Depreciation expense	62.284	-	19.451	64.584	146.319
Reversal of depreciation of the disposed assets	-	-	133	92	225
Transfers	-	-	-	-	-
Ending balance: December 31, 2023	130.239	-	39.673	173.198	343.110
Total cost at the end of the year	737.636	-	181.399	346.931	1.265.966
Total accumulated depreciation at the end of the year	(130.239)	-	(39.673)	(173.198)	(343.110)
Closing net book values	607.397	-	141.726	173.733	922.856

(*) As of December 31, 2023, historical value of movables and real estates that are accounted for as a right of use is amounting to TL 737.636 (December 31, 2022: TL 274.238), in accordance with the "IFRS 16 Leases" standard, and the depreciation amount is TL 130.239. (December 31, 2022: TL 67.995)

12. Information on Tangible Assets:

Current Period	Intangible Assets
Cost	
Opening balance: January 1, 2024	314.431
Additions	347.426
Disposals	-
Ending balance: December 31, 2024	661.857
Accumulated depreciation(-)	
Opening balance: January 1, 2024	(64.067)
Depreciation expense	(49.733)
Reversal of depreciation of the disposed assets	-
Ending balance: December 31, 2024	(113.800)
Total cost at the end of the year	661.857
Total accumulated depreciation at the end of the year	(113.800)
Closing Net Book Value	548.057

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I. Explanations and Notes Related to Consolidated Assets (Continued):

12. Information on Tangible Assets (Continued):

Prior Period	Intangible Assets
Cost	
Opening balance: January 1, 2023	151.026
Additions	163.405
Disposals	-
Ending balance: December 31, 2023	314.431
Accumulated depreciation(-)	
Opening balance: January 1, 2023	(50.613)
Depreciation expense	(13.454)
Reversal of depreciation of the disposed assets	-
Ending balance: December 31, 2023	(64.067)
Total cost at the end of the year	314.431
Total accumulated depreciation at the end of the year	(64.067)
Closing Net Book Value	250.364

13. Information on Investment Property:

None (December 31, 2023: None.).

14. Information Related to Deferred Tax Asset:

	Current Period	Prior Period
Lease certificates rediscount income	2.606.403	1.060.819
Free provisions allocated for possible losses	2.250.239	855.130
Expected Loss Provisions	239.329	187.412
Provisions for retirement premium and vacation pay liabilities	351.444	96.952
Prepaid wages and commissions and unearned income	108.001	110.388
Securities valuation differences	153.623	72.000
TFRS 16 allowance	19.656	19.999
Derivative financial instruments	13.986	8.160
Other debt and expense provisions	731.213	438.936
Deferred tax asset	6.473.894	2.849.796
Valuation differences on marketable securities	-	307.628
Derivative financial instruments	28.815	769
Profit share rediscount	1.875.146	796.854
Difference between book value and tax value of tangible fixed assets	82.905	26.200
Other	-	-
Deferred tax liability	1.986.866	1.131.451
Deferred tax asset (Net)	4.487.028	1.718.345

15. Breakdown of Items in Other Assets Except Commitments Presented in Off-Balance Sheet, Which Exceed 10% of the Balance Sheet Total and Breakdown of Items Which Constitute at Least 20% of Grand Total:

As of the balance sheet date, the Group's total other assets are 3.105.263 TL (December 31, 2023: 2.487.890 TL) and do not exceed 10% of the total assets.

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II. Explanations and Notes Related to Consolidated Liabilities:

1. Information on Funds Collected:

a. Information on Maturity Structure of Funds Collected:

Current Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts Non-Trade TL	951.719	-	-	-	-	-	-	-	951.719
II. Real Persons Participation Accounts Non-Trade TL(*)	-	2.929.355	1.002.487	386.374	163.446	188.545	107.816	-	4.778.023
III. Current Account other-TL	6.044.875	-	-	-	-	-	-	-	6.044.875
Public Sector	418.333	-	-	-	-	-	-	-	418.333
Commercial Institutions	5.309.843	-	-	-	-	-	-	-	5.309.843
Other Institutions	27	-	-	-	-	-	-	-	27
Commercial and Other Institutions	107.652	-	-	-	-	-	-	-	107.652
Banks and Participation Banks	209.020	-	-	-	-	-	-	-	209.020
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	209.020	-	-	-	-	-	-	-	209.020
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	29.426.145	16.082.586	2.243.890	673.890	2.226.611	-	-	50.653.122
Public Sector	-	13.361.213	6.721.826	1.000.838	370.258	1.205.427	-	-	22.659.562
Commercial Institutions	-	11.865.782	3.211.772	1.142.403	303.632	6.105	-	-	16.529.694
Other Institutions	-	2.213.350	3.239.027	-	-	1.015.079	-	-	6.467.456
Commercial and Other Institutions	-	399.521	839.408	-	-	-	-	-	1.238.929
Banks and Participation Banks	-	1.586.279	2.070.553	100.649	-	-	-	-	3.757.481
V. Real Persons Current Accounts Non-Trade FC	15.708.669	-	-	-	-	-	-	-	15.708.669
VI. Real Persons Participation Accounts Non-Trade FC	-	5.721.741	10.014.021	40.648	30.395	10.781	-	-	15.817.586
VII. Other Current Accounts FC	45.494.664	-	-	-	-	-	-	-	45.494.664
Residents in Türkiye-Corporate	20.499.045	-	-	-	-	-	-	-	20.499.045
Residents Abroad-Corporate	22.689.645	-	-	-	-	-	-	-	22.689.645
Banks and Participation Banks	2.305.974	-	-	-	-	-	-	-	2.305.974
Central Bank of Türkiye	141.412	-	-	-	-	-	-	-	141.412
Domestic Banks	1.737.651	-	-	-	-	-	-	-	1.737.651
Foreign Banks	426.911	-	-	-	-	-	-	-	426.911
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other-FC	-	16.560.953	3.468.445	369.121	115.981	-	-	-	20.514.500
Public sector	-	445.478	226.592	-	-	-	-	-	672.070
Commercial institutions	-	11.243.396	2.770.363	369.121	115.981	-	-	-	14.498.861
Other institutions	-	675.541	3.169	-	-	-	-	-	678.710
Commercial and Other Institutions	-	4.136.475	468.321	-	-	-	-	-	4.604.796
Banks and Participation Banks	-	60.063	-	-	-	-	-	-	60.063
IX. Precious Metals Deposits	2.842.175	2.264.043	667.257	66.226	1.568	5.472	145	-	5.846.886
X. Participation Accounts Special Fund Pools TL	-	358.625	461.816	6.013	-	-	-	-	826.454
Residents in Türkiye	-	358.625	461.816	6.013	-	-	-	-	826.454
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	71.042.102	57.260.862	31.696.612	3.112.272	985.280	2.431.409	107.961	-	166.636.498

(*) Participation account balance, 31696 dated 21 December 2021, "Foreign Exchange Convertible Exchange Rate Protected" It also includes the balances of 892.480 TL opened within the scope of "Turkish Lira Time Deposit" and 1.696.124 TL opened within the scope of the product "YUVAM Accounts" published in the Official Gazette dated 1 February 2022 and numbered 31737.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

1. Information on Funds Collected (Continued):

a. Information on Maturity Structure of Funds Collected (Continued):

