

*(CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS  
AND REVIEW REPORT ORIGINALLY ISSUED IN TURKISH)*

**TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ**

**PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL  
STATEMENTS AND RELATED DISCLOSURES  
AT 30 SEPTEMBER 2024 WITH AUDITOR'S REVIEW REPORT**



*Convenience Translation of the Auditor's Review Report Originally Issued in Turkish*

*Independent Auditors' Report on Review of Unconsolidated Interim Financial Information*

**To the General Assembly of Türk Ekonomi Bankası Anonim Şirketi**

***Introduction***

We have reviewed the unconsolidated statement of financial position of Türk Ekonomi Bankası A.Ş. ("the Bank") at September 30, 2024 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the nine month period then ended. The Bank Management is responsible for the preparation and fair presentation of interim unconsolidated financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these interim unconsolidated financial statements based on our review.

***Scope of Review***

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

***Basis of Qualified Conclusion***

As explained in Section Five Part II.7.d and IV.5.a the accompanying unconsolidated financial statements as of September 30, 2024, include a free provision at an amount of TL 850,000 thousands of which TL 2,050,000 thousands was provided in prior years and TL 1,200,000 thousands was reversed in the current period by the Bank management which does not meet the recognition criteria of TAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

### *Qualified Conclusion*

Based on our review, except for the effect of the matter referred in the basis of qualified conclusion paragraph on the unconsolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial statements do not give a true view of the unconsolidated financial position of Türk Ekonomi Bankası A.Ş. at September 30, 2024 and the results of its operations and its unconsolidated cash flows for the nine-month-period then ended in all material respects in accordance with the BRSA Accounting and Financial Reporting Legislation

### *Other Matter*

The unconsolidated financial statements of the Bank as at December 31, 2023 and September 30, 2023 prepared in accordance with BRSA Accounting and Financial Reporting Legislation were audited and reviewed by another auditor who expressed a qualified opinion in the report of the relevant audit firm issued on January 31, 2024 due to the effect of the free provision amounting to TL 2,050,000 thousands of which TL 400,000 thousands was provided in prior years and TL 1,650,000 thousands was provided in the current period by the Bank management and unqualified conclusion in the review report of relevant audit firm issued on October 26, 2023 respectively.

### *Report On Other Regulatory Requirements Arising From Legislation*

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

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

Fatma Ebru Yücel, SMMM  
Partner

October 31 2024  
İstanbul, Türkiye

**Convenience Translation of  
Publicly Announced Unconsolidated Interim Financial Statements and Review Report  
Originally Issued in Turkish, See in Note I. of Section Three**

**UNCONSOLIDATED INTERIM FINANCIAL REPORT OF TÜRK EKONOMİ BANKASI A.Ş.  
AS OF AND FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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The unconsolidated interim financial report for the nine-month period, prepared in accordance with “Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced” as regulated by the Banking Regulation and Supervision Agency, is consist of the sections listed below:

- General Information about the Bank
- Unconsolidated Interim Financial Statements of the Bank
- Explanations on the Accounting Policies Applied in the Related Period
- Information on Financial Structure and Risk Management of the Bank
- Disclosures and Footnotes on Unconsolidated Interim Financial Statements
- Auditor’s Review Report
- Interim Activity Report

The accompanying unconsolidated interim financial statements for the nine-month period, related disclosures and footnotes which have been reviewed and presented in this report are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, the related statements and guidances, and incompliance with the financial records of our Bank, and unless stated otherwise, presented in **thousands of Turkish Lira (TL)**.

Dr. Akın Akbaygil	Patrick Philippe Poupon	Ayşe Aşardağ	Ümit Leblebici	Tolga Güler	Kamer Kızıl
Chairman of the Board of Directors	Chairman of the Audit Committee	Vice Chairman of the Audit Committee	Chief Executive Officer	Assistant General Manager Responsible of Financial Reporting	Director Responsible of Financial Reporting

Information related to responsible personnel for the questions can be raised about financial statements:

Name-Surname/Title : Aslıhan Kaya / External Reporting Senior Manager  
Telephone Number : (0216) 635 24 51  
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# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### SECTION ONE

#### GENERAL INFORMATION

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

Türk Ekonomi Bankası Anonim Şirketi ("TEB" or "Bank"), which had been a local bank incorporated in Kocaeli in 1927 under the name of Kocaeli Halk Bankası T.A.Ş., was acquired by the Çolakoğlu Group in 1982. Its title was changed as Türk Ekonomi Bankası A.Ş. and its headquarters moved to İstanbul. On 10 February 2005, BNP Paribas took over 50% of shares of TEB Holding A.Ş. Consequently, BNP Paribas became indirect shareholder of TEB with 42.125% ownership. In 2009 BNP Paribas Group successively acquired 75% of Fortis Bank Belgium and 66% of Fortis Bank Luxembourg and became the shareholder holding the majority of the shares of Fortis Bank Turkey. The indirect majority shareholders of TEB which are BNP Paribas and Çolakoğlu Group has agreed on the merger of TEB and Fortis Bank under the trademark of TEB and following the authorizations obtained from the regulatory authorities on 14 February 2011 the legal merge of two banks has been performed. The process regarding the procedure has been summarized below. As a result of the merger of TEB Holding, TEB has a majority stake of 55% and on the other hand Çolakoğlu Group and BNP Paribas have the share of 50%.

#### II. Explanation on the Bank's Capital Structure, Shareholders of the Bank who are in Charge of the Management and/or Auditing of the Bank Directly or Indirectly, Changes in These Matters (if any), and the Group the Bank Belongs to

As of 30 September 2024 and 31 December 2023, the shareholders' structure and their respective ownerships are summarized as follows:

Name of Shareholders	30 September 2024		31 December 2023	
	Paid in Capital	%	Paid in Capital	%
TEB Holding A.Ş.	1,212,415	55.00	1,212,415	55.00
BNPP Yatırımlar Holding A.Ş.	518,342	23.51	518,342	23.51
BNP Paribas Fortis Yatırımlar Holding A.Ş.	467,879	21.23	467,879	21.23
BNP Paribas SA	5,253	0.24	5,253	0.24
Kocaeli Chamber of Commerce	501	0.02	501	0.02
	<b>2,204,390</b>	<b>100.00</b>	<b>2,204,390</b>	<b>100.00</b>

As of 30 September 2024, the Bank's paid-in-capital consists of 2,204,390,000 shares of TL 1.00 (full TL) nominal each.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### III. Explanations Regarding the Chairman and the Members of Board of Directors, Audit Committee, General Manager and Assistants and Shares of the Bank They Possess

<u>Name</u>	<u>Title</u>	<u>Education</u>
Dr. Akın Akbaygil	Chairman of the Board of Directors	PhD
François Andre Jesualdo Benaroya	Deputy Chairman of the Board of Directors	University
Patrick Philippe Poupon	Member of the Board of Directors and Chairman of the Audit Committee	Master
Ayşe Aşardağ	Member of the Board of Directors and Vice Chairman of the Audit Committee	University
Yavuz Canevi	Member of the Board of Directors	Master
Hans Wilfried J. Broucke	Member of the Board of Directors	Master
Özden Odabaşı	Member of the Board of Directors	Master
Jean-Charles Joseph Gabriel Aranda	Member of the Board of Directors	Master
Ayşe Meral Çimenbiçer	Member of the Board of Directors, Member of the Audit Committee	University
Metin Toğay	Member of the Board of Directors	Master
Didier Albert N. Van Hecke	Member of the Board of Directors, Member of the Audit Committee	Master
Ümit Leblebici	Chief Executive Officer and the Executive Member	Master
<b>Assistant General Managers;</b>		
Gökhan Mendi	Senior Assistant General Manager Responsible from Retail and Private Banking Group	Master
Ali İhsan Arıdaşır	Assistant General Manager Responsible from SME Loans	University
Melis Coşan Baban	Chief Legal Advisor and Secretary of the Board of Directors	Master
Ali Gökhan Cengiz	Assistant General Manager Responsible from SME Banking	Master
Mehmet Ali Cer	Assistant General Manager Responsible from Information Technologies	Master
Tolga Güler	Assistant General Manager Responsible from Financial Affairs Group	University
Osman Durmuş	Assistant General Manager Responsible from Retail and Small Business Credit Group	University
Orhan Hatipoğlu	Assistant General Manager Responsible from Banking Operations and Support Services Group	University
Çiğdem Ünsal	Assistant General Manager Responsible from Human Resources Group	University
Tolga Gürdem	Assistant General Manager Responsible from Asset Liability Management and Treasury Group	University
Göker Orhan	Assistant General Manager Responsible from Financial Markets	Master
Gökhan Özdil(**)	Assistant General Manager Responsible from Corporate Loans	University
Ömer Abidin Yenidoğan	Assistant General Manager Responsible from Corporate	Master
<b>Group Heads (*);</b>		
Nimet Elif Kocaayan	Head of Group Risk Management	University
Birol Deper	Head of Compliance Group and Internal Control Group, Consumer Relations Coordination Officer	Master
<b>Internal Audit (*);</b>		
Hasan Onar	Head of Internal Audit	Master

(\*) Group Heads and Head of Internal Audit are in Assistant General Manager status.

(\*\*) Deputy General Manager Responsible for the Corporate Loans Group, Gökhan Özdil, has resigned from his position effective as of the close of business on September 30, 2024.

There are no Bank shares owned by the above stated Chairman and Members of Board of Directors, General Manager and Assistants.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### IV. Information on the Bank's Qualified Shareholders

Name / Commercial Name	Share Amount	Share Ratio	Paid-Up Shares	Unpaid Shares
TEB Holding A.Ş.	1,212,415	55.00%	1,212,415	-
BNPP Yatırımlar Holding A.Ş.	518,342	23.51%	518,342	-
BNP Paribas Fortis Yatırımlar Holding A.Ş.	467,879	21.23%	467,879	-

TEB Holding A.Ş. is a member of both Çolakoğlu and BNP Paribas groups. 50% of the shares of TEB Holding A.Ş. are controlled by BNP Paribas, Fortis Yatırımlar Holding A.Ş., while the remaining 50% is controlled by Çolakoğlu Group. BNP Paribas Fortis Yatırımlar Holding A.Ş. is controlled by Fortis Bank SA/NV whose shareholders are BNP Paribas Fortis NV/SA by 100% shares, respectively. 100% of the shares of BNPP Yatırımlar Holding are controlled by BNP Paribas SA.

### V. Summary on the Bank's Functions and Lines of Activity

The Bank's operating areas include, corporate, commercial, SME, retail and private banking as well as project finance and custody operations. Besides the ordinary banking operations, the Bank is handling agency functions through its branches on behalf of TEB Portföy Yönetimi A.Ş., Zurich Sigorta A.Ş., Cardif Hayat Sigorta A.Ş. and HDI Sigorta A.Ş. As of 30 September 2024, the Bank has 443 local branches and 4 foreign branches (31 December 2023: 440 local branches, 4 foreign branches). As of 30 September 2024, the number of employees of the Bank is 7,948 (31 December 2023: 8,333).

### VI. Differences between the Communiqué on Preparation of Financial Statements of Banks and Turkish Accounting Standards and Short Explanation about the Entities Subject to Full Consolidation or Proportional Consolidation and Entities which are Deducted from Equity or Entities which are not Included in These Three Methods

There is no difference for the Bank, except for the non-financial subsidiary, between the consolidation process according to the Turkish Accounting Standards and the Communiqué of the Preparation of Financial Statements of Banks in Turkey.

The Bank owns 0.1% but the Group owns 33.3% share of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş., it is presented as joint venture in financial statements however, and it is carried by cost value since necessary requirements for consolidation is not met.

TEB ARF Teknoloji A.Ş., a non-financial subsidiary owned 100% and by the Bank, was registered in the Trade Registry Gazette on 16 July 2020. The Bank presents TEB ARF Teknoloji A.Ş. in the subsidiaries line in its financial statements.

### VII. Current or Likely, Actual or Legal Barriers to Immediate Transfer of Equity or Repayment of Debts Between Bank and its Subsidiaries

None.

## **SECTION TWO**

### **UNCONSOLIDATED FINANCIAL STATEMENTS**

- I. Balance Sheet
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- III. Statement of Profit or Loss
- IV. Statement of Profit or Loss and Other Comprehensive Income
- V. Statement of Changes in Shareholders' Equity
- VI. Statement of Cash Flows

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## BALANCE SHEET FOR THE INTERIM PERIOD AS OF 30 SEPTEMBER 2024

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

### I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

ASSETS		Reviewed Current Period 30.09.2024			Audited Prior Period 31.12.2023		
	Section 5 Note	TL	FC	Total	TL	FC	Total
<b>I. FINANCIAL ASSETS (Net)</b>		<b>78,812,456</b>	<b>82,400,421</b>	<b>161,212,877</b>	<b>62,556,957</b>	<b>74,152,574</b>	<b>136,709,531</b>
<b>1.1 Cash and Cash Equivalents</b>		<b>62,297,689</b>	<b>68,604,488</b>	<b>130,902,177</b>	<b>54,430,193</b>	<b>69,429,745</b>	<b>123,859,938</b>
1.1.1 Cash and Balances with Central Bank	(I-1)	57,659,777	55,319,517	112,979,294	40,590,024	63,894,514	104,484,538
1.1.2 Banks	(I-4)	4,660,306	13,328,146	17,988,452	1,607,670	5,586,915	7,194,585
1.1.3 Money Market Placement		-	-	-	12,243,739	-	12,243,739
1.1.4 Expected Loss Provisions (-)		22,394	43,175	65,569	11,240	51,684	62,924
<b>1.2 Financial Assets at Fair Value Through Profit or Loss</b>		<b>228,833</b>	<b>703,378</b>	<b>932,211</b>	<b>352,244</b>	<b>660,327</b>	<b>1,012,571</b>
1.2.1 Government Debt Securities	(I-2)	79,631	300,597	380,228	242,988	345,477	588,465
1.2.2 Equity Securities		149,202	313,107	462,309	109,256	164,734	273,990
1.2.3 Other Financial Assets		-	89,674	89,674	-	150,116	150,116
<b>1.3 Financial Assets at Fair Value Through Other Comprehensive Income</b>	(I-5)	<b>13,365,807</b>	<b>11,453,996</b>	<b>24,819,803</b>	<b>5,103,118</b>	<b>2,722,321</b>	<b>7,825,439</b>
1.3.1 Government Debt Securities		13,276,775	11,453,996	24,730,771	5,020,783	2,722,321	7,743,104
1.3.2 Equity Securities		89,032	-	89,032	82,335	-	82,335
1.3.3 Other Financial Assets		-	-	-	-	-	-
<b>1.4 Derivative Financial Assets</b>		<b>2,920,127</b>	<b>1,638,559</b>	<b>4,558,686</b>	<b>2,671,402</b>	<b>1,340,181</b>	<b>4,011,583</b>
1.4.1 Derivative Financial Assets at Fair Value Through Profit and Loss	(I-3)	2,920,127	1,537,971	4,458,098	1,935,635	1,037,427	2,973,062
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income	(I-12)	-	100,588	100,588	735,767	302,754	1,038,521
<b>II. FINANCIAL ASSETS MEASURED AT AMORTIZED COST (Net)</b>		<b>268,329,749</b>	<b>108,452,104</b>	<b>376,781,853</b>	<b>180,572,861</b>	<b>71,874,109</b>	<b>252,446,970</b>
<b>2.1 Loans</b>	(I-6)	<b>219,644,207</b>	<b>99,042,661</b>	<b>318,686,868</b>	<b>150,617,852</b>	<b>59,267,626</b>	<b>209,885,478</b>
<b>2.2 Lease Receivables</b>	(I-11)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.3 Factoring Receivables</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.4 Other Financial Assets Measured at Amortized Cost</b>	(I-7)	<b>53,564,279</b>	<b>10,217,227</b>	<b>63,781,506</b>	<b>34,609,839</b>	<b>14,681,619</b>	<b>49,291,458</b>
2.4.1 Government Debt Securities		53,564,279	10,217,227	63,781,506	34,609,839	14,681,619	49,291,458
2.4.2 Other Financial Assets		-	-	-	-	-	-
<b>2.5 Expected Credit Loss (-)</b>		<b>4,878,737</b>	<b>807,784</b>	<b>5,686,521</b>	<b>4,654,830</b>	<b>2,075,136</b>	<b>6,729,966</b>
<b>III. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>	(I-14)	<b>68,083</b>	<b>-</b>	<b>68,083</b>	<b>82,060</b>	<b>-</b>	<b>82,060</b>
3.1 Held for Sale Purpose		68,083	-	68,083	82,060	-	82,060
3.2 Related to Discontinued Operations		-	-	-	-	-	-
<b>IV. EQUITY INVESTMENTS</b>		<b>279,026</b>	<b>-</b>	<b>279,026</b>	<b>279,026</b>	<b>-</b>	<b>279,026</b>
<b>4.1 Associates (Net)</b>	(I-8)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		-	-	-	-	-	-
<b>4.2 Subsidiaries (Net)</b>	(I-9)	<b>279,021</b>	<b>-</b>	<b>279,021</b>	<b>279,021</b>	<b>-</b>	<b>279,021</b>
4.2.1 Unconsolidated Financial Subsidiaries		278,971	-	278,971	278,971	-	278,971
4.2.2 Non-Financial Subsidiaries		50	-	50	50	-	50
<b>4.3 Joint Ventures (Net)</b>	(I-10)	<b>5</b>	<b>-</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>5</b>
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		5	-	5	5	-	5
<b>V. TANGIBLE ASSETS (Net)</b>		<b>2,424,657</b>	<b>-</b>	<b>2,424,657</b>	<b>1,933,104</b>	<b>-</b>	<b>1,933,104</b>
<b>VI. INTANGIBLE ASSETS (Net)</b>		<b>1,700,104</b>	<b>-</b>	<b>1,700,104</b>	<b>1,269,693</b>	<b>-</b>	<b>1,269,693</b>
6.1 Goodwill		421,124	-	421,124	421,124	-	421,124
6.2 Other		1,278,980	-	1,278,980	848,569	-	848,569
<b>VII. INVESTMENT PROPERTIES (Net)</b>	(I-13)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. CURRENT TAX ASSET</b>		<b>842,581</b>	<b>-</b>	<b>842,581</b>	<b>220,897</b>	<b>-</b>	<b>220,897</b>
<b>IX. DEFERRED TAX ASSET</b>		<b>1,651,756</b>	<b>-</b>	<b>1,651,756</b>	<b>2,410,400</b>	<b>-</b>	<b>2,410,400</b>
<b>X. OTHER ASSETS (Net)</b>		<b>22,615,353</b>	<b>886,799</b>	<b>23,502,152</b>	<b>10,973,389</b>	<b>593,949</b>	<b>11,567,338</b>
<b>TOTAL ASSETS</b>		<b>376,723,765</b>	<b>191,739,324</b>	<b>568,463,089</b>	<b>260,298,387</b>	<b>146,620,632</b>	<b>406,919,019</b>

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## BALANCE SHEET FOR THE INTERIM PERIOD AS OF 30 SEPTEMBER 2024

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

### I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

LIABILITIES		Section 5 Note	Reviewed Current Period 30.09.2024			Audited Prior Period 31.12.2023		
			TL	FC	Total	TL	FC	Total
<b>I. DEPOSITS</b>		(II-1)	273,617,646	111,153,179	384,770,825	185,454,941	99,290,895	284,745,836
<b>II. FUNDS BORROWED</b>		(II-3)	303,677	20,644,073	20,947,750	112,235	19,827,362	19,939,597
<b>III. MONEY MARKET FUNDS</b>			13,630,000	38,059,484	51,689,484	-	28,109,842	28,109,842
<b>IV. SECURITIES ISSUED (Net)</b>		(II-3)	-	-	-	-	-	-
4.1 Bills			-	-	-	-	-	-
4.2 Asset Backed Securities			-	-	-	-	-	-
4.3 Bonds			-	-	-	-	-	-
<b>V. FUNDS</b>			-	-	-	-	-	-
5.1 Borrower Funds			-	-	-	-	-	-
5.2 Other			-	-	-	-	-	-
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS</b>			-	-	-	-	-	-
<b>VII. DERIVATIVE FINANCIAL LIABILITIES</b>			3,395,309	847,548	4,242,857	1,834,898	800,400	2,635,298
7.1 Derivative Financial Liabilities at Fair Value Through Profit and Loss	(II-2)		3,380,282	847,548	4,227,830	1,752,443	800,400	2,552,843
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(II-6)		15,027	-	15,027	82,455	-	82,455
<b>VIII. FACTORING LIABILITIES</b>			-	-	-	-	-	-
<b>IX. LEASE LIABILITIES (Net)</b>		(II-5)	1,435,665	101,956	1,537,621	965,961	25,188	991,149
<b>X. PROVISIONS</b>		(II-7)	4,641,886	840,525	5,482,411	5,580,312	781,515	6,361,827
10.1 Restructuring Provisions			-	-	-	-	-	-
10.2 Reserve for Employee Benefits			2,753,069	165,668	2,918,737	2,777,948	108,441	2,886,389
10.3 Insurance Technical Provisions (Net)			-	-	-	-	-	-
10.4 Other Provisions			1,888,817	674,857	2,563,674	2,802,364	673,074	3,475,438
<b>XI. CURRENT TAX LIABILITY</b>		(II-8)	1,981,326	-	1,981,326	1,282,111	3	1,282,114
<b>XII. DEFERRED TAX LIABILITY</b>			-	-	-	-	-	-
<b>XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>			-	-	-	-	-	-
13.1 Held for Sale			-	-	-	-	-	-
13.2 Held from Discontinued Operations			-	-	-	-	-	-
<b>XIV. SUBORDINATED DEBT INSTRUMENTS</b>			-	27,770,403	27,770,403	-	11,637,967	11,637,967
14.1 Loans			-	-	-	-	-	-
14.2 Other Debt Instruments			-	27,770,403	27,770,403	-	11,637,967	11,637,967
<b>XV. OTHER LIABILITIES</b>		(II-4)	26,577,243	1,792,336	28,369,579	13,722,859	2,447,840	16,170,699
<b>XVI. SHAREHOLDERS' EQUITY</b>		(II-9)	41,545,510	125,323	41,670,833	34,911,647	133,043	35,044,690
16.1 Paid-in Capital			2,204,390	-	2,204,390	2,204,390	-	2,204,390
16.2 Capital Reserves			389,769	-	389,769	389,769	-	389,769
16.2.1 Share Premiums			2,565	-	2,565	2,565	-	2,565
16.2.2 Share Cancellation Profits			-	-	-	-	-	-
16.2.3 Other Capital Reserves			387,204	-	387,204	387,204	-	387,204
16.3 Other Accumulated Comprehensive Income or Expense that will not be Reclassified at Profit or Loss			(321,838)	-	(321,838)	(344,917)	-	(344,917)
16.4 Other Accumulated Comprehensive Income or Expense that will be Reclassified at Profit or Loss			(329,114)	125,323	(203,791)	(26,971)	133,043	106,072
16.5 Profit Reserves			31,516,711	-	31,516,711	20,962,728	-	20,962,728
16.5.1 Legal Reserves			836,739	-	836,739	718,690	-	718,690
16.5.2 Status Reserves			-	-	-	-	-	-
16.5.3 Extraordinary Reserves			30,679,972	-	30,679,972	15,627,134	-	15,627,134
16.5.4 Other Profit Reserves			-	-	-	4,616,904	-	4,616,904
16.6 Profit or Loss			8,085,592	-	8,085,592	11,726,648	-	11,726,648
16.6.1 Prior Periods' Profit / Loss			-	-	-	-	-	-
16.6.2 Current Periods' Profit / Loss			8,085,592	-	8,085,592	11,726,648	-	11,726,648
<b>TOTAL LIABILITIES</b>			367,128,262	201,334,827	568,463,089	243,864,964	163,054,055	406,919,019

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## OFF-BALANCE SHEET ITEMS FOR THE INTERIM PERIOD AS OF 30 SEPTEMBER 2024

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

### II. OFF-BALANCE SHEET ITEMS

		Reviewed Current Period 30.09.2024			Audited Prior Period 31.12.2023			
		Section 5 Note	TL	FC	Total	TL	FC	Total
A.	OFF BALANCE SHEET LIABILITIES (I+II+III)		335,898,322	509,732,692	845,631,014	219,914,666	342,246,423	562,161,089
I.	GUARANTEES AND WARRANTIES	(III-1)	33,459,338	66,867,830	100,327,168	19,654,698	62,281,912	81,936,610
1.1	Letters of Guarantee		18,391,486	34,621,259	53,012,745	13,366,519	31,813,601	45,180,120
1.1.1	Guarantees Subject to State Tender Law		88,388	231,897	320,285	104,520	205,134	309,654
1.1.2	Guarantees Given for Foreign Trade Operations		1,098,847	1,433,674	2,532,521	862,611	1,207,038	2,069,649
1.1.3	Other Letters of Guarantee		17,204,251	32,955,688	50,159,939	12,399,388	30,401,429	42,800,817
1.2	Bank Acceptances		-	73,821	73,821	-	70,513	70,513
1.2.1	Import Letter of Acceptance		-	73,821	73,821	-	70,513	70,513
1.2.2	Other Bank Acceptances		-	-	-	-	-	-
1.3	Letters of Credit		-	24,037,031	24,037,031	-	22,935,305	22,935,305
1.3.1	Documentary Letters of Credit		-	4,025,734	4,025,734	-	5,661,471	5,661,471
1.3.2	Other Letters of Credit		-	20,011,297	20,011,297	-	17,273,834	17,273,834
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	Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7	Factoring Guarantees		-	-	-	-	-	-
1.8	Other Guarantees		8,728,577	8,135,719	16,864,296	3,246,496	7,446,704	10,693,200
1.9	Other Collaterals		6,339,275	-	6,339,275	3,041,683	15,789	3,057,472
II.	COMMITMENTS	(III-1)	145,776,340	49,325,434	195,101,774	72,370,428	9,642,055	82,012,483
2.1	Irrevocable Commitments		144,212,971	49,325,434	193,538,405	71,516,146	9,642,055	81,158,201
2.1.1	Asset Purchase Commitments		2,793,224	48,220,929	51,014,153	1,651,971	8,591,528	10,243,499
2.1.2	Deposit Purchase and Sale Commitments		-	-	-	-	-	-
2.1.3	Share Capital Commitment to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4	Loan Granting Commitments		25,701,841	149	25,701,990	13,465,372	111,782	13,577,154
2.1.5	Securities Issuance Brokerage Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7	Commitments for Cheque Payments		5,564,812	-	5,564,812	4,044,146	-	4,044,146
2.1.8	Tax and Fund Liabilities from Export Commitments		628,154	-	628,154	302,721	-	302,721
2.1.9	Commitments for Credit Card Limits		109,517,897	-	109,517,897	52,048,755	-	52,048,755
2.1.10	Commitments for Credit Cards and Banking Services Promotions		7,043	-	7,043	3,181	-	3,181
2.1.11	Receivables from Short Sale Commitments on Securities		-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments on Securities		-	-	-	-	-	-
2.1.13	Other Irrevocable Commitments		-	1,104,356	1,104,356	-	938,745	938,745
2.2	Revocable Commitments		1,563,369	-	1,563,369	854,282	-	854,282
2.2.1	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		1,563,369	-	1,563,369	854,282	-	854,282
III.	DERIVATIVE FINANCIAL INSTRUMENTS		156,662,644	393,539,428	550,202,072	127,889,540	270,322,456	398,211,996
3.1	Derivative Financial Instruments for Hedging Purposes		1,000,000	38,120,928	39,120,928	1,665,300	24,498,209	26,163,509
3.1.1	Fair Value Hedge		-	26,894,400	26,894,400	-	-	-
3.1.2	Cash Flow Hedge		1,000,000	11,226,528	12,226,528	1,665,300	24,498,209	26,163,509
3.1.3	Foreign Net Investment Hedges		-	-	-	-	-	-
3.2	Held for Trading Transactions		155,662,644	355,418,500	511,081,144	126,224,240	245,824,247	372,048,487
3.2.1	Forward Foreign Currency Buy/Sell Transactions		23,255,555	26,409,979	49,665,534	14,255,687	21,682,347	35,938,034
3.2.1.1	Forward Foreign Currency Transactions-Buy		9,537,258	14,497,807	24,035,065	13,230,615	5,264,009	18,494,624
3.2.1.2	Forward Foreign Currency Transactions-Sell		13,718,297	11,912,172	25,630,469	1,025,072	16,418,338	17,443,410
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		92,165,892	222,150,260	314,316,152	86,388,981	131,816,100	218,205,081
3.2.2.1	Foreign Currency Swap-Buy		11,972,362	90,751,881	102,724,243	869,068	59,729,356	60,598,424
3.2.2.2	Foreign Currency Swap-Sell		15,283,792	88,490,567	103,774,359	32,587,503	33,978,278	66,565,781
3.2.2.3	Interest Rate Swaps-buy		32,454,869	21,453,906	53,908,775	26,466,205	19,054,233	45,520,438
3.2.2.4	Interest Rate Swaps-Sell		32,454,869	21,453,906	53,908,775	26,466,205	19,054,233	45,520,438
3.2.3	Foreign Currency, Interest Rate and Securities Options		34,692,405	103,454,119	138,146,524	24,999,030	88,493,331	113,492,361
3.2.3.1	Foreign Currency Options-Buy		27,239,878	37,206,398	64,446,276	13,714,144	37,016,644	50,730,788
3.2.3.2	Foreign Currency Options-Sell		7,452,527	54,746,737	62,199,264	11,284,886	40,045,729	51,330,615
3.2.3.3	Interest Rate Options-Buy		-	5,750,492	5,750,492	-	5,715,479	5,715,479
3.2.3.4	Interest Rate Options-Sell		-	5,750,492	5,750,492	-	5,715,479	5,715,479
3.2.3.5	Securities Options-Buy		-	-	-	-	-	-
3.2.3.6	Securities Options-Sell		-	-	-	-	-	-
3.2.4	Foreign Currency Futures		2,958,754	2,711,897	5,670,651	-	-	-
3.2.4.1	Foreign Currency Futures-Buy		-	2,711,897	2,711,897	-	-	-
3.2.4.2	Foreign Currency Futures-Sell		2,958,754	-	2,958,754	-	-	-
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2	Interest rate Futures-Sell		-	-	-	-	-	-
3.2.6	Other		2,590,038	692,245	3,282,283	580,542	3,832,469	4,413,011
B.	CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		574,895,505	160,629,329	735,524,834	303,612,583	145,764,338	449,376,921
IV.	ITEMS HELD IN CUSTODY		183,268,819	30,580,200	213,849,019	70,628,072	27,007,273	97,635,345
4.1	Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2	Investment Securities Held in Custody		104,107,421	28,741,153	132,848,574	13,670,212	25,264,456	38,934,668
4.3	Cheques Received for Collection		62,555,089	476,436	63,031,525	44,899,493	256,367	45,155,860
4.4	Commercial Notes Received for Collection		1,877,283	77,128	1,954,411	1,259,605	130,698	1,390,303
4.5	Other assets Received for Collection		125	1,285,483	1,285,608	125	1,355,752	1,355,877
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items under Custody		14,728,901	-	14,728,901	10,798,637	-	10,798,637
4.8	Custodians		-	-	-	-	-	-
V.	PLEDGES RECEIVED		388,115,954	129,817,890	517,933,844	231,628,157	118,400,989	350,029,146
5.1	Marketable Securities		1,944,360	1,700,743	3,645,103	537,996	1,056,614	1,594,610
5.2	Guarantee Notes		161,861,845	93,450,458	255,312,303	77,513,244	83,066,063	160,579,307
5.3	Commodity		203,799	414,389	618,188	664,315	604,663	1,268,978
5.4	Warranty		-	-	-	-	-	-
5.5	Immovable		157,130,822	25,510,340	182,641,162	114,279,639	27,356,588	141,636,227
5.6	Other Pledged Items		66,975,128	8,741,960	75,717,088	38,632,963	6,317,061	44,950,024
5.7	Pledged Items-Depository		-	-	-	-	-	-
VI.	ACCEPTED BILL, GUARANTEES AND WARRANTIES		3,510,732	231,239	3,741,971	1,356,354	356,076	1,712,430
TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)			910,793,827	670,362,021	1,581,155,848	523,527,249	488,010,761	1,011,538,010

