

*(CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S  
REPORT ORIGINALLY ISSUED IN TURKISH)*

**TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ AND ITS  
SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS AND  
RELATED DISCLOSURES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY –31 DECEMBER 2024  
WITH INDEPENDENT AUDITOR'S REPORT**

**(CONVENIENCE TRANSLATION OF  
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)  
INDEPENDENT AUDITOR'S REPORT**

**To the General Assembly of Türk Ekonomi Bankası A.Ş.**

**Report on the Audit of the Consolidated Financial Statements**

**Qualified Opinion**

We have audited the consolidated statement of financial position of Türk Ekonomi Bankası A.Ş. ("the Bank") and its subsidiaries (collectively referred as "Group") as of December 31, 2024, and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows for the year ended and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements.

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph on the consolidated financial statements, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Türk Ekonomi Bankası A.Ş. and its subsidiaries (collectively referred as "Group") as of December 31, 2024 and consolidated financial performance and consolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated November 1, 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.

**Basis for Qualified Opinion**

As explained in Section Five Part II.8.d and IV.6.a, the accompanying consolidated financial statements as at December 31, 2024 include a free provision at an amount of TL 1,500,000 thousands of which TL 2,050,000 thousands was provided in prior years and TL 550,000 thousands reversed in the current period by the Group management for the possible effects of the negative circumstances which may arise from the possible changes in the economy and market conditions which does not meet the recognition criteria of "Turkish Accounting Standard" (TAS) 37 "Provisions, Contingent Liabilities and Contingent Assets".

Our audit was conducted in accordance with "Regulation on independent audit of the Banks" published in the Official Gazette no.29314 dated April 2, 2015, by BRSA (BRSA Independent Audit Regulation) and Independent Auditing Standards ("ISA") which are the part of Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with of Code of Ethics for Independent Auditors (Code of Ethics) published by POA and have fulfilled our other responsibilities in accordance with the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Other Matter**

As of December 31, 2023, the consolidated financial statements of the Group, prepared in accordance with the "BRSA Accounting and Financial Reporting Legislation", were audited by another audit firm. The independent audit firm expressed a qualified opinion in its independent audit report dated January 31, 2024 due to the inclusion of free provisions at an amount of 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 2023, by the Bank management.



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### Key Audit Matters

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

Key Audit Matter	How the Key Audit Matter is addressed in our audit
<p><b><i>Financial impact of TFRS 9 “Financial Instruments” standard and recognition of classification, measurement and impairment on financial assets and related important disclosures</i></b></p> <p>As presented in Section 3, disclosure 7 and 8, the Group recognizes expected credit losses of financial assets in accordance with TFRS 9 Financial Instruments standard. We considered impairment of financial assets as a key audit matter since:</p> <ul style="list-style-type: none"> <li>- Amount of on and off-balance sheet items that are subject to expected credit loss calculation is material to the financial statements</li> <li>- There are complex and comprehensive requirements of TFRS 9</li> <li>- The classification of the financial assets is based on the Bank’s business model and characteristics of the contractual cash flows in accordance with TFRS 9 and the Group uses significant judgment on the assessment of the business model and identification of the complex contractual cash flow characteristics of financial instruments</li> <li>- Policies implemented by the Bank management include compliance risk to the regulations and other practices</li> <li>- Processes of TFRS 9 are advanced and complex</li> <li>- Judgements and estimates used in expected credit loss, complex and comprehensive</li> <li>- Disclosure requirements of TFRS 9 are comprehensive and complex.</li> </ul>	<p>Our audit procedures included among others include:</p> <ul style="list-style-type: none"> <li>- Evaluating the appropriateness of accounting policies as to the requirements of TFRS 9, Group’s past experience, local and global practices</li> <li>- Reviewing and testing of processes which are used to calculate expected credit losses by involving our Information technology and process audit specialists</li> <li>- Evaluation of the reasonableness and appropriateness of key judgments and estimates determined by management and the methods, judgments and data sources used in calculating expected loss, taking into account standard requirements, industry and global practices</li> <li>- Reviewing the appropriateness of criteria in order to identify the financial assets having solely payments of principal and interest and checking the compliance to the Group’s Business model</li> <li>- Reviewing the Group’s classification and measurement models of the financial instruments and comparing with TFRS 9 requirements</li> <li>- Evaluating the alignment of the significant increase in credit risk determined during the calculation of expected credit losses, default definition, restructuring definition, probability of default, loss given default, exposure at default and macro-economic variables that are determined by the financial risk management experts with the Group’s past performance, regulations, and other processes that has forward looking estimations</li> <li>- Assessing the completeness and the accuracy of the data used for expected credit loss calculation.</li> <li>- Testing the mathematical accuracy of expected credit loss calculation on sample basis</li> <li>- Evaluating the judgments and estimates used for individually assessed financial assets based on expert opinion</li> <li>- Evaluating the necessity and accuracy of the updates made or required updates after the modeling process</li> <li>- Auditing of TFRS 9 disclosures.</li> </ul>



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Pension Fund Obligations	How the key audit matter was addressed in the audit
<p>The Bank's defined benefit pension plan (the "Plan") is managed by " Fortis Bank Anonim Şirketi Mensupları Emekli Sandığı" (the "Fund") established as per the provisional article 20 of the Social Security Law No. 506 and the Bank's employees are the members of this Fund. As a legal entity, the Fund provides retirement and post-retirement benefits to all eligible employees.</p> <p>As disclosed in Section 2, disclosure 8.c.2 to the consolidated financial statements, the Plan is composed of benefits which are subject to transfer to Social Security Foundation ("SSF") as per the Social Security Law No. 5510 provisional article 20, and other social rights and pension benefits provided by the Bank that are not transferable to SSF. The authority of the "Council of Ministers" on the determination of the mentioned transfer date is changed as "President" in the Decree Law No. 703 published in the Official Gazette numbered 30473 and dated July 9, 2018.</p> <p>Following the transfer, the non-transferable social rights and pension benefits provided under the Plan will be covered by the funds and the institutions that employ the funds' members.</p> <p>As of December 31, 2024, the Group's transferrable liabilities are calculated by an independent actuary using the actuarial assumptions regulated by Law, and in accordance with the Decision of the Council of Ministers announced in the Official Gazette dated 15 December 2006 and No.26377.</p> <p>As of December 31, 2024, the Group's non- transferrable liabilities are also calculated by independent actuary. The valuation of the Pension Fund liabilities requires judgement in determining appropriate assumptions such as defining the transferrable social benefits, discount rates, salary increases, inflation levels, demographic assumptions, and the impact of changes in Pension Plan.</p> <p>Management uses independent actuaries to assist in assessing the uncertainty around these assumptions. Considering the subjectivity of key judgements and assumptions, plus the uncertainty around the transfer date and basis of the transfer calculation given the fact that the technical interest rate is prescribed under the law, we considered this to be a key audit matter.</p>	<p>It has been addressed whether there have been any significant changes in regulations governing pension liabilities, employee benefits plans during the period, that could lead to adjust the valuation of employee benefits. Support from actuarial auditor of our firm, has been taken to assess the appropriateness of the actuarial assumptions and calculations performed by the external actuary.</p> <p>Furthermore, the accuracy and adequacy of the footnotes in the consolidated financial statements of the Group have been evaluated.</p>

### **Responsibilities of Management and Directors for the Consolidated Financial Statements**

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

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

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



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

In an independent audit, the responsibilities of us as independent auditors are:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Independent Audit Regulation and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with BRSA Independent Audit Regulation and ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



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

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

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

***Report on Other Legal and Regulatory Requirements***

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

The engagement partner who supervised and concluded this independent auditor's report is Fatma Ebru Yücel.

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

Fatma Ebru Yücel, SMMM  
Partner

February 4, 2025  
Istanbul, Türkiye

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

**CONSOLIDATED FINANCIAL REPORT OF TÜRK EKONOMİ BANKASI A.Ş.  
AS OF THE YEAR-END 31 DECEMBER 2024**

Address : İnkılap Mahallesi Sokullu Caddesi No: 7/A  
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: [yatirimciiliskileri@teb.com.tr](mailto:yatirimciiliskileri@teb.com.tr)

The consolidated financial report for the year-end, 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 Parent Bank
- Consolidated Financial Statements of the Parent Bank
- Explanations on the Accounting Policies Applied in the Related Period
- Information on Financial Structure and Risk Management of the Group which is under Consolidation
- Disclosures and Footnotes on Consolidated Financial Statements
- Other Disclosures
- Independent Auditor’s Report

The subsidiaries, associates and jointly controlled entities, financial statements have been consolidated in this reporting package are as follows:

	<b>Subsidiaries</b>	<b>Associates</b>	<b>Jointly Controlled Entities</b>
1	TEB Yatırım Menkul Değerler A.Ş.	-	-
2	TEB Faktoring A.Ş.	-	-
3	TEB Portföy Yönetimi A.Ş.	-	-
4	TEB Finansman A.Ş.	-	-

The accompanying consolidated financial statements, 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 Kıdıl
Chairman of the Board of Directors	Chairman of the Audit Committee and Board Member	Deputy Chairman of the Audit Committee and Board Member	Chief Executive Officer and Executive Member	Chief Financial Officer	Financial Reporting Director

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

Name-Surname/Title : Ashhan Kaya / External Reporting Senior Manager  
Telephone Number : (0216) 635 24 51  
Fax Number : (0216) 636 36 36

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# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

### SECTION ONE

#### GENERAL INFORMATION

##### I. History of the Parent 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. 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 Parent 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 31 December 2024 and 31 December 2023, the shareholders’ structure and their respective ownerships are summarized as follows:

Name of Shareholders	31 December 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 31 December 2024, the Parent 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 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 Parent Bank They Possess

<u>Name</u>	<u>Title</u>	<u>Education</u>
<b>Board of Directors;</b>		
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	Deputy Chairman of the Audit Committee and Board Member	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 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	Executive Vice President Responsible for Corporate and 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	Chief Financial Officer	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
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.

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

### IV. Information on the Parent 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 Parent Bank’s Functions and Lines of Activity

The Parent 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 Parent 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 31 December 2024, the Parent Bank has 432 local branches and 4 foreign branches (31 December 2023: 440 local branches, 4 foreign branches). As of 31 December 2024, the number of employees of the Group is 8,471 (31 December 2023: 8,730).

### 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 Parent 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 Parent Bank, was registered in the Trade Registry Gazette on 16 July 2020. The Parent 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 Parent Bank and its Subsidiaries

None.