Prior Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts Non-Trade TL	781.376	-	-	-	-	-	-	-	781.376
II. Real Persons Participation Accounts Non-Trade TL(*)	-	9.436.238	3.687.463	883.373	190.795	713.409	227.127	-	15.138.405
III. Current Account other-TL	6.301.157	-	-	-	-	-	-	-	6.301.157
Public Sector	95.068	-	-	-	-	-	-	-	95.068
Commercial Institutions	3.806.827	-	-	-	-	-	-	-	3.806.827
Other Institutions	1	-	-	-	-	-	-	-	1
Commercial and Other Institutions	36.755	-	-	-	-	-	-	-	36.755
Banks and Participation Banks	2.362.506	-	-	-	-	-	-	-	2.362.506
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	2.362.506	-	-	-	-	-	-	-	2.362.506
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	21.335.831	10.912.720	509.179	19.617	2.040.700	-	-	34.818.047
Public Sector	-	5.997.846	1.334.736	244.220	-	6.063	-	-	7.582.865
Commercial Institutions	-	12.512.878	5.327.649	139.351	14.952	1.591.822	-	-	19.586.652
Other Institutions	-	1.699.819	37.316	-	-	-	-	-	1.737.135
Commercial and Other Institutions	-	1.022.832	2.803.886	125.608	4.665	442.815	-	-	4.399.806
Banks and Participation Banks	-	102.456	1.409.133	-	-	-	-	-	1.511.589
V. Real Persons Current Accounts Non- Trade FC	26.522.486	-	-	-	-	-	-	-	26.522.486
VI. Real Persons Participation Accounts Non-Trade FC	-	3.493.552	248.923	42.297	61.886	33.363	10.344	-	3.890.365
VII. Other Current Accounts FC	55.255.620	-	-	-	-	-	-	-	55.255.620
Residents in Türkiye- Corporate	17.684.685	-	-	-	-	-	-	-	17.684.685
Residents Abroad- Corporate	36.804.911	-	-	-	-	-	-	-	36.804.911
Banks and Participation Banks	766.024	-	-	-	-	-	-	-	766.024
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	-	-	-	-	-	-
Foreign Banks	766.024	-	-	-	-	-	-	-	766.024
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other-FC	-	3.661.601	570.150	55.690	135	855	-	-	4.288.431
Public sector	-	153.936	-	-	-	-	-	-	153.936
Commercial institutions	-	2.821.103	507.954	55.690	135	855	-	-	3.385.737
Other institutions	-	6.013	1.963	-	-	-	-	-	7.976
Commercial and Other Institutions	-	680.549	60.233	-	-	-	-	-	740.782
Banks and Participation Banks	-	-	-	-	-	-	-	-	-
IX. Precious Metals Deposits	2.034.626	1.089.434	389.630	22.634	1.508	2.953	-	-	3.540.785
X. Participation Accounts Special Fund Pools TL	-	269.058	254.212	-	404.524	14.508	-	-	942.302
Residents in Türkiye	-	269.058	254.212	-	404.524	14.508	-	-	942.302
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	90.895.265	39.285.714	16.063.098	1.513.173	678.465	2.805.788	237.471	-	151.478.974

(*) Participation account balance, 3,393.717 TL "Exchange Rate Protected Turkish Lira Time Deposit" opened within the scope of the announcement of the Ministry of Treasury and Finance of the Republic of Türkiye dated 24 December 2021, the product "Foreign Currency Conversion" published by the CBRT in the Official Gazette No. 31696 dated 21 December 2021. It also includes the balances of 5,629.942 TL opened within the scope of "Exchange-Protected Turkish Lira Time Deposit" and 7,524.046 TL opened within the scope of the product "Yuvam Accounts" published in the Official Gazette dated 1 February 2022 and numbered 31737.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

1. Information on Funds Collected (Continued):

b) Saving Deposits and Other Deposits Accounts Insured by Saving Deposit Insurance Fund:

b.1) Exceeding the limit of Insurance Fund:

Information on real persons' current and participation accounts not subject to trading transactions under the guarantee of insurance and exceeding the limit of Insurance Fund:

	Under the guarantee of Insurance		Exceeding the guarantee of Insurance	
	Current Period	Prior Period	Current Period	Prior Period
Real persons' current and participation accounts not subject to trading transactions	5.310.927	3.892.726	37.415.268	46.003.044
Turkish Lira accounts	2.150.599	1.722.154	4.394.603	15.134.112
Foreign currency accounts	3.160.328	2.170.572	33.020.665	30.868.932
Foreign branches' deposits subject to foreign authorities insurance	-	-	-	-
Off-shore deposits under foreign authorities' insurance	-	-	-	-

Information on legal persons' current and participation accounts under the guarantee of insurance and exceeding the limit of Insurance Fund:

	Under the guarantee of Insurance		Exceeding the guarantee of Insurance	
	Current Period	Prior Period	Current Period	Prior Period
Legal persons' current and participation accounts	3.708.942	2.342.310	90.131.749	86.433.036
Turkish Lira accounts	1.598.473	1.122.028	28.034.415	28.429.929
Foreign currency accounts	2.110.469	1.220.282	62.097.334	58.003.107
Foreign branches' deposits subject to foreign authorities insurance	-	-	-	-
Off-shore deposits under foreign authorities' insurance	-	-	-	-

Funds collected by Participation Banks (except foreign branches) from current and participation accounts denominated in Turkish Lira or foreign currency up to a limit of maximum TL 950 (including both capital and profit shares) for each real person is under the guarantee of Saving Deposit Insurance Fund in accordance with the Banking Law numbered 5411.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

1. Information on Funds Collected (Continued):

b) Saving Deposits and Other Deposits Accounts Insured by Saving Deposit Insurance Fund:

b.2) Funds Collected Which are Not Under the Guarantee of Insurance Fund:

Funds collected of real persons which are not under the guarantee of insurance fund:

	Current Period	Prior Period
Foreign Branches' Profit-Sharing Accounts and Other Accounts	-	-
Profit Sharing Accounts and Other Accounts of Controlling Shareholders and Profit-Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	-	-
Profit Sharing Accounts and Other Accounts of Chairman and Members of Board of Directors or Managers, General Manager and Assistant General Managers and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	11.421	2.263
Profit Sharing Accounts and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Profit Sharing Accounts in Participation Banks Established in Türkiye in order to engage solely in Off-Shore Banking Activities	-	-

Funds collected of legal persons which are not under the guarantee of insurance fund:

	Current Period	Prior Period
Foreign Branches' Profit-Sharing Accounts and Other Accounts	-	-
Profit Sharing Accounts and Other Accounts of Controlling Shareholders and Profit-Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	-	-
Profit Sharing Accounts and Other Accounts of Chairman and Members of Board of Directors or Managers, General Manager and Assistant General Managers and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	37.732	17.944
Profit Sharing Accounts and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Profit Sharing Accounts in Participation Banks Established in Türkiye in order to engage solely in Off-Shore Banking Activities	-	-

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

2. Information on Funds Borrowed:

a.1 Information on Types of Funds Borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Syndication loans	-	-	-	-
Wakala	188.750	812.046	242.905	1.004.966
Loans obtained from lease certificates issued (Sukuk)	-	-	-	-
Other	-	1.411.034	-	-
Total	188.750	2.223.080	242.905	1.004.966

a.2 Information on Banks and Other Financial Institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from CBRT	-	-	-	-
Loans from domestic banks and institutions	47.750	463.290	242.905	472.290
Loans from foreign banks, institutions and funds	141.000	1.759.790	-	532.676
Total	188.750	2.223.080	242.905	1.004.966

a.3 Maturity Analysis of Funds Borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	173.646	469.511	68.220	547.638
Medium and Long-Term	15.104	1.753.569	174.685	457.328
Total	188.750	2.223.080	242.905	1.004.966

b. Additional Disclosures on Concentration Areas of Parent Bank’s Liabilities:

The Parent Bank does not have concentration on customer or sector group providing funds (December 31, 2023: None).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

3. Information on Securities Issues:

Emlak Katılım Varlık Kiralama A.Ş., the subsidiary of the Group to raise funds from various investors. The Lease Certificate issuance transactions carried out through the company are as follows:

Date of issue	Amount of Issue	Currency	Maturity	Share of Profit Rate % (*)
December 27, 2023 Wednesday	195.320.000	TL	January 3, 2025 Friday	Fixed Rate
January 4, 2024 Thursday	200.000.000	TL	January 14, 2025 Tuesday	Fixed Rate
January 19, 2024 Friday	500.000.000	TL	January 31, 2025 Friday	Fixed Rate
January 19, 2024 Friday	389.000.000	TL	January 31, 2025 Friday	Fixed Rate
February 5, 2024 Monday	300.000.000	TL	February 28, 2025 Friday	Fixed Rate
February 7, 2024 Wednesday	169.000.000	TL	February 28, 2025 Friday	Fixed Rate
March 7, 2024 Thursday	658.000.000	TL	March 28, 2025 Friday	Fixed Rate
March 7, 2024 Thursday	500.000.000	TL	March 28, 2025 Friday	Fixed Rate
March 7, 2024 Thursday	300.000.000	TL	March 28, 2025 Friday	Fixed Rate
April 4, 2024 Thursday	140.000.000	TL	April 30, 2025 Wednesday	Fixed Rate
April 19, 2024 Friday	134.000.000	TL	April 30, 2025 Wednesday	Fixed Rate
May 7, 2024 Tuesday	200.000.000	TL	May 30, 2025 Friday	Fixed Rate
May 8, 2024 Wednesday	121.500.000	TL	May 30, 2025 Friday	Fixed Rate
May 15, 2024 Wednesday	320.000.000	TL	May 30, 2025 Friday	Fixed Rate
May 16, 2024 Thursday	300.000.000	TL	May 14, 2026 Thursday	Fixed Rate
June 7, 2024 Friday	200.000.000	TL	June 27, 2025 Friday	Fixed Rate
June 28, 2024 Friday	200.000.000	TL	July 18, 2025 Friday	Fixed Rate
July 3, 2024 Wednesday	308.000.000	TL	July 9, 2025 Wednesday	Fixed Rate
July 10, 2024 Wednesday	450.000.000	TL	August 1, 2025 Friday	Fixed Rate
August 5, 2024 Monday	300.000.000	TL	August 3, 2026 Monday	Fixed Rate
September 23, 2024 Monday	300.000.000	TL	September 21, 2026 Monday	Fixed Rate
October 25, 2024 Friday	1.500.000.000	TL	January 30, 2025 Thursday	Fixed Rate
November 1, 2024 Friday	101.000.000	TL	February 7, 2025 Friday	Fixed Rate
November 8, 2024 Friday	1.000.000.000	TL	February 14, 2025 Friday	Fixed Rate
November 13, 2024 Wednesday	200.000.000	TL	February 12, 2025 Wednesday	Fixed Rate
November 29, 2024 Friday	350.000.000	TL	March 7, 2025 Friday	Fixed Rate
December 3, 2024 Tuesday	350.000.000	TL	January 27, 2026 Tuesday	Fixed Rate
December 5, 2024 Thursday	1.250.000.000	TL	May 28, 2025 Wednesday	Fixed Rate
December 6, 2024 Friday	101.000.000	TL	January 30, 2026 Friday	Fixed Rate
December 9, 2024 Monday	210.000.000	TL	February 2, 2026 Monday	Fixed Rate
December 10, 2024 Tuesday	200.000.000	TL	March 12, 2025 Wednesday	Fixed Rate
December 11, 2024 Wednesday	290.000.000	TL	March 27, 2025 Thursday	Fixed Rate
December 12, 2024 Thursday	500.000.000	TL	March 14, 2025 Friday	Fixed Rate
December 19, 2024 Thursday	1.000.000.000	TL	April 4, 2025 Friday	Fixed Rate
December 20, 2024 Friday	370.000.000	TL	April 16, 2025 Wednesday	Fixed Rate
December 20, 2024 Friday	115.000.000.000	TL	April 10, 2025 Thursday	Fixed Rate

a. Spreadsheet on Securities Issued:

	Current Period		Prior Period	
	TP	YP	TP	YP
Lease Certificate	15.432.580	-	8.730.931	-
Total	15.432.580	-	8.730.931	-

4. Information on Derivative Financial Liabilities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	1.090	17.487	2.612	-
Swap Transactions	11.995	-	24.587	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	13.085	17.487	27.199	-

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II. Explanations and Notes Related to Consolidated Liabilities (Continued):

5. Information on Finance Lease Payables (Net):

	Current Period		Prior Period	
	TL	FC	TL	FC
Less than 1 year	129.855	-	83.294	-
Between 1-5 years	524.888	-	330.463	-
Over 5 years	85.222	-	93.562	-
Total	739.965	-	507.319	-

6. Information on Hedging Derivative Financial Liabilities:

None (December 31, 2023: None).

7. Information on Provisions:

a. Information on Provisions for Employee Rights:

As of the balance sheet date, the Group's severance pay provision amounting to 60.565 TL (31 December 2023: 32.146 TL), leave wages provision amounting to 1.300.000 TL (31 December 2023: 25.761 TL), performance bonus provision of 766.520 TL (31 December 2023: 501.000 TL), There is a total provision for employee rights of 1.416.000 TL (31 December 2023: 558.907 TL).

The group reflected the severance pay provision in the financial statements using the actuarial valuation method specified in TAS 19. In this context, the following actuarial assumptions were used in calculating total liabilities.

	Current Period	Prior Period
Discount rate (%)	26,67	24,60
Estimated increase rate of salary ceiling (%)	23,49	21,56
Reel discount rate	2,25	2,50

Movement of the reserve for employment termination benefits in the balance sheet is as follows:

	Current Period	Prior Period
Prior period at the end of period	32.146	38.248
Change in the period	14.366	25.471
Actuarial (gain)/loss	14.053	(31.573)
Balance at the end of period	60.565	32.146

b. Retirement benefits:

According to the technical balance sheet reports prepared using the technical interest rate of 9.80% specified in Law No. 5754, published in the Official Gazette No. 26870 on May 8, 2008, no technical deficit was reported for the Fund as of December 31, 2024, and December 31, 2023.

As of the balance sheet date, the Bank's liability related to benefits to be transferred to the Social Security Institution (SGK) corresponds to the estimated payment amount required at the time of transfer. The actuarial parameters and results used in measuring this amount reflect the provisions of Law No. 5754, published in the Official Gazette No. 26870 on May 8, 2008, regarding retirement and healthcare benefits to be transferred to SGK (such as a 9.80% real discount rate).

The liability amount for transfer-related benefits is calculated based on largely fixed and predetermined assumptions under the new law. However, the final amount of the Bank's liability at the time of transfer may vary depending on factors such as the discount rate, inflation, salary increases, number of participants, and attrition rates.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

7. Information on Provisions (Continued)

b. Retirement benefits (Continued):

	Cari Dönem	Önceki Dönem
Opening – Beginnig of Period Assets	20.411.236	9.609.837
Actual Return on Fund Assets	11.663.060	7.737.805
Employer Contributions	5.457.963	2.969.551
Employee Contributions	3.972.240	2.145.456
Paid Benefits -	(3.975.154)	(2.051.413)
Total Assets at Period End	37.529.345	20.411.236

According to the relevant Actuarial Report, the Fund's surplus amounts to 75.572.898 TL as of December 31, 2024 (December 31 2023: 42.138.296).