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE INTERIM PERIOD ENDED 1 JANUARY - 30 SEPTEMBER 2024

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

### III. STATEMENT OF PROFIT OR LOSS

INCOME AND EXPENSE ITEMS		Section 5 Note	Reviewed Current Period 01.01-30.09.2024	Reviewed Prior Period 01.01-30.09.2023	Reviewed Current Period 01.07-30.09.2024	Reviewed Prior Period 01.07-30.09.2023
<b>I.</b>	<b>INTEREST INCOME</b>	<b>(IV-1)</b>	<b>88,162,423</b>	<b>31,388,265</b>	<b>34,180,276</b>	<b>13,844,173</b>
1.1	Interest Income on Loans		63,178,255	20,987,990	24,457,511	8,672,160
1.2	Interest Income on Reserve Requirements		5,762,930	116,699	3,040,703	59,660
1.3	Interest Income on Banks		1,818,148	577,891	374,998	322,517
1.4	Interest Income on Money Market Transactions		4,062,267	1,246,851	770,494	834,091
1.5	Interest Income on Securities Portfolio		12,368,939	8,325,656	5,010,201	3,875,827
1.5.1	Financial Assets at Fair Value Through Profit or Loss		684,609	171,923	397,506	34,188
1.5.2	Financial Assets at Fair Value Through Other Comprehensive Income		1,920,682	1,156,331	859,752	654,458
1.5.3	Financial Assets Measured at Amortized Cost		9,763,648	6,997,402	3,752,943	3,187,181
1.6	Financial Lease Interest Income		-	-	-	-
1.7	Other Interest Income		971,884	133,178	526,369	79,918
<b>II.</b>	<b>INTEREST EXPENSES (-)</b>	<b>(IV-2)</b>	<b>68,920,132</b>	<b>20,972,182</b>	<b>27,942,755</b>	<b>8,469,727</b>
2.1	Interest Expense on Deposits		62,710,688	18,466,930	25,814,651	7,416,219
2.2	Interest Expense on Funds Borrowed		2,937,171	1,772,891	891,294	737,409
2.3	Interest Expense on Money Market Transactions		2,414,397	430,045	1,031,574	201,637
2.4	Interest Expense on Securities Issued		-	-	-	-
2.5	Interest Expense on Leases		323,561	202,368	126,955	73,430
2.6	Other Interest Expenses		534,315	99,948	78,281	41,032
<b>III.</b>	<b>NET INTEREST INCOME /EXPENSE (I - II)</b>		<b>19,242,291</b>	<b>10,416,083</b>	<b>6,237,521</b>	<b>5,374,446</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME/EXPENSE</b>		<b>6,584,738</b>	<b>3,197,620</b>	<b>2,488,232</b>	<b>1,520,859</b>
4.1	Fees and Commissions Received		13,674,111	5,758,891	5,286,175	2,737,973
4.1.1	Non-cash Loans		1,006,502	701,864	347,855	259,240
4.1.2	Other	(IV-9)	12,667,609	5,057,027	4,938,320	2,478,733
4.2	Fees and Commissions Paid (-)		7,089,373	2,561,271	2,797,943	1,217,114
4.2.1	Non-cash Loans		7,815	5,702	2,690	1,970
4.2.2	Other	(IV-9)	7,081,558	2,555,569	2,795,253	1,215,144
<b>V.</b>	<b>DIVIDEND INCOME</b>		<b>24,783</b>	<b>25,149</b>	<b>2,278</b>	<b>11,374</b>
<b>VI.</b>	<b>TRADING PROFIT / LOSS (Net)</b>	<b>(IV-3)</b>	<b>(1,334,204)</b>	<b>9,721,474</b>	<b>917,268</b>	<b>1,636,158</b>
6.1	Securities Trading Gains / Losses		(222,982)	1,433,762	(184,933)	67,114
6.2	Gains / Losses on Derivative Financial Instruments		(3,462,716)	(161,560)	479,161	3,657,214
6.3	Foreign Exchange Gains / Losses		2,351,494	8,449,272	623,040	(2,088,170)
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>(IV-4)</b>	<b>502,001</b>	<b>352,252</b>	<b>226,671</b>	<b>137,312</b>
<b>VIII.</b>	<b>GROSS OPERATING PROFIT (III+IV+V+VI+VII)</b>		<b>25,019,609</b>	<b>23,712,578</b>	<b>9,871,970</b>	<b>8,680,149</b>
<b>IX.</b>	<b>EXPECTED CREDIT LOSS (-)</b>	<b>(IV-5)</b>	<b>(61,630)</b>	<b>514,738</b>	<b>(131,227)</b>	<b>6,953</b>
<b>X.</b>	<b>OTHER PROVISION EXPENSES (-)</b>	<b>(IV-5)</b>	<b>(1,250,272)</b>	<b>253,149</b>	<b>2,066</b>	<b>565,470</b>
<b>XI.</b>	<b>PERSONNEL EXPENSES (-)</b>		<b>8,782,128</b>	<b>4,792,245</b>	<b>3,036,110</b>	<b>1,922,442</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(IV-6)</b>	<b>7,406,889</b>	<b>4,591,531</b>	<b>2,792,696</b>	<b>1,654,624</b>
<b>XIII.</b>	<b>NET OPERATING INCOME/LOSS (VIII-IX-X-XI-XII)</b>		<b>10,142,494</b>	<b>13,560,915</b>	<b>4,172,325</b>	<b>4,530,660</b>
<b>XIV.</b>	<b>EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER</b>		-	-	-	-
<b>XV.</b>	<b>INCOME/LOSS FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		-	-	-	-
<b>XVI.</b>	<b>INCOME/LOSS ON NET MONETARY POSITION</b>		-	-	-	-
<b>XVII.</b>	<b>PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)</b>		<b>10,142,494</b>	<b>13,560,915</b>	<b>4,172,325</b>	<b>4,530,660</b>
<b>XVIII.</b>	<b>TAX PROVISION FOR CONTINUED OPERATIONS (-)</b>	<b>(IV-7)</b>	<b>2,056,902</b>	<b>3,577,666</b>	<b>1,156,375</b>	<b>1,573,563</b>
18.1	Current Tax Provision		1,173,198	3,499,987	(636,129)	3,273,478
18.2	Deferred Tax Expense Effect (+)		3,295,489	1,925,440	1,496,642	(3,724,397)
18.3	Deferred Tax Income Effect (-)		(2,411,785)	(1,847,761)	295,862	2,024,482
<b>XIX.</b>	<b>CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII+XVIII)</b>		<b>8,085,592</b>	<b>9,983,249</b>	<b>3,015,950</b>	<b>2,957,097</b>
<b>XX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		-	-	-	-
20.1	Income from Non-current Assets Held for Sale		-	-	-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
20.3	Income from Other Discontinued Operations		-	-	-	-
<b>XXI.</b>	<b>EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		-	-	-	-
21.1	Expenses from Non-current Assets Held for Sale		-	-	-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.3	Expenses for Other Discontinued Operations		-	-	-	-
<b>XXII.</b>	<b>PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)</b>	<b>(IV-7)</b>	-	-	-	-
<b>XXIII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-	-	-
23.1	Current Tax Provision		-	-	-	-
23.2	Deferred Tax Expense Effect (+)		-	-	-	-
23.3	Deferred Tax Income Effect (-)		-	-	-	-
<b>XXIV.</b>	<b>CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII+XXIII)</b>		-	-	-	-
<b>XXV.</b>	<b>NET INCOME/LOSS (XIX+XXIV)</b>	<b>(IV-8)</b>	<b>8,085,592</b>	<b>9,983,249</b>	<b>3,015,950</b>	<b>2,957,097</b>
	Earnings/Loss per Share		3.6679	4.5288	1.3682	1.3415

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD ENDED 1 JANUARY – 30 SEPTEMBER 2024

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

### IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Reviewed Current Period 01.01-30.09.2024	Reviewed Prior Period 01.01-30.09.2023
<b>I. CURRENT PERIOD PROFIT/LOSS</b>	<b>8,085,592</b>	<b>9,983,249</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>(286,784)</b>	<b>(381,796)</b>
<b>2.1 Other Comprehensive Income that will not be Reclassified through Profit or Loss</b>	<b>23,079</b>	<b>64,791</b>
2.1.1 Increases/Decreases on Revaluation of Property, Plant and Equipment	-	-
2.1.2 Increases/Decreases on Revaluation of Intangible Assets	-	-
2.1.3 Gains/Losses on Remeasurement of Defined Benefit Plans	24,120	21,948
2.1.4 Other Components of Other Comprehensive Income that will not be Reclassified through Profit or Loss	6,697	19,711
2.1.5 Taxes Relating to Components of Other Comprehensive Income will not be Reclassified though Profit or Loss	(7,738)	23,132
<b>2.2 Other Comprehensive Income that will be Reclassified to Profit or Loss</b>	<b>(309,863)</b>	<b>(446,587)</b>
2.2.1 Exchange Differences on Translation	-	-
2.2.2 Valuation and/or Reclassification Profit or Loss from Financial Assets at Fair Value through Other Comprehensive Income	(231,188)	(514,387)
2.2.3 Income/Loss Related to Cash Flow Hedges	(211,473)	(30,862)
2.2.4 Income/Loss Related to Hedges of Net Investments in Foreign Operations	-	-
2.2.5 Other Components of Other Comprehensive Income that will be Reclassified through Profit or Loss	-	-
2.2.6 Taxes on Other Comprehensive Income to be Reclassified to Profit or Loss	132,798	98,662
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>7,798,808</b>	<b>9,601,453</b>

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE INTERIM PERIOD 1 JANUARY - 30 SEPTEMBER 2024

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

### V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY					Accumulated Other Comprehensive Income and Expense Not to be Reclassified through Profit or Loss			Accumulated Other Comprehensive Income and Expense to be Reclassified through Profit or Loss			Profit Reserves	Prior Period Profit/(Loss)	Current Period Profit or Loss	Total Equity
Reviewed	Paid-in Capital	Share Premiums	Share Cancellation Profit	Other Capital Reserves	1	2	3	4	5	6				
<b>Prior Period – 01.01-30.09.2023</b>														
<b>I. Prior Period End Balance</b>	<b>2,204,390</b>	<b>2,565</b>	<b>-</b>	<b>387,204</b>	<b>56,230</b>	<b>(469,889)</b>	<b>12,711</b>	<b>-</b>	<b>691,251</b>	<b>282,444</b>	<b>10,983,662</b>	<b>11,190,604</b>	<b>-</b>	<b>25,341,172</b>
<b>II. Corrections According to TAS 8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.1 Effect of Corrections of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of Changes in Accounting Policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New Balance (I+II)</b>	<b>2,204,390</b>	<b>2,565</b>	<b>-</b>	<b>387,204</b>	<b>56,230</b>	<b>(469,889)</b>	<b>12,711</b>	<b>-</b>	<b>691,251</b>	<b>282,444</b>	<b>10,983,662</b>	<b>11,190,604</b>	<b>-</b>	<b>25,341,172</b>
<b>IV. Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,690</b>	<b>18,101</b>	<b>-</b>	<b>(406,154)</b>	<b>(40,433)</b>	<b>-</b>	<b>-</b>	<b>9,983,249</b>	<b>9,601,453</b>
<b>V. Capital Increase by Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI. Capital Increase by Internal Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. Paid-in Capital Inflation Adjustment Difference</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. Convertible Bonds to Shares</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX. Subordinated Debt Instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. Increase/Decrease by Other Changes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,478</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(92,478)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI. Profit Distribution</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,071,544</b>	<b>(11,190,604)</b>	<b>-</b>	<b>(1,119,060)</b>
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	(1,119,060)	-	(1,119,060)
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	10,071,544	(10,071,544)	-	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Period-End Balance 30.09.2023</b>														
<b>(III+IV+V+VI+VII+VIII+IX+X+XI)</b>	<b>2,204,390</b>	<b>2,565</b>	<b>-</b>	<b>387,204</b>	<b>148,708</b>	<b>(423,199)</b>	<b>30,812</b>	<b>-</b>	<b>285,097</b>	<b>242,011</b>	<b>20,962,728</b>	<b>-</b>	<b>9,983,249</b>	<b>33,823,565</b>
<b>Current Period – 01.01-30.09.2024</b>														
<b>I. Prior Period End Balance</b>	<b>2,204,390</b>	<b>2,565</b>	<b>-</b>	<b>387,204</b>	<b>148,708</b>	<b>(536,751)</b>	<b>43,126</b>	<b>-</b>	<b>(111,300)</b>	<b>217,372</b>	<b>20,962,728</b>	<b>11,726,648</b>	<b>-</b>	<b>35,044,690</b>
<b>II. Corrections According to TAS 8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.1 Effects of Corrections of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New Balance (I+II)</b>	<b>2,204,390</b>	<b>2,565</b>	<b>-</b>	<b>387,204</b>	<b>148,708</b>	<b>(536,751)</b>	<b>43,126</b>	<b>-</b>	<b>(111,300)</b>	<b>217,372</b>	<b>20,962,728</b>	<b>11,726,648</b>	<b>-</b>	<b>35,044,690</b>
<b>IV. Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,884</b>	<b>6,195</b>	<b>-</b>	<b>(161,831)</b>	<b>(148,032)</b>	<b>-</b>	<b>-</b>	<b>8,085,592</b>	<b>7,798,808</b>
<b>V. Capital Increase by Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI. Capital Increase by Internal Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. Paid-in Capital Inflation Adjustment Difference</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. Convertible Bonds to Shares</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX. Subordinated Debt Instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. Increase/Decrease by Other Changes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI. Profit Distribution</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,553,983</b>	<b>(11,726,648)</b>	<b>-</b>	<b>(1,172,665)</b>
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	(1,172,665)	-	(1,172,665)
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	10,553,983	(10,553,983)	-	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Period-End Balance 30.09.2024</b>														
<b>(III+IV+V+VI+VII+VIII+IX+X+XI)</b>	<b>2,204,390</b>	<b>2,565</b>	<b>-</b>	<b>387,204</b>	<b>148,708</b>	<b>(519,867)</b>	<b>49,321</b>	<b>-</b>	<b>(273,131)</b>	<b>69,340</b>	<b>31,516,711</b>	<b>-</b>	<b>8,085,592</b>	<b>41,670,833</b>

1. Increase/decrease from tangible assets accumulated revaluation reserve,

2. Accumulated gains / losses on remeasurements of defined benefit plans,

3. Other (Other comprehensive income of associates and joint ventures accounted with equity method that will not be reclassified at profit or loss and other accumulated amounts of other comprehensive income items that will not be reclassified at profit or loss),

4. Foreign currency translation differences,

5. Accumulated revaluation and / or classification gains / losses of financial assets at fair value through other comprehensive income,

6. Other (Cash flow hedge gains / losses, other comprehensive income of associates and joint ventures accounted with equity method that will be reclassified at profit or loss and other accumulated amounts of other comprehensive income items that will be reclassified at profit or loss).

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2024

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

### VI. STATEMENT OF CASH FLOWS

	Section 5 Note	Reviewed Current Period 01.01-30.09.2024	Reviewed Prior Period 01.01-30.09.2023
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1 Operating Profit Before Changes in Banking Operatins Assets and Liabilities</b>		<b>(8,968,883)</b>	<b>18,395,120</b>
1.1.1 Interest Received		78,636,884	34,412,293
1.1.2 Interest Paid		(67,189,014)	(19,025,843)
1.1.3 Dividend Received		24,783	25,149
1.1.4 Fees and Commissions Received		12,470,212	5,584,213
1.1.5 Other Income		2,853,495	10,235,290
1.1.6 Collections from Previously Written Off Loans		2,031,420	1,094,674
1.1.7 Payments to Personnel and Service Suppliers		(8,441,867)	(4,625,581)
1.1.8 Taxes Paid		(5,590,365)	(4,432,486)
1.1.9 Others		(23,764,431)	(4,872,589)
<b>1.2 Changes in Banking Operatins Assets and Liabilities</b>		<b>3,308,034</b>	<b>17,929,343</b>
1.2.1 Net Decrease in Financial Asset at Fair Value through Profit or Loss		74,849	2,413,797
1.2.2 Net (Increase) in Due from Banks		(305,311)	(142,412)
1.2.3 Net (Increase) in Loans		(100,964,694)	(17,911,426)
1.2.4 Net (Increase) in Other Assets		(25,139,174)	(3,301,077)
1.2.5 Net Increase / (Decrease) in Bank Deposits		26,956,883	10,877,454
1.2.6 Net Increase in Other Deposits		88,282,749	16,138,661
1.2.7 Net Increase / (Decrease) in Financial Liabilities at Fair Value through Profit or Loss		-	-
1.2.8 Net Increase / (Decrease) in Funds Borrowed		1,121,090	6,367,968
1.2.9 Net Increase / (Decrease) in Matured Payables		-	-
1.2.10 Net Increase in Other Liabilities		13,281,642	3,486,378
<b>I. Changes in Banking Operatins Assets and Liabilities</b>		<b>(5,660,849)</b>	<b>36,324,463</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net Cash Flow Provided from Investing Activities</b>		<b>(24,636,436)</b>	<b>(2,405,701)</b>
2.1 Purchase of Entities Under Common Control, Associates and Subsidiaries (Joint Vent.)		-	(162,985)
2.2 Sale of Entities Under Common Control, Associates and Subsidiaries (Joint Vent.)		-	-
2.3 Purchase of Tangible Assets		(321,352)	(170,324)
2.4 Sale of Tangible Assets		3,190	4,313
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(16,642,003)	(4,011,504)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		1,033,237	6,491,758
2.7 Purchase of Financial Assets Measured at Amortized Cost		(14,600,320)	(12,916,129)
2.8 Sale of Financial Assets Measured at Amortized Cost		6,550,697	8,809,105
2.9 Other		(659,885)	(449,935)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities</b>		<b>14,178,566</b>	<b>(1,499,391)</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued		27,285,039	-
3.2 Cash Outflow from Repayment of Funds Borrowed and Securities Issued		(11,326,793)	-
3.3 Equity Instruments Issued		-	-
3.4 Dividends Paid		(1,172,665)	(1,119,060)
3.5 Payments For Leases		(607,015)	(380,331)
3.6 Other		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>2,619,828</b>	<b>4,712,514</b>
<b>V. Net Increase in Cash and Cash Equivalents</b>		<b>(13,498,891)</b>	<b>37,131,885</b>
<b>VI. Cash and Cash Equivalents at Beginning of the Period</b>		<b>96,413,803</b>	<b>42,026,935</b>
<b>VII. Cash and Cash Equivalents at End of the Period</b>		<b>82,914,912</b>	<b>79,158,820</b>

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

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

**SECTION THREE  
ACCOUNTING PRINCIPLES**

**I. Explanations on Basis of Presentation**

**a. Financial statements and related explanations and preparation of footnotes in compliance with Turkish Accounting Standards (“TAS”) and Regulation on Accounting Applications for Banks and Safeguarding of Documents:**

The unconsolidated financial statements are prepared within the scope of the Regulation on Accounting Applications for Banks and Safeguarding of Documents related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to reporting principles on accounting records of Banks published by the Banking Regulation and Supervision Agency (“BRSA”) and Turkish Financial Reporting Standards (“TFRS”) put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”) for those matters not regulated by the aforementioned regulations. The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements” and “Communiqué on Disclosures About Risk Management to Be Announced to Public by Banks” and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

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

The preparation of unconsolidated financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

**b. The accounting policies and the valuation principles applied in the preparation of the accompanying financial statements:**

The accounting policies and valuation principles used in the preparation of the financial statements are subject to the regulations, communiqués, annotations and circulars issued by BRSA on accounting and financial reporting principles and the TFRS (“BRSA Accounting and Financial Reporting Legislation”) which has been put into force by the POA on issues not regulated by the BRSA determined according to the principles.

The amendments to TAS/TFRS, effective from 1 January 2024, do not have a significant impact on the Bank's accounting policies, financial position and performance. The amendments to TAS and TFRS, which have been published but not yet entered into force as of the finalization date of the financial statements, will not have a significant impact on the Bank's accounting policies, financial position and performance.

TAS 29 Financial Reporting in Hyperinflationary Economies requires entities whose functional currency is the currency of a hyperinflationary economy to report their financial statements in terms of the purchasing power of money at the end of the reporting period. TAS 29 defines the characteristics which may indicate that an economy is a hyperinflationary economy.

In addition, TAS 29 requires all entities reporting in the currency of a hyperinflationary economy to adopt this Standard from the same date. Therefore, as stated in TAS 29, it is expected that all entities will start to apply TAS 29 at the same time with the announcement to be made by the Public Oversight Accounting and Auditing Standards Authority to ensure consistency in practice across the country. POA, on 23 November 2023, published an announcement regarding that companies that apply Turkish Financial Reporting Standards and the Financial Reporting Standard for Large and Medium-Sized Enterprises (FRS for LME) should present their financial statements for the annual reporting period ending on or after 31 December 2023 in accordance with the relevant accounting principles in “Turkish Accounting Standard 29 Financial Reporting in Economies with High Inflation” and “FRS for LME Chapter 25 Financial Reporting in Economies with High Inflation”, adjusted for the effect of inflation. However, institutions or organizations authorized to regulate and supervise their own fields may determine transition dates different from those foreseen above for the implementation of the provisions in TAS 29 or FRS for LME. Based on this announcement, BRSA, in accordance with its decision dated 12 December 2023 and numbered 10744, has 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 was decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will switch to inflation accounting as of January 1, 2025. In this scope, no inflation adjustment was made in accordance with TAS 29 while preparing the financial statements dated 30 September 2024.

The accounting policies and valuation principles for the current period are explained in Note II and Note XXV below.

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
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(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

**II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions**

The Bank aims to develop and promote products for the financial needs of each customer such as SMEs, multinational companies and small individual investors in line with Banking Legislation. The primary objective of the Bank is to increase profitability with optimum liquidity and minimum risk while fulfilling customer needs.

The Bank aims at creating an optimum maturity risk and working with a positive margin between cost of resource and product yield in the process of asset and liability management.

As a component of risk management strategy of the Bank, risk bearing short term positions of currency, interest or price movements is performed only by the Asset-Liability Management and Treasury Group using the limits defined by the Board of Directors. The Asset-Liability Committee manages the maturity mismatches while deciding the short, medium and long term strategies as well as adopting the principle of positive balance sheet margin as a pricing policy.

The Board of Directors allows a purchase risk in treasury operations and individual limits are defined by the Board of Directors for each product.

The Bank’s foreign currency asset and liability balances are valued with the Bank’s exchange buying rate at the reporting date and recognized as “Foreign Exchange Gains / Losses” within statement of income.

The Bank’s hedging activities for the currency risk due to foreign currency available for sale equity instruments are described under the Currency Risk section; and the Bank’s hedging activities from interest rate risk arising from fixed interest rate deposits and floating interest rate borrowings are described in detail under Interest Rate Risk section.

The Bank’s Asset-Liability Committee approves the trading of various derivative instruments such as currency swaps, forwards and similar derivatives to hedge interest and currency exchange risks in line with the balance sheet structure.

**III. Explanations on Investments in Associates, Subsidiaries and Joint Ventures**

In accordance with “TAS 27”, investments in associates, subsidiaries and joint ventures are accounted with cost values and are reflected on the financial statements after deducting the provision for impairment, if any.

The dividends received from investments in associates, subsidiaries and joint ventures are reflected to income statements at the date of the right to receive dividend.

**IV. Explanations on Forward and Option Contracts and Derivative Instruments**

The Bank's derivative transactions mainly consist of foreign currency swaps and interest rate swaps, cross currency swaps, currency options and forward foreign currency purchase and sale contracts.

Pursuant to “TFRS 9 Financial Instruments” (“TFRS 9”), derivative financial instruments of the Bank are classified as “Derivative Financial Assets at Fair Value Through Profit or Loss” or “Derivative Financial Assets at Fair Value Through Other Comprehensive Income”.

**The portion of derivative financial assets at fair value through profit or loss**

Receivables and liabilities arising from derivative transactions are recorded in off-balance sheet through their contractual amounts. Derivative transactions are measured at fair value after initial recognition. Derivative financial instruments are initially recognized at fair value and attributable transaction costs are recognized in profit or loss on the date they are incurred. In the periods following the recording of derivative transactions, the part of derivative financial assets at fair value through profit or loss or the part of derivative financial liabilities at fair value through profit or loss are shown in the balance sheet, depending on whether the fair value is positive or negative. Differences in fair value as a result of the valuation are reflected in the profit or loss statement from derivative financial transactions.

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**IV. Explanations on Forward and Option Contracts and Derivative Instruments (continued)**

**The portion of derivative financial assets at fair value through profit or loss (continued)**

Derivative financial instruments are booked under off-balance sheet items. Derivative financial instruments where the underlying asset is money or commodity, are booked based on the amounts to be received/paid at the maturity date. Derivative financial instruments based on interest rate are booked with the principal amount on which the interest rate is calculated.

All derivative financial instruments are measured with fair value method. The fair value of the derivative financial instruments traded in organized markets is the price on the organized market. Within the scope of TFRS 13 Fair Value Measurement standard; The Bank considers that (i) the fair value of the asset or liability (or similar asset or liability) has significantly decreased in its volume or level of activity relative to normal market volume, (ii) when a transaction price or quoted price does not reflect fair value and/or (iii) when a material adjustment is required so that the price of a similar asset is comparable to the subject asset, or (iv) when the price is no longer valid, it adjusts the transaction price or the quoted price and reflects this adjustment in the fair value measurement. In this context, the Bank determines the point in the range that best reflects the fair value in the current market conditions.

The cash flows of forward, currency swap, interest rate swap, and cross currency swap transactions should be determined firstly in order to measure with fair value method. Expected cash flows due to the floating interest rate for these products are defined according to market interest rate at the valuation date. Valuation is calculated by discounting the cash flows with the market interest rate and foreign currencies are converted into Turkish Lira with exchange rates at the valuation date.

Derivative financial instruments based on interest rate are measured not only with fair value method but also with amortized cost. While the fair value of derivatives is reflected in a single valuation account within the balance sheet, the amortized cost and the difference between the fair value and the amortized cost are reflected separately on the income / expense accounts.

Black and Scholes Model is used to measure the fair value of options. Options premiums are accrued on the start date of maturity. The valuation amount is composed of premiums valued at each valuation date. Premium to be paid calculated within this model is recorded as income, and the premium to be collected as expense.

**Explanations on derivatives for hedging purposes**

In the admission of the accounting policies, TFRS 9 presents the option of postponing the adoption of TFRS 9 hedge accounting and continuing to apply “the hedge accounting provisions” of TAS 39. Within this context, the Bank continues to apply the hedge accounting provisions of TAS 39.

The Bank applies fair value hedge accounting and cash flow hedge accounting. Hedge accounting is applied to prevent short-term fluctuations in the income statement that may arise from differences in the valuation methods of on-balance sheet assets and liabilities subject to interest rate risk and the derivative instruments that hedge these risks.

In cash flow hedge accounting, the effective part of the fair value change of the hedging instrument is recognized in the “accumulated other comprehensive income or expense to be reclassified in profit or loss” account under equity, and the ineffective part is recognized in the statement of profit or loss. In periods when the cash flows related to the hedged item affect the profit or loss, the profit/loss of the related hedging instrument is also eliminated from the equity and reflected in the profit or loss statement. Hedge accounting is applied to prevent fluctuations that may arise in the income statement in the short term as a result of differences in the valuation methods of assets and liabilities in the balance sheet that are subject to interest rate risk and the derivative instruments that protect them from risk.

The Bank is also hedged from the cash flow risk arising from its financial debts with interest rate swaps and cross currency swaps.

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**IV. Explanations on Forward and Option Contracts and Derivative Instruments (continued)**

**Explanations on derivatives for hedging purposes (continued)**

In cases where cash flow hedge accounting is terminated, the hedging instrument is sold, the hedge is discontinued, or the hedge is not continued due to ineffectiveness of the effectiveness test, the profit/loss recognized under equity within the scope of cash flow hedge accounting is retained under equity until the cash flows related to the hedged item are realized. It continues to remain in the "accumulated other comprehensive income and expense to be reclassified through profit or loss" account.

The Bank designates its fixed-rate foreign currency borrowings as subject to fair value hedge accounting. The fair value risk of the related fixed-rate financial assets is hedged with interest rate swaps. During the periods when the relationship between the hedging instrument and the hedged item is effectively measured, changes in the fair value of the hedged item are recognized in profit or loss under fair value hedge accounting.