## **SECTION TWO**

### **CONSOLIDATED FINANCIAL STATEMENTS**

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2024 AND 2023

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

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

ASSETS		Audited Current Period 31.12.2024			Audited Prior Period 31.12.2023		
	Section 5 Note	TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (Net)	102,180,102	86,509,220	188,689,322	62,862,283	74,567,876	137,430,159
1.1	Cash and Cash Equivalents	74,826,896	69,470,488	144,297,384	54,617,383	69,845,047	124,462,430
1.1.1	Cash and Balances with Central Bank	(I-1) 66,855,696	53,916,476	120,772,172	40,713,424	63,894,514	104,607,938
1.1.2	Banks	(I-4) 7,995,274	15,601,688	23,596,962	1,671,460	6,002,217	7,673,677
1.1.3	Money Market Placement	-	-	-	12,243,739	-	12,243,739
1.1.4	Expected Loss Provisions (-)	24,074	47,676	71,750	11,240	51,684	62,924
1.2	Financial Assets at Fair Value Through Profit or Loss	(I-2) 3,206,114	963,073	4,169,187	469,481	660,327	1,129,808
1.2.1	Government Debt Securities	2,491,105	471,032	2,962,137	242,988	345,477	588,465
1.2.2	Equity Securities	185,053	371,561	556,614	109,257	164,734	273,991
1.2.3	Other Financial Assets	529,956	120,480	650,436	117,236	150,116	267,352
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(I-5) 21,105,785	14,311,619	35,417,404	5,104,017	2,722,321	7,826,338
1.3.1	Government Debt Securities	21,003,844	14,311,619	35,315,463	5,021,682	2,722,321	7,744,003
1.3.2	Equity Securities	101,941	-	101,941	82,335	-	82,335
1.3.3	Other Financial Assets	-	-	-	-	-	-
1.4	Derivative Financial Assets	3,041,307	1,764,040	4,805,347	2,671,402	1,340,181	4,011,583
1.4.1	Derivative Financial Assets at Fair Value Through Profit and Loss	(I-3) 2,932,751	1,712,794	4,645,545	1,935,635	1,037,427	2,973,062
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income	(I-12) 108,556	51,246	159,802	735,767	302,754	1,038,521
II.	FINANCIAL ASSETS MEASURED AT AMORTIZED COST (Net)	290,929,846	118,459,573	409,389,419	189,662,728	76,057,764	265,720,492
2.1	Loans	(I-6) 231,809,662	105,945,738	337,755,400	153,962,017	59,267,626	213,229,643
2.2	Lease Receivables	(I-11) -	-	-	-	-	-
2.3	Factoring Receivables	(I-18) 10,827,379	5,585,595	16,412,974	5,911,393	4,191,439	10,102,832
2.4	Other Financial Assets Measured at Amortized Cost	(I-7) 54,301,797	7,635,220	61,937,017	34,609,839	14,681,619	49,291,458
2.4.1	Government Debt Securities	54,301,797	7,635,220	61,937,017	34,609,839	14,681,619	49,291,458
2.4.2	Other Financial Assets	-	-	-	-	-	-
2.5	Expected Credit Loss (-)	(I-6,7,18) 6,008,992	706,980	6,715,972	4,820,521	2,082,920	6,903,441
III.	PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(I-17) 32,289	-	32,289	82,060	-	82,060
3.1	Held for Sale Purpose	32,289	-	32,289	82,060	-	82,060
3.2	Related to Discontinued Operations	-	-	-	-	-	-
IV.	EQUITY INVESTMENTS	55	-	55	55	-	55
4.1	Associates (Net)	(I-8) -	-	-	-	-	-
4.1.1	Associates Valued Based on Equity Method	-	-	-	-	-	-
4.1.2	Consolidated Associates	-	-	-	-	-	-
4.2	Subsidiaries (Net)	(I-9) 50	-	50	50	-	50
4.2.1	Consolidated Financial Subsidiaries	-	-	-	-	-	-
4.2.2	Non-Financial Subsidiaries	50	-	50	50	-	50
4.3	Joint Ventures (Net)	(I-10) 5	-	5	5	-	5
4.3.1	Joint Ventures Valued Based on Equity Method	-	-	-	-	-	-
4.3.2	Consolidated Joint Ventures	5	-	5	5	-	5
V.	TANGIBLE ASSETS (Net)	(I-13) 3,148,536	-	3,148,536	1,980,316	-	1,980,316
VI.	INTANGIBLE ASSETS (Net)	(I-14) 2,014,057	-	2,014,057	1,304,219	-	1,304,219
6.1	Goodwill	421,124	-	421,124	421,124	-	421,124
6.2	Other	1,592,933	-	1,592,933	883,095	-	883,095
VII.	INVESTMENT PROPERTIES (Net)	(I-15) -	-	-	-	-	-
VIII.	CURRENT TAX ASSET	164,433	-	164,433	225,426	-	225,426
IX.	DEFERRED TAX ASSET	(I-16) 1,607,225	-	1,607,225	2,531,368	-	2,531,368
X.	OTHER ASSETS (Net)	(I-19) 30,183,073	555,493	30,738,566	11,647,472	670,575	12,318,047
TOTAL ASSETS		430,259,616	205,524,286	635,783,902	270,295,927	151,296,215	421,592,142

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2024 AND 2023

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

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

LIABILITIES		Section 5 Note	Audited Current Period 31.12.2024			Audited Prior Period 31.12.2023		
			TL	FC	Total	TL	FC	Total
<b>I.</b>	<b>DEPOSITS</b>	(II-1)	299,527,455	105,956,151	405,483,606	185,336,376	99,230,825	284,567,201
<b>II.</b>	<b>FUNDS BORROWED</b>	(II-3)	12,003,861	30,862,815	42,866,676	5,552,510	24,041,603	29,594,113
<b>III.</b>	<b>MONEY MARKET FUNDS</b>	(II-4)	12,436,552	50,936,393	63,372,945	390,354	28,109,842	28,500,196
<b>IV.</b>	<b>SECURITIES ISSUED (Net)</b>	(II-3)	1,662,681	-	1,662,681	1,511,941	-	1,511,941
4.1	Bills		1,326,075	-	1,326,075	868,080	-	868,080
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		336,606	-	336,606	643,861	-	643,861
<b>V.</b>	<b>FUNDS</b>		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
<b>VI.</b>	<b>FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS</b>		-	-	-	-	-	-
<b>VII.</b>	<b>DERIVATIVE FINANCIAL LIABILITIES</b>		3,991,001	1,333,182	5,324,183	1,834,898	800,400	2,635,298
7.1	Derivative Financial Liabilities at Fair Value Through Profit and Loss	(II-2)	3,919,671	1,333,182	5,252,853	1,752,443	800,400	2,552,843
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(II-7)	71,330	-	71,330	82,455	-	82,455
<b>VIII.</b>	<b>FACTORING LIABILITIES</b>	(II-14)	19,922	9,335	29,257	533	29,949	30,482
<b>IX.</b>	<b>LEASE LIABILITIES (Net)</b>	(II-6)	1,759,311	78,762	1,838,073	1,000,253	25,188	1,025,441
<b>X.</b>	<b>PROVISIONS</b>	(II-8)	5,544,515	639,273	6,183,788	5,847,372	781,515	6,628,887
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		2,853,707	154,406	3,008,113	3,012,178	108,441	3,120,619
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		2,690,808	484,867	3,175,675	2,835,194	673,074	3,508,268
<b>XI.</b>	<b>CURRENT TAX LIABILITY</b>	(II-9)	3,071,453	-	3,071,453	1,476,641	3	1,476,644
<b>XII.</b>	<b>DEFERRED TAX LIABILITY</b>		-	-	-	-	-	-
<b>XIII.</b>	<b>LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>	(II-10)	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Held from Discontinued Operations		-	-	-	-	-	-
<b>XIV.</b>	<b>SUBORDINATED DEBT INSTRUMENTS</b>	(II-11)	-	28,243,687	28,243,687	-	11,637,967	11,637,967
14.1	Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	28,243,687	28,243,687	-	11,637,967	11,637,967
<b>XV.</b>	<b>OTHER LIABILITIES</b>	(II-5)	27,236,687	2,704,375	29,941,062	13,864,853	2,834,703	16,699,556
<b>XVI.</b>	<b>SHAREHOLDERS' EQUITY</b>	(II-12)	47,861,215	(94,724)	47,766,491	37,151,373	133,043	37,284,416
16.1	Paid-in Capital		2,204,390	-	2,204,390	2,204,390	-	2,204,390
16.2	Capital Reserves		391,226	-	391,226	391,226	-	391,226
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		388,661	-	388,661	388,661	-	388,661
16.3	Other Accumulated Comprehensive Income or Expense that will not be Reclassified at Profit or Loss		(557,510)	-	(557,510)	(374,505)	-	(374,505)
16.4	Other Accumulated Comprehensive Income or Expense that will be Reclassified at Profit or Loss		(499,293)	(94,724)	(594,017)	(27,028)	133,043	106,015
16.5	Profit Reserves		33,709,643	-	33,709,643	21,754,128	-	21,754,128
16.5.1	Legal Reserves		881,481	-	881,481	761,245	-	761,245
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		32,809,240	-	32,809,240	16,375,979	-	16,375,979
16.5.4	Other Profit Reserves		18,922	-	18,922	4,616,904	-	4,616,904
16.6	Profit or Loss		12,356,822	-	12,356,822	13,128,180	-	13,128,180
16.6.1	Prior Periods' Profit / Loss		-	-	-	-	-	-
16.6.2	Current Periods' Profit / Loss		12,356,822	-	12,356,822	13,128,180	-	13,128,180
16.7	Minority Shares	(II-13)	255,937	-	255,937	74,982	-	74,982
<b>TOTAL LIABILITIES</b>			<b>415,114,653</b>	<b>220,669,249</b>	<b>635,783,902</b>	<b>253,967,104</b>	<b>167,625,038</b>	<b>421,592,142</b>

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF OFF BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 2023