	Current Period	Prior Period
Non Medical Assets	37.529.345	20.411.236
Actual and Technical Overrun	75.572.898	42.138.296

The principal actuarial assumptions used are as follows:

Discount Rate	Current Period	Prior Period
Pension benefits transferable to SSI	9,80%	9,80%
Post employment medical benefits transferable to SSI	9,80%	9,80%

The distribution of the Fund's total assets as of December 31, 2024, and December 31, 2023, is shown below:

	Current Period	Prior Period
Banks	2.405.748	3.753.005
Tangible asset	7.260.000	4.800.000
Marketable securities	21.290.395	11.260.039
Other	6.573.202	598.192
Total	37.529.345	20.411.236

c. Other Provisions:

	Current Period	Prior Period
Free provisions allocated for possible losses (*)	7.500.000	2.850.432
Provisions allocated from profit shares to be distributed to profit sharing accounts	914.340	281.150
Non-cash loans first and second stage expected loss provisions	279.732	131.301
Provisions for cases on trial	9.644	4.552
Impairment provision	2.466	3.275
Total	8.706.182	3.270.710

(*) Total provision amounting to TL 7.500.000 includes TL 2.850.432 of which provided in prior year by the Bank management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation, TL 480.432 of which reversed in the current period and TL 5.130.000 of which reserved in the current period. (December 31, 2023: 2.850.432 TL).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

7. Information on Provisions (Continued):

d. Information on Provisions for Foreign Exchange Losses on Foreign Currency Indexed Loans and Financial Lease Receivables:

None. (December 31, 2023: None).

8. Information on Taxes Payable:

a. Explanations on Current Tax Liability:

a.1. Explanations on the Provision for Money:

As of December 31, 2024, the Group's remaining tax liability after deducting the provisional taxes paid from the corporate tax is 1.664.243 TL. (December 31, 2023: 1.082.213 TL).

a.2. Information on Taxes Payable:

	Current Period	Prior Period
Corporate tax payable	1.664.243	1.082.213
BSMV	151.699	83.987
Income tax deducted from wages	58.575	21.857
Income Tax on Securities	14.701	28.205
Foreign Exchange Transaction Tax	39.631	69.303
Value Added Tax Payable	26.534	11.876
Real Estate Capital Gains Tax	2.337	1.335
Other	21.593	2.021
Total	2.114.133	1.300.797

a.3. Information on Premiums:

	Current Period	Prior Period
Social security premiums-employee	39	3
Social security premiums-employer	27	2
Unemployment insurance-employee	26.315	12.392
Unemployment insurance-employer	39.073	18.158
Bank pension fund premium- employees	-	-
Bank pension fund premium- employer	-	-
Pension fund membership fees and provisions-employees	3.769	3.422
Pension fund membership fees and provisions- employer	1.882	1.702
Other	-	-
Total	71.105	35.679

9. Liabilities for Assets Held for Sale and Discontinued Operations:

None. (December 31, 2023: None.).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

10. Detailed Explanations on Number, Maturity, Profit Share Rate, Creditor and Option to Convert to Share Certificates; If Any, of Subordinated Loans:

Information on Subordinated Loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Borrowing Instruments to be Included in Additional Capital Calculation	-	7.664.460	-	7.078.467
Subordinated Loans	-	7.664.460	-	7.078.467
Subordinated Debt Instruments	-	-	-	-
Debt Instruments to be Included in the Contribution Capital Calculation	-	-	-	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	-	-	-
Total	-	7.664.460	-	7.078.467

As of March 31, 2024 the Group has a subordinated debt that the creditor is Türkiye Varlık Fonu Yönetimi A.Ş., with TRT240424F22 (ISIN Code): Issued on April 24, 2019, with an earliest repayment option of five years and a perpetual term, amounting to 100,000,000 Euros (full Euro value). TRT250232F15 (ISIN Code): Issued on March 9, 2022, with an earliest repayment option of ten years and a perpetual term, amounting to 31,688,489 Euros (full Euro value). TRT211229F12 (ISIN Code): Issued on December 30, 2024, with an earliest repayment option of five years and a perpetual term, amounting to 100,000,000 Euros (full Euro value). These debt instruments are zero profit sharing and do not include a conversion option into equity shares.

11. Breakdown of Items in Other Liabilities Which Exceed 10% of the Balance Sheet Total and Breakdown of Items Which Constitute at Least 20% of Grand Total:

As of the balance sheet date, the Group's total other liabilities amount to TL 3.992.047 (December 31, 2023: TL 3.017.694) and do not exceed 10% of the total liabilities.

12. Information on Shareholders' Equity:

a. Presentation of Paid-in Capital:

	Current Period	Prior Period
Common stock	1.026.915	1.026.915
Preferred stock	-	-

b. Paid-in Capital Amount, Explanation as to Whether the Registered Share Capital System is Applicable at the Group and if so, Amount of the Registered Share Capital Ceiling:

As of December 31, 2024 and December 31, 2023, the Parent Bank does not apply the registered share capital system.

c. Information on the Share Capital Increases During the Period and Their Sources; Other Information on Increased Capital in the Current Period:

None.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

II. Explanations and Notes Related to Consolidated Liabilities (Continued):

12. Information on Shareholders' Equity (Continued):

d. Information on Share Capital Increases From Capital Reserves During the Current Period:

There is no share capital increase from capital reserves during the current period.

e. Capital Commitments in the Last Fiscal Year and by the end of the Following Interim Period, General Purpose of These Commitments and Projected Resources Required to Meet These Commitments:

The Group has no capital commitments until the end of the last fiscal year and the following interim period.

f. Estimated Effects on the Shareholders Equity of the Group, of Predictions to be Made by Taking Into Account Previous Period Indicators Regarding the Bank's Income, Profitability and Liquidity, and Uncertainties Regarding Such Indicators:

The Group continues its operations in a profitable manner and majority of the profits are kept in shareholders' equity through transfer to reserves. Moreover, the Group's shareholders' equity is invested in liquid and earning assets.

g. Information on Privileges Given to Stocks Representing the Capital:

There is no privilege given to stocks representing the capital.

h. Information on Marketable Securities Valuation Reserve:

	Current Period		Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	-	-	-	-
Valuation difference (*)	(285.545)	77.602	671.615	108.884
Foreign exchange difference	-	-	-	-
Total	(285.545)	77.602	671.615	108.884

(*) The amount represents the net balance after deferred tax liability

i. Information on Other Capital Reserves:

As of December 31, 2024, the Group's Creditor Institution is Türkiye Varlık Vakfı Yönetimi A.Ş., with a maturity date of April 24, 2019, with a repayment option of five years at the earliest, amounting to EUR 100.000.000 (Full EUR), ISIN code TRT240424F22. EUR 100.000.000 (Full EUR) with a maturity of 2019 and a repayment option for five years at the earliest and the Creditor Institution is Türkiye Varlık Fonu Yönetimi A.Ş. The Company has a EUR 100.000.000 (Exact EUR) denominated loan with a maturity date of December 30, 2024, with a maturity date of March 9, 2022, with a ten-year repayment option at the earliest and a maturity of EUR 31.688.489 (Exact EUR), with a maturity date of March 9, 2022, with a ten-year repayment option at the earliest and with a maturity date of December 30, 2024, with a maturity date of December 30, 2024, with a five-year repayment option at the earliest and with an ISIN code of TRT211229F12, whose Creditor is TWF Market Stability and Equilibrium Sub-Fund. 000 (Full Euro) in total, the financial liability is recognized at fair value and the difference between the cost value and fair value is recognized in the "Other Capital Reserves" account in equity at the date of initial acquisition. Due to the partial amortization of the subordinated loan obtained in 2019, the difference between the cost value and fair value of TL 23.088, which was followed under other capital reserves account, was classified to retained earnings. The difference between the cost value and fair value of the subordinated loan obtained in 2024 is TL 74.501. This amount is monitored as an item to be reclassified to profit or loss and will be recognized in income and expense accounts through amortization over the life of the loan.