The effectiveness of derivative transactions used for hedging purposes in offsetting changes in the fair value of the hedged item is regularly assessed and the results of these assessments are documented. If the hedge does not meet the criteria for hedge accounting, hedge accounting is discontinued. The Bank performs effectiveness tests at the inception of the hedge and at each reporting period, and continues hedge accounting if the effectiveness falls within the range of 80%-125%.

**V. Explanations on Interest Income and Expense**

Interest income, when purchased or used according to the effective interest method specified in TFRS 9 (the ratio that equates to the present net value of the future cash flows of the financial asset or liability), credit-impaired financial assets and when purchased or granted, except for financial assets that are not credit-impaired financial assets but later become credit-impaired financial assets, is recognized by applying an effective interest rate to the gross book value of the financial asset. While applying the effective interest rate method, the Bank determines the fees that are an integral part of the effective interest rate of the financial instrument. Fees, which are an integral part of the effective interest rate of the financial instrument, are considered as adjustments to the effective interest rate, unless the financial instrument is measured at fair value through profit or loss. In such cases, these fees are recognized as income or expense during the initial recognition of the financial instrument.

The Bank, when applying the effective interest method, amortizes the fees, transaction costs and other premiums or discounts included in the calculation of the effective interest rate over the expected life of the financial instrument.

If there is an unpaid interest accrual prior to the acquisition of an interest-bearing security; subsequently collected interest is divided into pre-acquisition and post-acquisition periods and only the post-acquisition portion is reflected in the financial statements as interest income. If the expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the change is reflected in the carrying value of the asset and the related income statement item and amortized over the estimated life of the financial instrument.

Interest income and expenses are recorded on accrual basis. As the interest income and expense is accrued, all tax liabilities are fulfilled.

Accrued but not collected interests and discounts of loans, those classified as non-performing (Stage 3) are not reversed and included in interest income.

The interest amount representing the time value of the future collections of the non-performing loans is recognized under interest income and fully provisioned. The income effect arising from the discount of the estimates of expected collection as getting closer to the estimated date of collection, is recorded under interest income.

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**VI. Explanations on Fees and Commission Income and Expenses**

Fees and commissions other than integral part of the effective interest rate of the financial instruments measured at amortized cost are accounted in accordance with the TFRS 15 Revenue from Contracts with Customers Standard.

Income on banking services which are not related to periodic services are recorded as income when they are collected. In order to classify the fees and commissions collected from customers as income on banking services or as other non-interest income, they should not be related with a credit transaction.

All type of fees and commissions collected from customers regarding cash loans are deferred in commissions on cash loans account and are recognized as income over the period of the loan by discounting with effective interest rate.

For Bank assurance services provided by the Bank commissions from insurance companies are recorded as income on accrual basis.

The commissions related with non-cash loans or periodic banking services, are deferred and recorded as income over the period according to the cut-off principle. Credit fee and commission expenses which are paid to other companies and institutions regarding financial liabilities and which create operational costs are discounted by effective interest rate and are recorded as expenses in the relevant period according to the cut-off principle.

**VII. Explanations on Financial Assets**

The Bank classifies and recognizes its financial assets as “Financial Assets at Fair Value Through Profit or Loss”, “Financial Assets Measured at Fair Value Through Other Comprehensive Income” or “Financial Assets Measured at Amortized Cost”. The financial assets are recognized or derecognized in accordance with the “Recognition and Derecognition” principles defined in Section 3 related to the classification and measurement of financial instruments of the “TFRS 9 Financial Instruments” standard published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority (POA). At initial recognition, financial assets are measured at fair value. In the case of financial assets are not measured “Financial Assets at Fair Value Through Profit or Loss”, transaction costs are added or deducted to/from their fair value.

The Bank recognizes a financial asset in the financial statement when, and only when, the Bank becomes a party to the contractual provisions of the instrument. All regular way purchases and sales of financial assets are recognized on the settlement date. When the Bank first recognizes a financial asset, the business model and the characteristics of contractual cash flows of the financial asset are considered by management.

*Financial Assets at Fair Value Through Profit/Loss*

Financial assets at fair value through profit or loss are financial assets that are managed by business model other than the business model that aims to “hold to collect” and “hold & sell” the contractual cash flows; acquired for the purpose of generating profit from short-term fluctuations in price, or regardless of this purpose, the financial assets that are a part of a portfolio with evidence of short-time profit-taking; and the financial assets, whose terms do not give rise to cash flows that are solely payments of principal of interest at certain dates. Financial assets at fair value through profit/loss are initially recognized at fair value and are subsequently measured at fair value. Gain and losses upon their valuation are accounted under the profit/loss accounts.

Equity securities classified as financial assets at fair value through profit or loss are recognized at fair value.

Accounting policies related to derivative financial instruments at fair value through profit or loss are explained in Section III. Note IV.

*Financial Assets at Fair Value Through Other Comprehensive Income*

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

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**VII. Explanations on Financial Assets (continued)**

*Financial Assets at Fair Value Through Other Comprehensive Income (continued)*

Financial assets at fair value through other comprehensive income are recognized at acquisition costs that reflect their fair value by adding transaction costs. Financial assets at fair value through other comprehensive income are subsequently measured at their fair value. The interest income of financial assets at fair value through other comprehensive income that are calculated by effective interest rate method are reflected in the statement of profit or loss. The difference between the fair value of the financial assets at fair value through other comprehensive income and the amortized cost of the financial assets, i.e. “Unrealized gains and losses”, is not recognized in the statement of profit or loss until the realization of the financial asset, the sale of the asset, the disposal of the asset or being impaired of the asset are accounted under “Other Accumulated Comprehensive Income or Expenses that will be reclassified at Profit or Loss” under shareholders' equity. Accumulated fair value differences under equity are reflected to the income statement when such securities are collected or disposed.

The Bank may elect at initial recognition to irrevocably designate an equity investment at fair value other comprehensive income where those investments are hold for purposes other than to generate investments returns. When this election is used, fair value gains and losses are recognized in other comprehensive income and are not subsequently reclassified to profit or loss. Dividends continue to be recognized in profit or loss in the financial statements.

All equity instruments classified as financial assets at fair value through other comprehensive income are measured at fair value. However, in limited circumstances, cost may be an appropriate estimate of fair value. That may be the case if insufficient more recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. In case of disposal of the equity investment, the accumulated total gain or loss is followed in the “Other Accumulated Comprehensive Income or Expense that cannot be reclassified to Profit or Loss”.

In addition, the Bank's securities portfolio includes financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, and consumer price (“CPI”) indexed government bonds classified as financial assets measured at amortized cost. These securities are valued and accounted by using the effective interest method, based on the real coupon rates, the reference inflation index on the issue date, and the index calculated by taking into account the estimated inflation rate. As stated in the CPI-Indexed Bonds Investor's Guide of the Undersecretariat of Treasury, the reference indices used in calculating the actual coupon payment amounts of these securities are based on the CPI of two months ago. The Bank determines the estimated inflation rate in parallel with this. The estimated inflation rate, taking into account the Central Bank of the Republic of Türkiye and the Bank's expectations, is updated during the year when deemed necessary. In this context, as of 30 September 2024, the valuation of the mentioned assets was based on an annual inflation forecast of 46%. At the end of the year, the actual inflation rate is used.

*Financial Assets Measured at Amortized Cost*

*Financial investments measured at amortized cost:*

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

Financial asset measured at amortized cost is recognized at cost which represents its fair value at initial recognition by adding the transaction costs and subsequently measured at “Amortized cost” by using the “Effective interest (IRR) rate method”. Interest income related to the financial asset measured at amortized cost is recognized in the statement of profit or loss.

*Loans:*

Loans are financial assets with fixed or determinable payment terms which are not traded on an active market and measured at amortized cost is recognized at cost which represents its fair value at initial recognition by adding the transaction costs and subsequently measured at amortized cost by using the “Effective interest (IRR) rate method”.

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**VIII. Explanations on Impairment of Financial Assets**

As of 1 January 2018, a loss allowance for expected credit losses is provided for all financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income, all financial assets, which are not measured at fair value through profit or loss, loan commitments and financial guarantee contracts in accordance with TFRS 9 principles and the regulation published in the Official Gazette no. 29750 dated 22 June 2016 in connection with "Procedures and Principles regarding Classification of Loans and Allowances Allocated for Such Loans" which came into force starting from 1 January 2018. Equity instruments are not subject to impairment assessment as they are measured at fair value.

Measurement of the expected credit losses reflects:

- Time value of money
- Reasonable and supportable information on past events, current conditions and forecasts of future economic conditions at the reporting date

The Bank has changed its credit calculation method with the expected credit loss model as of 1 January 2018. Expected credit losses include an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions and the time value of money. The financial assets are divided into "3 stage categories" depending on the gradual increase in credit risk observed since their initial recognition:

**Stage 1:**

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded in the amount of 12 month expected credit losses.

**Stage 2:**

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 based on the instrument's lifetime expected credit losses. Following criteria have been taken into account in classification a financial asset as Stage 2:

- Loans having past due more than 30 days and less than 90 days
- Restructuring loans
- Concordatum events
- Significant deterioration in probability of default

In the case of the occurrence of any of the first three items above, it is classified under Stage 2 loans regardless of the comparison between probability of default.

Significant deterioration in probability of default is considered as significant increase in credit risk and the financial asset is classified under Stage 2 loans. In this regard, it is assumed that the probability of default deteriorates, if the probability of default exceeds the thresholds defined by the Bank's internal rating based credit rating models.

**Stage 3:**

Stage 3 includes financial assets that have objective evidence that they are impaired as of the reporting date. For these assets, lifetime expected credit losses are recorded. For the related financial assets, the probability of default is taken into account as 100%.

**Expected Credit Loss Calculation**

Expected credit loss calculation refers to the calculation to estimate the loss of the financial instrument in case of default and it is based on 3-stage impairment model based on the change in credit quality. The Bank uses two different calculations considering 12-month and lifetime probability of default of the financial instruments.

If there is a significant increase in credit risk between the origination date and the reporting date of the loan, the lifetime probability of default is used and if there is no significant increase in credit risk the 12 month probability of default is used.

There are three loan portfolios as Commercial portfolios, Retail portfolios and Public portfolios.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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### VIII. Explanations on Impairment of Financial Assets (continued)

#### Expected Credit Loss Calculation (continued)

While the Bank uses the internal credit ratings for commercial portfolios, the internal behavioral scores is used for the retail portfolios. It is determined significant increase in credit risk by comparing the credit ratings/behavioral scores at the origination date and reporting date for both portfolios.

Default Definition: Debts having past due more than 90 days; in addition, the fact that an obligor is unlikely to pay its credit obligations, it should be considered as defaulted regardless of the existence of any past-due amount or of the number of days past due.

The Bank considers different scenarios in the calculation of expected credit loss by evaluating current economic conditions and expert opinions. Accordingly, the macroeconomic value estimates taken into account in the expected loss provision calculation are presented below.

	2024				2025				2026				2027			
Period (*)	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
GDP	5.31	2.49	1.59	2.80	3.20	3.30	2.90	2.60	3.75	3.55	3.15	3.65	3.90	3.70	3.40	4.20

(\*)It represents 3-month periods.

The Bank does not have any financial asset as purchased or originated credit-impaired.

Probability of Default (PD): Probability of Default represents the likelihood of default over a specified time period. Based on the historical data, 1-year PD of a customer is calculated for each portfolio on the basis of credit ratings and behavioral scores. PDs and LGDs used in the ECL calculation are point in time ("PIT") based on key portfolios and consider both current conditions and expected cyclical changes. Two types of probability of default are calculated.

- 12-Month Probability of Default: as the estimated probability of default occurring within the next 12 months
- Lifetime Probability of Default: as the estimated probability of default occurring over the remaining life of the financial instrument

Internal rating systems are used to measure the risk of both commercial and retail portfolios. The internal rating models used in the commercial portfolio include the customer's financial information and the answers to the qualitative question set. Behavioral score cards used in the retail portfolio include the behavioral data of the customer and the product in the Bank, the demographic information of the customer and the behavioral data of the customer in the sector.

The probability of default is calculated based on historical data, current conditions and forward-looking macroeconomic expectations.

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

LGD estimates for commercial segments are calculated with statistical models that take into account historical collection and direct cost items and explain the realized LGD rates based on risk factors. Historical collection rates by collateral type for the corporate segment and by product class for the retail segment are calculated by taking into account the time value of money, and these rates are used in the calculation of LGD estimates. For the corporate segment, collaterals are included in the calculation by taking into account the expected cash conversion rate order.

Exposure at Default (EAD): The Exposure at Default represents an estimate of the exposure to credit risk at the time of a potential default occurring during the life of a financial instrument. The expected default amount is calculated by discounting the principal and interest repayments for cash loans and income accruals by effective interest method while it refers to the value calculated through using credit conversion factors for non-cash loans and commitments. It shows the risk of the borrower at the date of default.

Effective interest rate: The discount factor which reflects the time value of money.

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**VIII. Explanations on Impairment of Financial Assets (continued)**

**Expected Credit Loss Calculation (continued)**

Lifetime ECL is calculated by taking into account the period during which the Bank will be exposed to credit risk. The maturity information defined for all cash and non-cash loans is used in the calculation of the expected credit loss along with their maturity and payment plans. The maturity refers to the contractual life of a financial instruments unless there is the legal right to call it earlier. The maturity analysis and credit risk mitigation processes such as cancellation/revision of the limits have been developed for the definition of behavioral maturity for loans that do not have maturity information and revolving loans.

When expected credit losses are estimated, it is considered that three different macroeconomic scenarios as “Base”, “Adverse” and “Favorable” and the weighted average of the results of these scenarios is taken into account. Forward-looking PDs based on the weighted average of these three scenarios are calculated on segment basis. The fundamental macroeconomic variable in the macroeconomic models is the estimated annual growth rate in gross national product. The Bank periodically reviews the parameters included in the calculation and updates them when necessary.

**Expected Credit Loss Calculation of Stage 1 Loans:** It is calculated by considering 12 month (1 year) PDs for the financial assets measured at amortized cost, which do not reflect a significant increase in credit risk. Therefore, it is a part of the lifetime expected credit losses. Such expected 12 month PDs are applied on an expected exposure at default, multiplied with loss given default rate and discounted with the original effective interest rate.

In the case of the current default rate is below a defined threshold without comparison with the origination date, the related loans are classified under Stage 1 loans by considering their credit qualities. Treasury Bills, Government Bonds and CBRT balances are classified under Stage 1 loans. In addition, the institutions related to risk group of the Bank and other banks’ placements are classified under Stage 1 loans.

**Expected Credit Loss Calculation of Stage 2 Loans:** It is calculated by considering lifetime PDs for the loans which has shown a significant increase in credit risk since origination. Such expected lifetime PDs are applied on an expected exposure at default, multiplied with loss given default rate and discounted with the original effective interest rate.

In determining of the significant increase in credit risk, qualitative and quantitative assessments are performed.

**Qualitative assessments:**

The loans with a delay on repayment more than 30 days are classified under Stage 2 loans. In addition, the restructured loans are classified under this stage. Also, all the customers declaring concordatum are classified under this stage.

The Bank periodically reviews the parameters included in the calculation and updates them when necessary.

**Quantitative assessments:**

“Significant increase in credit risk” is quantitatively based on the comparison the risk of default at the reporting date with the risk of default at the date of initial recognition. Where the change is above the defined threshold it is considered as significant increase in the credit risk, meaning that the credit is classified under Stage 2 loans.

In the case of the internal credit rating of the loan is above a defined threshold, “high risk portfolio”, without comparison with the origination date, the related loans are classified under Stage 2 loans.

In addition, the Bank allocates overlay in addition to the Expected Credit Loss model provisions against potential credit risks that may arise in line with its macroeconomic expectations. Additional provisions are evaluated monthly by the Bank's Provisions Committee, and if it is determined that the provisions are no longer necessary, they are reversed.

**Expected Credit Loss Calculation of Stage 3 Loans:** Lifetime expected credit losses are booked for the loans considered as impaired. When calculating the provisions by discounting the individual cash flow expectations for financial instruments which are above a defined threshold, loss given default rates are taken into account in case of default for financial instruments which are below the defined threshold.

**IX. Explanations on Offsetting of Financial Assets and Liabilities**

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

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**X. Explanations on Sales and Repurchase Agreements and Lending of Securities**

Treasury bills and government bonds within the scope of repurchase agreements are classified in financial statements as financial assets carried at amortized costs, financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income according to the classification of marketable securities subject to repurchase agreement and are valued according to the measurement rules of the relevant category. Funds obtained through repurchase agreements are booked in a separate liability account, namely funds provided under repurchase agreements under money market balances. Income and expenses arisen from these transactions are booked in “Interest Income on Marketable Securities Portfolio” and “Interest Expense on Money Market Borrowings” in income statement.

Securities purchased under repurchase agreements (“reverse repo”) are accounted under “Money Market Placements” in the balance sheet. The difference between the purchase and resell price of the repurchase agreements is accrued over the life of repurchase agreements. As of 30 September 2024, the Bank has no reverse repo transaction (31 December 2023: 12,243,734).

As of 30 September 2024, the Bank does not have any marketable securities lending transaction (31 December 2023: None).

**XI. Explanations on Assets Held for Sale, Discontinued Operations and Liabilities Related to Those Assets**

Non-current assets held for sale consists of property, plant and equipment acquired for impairment and accounted in financial statements convenient with “TFRS 5 Assets Held for Sale and Discontinued Operations”. An asset (or disposal group) classified as held for sale in accordance with TFRS 5 is measured at the lower of its carrying amount and fair value less costs to sell. For an asset to be held for sale, the asset (or disposal group) must be available for immediate sale under the conditions common and customary for the sale of such assets, and the sale must be highly probable. In order to have a high probability of sale; A plan for the sale of the asset must have been made by an appropriate level of management and an active program of identification of buyers and completion of the plan must have been initiated. In addition, the asset must be actively marketed at a price consistent with its fair value.

As of 30 September 2024, assets held for sale and discontinued operations of the Bank are TL 68,083 (31 December 2023: TL 82,060). As per the appraisals performed for the real estates held for sale included “Assets Held for Sale” in the financial statements, TL 3,356 (31 December 2023: TL 3,806) has been reserved as provision for impairment losses.

As of 30 September 2024, the Bank has no discontinued operations

**XII. Explanations on Goodwill and Other Intangible Assets**

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. In the merger transaction where acquirer and acquiree exchange equity instruments, it is taken into account the fair value of equity shares exchanged and the difference between such amount and fair value of the acquiree’s identifiable net asset value is accounted as goodwill. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the acquirer shall report in its financial statement’s provisional amounts for the items for which the accounting is incomplete. During the measurement period, the acquirer shall also recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period shall not exceed one year from the acquisition date.

As explained in footnote 1 of Section 1, under the Banking Regulation and Supervision Agency decision dated 10 February 2011 and the release of decision in Official Gazette 12 February 2011 dated and numbered as 27844, all rights, receivables, (assets and liabilities) of Fortis Bank A.Ş. would be transferred to the Bank as stated in Istanbul Commerce Trade dated 14 February 2011.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

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### XII. Explanations on Goodwill and Other Intangible Assets (continued)

Within the framework of TFRS 3 Business Combination, identifiable assets and liabilities acquired at the merger date are measured at their acquisition date fair value. In this context, the Bank has measured the identifiable assets acquired and the identifiable liabilities acquired in the date of the merger of Fortis Bank A.Ş. at fair value and presented in the financial statements as related items. The resulting difference of TL 48,783 is shown in related assets and liability section, the equity impact is shown under other shareholder's equity section. The amount of TL 421,124, which is the difference between TL 2,385,482, the fair value of transferred amount and TL 1,964,358, the identifiable net asset value is accounted as goodwill in the financial statements of the Bank and the equity impact is shown under other shareholder's equity section.

Goodwill arising on an acquisition of a business or a merger is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Bank's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets are accounted for at restated cost until 31 December 2004 in accordance with inflation accounting and are amortized with straight-line method, after 31 December 2004 the acquisition cost and any other cost incurred so as to prepare the intangible asset ready for use less reserve for impairment, if any, and are amortized on a straight-line method. The cost of assets subject to amortization is restated after deducting the exchange differences, capitalized financial expenses and revaluation increases, if any, from the cost of the assets.

The other intangible assets of the Bank comprise mainly software. The useful lives of such assets acquired are determined as 3-5 years by taking into consideration the expected utilization period, technical, technological or any other impairment and maintenance expenses necessary for the economic use of such assets. Software used are mainly developed within the Bank by the Bank's personnel and the related expenses are not capitalized.

There are no anticipated changes in the accounting estimates about the amortization rate and amortization method and residual values that would have a significant impact in the current and future periods.

### XIII. Explanations on Tangible Assets

Tangible assets of the Bank are accounted for at their restated cost until 31 December 2004 and afterwards, the acquisition cost and any other cost incurred to prepare the asset ready for use are reflected, less reserve for impairment, if any.

Depreciation rates are defined according to the economic life of the relevant assets.

Depreciation is calculated using the straight line method, without taking residual values into consideration, based on the number of months that the asset is used. No amendment has been made to the depreciation method in the current period. The economic useful lives of the tangible fixed assets are as follows:

Buildings	50 years
Furniture, Fixtures and Office Equipment and Others	5-15 years

Gain or loss resulting from disposals of the tangible fixed assets is reflected to the income statement as the difference between the net proceeds and net book value.

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**XIII. Explanations on Tangible Assets (continued)**

Maintenance costs of tangible fixed assets are capitalized if they extend the economic useful life of the related asset and other maintenance costs are expensed. Leasehold improvements amount is subject to depreciation during leasing period. This period is taken into consideration maximum five years. For the branches, this period is considered as three years in parallel with the Bank's business plans.

The Bank employs independent appraisers in determining the current fair values of its real estate's when there is any indication of impairment in value of real estates.

**XIV. Explanations on Leasing Transactions**

“TFRS 16 Leases” was promulgated in the Official Gazette dated 16 April 2018 and numbered 30393, effective from 1 January 2019. This Standard specifies the principles for the leasing, presentation and disclosure of leases. The purpose of the standard is to provide tenants and lessees with appropriate information and faithful representation. This information is the basis for evaluating the impact of the leases on the entity's financial position, financial performance and cash flows by users of financial statements. The Bank has started to apply the related standard for the first time on 1 January 2019 by reflecting the application effects to the equity accounts.

Lease obligations under the contract in the amount of liabilities on the balance sheet equal to the sum of all cash payments and offset with the form shown gross interest expense arising from the contract. The right of use arising from the leasing transactions, at the date of commencement, the present value of the lease payments which have not been paid at that date is measured. In this measurement, if the interest can be easily determined, the implied interest rate in the lease is used. If this ratio is not easily determined, the Bank's alternative borrowing interest rate announced by the Asset and Liability Management Department is used.

With the “TFRS 16 Leases” standard which became effective as of 1 January 2019, the difference between the operating lease and financial lease has been removed and the lease transactions are started to be recognized under “Tangible Assets” as an asset (tenure) and under “Lease Payables” as a liability.

**XV. Explanations on Provisions and Contingent Liabilities**

Provisions are provided for liabilities of uncertain timing or amount arising from past events have the probability to result in an expense or loss in the future and when it can be measured reliably.

Provisions are determined by using the Bank management best expectation of expenses in fulfilling the obligation as of the balance sheet date and discounted to present value if material. Provisions and contingent liabilities, excluding specific and general provisions for loans and other receivables, are recognized in accordance with the Turkish Accounting Standards (TAS 37) regarding Provisions, Contingent Liabilities and Contingent Assets.

**XVI. Explanations on Contingent Assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized.

Contingent assets are disclosed in the financial statements' notes where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. In case it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements.

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**XVII. Explanations on Liabilities Regarding Employee Benefits**

In accordance with existing social legislation in Turkey, the Bank is required to make lump-sum termination indemnities over a 30 day salary to each employee who has completed over 1 year of service, whose employment is terminated due to retirement or for reasons other than resignation or misconduct, and due to marriage, female employees terminating their employments within a year as of the date of marriage, or male employees terminating their employments due to their military service. The Bank is also required to make a payment for the period of notice calculated over each service year of the employee whose employment is terminated for reasons other than resignation or misconduct. According to the Turkish Accounting Standard on Employee Benefits No. 19, the total benefit is calculated for employees who have completed one year of employment and whose working period has expired due to retirement, or who are left voluntarily or dismissed.

Such benefit plans are unfunded since there is no funding requirement in Turkey. The cost of providing benefits to the employees for the services rendered by them under the defined benefit plan is determined by independent actuaries annually using the projected unit credit method.

Employees transferred to the Bank following the business combination defined in the Section One “General Information” of the Bank and Fortis Bank A.Ş. are the members of “Fortis Bank A.Ş. Mensupları Emekli Sandığı” (the “Pension Fund”) which was established in May 1964 under the Provisional Article 20 of Social Insurance Law No: 506. Technical financial statements of the Pension Fund are audited by a licensed actuary in accordance with Article 38 of the Insurance Supervisory Law and the “Actuary Regulations” issued based on the same article. As of 30 September 2024, the Pension Fund has 739 employees and 2,186 pensioners (31 December 2023, 891 employees and 2,031 pensioners).

Provisional Article 23 (1) of Banking Law No: 5411 (the “Banking Law”) published in the Official Gazette repeated No: 25983 on 1 November 2005 requires the transfer of bank funds to the Social Security Institution (the “SSI”) within 3 years after the effective date of the Banking Law and the related paragraph also sets out the basis for the related transfer. However, Article 23 (1) of Banking Law No: 5411 was annulled based on the Constitutional Court’s ruling issued on 22 March 2007 and ruled for the stay of execution as of 31 March 2007. The related Court ruling and its basis were published in the Official Gazette No: 26731 on 15 December 2007.

Immediately following the publication of the reasoned decision of the Constitutional Court regarding the annulment, the Grand National Assembly of Türkiye (“TBMM”) started to work on new legal regulations providing for the transfer of bank fund participants to SSI and the relevant articles of the Social Security Law regulating the principles regarding the transfer were adopted on 8 May 2008. and entered into force by being published in the Official Gazette No. 26870.

The application made by the main opposition party to the Constitutional Court on 19 June 2008, requesting the annulment and suspension of the enforcement of some articles of the New Law, including the transfer of funds to the Social Security Institution, was rejected by the decision taken at the meeting of the Constitutional Court on 30 March 2011, and the reasoned The decision was published in the Official Gazette dated 28 December 2011 and numbered 28156.

The cash value of the liability regarding the transferred persons as of the New Law transfer date; Using a technical interest rate of 9.8 percent, the insurance branches of the funds within the scope of the Law are determined by a commission consisting of SSI, The Ministry of Finance, Treasury Undersecretary, Undersecretariat of State Planning Organization, BRSA, Savings Deposit Insurance Fund (TMSF), bank and fund representatives. It was stated that if the income and expenses and the pensions and incomes paid by the funds were above the salaries and incomes within the framework of SSI regulations, the said differences would be calculated and the transfer would be completed by May 8, 2011.

With the decision of the Council of Ministers published in the Official Gazette dated 9 April 2011 and numbered 27900, it was decided to extend the transfer process for 2 years. Within the framework of the postponement authority given to the Council of Ministers with the amendment in the first paragraph of the temporary article 20 of the Social Insurance and General Health Insurance Law No. 5510, published in the Official Gazette No. 28227 dated 8 March 2012, it was published in the Official Gazette No. 28987 dated 30 April 2014. The transfer process, which was postponed for another year by the Council of Ministers' Decision No. 2014/6042, was supposed to be completed by 8 May 2015 with this change. This time, The Council of Ministers has been lastly authorized to determine the transfer date in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated 23 April 2015 numbered 29335. According to paragraph (I) of Article 203 of Law no. 703 which published on the Official Gazette no. 30473 dated 9 July 2018, the phrase, placed in 20th provisional article of Social Insurance and General Health Insurance Law no.5510, “Council of Ministers” is authorized to determine the date of transfer to the Social Security Institution has been replaced with “President”.

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**XVII. Explanations on Liabilities Regarding Employee Benefits (continued)**

The technical financial statements of the Pension Fund are prepared by an independent actuary company considering related regulation and the Fund is not required to provide any provisions for any technical or actual deficit in the financial statements based on the actuarial report prepared as of 30 September 2024. Since the Bank has no legal rights to carry the economic benefits arising from repayments of Pension Funds and/or decreases in future contributions at present value; no asset has been recognized in the balance sheet.

Since the Bank management anticipates that any potential liability that may be incurred during or after the transfer within the above-mentioned limits will be likely recoverable by the assets of the Pension Fund, they believe such liabilities will not bring any additional liability to the Bank.

**XVIII. Explanations on Taxation**

*Corporate Tax*

In Turkey, corporate tax applied at the rate of 20% for corporate income is applied at 25% for the corporate income for the taxation period of 2021 and 23% for the corporate income for the taxation period of 2022 in accordance with the regulation introduced by the Law No. 7316 "Law on the Amendment of the Law on the Procedure for Collection of Public Receivables and Certain Laws", and pursuant to the regulation numbered 7394 "Law on the Amendment of Certain Laws and Decree Laws with the Law on the Evaluation of Immovable Properties Belonging to the Treasury and Amendment to the Value Added Tax Law", this rate has been determined as 25% to be applied to the corporate income of banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies for the taxation period starting from 2022. In addition, with the Law No. 7417 "Law on the Amendment of the Law on Civil Servants and Certain Laws and the Decree Law No. 375", the effective article of the 25% rate determined within the scope of Law No. 7394 has been amended, and thus, the relevant regulation has been made that 25% corporate tax will be calculated on the corporate income of the above-mentioned banks and financial institutions for the taxation period of 2023 and the following periods. With the latest regulation on corporate tax rates, the general corporate tax rate was increased from 20% to 25% and the corporate tax rate for financial institutions was increased from 25% to 30% within the scope of the "Law No. 7456 on Additional Motor Vehicles Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amendments to Certain Laws and Decree Law No. 375". The aforementioned article enters into force on the date of its publication, starting from the declarations to be submitted as of 1 October 2023 (3rd Provisional Tax Period).

The tax legislation requires advance tax to be calculated and paid based on earnings generated for each quarter, the amounts thus calculated and paid are offset from the final tax computed over the earnings of the year. With the Tax Procedure Law No. 7338 published in the Official Gazette dated 26 October 2021 and numbered 31640, the 4th period provisional tax return to be implemented in 2022 was abolished. In the new application, a total of 3 temporary tax returns will be submitted in quarterly periods for the first 9 months of the year. On the other hand, corporate tax and any related taxes paid to foreign tax offices for the income obtained from foreign branches are taken into account in the Tax Statement according to Article 22 of the Prevention of Double Taxation Treaty signed between Northern Cyprus and the Turkish Republic.