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

### II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS

		Audited Current Period 31.12.2024			Audited Prior Period 31.12.2023		
	Section 5 Note	TL	FC	Total	TL	FC	Total
<b>A.</b>	<b>OFF BALANCE SHEET LIABILITIES (I+II+III)</b>	<b>405,434,696</b>	<b>521,569,877</b>	<b>927,004,573</b>	<b>219,967,384</b>	<b>342,246,423</b>	<b>562,213,807</b>
<b>I.</b>	<b>GUARANTEES AND WARRANTIES</b>	<b>36,136,855</b>	<b>66,499,219</b>	<b>102,636,074</b>	<b>19,642,242</b>	<b>62,281,912</b>	<b>81,924,154</b>
1.1	Letters of Guarantee	19,055,473	33,187,634	52,243,107	13,354,063	31,813,601	45,167,664
1.1.1	Guarantees Subject to State Tender Law	86,567	233,141	319,708	104,520	205,134	309,654
1.1.2	Guarantees Given for Foreign Trade Operations	1,143,311	1,411,408	2,554,719	862,611	1,207,038	2,069,649
1.1.3	Other Letters of Guarantee	17,825,595	31,543,085	49,368,680	12,386,932	30,401,429	42,788,361
1.2	Bank Acceptances	-	62,540	62,540	-	70,513	70,513
1.2.1	Import Letter of Acceptance	-	62,540	62,540	-	70,513	70,513
1.2.2	Other Bank Acceptances	-	-	-	-	-	-
1.3	Letters of Credit	12,209	25,696,746	25,708,955	-	22,935,305	22,935,305
1.3.1	Documentary Letters of Credit	-	2,925,840	2,925,840	-	5,661,471	5,661,471
1.3.2	Other Letters of Credit	12,209	22,770,906	22,783,115	-	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	10,843,208	7,552,299	18,395,507	3,246,496	7,446,704	10,693,200
1.9	Other Collaterals	6,225,965	-	6,225,965	3,041,683	15,789	3,057,472
<b>II.</b>	<b>COMMITMENTS</b>	<b>170,402,977</b>	<b>31,709,485</b>	<b>202,112,462</b>	<b>72,435,602</b>	<b>9,642,055</b>	<b>82,077,657</b>
2.1	Irrevocable Commitments	168,349,163	31,709,485	200,058,648	71,532,810	9,642,055	81,174,865
2.1.1	Asset Purchase Commitments	7,056,464	30,665,471	37,721,935	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	32,887,686	160	32,887,846	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	5,731,412	-	5,731,412	4,044,146	-	4,044,146
2.1.8	Tax and Fund Liabilities from Export Commitments	2,395,399	-	2,395,399	302,721	-	302,721
2.1.9	Commitments for Credit Card Limits	120,254,472	-	120,254,472	52,048,755	-	52,048,755
2.1.10	Commitments for Credit Cards and Banking Services Promotions	7,529	-	7,529	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	16,201	1,043,854	1,060,055	16,664	938,745	955,409
2.2	Revocable Commitments	2,053,814	-	2,053,814	902,792	-	902,792
2.2.1	Revocable Loan Granting Commitments	-	-	-	-	-	-
2.2.2	Other Revocable Commitments	2,053,814	-	2,053,814	902,792	-	902,792
<b>III.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>198,894,864</b>	<b>423,361,173</b>	<b>622,256,037</b>	<b>127,889,540</b>	<b>270,322,456</b>	<b>398,211,996</b>
3.1	Derivative Financial Instruments for Hedging Purposes	19,010,000	51,557,376	70,567,376	1,665,300	24,498,209	26,163,509
3.1.1	Fair Value Hedge	-	40,283,436	40,283,436	-	-	-
3.1.2	Cash Flow Hedge	19,010,000	11,273,940	30,283,940	1,665,300	24,498,209	26,163,509
3.1.3	Foreign Net Investment Hedges	-	-	-	-	-	-
3.2	Held for Trading Transactions	179,884,864	371,803,797	551,688,661	126,224,240	245,824,247	372,048,487
3.2.1	Forward Foreign Currency Buy/Sell Transactions	25,483,014	31,930,514	57,413,528	14,255,687	21,682,347	35,938,034
3.2.1.1	Forward Foreign Currency Transactions-Buy	9,472,966	18,090,782	27,563,748	13,230,615	5,264,009	18,494,624
3.2.1.2	Forward Foreign Currency Transactions-Sell	16,010,048	13,839,732	29,849,780	1,025,072	16,418,338	17,443,410
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates	101,270,723	203,121,332	304,392,055	86,388,981	131,816,100	218,205,081
3.2.2.1	Foreign Currency Swap-Buy	22,807,537	79,564,684	102,372,221	869,068	59,729,356	60,598,424
3.2.2.2	Foreign Currency Swap-Sell	12,809,828	89,536,664	102,346,492	32,587,503	33,978,278	66,565,781
3.2.2.3	Interest Rate Swaps-buy	32,826,679	17,009,992	49,836,671	26,466,205	19,054,233	45,520,438
3.2.2.4	Interest Rate Swaps-Sell	32,826,679	17,009,992	49,836,671	26,466,205	19,054,233	45,520,438
3.2.3	Foreign Currency, Interest Rate and Securities Options	36,616,635	121,937,978	158,554,613	24,999,030	88,493,331	113,492,361
3.2.3.1	Foreign Currency Options-Buy	29,182,019	47,429,673	76,611,692	13,714,144	37,016,644	50,730,788
3.2.3.2	Foreign Currency Options-Sell	7,434,616	65,139,215	72,573,831	11,284,886	40,045,729	51,330,615
3.2.3.3	Interest Rate Options-Buy	-	4,684,545	4,684,545	-	5,715,479	5,715,479
3.2.3.4	Interest Rate Options-Sell	-	4,684,545	4,684,545	-	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	16,514,492	14,334,409	30,848,901	-	-	-
3.2.4.1	Foreign Currency Futures-Buy	-	14,334,409	14,334,409	-	-	-
3.2.4.2	Foreign Currency Futures-Sell	16,514,492	-	16,514,492	-	-	-
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	-	479,564	479,564	580,542	3,832,469	4,413,011
<b>B.</b>	<b>CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>	<b>900,114,819</b>	<b>173,662,536</b>	<b>1,073,777,355</b>	<b>390,119,038</b>	<b>152,251,664</b>	<b>542,370,702</b>
<b>IV.</b>	<b>ITEMS HELD IN CUSTODY</b>	<b>433,608,129</b>	<b>34,176,234</b>	<b>467,784,363</b>	<b>139,831,700</b>	<b>27,020,322</b>	<b>166,852,022</b>
4.1	Customer Fund and Portfolio Balances	211,677,475	-	211,677,475	62,442,422	-	62,442,422
4.2	Investment Securities Held in Custody	126,520,953	32,510,465	159,031,418	15,552,968	25,264,456	40,817,424
4.3	Cheques Received for Collection	72,459,158	369,791	72,828,949	49,729,946	267,984	49,997,930
4.4	Commercial Notes Received for Collection	1,857,060	91,525	1,948,585	1,307,602	132,130	1,439,732
4.5	Other assets Received for Collection	125	1,204,453	1,204,578	125	1,355,752	1,355,877
4.6	Assets Received for Public Offering	-	-	-	-	-	-
4.7	Other Items under Custody	21,093,358	-	21,093,358	10,798,637	-	10,798,637
4.8	Custodians	-	-	-	-	-	-
<b>V.</b>	<b>PLEDGES RECEIVED</b>	<b>462,155,673</b>	<b>139,452,881</b>	<b>601,608,554</b>	<b>248,930,984</b>	<b>124,875,266</b>	<b>373,806,250</b>
5.1	Marketable Securities	2,785,986	2,382,458	5,168,444	537,996	1,056,614	1,594,610
5.2	Guarantee Notes	195,526,534	103,517,382	299,043,916	83,565,449	89,540,340	173,105,789
5.3	Commodity	1,164,486	416,793	1,581,279	664,315	604,663	1,268,978
5.4	Warranty	-	-	-	-	-	-
5.5	Immovable	175,429,340	26,658,233	202,087,573	114,299,639	27,356,588	141,656,227
5.6	Other Pledged Items	87,249,327	6,478,015	93,727,342	49,863,585	6,317,061	56,180,646
5.7	Pledged Items-Depository	-	-	-	-	-	-
<b>VI.</b>	<b>ACCEPTED BILL, GUARANTEES AND WARRANTIES</b>	<b>4,351,017</b>	<b>33,421</b>	<b>4,384,438</b>	<b>1,356,354</b>	<b>356,076</b>	<b>1,712,430</b>
<b>TOTAL OFF BALANCE SHEET COMMITMENTS (A+B)</b>		<b>1,305,549,515</b>	<b>695,232,413</b>	<b>2,000,781,928</b>	<b>610,086,422</b>	<b>494,498,087</b>	<b>1,104,584,509</b>