In addition, regarding this transaction current public securities with 0% return were classified as 'financial assets carried at amortized cost' in line with the decision taken by the Parent Bank Management and were included in the balance sheet with the amount discounted by the public security return rates. The difference between the initial acquisition date cost value and the discounted amount is accounted for in the 'Other Capital Reserves' account within shareholders' equity.

In accordance with the decision of the Parent Bank's Ordinary General Assembly held on 6 June 2024, it was decided to transfer 256.477 TL of the 2023 period profit of 5.129.534 TL to legal reserves, the remaining amount to extraordinary reserves and 133 TL to other capital reserves.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

III. Explanations and notes Related to Consolidated Off-Balance Sheet:

1. Explanations on Off-Balance Sheet Liabilities:

a. Type and Amount of Irrevocable Loan Commitments:

	Current Period	Prior Period
Guaranteed Loan Allocation Commitments	26.858.081	9.126.506
Forward Asset Value Purchase and Sale Commitments	1.408.953	8.510.140
Our Payment Commitments for Cheques	457.605	313.805
Tax and Fund Obligations Resulting from Export Commitments	-	-
Credit Card Spending Limit Commitments	71.990	-
Participation Capital Commitments	22.500	67.500
Other Irrevocable Commitments	626.599	524.822
Total	29.445.728	18.542.773

b. Type and Amount of Possible Losses and Commitments Arising From Off-Balance Sheet Items:

b.1. Non-Cash Loans Including Guarantees, Bank Acceptances, Collaterals and Others that are Accepted as Financial Commitments and Other Letters of Credit:

	Current Period	Prior Period
Letters of Guarantees	30.072.136	19.279.232
Letters of Credit	2.293.233	591.907
Bank Loans	173.710	18.155
Other Guarantees and Sureties	-	-
Total	32.539.079	19.889.294

b.2. Revocable, Irrevocable Guarantees and Other Similar Commitments and Contingencies:

	Current Period	Prior Period
Temporary letters of guarantees	1.400.644	549.398
Advance letters of guarantees	3.447.602	11.488.909
Letters of guarantees given to customs	865.130	1.914.180
Definitive Letters of Guarantee	19.699.299	749.671
Letters of Guarantee Given for the Guarantee of Cash Loans	4.552.350	4.536.016
Other	107.111	41.058
Total	30.072.136	19.279.232

c. Non-Cash Loans:

c.1. Total Amount of Non-Cash Loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	4.552.350	4.536.016
With original maturity of 1 year or less	159.014	89.679
With original maturity of more than 1 year	4.393.336	4.446.337
Other non-cash loans	27.986.729	15.353.278
Total	32.539.079	19.889.294

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

III. Explanations and notes Related to Consolidated Off-Balance Sheet (Continued):

1. Explanations on Off-Balance Sheet Liabilities (Continued):

c.2. Sectoral Risk Concentration of Non-Cash Loans:

	Current Period			
	TL	(%)	FC	(%)
Agricultural	133.720	0,59	5.507	0,06
Farming and stockbreeding	3.234	0,01	-	-
Forestry	130.486	0,57	5.507	0,06
Fishery	-	-	-	-
Manufacturing	4.841.604	21,21	4,154,537	42,78
Mining	23.638	0,10	-	-
Production	4.078.964	17,87	3.862.152	39,77
Electricity, gas and water	739.002	3,24	292.385	3,01
Construction	8.671.014	37,98	493.673	5,08
Services	8.095.172	35,46	3.813.758	39,27
Wholesale and retail trade	5.094.244	22,32	1.350.906	13,91
Hotel, food and beverage services	346.976	1,52	8.784	0,09
Transportation and telecommunication	550.282	2,41	2.202.396	22,68
Financial Institutions	5.076	0,02	71.061	0,73
Real estate and renting services	71.449	0,31	14.110	0,15
Self-employment services	379.070	1,66	-	-
Education services	1.131.819	4,96	134.895	1,39
Health and social services	516.256	2,26	31.606	0,33
Other	1.087.165	4,76	1.242.929	12,80
Total	22.828.675	100	9.710.404	100
	Prior Period			
	TL	(%)	FC	(%)
Agricultural	204.487	1,32	(1)	-
Farming and stockbreeding	60.331	0,39	-	-
Forestry	144.156	0,93	(1)	-
Fishery	-	-	-	-
Manufacturing	3.700.318	23,97	1.410.682	31,70
Mining	10.650	0,07	-	-
Production	2.971.307	19,25	1.271.667	28,58
Electricity, gas and water	718.361	4,65	139.015	3,12
Construction	4.831.498	31,29	419.397	9,42
Services	5.830.995	37,77	1.776.313	39,91
Wholesale and retail trade	3.943.018	25,54	918.941	20,65
Hotel, food and beverage services	124.776	0,81	4.902	0,11
Transportation and telecommunication	326.164	2,11	728.043	16,36
Financial Institutions	5.076	0,03	22.160	0,50
Real estate and renting services	21.514	0,14	3.457	0,08
Self-employment services	223.475	1,45	-	-
Education services	748.775	4,85	45.564	1,02
Health and social services	438.197	2,84	53.246	1,20
Other	871.318	5,65	844.287	18,96
Total	15.438.616	100	4.450.678	100

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

III. Explanations and notes Related to Consolidated Off-Balance Sheet (Continued):

1. Explanations on Off-Balance Sheet Liabilities (Continued):

c.3. Information on the Non-cash Loans Classified in Group I and Group II:

Current Period	I st Group		II nd Group	
	TL	FC	TL	FC
Non-cash loans	22.636.924	9.708.770	191.751	1.634
Letters of guarantee	22.628.258	7.250.493	191.751	1.634
Bank loans	4.847	168.863	-	-
Letters of credit	3.819	2.289.414	-	-
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	-	-	-	-
Prior Period	I st Group		II nd Group	
	TL	FC	TL	FC
Non-cash loans	15.426.191	4.450.678	12.425	-
Letters of guarantee	15.414.941	3.851.866	12.425	-
Bank loans	11.250	6.905	-	-
Letters of credit	-	591.907	-	-
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	-	-	-	-

2. Explanations Regarding Derivative Transactions:

	Derivative transactions according to purpose December 31,2023	Derivative transactions according to purpose December 31, 2023
Trading Derivatives		
Foreign Currency Related Derivative Transactions (I)	15.592.435	11.064.818
Currency Forwards-Purchases, sales	5.183.071	490.875
Currency Swaps-Purchases, sales	10.409.364	10.573.943
Currency Futures	-	-
Currency Options-Purchases, sales	-	-
Profit share Rate Related Derivative Transactions (II)	-	-
Profit share rates forwards-Purchase, sales	-	-
Profit share rates swaps-Purchases, sales	-	-
Profit share rates options-Purchases, sales	-	-
Profit share rates futures-Purchases, sales	-	-
Other Trading Derivatives (III)	-	-
A. Total Trading Derivatives (I + II + III)	15.592.435	11.064.818
Hedging Derivatives	-	-
Fair value hedges	-	-
Cash flow hedges	-	-
Foreign currency investment hedges	-	-
B. Total Hedging Derivatives	-	-
Total Derivatives Transactions (A+B)	15.592.435	11.064.818

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

III. Explanations and notes Related to Consolidated Off-Balance Sheet (Continued):

3. Explanations on Contingent Liabilities and Assets:

The Bank has set aside a provision of 9.644 TL TL (31 December 2023: 4.552 TL) for the lawsuits filed against it by various persons and institutions, which have a high probability of realization and may require a cash outflow, and the said provision is shown under the "Other Provisions" note numbered II.6.b in the Fifth section.