50% portion of the gains derived from the sale of immovable (from 5 December 2017) which have been acquired due to loans under follow up from the Bank and 75% portion of participation shares, founder's shares, dividend shares and pre-emption rights is tax exempt. 75% portion of the capital gains derived from the sale of equity investments are exempt from corporate taxation, providing that such gains are added to paid-in capital or held in a special fund account under liability for 5 years. In addition, within the scope of the "Law No. 7456 on Additional Motor Vehicles Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amendments to Certain Laws and Decree Law No. 375", the Corporate Tax exemption (Corporate Tax Law 5/1-e) on the sales gains of immovable properties held in assets for at least 2 years has been repealed. However, for the immovables acquired before the publication date of the Law (for the immovables in the assets of the institutions before 15 July 2023), the exemption rate will be applied as 25% for the gains obtained.

Tax returns are required to be declared and paid between the first and last day of the fourth month following the accounting period.

According to the Corporate Tax Law, tax losses can be carried forward for a maximum period of five years following the year in which the losses are incurred. Tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

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**XVIII. Explanations on Taxation (continued)**

*Corporate Tax (continued)*

Within the scope of repetitive article 298 of the Tax Procedure Law, it has been decided that the financial statements will be subject to inflation adjustment if the increase in the producer price index is more than 100% in the last 3 accounting periods, including the current period, and more than 10% in the current accounting period and as of 31 December 2021, these conditions have been fulfilled. However, with the Law No. 7352 on the "Amendment of the Tax Procedure Law and the Corporate Tax Law," published in the Official Gazette dated 29 January 2022 and numbered 31734, the temporary article 33 was added to the Tax Procedure Law No. 213, it has been enacted that the financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods including the provisional tax periods (for those designated as a special accounting period, as of the accounting periods ending in 2022 and 2023) and the provisional tax periods for the 2023 accounting period, regardless of whether the conditions for the repetitive inflation adjustment within the scope of Article 298 are met, the financial statements as at 31 December 2023 will be subject to inflation adjustment regardless of whether the conditions for the inflation adjustment are met, the profit/loss differences arising from the inflation adjustment to be made will be shown in the prior years' profit/loss account, the prior year's profit determined in this way will not be subject to tax, and the loss of the prior year's loss will not be considered as loss. In addition, the "Law on Amendments to Certain Laws and Decree Laws" numbered 7491 was published in the Official Gazette dated December 28, 2023, and in Article 17 of this law; Profits resulting from inflation adjustments to be made by banks, companies within the scope of Law No. 6361, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in the 2024 and 2025 accounting periods (including provisional tax periods). and the loss is not taken into account in the corporate tax base. Issues regarding inflation adjustment are explained in the Tax Procedure Law Communiqué No. 555 and the Tax Procedure Law Circular No. 165.

On the other hand, with the Temporary Article 32 added to the Tax Procedure Law with the relevant articles of the Tax Procedure Law No. 7338 and the Law on Amending Certain Laws, taxpayers within the scope of the duplicate article 298/ç were allowed to revalue their real estate and depreciable economic assets recorded in their balance sheets. In addition, with the Communiqué Amending the Tax Procedure Law General Communiqué (line no. 537) with line no. 547 published in the Official Gazette dated 14 January 2023 and numbered 32073, additional explanations have been introduced in the procedures and principles regarding the revaluation of real estate and economic assets subject to depreciation for taxpayers who, despite keeping books on the balance sheet basis, have to use different accounting techniques in terms of their fields of activity. Accordingly, the Bank made a revaluation of the immovable in its balance sheet and its depreciable economic assets, provided that the conditions in the Tax Procedure Law Provisional Article 32 and Reiterated Article 298/ç are met. Thus, corporate tax will be paid according to the new depreciation expenses found after revaluation of real estate and depreciable economic assets. However, in accordance with paragraph (A) of Article 298 of the TPL and Provisional Article 33, revaluation cannot be made within the scope of paragraph (Ç) of the same article in periods when inflation adjustment is required. In case of inflation adjustment in the period following the end of the revaluation period, inflation adjustment is applied based on the values found by taking into account the last values of the revalued depreciated economic assets.

With Article 7 of Law No. 7524, published in the Official Gazette dated August 2, 2024, and numbered 32620, the phrase "and precious metals" was added after the term "trade" in the provision of market value, which is one of the valuation measures in Article 263 of the Tax Procedure Law. Thus, it has been ensured that the market value can be used as a valuation measure in the valuation of precious metals traded on the precious metals exchange. On the other hand, Article 8 of Law No. 7524 added Article 274/A to the Tax Procedure Law. According to this article, precious metals such as gold, silver, platinum, and palladium will be valued at market value. Accordingly, as of August 2, 2024, except for those recorded as commercial goods in the assets of taxpayers engaged in the production and trading of precious metals, precious metals held by taxpayers for investment purposes and receivables and payables in precious metals will be valued at market value. Consequently, deposit accounts and loan accounts opened physically or nominally based on precious metals will also be valued at market value. Additionally, receivables and payables based on deposit or loan agreements in precious metals will be considered together with the interest accrued until the valuation date.

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### **XVIII. Explanations on Taxation (continued)**

#### *Deferred Tax Asset/Liability*

The Bank calculates and reflects deferred tax asset or liability on timing differences which will result in taxable or deductible amounts in determining taxable profit of future periods.

In the scope of TAS 12 Income Taxes standard, deferred tax assets or liabilities are calculated based on tax rates (and tax laws) that are in effect or nearly effective as of the end of the reporting period (balance sheet date), using tax rates expected to be applied in the periods when assets are converted into income or liabilities are paid. As of 30 September 2024, the deferred tax is calculated over 30% in accordance with the tax legislation in effect. According to the Provisional Article 33 of the Tax Procedural Law, in the financial statements dated 30 September 2024, the tax effects arising from inflation adjustment of corporate tax are included in the deferred tax calculation as of 30 September 2024.

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized.

Deferred tax asset is calculated over temporary differences arisen from expected credit loss provision in line with TFRS 9 principles from 1 January 2018.

The deferred tax effects of transactions that are recognized directly in equity are also reflected in equity.

#### *Transfer Pricing*

Article 13 of the Corporate Tax Law contains detailed explanations on "concealed gain profit distribution through transfer pricing" and in this context, if the corporations purchase or sell goods or services with related parties at a price or price determined in violation of the arm's length principle, the profit is deemed to be distributed in whole or in part as disguised through transfer pricing. In the application of Corporate Tax laws, the earnings distributed in a disguised manner through transfer pricing in whole or in part are taken into consideration as the dividend distributed as of the last day of the accounting period in which the conditions in this article are met, or the amount transferred to the head office for limited taxpayers, and the earnings distributed in a disguised manner cannot be deducted in the determination of corporate income.

The "arm's length principle", which forms the basis of the regulation on transfer pricing, means that the price or price applied in the purchase or sale of goods or services with related parties is in accordance with the price or price that would occur in the absence of such a relationship between them. In this sense, important issues such as related person, arm's length principle, arm's length price determination methods, which are handled within the scope of transfer pricing application, are included in detail in the Transfer Pricing communiqués published on the subject.

Corporate taxpayers are required to fill in the "Transfer Pricing, Controlled Foreign Entities and Thin Capitalization Form" for the purchase or sale of goods or services with related parties within an accounting period and submit it to the tax office in the annex of the corporate tax return.

### **XIX. Additional Explanations on Borrowings**

The borrowing costs related to purchase, production, or construction of qualifying assets that require significant time to be prepared for use and sale are included in the cost of assets until the relevant assets become ready to be used or to be sold. Financial investment income obtained by temporary placement of undisbursed investment loan in financial investments is offset against borrowing costs qualified for capitalization.

All other borrowing costs are recorded to the income statement in the period they are incurred.

### **XX. Explanations on Issued Equity Securities**

There is no share issued in 2024.

### **XXI. Explanations on Bill Guarantees and Acceptances**

Acceptances are realized simultaneously with the payment dates of the customers, and they are presented as probable commitments in off-balance sheet accounts.

### **XXII. Explanations on Government Incentives**

There is no government incentive utilized by the Bank.

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**XXIII. Explanations on Reporting According to Segmentation**

The operating segments of the Bank include Retail and Private Banking, SME Banking, Corporate Banking, Treasury and Asset-Liability Management.

Retail and Private Banking lines of the Bank provide consumer loans, personal financing, housing, workplace and vehicle loans for customer needs related to general consumption, purchase of durable goods, and real estate. The Bank also provides account products like Marifetli, Fırsat and CEPTETEB along with the standard time deposit products to enable advantageous savings in different currencies and maturities. In regard to investment needs for customers, retail and private banking offers brokerage services for treasury bill transactions, government bonds, Eurobonds, foreign exchange purchases/sales, a wide range of investment funds, private pension funds and equity securities transactions. It also provides practical account, credit deposit account, automatic bill/regular payment options, safe-deposit boxes and insurance services beside credit and debit cards offering advantages in shopping and banking transactions. These products and services are provided to customers through widespread physical branches and ATM network and also via a 24/7 call center, internet and mobile banking. In addition to small businesses, Business Banking, Agricultural Banking and Women's Banking for agricultural producers and women boss segments; Financial problems faced by customers are solved on a larger scale, and information, training and network access support are provided on non-financial issues.

Corporate banking provides financial solutions and banking services to large-scale local firms, holdings and their group companies, and multinational companies operating in Turkey. In addition to the bank deposit services provided to corporate customers, corporate banking also develops tailored solutions and products for standard cash and non-cash loans, investment loans, cash management services in line with customer needs and demands and foreign trade financing. Foreign exchange purchase and sale transactions, corporate financing services, derivative products and solutions to manage foreign exchange and interest rate risk and commodity financing are other services provided by the Bank. The Bank provides these services and products for its corporate customers via teams, located in its corporate branches and Head Office, who are specialized in foreign trade, cash management, structured finance and multinational companies. It also benefits from the global business network and expertise of BNP Paribas Group.

SME banking provides small and medium-sized enterprises with financial solutions and exclusive services for non-financial matters. The Bank, which specifically designed its services for different segments in the field of SME Banking, has developed solutions that are tailored to the needs of these segments. In addition to solutions developed for medium-sized enterprises, solutions were developed for jewelers, entrepreneurship segments and for SME Banking, Gold Banking and Entrepreneurship Banking. These solutions are provided on a larger scale based on the types of financial problems encountered by customers, and they are supported in non-financial matters via offering access to information, training and networks. At this point, the Bank does not only provide financial support to the SMEs but also provides the training and expertise they need to grow their business, strengthen their competitiveness and use their financing properly.

When determining the short, medium and long-term pricing strategy, Asset-Liability Management and the Treasury Group also manage the maturity mismatch, by adopting a principle foreseeing to work with a positive balance sheet margin. Spot and forward TL and foreign exchange purchase-sale transactions, treasury bill, government bond, and Eurobond purchase-sale transactions, and derivative product purchase/sale transactions are carried out under defined authorizations. The Bank also carries out activities related to providing medium and long-term funding, enabling funding at a price below the price reflecting the country risk price, diversifying funding resources, and creating an international investor base in this field.

The Financial Markets Group provides structured financial solutions to hedge foreign exchange/interest rate risks of customers and provides the most appropriate price for the market instruments offered to customers by monitoring market conditions.

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### XXIII. Explanations on Reporting According to Segmentation (continued)

The details of the income statement and the balance sheet which the Bank operates as a business line:

Current Period	Retail and Private Banking	Corporate Banking	SME Banking	Other	Total
Dividend Income	-	-	-	24,783	24,783
Profit Before Tax	5,623,614	8,448,320	383,283	(4,312,723)	10,142,494
Tax Provision (-)	-	-	-	2,056,902	2,056,902
<b>Net Profit for the Period</b>	<b>5,623,614</b>	<b>8,448,320</b>	<b>383,283</b>	<b>(6,369,625)</b>	<b>8,085,592</b>

Current Period	Retail and Private Banking	Corporate Banking	SME Banking	Other	Total
Segment Assets	102,768,844	129,654,652	74,057,937	261,702,630	568,184,063
Investments in Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	279,026	279,026
<b>Total Assets</b>	<b>102,768,844</b>	<b>129,654,652</b>	<b>74,057,937</b>	<b>261,981,656</b>	<b>568,463,089</b>

Segment Liabilities	274,764,813	85,145,787	18,999,837	147,881,819	526,792,256
Shareholders' Equity	-	-	-	41,670,833	41,670,833
<b>Total Liabilities</b>	<b>274,764,813</b>	<b>85,145,787</b>	<b>18,999,837</b>	<b>189,552,652</b>	<b>568,463,089</b>

Prior Period (30.09.2023)	Retail and Private Banking	Corporate Banking	SME Banking	Other	Total
Dividend Income	-	-	-	25,149	25,149
Profit Before Tax	1,465,013	4,690,293	895,518	6,510,091	13,560,915
Tax Provision (-)	-	-	-	3,577,666	3,577,666
<b>Net Profit for the Period</b>	<b>1,465,013</b>	<b>4,690,293</b>	<b>895,518</b>	<b>2,932,425</b>	<b>9,983,249</b>

Prior Period (31.12.2023)	Retail and Private Banking	Corporate Banking	SME Banking	Other	Total
Segment Assets	68,214,361	88,506,389	45,401,615	204,517,628	406,639,993
Investments in Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	279,026	279,026
<b>Total Assets</b>	<b>68,214,361</b>	<b>88,506,389</b>	<b>45,401,615</b>	<b>204,796,654</b>	<b>406,919,019</b>

Segment Liabilities	192,800,817	65,240,726	22,216,126	91,616,660	371,874,329
Shareholders' Equity	-	-	-	35,044,690	35,044,690
<b>Total Liabilities</b>	<b>192,800,817</b>	<b>65,240,726</b>	<b>22,216,126</b>	<b>126,661,350</b>	<b>406,919,019</b>

### XXIV. Explanations on Other Matters

According to the decision taken at the Ordinary General Assembly Meeting of the Bank held on 27 March 2024, from TL 11,726,648, which constitutes the net balance sheet profit of 2023, as recommended by the Board of Directors, TL 1,172,665 to shareholders and 9.96 full TL to founders' redemption certificate holders after that the remaining balance is fully reserved as Extraordinary Reserves.

### XXV. Reclassifications

Classification adjustments have been made to the income statement and cash flow statement as of September 30, 2023, to ensure compliance with the financial statement presentation as of September 30, 2024. These classifications have no impact on the Bank's performance.

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

**SECTION FOUR**

**INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT**

**I. Explanations Related to Components of Shareholders' Equity**

Equity amount and capital adequacy standard ratio has been calculated in accordance with the "Regulation on Banks' Equity" and "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" and in addition to these, the BRSA's regulations, dated 28 April 2022 and numbered 10188, dated 23 June 2022 and numbered 10248, dated 7 July 2022 and numbered 10265, dated 12 December 2023 and numbered 10747, dated 19 September 2024 and numbered 10964. According to the latest regulation changes;

In the calculation of the amount subject to credit risk, while calculating the revalued amounts in foreign currency, in accordance with the Board decision dated 12 December 2023 and numbered 10747, the Central Bank foreign exchange buying rates as of 26 June 2023 were used.

In accordance with the Standard Approach, 0% risk weight is used in the calculation of the amount subject to credit risk for FX receivables of Banks which are from Republic of Türkiye Central Management within the scope of Regulation on Measurement and Assessment of Capital Adequacy of Banks published on the Official Gazette dated 23 October 2015 and numbered 29511.

With the Board Decision dated September 19, 2024, and numbered 10964, as well as the Board Decision dated July 1, 2021, and numbered 9645, the Board Decision dated July 31, 2023, and numbered 10630, and the Board Decision dated August 24, 2023, and numbered 10655, except for overdraft accounts, have been repealed, and it has been decided to apply the risk weights determined in the Regulation to the mentioned loans. (For overdraft accounts, if there is an increase compared to the previous month-end, a risk weight of 150% has been applied to the increase amount).

In accordance with the Board decision dated 12 December 2023 and numbered 10747, in case of the net valuation differences of the financial assets included in the portfolio of "Securities at Fair Value through Other Comprehensive Income" as of the decision date are negative, these differences have been calculated in accordance with the Regulation on the Equity of Banks published in the Official Gazette dated 5 September 2013 and numbered 28756 and opportunity to not be taken into account in the amount of equity to be used for the capital adequacy ratio, it has been decided to continue to apply the existing provisions of the said Regulation for "Securities at Fair Value through Other Comprehensive Income" acquired after January 1, 2024.

In accordance with the BRSA Board Decision dated 28 April 2022 and numbered 10188, two hundred percent risk weight has been applied to commercial TL cash loans to be extended as of 1 May 2022 (excluding loans exempted as per the decision).

With the BRSA Board Decision of 23 June 2022 and numbered 10248, five hundred percent risk weight has been applied to commercial cash loans in TL and FC that will be extended to non-residents, excluding banks and financial institutions, after the date of the mentioned Decision.

In addition, some regulations have been introduced regarding the use of loan by companies subject to independent auditing.

In case the companies fail to notify the bank of their documents in accordance with the board decision or give information contrary to the statement, pursuant to the decision numbered 10265 dated 7 July 2022, new cash commercial loans in TL should not be extended to the related companies and a risk weight of 500% should be applied to all TL-denominated cash commercial loans extended on or after 30 June 2022.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations Related to Components of Shareholders' Equity (continued)

The Bank's current period equity amount calculated as of 30 September 2024 is TL 72,056,236 (31 December 2023: TL 46,702,047), and the capital adequacy standard ratio is 17.36% (31 December 2023: 16.82%). The Bank's capital adequacy standard ratio is above the minimum ratio determined by the relevant legislation. Credit risk "standard approach" for banking accounts, market risk "standard method" for trading accounts, counterparty credit risk "standard approach method" for derivatives and repo transactions, credit valuation adjustment capital load "standard method" for over-the-counter derivative transactions method and operational risk were calculated using the "basic indicator method".

#### Information related to the Components of Shareholders' Equity:

Common Equity Tier 1 Capital	Current Period 30.09.2024	Prior Period 31.12.2023
Paid-in capital to be entitled for compensation after all creditors	2,404,652	2,404,652
Share issued premiums	2,565	2,565
Reserves	31,328,147	20,756,668
Gains recognized in equity as per Turkish Accounting Standards (TAS)	227,594	177,939
Profit	8,085,592	11,726,648
Current Period's Profit	8,085,592	11,726,648
Prior Years' Profit	-	-
Bonus shares from associates, subsidiaries and joint ventures not accounted in current period's profit	-	-
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>42,048,550</b>	<b>35,068,472</b>
<b>Deductions from Common Equity Tier 1 Capital</b>		
Valuation adjustments calculated as per the (I) item of first paragraph of Article 9 of the Regulation on Bank Capital	-	-
Current and prior periods' losses not covered by reserves, and losses accounted under equity according to TAS	-	245,320
Leasehold improvements on operational leases	84,277	71,433
Goodwill netted off deferred tax liability	421,124	421,124
Other intangible assets netted off deferred tax liabilities except mortgage servicing rights.	1,224,387	798,777
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 value of Bank's liabilities	-	-
Net amount of defined-benefit plan assets	-	-
Direct and indirect investments of the Bank in its own Tier 1 Capital	-	-
Excess amount expressed in the law (Article 56 4th paragraph)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions (amount above 10% threshold) of Tier 1 Capital	-	-
Mortgage servicing rights (amount above 10% threshold) of Tier 1 Capital	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
Amounts exceeding 15% of Tier 1 Capital in accordance with the second paragraph of the Provisional Article 2 of the Regulation on Banks' Equity)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the Bank owns more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-
Amounts related to mortgage servicing rights	-	-
Excess amount of deferred tax assets from temporary differences	-	-
Other Items Determined by BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions from Common Equity Tier 1 Capital</b>	<b>1,729,788</b>	<b>1,536,654</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>40,318,762</b>	<b>33,531,818</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations Related to Components of Shareholders' Equity (continued)

#### Information related to the Components of Shareholders' Equity: (continued)

	Current Period 30.09.2024	Prior Period 31.12.2023
<b>ADDITIONAL TIER 1 CAPITAL</b>		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	-	-
Debt instruments and premiums approved by BRSA (In the scope of Provisional Article 4)	10,085,400	-
<b>Additional Tier 1 Capital Before Deductions</b>	<b>10,085,400</b>	-
<b>Deductions from Additional Tier 1 Capital</b>		
Bank's direct or indirect investment on its own Tier 1 Capital	-	-
Investments in equity instruments issued by banks or financial institutions invested in Bank's additional Tier I Capital which are compatible with the article 7 of the regulation	-	-
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 Common Equity Tier 1 Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier 1 Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital	-	-
Other Items Determined by BRSA	-	-
<b>Items to be deducted from Tier 1 Capital during the Transition Period</b>		
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 Bank Capital (-)	-	-
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 Bank Capital (-)	-	-
The amount to be deducted from Additional Tier 1 Capital (-)	-	-
<b>Total Deductions from Additional Tier 1 Capital</b>	-	-
<b>Total Additional Tier 1 Capital</b>	<b>10,085,400</b>	-
<b>Total Tier 1 Capital (Tier 1 Capital=Common Equity+Additional Tier 1 Capital)</b>	<b>50,404,162</b>	<b>33,531,818</b>
<b>TIER 2 CAPITAL</b>		
Debt instruments and related issuance premiums defined by the BRSA	17,199,640	10,096,945
Debt instruments and related issuance premiums defined by the BRSA (Provisional Article 4)	-	-
Provisions (Amounts stated in the first paragraph of the article 8 of the Regulation on the Bank Capital)	4,454,116	3,082,754
<b>Tier 2 Capital Before Deductions</b>	<b>21,653,756</b>	<b>13,179,699</b>
<b>Deductions From Tier 2 Capital</b>		
Bank's direct or indirect investment on its own Tier 2 Capital (-)	-	-
Investments in equity instruments issued by banks and financial institutions invested in Bank's Tier II Capital which are compatible with Article 8 of the regulation	-	-
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 Common Equity Tier 1 Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier 2 Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier 1 Capital (-)	-	-
Other Items Determined by BRSA (-)	-	-
<b>Total Deductions from Tier 2 Capital</b>	-	-
<b>Total Tier 2 Capital</b>	<b>21,653,756</b>	<b>13,179,699</b>
<b>Total Capital (The sum of Tier 1 and Tier 2 Capital)</b>	<b>72,057,918</b>	<b>46,711,517</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations Related to Components of Shareholders' Equity (continued)

#### Information related to the Components of Shareholders' Equity: (continued)

	Current Period 30.09.2024	Prior Period 31.12.2023
<b>The sum of Tier 1 Capital and Tier 2 Capital (Total Capital)</b>		
Loan granted to Customer against the Articles 50 and 51 of the Banking Law	2	330
Net Book Values of Immovables Exceeding 50% of the Equity and of Assets Acquired against Overdue		
Receivables and Held for Sale as per the Article 57 of the Banking Law but Retained More Than Five Years	-	-
Other items to be defined by the BRSA	1,680	9,140
<b>Items to be deducted from the sum of Tier I and Tier II Capital ("Capital") during the Transition Period</b>		
Portion of the total of net long positions of investments made in Common 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 not to be deducted from the Common Equity, Additional		
Tier 1 Capital, Tier 2 Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Portion of the total of net long positions of direct or indirect investments made in Additional Tier 1 and Tier 2 Capital 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 not to be deducted from the Additional Tier 1 Capital and Tier 2 Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Portion of the total of net long positions of investments made 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, deferred tax assets based on temporary differences and mortgage servicing rights not deducted from Common Equity as per the 1st and 2nd Paragraph of the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
<b>TOTAL CAPITAL</b>		
Total Capital (The sum of Tier 1 Capital and Tier 2 Capital)	72,056,236	46,702,047
Total Risk Weighted Amounts	415,092,086	277,638,792
<b>CAPITAL ADEQUACY RATIOS</b>		
Common Equity Tier 1 Capital Adequacy Ratio (%)	9.71	12.08
Tier 1 Capital Adequacy Ratio (%)	12.14	12.08
Capital Adequacy Ratio (%)	17.36	16.82
<b>BUFFERS</b>		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	2.51	2.50
a) Capital conservation buffer requirement (%)	2.50	2.50
b) Bank specific counter-cyclical buffer requirement (%) (*)	0.01	0.00
c) Systemic significant bank buffer ratio (%)	-	-
The ratio of Additional Common Equity Tier 1 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 (%)	2.71	3.57
<b>Amounts below the Excess Limits as per the Deduction Principles</b>		
Amounts arising from the net long positions of investments made in Total Capital items of banks and financial institutions where the Bank owns 10% or less of the issued common share capital	551,298	423,280
Amounts arising from the net long positions of investments made in Tier 1 Capital items of banks and financial institutions where the Bank owns more than 10% of the issued common share capital	-	-
Mortgage servicing rights	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	1,651,756	2,410,400
<b>Limits related to provisions considered in Tier Calculation</b>		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	4,454,116	6,007,999
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	4,454,116	3,082,754
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	-	-

(\*) The cyclical capital buffer rate is written as 0.01 due to the two digits being shown in the note, rate is full digit 0.006 (December 31, 2023: 0.0049).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations Related to Components of Shareholders’ Equity (continued)

#### Explanations on Reconciliation of Capital Items to Balance Sheet:

	Current Period	Prior Period
<b>Total capital per balance sheet</b>	<b>41,670,833</b>	<b>35,044,690</b>
Hedging funds (effective portion)	(69,340)	(217,372)
Deductions made under regulation	(1,737,007)	(1,299,164)
Accumulated revaluation and/or reclassification gains/losses of financial assets at fair value through other comprehensive income	454,276	3,664
<b>Common Equity Tier 1 Capital</b>	<b>40,318,762</b>	<b>33,531,818</b>
Additional Tier 1 Capital	10,085,400	-
<b>Tier 1 Capital</b>	<b>50,404,162</b>	<b>33,531,818</b>
Expected loss provision (Stage 1 and 2)	4,454,116	3,082,754
Debt Instruments Defined by the BRSA	17,199,640	10,096,945
Deductions made under regulation	(1,682)	(9,470)
<b>Total Equity</b>	<b>72,056,236</b>	<b>46,702,047</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations Related to Components of Shareholders’ Equity (continued)

#### Information Related to Debt Instruments Included in Equity Calculation:

All of the debt instruments included in equity calculation are issued by the Bank.

Issuer	TEB	TEB	TEB
Unique identifier of the debt instrument (e.g. CUSIP, ISIN)	XS2888538431	XS2796472384	XS2744911830
Governing law(s) of the debt instrument	Subject to English law and, in terms of specific articles, to Turkish law.	Subject to English law and, in terms of specific articles, to Turkish law.	Subject to English law and, in terms of specific articles, to Turkish law.
<b>Consideration in Equity Calculation</b>			
Subject to 10% deduction as of 1/1/2015	No	No	No
Eligible at unconsolidated/consolidated and unconsolidated	Available	Available	Available
Type of the debt instrument	Additional Tier 1 Capital Eligible Bonds	Subordinated Debt Instrument (Bond)	Subordinated Debt Instrument (Bond)
Amount recognized in regulatory capital (TL Currency in mil, as of most recent reporting date)	10,085.40	3,752.44	13,447.20
Par value of debt instrument (TL Currency in mil)	10,085.40	3,752.44	13,447.20
Accounting classification of the debt instrument	34701100	34701030	34701100
Original date of issuance	11.09.2024	08.05.2024	17.01.2024
Perpetual or dated (Demand/Time)	Perpetual	Time	Time
Original maturity date	-	08.05.2034	17.01.2034
Issuer call subject to prior supervisory approval	Available	Available	Available
Optional call date, contingent call dates and redemption amount	11.03.2030	08.05.2029	17.01.2029
Subsequent call dates, if applicable	-	-	-
<b>Interest / dividend payments</b>			
Fixed or floating dividend/coupon	Fixed	Floating	Fixed
Coupon rate and any related index	9.375%	6mEuribor+3.70%	9.375%
Existence of a dividend stopper	None	None	None
Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory	Mandatory
Existence of step up or other incentive to redeem	None	None	None
Noncumulative or cumulative	None	None	None
<b>Convertibility of equity shares</b>			
If convertible, conversion trigger(s)	-	-	-
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	-	-	-
<b>Write-down feature</b>			
If write-down, write-down trigger(s)	-	-	-
If write-down, full or partial	-	-	-
If write-down, permanent or temporary	-	-	-
If temporary write-down, description of write-up mechanism	-	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to the debt instrument)	It ranks after debt instruments and subordinated capital in the order of claims.	deposit and other receivables	deposit and other receivables
Whether conditions which stands in Article of 7 and 8 of Banks’ shareholder equity law are possessed or not	Possess	Possess	Possess
According to Article 7 and 8 of Banks’ shareholders equity law that are not possessed (*)	-	-	-

(\*) Under Article 8/2 in subsection (ğ) mechanism of write-down or conversion to common shares are stated.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### II. Explanations Related to Currency Risk

Foreign currency risk indicates the probability of loss that the Bank is subject to due to the exchange rate movements in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Bank are taken into consideration and risk is calculated by using the standard method.

The Board of Directors of the Bank sets limits for the positions, which are followed up daily. Any possible changes in the foreign currency transactions in the Bank's positions are also monitored.

As an element of the Bank's risk management strategies, foreign currency liabilities are hedged against exchange rate risk by derivative instruments.

Asset Liability Management and Treasury Department of the Bank is responsible for the management of Turkish Lira or foreign currency price, liquidity and affordability risks that could occur in the domestic and international markets within the limits set by the Board of Directors. The monitoring of risk and risk related transactions occurring in the money markets is performed daily and reported to the Bank's Asset-Liability Committee on a weekly basis.

As of 30 September 2024, the Bank's balance sheet short position is TL 9,977,281 (31 December 2023: TL 16,277,619 short position) off-balance sheet long position is TL 5,277,960 (31 December 2023: TL 19,027,263 long position) and as a result net foreign currency short position is TL 4,699,321 (31 December 2023: net TL 2,749,644 long position).