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2024 AND 2023

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

### III. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

INCOME AND EXPENSE ITEMS		Section 5 Note	Audited Current Period 01.01-31.12.2024	Audited Prior Period 01.01-31.12.2023
<b>I.</b>	<b>INTEREST INCOME</b>	<b>(IV-1)</b>	<b>133,992,586</b>	<b>58,667,286</b>
1.1	Interest Income on Loans		91,586,264	39,004,633
1.2	Interest Income on Reserve Requirements		10,077,820	171,551
1.3	Interest Income on Banks		2,383,676	1,334,997
1.4	Interest Income on Money Market Transactions		5,009,462	3,425,247
1.5	Interest Income on Securities Portfolio		18,459,306	12,329,218
1.5.1	Financial Assets at Fair Value Through Profit or Loss		985,552	207,377
1.5.2	Financial Assets at Fair Value Through Other Comprehensive Income		3,628,360	1,810,442
1.5.3	Financial Assets Measured at Amortized Cost		13,845,394	10,311,399
1.6	Financial Lease Interest Income		-	-
1.7	Other Interest Income	(IV-12)	6,476,058	2,401,640
<b>II.</b>	<b>INTEREST EXPENSES (-)</b>	<b>(IV-2)</b>	<b>103,197,782</b>	<b>39,855,861</b>
2.1	Interest Expense on Deposits		89,373,761	30,919,135
2.2	Interest Expense on Funds Borrowed		7,627,485	6,508,959
2.3	Interest Expense on Money Market Transactions		4,625,648	837,792
2.4	Interest Expense on Securities Issued		514,234	1,082,805
2.5	Interest Expense on Leases		505,056	289,688
2.6	Other Interest Expenses		551,598	217,482
<b>III.</b>	<b>NET INTEREST INCOME /EXPENSE (I - II)</b>		<b>30,794,804</b>	<b>18,811,425</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME/EXPENSE</b>		<b>10,794,147</b>	<b>5,557,259</b>
4.1	Fees and Commissions Received		21,273,347	10,057,272
4.1.1	Non-cash Loans		1,358,212	982,110
4.1.2	Other	(IV-12)	19,915,135	9,075,162
4.2	Fees and Commissions Paid (-)		10,479,200	4,500,013
4.2.1	Non-cash Loans		29,277	20,453
4.2.2	Other	(IV-12)	10,449,923	4,479,560
<b>V.</b>	<b>DIVIDEND INCOME</b>	<b>(IV-3)</b>	<b>25,718</b>	<b>12,917</b>
<b>VI.</b>	<b>TRADING PROFIT / LOSS (Net)</b>	<b>(IV-4)</b>	<b>(1,410,374)</b>	<b>10,255,402</b>
6.1	Securities Trading Gains / Losses		71,327	1,536,948
6.2	Gains / Losses on Derivative Financial Instruments		(2,708,190)	(3,563,885)
6.3	Foreign Exchange Gains / Losses		1,226,489	12,282,339
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>(IV-5)</b>	<b>897,717</b>	<b>526,780</b>
<b>VIII.</b>	<b>GROSS OPERATING PROFIT (III+IV+V+VI+VII)</b>		<b>41,102,012</b>	<b>35,163,783</b>
<b>IX.</b>	<b>EXPECTED CREDIT LOSS (-)</b>	<b>(IV-6)</b>	<b>925,620</b>	<b>1,647,448</b>
<b>X.</b>	<b>OTHER PROVISION EXPENSES (-)</b>	<b>(IV-6)</b>	<b>(666,719)</b>	<b>1,805,505</b>
<b>XI.</b>	<b>PERSONNEL EXPENSES (-)</b>		<b>12,556,470</b>	<b>7,573,527</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(IV-7)</b>	<b>11,589,301</b>	<b>7,370,800</b>
<b>XIII.</b>	<b>NET OPERATING INCOME/LOSS (VIII-IX-X-XI-XII)</b>		<b>16,697,340</b>	<b>16,766,503</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>(IV-8)</b>	<b>16,697,340</b>	<b>16,766,503</b>
<b>XVIII.</b>	<b>TAX PROVISION FOR CONTINUED OPERATIONS (-)</b>	<b>(IV-9)</b>	<b>4,159,311</b>	<b>3,591,417</b>
18.1	Current Tax Provision		2,850,313	4,065,869
18.2	Deferred Tax Expense Effect (+)		4,676,282	2,433,818
18.3	Deferred Tax Income Effect (-)		(3,367,284)	(2,908,270)
<b>XIX.</b>	<b>CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	<b>(IV-10)</b>	<b>12,538,029</b>	<b>13,175,086</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-8)</b>	-	-
<b>XXIII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>	<b>(IV-9)</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>(IV-10)</b>	-	-
<b>XXV.</b>	<b>NET INCOME/LOSS (XIX+XXIV)</b>	<b>(IV-11)</b>	<b>12,538,029</b>	<b>13,175,086</b>
25.1	Group's Profit / Loss		12,356,822	13,128,180
25.2	Minority Interest Profit / Loss (-)		181,207	46,906
	Earnings/Loss per Share		5.6056	5.9555

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



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

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

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

	Audited Current Period 01.01-31.12.2024	Audited Prior Period 01.01-31.12.2023
<b>I. CURRENT PERIOD PROFIT/LOSS</b>	<b>12,538,029</b>	<b>13,175,086</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>(883,289)</b>	<b>(916,002)</b>
<b>2.1 Other Comprehensive Income that will not be Reclassified through Profit or Loss</b>	<b>(183,302)</b>	<b>(48,290)</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	(287,768)	(159,583)
2.1.4 Other Components of Other Comprehensive Income that will not be Reclassified through Profit or Loss	19,606	33,023
2.1.5 Taxes Relating to Components of Other Comprehensive Income will not be Reclassified through Profit or Loss	84,860	78,270
<b>2.2 Other Comprehensive Income that will be Reclassified to Profit or Loss</b>	<b>(699,987)</b>	<b>(867,712)</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	(610,939)	(1,080,797)
2.2.3 Income/Loss Related to Cash Flow Hedges	(389,043)	(66,060)
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	299,995	279,145
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>11,654,740</b>	<b>12,259,084</b>

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 1 JANUARY - 31 DECEMBER 2024 AND 2023

(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										
													Total Equity Except from Minority Shares		Minority Shares		Total Equity	
Audited	Paid-in Capital	Share Premiums	Share Cancellation Profit	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit /(Loss)	Current Period Profit or Loss					
Prior Period – 01.01-31.12.2023																		
I. Prior Period End Balance	2,204,390	2,565	-	388,661	56,230	(487,961)	12,712	-	691,242	282,444	11,310,414	11,655,252	-	26,115,949	28,443	26,144,392		
II. Corrections According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.1 Effect of Corrections of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.2 Effects of Changes in Accounting Policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
III. New Balance (I+II)	2,204,390	2,565	-	388,661	56,230	(487,961)	12,712	-	691,242	282,444	11,310,414	11,655,252	-	26,115,949	28,443	26,144,392		
IV. Total Comprehensive Income	-	-	-	-	-	(78,379)	30,415	-	(802,599)	(65,072)	-	-	13,128,180	12,212,545	46,539	12,259,084		
V. Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VI. Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VII. Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VIII. Convertible Bonds to Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
IX. Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
X. Increase/Decrease by Other Changes	-	-	-	-	92,478	-	-	-	-	-	(92,478)	-	-	-	-	-		
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	10,536,192	(11,655,252)	-	(1,119,060)	-	(1,119,060)		
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	(1,119,060)	-	(1,119,060)	-	(1,119,060)		
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	10,536,192	(10,536,192)	-	-	-	-		
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Period-End Balance 31.12.2023																		
(III+IV+V+VI+VII+VIII+IX+X+XI)					2,204,390	2,565	-	388,661	148,708	(566,340)	43,127	-	(111,357)	217,372	21,754,128	74,982	37,284,416	
Current Period – 01.01-31.12.2024																		
I. Prior Period End Balance	2,204,390	2,565	-	388,661	148,708	(566,340)	43,127	-	(111,357)	217,372	21,754,128	13,128,180	-	37,209,434	74,982	37,284,416		
II. Corrections According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.1 Effects of Corrections of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2.2 Effects of the Changes in Accounting Policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
III. New Balance (I+II)	2,204,390	2,565	-	388,661	148,708	(566,340)	43,127	-	(111,357)	217,372	21,754,128	13,128,180	-	37,209,434	74,982	37,284,416		
IV. Total Comprehensive Income	-	-	-	-	-	(201,140)	18,135	-	(427,702)	(272,330)	-	-	12,356,822	11,473,785	180,955	11,654,740		
V. Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VI. Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VII. Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
VIII. Convertible Bonds to Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
IX. Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
X. Increase/Decrease by Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	11,955,515	(13,128,180)	-	(1,172,665)	-	(1,172,665)		
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	(1,172,665)	-	(1,172,665)	-	(1,172,665)		
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	11,955,515	(11,955,515)	-	-	-	-		
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Period-End Balance 31.12.2024																		
(III+IV+V+VI+VII+VIII+IX+X+XI)					2,204,390	2,565	-	388,661	148,708	(767,480)	61,262	-	(539,059)	(54,958)	33,709,643	255,937	47,766,491	

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 consolidated financial statements.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR 31 DECEMBER 2024 AND 2023

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

### VI. CONSOLIDATED STATEMENT OF CASH FLOWS

	Section 5 Note	Audited Current Period 01.01-31.12.2024	Audited Prior Period 01.01-31.12.2023
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1 Operating Profit Before Changes in Banking Operatins Assets and Liabilities</b>		<b>(8,785,036)</b>	<b>19,285,632</b>
1.1.1 Interest Received		121,836,300	58,869,133
1.1.2 Interest Paid		(103,161,274)	(35,984,115)
1.1.3 Dividend Received		25,718	12,917
1.1.4 Fees and Commissions Received		19,417,427	9,706,268
1.1.5 Other Income		2,195,533	15,467,117
1.1.6 Collections from Previously Written Off Loans		2,744,366	1,627,126
1.1.7 Payments to Personnel and Service Suppliers		(12,169,566)	(7,385,173)
1.1.8 Taxes Paid		(6,236,957)	(7,632,502)
1.1.9 Others	(VI-1)	(33,436,583)	(15,395,139)
<b>1.2 Changes in Banking Operatins Assets and Liabilities</b>		<b>22,038,336</b>	<b>37,696,274</b>
1.2.1 Net Decrease in Financial Asset at Fair Value through Profit or Loss		(2,991,128)	2,284,418
1.2.2 Net (Increase) in Due from Banks		(142,801)	22,673
1.2.3 Net (Increase) in Loans		(122,805,631)	(39,138,175)
1.2.4 Net (Increase) in Other Assets	(VI-1)	(30,550,119)	(8,570,346)
1.2.5 Net Increase / (Decrease) in Bank Deposits		38,259,153	22,011,374
1.2.6 Net Increase in Other Deposits		111,117,757	47,963,190
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		13,125,871	9,290,539
1.2.9 Net Increase / (Decrease) in Matured Payables		-	-
1.2.10 Net Increase in Other Liabilities	(VI-1)	16,025,234	3,832,601
<b>I. Changes in Banking Operatins Assets and Liabilities</b>		<b>13,253,300</b>	<b>56,981,906</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net Cash Flow Provided from Investing Activities</b>		<b>(31,559,756)</b>	<b>(4,511,777)</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		(854,429)	(664,325)
2.4 Sale of Tangible Assets		3,922	5,136
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(30,809,515)	(4,776,041)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		6,086,637	7,742,659
2.7 Purchase of Financial Assets Measured at Amortized Cost		(14,600,317)	(15,451,927)
2.8 Sale of Financial Assets Measured at Amortized Cost		9,675,435	9,541,486
2.9 Other	(VI-1)	(1,061,489)	(745,780)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities</b>		<b>14,650,687</b>	<b>(4,125,268)</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued		30,211,069	2,482,550
3.2 Cash Outflow from Repayment of Funds Borrowed and Securities Issued		(13,495,343)	(4,943,988)
3.3 Equity Instruments Issued		-	-
3.4 Dividends Paid		(1,172,665)	(1,119,060)
3.5 Payments For Leases		(892,374)	(544,770)
3.6 Other		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>	(VI-1)	<b>2,634,397</b>	<b>6,438,331</b>
<b>V. Net Increase in Cash and Cash Equivalents</b>		<b>(1,021,372)</b>	<b>54,783,192</b>
<b>VI. Cash and Cash Equivalents at Beginning of the Period</b>	(VI-2)	<b>96,893,976</b>	<b>42,110,784</b>
<b>VII. Cash and Cash Equivalents at End of the Period</b>	(VI-2)	<b>95,872,604</b>	<b>96,893,976</b>

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS FROM 1 JANUARY TO 31 DECEMBER 2023 AND 2022