3. Explanations Regarding Services Provided on Behalf of Others:

The Bank has set aside a provision of 9.644 TL TL (31 December 2023: 4.552 TL) for the lawsuits filed against it by various persons and institutions, which have a high probability of realization and may require a cash outflow, and the said provision is shown under the "Other Provisions" note numbered II.6.b in the Fifth section.

IV. Explanations and Notes Related to Consolidated the Statement of Income or Loss:

1. Information on Profit Share Income:

a) Information on Profit Share Income Received From Loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share received from loans				
Short Term Loans	14.920.257	1.274.935	6.229.961	754.023
Medium and Long Term Loans	7.897.506	1.391.499	3.539.537	369.114
Profit Share on Non-Performing Loans	57.427	102	3.186	357
Total	22.875.190	2.666.536	9.772.684	1.123.494

b) Information on Profit Share Income Received From Banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
CBRT	2.113.923	-	764.274	-
Domestic Banks	34.053	-	6.923	-
Foreign Banks	-	-	-	-
Head Offices and Branches Abroad	-	-	-	-
Total	2.147.976	-	1.458.771	-

c) Information on Profit Share Income Received From Marketable Securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	92.448	85.510	364.982	56.370
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	2.921.611	300.105	2.622.799	214.086
Financial Assets Measured at Amortized Cost	2.217.416	137.640	1.370.745	257.809
Total	5.231.475	523.255	3.921.546	405.626

d) Information on Profit Share Income Received From Associates and Subsidiaries:

	Current Period		Prior Period	
	TL	FC	TL	FC
Dividends received from subsidiaries and affiliates	119.052	-	20.670	-
Total	119.052	-	20.670	-

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

IV. Explanations and Notes Related to the Statement of Income or Loss (Continued):

2. Explanations on Profit Share Expenses (Continued):

a. Distribution of Profit Share Expense on Funds Collected Based on Maturity of Funds Collected:

Profit Sharing Accounts								
	Up to 1 month	Up to 3 month	Up to 6 month	Up to 9 month	Up to 1 year	More than 1 year	Accumulated participation accounts	Total
TL								
Funds collected from banks through current and profit sharing accounts	68.644	483.684	153.358	-	-	-	-	705.686
Real persons' non-trading profit sharing accounts	216.216	1.610.311	205.668	-	15.738	686.180	2	2.734.115
Public sector profit sharing accounts	3.014.031	1.010.622	1.497.397	-	106.495	208.130	-	5.836.675
Commercial sector profit sharing accounts	1.375.988	3.639.025	1.896.394	-	236.651	898.472	-	8.046.530
Other institutions profit sharing accounts	421.212	443.479	167.764	-	15.079	-	-	1.047.534
Total	5.096.091	7.187.121	3.920.581	-	373.963	1.792.782	2	18.370.540
FC								
Banks	-	1.729	-	-	-	-	-	1.729
Real persons' non-trading profit sharing accounts	17.954	23.821	31.833	-	24.122	133	-	97.863
Public sector profit sharing accounts	409	29.144	1	-	-	-	-	29.554
Public sector profit sharing accounts	78.445	229.717	75.941	-	875	1.115	-	386.093
Other institutions profit sharing accounts	2.253	10.128	-	-	-	-	-	12.381
Precious metals deposits	5.956	-	-	-	-	-	-	5.956
Total	105.017	294.539	107.775	-	24.997	1.248	-	533.576
Grand Total	5.201.108	7.481.660	4.028.356	-	398.960	1.794.030	2	18.904.116
Prior Period								
Profit Sharing Accounts								
	Up to 1 month	Up to 3 month	Up to 6 month	Up to 9 month	Up to 1 year	More than 1 year	Accumulated participation accounts	Total
TL								
Funds collected from banks through current and profit sharing accounts	49.619	114.831	9.133	-	-	-	-	173.583
Real persons' non-trading profit sharing accounts	59.820	1.520.590	413.327	-	3.174	227.630	-	2.224.541
Public sector profit-sharing accounts	1.018.961	403.044	95.576	-	1.500	334	-	1.519.415
Commercial sector profit sharing accounts	437.786	2.704.638	291.007	-	22.120	177.012	-	3.632.563
Other institutions profit sharing accounts	7.040	222.676	1.176	-	-	-	-	230.892
Total	1.573.226	4.965.779	810.219	-	26.794	404.976	-	7.780.994
FC								
Banks	-	-	-	-	-	-	-	-
Real persons' non-trading profit sharing accounts	6.341	17.881	812	-	7.400	251	-	32.685
Public sector profit sharing accounts	4.455	149	-	-	-	-	-	4.604
Public sector profit sharing accounts	15.881	22.158	291	-	9.143	-	-	47.473
Other institutions profit sharing accounts	16	37	-	-	-	-	-	53
Precious metals deposits	3.011	-	-	-	-	-	-	3.011
Total	29.704	40.225	1.103	-	16.543	251	-	87.826
Grand Total	1.602.930	5.006.004	811.322	-	43.337	405.227	-	7.868.820

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

IV. Explanations and Notes Related to the Statement of Income or Loss (Continued):

2. Explanations on Profit Share Expenses (Continued):

a) Distribution of Profit Share Expense on Funds Collected Based on Maturity of Funds Collected (Continued):

b) Information on Profit Share Expense Paid to funds Borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	127.407	88.050	76.747	67.707
CBRT	-	-	-	-
Domestic banks	101.850	37.771	76.747	36.254
Foreign banks	25.557	50.279	-	31.453
Head offices and branches abroad	-	-	-	-
Other institutions	-	147.977	-	280.109
Total	127.407	236.027	76.747	347.816

c) Profit Share Expense Paid to Associates and Subsidiaries:

None. (December 31, 2023: None.).

d) Profit Share Expenses Paid to Marketable Securities Issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share expense paid to marketable securities issued	5.241.588	-	1.971.391	-
Total	5.241.588	-	1.971.391	-

3. The Other Items in Net Fees and Commission Income / Expenses, Which Constitute at Least 20% of the Total of Other Items, if the Total of Other Items in Income Statement Exceed 10% of the Total of Income Statement:

Other Fees and Commissions Received	Current Period	Prior Period
Service package revenues	1.137.031	1.344.480
Remittance Commissions	412.698	512.421
Insurance and brokerage commissions	413.422	50.658
Fees and commissions from correspondents	192.830	228.003
Import commissions	42.545	45.350
Appraisal fees	36.622	22.623
Fees and commissions from member merchant pos	11.007	7.646
Early closing commission income	10.178	15.476
Safe deposit box revenues	5.491	1.251
Limit allocation commission	1.998	7.106
Other commissions received and service income	95.772	53.098
Total	2.359.594	2.288.112

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IV. Explanations and Notes Related to the Statement of Income or Loss (Continued):

3. The Other Items in Net Fees and Commission Income / Expenses, Which Constitute at Least 20% of the Total of Other Items, if the Total of Other Items in Income Statement Exceed 10% of the Total of Income Statement (Continued):

Other Fees and Commissions Given	Current Period	Prior Period
Expenses and commissions given to correspondents	115.499	78.693
CBRT Commissions paid for FC Required Reserves	24.574	63.758
Fees and commissions for Swift, EFT and money transfer	8.580	5.905
Fees and commissions given for debit cards	4.735	2.340
Fees and commissions given for loans used	273	366
Other commissions and fees ^(*)	17.391	12.536
Total	171.052	63.598

4. Information on Dividend Income:

None. (December 31, 2023: None.).