The announced current foreign exchange buying rates of the Bank at 30 September 2024 and the previous five working days in full TL are as follows:

	23.09.2024	24.09.2024	25.09.2024	26.09.2024	27.09.2024	30.09.2024
USD	33.5816	33.5494	33.5528	33.5782	33.5012	33.6180
EURO	37.3562	37.4244	37.5288	37.4061	37.4443	37.5244

The simple arithmetic averages of the major current foreign exchange buying rates of the Bank for the thirty days before 30 September 2024 are as follows:

	Monthly Average Foreign Buying Rate
USD	33.4346
EURO	37.1252

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### II. Explanations Related to Currency Risk (continued)

#### Information on the foreign currency risk of the Bank:

Current Period	EURO	USD	Other FC	Total
<b>Assets</b>				
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye <sup>(1)</sup>	26,808,559	21,602,553	6,897,609	55,308,721
Banks <sup>(2)</sup>	2,546,903	3,065,877	7,682,987	13,295,767
Financial Assets at Fair Value Through Profit or Loss				
Money Market Placements	17,964	685,414	-	703,378
Para Piyasalarından Alacaklar	-	-	-	-
Financial Assets at Fair Value through Other Comprehensive Income	2,954,266	8,471,108	28,622	11,453,996
Loans <sup>(3)</sup>	65,403,470	27,452,030	5,406,338	98,261,838
Subsidiaries, Associates and Entities Under Common Control	-	-	-	-
Financial Assets Measured at Amortized Cost <sup>(4)</sup>	5,060,523	5,154,616	-	10,215,139
Derivative Financial Assets for Hedging Purposes <sup>(5)</sup>	60,773	418,399	-	479,172
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets <sup>(6)</sup>	497,284	800,879	55,416	1,353,579
<b>Total Assets</b>	<b>103,349,742</b>	<b>67,650,876</b>	<b>20,070,972</b>	<b>191,071,590</b>
<b>Liabilities</b>				
Bank Deposits	415,228	149,744	46,089	611,061
Foreign Currency Deposits <sup>(7)</sup>	38,063,849	44,542,296	28,464,988	111,071,133
Money Market Funds	15,756,470	22,303,014	-	38,059,484
Funds Provided from Other Financial Institutions	15,121,486	33,292,990	-	48,414,476
Securities Issued	-	-	-	-
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-
Other Liabilities <sup>(8)</sup>	1,374,787	1,414,980	102,950	2,892,717
<b>Total Liabilities</b>	<b>70,731,820</b>	<b>101,703,024</b>	<b>28,614,027</b>	<b>201,048,871</b>
<b>Net Balance Sheet Position</b>	<b>32,617,922</b>	<b>(34,052,148)</b>	<b>(8,543,055)</b>	<b>(9,977,281)</b>
<b>Net Off-Balance Sheet Position <sup>(10)</sup></b>	<b>(33,116,984)</b>	<b>29,617,281</b>	<b>8,777,663</b>	<b>5,277,960</b>
Financial Derivative Assets <sup>(9)</sup>	55,271,588	114,610,073	20,159,192	190,040,853
Financial Derivative Liabilities <sup>(9)</sup>	88,388,572	84,992,792	11,381,529	184,762,893
Non-Cash Loans <sup>(10)</sup>	26,622,264	29,716,396	10,529,170	66,867,830
<b>Prior Period</b>				
Total Assets	82,528,413	51,827,262	11,741,676	146,097,351
Total Liabilities	68,052,675	76,317,547	18,004,748	162,374,970
Net Balance Sheet Position	14,475,738	(24,490,285)	(6,263,072)	(16,277,619)
Net Off-Balance Sheet Position	(14,152,998)	26,957,755	6,222,506	19,027,263
Financial Derivative Assets <sup>(9)</sup>	41,407,709	69,038,258	10,300,564	120,746,531
Financial Derivative Liabilities <sup>(9)</sup>	55,560,707	42,080,503	4,078,058	101,719,268
Non-Cash Loans <sup>(10)</sup>	27,122,681	25,955,219	9,204,012	62,281,912

(1) Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye includes the balances of expected credit losses amounting to TL 10,796 (31 December 2023: TL 11,729). The item in question includes a precious metal account in the amount of 6,197,993 TL (31 December 2023: 4,180,416 TL).

(2) The banks include TL 32,379 of expected credit loss provisions (31 December 2023: TL 39,955).

(3) Foreign currency indexed loans amounting to TL 24,873 (31 December 2023: TL 47,557) are included in the loan portfolio. Also, it includes TL 805,696 (31 December 2023: TL 2,071,833) amounting to expected credit loss.

(4) Financial assets at amortized cost includes expected credit loss amounting to TL 2,088 (31 December 2023: TL 3,303).

(5) There is no (31 December 2023: None) income accruals from derivative financial instruments are deducted from derivative financial assets held for risk management.

(6) TL 694,883 (31 December 2023: TL 574,412) income accruals from derivative financial instruments are deducted from other assets.

(7) Precious metal accounts amounting to TL 16,335,439 (31 December 2023: TL 12,519,232) are included in the foreign currency deposits. Additionally, the foreign exchange converted deposit rediscount effect is 529,015 TL.

(8) TL 689,648 (31 December 2023: TL 546,042) expense accruals from derivative financial instruments are deducted from other liabilities.

(9) Forward asset and marketable securities purchase-sale commitments of TL 24,580,490 (31 December 2023: TL 4,655,233) are added to derivative financial assets and TL 23,242,081 (31 December 2023: TL 3,776,883) has been added to derivative financial assets.

(10) There is no effect on the net off-balance sheet position.

(11) As of 10 December 2022, with the amendment made in the "Regulation on the Calculation and Application of the Foreign Currency Net General Position/Equity Standard Ratio by Banks on a Consolidated and Unconsolidated Basis" with the decision numbered 32039; As of 9 January 2023, delta equivalents have been taken into account by multiplying the nominal value of the currency option with the delta value in the calculation of the net foreign currency position.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### III. Explanations Related to Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Bank's position, and it is managed by the Asset-Liability Committee. The interest rate sensitivity of assets, liabilities and off-balance sheet items related to this risk are measured by using the standard method and included in the market risk for capital adequacy.

The priority of the risk management department is to protect from interest rate volatility. Duration, maturity and sensitivity analysis performed within this context are calculated by the risk management department and reported to the Liquidity Risk and Asset-Liability Committee.

Simulations on interest income are performed in connection with the forecasted macroeconomic indicators used in the budget of the Bank.

The Bank management monitors the market interest rates on a daily basis and revises the interest rates of the Bank when necessary.

The Bank carries interest rate risk within the legal and internal limits and manages the interest rate risk in accordance with the bank's risk appetite.

**Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):**

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing <sup>(1)</sup>	Total
<b>Current Period</b>							
<b>Assets</b>							
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye <sup>(2)</sup>	3,504,860	-	-	-	-	109,451,246	112,956,106
Banks <sup>(3)</sup>	9,657,798	-	-	-	-	8,288,273	17,946,071
Financial Assets at Fair Value Through Profit or Loss	6,049	50,043	11,849	124,014	188,273	551,983	932,211
Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	1,194,242	549,234	6,098,627	14,152,715	2,735,953	89,032	24,819,803
Loans <sup>(4)</sup>	52,751,430	41,751,110	120,928,607	98,900,787	1,482,528	(2,801,795)	313,012,667
Financial Assets Measured at Amortized Cost <sup>(5)</sup>	213,568	3,447,048	28,133,476	12,241,928	19,745,486	(12,320)	63,769,186
Other Assets	109,254	42,432	227,125	1,572,460	345,309	32,730,465	35,027,045
<b>Total Assets</b>	<b>67,437,201</b>	<b>45,839,867</b>	<b>155,399,684</b>	<b>126,991,904</b>	<b>24,497,549</b>	<b>148,296,884</b>	<b>568,463,089</b>
<b>Liabilities</b>							
Bank Deposits	4,904,465	-	-	-	-	1,043,386	5,947,851
Other Deposits	219,914,688	27,587,068	4,622,723	335	-	126,698,160	378,822,974
Money Market Funds	45,352,482	-	-	6,337,002	-	-	51,689,484
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial	1,345,257	16,615,445	6,910,901	-	23,846,550	-	48,718,153
Other Liabilities	11,980	9,780	477,844	839,488	267,860	81,677,675	83,284,627
<b>Total Liabilities</b>	<b>271,528,872</b>	<b>44,212,293</b>	<b>12,011,468</b>	<b>7,176,825</b>	<b>24,114,410</b>	<b>209,419,221</b>	<b>568,463,089</b>
Balance Sheet Long Position	-	1,627,574	143,388,216	119,815,079	383,139	-	265,214,008
Balance Sheet Short Position	(204,091,671)	-	-	-	-	(61,122,337)	(265,214,008)
Off-Balance Sheet Long Position	75,842	-	-	57,884	-	-	133,726
Off-Balance Sheet Short Position	-	-	(115,377)	-	-	-	(115,377)
<b>Total Position</b>	<b>(204,015,829)</b>	<b>1,627,574</b>	<b>143,272,839</b>	<b>119,872,963</b>	<b>383,139</b>	<b>(61,122,337)</b>	<b>18,349</b>

<sup>(1)</sup> The expected loss provisions are presented under the "Non-Interest Bearing" column.

<sup>(2)</sup> Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye's outstanding loss provisions in the amount of TL 23,188.

<sup>(3)</sup> Banks include balance of expected loss provisions amounting to TL 42,381.

<sup>(4)</sup> The revolving loans amounting to TL 41,388,135 are presented under the "Up to 1 Month" column. It includes an expected credit loss provision balance of 5,674,201 TL.

<sup>(5)</sup> Financial assets at amortized cost include balance of expected loss provisions of TL 12,320.

Other assets line in the non-interest-bearing column includes tangible assets amounting to TL 2,424,657, intangible assets amounting to TL 1,700,104, assets held for sale amounting to TL, 68,083, subsidiaries amounting to TL 279,021 and jointly controlled entities amounting to TL 5 and other liabilities line includes shareholders' equity amounting to TL 41,670,833.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### III. Explanations Related to Interest Rate Risk (continued)

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates): (continued)

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest Bearing <sup>(1)</sup>	Total
<b>Prior Period</b>							
<b>Assets</b>							
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye <sup>(2)</sup>	17,283,685	-	-	-	-	87,184,067	104,467,752
Banks <sup>(3)</sup>	3,896,162	-	-	-	-	3,253,083	7,149,245
Financial Assets at Fair Value Through Profit or Loss	7,375	4,538	134,884	293,162	148,506	424,106	1,012,571
Money Market Placements <sup>(4)</sup>	12,243,739	-	-	-	-	(798)	12,242,941
Financial Assets at Fair Value Through Other Comprehensive Income	2,936,500	539,223	800,806	3,466,575	-	82,335	7,825,439
Loans <sup>(5)</sup>	36,498,266	33,858,878	83,178,669	53,049,601	1,118,859	(4,537,671)	203,166,602
Financial Assets Measured at Amortized Cost <sup>(6)</sup>	6,603,672	12,999,218	7,003,976	12,130,606	10,553,986	(11,090)	49,280,368
Other Assets	95,871	766,283	478,556	967,730	248,749	19,216,912	21,774,101
<b>Total Assets</b>	<b>79,565,270</b>	<b>48,168,140</b>	<b>91,596,891</b>	<b>69,907,674</b>	<b>12,070,100</b>	<b>105,610,944</b>	<b>406,919,019</b>
<b>Liabilities</b>							
Bank Deposits	2,248,143	-	-	-	-	329,106	2,577,249
Other Deposits	136,883,142	25,173,681	14,920,246	54,965	-	105,136,553	282,168,587
Money Market Funds	21,312,539	6,797,303	-	-	-	-	28,109,842
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial	4,180,414	11,488,641	8,813,053	7,095,456	-	-	31,577,564
Other Liabilities	12,777	72,552	202,499	900,067	155,868	61,142,014	62,485,777
<b>Total Liabilities</b>	<b>164,637,015</b>	<b>43,532,177</b>	<b>23,935,798</b>	<b>8,050,488</b>	<b>155,868</b>	<b>166,607,673</b>	<b>406,919,019</b>
Balance Sheet Long Position	-	4,635,963	67,661,093	61,857,186	11,914,232	-	146,068,474
Balance Sheet Short Position	(85,071,745)	-	-	-	-	(60,996,729)	(146,068,474)
Off-Balance Sheet Long Position	1,617,985	563,163	137,881	-	-	-	2,319,029
Off-Balance Sheet Short Position	-	-	-	(1,903,500)	-	-	(1,903,500)
<b>Total Position</b>	<b>(83,453,760)</b>	<b>5,199,126</b>	<b>67,798,974</b>	<b>59,953,686</b>	<b>11,914,232</b>	<b>(60,996,729)</b>	<b>415,529</b>

(1) The expected loss provisions are presented under the "Non-Interest Bearing" column.

(2) Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye's outstanding loss provisions in the amount of TL 16,786.

(3) Banks include balance of expected loss provisions amounting to TL 45,340.

(4) Money Market Placement includes balance of expected loss provisions amounting to TL 798.

(5) The revolving loans amounting to TL 22,812,905 are presented under the "Up to 1 Month" column. It includes expected loss provisions amounting to TL 6,718,876.

(6) Financial assets at amortized cost include balance of expected loss provisions of TL 11,090.

Other assets line in the non-interest bearing column includes tangible assets amounting to TL 1,933,104, intangible assets amounting to TL 1,269,693, assets held for sale amounting to TL 82,060, subsidiaries amounting to TL 279,021 and jointly controlled entities amounting to TL 5 and other liabilities line includes shareholders' equity amounting to TL 35,044,690.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### III. Explanations Related to Interest Rate Risk (continued)

#### Average interest rates applied to monetary financial instruments:

	EURO %	USD %	YEN %	TL %
<b>Current Period</b>				
Assets				
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye	-	-	-	49.99
Banks	-	4.78	-	50.40
Financial Assets at Fair Value Through Profit or Loss	4.87	3.49	-	39.32
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	2.71	6.08	-	37.82
Loans	6.73	7.49	3.85	50.00
Financial Assets Measured at Amortized Cost	3.27	5.37	-	25.86
Liabilities				
Bank Deposits	-	-	-	34.38
Other Deposits	1.43	1.72	-	47.03
Money Market Funds	4.05	4.25	-	50.63
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	6.64	8.64	-	45.43
	EURO %	USD %	YEN %	TL %
<b>Prior Period</b>				
Assets				
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye	-	-	-	42.10
Banks	-	-	-	42.70
Financial Assets at Fair Value Through Profit or Loss	3.90	2.94	-	21.24
Money Market Placements	-	-	-	43.64
Financial Assets at Fair Value Through Other Comprehensive Income	2.69	4.40	-	41.23
Loans	7.13	8.85	5.73	41.37
Financial Assets Measured at Amortized Cost	3.14	5.18	-	28.17
Liabilities				
Bank Deposits	3.30	-	-	28.14
Other Deposits	3.08	3.21	-	37.94
Money Market Funds	4.78	7.00	-	-
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	8.47	9.50	-	42.14

### IV. Explanations Related to Equity Share Position Risk in Banking Accounts

Equity securities which are not publicly traded in the Bank's financial statements are booked as their fair value, or otherwise booked as their cost value whereby fair value cannot be calculated properly.

The Bank has no shares traded on Borsa Istanbul.

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

**V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio**

- a) Information on liquidity risk management, such as the Bank's risk capacity, responsibilities and the structure of liquidity risk management, Bank's internal liquidity risk reporting, communication between the Board of Directors and business lines on liquidity risk strategy, policy and application:

The Asset-Liability Management and Treasury Group is responsible for following up the Bank's current liquidity position and for complying with liquidity limits approved by the Board of Directors. After evaluating the liquidity position, the Asset-Liability Management and Treasury Group use authorized products to provide sufficient liquidity based on liquidity position.

Responsibilities for liquidity management are described in the Liquidity Risk Policy which is reviewed and approved by the Board of Directors annually. The various responsibilities have been shared among the appropriate departments and committees as outlined in duty descriptions. While the Asset-Liability Management and Treasury Group alone is responsible for managing liquidity and for developing short-term liquidity estimates, the Asset-Liability Management and Treasury Group works with the Asset-Liability Management Committee to jointly developing/setting short-term liquidity strategies and middle and long-term liquidity estimates. The Asset-Liability Management Committee is responsible for preparing middle and long-term liquidity strategies.

The Risk Management Group monitors daily all set liquidity risk limits, and periodically reports internal and legal liquidity rates and changes to the Risk Committee, Audit Committee and Board of Directors, in addition to providing daily reports to senior management. Information about the Bank's liquidity structure and policies is provided to the relevant business lines at an Assets-Liabilities Committee meeting which is held every couple of weeks and at a Market and Liquidity Risk Committee meeting which is held monthly.

- b) Information on the centralization degree of liquidity management and funding strategy, and on operations between Bank and its partnerships:

The Asset-Liability Management and the Treasury Group manage the Bank's liquidity risk and performs this role only for the bank. Liquidity gap values are monitored within the limits set by the Board of Directors, and for compliance with these limits, the necessary debt instruments are used, while considering price and maturity structure. Our subsidiaries manage their own liquidity, and we provide them borrowing facilities within market conditions and legal limits.

- c) Information about the Bank's funding strategy including policies on funding types and variety of maturities:

While the Bank tries to diversify its funding resources, it also tries to extend its payment terms. Customer deposits are the bank's main funding resource. Our main strategy for deposit management is to be inclusive while extending the average maturity. In addition to borrowings from money markets and collecting deposit, the Bank uses instruments such as long-term syndicated loans, securities issued in TL and foreign currency to diversify funding resources.

- d) Information on liquidity management based on currency which constituting at least five percent of the Bank's total liabilities:

Excluding TL, USD and EUR, there is no foreign currency which exceeds 5% of total liabilities. For these currencies, liquidity gaps are reported on a monthly basis and the Liquidity Coverage Ratio is calculated daily for Total and Foreign Currency. The Asset-Liability Management and Treasury Group is responsible for taking the necessary steps to keep ratios within the limits determined by the Board of Directors. Trend of these ratios are monitored on a monthly basis by the Liquidity Risk Committee which includes the General Manager, Assistant General Manager responsible from Financial Affairs Group, Group Risk Chief Officer, and the Assistant General Manager in charge of the Asset- Liability Management and Treasury Group. Furthermore, senior management is periodically informed about the relevant ratios.

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

**V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio (continued)**

e) Information on liquidity risk mitigation techniques:

The Bank's main liquidity management strategy is to diversify funding resources and extend the maturity structure. The Bank's balance sheet liquidity risk is periodically measured by Assets-Liabilities Management and closely monitored with the Treasury. In accordance with market expectations, the Assets-Liabilities Management and Treasury Group carries out the actions necessary to minimize risk.

Within this framework, the Bank's liquidity risk is attempted to manage efficiently by long-term structural changes (such as diversifying funding sources, extending maturity structure etc.) and short and mid-term money market and derivative transactions.

In the short term, liquidity risk is minimized with FX swaps, interbank borrowings and repurchase agreements, while cross currency swap transactions are used to minimize these risks in the long-term.

f) Explanations on the usage of the stress test:

The aim of the liquidity stress test is to analyze how liquidity squeeze affects bank liquidity. Cash inflows and outflows which may arise in cases of stress event are analyzed based on products with different maturities. Stress events which may arise as a result of the liquidity squeeze, both in the Bank and in the whole banking system, in cases of stress event are analyzed. Also, situations where the two scenarios might coincide are considered. The analysis addresses how much of the net cash outflows of different maturities would be covered by the current liquid stock during all relevant stress events.

g) General information on liquidity emergency and contingency plans:

The extraordinary liquidity situation is evaluated to determine;

- Whether the liquidity problem is specific to the bank or applies to the whole banking system and
- Whether there is a permanent or temporary problem.

Profitability has second degree importance in extraordinary liquidity conditions. In cases of cash shortage or cash withdrawal, the branches are responsible for informing the Asset-Liability Management and Treasury Group about withdrawn liabilities. The Asset-Liability Management and Treasury Group takes the necessary actions to cover the cash outflow which may occur in the accounts and informs the Asset-Liability Committee of any related delays.

In a liquidity crisis, the Asset-Liability Management and Treasury Group, the Asset-Liability Committee, the Liquidity Risk Committee, senior management, and the Board of Directors are responsible for solving the liquidity problem. It is predicted that, in a liquidity crisis, in order to create additional liquidity, written actions (considering the cost) must be taken within current market conditions.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio (continued)

#### Liquidity Coverage Ratio:

	Rate of Percentage to Be Taken into account not Implemented Total Value		Rate of Percentage to Be Taken into Account Implemented Total Value (*)	
Current Period – 30 September 2024	TL+FC	FC	TL+FC	FC
<b>High Quality Liquid Assets</b>				
High Quality Liquid Assets			129,714,747	59,649,350
<b>Cash Outflows</b>				
Real person and retail deposits	267,624,041	72,256,663	22,773,409	7,225,666
Stable deposits	79,779,899	-	3,988,995	-
Less stable deposits	187,844,142	72,256,663	18,784,414	7,225,666
Unsecured debts other than real person and retail deposits	113,529,517	38,897,521	65,839,621	18,435,098
Operational deposits	3,894,347	376,436	973,587	94,109
Non-operational deposits	94,135,400	35,915,970	51,063,809	15,864,765
Other unsecured funding	15,499,770	2,605,115	13,802,225	2,476,224
Secured funding	-	-	-	-
Other cash outflows	1,013,879	13,508,523	1,013,879	13,508,523
Outflows related to derivative exposures	1,013,879	13,508,523	1,013,879	13,508,523
Outflows related to restructured financial instruments	-	-	-	-
Payment commitments and other off-balance sheet commitments granted for debts to financial markets	-	-	-	-
Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet obligations	218,439,128	57,858,773	16,270,903	6,518,156
<b>Total Cash Outflows</b>			<b>105,897,812</b>	<b>45,687,443</b>
<b>Cash Inflows</b>				
Secured Receivables	-	-	-	-
Unsecured Receivables	45,961,195	17,709,433	30,110,115	14,619,078
Other Cash Inflows	2,609,271	5,621,680	2,609,271	5,621,680
<b>Total Cash Inflows</b>	<b>48,570,466</b>	<b>23,331,113</b>	<b>32,719,386</b>	<b>20,240,758</b>
			<b>Upper Limit Applied Values</b>	
<b>Total High Quality Liquid Assets Inventory</b>			<b>129,714,747</b>	<b>59,649,350</b>
<b>Total Net Cash Outflows</b>			<b>73,178,426</b>	<b>25,446,685</b>
<b>Liquidity Coverage Ratio (%)</b>			<b>177.26</b>	<b>234.41</b>

(\*) Simple arithmetic average of the last three months data calculated by using weekly simple arithmetic averages.

	Rate of Percentage to Be Taken into account not Implemented Total Value (*)		Rate of Percentage to Be Taken into Account Implemented Total Value (*)	
Prior Period – 31 December 2023	TL+FC	FC	TL+FC	FC
<b>High Quality Liquid Assets</b>				
High Quality Liquid Assets			110,341,265	53,236,655
<b>Cash Outflows</b>				
Real person and retail deposits	195,799,316	66,529,998	17,442,172	6,653,000
Stable deposits	42,755,195	-	2,137,760	-
Less stable deposits	153,044,121	66,529,998	15,304,412	6,653,000
Unsecured debts other than real person and retail deposits	79,490,394	35,310,873	47,538,486	18,260,651
Operational deposits	2,910,749	291,039	727,687	72,760
Non-operational deposits	62,122,689	29,525,658	33,890,011	12,850,233
Other unsecured funding	14,456,956	5,494,176	12,920,788	5,337,658
Secured funding	-	-	-	-
Other cash outflows	1,780,968	5,898,993	1,780,968	5,898,993
Outflows related to derivative exposures	1,780,968	5,898,993	1,780,968	5,898,993
Outflows related to restructured financial instruments	-	-	-	-
Payment commitments and other off-balance sheet commitments granted for debts to financial markets	-	-	-	-
Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet obligations	130,905,699	52,408,416	11,154,973	6,097,801
<b>Total Cash Outflows</b>			<b>77,916,599</b>	<b>36,910,445</b>
<b>Cash Inflows</b>				
Secured Receivables	-	-	-	-
Unsecured Receivables	41,718,293	13,365,580	32,207,211	11,277,871
Other Cash Inflows	1,802	14,137,293	1,802	14,137,293
<b>Total Cash Inflows</b>	<b>41,720,095</b>	<b>27,502,873</b>	<b>32,209,013</b>	<b>25,415,164</b>
			<b>Upper Limit Applied Values</b>	
<b>Total High Quality Liquid Assets Inventory</b>			<b>110,341,265</b>	<b>53,236,655</b>
<b>Total Net Cash Outflows</b>			<b>45,707,586</b>	<b>11,495,282</b>
<b>Liquidity Coverage Ratio (%)</b>			<b>241.41</b>	<b>463.12</b>

(\*) Simple arithmetic average of the last three months data calculated by using weekly simple arithmetic averages.

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

**V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio (continued)****Liquidity Coverage Ratio: (continued)**

The amount of high-quality liquid assets, distribution of deposits based on segment, maturity types of borrowings and the share of revolving loans in loan portfolio can be considered as the most important factors affecting Liquidity Coverage Ratio.

High quality liquid assets in order to their priority consist of the time accounts, bond portfolio, required reserve, cash and effective deposit. Funding sources consists of corporate customer deposits, real person deposits, borrowings and SME deposit accounts which are weighted by ratios used in Liquidity Coverage Ratio reporting considering their maturity types. Due to amount differences between buy and sell transactions, derivative products effect more FC Liquidity Coverage Ratio rather than the total. Besides, cash outflows due to withdrawal of the collaterals securing derivatives and market valuation changes on derivative transactions are considered in calculations.

There are concentration limits on funding sources approved by Board of Directors. Proportional limits on product type are reported in relation to how much of the funding can be obtained from deposits, group funding, borrowings from banks and repo and other long-term sources.

Liquidity management of the subsidiaries subject to consolidation is carried out by the companies themselves. Although there is a consolidated reporting for the Liquidity Coverage Ratio, there is no centralized liquidity management. Finally, there is no significant cash inflow and cash outflow related to the liquidity profile of the Bank, which is included in the calculation of liquidity coverage ratio, but which is not included in the public disclosure template in the second paragraph of the related communiqué.

The weeks with lowest and highest liquidity coverage ratio for the last three months calculated by using weekly simple arithmetic averages are presented below.

	Current Period		Prior Period	
	TL+FC	FC	TL+FC	FC
Lowest	186.07%	149.45%	203.65%	280.77%
Week	14.07.2024	07.07.2024	12.11.2023	24.12.2023
Highest	368.19%	198.94%	289.21%	691.74%
Week	22.09.2024	22.09.2024	08.10.2023	19.11.2023

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio (continued)

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	Undistributed <sup>(1)</sup>	Total
<b>Assets</b>								
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye <sup>(2)</sup>	44,138,072	68,841,222	-	-	-	-	(23,188)	112,956,106
Banks <sup>(3)</sup>	10,809,815	7,178,637	-	-	-	-	(42,381)	17,946,071
Financial Assets at Fair Value Through Profit and Loss	-	6,049	5,503	3,809	168,554	196,313	551,983	932,211
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	89,032	73,060	-	3,933,436	17,612,801	3,111,474	-	24,819,803
Loans Given <sup>(4)</sup>	-	52,395,224	41,755,524	121,211,821	98,969,365	1,482,528	(2,801,795)	313,012,667
Financial Assets Measured at Amortized Cost <sup>(5)</sup>	-	-	515,194	9,672,148	19,614,957	33,979,207	(12,320)	63,769,186
Other Assets	-	7,340,974	588,778	933,647	1,891,065	345,309	23,927,272	35,027,045
<b>Total Assets</b>	<b>55,036,919</b>	<b>135,835,166</b>	<b>42,864,999</b>	<b>135,754,861</b>	<b>138,256,742</b>	<b>39,114,831</b>	<b>21,599,571</b>	<b>568,463,089</b>
<b>Liabilities</b>								
Bank Deposits	1,043,386	4,904,465	-	-	-	-	-	5,947,851
Other Deposit	126,698,160	219,914,688	27,587,068	4,622,723	335	-	-	378,822,974
Funds Provided from Other Financial Institutions	-	307,916	12,135,821	8,051,456	510,248	27,712,712	-	48,718,153
Money Market Funds	-	45,352,482	-	-	6,337,002	-	-	51,689,484
Securities Issued	-	-	-	-	-	-	-	-
Other Liabilities	-	30,860,982	552,104	1,801,056	2,254,962	662,279	47,153,244	83,284,627
<b>Total Liabilities</b>	<b>127,741,546</b>	<b>301,340,533</b>	<b>40,274,993</b>	<b>14,475,235</b>	<b>9,102,547</b>	<b>28,374,991</b>	<b>47,153,244</b>	<b>568,463,089</b>
<b>Liquidity Gap</b>	<b>(72,704,627)</b>	<b>(165,505,367)</b>	<b>2,590,006</b>	<b>121,279,626</b>	<b>129,154,195</b>	<b>10,739,840</b>	<b>(25,553,673)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>2,887,076</b>	<b>792,362</b>	<b>(1,137,049)</b>	<b>(312,251)</b>	<b>-</b>	<b>-</b>	<b>2,230,138</b>
Financial Derivative Assets	-	80,699,337	46,201,347	71,936,406	60,255,895	17,123,120	-	276,216,105
Financial Derivative Liabilities	-	77,812,261	45,408,985	73,073,455	60,568,146	17,123,120	-	273,985,967
Non-Cash Loans	17,892,354	6,753,037	13,263,893	40,963,638	21,454,246	-	-	100,327,168
<b>Prior Period</b>								
Total Assets	37,758,216	125,775,929	37,592,841	89,504,936	83,691,711	23,354,201	9,241,185	406,919,019
Total Liabilities	105,465,659	178,641,564	33,828,050	32,632,864	9,180,722	5,763,643	41,406,517	406,919,019
<b>Liquidity Gap</b>	<b>(67,707,443)</b>	<b>(52,865,635)</b>	<b>3,764,791</b>	<b>56,872,072</b>	<b>74,510,989</b>	<b>17,590,558</b>	<b>(32,165,332)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>(947,460)</b>	<b>(802,540)</b>	<b>1,485,484</b>	<b>(574,582)</b>	<b>-</b>	<b>-</b>	<b>(839,098)</b>
Financial Derivative Assets	-	43,490,520	52,123,934	54,483,720	37,117,365	11,470,910	-	198,686,449
Financial Derivative Liabilities	-	44,437,980	52,926,474	52,998,236	37,691,947	11,470,910	-	199,525,547
Non-Cash Loans	16,929,591	6,595,718	12,268,123	25,401,747	20,741,431	-	-	81,936,610

<sup>(1)</sup> Active accounts with fixed assets, associates and subsidiaries, fixed assets, prepaid expenses and non-performing loans, which are required for the continuation of banking activities and which do not have the chance to convert to cash in a short time, are recorded here. The expected loss provisions are also shown here..