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

### VII. CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION (\*)

	Audited Current Period 31.12.2024(**)	Audited Prior Period 31.12.2023
<b>I. DISTRIBUTION OF CURRENT YEAR INCOME</b>		
1.1 CURRENT YEAR INCOME	14,393,335	14,913,193
1.2 TAXES AND DUTIES PAYABLE (-)	3,489,604	3,186,545
1.2.1 Corporate Tax (Income Tax)	2,076,256	3,647,896
1.2.2 Income Withholding Tax	-	-
1.2.3 Other Taxes and Duties (***)	1,413,348	(461,351)
<b>A. NET INCOME FOR THE YEAR (1.1-1.2)</b>	<b>10,903,731</b>	<b>11,726,648</b>
1.3 PRIOR YEARS' LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES (-)	-	-
1.5 OTHER STATUTORY RESERVES (-)	-	-
<b>B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]</b>	<b>10,903,731</b>	<b>11,726,648</b>
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	110,220
1.6.1 To Owners of Ordinary Shares	-	110,220
1.6.2 To Owners of Preferred Shares	-	-
1.6.3 To Owners of Preferred Shares (Pre-emptive Rights)	-	-
1.6.4 To Profit Sharing Bonds	-	-
1.6.5 To Holders of Profit and Loss Sharing Certificates	-	-
1.7 DIVIDENDS TO PERSONNEL (-)	-	-
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-	1,062,445
1.9.1 To Owners of Ordinary Shares	-	1,062,445
1.9.2 To Owners of Preferred Shares	-	-
1.9.3 To Owners of Preferred Shares (Pre-emptive Rights)	-	-
1.9.4 To Profit Sharing Bonds	-	-
1.9.5 To Holders of Profit and Loss Sharing Certificates	-	-
1.10 SECOND LEGAL RESERVES (-)	-	118,049
1.11 STATUTORY RESERVES (-)	-	-
1.12 EXTRAORDINARY RESERVES	-	10,435,934
1.13 OTHER RESERVES	-	-
1.14 SPECIAL FUNDS	-	-
<b>II. DISTRIBUTION OF RESERVES</b>	-	-
2.1 DISTRIBUTED RESERVES	-	-
2.2 SECOND LEGAL RESERVES (-)	-	-
2.3 DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1 To Owners of Ordinary Shares	-	-
2.3.2 To Owners of Preferred Shares	-	-
2.3.3 To Owners of Preferred Shares (Pre-emptive Rights)	-	-
2.3.4 To Profit Sharing Bonds	-	-
2.3.5 To Holders of Profit and Loss Sharing Certificates	-	-
2.4 DIVIDENDS TO PERSONNEL (-)	-	-
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
<b>III. EARNINGS PER SHARE</b>	-	-
3.1 TO OWNERS OF ORDINARY SHARES	4,9464	5,3197
3.2 TO OWNERS OF ORDINARY SHARES ( % )	494.64	531.97
3.3 TO OWNERS OF PREFERRED SHARES	-	-
3.4 TO OWNERS OF PREFERRED SHARES ( % )	-	-
<b>IV. DIVIDEND PER SHARE</b>	-	-
4.1 TO OWNERS OF ORDINARY SHARES	-	-
4.2 TO OWNERS OF ORDINARY SHARES ( % )	-	-
4.3 TO OWNERS OF PREFERRED SHARES	-	-
4.4 TO OWNERS OF PREFERRED SHARES ( % )	-	-

(\*) The profit distribution table has been prepared according to the unconsolidated financial statements of the Parent Bank.

(\*\*) The authorized body of the Parent Bank regarding profit distribution is the General Assembly, and as of the preparation date of these financial statements, the annual ordinary General Assembly meeting has not been held yet. Since the profit distribution proposal for 2024 has not yet been prepared by the Board of Directors, only the distributable profit amount is indicated in the profit distribution table.

(\*\*\*) Deferred tax expense shown in other tax and legal liabilities (31 December 2023: Deferred tax income).

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

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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**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 consolidated 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 consolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements” and “Communiqué on Disclosures About Risk Management to Be Announced to Public by Banks” and amendments to this Communiqué. The Parent Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

The consolidated 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 consolidated financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Parent 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 Parent 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 Parent 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.

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

**I. Explanations on Basis of Presentation (continued)**

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

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. Subsequently, with its decision numbered 10825 dated January 11, 2024, the BRSA set the transition date for the application of IAS 29 as January 1, 2025; and later, with its decision numbered 11021 dated December 5, 2024, the BRSA decided that banks and financial leasing, factoring, financing, savings financing, and asset management companies should not apply inflation accounting in 2025 either. In this scope, no inflation adjustment was made in accordance with TAS 29 while preparing the financial statements dated 31 December 2024.

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

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

The Group 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 Parent Bank is to increase profitability with optimum liquidity and minimum risk while fulfilling customer needs.

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

The Parent 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 Parent 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.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### III. Information about the Parent Bank and its Consolidated Subsidiaries

The Parent Bank, with no difference in practice between TAS and TFRS, and the subsidiaries are consolidated by using line-by-line consolidation method. Türk Ekonomi Bankası Anonim Şirketi and its financial institutions, TEB Faktoring A.Ş. (TEB Faktoring), TEB Yatırım Menkul Değerler A.Ş. (TEB Yatırım) and TEB Portföy Yönetimi A.Ş. (TEB Portföy) are included in the accompanying consolidated financial statements by line-by-line consolidation method. The Parent Bank and the entities included in the consolidation are referred to as “the Group” in this report.

The accompanying consolidated financial statements are prepared in accordance with “Communiqué on Preparation of Consolidated Financial Statements of Banks” published in the Official Gazette dated 8 November 2006 numbered 26340.

The financial statements of the subsidiaries, which were prepared in accordance with the prevailing principles and rules regarding financial accounting and reporting standards in their respective country of incorporation and the Turkish Commercial Code and/or communiqués of the Capital Market Board, are duly adjusted in order to present their financial statements in accordance with TAS and TFRS.

#### Explanations on Consolidation Method and Scope

The commercial names of the entities included in consolidation and the locations of the head offices of these institutions:

<u>Commercial Name</u>	<u>Head Office</u>
TEB Faktoring	Turkey
TEB Yatırım	Turkey
TEB Portföy	Turkey
TEB Finansman	Turkey

Line-by-line consolidation method is used for all the financial institutions included in the consolidation.

The financial statements of subsidiaries are prepared as of 31 December 2024 and 31 December 2023. The financial statements of TEB Yatırım and TEB Portföy include values that have not been subjected to inflation accounting in accordance with BRSA regulations.

Transactions and balances between the Parent Company and its subsidiaries are netted off against each other.

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

The Parent 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 Parent 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.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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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 Parent 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 Parent Bank continues to apply the hedge accounting provisions of TAS 39.

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



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

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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 Parent 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 Parent 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 Expenses**

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 Parent 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 Parent 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.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
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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 Parent 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 Group 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 Parent Bank recognizes a financial asset in the financial statement when, and only when, the Parent 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 Parent 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 Parent 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 Parent Bank's expectations, is updated during the year when deemed necessary. 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 Principals 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 Parent 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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 Parent 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 Parent 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 Parent 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 Parent 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 Parent 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 Parent 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 Parent 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 Parent 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.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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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 31 December 2024, the Group has no reverse repo transaction (31 December 2023: 12,243,734).

As of 31 December 2024, the Group 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 31 December 2024, assets held for sale and discontinued operations of the Group are TL 32,289 (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 3,520 (31 December 2023: TL 3,806) has been reserved as provision for impairment losses.

As of 31 December 2024, the Group 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 Parent Bank as stated in Istanbul Commerce Trade dated 14 February 2011.

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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 Parent 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 Parent 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 Group 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 Parent Bank by the Parent 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 Group 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 Parent 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 Group 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 Parent 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 Parent 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 Parent 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 Parent Bank following the business combination defined in the Section One “General Information” of the Parent 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 31 December 2024, the Pension Fund has 585 employees and 2,341 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 31 December 2024. Since the Parent 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 Parent 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 Parent 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 50% (this rate was reduced from 75% to 50% with Presidential Decree No. 9160, which came into effect on November 27, 2024) 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. Additionally, in Tax Procedure Law Circular No. 176 published on November 1, 2024, it is stated that if the inflation adjustment difference transferred to expense accounts related to the adjustment of the prepaid expenses account for inflation arises from the 2023 fiscal period, it should not be considered as an expense but should be shown in the section of non-deductible expenses in the tax return.

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 Group 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 31 December 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 31 December 2024, the tax effects arising from inflation adjustment of corporate tax are included in the deferred tax calculation as of 31 December 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.

In September 2023, the POA issued amendments to IAS 12 introducing a mandatory exception from the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes. These amendments clarify that IAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the OECD’s Pillar Two Model Rules. These amendments also introduce specific disclosure requirements for entities affected by such tax laws. The exception from recognizing and disclosing information about deferred taxes within this scope, and the disclosure requirement that the exception has been applied, apply immediately upon the issuance of the amendments. These amendments have not had a significant impact on the Group’s financial position or performance.

*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.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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**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 Group.

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

The operating segments of the Parent 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, Firsat 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.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

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

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

Current Period	Retail and Private Banking	Corporate Banking	SME Banking	Other	Elimination	Total
Dividend Income	-	-	-	25,718	-	25,718
Profit Before Tax	8,909,334	13,447,915	1,141,435	(6,783,830)	(17,514)	16,697,340
Tax Provision (-)	-	-	-	4,160,625	(1,314)	4,159,311
<b>Net Profit for the Period</b>	<b>8,909,334</b>	<b>13,447,915</b>	<b>1,141,435</b>	<b>(10,944,455)</b>	<b>(16,200)</b>	<b>12,538,029</b>

Current Period	Retail and Private Banking	Corporate Banking	SME Banking	Other	Elimination	Total
Segment Assets	117,327,686	144,597,865	77,913,542	296,709,620	(764,866)	635,783,847
Investments in Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	328,599	(328,544)	55
<b>Total Assets</b>	<b>117,327,686</b>	<b>144,597,865</b>	<b>77,913,542</b>	<b>297,038,219</b>	<b>(1,093,410)</b>	<b>635,783,902</b>
Segment Liabilities	267,973,219	133,351,842	17,106,628	170,354,049	(768,327)	588,017,411
Shareholders' Equity	-	-	-	48,091,574	(325,083)	47,766,491
<b>Total Liabilities</b>	<b>267,973,219</b>	<b>133,351,842</b>	<b>17,106,628</b>	<b>218,445,623</b>	<b>(1,093,410)</b>	<b>635,783,902</b>