5. Explanations on Trading Income/Loss (Net):

	Current Period	Prior Period
Income	47.173.564	21.060.338
Income from capital market transactions	5.363	46.205
Income from derivative financial instruments	4.084.178	1.109.649
Foreign exchange income	43.084.023	19.904.484
Loss (-)	34.271.854	16.332.596
Loss on capital market transactions	1.184	1.259
Loss on derivative financial instruments	2.264.933	1.919.298
Foreign exchange losses	32.005.737	14.412.039
Trading income/loss (net)	12.901.710	4.727.742

6. Explanations Related to Other Operating Income:

	Current Period	Prior Period
Reversal of expected loss provisions for prior years	416.920	319.536
Income from sales of assets	24.563	5.127
Cancellation of provision for communication expenses	441	451
Lease income	578.751	63.905
Other income (*)	9	8
Total	1.020.684	651.682

^(*) Other income consists of 481.420 TL of free provision cancellations, 29.875 TL of adjustments to previous year expenses and 38.607 TL of other income.

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IV. Explanations and Notes Related to the Statement of Income or Loss (Continued):

7. Expected Loss Provision Expenses and Other Provision Expenses:

	Current Period	Prior Period
Expected Credit Loss	1.031.760	429.826
12-month expected credit loss (stage 1)	460.861	288.960
Significant increase in credit risk (stage 2)	40.968	18.941
Non-performing loans (stage 3)	529.931	121.925
Marketable Securities Impairment Expense	15.519	1.773
Financial Assets at Fair Value through Profit or Loss	15.519	1.773
Financial Assets at Fair Value through Other Comprehensive Income	-	-
Investments in Associates, Subsidiaries and Held-to-maturity Securities Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Investments Held to Maturity	-	-
Other (*)	5.741.210	2.331.805
Total	6.788.489	2.763.404

(*) Includes provision expenses allocated for lawsuit provisions which is amounted to 6.079 TL, free provisions reserved which is not within the requirements of BRSA Accounting and Financial Reporting Legislation which is amounted to 5.130.000 TL, and provision expenses reserved for profits to be distributed to participation accounts which is amounted to 605.130 TL.

8. Information on Other Operating Expenses:

	Current Period	Prior Period
Reserve for Employee Termination Benefits (*)	14.365	23.651
Unused vacation provision (*)	41.240	21.321
Bank Social Aid Provision Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Fixed Assets	214.511	164.405
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	49.733	13.454
Impairment provision for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	-	-
Depreciation expenses of assets to be disposed	-	-
Impairment expenses of assets held for sale and assets of discontinued operations	-	-
Other operating expenses	1.472.876	1.535.595
Lease expenses related to TFRS 16 exemptions	18.597	2.823
Operating Maintenance expenses	77.301	49.827
Advertisement expenses	394.867	118.272
Other expenses ⁽¹⁾	982.111	1.364.673
Loss on sale of assets	-	-
Other ⁽²⁾	651.503	302.815
Total	2.444.228	2.061.241

(*) The amount of severance pay and accumulated vacation provisions shown in other provisions in the profit or loss statement, which are not included in other operating expenses, are also included in this table.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

IV. Explanations and Notes Related to the Statement of Income or Loss (Continued):

8. Information on Other Operating Expenses (Continued):

(1) Details of “Other Expenses” balance under Other Operating Expenses are as follows:

	Current Period	Prior Period
Communication expenses	118.928	57.069
Cleaning expenses	131.382	57.571
Heating, lighting and water expenses	38.387	27.759
Transportation vehicle expenses	29.421	15.387
Representation and hospitality expenses	4.055	635
Movable property insurance expenses	44.894	24.644
Stationery expenses	9.719	3.901
Aid and donations	21.711	10.388
Participation in common expenses	5.176	2.690
Litigation and court expenses	436.200	1.077.681
Other	142.238	86.948
Total	982.111	1.364.673

(2) Other balance details are as below table:

	Current Period	Prior Period
Taxes, Duties, Charges and Funds	413.852	180.568
Audit and Consultancy Fees	100.979	45.385
Participation Share Expenses	7.964	9.810
Saving Deposit Insurance Fund	62.143	38.960
Other	66.565	28.092
Total	651.503	302.815

9. Explanations on Income/Loss From Continued Operations Before Taxes:

The portion of the Group’s before tax consists of 8,903,001 (December 31, 2023: 6,286,570) from net profit share income and 2,488,578 TL (December 31, 2023: 2,296,116 TL) from net fee and commission income, while total other operating expenses amount to 2,388,623 TL (December 31, 2023: 2,016,269).

10. Explanations on Tax Provision for Continued and Discontinued Operations:

As of 31 December 2024, the Group has deferred tax income of 5.102.365 TL (31 December 2023: 2.940.957 TL) and deferred tax expense of 2.747.299 TL (31 December 2023: 2.065.460 TL). As of 31 December 2024, the Group’s current tax provision is 5.767.429 TL (31 December 2023: 3.332.030 TL).

Since the Group does not have any discontinued operations, there is no tax provision for discontinued operations (December 31, 2023: None).

11. Explanations on Tax Provision for Continued and Discontinued Operations:

The Group has no discontinued operations. The net profit for the period has been recorded as TL 12.101.621 (December 31, 2023: TL 7.600.388) as a result of deducting the period tax provision expense from TL 3.400.890 (December 31, 2023: TL 2.456.433) to TL 8.727.481 (December 31, 2023: TL 5.143.855)

12. Explanations on Net Income/ Loss:

a. The Nature and Amount of Certain Income and Expense Items From Ordinary Operations; If the Disclosure for Nature, Amount and Repetition Rate of Such Items is Required for a Complete Understanding of the Group’s Performance for the Period:

None.

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IV. Explanations and Notes Related to the Statement of Income or Loss (Continued):

12. Explanations on Net Income/ Loss (Continued):

b. The Effect of the Change in Accounting Estimates to the Net Income/Loss; Including the Effects on the Future Period:

None.

c. Profit / Loss Attributable to Minority Shares:

None.

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

In accordance with the decision of the POA dated March 26, 2021, the fee information for the reporting period regarding the services received from the independent auditor or independent audit firm is given in the table below. These fees also include audit fees of the Bank's subsidiaries. The fee information given in the table is excluding VAT.

	Current Period	Prior Period
Independent audit fee for the reporting period	11.014	7.608
Fees for tax consultancy services	-	-
Fee for other assurance services	-	-
Fee for other services other than independent audit	-	-
Total	11.014	7.608

V. Explanations and Notes Related to the Statement of Changes in Shareholders' Equity:

The Parent Bank has not notified amount of profit shares notified after the balance sheet date but before the announcement of the financial statements.