<sup>(2)</sup> Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye includes expected loss provisions amounting of TL 23,188.

<sup>(3)</sup> Banks include TL balance of expected loss provisions amounting to TL 42,381.

<sup>(4)</sup> The revolving loans amounting to TL 41,388,135 are presented under the "Up to 1 Month" column. It includes expected loss provisions amounting to TL 5,674,201.

<sup>(5)</sup> Financial assets at amortized cost includes expected credit loss amounting to TL 12,320.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio (continued)

#### Net Stable Funding Rate:

Current Period	Based on the remaining maturity, the amount to which the consideration rate has not been applied				Total amount with consideration rate applied
	Demand(*)	Term Shorter Than 6 Months	6 Months and Longer than 6 Months and Shorter than 1 Year Term	1 Year and Longer Than 1 Year Term	
<b>Available Stable Funding</b>					
Capital Items	-	-	-	71,603,643	71,603,643
Tier 1 Capital and Tier 2 Capital	-	-	-	71,603,643	71,603,643
Other Capital Items	-	-	-	-	-
Individuals and retail customer deposits/participation funds	83,562,427	189,750,825	-	312	250,288,791
Stable deposit/participation fund	18,472,413	67,658,958	-	328	81,825,113
Low stability deposit/participation fund	65,090,014	122,091,867	-	(16)	168,463,678
Debts to other individuals	86,413,462	83,155,702	-	-	41,577,851
Operational deposit/participation fund	-	4,828,173	-	-	2,414,086
Other debts	86,413,462	78,327,529	-	-	39,163,765
Liabilities equivalent to interdependent assets					
Other liabilities	38,930,826	-	7,234,187	33,352,822	36,969,916
Derivative liabilities			-		
Other Capital Items and liabilities not listed above	38,930,826	-	7,234,187	33,352,822	36,969,916
<b>Available Stable Funding</b>					<b>400,440,201</b>
<b>Required Stable Funding</b>					
High-quality liquid assets					3,449,466
Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
Performing Receivables	-	21,932,693	176,675,172	137,561,216	207,264,437
Receivables from credit institutions or financial institutions, the collateral of which is a high-quality liquid asset	-	-	-	-	-
Receivables from credit institutions or financial institutions that are unsecured or whose collateral is not a high-quality liquid asset	-	21,932,693	2,945,578	408,608	5,171,301
Receivables from corporate customers, organizations, individuals and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	-	-	173,729,594	133,643,640	199,812,307
Receivables subject to a risk weighting of 35% or less	-	-	-	3,247,924	2,111,151
Receivables collateralized by a residential real estate mortgage	-	-	-	3,508,968	2,280,829
Receivables subject to a risk weighting of 35% or less	-	-	-	3,508,968	2,280,829
Stock exchange-traded stocks and debt instruments that do not qualify as high-quality liquid assets	-	-	-	-	-
Assets equivalent to interdependent liabilities					
Other assets	25,206,881	2,880,491	-	8,445,406	36,385,027
Physically delivered commodities, including gold	928,084				788,871
Initial collateral of derivative contracts or guarantee fund given to the central counterparty			56,920		48,382
Derivative assets			2,738,816		2,738,816
The amount of derivative liabilities before deduction of the exchange collateral			84,755		84,755
Other assets not listed above	24,278,797	-	-	8,445,406	32,724,203
Off-balance sheet liabilities				243,852,662	12,192,633
<b>Stable Funding Required</b>					<b>259,291,563</b>
<b>Net Stable Funding Rate (%)</b>					<b>154.44</b>

(\*) The items reported in the Demand column do not have a specific maturity. These include, but are not limited to, capital items that do not have a specific maturity, demand deposits, short positions, positions with uncertain futures, stocks that are not high-quality liquid assets, and physically delivered commodities.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio (continued)

#### Net Stable Funding Rate: (continued)

Prior Period	Based on the remaining maturity, the amount to which the consideration rate has not been applied				Total amount with consideration rate applied Demand(*)
	Demand(*)	Term Shorter Than 6 Months	6 Months and Longer than 6 Months and Shorter than 1 Year Term	Term Shorter Than 6 Months	
<b>Available Stable Funding</b>					
Capital Items	-	-	-	46,707,852	46,707,852
Tier 1 Capital and Tier 2 Capital	-	-	-	46,707,852	46,707,852
Other Capital Items	-	-	-	-	-
Individuals and retail customer deposits/participation funds	66,345,406	132,733,949	-	53,318	181,439,651
Stable deposit/participation fund	9,874,380	34,529,978	-	555	42,184,667
Low stability deposit/participation fund	56,471,026	98,203,971	-	52,763	139,254,984
Debts to other individuals	47,388,376	65,133,802	-	-	32,566,901
Operational deposit/participation fund	-	2,927,972	-	-	1,463,986
Other debts	47,388,376	62,205,830	-	-	31,102,915
Liabilities equivalent to interdependent assets					
Other liabilities	19,746,667	-	19,509,558	808,993	10,563,772
Derivative liabilities			-		
Other Capital Items and liabilities not listed above	19,746,667	-	19,509,558	808,993	10,563,772
<b>Available Stable Funding</b>					<b>271,278,176</b>
<b>Required Stable Funding</b>					
High-quality liquid assets					2,315,190
Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
Performing Receivables	-	20,087,806	126,786,439	85,930,314	138,993,831
Receivables from credit institutions or financial institutions, the collateral of which is a high-quality liquid asset	-	12,200,000	-	-	1,220,000
Receivables from credit institutions or financial institutions that are unsecured or whose collateral is not a high-quality liquid asset	-	7,887,806	3,064,307	5,267,601	7,982,925
Receivables from corporate customers, organizations, individuals and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	-	-	123,722,132	79,023,737	128,725,571
Receivables subject to a risk weighting of 35% or less	-	-	-	1,528,359	993,433
Receivables collateralized by a residential real estate mortgage	-	-	-	1,638,976	1,065,335
Receivables subject to a risk weighting of 35% or less	-	-	-	1,638,976	1,065,335
Stock exchange-traded stocks and debt instruments that do not qualify as high-quality liquid assets	-	-	-	-	-
Assets equivalent to interdependent liabilities					
Other assets	18,576,525	670,420	-	-	19,164,773
Physically delivered commodities, including gold	524,666				445,966
Initial collateral of derivative contracts or guarantee fund given to the central counterparty			23,149		19,677
Derivative assets			567,231		567,231
The amount of derivative liabilities before deduction of the exchange collateral			80,040		80,040
Other assets not listed above	18,051,859	-	-	-	18,051,859
Off-balance sheet liabilities				153,236,487	7,661,824
<b>Stable Funding Required</b>					<b>168,135,618</b>
<b>Net Stable Funding Rate (%)</b>					<b>161.35</b>

(\*) The items reported in the Demand column do not have a specific maturity. These include, but are not limited to, capital items that do not have a specific maturity, demand deposits, short positions, positions with uncertain futures, stocks that are not high-quality liquid assets, and physically delivered commodities.

The net stable funding rate for the last three months, including the reporting period, is 148.87 % (last quarter 2023: 166.82%).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### V. Explanations Related to Liquidity Risk Management and Liquidity Coverage Ratio (continued)

#### Net Stable Funding Rate: (continued)

Despite the Bank's Net Stable Funding Ratio (NSFR) declining from 166.82% to 148.87% on a solo basis during the period from December 2023 to September 2024, it continued to remain well above the regulatory requirement of 100%. The decrease in NSFR during this period was primarily due to the increase in the loan portfolio and securities investments outpacing the increase in the deposit portfolio. Particularly in the first quarter of the year, the rapid growth in the loan portfolio was part of the strategy to optimize liquidity, bringing the NSFR to the targeted levels. The balanced growth strategy in the deposit base and the increase in equity items enabled the growth in the Bank's assets. As a result of additional tightening monetary policy actions implemented in the third quarter of 2024, credit growth remained limited. Although securities investments made in the second and third quarters caused a partial decline in the ratio, the issuance of Additional Tier 1 Capital (approximately TL 10 billion) by the Bank in the third quarter significantly improved the long-term borrowing profile, resulting in a slight decline in the NSFR compared to the end of the year.

### VI. Explanations Related to Leverage Ratio

- a) Information on issues that cause differences between current period and previous period leverage ratios:

The leverage ratio has decreased due to the increase in on-balance sheet assets and off-balance sheet commitments.

- b) Leverage ratio:

Assets on the balance sheet	Current Period (*)	Prior Period (*)
Assets on the balance sheet (Excluding derivative financial instruments and loan derivatives, including collaterals)	535,132,798	386,479,339
(Assets deducted from core capital)	(1,699,089)	(1,200,116)
Total risk amount for assets on the balance sheet	533,433,709	385,279,223
<b>Derivative financial instruments and credit derivatives</b>		
Renewal cost of derivative financial instruments and loan derivatives	6,375,690	4,238,669
Potential credit risk amount of derivative financial instruments and loan derivatives	2,413,000	1,484,227
Total risk amount of derivative financial instruments and loan derivatives	8,788,690	5,722,896
<b>Financing transactions with securities or goods warranties</b>		
Risk amount of financial transactions with securities or goods warranties (Excluding those in the balance sheet)	8,505,235	4,581,750
Risk amount arising from intermediated transactions	-	-
Total risk amount of financing transactions with securities or goods warranties	8,505,235	4,581,750
<b>Off-the-balance sheet transactions</b>		
Gross nominal amount of the off-balance sheet transactions	266,683,320	158,382,111
(Adjustment amount arising from multiplying by the credit conversion rate)	-	-
Total risk amount for off-balance sheet transactions	266,683,320	158,382,111
<b>Capital and total risk</b>		
Tier 1 Capital	42,009,686	33,598,560
Total risk amount	817,410,954	553,965,980
<b>Leverage ratio</b>		
Leverage ratio	5.1%	6.1%

(\*) The amounts in the table are calculated by using the 3 months average amounts.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### VII. Explanations Related to Risk Management

Notes and explanations prepared in accordance with “the Communiqué on Disclosures about Risk Management to be Announced to Public by Banks” published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016 are presented in this section. The notes to be presented within the scope of Internal Rating-Based Approach (“IRB”) have not been presented due to use of standard approach for the calculation of capital adequacy ratio by the Bank.

#### Overview of risk weighted amounts

	Risk Weighted Amounts		Minimum Capital Requirement
	Current Period	Prior Period	Current Period
Credit risk (excluding counterparty credit risk)	354,955,182	239,589,156	28,396,414
Of which Standardized approach (SA)	354,955,182	239,589,156	28,396,414
Of which Internal model (IRB) approach	-	-	-
Counterparty credit risk	9,961,870	7,031,153	796,950
Of which standardized approach for counterparty credit risk (SA-CCR)	9,961,870	7,031,153	796,950
Of which internal model method (IMM)	-	-	-
Equity positions in banking accounts under market-based approach	-	-	-
Equity investment in funds - look-through approach	-	-	-
Equity investment in funds - mandate-based approach	-	-	-
Equity investment in funds - 1250% weighted risk approach	-	-	-
Settlement risk	-	-	-
Securitization positions in banking accounts	-	-	-
Of which irb ratings-based approach (RBA)	-	-	-
Of which irb supervisory formula approach (SFA)	-	-	-
Of which sa/simplified supervisory formula approach (SSFA)	-	-	-
Market risk	11,833,673	8,105,978	946,694
Standardized approach (SA)	11,833,673	8,105,978	946,694
Internal model approaches (IMM)	-	-	-
Operational risk	38,341,361	22,912,505	3,067,309
Of which Basic indicator approach	38,341,361	22,912,505	3,067,309
Of which Standard approach	-	-	-
Advanced measurement approach	-	-	-
Amounts below the thresholds for deduction (subject to a 250% risk weight)	-	-	-
Floor adjustment	-	-	-
<b>Total</b>	<b>415,092,086</b>	<b>277,638,792</b>	<b>33,207,367</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### SECTION FIVE

#### EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

##### I. Explanations and Disclosures Related to the Assets

###### 1. a) Information on Cash and Balances with the Central Bank of the Republic of Türkiye:

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	1,543,011	6,401,175	1,034,157	11,238,000
Balances with the Central Bank of Türkiye	56,116,766	47,982,371	39,555,867	52,128,885
Other	-	935,971	-	527,629
<b>Total</b>	<b>57,659,777</b>	<b>55,319,517</b>	<b>40,590,024</b>	<b>63,894,514</b>

###### b) Information related to the account of the Central Bank of the Republic of Türkiye:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	35,257,915	-	18,986,133	-
Unrestricted Time Deposit	3,504,860	17,757,130	17,283,685	28,228,037
Restricted Time Deposit	17,353,991	30,225,241	3,286,049	23,900,848
<b>Total</b>	<b>56,116,766</b>	<b>47,982,371</b>	<b>39,555,867</b>	<b>52,128,885</b>

As of 30 September 2024, the applicable rates for the reserve requirements established at the CBRT are between 3% and 33% (31 December 2023: between 0% and 30%) in Turkish Lira, and between 5% and 30% in foreign currency, depending on the maturity structure (31 December 2023: between 5% and 30%). The rate of Turkish currency held for foreign currency is 5%.

##### 2. Information on financial assets at fair value through profit or loss (net):

a.1) Information on financial assets at fair value through profit or loss given as collateral / blocked: None (31 December 2023: None).

a.2) Financial assets at fair value through profit or loss subject to repurchase agreements: None (31 December 2023: None).

Net book value of unrestricted financial assets at fair value through profit or loss is TL 380,228 (31 December 2023: TL 588,465).

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Debt Securities	79,631	300,597	242,988	345,477
Securities Representing Share in Capital	149,202	313,107	109,256	164,734
Other Financial Assets	-	89,674	-	150,116
<b>Total</b>	<b>228,833</b>	<b>703,378</b>	<b>352,244</b>	<b>660,327</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 3. Positive differences related to derivative financial assets held-for-trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	620,350	52,894	213,972	94,335
Swap Transactions	1,750,528	683,423	1,237,871	524,285
Futures Transactions	-	-	-	-
Options	549,249	423,070	483,792	418,807
Other	-	-	-	-
<b>Total</b>	<b>2,920,127</b>	<b>1,159,387</b>	<b>1,935,635</b>	<b>1,037,427</b>

#### 4. Information on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	4,006,401	913	1,305,465	795
Foreign	653,905	13,327,233	302,205	5,586,120
Foreign Head Offices and Branches	-	-	-	-
<b>Total</b>	<b>4,660,306</b>	<b>13,328,146</b>	<b>1,607,670</b>	<b>5,586,915</b>

An expected loss provision of TL 42,381 (31 December 2023: TL 45,340) has been set aside for receivables from banks.

#### 5. Information on financial assets at fair value through other comprehensive income:

- a.1) Information on financial assets at fair value through other comprehensive income given as collateral / blocked:

	Current Period		Prior Period	
	TL	FC	TL	FC
Equity Securities	-	-	-	-
Bond, Treasury Bill and Similar Investment Securities	3,833,803	-	3,751,191	-
Other	-	-	-	-
<b>Total</b>	<b>3,833,803</b>	<b>-</b>	<b>3,751,191</b>	<b>-</b>

- a.2) Information on financial assets at fair value through other comprehensive income subject to repurchase agreements:

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	4,220,046	8,219,909	996,753	2,649,642
Treasury Bills	-	-	-	-
Other Debt Securities	-	-	-	-
Bank Bonds and Bank Guaranteed Bonds	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>4,220,046</b>	<b>8,219,909</b>	<b>996,753</b>	<b>2,649,642</b>

The book value of debt securities and equity securities in unrestricted financial assets at fair value through other comprehensive income is TL 8,546,045 (31 December 2023: TL 427,853).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 5. Information on financial assets at fair value through other comprehensive income (continued):

b.1) Information on financial assets at fair value through other comprehensive income:

	Current Period	Prior Period
Debt Securities	24,730,771	7,743,104
Quoted on a Stock Exchange	24,657,644	7,670,426
Unquoted on a Stock Exchange	73,127	72,678
Equity Securities	89,032	82,335
Quoted on a Stock Exchange	-	-
Unquoted on a Stock Exchange	89,032	82,335
Impairment Provision (-)	-	-
<b>Total</b>	<b>24,819,803</b>	<b>7,825,439</b>

An expected loss provision of TL 4,831 (31 December 2023: TL 1,778) has been reserved for financial assets at fair value through other comprehensive income.

#### 6. Information on loans:

a) Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	1,073,055	-	1,607,169
Corporate Shareholders	-	1,073,055	-	1,607,169
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	502,484	-	341,242	-
<b>Total</b>	<b>502,484</b>	<b>1,073,055</b>	<b>341,242</b>	<b>1,607,169</b>

b) Information on the standard loans and loans under close monitoring and restructured loans under close monitoring:

#### Current Period:

Cash Loans	Standard Loans	Loans under Close Monitoring		
		Not Under the Scope of Restructuring	Loans Under Monitoring	
			Loans with Revised Contract Terms	Refinancing
Non-Specialized Loans	292,504,189	22,074,830	217,424	1,018,019
Working Capital Loans	35,698,366	1,902,921	-	883,533
Export Loans	65,531,183	895,996	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	6,816,451	-	-	-
Consumer Loans	40,018,678	7,397,981	14,216	80,246
Credit Cards	31,717,914	5,672,311	201,467	-
Other	112,721,597	6,205,621	1,741	54,240
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>292,504,189</b>	<b>22,074,830</b>	<b>217,424</b>	<b>1,018,019</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 6. Information on loans: (continued)

b) Information on the Standard Loans and Loans under Close Monitoring and restructured loans under close monitoring: (continued)

#### Prior Period:

Cash Loans	Standard Loans	Loans under Close Monitoring		
		Not Under the Scope of Restructuring	Loans Under Monitoring	
			Loans with Revised Contract Terms	Refinancing
Non-Specialized Loans	192,710,647	13,917,088	82,658	993,880
Working Capital Loans	18,799,021	3,316,949	-	843,000
Export Loans	45,631,545	189,599	-	772
Import Loans	-	-	-	-
Loans Given to Financial Sector	5,595,877	8,401	-	-
Consumer Loans	32,135,421	5,307,828	28,012	77,199
Credit Cards	21,143,243	2,896,900	51,297	-
Other	69,405,540	2,197,411	3,349	72,909
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>192,710,647</b>	<b>13,917,088</b>	<b>82,658</b>	<b>993,880</b>

	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
12 Month Expected Credit Losses	1,050,631	-	687,130	-
Significant increase in Credit Risk	-	2,579,925	-	4,465,775
<b>Total</b>	<b>1,050,631</b>	<b>2,579,925</b>	<b>687,130</b>	<b>4,465,775</b>

Aging analysis for loans under close monitoring

30 September 2024	1-30 Days	31-60 Days	61-90 Days	Total
Loans and Receivables				
Commercial Loans	625,941	196,977	307,859	1,130,777
Consumer Loans	1,531,990	326,722	1,059,591	2,918,303
Credit Cards	1,129,159	802,564	707,029	2,638,752
<b>Total</b>	<b>3,287,090</b>	<b>1,326,263</b>	<b>2,074,479</b>	<b>6,687,832</b>

31 December 2023	1-30 Days	31-60 Days	61-90 Days	Total
Loans and Receivables				
Commercial Loans	100,292	19,299	137,509	257,100
Consumer Loans	1,099,934	229,895	541,569	1,871,398
Credit Cards	370,971	268,744	218,052	857,767
<b>Total</b>	<b>1,571,197</b>	<b>517,938</b>	<b>897,130</b>	<b>2,986,265</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 6. Information on loans: (continued)

c) Information on consumer loans, individual credit cards, personnel loans and credit cards given to personnel:

Current Period	Short-Term	Medium and Long-Term	Total
<b>Consumer Loans-TL</b>	<b>19,060,728</b>	<b>22,267,906</b>	<b>41,328,634</b>
Housing Loans	11,103	3,630,492	3,641,595
Vehicle Loans	597,070	862,500	1,459,570
General Purpose Loans	18,452,555	17,774,914	36,227,469
Other	-	-	-
<b>Consumer Loans –Indexed to FC</b>	<b>-</b>	<b>6,653</b>	<b>6,653</b>
Housing Loans	-	6,653	6,653
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC (**)</b>	<b>-</b>	<b>17,239</b>	<b>17,239</b>
Housing Loans	-	1,000	1,000
Vehicle Loans	-	6,616	6,616
General Purpose Loans	-	9,623	9,623
Other	-	-	-
<b>Individual Credit Cards-TL</b>	<b>30,659,629</b>	<b>138,377</b>	<b>30,798,006</b>
With Instalments	7,576,145	138,377	7,714,522
Without Instalments	23,083,484	-	23,083,484
<b>Individual Credit Cards-FC</b>	<b>117,724</b>	<b>-</b>	<b>117,724</b>
With Instalments	-	-	-
Without Instalments	117,724	-	117,724
<b>Personnel Loans-TL</b>	<b>200,177</b>	<b>125,949</b>	<b>326,126</b>
Housing Loans	-	75	75
Vehicle Loans	-	-	-
General Purpose Loans	200,177	125,874	326,051
Other	-	-	-
<b>Personnel Loans- Indexed to FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>160,091</b>	<b>62</b>	<b>160,153</b>
With Instalments	46,451	62	46,513
Without Instalments	113,640	-	113,640
<b>Personnel Credit Cards-FC</b>	<b>2,020</b>	<b>-</b>	<b>2,020</b>
With Instalments	-	-	-
Without Instalments	2,020	-	2,020
<b>Overdraft Accounts-TL (Real Persons) (*)</b>	<b>5,832,447</b>	<b>-</b>	<b>5,832,447</b>
<b>Overdraft Accounts-FC (Real Persons)</b>	<b>22</b>	<b>-</b>	<b>22</b>
<b>Total</b>	<b>56,032,838</b>	<b>22,556,186</b>	<b>78,589,024</b>

(\*) Overdraft accounts include personnel loans amounting to TL 14,185.

(\*\*) Loans granted via branches abroad.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 6. Information on loans: (continued)

c) Information on consumer loans, individual credit cards, personnel loans and credit cards given to personnel:  
(continued)

Prior Period	Short-Term	Medium and Long-Term	Total
<b>Consumer Loans-TL</b>	<b>8,681,383</b>	<b>26,373,938</b>	<b>35,055,321</b>
Housing Loans	2,514	2,839,333	2,841,847
Vehicle Loans	508,394	959,933	1,468,327
General Purpose Loans	8,170,475	22,574,672	30,745,147
Other	-	-	-
<b>Consumer Loans –Indexed to FC</b>	<b>-</b>	<b>6,330</b>	<b>6,330</b>
Housing Loans	-	6,330	6,330
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC (**)</b>	<b>-</b>	<b>14,982</b>	<b>14,982</b>
Housing Loans	-	2,543	2,543
Vehicle Loans	-	-	-
General Purpose Loans	-	12,439	12,439
Other	-	-	-
<b>Individual Credit Cards-TL</b>	<b>19,129,345</b>	<b>41,355</b>	<b>19,170,700</b>
With Instalments	7,138,988	41,355	7,180,343
Without Instalments	11,990,357	-	11,990,357
<b>Individual Credit Cards-FC</b>	<b>60,541</b>	<b>-</b>	<b>60,541</b>
With Instalments	-	-	-
Without Instalments	60,541	-	60,541
<b>Personnel Loans-TL</b>	<b>87,228</b>	<b>135,071</b>	<b>222,299</b>
Housing Loans	-	143	143
Vehicle Loans	-	-	-
General Purpose Loans	87,228	134,928	222,156
Other	-	-	-
<b>Personnel Loans- Indexed to FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>108,846</b>	<b>16</b>	<b>108,862</b>
With Instalments	45,205	16	45,221
Without Instalments	63,641	-	63,641
<b>Personnel Credit Cards-FC</b>	<b>917</b>	<b>-</b>	<b>917</b>
With Instalments	-	-	-
Without Instalments	917	-	917
<b>Overdraft Accounts-TL (Real Persons) (*)</b>	<b>2,249,528</b>	<b>-</b>	<b>2,249,528</b>
<b>Overdraft Accounts-FC (Real Persons)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>30,317,788</b>	<b>26,571,692</b>	<b>56,889,480</b>

(\*) Overdraft accounts include personnel loans amounting to TL 9,164.

(\*\*) Loans granted via branches abroad.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 6. Information on loans: (continued)

d) Information on commercial loans with instalments and corporate credit cards:

Current Period	Short-Term	Medium and Long-Term	Total
<b>Commercial Loans with Instalment – TL</b>	<b>8,059,203</b>	<b>33,331,001</b>	<b>41,390,204</b>
Business Loans	592	95,477	96,069
Vehicle Loans	1,096,529	7,668,914	8,765,443
General Purpose Loans	6,962,082	25,566,610	32,528,692
Other	-	-	-
<b>Commercial Loans with Instalment - Indexed to FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Business Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Commercial Loans with Instalment – FC</b>	<b>40,983</b>	<b>-</b>	<b>40,983</b>
Business Loans	-	-	-
Vehicle Loans	37,328	-	37,328
General Purpose Loans	3,655	-	3,655
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	<b>6,497,853</b>	<b>3,039</b>	<b>6,500,892</b>
With Instalments	1,333,012	3,039	1,336,051
Without Instalments	5,164,841	-	5,164,841
<b>Corporate Credit Cards-FC</b>	<b>12,897</b>	<b>-</b>	<b>12,897</b>
With Instalments	-	-	-
Without Instalments	12,897	-	12,897
<b>Overdraft Accounts-TL (Legal Entities)</b>	<b>1,739,772</b>	<b>-</b>	<b>1,739,772</b>
<b>Overdraft Accounts-FC (Legal Entities)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>16,350,708</b>	<b>33,334,040</b>	<b>49,684,748</b>
Prior Period	Short-Term	Medium and Long-Term	Total
<b>Commercial Loans with Instalment – TL</b>	<b>6,285,919</b>	<b>16,466,506</b>	<b>22,752,425</b>
Business Loans	-	74,389	74,389
Vehicle Loans	457,510	3,219,119	3,676,629
General Purpose Loans	5,828,409	13,172,998	19,001,407
Other	-	-	-
<b>Commercial Loans with Instalment - Indexed to FC</b>	<b>-</b>	<b>9,576</b>	<b>9,576</b>
Business Loans	-	3,387	3,387
Vehicle Loans	-	-	-
General Purpose Loans	-	6,189	6,189
Other	-	-	-
<b>Commercial Loans with Instalment – FC</b>	<b>566</b>	<b>-</b>	<b>566</b>
Business Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	566	-	566
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	<b>4,714,470</b>	<b>24,480</b>	<b>4,738,950</b>
With Instalments	1,169,402	24,480	1,193,882
Without Instalments	3,545,068	-	3,545,068
<b>Corporate Credit Cards-FC</b>	<b>11,470</b>	<b>-</b>	<b>11,470</b>
With Instalments	-	-	-
Without Instalments	11,470	-	11,470
<b>Overdraft Accounts-TL (Legal Entities)</b>	<b>941,417</b>	<b>-</b>	<b>941,417</b>
<b>Overdraft Accounts-FC (Legal Entities)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>11,953,842</b>	<b>16,500,562</b>	<b>28,454,404</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 6. Information on loans: (continued)

e) Domestic and foreign loans:

	Current Period	Prior Period
Domestic Loans	314,125,060	206,871,036
Foreign Loans	1,689,402	833,237
<b>Total</b>	<b>315,814,462</b>	<b>207,704,273</b>

f) Loans granted to subsidiaries and associates:

	Current Period	Prior Period
Direct Loans to Subsidiaries and Associates	-	277,413
Indirect Loans to Subsidiaries and Associates	-	-
<b>Total</b>	<b>-</b>	<b>277,413</b>

g) Specific or non-performing loan (Stage 3) provisions for loans:

	Current Period	Prior Period
Loans with Limited Collectability	1,033,675	332,737
Loans with Doubtful Collectability	408,531	289,351
Uncollectible Loans	601,439	943,883
<b>Total</b>	<b>2,043,645</b>	<b>1,565,971</b>

h) Information on non-performing loans (Net):

h.1) Information on non-performing loans and restructured loans

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectable Loans
<b>Current Period</b>			
Gross Amounts before Provisions	182,236	49,422	13,111
Restructured Loans	182,236	49,422	13,111
<b>Prior Period</b>			
Gross Amounts before Provisions	61,062	36,088	27,630
Restructured Loans	61,062	36,088	27,630

h.2) Movement of non-performing loans

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectable Loans
<b>Prior Period End Balance</b>	<b>495,870</b>	<b>435,385</b>	<b>1,249,950</b>
Additions during the Period (+)	3,518,457	12,316	73,115
Transfers from other accounts of Non-performing (+)	-	1,686,677	426,103
Transfers to other accounts of Non-performing (-)	1,686,677	426,103	-
Collections during the Period (-)	497,060	270,871	706,131
Write-Offs (-)	-	-	39,277
Sold (-) (*)	352,656	828,058	373,715
Corporate and Commercial Loans	1,694	8,750	18,926
Retail Loans	180,760	481,390	251,449
Credit Cards	170,202	337,918	103,340
Other	-	-	155,081
<b>Current Period End Balance</b>	<b>1,477,934</b>	<b>609,346</b>	<b>785,126</b>
Provision (-)	1,033,675	408,531	601,439
<b>Net Balances on Balance Sheet</b>	<b>444,259</b>	<b>200,815</b>	<b>183,687</b>

(\*) The portion of the Bank's non-performing receivables portfolio amounting to TL 1,554,429 with a provision of TL 1,184,088 was sold for TL 557,358 in 2024 and the sale proceeds were collected after the completion of the necessary procedures and the related non-performing receivables were derecognized.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 6. Information on loans: (continued)

h) Information on non-performing loans (Net) (continued) :

h.3) Information on non-performing loans arising from foreign currency loans:

	Group III	Group IV	Group V
	Loans and Receivables with Limited Collectability	Loans and Receivables with Doubtful Collectability	Uncollectable Loans and Receivables
<b>30 September 2024</b>			
Period End Balance	715,456	358,313	332,012
Provision Amount (-)	519,915	232,307	315,473
<b>Net Balance on Balance Sheet</b>	<b>195,541</b>	<b>126,006</b>	<b>16,539</b>
<b>31 December 2023</b>			
Period End Balance	95,542	6,216	75,789
Provision Amount (-)	78,190	2,508	56,563
<b>Net Balance on Balance Sheet</b>	<b>17,352</b>	<b>3,708</b>	<b>19,226</b>

h.4) Information on gross and net amounts of non-performing loans according to user groups:

	Group III	Group IV	Group V
	Loans and Receivables with Limited Collectability	Loans and Receivables with Doubtful Collectability	Uncollectable Loans and Receivables
<b>Current Period (Net)</b>			
Loans to Real Persons and Legal Entities (Gross)	1,477,934	609,346	785,126
Provision Amount (-)	1,033,675	408,531	601,439
<b>Loans to Real Persons and Legal Entities (Net)</b>	<b>444,259</b>	<b>200,815</b>	<b>183,687</b>
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
<b>Banks (Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Loans and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
<b>Other Loans and Receivables (Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Prior Period (Net)</b>			
Loans to Real Persons and Legal Entities (Gross)	495,870	435,385	1,249,950
Provision Amount (-)	332,737	289,351	943,883
<b>Loans to Real Persons and Legal Entities (Net)</b>	<b>163,133</b>	<b>146,034</b>	<b>306,067</b>
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
<b>Banks (Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Loans and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
<b>Other Loans and Receivables (Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>

h.5) Information on interest accruals, rediscounts and valuation differences calculated for non-performing receivables and their provisions:

	Group III	Group IV	Group V
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectable Loans
<b>Current Period (Net)</b>	<b>1,594</b>	<b>1,857</b>	<b>19,173</b>
Interest Accruals, Rediscounts and Valuation Differences	251,528	96,103	267,417
Provision Amount (-)	249,934	94,246	248,244
<b>Prior Period (Net)</b>	<b>1,901</b>	<b>1,011</b>	<b>187</b>
Interest Accruals, Rediscounts and Valuation Differences	58,525	57,600	352,139
Provision Amount(-)	56,624	56,589	351,952

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

**I. Explanations and Disclosures Related to the Assets (continued)**

**6. Information on loans: (continued)**

i) Explanations on write-off policy:

Group 5 - Loans classified as Bad Debt, with at least one reporting period remaining in this group, and provided with life-long expected credit loss provision due to the debtor's default, constitute the bank's loans to be written-off. Write-off is an accounting practice and does not result in giving up the right on the receivable. Loans which are written-off do not affect the legal follow-up of the Parent Bank. Indicators are utilized concerning the absence of reasonable expectations regarding the recovery of loans. The write-off is examined on an incident basis with predefined criteria. And the following write-off criteria are considered:

- Limited possibility of recovery: Loans with low collateralization rates, limited collateral capability, limited assets that provide foreclosure collection opportunities, loans with higher collection costs and lower collection expectations are evaluated.
- Financial indicators: Financial indicators that show that the entire loan does not have the ability to recover, or that the monetary cost to be incurred due to lawsuits/prosecution to be filed is higher than the collection to be made, are evaluated.
- Long-term follow-up: Those who do not have a reasonable expectation of collection are evaluated for the recovery of the loans whose follow-up process continues for a long time,

The following applications regarding the loans which is under follow-up and written-off cannot be different from registered loans.