Prior Period (31.12.2023)	Retail and Private Banking	Corporate Banking	SME Banking	Other	Elimination	Total
Dividend Income	-	-	-	26,324	(13,407)	12,917
Profit Before Tax	2,797,898	5,822,286	964,741	7,208,132	(26,554)	16,766,503
Tax Provision (-)	-	-	-	3,592,553	(1,136)	3,591,417
<b>Net Profit for the Period</b>	<b>2,797,898</b>	<b>5,822,286</b>	<b>964,741</b>	<b>3,615,579</b>	<b>(25,418)</b>	<b>13,175,086</b>

Prior Period (31.12.2023)	Retail and Private Banking	Corporate Banking	SME Banking	Other	Elimination	Total
Segment Assets	69,420,398	99,657,778	45,401,615	207,586,847	(474,551)	421,592,087
Investments in Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	311,084	(311,029)	55
<b>Total Assets</b>	<b>69,420,398</b>	<b>99,657,778</b>	<b>45,401,615</b>	<b>207,897,931</b>	<b>(785,580)</b>	<b>421,592,142</b>
Segment Liabilities	193,618,357	75,009,396	22,216,126	93,940,542	(476,695)	384,307,726
Shareholders' Equity	-	-	-	37,593,301	(308,885)	37,284,416
<b>Total Liabilities</b>	<b>193,618,357</b>	<b>75,009,396</b>	<b>22,216,126</b>	<b>131,533,843</b>	<b>(785,580)</b>	<b>421,592,142</b>

### XXIV. Explanations on Other Matters

According to the decision taken at the Ordinary General Assembly Meeting of the Parent 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 December 31, 2023, to ensure compliance with the financial statement presentation as of December 31, 2024. These classifications have no impact on the Group's performance.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**SECTION FOUR**

**INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT**

**I. Explanations Related to Components of Consolidated 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 23 October 2015 and numbered 29511, 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.

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

The Group's current period consolidated equity amount calculated as of 31 December 2024 is TL 78,137,115 (31 December 2023: TL 48,970,889), and the consolidated capital adequacy standard ratio is 18.91% (31 December 2023: 16.85%). The Group's consolidated 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 Consolidated Shareholders' Equity:

Common Equity Tier 1 Capital	Current Period 31.12.2024	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	33,275,127	21,519,937
Gains recognized in equity as per Turkish Accounting Standards (TAS)	221,014	177,939
Profit	12,356,822	13,128,180
Current Period's Profit	12,356,822	13,128,180
Prior Years' Profit	-	-
Bonus shares from associates, subsidiaries and joint ventures not accounted in current period's profit	-	-
Minority interest	4,288	2,054
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>48,264,468</b>	<b>37,235,327</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	130,105	245,377
Leasehold improvements on operational leases	199,473	81,306
Goodwill netted off deferred tax liability	421,124	421,124
Other intangible assets netted off deferred tax liabilities except mortgage servicing rights.	1,519,679	833,304
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>2,270,381</b>	<b>1,581,111</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>45,994,087</b>	<b>35,654,216</b>

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## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

	Current Period 31.12.2024	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)	10,418,130	-
Third Parties Share in the Additional Tier 1 Capital	919	440
Third Parties Share in the Additional Tier 1 Capital (in the scope of Provisional Article 3)	919	440
<b>Additional Tier 1 Capital Before Deductions</b>	<b>10,419,049</b>	<b>440</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 Consolidated 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 Consolidated 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 I 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>10,419,049</b>	<b>440</b>
<b>Total Tier 1 Capital (Tier 1 Capital=Common Equity+Additional Tier 1 Capital)</b>	<b>56,413,136</b>	<b>35,654,656</b>
<b>TIER 2 CAPITAL</b>		
Debt instruments and related issuance premiums defined by the BRSA	17,497,940	10,096,945
Debt instruments and related issuance premiums defined by the BRSA (Provisional Article 4)	-	-
Third parties' share in the Tier 2 Capital	1,225	587
Third parties' share in the Tier 2 Capital (in the scope of provisional article 3)	1,225	587
Provisions (Amounts stated in the first paragraph of the article 8 of the Regulation on the Bank Capital)	4,227,614	3,228,171
<b>Tier 2 Capital Before Deductions</b>	<b>21,726,779</b>	<b>13,325,703</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 Consolidated 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 Consolidated 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>21,726,779</b>	<b>13,325,703</b>
<b>Total Capital (The sum of Tier 1 and Tier 2 Capital)</b>	<b>78,139,915</b>	<b>48,980,359</b>

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## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

	Current Period 31.12.2024	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	814	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	1,986	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)	78,137,115	48,970,889
<b>Total Risk Weighted Amounts</b>	413,218,462	290,692,299
<b>CAPITAL ADEQUACY RATIOS</b>		
Common Equity Tier 1 Capital Adequacy Ratio (%)	11.13	12.27
Tier 1 Capital Adequacy Ratio (%)	13.65	12.27
Capital Adequacy Ratio (%)	18.91	16.85
<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 (%)	4.12	3.76
<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	676,436	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)	1,607,225	2,531,368
<b>Limits related to provisions considered in Tier Calculation</b>		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	4,227,614	6,036,175
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	4,506,820	3,228,171
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 0.007 (December 31, 2023: 0.0049).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

	Current Period	Prior Period
<b>Total capital per balance sheet</b>	<b>47,766,491</b>	<b>37,284,416</b>
Hedging funds (effective portion)	54,958	(217,372)
Deductions made under regulation	(2,398,939)	(1,416,492)
Accumulated revaluation and/or reclassification gains/losses of financial assets at fair value through other comprehensive income	571,577	3,664
<b>Common Equity Tier 1 Capital</b>	<b>45,994,087</b>	<b>35,654,216</b>
Additional Tier 1 Capital	10,419,049	440
<b>Tier 1 Capital</b>	<b>56,413,136</b>	<b>35,654,656</b>
Expected loss provision (Stage 1 and 2)	4,227,614	3,228,171
Debt Instruments Defined by the BRSA	17,497,940	10,096,945
Deductions made under regulation	(2,800)	(9,470)
Share of Third Parties in Capital	1,225	587
<b>Total Equity</b>	<b>78,137,115</b>	<b>48,970,889</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### I. Explanations Related to Components of Consolidated 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 Parent 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 consolidated/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)	10,418.13	3,607.10	13,890.84
Par value of debt instrument (TL Currency in mil)	10,418.13	3,607.10	13,890.84
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.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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**II. Explanations Related to Consolidated Credit Risk**

Credit risk is the risk and financial loss that the Parent Bank is a party in a contract whereby the counterparty fails to meet its obligation partially or on time and causes to incur a financial loss.

The credit allocation is performed on a debtor and a debtor group basis within the limits. In the credit allocation process, many financial and non-financial criteria are taken into account within the framework of the internal rating procedures of the Parent Bank. These criteria include geographical and sector concentrations. The sector concentrations for loans are monitored closely. In accordance with the Parent Bank's loan policy, the rating of the companies, credit limits and guarantees are considered together, and credit risks incurred are monitored.

The credit risks and limits related to treasury activities, the limits of the correspondent banks that are determined by their ratings and the control of the maximum acceptable risk level in relation to the equity of the Parent Bank are monitored daily. Risk limits are determined in connection with these daily transactions, and risk concentration is monitored systematically concerning off-balance sheet operations.

As prescribed in the Communiqué numbered 29750 dated 22 June 2016 on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves", the credit worthiness of the debtors of the loans and other receivables is monitored regularly. Most of the statements of accounts for the loans are derived from audited financial statements. The unaudited documents result from the timing differences between the loan allocation and the audit dates of the financial statements of the companies and subsequently the audited financial statements are obtained from the companies. Credit limits are determined according to the audited statement of accounts, and guarantee factors are developed in accordance with the decision of the credit committee considering the characteristics of the transactions and the financial structures of the companies.

A restructuring is defined as the privilege due to the borrower's encountered or likely to encountered financial difficulties. The privileges granted to the borrower assumed to be in financial difficulty are;

- A change in the terms and conditions of the loan or
- Partially or completely refinancing of the loan in favour of the debtor.

In order to be subject to restructuring, the firm must be confronted with the difficulty of payment. The difficulty should be supported by concrete developments or findings. Each restructuring request is evaluated on transaction basis by the authorized credit allocation unit according to the activity of the firm, the income generation structure by the sectoral operation.

Restructuring of the loans supported by Credit Guarantee Fund ("CGF loans") is evaluated in accordance with the current legislation. The principles regarding to restructuring of Treasury-Back CGF loans in the scope of 11 October 2018 dated Presidential Decree are taken into account.

In accounting practice, loans whose collection of principal or interest payments is delayed for more than 30 days from their due dates or due dates for various reasons, but which do not meet the delay period requirement for classification as a Group III loan as specified in the "Regulation on Procedures and Principles for Classification of Loans and the Provisions to be Set Aside" published in the Official Gazette dated 22 June 2016 and numbered 29750, are considered as "past-due loan", all receivables specified in the groups III, IV and V specified in the same Regulation are considered as "impaired" loans in the application of this Regulation, regardless of whether the accrued interest and interest-like burdens on the borrower are added to the principal or refinanced.

The Parent Bank provides specific reserves to Group III, IV and V loans in accordance with "Regulation on Procedures and Principles for Classification of Loans and Provisions to be Set Aside".

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

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

In accordance with the Standard Approach, 0% risk weight is used in the calculation of the amount subject to credit risk for FC receivables of Banks which are from Republic of Turkey 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.

Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types for the relevant period:

Exposure Classifications	Current Period Risk Amount (*)	Average Risk Amount (*,**)
Conditional and unconditional receivables from central governments or central banks	2,373,616	2,138,077
Conditional and unconditional receivables from regional or local governments	4,320,909	1,042,568
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	13,721,053	9,673,441
Conditional and unconditional corporate receivables	201,218,089	152,235,924
Conditional and unconditional retail receivables	113,471,425	79,473,711
Conditional and unconditional secured mortgage receivables	10,494,927	11,448,365
Past due receivables	1,343,218	858,278
Receivables defined in high-risk category by BRSA	4,445,780	78,016,564
Securities collateralized by mortgages	-	-
Securitization positions	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-
Investments of natured collective investment enterprise	-	-
Other receivables	14,055,389	10,871,987
Investments in equities	642,396	517,839

(\*) Risk amounts after conversion rate to credit are given before credit risk mitigation.

(\*\*) Average risk amount is calculated by taking the arithmetic average of balances on quarterly prepared to the end of each quarter.