The dividend distribution will be decided at the General Assembly meeting and the General Assembly has not been held as of the date of the attached financial statements.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

VI. Explanations and Notes Related to Consolidated the Statement of Cash Flows:

1. Components of cash and cash equivalents and accounting policy applied in their determination:

“Cash” is defined as cash in vault and foreign currency cash, money in transit, cheques purchased, unrestricted balance with the Central Bank and demand deposits at banks. “Cash equivalents” is defined as money market placements and time deposits at banks with original maturities less than three months.

a. Cash and cash equivalents at the beginning of the period:

	Current Period	Prior Period
Cash	39.337.987	12.359.982
Cash in TL/foreign currency	583.626	295.171
Cash in transit	2.948.929	1.207.795
CBRT	35.805.432	10.857.016
Cash equivalents	13.877.892	4.887.831
Domestic banks	485.853	484.464
Foreign banks	13.392.039	4.403.367
Total cash and cash equivalents	53.215.879	17.247.813

b. Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
Cash	20.754.548	39.337.987
Cash in TL/foreign currency	3.734.594	583.626
Cash in transit	2.088.703	2.948.929
CBRT	14.931.251	35.805.432
Cash equivalents	18.583.057	13.877.892
Domestic banks	358.940	485.853
Foreign banks	18.224.117	13.392.039
Total cash and cash equivalents	39.337.605	53.215.879

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

VI. Explanations and Notes Related to Consolidated the Statement of Cash Flows:

2. Cash and cash equivalent items which are restricted for the usage of the Group by legal or other limitations:

Restricted time deposits held at the Central Bank of Türkiye and blockaged amount arising from POS are not considered as cash and cash equivalent items.

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

Included in "Banking activity subject to assets and liabilities prior to change in operating profit" Other item amounting to TL 14.599.284 (December 31, 2023: TL 21.135.499) mainly consists of general provisions expense and other operating expenses.

The "net increase / decrease in other liabilities" item in the "change in assets and liabilities subject to banking activities" amounting to TL 5.455.881 (December 31, 2023: TL 2.009.273) consists of changes in lease payables, other foreign resources and taxes, duties, fees and premiums.

The effect of the change in foreign exchange rate on cash and cash equivalents was determined to be approximately TL 6.625.052 (December 31, 2023: TL 5.823.987) in the accounting period ended on December 31, 2024.

VII. Explanations Related to the Risk Group of the Parent Bank:

The Volume of Transactions Related to the Risk Group that the Parent Bank Belongs to, Credit and Fund Transactions Collected at the end of the Period, Income and Expenses for the Period:

a. Current Period

Risk Group of the Parent Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Parent Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of period	-	-	3.637	-	-	-
Balance at the end of period	-	-	3.885	-	-	-
Profit Share and Commission Income (**)	-	-	644	-	-	-

(*) It is defined in Article 49 of the Banking Law No. 5411 and Article 4 of the "Regulation on Credit Transactions of Banks" published on November 1, 2006.

b. Prior Period

Risk Group of the Parent Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Parent Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of period	-	-	2.355	-	-	-
Balance at the end of period	-	-	3.637	-	-	-
Profit Share and Commission Income (*)	-	-	364	-	-	-

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued):

VII. Explanations Related to the Risk Group of the Parent Bank (Continued):

The Volume of Transactions Related to the Risk Group that the Parent Bank Belongs to, Credit and Fund Transactions Collected at the end of the Period, Income and Expenses for the Period:

c. Information on Current and Profit Sharing Accounts of the Parent Bank's Risk Group:

Risk Group of the Parent Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Parent Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Current and profit sharing accounts						
Balance at the beginning of period	-	-	-	-	-	-
Balance at the end of period	-	-	-	-	-	-
Profit share expense	-	-	-	-	-	-

d. Information on Forward and Option Agreements and Other Similar Agreements With the Risk Group of the Parent Bank:

The Parent Bank does not have any forward foreign exchange purchase / sales contracts with the risk group it is included.

e. Information Regarding the Benefits Provided to the Parent Bank's Senior Management:

The total amount of the remuneration and benefits provided to the top management of the Bank for the accounting period ended December 31, 2024 is TL 74.283 (December 31, 2023: TL 24.872).

VIII. Explanations on Parent Bank Related to Domestic, Foreign and Offshore Branches or Investments and Foreign Representative Offices:

1. Information on the domestic and foreign branches and representative offices of the Bank:

	Number	Number of personnel			
Domestic Branches(*)	113	1.713			
			Country		
Foreign Representation Office	-	-			
				Total Assets (Thousand TL)	Statutory Share Capital
Foreign Branches	-	-		-	-
Off-Shore Branches	-	-		-	-

(*) The number of head office personnel is included in the number of domestic branch employees

2. Information on the Parent Bank's branch or representative office openings, closings, significant changes in the organizational structure:

The Parent Bank has not open branches abroad in 2023. The Parent Bank has opened 12 branches in different regions in the country.

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IX. Explanations Related to Subsequent Events:

The Parent Bank will be a resource institution / fund user, and by Emlak Katılım Varlık Kiralama A.Ş., domestically, limited to TL 30.000.000, orderly, in Turkish Lira, Based on the lease certificate structure based on the Management Contract foreseen in the terms of 1-60 months and the Communiqué on Lease Certificates (III-61.1), the application to the Capital Markets Board (CMB) regarding the issuance of lease certificates to be sold to the allocated and / or qualified investor was approved by the CMB's decision dated February 3, 2022 and numbered 6/166. Within the scope of the relevant lease certificate issue ceiling, by Emlak Katılım Varlık Kiralama A.Ş., in February 3, 2022, within the scope of the approval of a consistent regular issuance of TL 30.000.000 from the CMB for sale to qualified investors,

- On January 6, 2025, 92.000 TL, with 364 days maturity for domestic qualified investors,
- On January 30, 2025, 110.000 TL, with 98 days maturity, for domestic qualified investors,
- On January 31, 2025, 100.000 TL, with 369 days maturity, for domestic qualified investors,
- On February 7, 2025, 65.000 TL, with 65 days maturity, for domestic qualified investors,
- On March 7, 2025, 1.000.000 TL, with 97 days maturity, for domestic qualified investors,
- On March 11, 2025, 250.000 TL, with 735 days maturity, for domestic qualified investors,
- On March 11, 2025, 250.000 TL, with 364 days maturity, for domestic qualified investors,
- On March 13, 2025, 300.000 TL, with 92 days maturity, for domestic qualified investors,
- On March 14, 2025, 1.500.000 TL, with 111 days maturity, for domestic qualified investors,

In the issuance of the lease certificates the Parent Bank was involved as the authorized investment institution.

Emlak Katılım Tasarruf Finansman A.Ş. was established as a subsidiary of the Parent Bank in accordance with the permission obtained from the Banking Regulation and Supervision Agency and registered to the trade registry on March 3, 2025. The capital of the company, which was established in order to engage in savings finance activities in accordance with the Turkish Commercial Code No. 6012, Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 and related legislation provisions and interest-free financing principles, is TL 500.000 and the entire capital was paid by the Parent Bank on February 27, 2025.

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SECTION SIX

Other explanations

I. Other explanations on operations of the Group

None.

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SECTION SEVEN

Independent Auditor’s Report

I. Explanations on the Independent Auditor’s Report:

The Group's consolidated financial statements for the six months period ended December 31, 2024 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and Auditors’ Limited Review Report dated March 14, 2025 is presented in the introduction of this report.

II. Explanations and Footnotes Prepared by the Independent Auditor:

None.