- a) The methods applied for legal collection of loans from debtors,
- b) Decisions regarding the inclusion to the non-performing loans sale,
- c) Decisions to waive the receivables by waiving the loans.

The amount written-off by the Parent Bank within the scope of TFRS 9 during the financial period is TL 39,277 (31 December 2023: TL 99,443) and its effect on NPL ratio is 0.01% (31 December 2023: 0.05%). The follow-up conversion rate is 0.90% (31 December 2023: 1.04%) with the current period non-performing loans after write-offs, while the calculated rate including the loans written-off during the year is 0.91% (31 December 2023: 1.09%).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 7. Information on financial assets measured at amortized cost:

a) a.1) Information on financial assets measured at amortized cost and subject to repurchase agreements:

	Current Period		Prior Period	
	TL	FC	TL	FC
Equity Securities	-	-	-	-
Bond, Treasury bill and similar investment securities	37,971,922	10,045,480	14,269,209	14,639,935
<b>Total</b>	<b>37,971,922</b>	<b>10,045,480</b>	<b>14,269,209</b>	<b>14,639,935</b>

a.2) Information on financial assets measured at amortized cost and given as collateral / blocked:

	Current Period		Prior Period	
	TL	FC	TL	FC
Equity Securities	-	-	-	-
Bond, Treasury bill and similar investment securities	5,625,599	1,237	17,933,295	-
Other	-	-	-	-
<b>Total</b>	<b>5,625,599</b>	<b>1,237</b>	<b>17,933,295</b>	<b>-</b>

Unrestricted financial assets measured at amortized cost are TL 10,137,268 (31 December 2023: TL 2,449,019).

a.3) Information on government debt securities measured at amortized cost:

	Current Period	Prior Period
Government Bonds	63,781,506	49,291,458
Treasury Bills	-	-
Other Public Sector Debt Securities	-	-
<b>Total</b>	<b>63,781,506</b>	<b>49,291,458</b>

An expected loss provision of TL 12,320 (31 December 2023: TL 11,090) is reserved for government debt securities classified in amortized cost portfolio.

a.4) Information on financial assets measured at amortized cost:

	Current Period	Prior Period
Debt securities	63,781,506	49,291,458
Quoted on a Stock Exchange	63,781,506	49,291,458
Unquoted on a Stock Exchange	-	-
Impairment Provision (-)	-	-
<b>Total</b>	<b>63,781,506</b>	<b>49,291,458</b>

a.5) Movement of financial assets measured at amortized cost:

	Current Period	Prior Period
Balance at the Beginning of the Period	49,291,458	40,455,936
Foreign Currency Differences on Monetary Assets	1,396,711	5,539,588
Purchases During the Year	14,600,320	15,451,927
Disposals Through Sales and Redemptions	(6,550,697)	(9,541,486)
Impairment Provision (-)	-	-
Valuation Effect(*)	5,043,714	(2,614,507)
<b>Closing Balance</b>	<b>63,781,506</b>	<b>49,291,458</b>

(\*) Includes rediscount amounts too.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 8. Information on associates (Net):

- a.1) Information on unconsolidated associates according to Communiqué on Preparing Banks' Consolidated Financial Statements and related Turkish Accounting Standard: None (31 December 2023: None).
- a.2) Information on the unconsolidated associates: None (31 December 2023: None).
- a.3) Information on the consolidated associates: None (31 December 2023: None).
- a.4) Information on sector information on consolidated associates: None (31 December 2023: None).
- a.5) Consolidated associates which are quoted on the stock exchange: None (31 December 2023: None).

#### 9. Information on subsidiaries (Net):

- a) Information on shareholders' equity of significant subsidiaries:

Subsidiaries do not use internal capital adequacy assessment approach.

	TEB Faktoring A.Ş.	TEB Yatırım Menkul Değerler A.Ş.	TEB Portföy Yönetimi A.Ş.	TEB Finansman A.Ş.
Paid-in capital to be entitled for compensation after all creditors	50,000	100,000	30,000	71,626
Reserves	772,369	5,437	5,088	674,138
Net income for the period and prior period income	359,399	1,123,982	405,154	144,110
Income/ Loss recognized under equity in accordance with TAS	-	-	-	-
Leasehold improvements on operational leases (-)	5,172	924	2,275	577
Goodwill and intangible asset and the related deferred tax liability (-)	20,817	18,362	3,074	7,258
<b>Total Common Equity Tier 1 Capital</b>	<b>1,155,779</b>	<b>1,210,133</b>	<b>434,893</b>	<b>882,039</b>
Provisions	23,020	-	-	5,993
<b>Equity</b>	<b>1,178,799</b>	<b>1,210,133</b>	<b>434,893</b>	<b>888,032</b>

- b) If there is any unconsolidated subsidiary, total equity amount that is lack of subsection to the reasonable justifications of non-consolidate and minimum capital requirement: None (31 December 2023: None).
- c) Information on the unconsolidated subsidiaries: None (31 December 2023: None).
- d) Information on the consolidated subsidiaries:

- d.1) Information on the consolidated subsidiaries:

Title	Address (City/ Country)	The Bank's share percentage-If different voting percentage (%)	Other shareholders' share percentage(%)
1 TEB Faktoring A.Ş.	İstanbul/Turkey	100.00	-
2 TEB Yatırım Menkul Değerler A.Ş. (*)	İstanbul/Turkey	96.62	3.38
3 TEB Portföy Yönetimi A.Ş. (*)	İstanbul/Turkey	25.60	29.14
4 TEB Finansman A.Ş.	İstanbul/Turkey	100.00	-

Information on the consolidated subsidiaries with the order as presented in the table above:

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit/Loss (*)	Fair Value
1	14,531,881	1,181,768	39,900	3,096,901	-	359,399	286,661	-
2	1,896,780	1,229,419	22,546	870,118	-	414,182	269,945	-
3	528,294	440,242	16,053	22,929	90	274,471	71,050	-
4	3,586,647	889,874	8,227	1,101,549	-	144,538	133,672	-

(\*) Amounts adjusted according to the BRSA's financial statements prepared for consolidation as of 30 September 2024. Within the framework of BRSA regulations, it includes values as of 30 September 2024, which have not been subjected to inflation accounting.

(\*\*) These are the amounts adjusted according to the financial statements prepared by the BRSA for consolidation as of 30 September 2023, which have not been subjected to inflation accounting.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

#### 9. Information on subsidiaries (Net): (continued)

##### d) Information on the consolidated subsidiaries: (continued)

##### d.2) Information on consolidated financial subsidiaries: (continued)

	Current Period	Prior Period
Balance at the Beginning of the Period	278,971	115,986
Movements during the Period	-	162,985
Purchases (*)	-	162,985
Bonus Shares Obtained	-	-
Share in Current Year Income	-	-
Sales	-	-
Revaluation Increase/(Decrease)	-	-
Provisions for Impairment	-	-
<b>Balance at the end of the period</b>	<b>278,971</b>	<b>278,971</b>
Capital commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(\*) As of 4 November 2022, for the acquisition of 61,300,800 shares of BNP Paribas Personal Finance S.A. from a total of 71,626,000 registered shares in the capital of TEB Finansman A.Ş. and (ii) of 10,325,200 shares owned by TEB Holding A.Ş. by Türk Ekonomi Bankası A.Ş.; Share Transfer Agreement has been signed between BNP Paribas Personal Finance S.A., TEB Holding A.Ş. and Türk Ekonomi Bankası A.Ş. It was announced with the material event statement made on 16 January 2023 that the Banking Regulation and Supervision Agency and the Competition Authority's applications/information were made and the necessary approvals were received regarding the share transfer that the mentioned transaction was within the scope of intra-group restructuring. In this context, the acquisition of all (100%) shares of TEB Finansman A.Ş. by Türk Ekonomi Bankası A.Ş. and the share transfer transaction was carried out on 23 January 2023 and Türk Ekonomi Bankası A.Ş. became the sole shareholder of TEB Finansman A.Ş.

##### d.3) Sectoral information on the consolidated subsidiaries and the related carrying amounts:

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	43,417	43,417
Leasing Companies	-	-
Finance Companies	162,985	162,985
Other Financial Subsidiaries	72,569	72,569
<b>Total</b>	<b>278,971</b>	<b>278,971</b>

##### d.4) Consolidated subsidiaries quoted on the stock exchange: None (31 December 2023: None).

##### e) Consolidated subsidiaries quoted on the stock exchange: None (31 December 2023: None).

TEB ARF Teknoloji A.Ş. was established by the Bank with TL 50,000 paid in capital and 100% ownership; it was registered in the Trade Registry Gazette on 16 July 2020.

### 10. Explanations on entities under common control (joint ventures):

#### a) Information on entities under common control (joint ventures)

Entities under common control (joint ventures)						Share of the Bank (%)	Share of the Group (%)
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (*)						0.1	33.3
Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit/Loss (*)	Fair Value
592,633	251,783	219,142	-	-	115,385	13,967	-

(\*) As of 30 September 2024 and 30 September 2023, these are the amounts adjusted according to the financial statements prepared by the BRSA for consolidation that have not been subjected to inflation accounting.

#### b) The method used in accounting for joint ventures (joint ventures) in the unconsolidated financial statements of the parent bank due to the reasons why the unconsolidated joint venture (joint venture) is not consolidated:

The Bank owns 0.1% but the Group owns 33.3% share of Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş, it is presented as joint venture in financial statements however, it is carried by cost value since necessary requirements for consolidation is not met.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Explanations and Disclosures Related to the Assets (continued)

11. Information on financial lease receivables (Net): None (31 December 2023: None)

12. Positive differences related to derivative financial assets for hedging purposes:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge	-	378,584	-	-
Cash Flow Hedge	-	100,588	735,767	302,754
Foreign Net Investment Hedge	-	-	-	-
<b>Total</b>	<b>-</b>	<b>479,172</b>	<b>735,767</b>	<b>302,754</b>

In case of termination of the fair value hedge accounting, any adjustment to the book value of the hedging instrument calculated using the effective interest method under fair value hedge accounting is amortized through profit or loss to the financial asset price until the maturity of the asset.

Derivative financial instruments used for fair value hedging purposes consist of interest rate swaps. As of September 30, 2024, an amount of 378,584 TL represents the fair value of derivative financial instruments used in the fair value hedging of foreign currency borrowings (December 31, 2023: None).

According to cash flow hedges terminated by the Bank, accumulated valuation differences amounted TL 14,347 (31 December 2023: TL 39,591) is recorded under equity as of 30 September 2024 and these accumulated differences are transferred into income statement by considering maturity date of hedged items.

13. Information on investment properties: None (31 December 2023: None).

14. Information on assets held for sale and discontinued operations:

	Current Period	Prior Period
Beginning of Period Cost	82,060	100,370
Beginning of Period Accumulated Depreciation (-)	-	-
<b>Net Book Value</b>	<b>82,060</b>	<b>100,370</b>
Opening Balance	82,060	100,370
Acquired	7,849	49,380
Disposed (-)	22,276	67,042
Impairment (-)	(450)	648
Depreciation Value (-)	-	-
Period End Cost	68,083	82,060
Period End Accumulated Depreciation (-)	-	-
<b>Closing Net Book Value</b>	<b>68,083</b>	<b>82,060</b>

As of 30 September 2024, the Bank has no non-current assets related to discontinued operations (31 December 2023: None).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### II. Explanations and Disclosures Related to the Liabilities

#### 1. a) Information on maturity structure of deposits:

##### a.1) Current Period

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months- 1 Year	1 Year and Over	Acc. Deposits	Total
Foreign Currency Deposits	20,117,821	-	100,511,864	51,905,844	5,782,163	9,007,452	3,416,853	-	190,741,997
Residents in Turkey	68,445,540	-	8,999,464	16,600,248	22,880	29,237	109,310	-	94,206,679
Residents Abroad	64,934,875	-	8,280,907	16,156,484	16,547	13,030	105,905	-	89,507,748
Public Sector Deposits	3,510,665	-	718,557	443,764	6,333	16,207	3,405	-	4,698,931
Commercial Deposits	3,827,268	-	25,353	260,279	16,686	-	-	-	4,129,586
Other Institutions Deposits	16,685,750	-	32,151,775	15,986,593	3,439,094	1,073,742	1,352,683	-	70,689,637
Precious Metals Deposits	1,462,223	-	220,643	1,013,145	13,309	9,995	321	-	2,719,636
Bank Deposits	16,159,558	-	24,963	112,378	11,005	27,106	429	-	16,335,439
Central Bank of Türkiye	1,043,386	-	4,904,465	-	-	-	-	-	5,947,851
Domestic Banks	609,939	-	-	-	-	-	-	-	609,939
Foreign Banks	4	-	-	-	-	-	-	-	4
Participation Banks	433,443	-	4,904,465	-	-	-	-	-	5,337,908
Other	-	-	-	-	-	-	-	-	-
Foreign Currency Deposits	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>127,741,546</b>	<b>-</b>	<b>146,838,527</b>	<b>85,878,487</b>	<b>9,285,137</b>	<b>10,147,532</b>	<b>4,879,596</b>	<b>-</b>	<b>384,770,825</b>

Currency-protected deposit product, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL deposits are valued with interest rates and are protected against foreign currency exchange rates, started to be offered to bank customers as of the current accounting period reported. As of 30 September 2024, TL deposit amount includes TL 28,582,675 (31 December 2023: TL 44,388,822) deposits within this scope.

##### a.2) Prior Period:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months- 1 Year	1 Year and Over	Acc. Deposits	Total
Saving Deposits	11,434,614	-	30,955,848	65,389,026	2,876,936	9,874,584	3,204,116	-	123,735,124
Foreign Currency Deposits	62,450,456	-	11,279,340	12,705,976	231,984	50,731	47,189	-	86,765,676
Residents in Turkey	59,084,682	-	10,540,158	12,196,472	211,226	47,602	42,603	-	82,122,743
Residents Abroad	3,365,774	-	739,182	509,504	20,758	3,129	4,586	-	4,642,933
Public Sector Deposits	1,838,949	-	14,044	205,711	1,547,150	-	-	-	3,605,854
Commercial Deposits	16,022,870	-	12,734,684	20,143,834	1,154,047	1,998,176	1,399,329	-	53,452,940
Other Institutions Deposits	1,007,541	-	183,111	833,605	65,215	11	278	-	2,089,761
Precious Metals Deposits	12,382,123	-	20,326	85,192	10,527	20,771	293	-	12,519,232
Bank Deposits	329,106	-	2,248,143	-	-	-	-	-	2,577,249
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	5	-	-	-	-	-	-	-	5
Foreign Banks	329,101	-	2,248,143	-	-	-	-	-	2,577,244
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>105,465,659</b>	<b>-</b>	<b>57,435,496</b>	<b>99,363,344</b>	<b>5,885,859</b>	<b>11,944,273</b>	<b>4,651,205</b>	<b>-</b>	<b>284,745,836</b>

#### b) Information on saving deposits under the guarantee of saving deposit insurance:

##### b.1) Saving deposits exceeding the limit of insurance:

##### i) Information on saving deposits under the guarantee of saving deposit insurance and exceeding the limit of saving deposit insurance (\*):

Saving Deposit	Under the Guarantee of Insurance (**)		Exceeding the Insurance Limit (**)	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	93,060,270	49,743,453	94,083,410	72,203,333
Foreign Currency Saving Deposits	23,380,525	18,884,543	27,842,497	26,773,509
Other Deposits in the Form of Saving Deposits	6,392,532	4,671,518	7,259,810	6,054,464
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-
<b>Total</b>	<b>122,833,327</b>	<b>73,299,514</b>	<b>129,185,717</b>	<b>105,031,306</b>

(\*) Pursuant to the "Regulation Amending the Regulation on the Insured Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 27 August 2022 and numbered 31936, all deposits and participation funds, excluding those belonging to official institutions, credit institutions and financial institutions in the presence of credit institutions, started to be insured. In this context, commercial deposits covered by the insurance amount to TL 10,372,312 (31 December 2023: TL 8,720,452) and the relevant amount is not included in the note.

(\*\*) According to the BRSA's circular no 1584 dated on 23 February 2005, accruals are included in the saving deposit amounts.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### II. Explanations and Disclosures Related to the Liabilities (continued)

b) Information on saving deposits under the guarantee of saving deposit insurance: (continued)

b.1) Saving deposits exceeding the limit of insurance: (continued)

ii) Deposits of real persons not under the guarantee of saving deposit insurance:

	Current Period	Prior Period
Foreign Branches' Deposits and Other Accounts	2,108,028	2,040,846
Deposits of Controlling Shareholders and Their Close Families	5,433,923	3,159,145
Deposits of Chairman and Members of the Board of Directors and Their Close Families	200,843	186,514
Deposits Obtained Through Illegal Acts Defined in the 282 <sup>nd</sup> Article of the 5237 Numbered Turkish Criminal Code Dated 26 September 2004.	-	-
Saving Deposits in Banks Established in Turkey Exclusively for Offshore Banking Activities	-	-

### 2. Information on derivative financial liabilities held for trading:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	498,376	10,352	344,298	14,767
Swap Transactions	2,547,319	432,402	1,020,999	347,925
Futures Transactions	-	-	-	-
Options	334,587	404,794	387,146	437,708
Other	-	-	-	-
<b>Total</b>	<b>3,380,282</b>	<b>847,548</b>	<b>1,752,443</b>	<b>800,400</b>

### 3. Information on funds borrowed and debt securities issued:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Funds Borrowed from Central Bank of Türkiye	-	-	-	-
From Domestic Banks and Institutions	303,677	99,565	112,235	12,801
From Foreign Banks, Institutions and Funds	-	20,544,508	-	19,814,561
<b>Total</b>	<b>303,677</b>	<b>20,644,073</b>	<b>112,235</b>	<b>19,827,362</b>

As of 30 September 2024, the Bank has no loans from the risk group it is included in (31 December 2023: None).

b) Maturity analysis of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	199,320	2,291,453	112,235	1,824,002
Medium and Long-Term	104,357	18,352,620	-	18,003,360
<b>Total</b>	<b>303,677</b>	<b>20,644,073</b>	<b>112,235</b>	<b>19,827,362</b>

c) Information on debt securities issued: None. (31 December 2023: None)

### 4. Other external funding payables which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and the breakdown of these which constitute at least 20% of grand total:

Other external funding payables amounting to TL 28,369,579 (31 December 2023: TL 16,170,699) do not exceed 10% of the total balance sheet.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### II. Explanations and Disclosures Related to the Liabilities (continued)

#### 5. Explanations on financial lease obligations (Net):

With the "TFRS 16 Leases" standard which became effective as of 1 January 2020, the difference between the operating lease and financial lease have been removed and the lease transactions are started to be recognized under "Tangible Fixed Asset" as an asset (tenure) and under "Liabilities from Leasing" as a liability. As of 30 September 2024, the Bank has leasing liability amounting to TL 1,537,621 (31 December 2023: TL 991,149).

#### 6. Negative differences related to derivative financial liabilities for hedging purposes:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge	-	-	-	-
Cash Flow Hedge	15,027	-	82,455	-
Hedging the Risk of Net Investments Abroad	-	-	-	-
<b>Total</b>	<b>15,027</b>	<b>-</b>	<b>82,455</b>	<b>-</b>

In case the fair value hedge accounting is terminated, any adjustment made to the book value of the hedged financial instrument determined by using the effective interest method within the scope of fair value hedge accounting is amortized through profit or loss until the maturity of the financial instrument.

As of 30 September 2024, there are accumulated valuation differences of TL 14,347 (31 December 2023: TL 39,591) under equity. Regarding the cash flow hedging transactions terminated by the Bank, this amount is spread over the remaining terms of the hedged items by the Bank and transferred to the income statement.

#### 7. Information on provisions:

- Foreign exchange provision on the foreign currency indexed loans and financial lease receivables: There are no provision on the foreign currency indexed loans that is offset from the loans on the balance sheet (31 December 2023: None).
- The specific provisions provided for unindemnifies non-cash loans or expected credit loss for non-cash loans:

	Current Period	Prior Period
Stage 1	299,965	167,442
Stage 2	440,010	611,469
Stage 3	456,939	131,680
<b>Total</b>	<b>1,196,914</b>	<b>910,591</b>

- Liabilities on unused vacation, bonus, health and employment termination benefits:

As of 30 September 2024, TL 138,150 (31 December 2023: TL 46,844) unused vacation provision, TL 1,407,082 (31 December 2023: TL 1,410,470) employment termination benefit provision, TL 1,347,186 (31 December 2023: TL 1,427,188) bonus provision, TL 24,750 (31 December 2023: None) health expense provision and TL 1,569 (31 December 2023: TL 1,887) other expense provision are presented under "Provision of Employee Rights" in financial statements.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### II. Explanations and Disclosures Related to the Liabilities (continued)

#### 7. Information on provisions: (continued)

##### d) Information on other provisions:

	Current Period	Prior Period
Provision for Non-Cash Loans	1,196,914	910,591
Provision for Legal Cases	282,676	227,121
Provision for Promotions of Credit Cards and Banking Services	36,576	16,718
Other (*)	1,047,508	2,321,008
<b>Total</b>	<b>2,563,674</b>	<b>3,475,438</b>

(\*) As of 30 September 2024, it includes a free provision of TL 850,000 (December 31, 2023: TL 2,050,000).

#### 8. Information on taxes payable:

##### a) Information on tax provision :

As of 30 September, 2024, the Bank has no corporate tax liability. (December 31, 2023: TL 250,538). As of 30 September 2024, the Bank's total debt for taxes and premiums is TL 1,981,326 (December 31, 2023: TL 1,282,114).

##### b) Information on current tax liability:

	Current Period	Prior Period
Corporate Tax Payable	-	250,538
Taxation on Securities	789,942	194,666
Property Tax	15,219	5,891
Banking Insurance Transaction Tax (BITT)	769,400	433,185
Foreign Exchange Transaction Tax	12,923	8,508
Value Added Tax Payable	22,493	60,258
Other (*)	185,878	112,821
<b>Total</b>	<b>1,795,855</b>	<b>1,065,867</b>

(\*) Others include income taxes deducted from wages amounting to TL 170,880 (31 December 2023: TL 99,174) and stamp taxes payable amounting to TL 7,839 (31 December 2023: TL 5,757).

##### c) Information on premiums:

	Current Period	Prior Period
Social Security Premiums-Employee	78,969	153,650
Social Security Premiums-Employer	89,162	52,207
Bank Social Aid Pension Fund Premium-Employee	-	-
Bank Social Aid Pension Fund Premium-Employer	-	-
Pension Fund Membership Fees and Provisions-Employee	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Unemployment Insurance-Employee	6,207	3,761
Unemployment Insurance-Employer	11,133	6,629
Other	-	-
<b>Total</b>	<b>185,471</b>	<b>216,247</b>

##### d) Explanations on deferred tax liabilities, if any: Bank has no deferred tax liabilities as of 30 September 2024 (31 December 2023: None).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### II. Explanations and Disclosures Related to the Liabilities (continued)

#### 9. Information on shareholders' equity:

##### a) Presentation of paid-in capital:

	Current Period	Prior Period
Common Stock	2,204,390	2,204,390
Preferred Stock	-	-

##### b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at the Bank if so, amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Capital System	2,204,390	-

##### c) Information on share capital increases, their sources and other information on increased capital shares in current period: None.

##### d) Information on share capital increases from revaluation funds: None

##### e) Capital commitments in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitments: None.

##### f) Indicators of the Bank's income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Bank's equity due to the uncertainty of these indicators:

The income diversified with various business line and related channels/products/sectors, supported with different projects result a sustainable and relatively non-volatile profitability. Besides, interest rate, currency rate and liquidity risk under control are testing with various simulation and these tests prevents the risks of effect. The profitability of the Bank is followed up and estimated by the Bank's Planning and Performance Management in short, medium and long-term. It is also reported to Asset-Liability Committee and other related organs. As result, current and future negative effect on equity is not occurred and expected.

##### g) Information on preferred shares: None.

##### h) Information on marketable securities valuation differences:

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries, and Entities Under Common Control (Joint Vent.)	-	-	-	-
Valuation Difference	(341,307)	68,176	(81,628)	(29,672)
Foreign Exchange Difference	-	-	-	-
<b>Total</b>	<b>(341,307)</b>	<b>68,176</b>	<b>(81,628)</b>	<b>(29,672)</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### III. Explanations and Disclosures Related to the Off-Balance Sheet Items

#### 1. Information on off-balance sheet liabilities:

##### a) Nature and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for Credit Card Limits	109,517,897	52,048,755
Asset Purchase Commitments	51,014,153	10,243,499
Loan Granting Commitments	25,701,990	13,577,154
Commitments for Cheque Payments	5,564,812	4,044,146
Tax and Fund Liabilities from Export Commitments	628,154	302,721
Commitments for Credit Cards and Banking Services Promotions	7,043	3,181
Other Revocable Commitments	1,563,369	854,282
Other Irrevocable Commitments	1,104,356	938,745
<b>Total</b>	<b>195,101,774</b>	<b>82,012,483</b>

##### b) Possible losses and commitments related to off-balance sheet items:

The Bank, within the context of banking activities, undertakes certain commitments, consisting of loan commitments, letters of guarantee, acceptance credits and letters of credit.

##### b.1) Non-cash loans including guarantees, acceptances, financial guarantee and other letters of credits:

	Current Period	Prior Period
Letters of credit	24,037,031	22,935,305
Bank acceptances	73,821	70,513
Other guarantees	16,864,296	10,693,200
Other contingencies	6,339,275	3,057,472
<b>Total</b>	<b>47,314,423</b>	<b>36,756,490</b>

##### b.2) Guarantees, temporary guarantees, suretyships, and similar transactions:

	Current Period	Prior Period
Guarantee letters	35,784,194	28,949,303
Advance guarantee letters	6,592,316	8,472,141
Guarantee letters given for customs	1,669,995	1,321,518
Temporary guarantee letters	955,596	659,207
Other guarantee letters	8,010,644	5,777,951
<b>Total</b>	<b>53,012,745</b>	<b>45,180,120</b>

##### c) Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash Loans Given Against Achieving Cash Loans	7,676,000	5,609,748
With Maturity of One Year or Less Than One Year	1,700,462	821,496
With Maturity of More Than One Year	5,975,538	4,788,252
Other Non-Cash Loans	92,651,168	76,326,862
<b>Total</b>	<b>100,327,168</b>	<b>81,936,610</b>

For non-cash loans amounting to TL 723,231 (31 December 2023: TL 250,521) that are not compensated and not cashed in off-balance sheet accounts, a third stage provision for expected loss of TL 456,939 (31 December 2023: TL 131,680) has been set aside. In addition, TL 299,965 (31 December 2023: TL 167,442) Stage 1, TL 440,010 (31 December 2023: TL 611,469) Stage 2 TFRS 9 expected loss provision has been made.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### IV. Explanations and Disclosures Related to the Statement of Income

#### 1. Explanations on Interest Income

##### a) Information on interest income on loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Interest Income on Loans (*)</b>				
Short-Term Loans	36,318,128	3,065,456	10,920,588	1,657,495
Medium and Long-Term Loans	22,118,642	1,426,559	7,420,566	814,315
Interest on Loans Under Follow-Up	211,902	37,568	166,522	8,504
<u>Premiums Received from Resource Utilization Support Fund</u>	-	-	-	-
<b>Total</b>	<b>58,648,672</b>	<b>4,529,583</b>	<b>18,507,676</b>	<b>2,480,314</b>

(\*) Includes fees and commissions obtained from cash loans amounting to TL 972,484 (30 September 2023: TL 725,052).