Exposure Classifications	Prior Period Risk Amount (*)	Average Risk Amount (*,**)
Conditional and unconditional receivables from central governments or central banks	1,753,945	1,702,507
Conditional and unconditional receivables from regional or local governments	188,950	304,911
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	7,706,471	7,303,082
Conditional and unconditional corporate receivables	100,912,913	93,033,884
Conditional and unconditional retail receivables	54,591,236	48,633,539
Conditional and unconditional secured mortgage receivables	8,704,831	7,810,280
Past due receivables	452,395	530,202
Receivables defined in high-risk category by BRSA	78,028,398	54,745,347
Securities collateralized by mortgages	-	-
Securitization positions	-	-
Short-term receivables from banks, stockbrokers and corporate	-	-
Investments of natured collective investment enterprise	-	-
Other receivables	7,983,287	7,508,260
Investments in equities	392,621	348,304

(\*) Risk amounts after conversion rate to credit are given before credit risk mitigation.

(\*\*) Average risk amount is calculated by taking the arithmetic average of balances prepared to the end of each quarter.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

For the positions of the Parent Bank in terms of forward transactions and other similar contracts, operational limits are set by the Board of Directors and the transactions take place within these limits.

The fulfillment of the benefits and proceeds related to forward transactions can be realized at maturity. However, in order to minimize the risk, back-to-back positions of existing risks are entered into the market due to necessity.

Indemnified non-cash loans are subject to the same risk weight as outstanding loans matured but not yet paid.

Since the loans and other receivables, which are restructured from loans and rescheduled, are not material to the financial statements, no additional follow up methodology is developed, except as stated in the regulations.

Financial institutions abroad and country risks of the Parent Bank are generally taken for the financial institutions and countries that are rated at investment level by international rating agencies which do not have the risk of failing to meet minimum obligations. Therefore, the probable risks are considered to be not material to the financial structure of the Parent Bank.

The Group does not have a material credit risk concentration as an active participant in the international banking market when the financial operations of the other financial institutions are concerned.

As of 31 December 2024, the receivables of the Group from its top 100 and top 200 cash loan share in total cash loans are respectively 26.19% and 34.11% (31 December 2023: 29.09% and 37.67%).

As of 31 December 2024, the receivables of the Group from its top 100 and top 200 non-cash loan share are 69.48% and 78.76% respectively in the total non-cash loans (31 December 2023: 73.85% and 82.55%).

As of 31 December 2024, the share of cash and non-cash receivables of the Group from its top 100 and top 200 loan customers in total balance sheet and off-balance sheet assets is 8.57% and 10.95%, respectively (31 December 2023: 10.30% and 13.06%).

As of 31 December 2024, the general loan loss provision related with the credit risk taken by the Group is TL 4,227,614 (31 December 2023: TL 6,036,175).

#### *Credit Rating System*

Credit risk is evaluated according to the internal rating system of the Parent Bank, which is linked to the rating scale, and loans are classified from the best rating to the lowest rating according to the probability of default. As of 31 December 2024, Retail and Business loans are excluded from the internal rating system of the Parent Bank and these loans constitute 8.75% of the total cash and non-cash loan portfolio (31 December 2023: 25.75%). Application and behavioral scorecards are used for the Individual and Business segments, however behavioral scorecard is used for the Agricultural segment.

The risks that are subject to rating models can be allocated as follows:

Category	Description of Category	Share in the Total % 31.12.2024	Share in the Total % 31.12.2023
1 <sup>st</sup> Category	The borrower has a very strong financial structure	54.94	53.78
2 <sup>nd</sup> Category	The borrower has a good financial structure	38.70	37.27
3 <sup>rd</sup> Category	The borrower has an intermediate level of financial structure	5.34	6.66
4 <sup>th</sup> Category	The financial structure of the borrower must be closely monitored in the medium term	1.02	2.29
<b>Total</b>		<b>100.00</b>	<b>100.00</b>



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Profile of Significant Exposures in Major Regions:

	Exposure Categories (***)																		Total
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organizations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due items	Receivables in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Others	Investments in equities		
Current Period																			
Domestic	-	4,320,262	-	-	-	10,072,436	148,910,634	100,427,530	9,522,390	1,086,474	4,445,780	-	-	-	-	13,913,487	642,396	293,341,389	
European Union Countries	-	-	-	-	-	1,069,639	2,365,891	67,321	437	222	-	-	-	-	-	700	-	3,504,210	
OECD Countries (*)	-	-	-	-	-	683,297	1,806,408	1,983	53	11	-	-	-	-	-	-	-	2,491,752	
Off-Shore Banking Regions	-	-	-	-	-	917	-	66	-	-	-	-	-	-	-	-	-	983	
USA, Canada	-	-	-	-	-	439,685	49	1,629	8	42	-	-	-	-	-	-	-	441,413	
Other Countries	2,373,616	-	-	-	-	36,630	1,080,876	293,169	113,373	1,415	-	-	-	-	-	141,143	-	4,040,222	
Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55	-	55	
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Liabilities (**)	-	647	-	-	-	1,418,449	47,054,231	12,679,727	858,666	255,054	-	-	-	-	-	4	-	62,266,778	
Total	2,373,616	4,320,909	-	-	-	13,721,053	201,218,089	113,471,425	10,494,927	1,343,218	4,445,780	-	-	-	-	14,055,389	642,396	366,086,802	

(\*) Includes OECD countries other than EU countries, USA and Canada.

(\*\*) Includes assets and liability items that cannot be allocated on a consistent basis.

(\*\*\*) Risk amounts after conversion rate to credit are given before Credit Risk Mitigation.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Profile of Significant Exposures in Major Regions: (continued)

	Exposure Categories (***)																	
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organizations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due items	Receivables in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Others	Investments in equities	Total
Prior Period																		
Domestic	186,676	187,352	-	-	-	5,622,893	71,751,130	47,744,175	7,610,961	409,721	77,738,272	-	-	-	-	7,956,810	392,621	219,600,611
European Union Countries	-	-	-	-	-	390,602	1,159,406	158,384	399	164	1,305	-	-	-	-	3,334	-	1,713,594
OECD Countries(*)	-	-	-	-	-	66,432	894,391	89,288	-	52	318	-	-	-	-	-	-	1,050,481
Off-Shore Banking Regions	-	-	-	-	-	20	-	291	4	-	-	-	-	-	-	-	-	315
USA, Canada	-	-	-	-	-	149,601	264	1,537	46	37	319	-	-	-	-	-	-	151,804
Other Countries	1,567,269	-	-	-	-	28,465	616,976	106,798	28,456	4,512	288,184	-	-	-	-	23,084	-	2,663,744
Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55	-	55
Unallocated Assets																		
Liabilities (**)	-	1,598	-	-	-	1,448,458	26,490,746	6,490,763	1,064,965	37,909	-	-	-	-	-	4	-	35,534,443
Total	1,753,945	188,950	-	-	-	7,706,471	100,912,913	54,591,236	8,704,831	452,395	78,028,398	-	-	-	-	7,983,287	392,621	260,715,047

(\*) Includes OECD countries other than EU countries, USA and Canada.

(\*\*) Includes assets and liability items that cannot be allocated on a consistent basis.

(\*\*\*) Risk amounts after conversion rate to credit are given before Credit Risk Mitigation.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Risk profile by Sectors or Counterparties:

Exposure Categories (**)																					
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organizations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail	Conditional and unconditional exposures secured by real estate property	Past due items	Receivables in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Others	Investments in equities	TL (*)	FC	Total	
Current Period																					
Agriculture	-	-	-	-	-	-	1,996,965	2,661,381	541,756	22,530	-	-	-	-	-	-	-	-	4,094,356	1,128,276	5,222,632
Farming and Stockbreeding	-	-	-	-	-	-	967,571	2,602,378	539,953	22,218	-	-	-	-	-	-	-	-	3,911,485	220,635	4,132,120
Forestry	-	-	-	-	-	-	134,636	21,908	-	248	-	-	-	-	-	-	-	-	156,792	-	156,792
Fishery	-	-	-	-	-	-	894,758	37,095	1,803	64	-	-	-	-	-	-	-	-	26,079	907,641	933,720
Manufacturing	-	-	-	-	-	-	123,724,561	16,682,035	3,166,660	405,878	628,214	-	-	-	-	-	32	-	74,298,343	70,309,037	144,607,380
Mining and Quarrying	-	-	-	-	-	-	7,908,216	843,157	169,268	1,883	119,818	-	-	-	-	-	-	-	3,527,365	5,514,977	9,042,342
Production	-	-	-	-	-	-	111,336,556	15,762,917	2,981,098	403,057	508,396	-	-	-	-	-	32	-	67,854,431	63,137,625	130,992,056
Electricity, Gas and Water	-	-	-	-	-	-	4,479,789	75,961	16,294	938	-	-	-	-	-	-	-	-	2,916,547	1,656,435	4,572,982
Construction	-	-	-	-	-	-	9,999,264	2,099,958	664,852	335,826	-	-	-	-	-	-	19	-	5,966,063	7,133,856	13,099,919
Services	2,373,616	4,320,909	-	-	-	13,721,053	60,933,289	21,330,065	5,007,672	163,617	661,915	-	-	-	-	-	12,454,752	642,396	86,326,298	35,282,986	121,609,284
Wholesale and Retail Trade	-	-	-	-	-	-	26,743,763	10,993,068	1,901,591	41,764	249,715	-	-	-	-	-	576	-	32,912,742	7,020,521	39,933,263
Accommodation and Dining	-	-	-	-	-	-	1,657,915	1,389,250	833,002	24,510	-	-	-	-	-	-	419	-	2,164,409	1,740,687	3,905,096
Transportation and Telecom.	-	-	-	-	-	-	13,715,222	4,845,192	741,545	28,399	18,055	-	-	-	-	-	65	-	11,223,108	8,125,370	19,348,478
Financial Institutions	2,373,616	-	-	-	-	13,721,053	5,685,027	196,755	133,656	155	-	-	-	-	-	-	12,453,366	639,610	24,775,445	10,427,793	35,203,238
Real Estate and Rental Service	-	-	-	-	-	-	9,214,560	2,261,145	1,132,913	36,065	394,145	-	-	-	-	-	102	-	6,410,906	6,628,024	13,038,930
Self-Employment Services	-	-	-	-	-	-	3,248,559	1,429,854	256,629	32,655	-	-	-	-	-	-	50	-	3,627,725	1,340,022	4,967,747
Educational Services	-	-	-	-	-	-	78,652	154,495	8,183	69	-	-	-	-	-	-	153	-	240,983	569	241,552
Health and Social Services	-	4,320,909	-	-	-	-	589,591	60,306	153	-	-	-	-	-	-	-	21	-	4,970,980	-	4,970,980
Other	-	-	-	-	-	-	4,564,010	70,697,986	1,113,987	415,367	3,155,651	-	-	-	-	-	1,600,586	-	81,055,978	491,609	81,547,587
Total	2,373,616	4,320,909	-	-	-	13,721,053	201,218,089	113,471,425	10,494,927	1,343,218	4,445,780	-	-	-	-	-	14,055,389	642,396	251,741,038	114,345,764	366,086,802

(\*) Foreign Currency indexed credits are shown in TL column.