##### b) Information on interest income on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of Türkiye	534,634	-	-	11,464
Domestic Banks	988,170	7	327,325	503
Foreign Banks	134,824	160,513	58,611	179,988
<u>Branches and Head Office Abroad</u>	-	-	-	-
<b>Total</b>	<b>1,657,628</b>	<b>160,520</b>	<b>385,936</b>	<b>191,955</b>

##### c) Information on interest income on marketable securities portfolio:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	641,312	43,297	150,420	21,503
Financial Assets at Fair Value Through Other Comprehensive Income	1,809,542	111,140	1,043,108	113,223
Financial Assets Measured at Amortized Cost	9,358,447	405,201	6,686,443	310,959
<b>Total</b>	<b>11,809,301</b>	<b>559,638</b>	<b>7,879,971</b>	<b>445,685</b>

As stated in Note VII of Section Three, the Bank's securities portfolios, whose fair value difference is reflected in other comprehensive income and measured at amortized cost, include CPI-indexed bonds. These securities are valued and accounted for using the effective interest method, based on the real coupon rates, the reference inflation index on the issue date, and the index calculated by taking into account the estimated inflation rate. The reference indices used in the calculation of the actual coupon payment amounts of these securities are created according to the CPI of two months ago. The bank determines the estimated inflation rate in parallel with this. The estimated inflation rate used is updated during the year when deemed necessary. In this context, as of 30 September 2024, the valuation of the mentioned assets was made according to an annual inflation forecast of 46%. In case the CPI forecast increases or decreases by 5%, the profit for the period before tax as of 30 September 2024 will increase by approximately 729 million TL (full TL) or decrease by the same amount.

##### d) Interest income on subsidiaries and associates:

	Current Period	Prior Period
Interest Received from Subsidiaries and Associates	7,657	71,071

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### IV. Explanations and Disclosures Related to the Statement of Income (continued)

#### 2. Explanations on Interest Expenses

a) Information on interest expense on funds borrowed (\*):

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	97,443	2,724,308	41,721	1,731,170
The Central Bank of the Republic of Türkiye	-	-	-	-
Domestic Banks	83,395	1,893	41,721	3,797
Foreign Banks	14,048	2,722,415	-	1,727,373
Branches and Head Office Abroad	-	-	-	-
Other Financial Institutions	-	115,420	-	-
<b>Total</b>	<b>97,443</b>	<b>2,839,728</b>	<b>41,721</b>	<b>1,731,170</b>

(\*) It also includes fees and commission expenses related to borrowings, amounting to TL 130,331 (30 September 2023: TL 51,355).

b) Information on interest expense on associates and subsidiaries:

	Current Period	Prior Period
Interest Expenses to Associates and Subsidiaries	45,256	26,343

c) Information on interest expenses on securities issued: None

d) Distribution of interest expenses on deposits based on maturity of deposits:

Current Period		Time Deposits						
Account Name	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year	Acc. Deposits	Total
<b>TL</b>								
Bank Deposits	-	801,578	-	-	-	-	-	801,578
Saving Deposits	-	18,272,970	19,853,482	2,442,585	5,231,626	907,873	-	46,708,536
Public Sector Deposits	-	13,016	68,491	103,428	-	-	-	184,935
Commercial Deposits	-	6,307,010	6,628,264	733,329	508,872	291,411	-	14,468,886
Other Deposits	-	23,010	322,593	13,490	12	46	-	359,151
7 Day Call Accounts	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>25,417,584</b>	<b>26,872,830</b>	<b>3,292,832</b>	<b>5,740,510</b>	<b>1,199,330</b>	<b>-</b>	<b>62,523,086</b>
<b>FC</b>								
Foreign Currency Deposits	-	28,557	148,984	472	531	8,322	-	186,866
7 Day Call Accounts	-	716	-	-	-	-	-	716
Precious Metal Deposits	-	-	20	-	-	-	-	20
<b>Total</b>	<b>-</b>	<b>29,273</b>	<b>149,004</b>	<b>472</b>	<b>531</b>	<b>8,322</b>	<b>-</b>	<b>187,602</b>
<b>Grand Total</b>	<b>-</b>	<b>25,446,857</b>	<b>27,021,834</b>	<b>3,293,304</b>	<b>5,741,041</b>	<b>1,207,652</b>	<b>-</b>	<b>62,710,688</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### IV. Explanations and Disclosures Related to the Statement of Income (continued)

#### 2. Explanations on Interest Expenses (continued)

d) Distribution of interest expenses on deposits based on maturity of deposits: (continued)

Prior Period	Time Deposits						Acc. Deposits	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
<b>Account Name</b>								
<b>TL</b>								
Bank Deposits	-	154,011	-	-	-	-	-	154,011
Saving Deposits	35	3,066,160	10,093,253	196,978	43,437	247,283	-	13,647,146
Public Sector Deposits	-	12,966	182,088	3,837	-	-	-	198,891
Commercial Deposits	-	1,118,731	2,451,226	162,439	37,828	296,519	-	4,066,743
Other Deposits	-	10,211	118,896	6,549	2	914	-	136,572
7 Day Call Accounts	-	-	-	-	-	-	-	-
<b>Total</b>	<b>35</b>	<b>4,362,079</b>	<b>12,845,463</b>	<b>369,803</b>	<b>81,267</b>	<b>544,716</b>	<b>-</b>	<b>18,203,363</b>
<b>FC</b>								
Foreign Currency	-	7,180	235,493	14,690	1,629	357	-	259,349
Deposits	-	344	-	-	-	-	-	344
7 Day Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	23	3,637	214	-	-	-	3,874
<b>Total</b>	<b>-</b>	<b>7,547</b>	<b>239,130</b>	<b>14,904</b>	<b>1,629</b>	<b>357</b>	<b>-</b>	<b>263,567</b>
<b>Grand Total</b>	<b>35</b>	<b>4,369,626</b>	<b>13,084,593</b>	<b>384,707</b>	<b>82,896</b>	<b>545,073</b>	<b>-</b>	<b>18,466,930</b>

#### 3. Information on trading profit/loss:

	Current Period	Prior Period
<b>Profit</b>	<b>1,655,876,475</b>	<b>180,424,982</b>
Profit on Capital Market Operations	627,418	1,773,474
Profit on Derivative Financial Instruments <sup>(1)</sup>	52,330,929	80,726,795
Foreign Exchange Profit	1,602,918,128	97,924,713
<b>Loss (-)</b>	<b>1,657,210,679</b>	<b>170,703,508</b>
Losses on Capital Market Operations	850,400	339,712
Losses on Derivative Financial Instruments <sup>(1)</sup>	55,793,645	80,888,355
Foreign Exchange Losses	1,600,566,634	89,475,441

(1) Includes exchange rate fluctuations of hedging transactions net loss of TL 841,533 (30 September 2023: TL 2,285,829 loss), derivative financial instruments exchange rate changes in profit accounts amounting to TL 148,287 (30 September 2023: TL 254,943 profit) net exchange profit.

#### 4. Information on other operating income:

Other operating income of the Bank mainly consists of all transaction costs collected from clients and disposal of assets.

#### 5. Provision expenses of banks for loans and other receivables:

a) Provision for Expected Credit Losses and Other Provision Expenses:

	Current Period	Prior Period
Expected Credit Losses	(61,630)	514,738
12-Month Expected Credit Losses (Stage 1)	472,051	(196,331)
Significant Increase in Credit Risk (Stage 2) (**)	(2,327,307)	582,543
Credit-Impaired (Stage 3)	1,793,626	128,526
Impairment Provisions for Securities	-	-
Financial Assets at Fair Value Through Profit or Loss	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Impairment Provision Related to Investments in Associates, Subsidiaries and Joint Ventures	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other(*)	(1,250,272)	253,149
<b>Total</b>	<b>(1,311,902)</b>	<b>767,887</b>

(\*) As of September 30, 2024, it includes the reversal of free provisions amounting to 1,200,000 TL (September 30, 2023: an increase of 250,000 TL in free provisions).

(\*\*) As of September 30, 2024, the amount of additional provisions previously allocated under IFRS 9 and reversed during the period is 2,490,033 TL (September 30, 2023: 293,096 TL).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### IV. Explanations and Disclosures Related to the Statement of Income (continued)

#### 6. Information on other operating expenses:

	Current Period	Prior Period
Reserve for Employee Termination Benefits <sup>(1)</sup>	340,261	166,664
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	578,758	344,589
Impairment Expenses of Intangible Assets	-	-
Impairment Expense of Goodwill	-	-
Depreciation Expenses of Intangible Assets	228,122	129,815
Impairment for Investments Accounted with Equity Method	-	-
Impairment Expenses of Assets to be Disposed	(450)	1,071
Depreciation Expenses of Assets to be Disposed	-	-
Impairment Expenses of Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	4,554,364	3,170,124
Leasing Expenses on TFRS 16 Exceptions	148,712	69,984
Maintenance and Repair Expenses	154,078	81,259
Advertisement Expenses	177,567	38,562
Other Expenses	4,074,007	2,980,319
Loss on Sales of Assets	863	1,119
Other <sup>(2)</sup>	2,045,232	944,813
<b>Total</b>	<b>7,747,150</b>	<b>4,758,195</b>

<sup>(1)</sup> The provision for employment termination benefits is included in the personnel expenses item in the financial statements

<sup>(2)</sup> Includes other premiums and expenses paid to the Savings Deposit Insurance Fund amounting to TL 728,752 (30 September 2023: TL 434,562) and other taxes and fees paid-in the amount of TL 988,068 (30 September 2023: TL 360,591).

#### 7. Information on tax provision for continued and discontinued operations:

- a) As of 30 September 2024, the current tax expense from continued operations is TL 1,173,198 (30 September 2023: TL 3,499,987 expense) and net deferred tax expense is TL 883,704 (30 September 2023: TL 77,679 expense) and there is no current and deferred tax income/expense from discontinued operations (30 September 2023: None).
- b) Deferred tax expense on temporary differences resulted from continued operations is TL 883,704 (30 September 2023: 77,679 net deferred tax expense).

#### 8. The explanations on net income and loss for the period:

- a) The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Bank's performance for the period: None (30 September 2023: None).
- b) Effect of changes in accounting estimates on income statement for the current and, if any, for subsequent periods: None (30 September 2023: None).
- c) Profit/loss attributable to minority interest: None (30 September 2023: None).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### IV. Explanations and Disclosures Related to the Statement of Income (continued)

9. If the other items in the income statement exceed 10% of the income statement total accounts amounting to at least 20% of these items:

	Current Period	Prior Period
<b>Other fees and commissions received</b>		
Card fee and commissions	9,744,236	3,005,654
Insurance commissions	724,517	482,653
Fund management commissions	583,021	181,582
Transfer commissions	444,085	287,905
General limit revision commissions	275,566	153,788
Settlement expense provision, eft, swift, agency commissions	132,275	140,544
Early closing commissions	36,113	22,624
Other	727,796	782,277
<b>Total</b>	<b>12,667,609</b>	<b>5,057,027</b>
<b>Other fees and commissions given</b>		
Credit cards commissions and fees	6,052,450	1,987,901
Commission and fees paid to correspondent banks	147,123	140,529
Settlement expense provision, eft, swift, agency commissions	95,969	58,073
Other	786,016	369,066
<b>Total</b>	<b>7,081,558</b>	<b>2,555,569</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### V. Explanations and Disclosures Related to Risk Group of the Bank

#### 1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances:

Balance sheet items of previous periods are presented as of 31 December 2023 and income/expense items of previous periods are presented as of 30 September 2023.

##### a) Current Period:

Risk Group Involving the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Bank		Other Entities Included in the Risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-Cash
Loans						
Balance at Beginning of the Period	277,413	12,477	109,615	1,607,169	1,028,497	188,732
Balance at End of the Period	-	4,917	581,777	1,073,055	771,802	488,572
Interest and Commission Income	7,657	148	5,323	2	99,063	1,846

Direct and indirect shareholders of the Bank balance above include TL 581,777 and other entities included in the risk group balance above includes TL 8,244 placement in "Banks".

##### b) Prior Period:

Risk Group Involving the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Bank		Other Entities Included in the Risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-Cash
Loans						
Balance at Beginning of the Period	437,163	2,934	257,375	1,118,603	1,213,006	93,918
Balance at End of the Period	277,413	12,477	109,615	1,607,169	1,028,497	188,732
Interest and Commission Income	71,071	49	5,441	1,500	108,243	1,237

Direct and indirect shareholders of the Bank balance above include TL 109,615 and other entities included in the risk group balance above includes TL 128,181 placement in "Banks".

##### c) c.1) Information on deposits belonging to the risk group of the Bank:

Risk Group Involving the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Bank		Other Entities Included in the Risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at Beginning of the Period	178,635	41,131	5,808,611	5,686,882	2,519,918	1,332,483
Balance at End of the Period	151,433	178,635	11,533,988	5,808,611	4,769,416	2,519,918
Deposit Interest Expense	45,256	26,343	653,102	451,668	385,486	133,132

##### c.2) Information on forward and option agreements and other similar agreements made with related parties:

Risk Group Involving the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Bank		Other Entities Included in the Risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Financial Assets at Fair Value Through Profit and Loss						
Beginning of the Period	-	-	93,842,978	58,227,206	4,740,236	2,322,171
End of the Period	-	-	95,474,539	93,842,978	4,009,642	4,740,236
Total Profit/Loss	-	-	762,864	426,505	(80,515)	(34,617)
Hedging Transactions purposes						
Beginning of the Period	-	-	21,460,631	16,690,868	-	-
End of the Period	-	-	38,120,928	21,460,631	-	-
Total Profit/Loss	-	-	377,641	108,831	-	-

##### d) As of 30 September 2024, the total amount of remuneration and benefits provided for the senior management of the Bank is TL 268,964 (30 September 2023: TL 148,916)

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### VI. Explanations and Disclosures Related to Subsequent Events

- Deputy General Manager Responsible for the Corporate Loans Group, Gökhan Özdil, has resigned from his position effective as of the close of business on September 30, 2024.
- Our Bank's Corporate Loans Group and SME Loans Group have been merged and renamed as the "Corporate and SME Loans Group." The title of Deputy General Manager Responsible for the SME Loans Group, Ali İhsan Arıdaşır, has been changed to "Deputy General Manager Responsible for the Corporate and SME Loans Group."
- With the Board of Directors' decision dated October 30, 2024, and numbered 7121-211, it has been decided to secure Syndicated Loans in Euros and US Dollars for periods of up to 367 days and 734 days, and to authorize the General Directorate to carry out the necessary procedures.

## SECTION SIX

### INDEPENDENT AUDITOR'S REVIEW REPORT

#### I. Explanations on the Independent Auditor's Review Report

The unconsolidated financial statements of the Bank were reviewed by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst&Young Global Limited) and the auditor's interim review report dated 31 October 2024 is presented preceding the financial statements.

#### II. Other Notes and Explanations Prepared by the Independent Auditors

None.

**NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

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

**SECTION SEVEN (\*)**

**INFORMATION ON INTERIM ACTIVITY REPORT**

**I. Interim Period Reports Included Chairman of the Board of Directors and CEO's of the Bank Assessments For The Interim Activities**

**A. Chairman of Board of Directors and CEO's of the Bank Assessments for the Interim Activities**

**Chairman of Board of Director's Message**

Esteemed stakeholders,

In the third quarter of the year, global financial conditions eased and the disinflation process continued. Central banks of developed countries started to cut interest rates in this period. The global manufacturing industry remained weak, but the services sector remained strong. In its Economic Outlook report, the Organization for Economic Cooperation and Development (OECD) raised its growth forecast for 2024 from 3.1% to 3.2%. The growth forecast for 2025 was kept unchanged at 3.2%.

Ahead of the US elections in November, the Fed cut interest rates for the first time in nearly four years at its September meeting. The Fed cut its policy rate by 50 basis points to 5%. Inflation in the US fell below 3% and the labor market remained strong, creating room for a rate cut.

European Central Bank (ECB) also continued to cut interest rates in the same period. At its September meeting, ECB cut the deposit interest rate from 3.75% to 3.5%, the second rate cut of the year. Due to the weak economic activity in Europe, ECB is expected to continue to cut interest rates.

Having grown by 5.3% in the first quarter of 2024, Turkish economy grew by 2.5% in the second quarter. While domestic demand slowed down compared to the first quarter, the contribution of net exports increased. Growth was led by services and construction sectors. Manufacturing industry, on the other hand, slowed down compared to the first quarter and pulled growth down. Leading indicators for the third quarter point that the slowdown in the industrial sector has become more pronounced.

In the third quarter of the year, annual inflation decreased significantly due to the base effect. Annual CPI declined from 52% to 49.4% in September. Inflation started to decline in all subcategories such as energy, food, core goods and services. Inertia in services inflation, especially due to rent increases, continued in the third quarter. However, services inflation is also expected to slow down significantly in the last quarter of the year.

Central Bank of the Republic of Turkey (CBRT) kept the policy rate at 50% at its September meeting. CBRT reiterated its cautious stance despite the upside risks in inflation and stated that it will maintain its tight monetary policy stance until a permanent decline in the underlying trend of monthly inflation.

According to the preliminary foreign trade data released by the Ministry of Trade, exports increased by 3.2% yoy in January-September period, while imports fell by 7.9% yoy. Foreign trade deficit narrowed by 31.5% yoy to 60.1 billion USD. Both the slowdown in domestic demand and the decline in energy costs were effective in the fall in imports.

The Medium Term Plan (MTP), which includes economic targets for 2025-2027, was announced in September. Accordingly, end-2024 growth is targeted at 3.5% and end-2025 growth at 4%. Inflation is expected to decline to 41.5 per cent by the end of 2024 and 17.5 per cent by the end of 2025.

The ongoing conflicts in the Middle East continue to increase the risks and uncertainty on global growth. In the upcoming period, US presidential elections abroad and monetary and fiscal policies in Turkey will be closely monitored.

Kind Regards,

Dr. Akın AKBAYGİL

(\*) The amounts in the Seventh Section represent the full TL amount unless otherwise stated.

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Interim Period Reports Included Chairman of the Board of Directors and CEO's of the Bank Assessments For The Interim Activities

#### A. Chairman of Board of Directors and CEO's of the Bank Assessments for the Interim Activities (continued)

##### CEO's Message

Türk Ekonomi Bankası (TEB) has announced its 2024 third-quarter financial results. As of 30 September 2024, TEB's total assets amounted to TL 568 billion and the bank showed a net profit of TL 8 billion. Loans, the most important indicator of TEB's support both for its customers and for the national economy, made up 56.1% of the bank's total assets in the third quarter. Prioritizing risk management and asset quality as it always does, TEB's total lendings reached TL 319 billion in Q3 2024 while the bank's total deposits amounted to TL 385 billion. Continuing to register solid growth with a strong capital structure while sustainably maintaining its profitability during the first nine months of the year, TEB's shareholders' equity reached TL 41.7 billion while the bank's 17.36% capital adequacy ratio was well above the targeted 12% figure.

In its ongoing efforts to secure cost-effective funding through a strategy to diversify medium and long-term financing options, TEB has issued USD 300 million in bonds on the world's capital markets. The issue of Basel III-compliant additional Tier 1 capital bonds was met with exceedingly strong demand, attracting USD 1.1 billion in orders—more than three times the amount offered. With this latest flotation, TEB has now raised a total of USD 800 million and EUR 100 million from three separate bond offerings on international capital markets this year. The bank had previously issued USD 400 million in bonds in January and EUR 100 million in bonds in conjunction with the International Finance Corporation (IFC) in May.

Demonstrating its ongoing commitment to sustainability, TEB continued to provide the financing needed for its customers' sustainability projects and investments throughout the third quarter. TEB facilitated a EUR 20 million green loan for Borusan Automotive Group to support their electric vehicle initiatives. This involved arranging a non-cash transaction to complete the deal. In line with international best practices, this loan was structured to comply with the Loan Market Association's (LMA) Green Loan Principles for Green Lending.

TEB has been further developing its CEPTETEB Mobile app to provide customers with a faster and more practical banking experience. The redesigned app gives users greater control over their accounts. They can now generate digital statements on demand, easily submit disputes for card transactions, and track the status of disputes submitted through any channel. CEPTETEB Mobile now makes it easier to manage payments with a new Payment Request feature. Users can request payments from anyone, regardless of their bank, and also conveniently accept or decline incoming requests. Making investment management even more accessible, TEB has launched its "Fon Danışmanım" (My Fund Advisor) service on CEPTETEB Mobile. This provides customers with personalized investment advice and model portfolios aligned with both their risk tolerance and current market dynamics.

For its commercial customers, TEB has introduced a series of updates to CEPTETEB İŞTE to make business banking even more efficient and user-friendly. The app now features a streamlined menu with smart search, simplified insurance contract renewals, automatic bill payment updates, a digital wallet, QR code payments, balance notifications for external accounts, and IBAN verification for secure transfers. TEB continues to enhance CEPTETEB İŞTE with new features designed to save businesses time and effort. Users can now monitor and apply for letters of guarantee, create accounts with just an ID card (for sole proprietorships), and track transactions from POS devices belonging to other banks, all within the same app. SMEs and tradespeople who are not yet TEB customers can now easily open an account and access all of the bank's products and services through CEPTETEB İŞTE. This streamlined onboarding process is completed through a video call from within the app itself. girişime danışmanlık, mentörlük ve yatırımcı buluşmaları kapsamında destek verilirken; erken aşama girişimlerin desteklendiği Start-up programı ile de 42 girişim bu imkanlardan yararlandı.

TEB continued its Startup Business Banking initiatives in line with its goal of nurturing the startup ecosystem by supporting at least 200 startups every year. The TİM-TEB Startup Business Houses (TTGE)-InoSuit Startup to Corporate (S2C) meetings brought together TTGE entrepreneurs and InoSuit program exporters to foster collaborations and potential partnerships. The event proved to be a successful platform for fostering connections, with over 80 B2B meetings taking place between 34 startups and 14 companies. TEB provides comprehensive support to startups at different stages of development. Through the Level-Up program, 42 later-stage startups received consultancy, mentorship, and access to investor meetings. Similarly, 42 early-stage startups benefited from the same support through the Start-Up program.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Interim Period Reports Included Chairman of the Board of Directors and CEO’s of the Bank Assessments For The Interim Activities

#### A. Chairman of Board of Directors and CEO’s of the Bank Assessments for the Interim Activities (continued)

##### CEO’s Message (continued)

In line with the bank’s to strategic sustainability policies, TEB’s SME Banking division helps SMEs achieve economic and environmental sustainability by providing them with innovative financing tools. During Q3 2024, TEB continued its SME Digital Transformation Financing Program. This program, launched in collaboration with the Small & Medium Enterprises Development Organization (KOSGEB) and the European Bank for Reconstruction and Development (EBRD), aims to support SMEs in their digital transformation processes. The program, launched for the first time in Turkey through TEB, provided resources to SMEs. In addition to financing, workshops were held in organized industrial zones and with chambers of commerce to inform SMEs about the role of digital transformation in increasing efficiency, boosting market competitiveness, and improving business processes.

Leveraging the collaboration with its global partner BNP Paribas and their strong network of correspondent banks around the world, TEB continued to provide services to its import and export customers through its specialized foreign trade customer representatives. TEB closely monitored the utilization of Central Bank of the Republic of Turkey (TCMB) rediscount credits and Eximbank credits. As of Q3 2024, TEB has facilitated a total of TL 7 billion in TCMB rediscount credit.

Kind Regards,

Ümit LEBLEBİCİ

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Interim Annual Report Containing the Evaluations of the Chairman of the Board of Directors and the General Manager of the Bank on the Interim Activities (continued)

### B. Share Capital and Shareholding Structure

As of 30 September 2024;

Name of Shareholders-Title	TL 2,204,390,000.00 Paid-in Capital	
	Share	Rate
TEB Holding A.Ş.	1,212,414,500.002	55.0000%
BNPP Yatırımlar Holding A.Ş.	518,342,498.520	23.5141%
BNP Paribas Fortis Yatırımlar Holding A.Ş.	467,879,148.835	21.2249%
BNP Paribas SA	5,253,352.000	0.2383%
Kocaeli Chamber of Commerce	500,500.643	0.0227%
<b>Grand Total</b>	<b>2,204,390,000.000</b>	<b>100.00%</b>

### C. Management and Corporate Governance Practises

#### The Chairman and the Members of Board of Directors

Name	Title
Dr. Akın Akbaygil	Chairman of the Board of Directors
François Andre Jesualdo Benaroya	Deputy Chairman of the Board of Directors
Patrick Philippe Poupon	Member of the Board of Directors and Chairman of the Audit Committee
Ayşe Aşardağ	Member of the Board of Directors and Vice Chairman of the Audit Committee
Yavuz Canevi	Member of the Board of Directors
Hans Wilfried J. Broucke	Member of the Board of Directors
Özden Odabaşı	Member of the Board of Directors
Jean-Charles Joseph Gabriel Aranda	Member of the Board of Directors
Ayşe Meral Çimenbiçer	Member of the Board of Directors, Member of Audit Committee
Metin Toğay	Member of the Board of Directors
Didier Albert N. Van Hecke	Member of the Board of Directors, Member of Audit Committee
Ümit Leblebici	Chief Executive Officer and the Executive Member

#### Information on Participation of Board Members and Committee Members into Respective Meetings

As of 30 September 2024, the Board of Directors have accepted 185 resolutions and Audit Committee 31 resolutions. The Board Members and Committee Members have participated into respective meetings at sufficient levels.

#### Executive Management

General Manager, Assistant General Managers and Their Responsibilities in the Bank

Name	Title
Ümit Leblebici	Chief Executive Officer and the Executive Member
Gökhan Mendi	Senior Assistant General Manager, Retail and Private Banking
Ali İhsan Arıdaşır	Assistant General Manager Responsible for SME Loans
Melis Coşan Baban	Head of Legal Affairs, Secretary of the Board of Directors
Ali Gökhan Cengiz	Assistant General Manager, SME Banking
Mehmet Ali Cer	Assistant General Manager, Information Technologies
Tolga Güler	Assistant General Manager, Financial Affairs Group
Osman Durmuş	Assistant General Manager Responsible for Retail and Business Loans
Orhan Hatipoğlu	Assistant General Manager, Banking Operations and Support Services
Çiğdem Ünsal	Assistant General Manager, Human Resources
Tolga Gürdem	Assistant General Manager, Treasury & ALM
Göker Orhan	Assistant General Manager, Financial Markets
Gökhan Özdil (*)	Assistant General Manager, Corporate Loans
Ömer Abidin Yenidoğan	Assistant General Manager, Corporate and Corporate Investment Banking Group
Nimet Elif Kocaayan	Chief Risk Officer
Hasan Onar	Head of Internal Audit
Birol Deper	Head of Compliance Group and Internal Control Group, Consumer Relations Coordination Officer

(\*) Deputy General Manager Responsible for the Corporate Loans Group, Gökhan Özdil, has resigned from his position effective as of the close of business on September 30, 2024.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Interim Annual Report Containing the Evaluations of the Chairman of the Board of Directors and the General Manager of the Bank on the Interim Activities (continued)

#### D. Significant Events and Transactions in the Current Period

##### Amendments to Main Contract in 1 January – 30 September 2024:

There have been no changes to the main contract during the period of 1 January – 30 September 2024.

##### Significant Events and Transaction in the Current Period:

On September 11, 2024, the Bank successfully completed its first Basel III compliant Additional Tier 1 (AT1) bond issuance in the international capital markets, amounting to 300 million USD. TEB's strategy to diversify its medium and long-term funding sources continued in the third quarter of the year. This issuance, which is the Bank's third borrowing transaction in the international capital markets in 2024, also served as a significant funding source for its growth strategy. With the 300 million USD raised through this transaction, TEB strengthened its capital adequacy ratio and has secured a total of 810 million USD from international capital markets since the beginning of 2024.

##### Summary of Financial Information:

(million TL)	30 September 2024 Unconsolidated Financial Statements	31 December 2023 Unconsolidated Financial Statements
Loans, Net	313,013	203,166
Loans	315,814	207,704
Non-Performing Loans	2,872	2,181
Provision for Expected Losses	(5,674)	(6,719)
Total Assets	568,463	406,919
Deposits	384,771	284,746
Shareholder's Equity	41,671	35,045
Net Profit (Prior Period 30 September 2023)	8,086	9,983

##### Summary of Financial Ratios:

	30 September 2024 Unconsolidated Financial Statements	31 December 2023 Unconsolidated Financial Statements
Loans / Total Assets	55.06%	49.93%
Deposits / Total Assets	67.69%	69.98%
Return on Equity (Prior Period 30 September 2023)	28.42%	45.65%
NPL Ratio	0.90%	1.04%
Capital Adequacy Ratio	17.36%	16.82%
Coverage Ratio	71.16%	71.80%

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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

### I. Interim Annual Report Containing the Evaluations of the Chairman of the Board of Directors and the General Manager of the Bank on the Interim Activities (continued)

### E. Credit Ratings Assigned by Rating Agencies and Information on Their Contents<sup>(\*)</sup>

In terms of the ratings given by the institutions rating banks in Turkey, our Bank continues to be one of the banks with the highest rating. As of 30 September 2024, TEB’s ratings were as follows:

#### **Moody’s Investor Services:**

Baseline Credit Assessment	b2
Adjusted Baseline Credit Assessment	ba3
Long Term FC Bank Deposits	Ba3
Short-term FC Bank Deposits	NP
Long Term LC Bank Deposits	Ba3
Short-term LC Bank Deposits	NP
Outlook	Positive

#### **Fitch Ratings:**

##### *Foreign Currency Commitments*

Long-Term	BB-
Short-Term	B
Outlook	Stable

##### *Turkish Lira*

Long-Term	BB-
Short-Term	B
Outlook	Stable
National	AA (tur)
Outlook	Stable
Financial Capacity	b+
Shareholder Support Rating	bb-

(\*) Ratings above are not performed based on the “Communiqué for Authorization and Activities of Rating Institutions” published by the Capital Markets Board.

### F. Donations

The Bank has donated TL 1,579,657 with 63 items to the several agencies and institutions during the period of 1 January 2024 – 30 September 2024