(\*\*) Risk amounts after conversion rate to credit are given before credit risk mitigation.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Risk profile by Sectors or Counterparties: (continued)

Exposure Categories (**)																				
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional receivables from administrative units and non-commercial enterprises	Conditional and unconditional exposures to multilateral development banks	Conditional and unconditional exposures to international organizations	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional retail exposures	Conditional and unconditional exposures secured by real estate property	Past due items	Receivables in regulatory high-risk categories	Exposures in the form of bonds secured by mortgages	Securitization Positions	Short term exposures to banks, brokerage houses and corporates	Exposures in the form of collective investment undertakings	Others	Investments in equities	TL (*)	FC	Total
Prior Period																				
Agriculture	-	-	-	-	-	-	1,160,458	1,538,499	367,189	19,748	87,665	-	-	-	-	-	-	2,653,010	520,549	3,173,559
Farming and Stockbreeding	-	-	-	-	-	-	652,442	1,505,179	365,653	19,503	87,665	-	-	-	-	-	-	2,546,532	83,910	2,630,442
Forestry	-	-	-	-	-	-	69,698	18,237	-	-	-	-	-	-	-	-	-	87,920	15	87,935
Fishery	-	-	-	-	-	-	438,318	15,083	1,536	245	-	-	-	-	-	-	-	18,558	436,624	455,182
Manufacturing	-	-	-	-	-	-	59,885,474	12,230,858	3,232,091	75,252	21,427,906	-	-	-	-	44	-	62,946,212	33,905,413	96,851,625
Mining and Quarrying	-	-	-	-	-	-	2,987,039	598,002	91,015	2,389	15,414	-	-	-	-	-	-	2,002,059	1,691,800	3,693,859
Production	-	-	-	-	-	-	54,588,162	11,577,316	2,748,581	70,502	19,880,517	-	-	-	-	44	-	57,798,159	31,066,963	88,865,122
Electricity, Gas and Water	-	-	-	-	-	-	2,310,273	55,540	392,495	2,361	1,531,975	-	-	-	-	-	-	3,145,994	1,146,650	4,292,644
Construction	-	-	-	-	-	-	6,398,192	1,411,418	407,283	44,205	83,016	-	-	-	-	-	-	3,535,555	4,808,559	8,344,114
Services	1,753,945	188,950	-	-	-	7,706,471	30,581,840	13,659,018	4,238,059	141,922	14,157,675	-	-	-	-	7,142,119	392,621	56,180,308	23,782,312	79,962,620
Wholesale and Retail Trade	-	10,265	-	-	-	-	12,435,413	7,334,910	1,384,596	46,171	2,711,900	-	-	-	-	74	2,785	20,194,808	3,731,306	23,926,114
Accommodation and Dining	-	-	-	-	-	-	424,916	823,359	570,704	43,811	31,448	-	-	-	-	-	-	1,257,395	636,843	1,894,238
Transportation and Telecom.	-	-	-	-	-	-	5,520,348	2,823,787	1,121,491	14,352	1,088,176	-	-	-	-	9	-	6,211,982	4,356,181	10,568,163
Financial Institutions	1,753,945	-	-	-	-	7,706,471	4,877,076	236,255	122,146	136	6,210	-	-	-	-	7,141,752	389,836	12,714,312	9,519,515	22,233,827
Real Estate and Rental Services	-	-	-	-	-	-	5,371,744	1,369,143	829,579	28,976	350,675	-	-	-	-	90	-	3,300,969	4,649,238	7,950,207
Self-Employment Services	-	-	-	-	-	-	1,649,930	893,423	205,190	8,369	1,248,629	-	-	-	-	-	-	3,121,965	883,576	4,005,541
Educational Services	-	-	-	-	-	-	19,748	87,935	4,353	90	32,297	-	-	-	-	173	-	138,943	5,653	144,596
Health and Social Services	-	178,685	-	-	-	-	282,665	90,206	-	17	8,688,340	-	-	-	-	21	-	9,239,934	-	9,239,934
Other	-	-	-	-	-	-	2,886,949	25,751,443	460,209	171,268	42,272,136	-	-	-	-	841,124	-	72,013,432	369,697	72,383,129
Total	1,753,945	188,950	-	-	-	7,706,471	100,912,913	54,591,236	8,704,831	452,395	78,028,398	-	-	-	-	7,983,287	392,621	197,328,517	63,386,530	260,715,047

(\*) Foreign Currency indexed credits are shown in TL column.

(\*\*) Risk amounts after conversion rate to credit are given before credit risk mitigation.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Analysis of Maturity-Bearing Exposures According to Remaining Maturities:

Current Period	Term to Maturity				
Exposure Categories	1 Month	1-3 Months	3-6 Months	6-12 Months	Over 1 Year
Conditional and unconditional exposures to central governments or central banks	2,373,616	-	-	-	-
Conditional and unconditional exposures to regional governments or local authorities	599	9,397	15,405	457,692	3,836,906
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-
Conditional and unconditional exposures to multilateral development banks	-	-	-	-	-
Conditional and unconditional exposures to international organizations	-	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	3,521,286	607,424	321,044	486,284	2,075,127
Conditional and unconditional exposures to corporates	19,994,583	25,035,107	27,573,480	42,761,531	38,647,933
Conditional and unconditional retail exposures	38,970,065	4,322,961	8,679,416	27,865,563	20,895,288
Conditional and unconditional exposures secured by real estate property	567,384	417,932	901,887	2,357,803	5,389,768
Past due receivables	-	-	-	-	-
Receivables defined in high-risk category by BRSA	3,433,849	42,397	138,412	215,650	615,472
Exposures in the form of bonds secured by mortgages	-	-	-	-	-
Securitization Positions	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporate	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-
Other receivables	874,324	3,569	12,886	-	1,855
Investments in equities	603,580	-	-	38,816	-
<b>Total</b>	<b>70,339,286</b>	<b>30,438,787</b>	<b>37,642,530</b>	<b>74,183,339</b>	<b>71,462,349</b>

Prior Period	Term to Maturity				
Exposure classifications	1 Month	1-3 Months	3-6 Months	6-12 Months	Over 1 Year
Conditional and unconditional exposures to central governments or central banks	1,753,945	-	-	-	-
Conditional and unconditional exposures to regional governments or local authorities	1,198	6,223	5,654	31,100	143,120
Conditional and unconditional receivables from administrative units and non-commercial enterprises	-	-	-	-	-
Conditional and unconditional exposures to multilateral development banks	-	-	-	-	-
Conditional and unconditional exposures to international organizations	-	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	693,641	120,606	75,930	544,690	3,184,661
Conditional and unconditional exposures to corporates	9,539,304	19,512,144	3,921,993	27,287,035	14,139,097
Conditional and unconditional retail exposures	21,826,629	3,342,642	6,222,073	8,044,488	8,646,889
Conditional and unconditional exposures secured by real estate property	384,927	669,624	1,038,145	1,979,825	3,612,718
Past due receivables	-	-	-	-	-
Receivables defined in high-risk category by BRSA	1,908,442	6,826,609	7,066,964	24,525,160	37,701,224
Exposures in the form of bonds secured by mortgages	-	-	-	-	-
Securitization Positions	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-
Other receivables	531,622	3,836	10,424	-	5,355
Investments in equities	353,807	-	-	-	38,816
<b>Total</b>	<b>36,993,515</b>	<b>30,481,684</b>	<b>18,341,183</b>	<b>62,412,298</b>	<b>67,471,880</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Information About the Risk Exposure Categories:

The credit rating of Fitch Ratings International Rating Agency is used for all receivables from the central governments or central banks which are included in the risk classes indicated in Article 6 of the Communiqué on Measurement and Assessment of Capital Adequacy of the Bank, and the country risk classification announced by The Organization for Economic Co-operation and Development (OECD) is used for receivables from banks and intermediary agencies. 20% risk weight is used for receivables from non-rated banks and intermediary agencies with a maturity period of 3 months or less, and 50% risk weight is used for receivables with a maturity period of more than 3 months, and the risk weight used for all receivables is not lower than the risk concentration corresponding to the OECD credit quality level of the country where the non-rated banks and intermediary agencies are founded.

Risk ratings per the credit quality levels and the risk weights according to exposure categories announced by Fitch Ratings International Rating Agency and Organization for Economic Co-operation and Development (OECD)'s are presented below:

Credit Quality Level	Fitch Ratings Long-Term Credit Rating	Risk Weight of Receivables from Central Government or Central Banks	Receivables from Banks and Brokerage Houses		Corporate Receivables(*)
			DTM less than 3 months	DTM higher than 3 months	
0	-		20%	50%	100%
1	AAA to AA-	0%	20%	50%	100%
2	A+ to A-	20%	20%	50%	100%
3	BBB+ to BBB-	50%	50%	50%	100%
4	BB+ to BB-	100%	100%	100%	100%
5	B+ to B-	100%	100%	100%	100%
6	CCC+ and below	150%	100%	100%	100%
7	-		150%	150%	100%

(\*) In accordance with the Board Decisions numbered 10265 dated 7 July 2022, 500% risk weights are applied to Corporate Receivables.

#### Exposures by risk weights:

##### Current Period

Risk Weights	0%	2%	10%	20%	25%	35%	50%	75%	100%	150%	250%	500%	Deductions from Equity
Exposures before													
Credit Risk Mitigation	200,171,586	4,716,947	-	24,074,685	-	10,875,674	39,719,240	151,224,000	212,546,732	2,303,917	-	324,062	2,143,076
Exposures after													
Credit Risk Mitigation	202,780,575	4,716,947	-	23,888,582	-	10,853,315	39,731,577	148,026,246	208,156,590	2,309,991	-	324,062	2,143,076

##### Prior Period

Risk Weights	0%	10%	20%	25%	35%	50%	75%	100%	150%	200%	250%	500%	Deductions from Equity
Exposures before													
Credit Risk Mitigation	133,729,803	-	6,298,163	-	5,284,263	18,356,420	64,488,211	116,222,983	27,220,272	17,569,671	-	428,105	1,345,204
Exposures after													
Credit Risk Mitigation	134,449,806	-	6,596,828	-	5,284,263	19,232,540	62,596,589	113,367,065	27,228,662	17,569,671	-	428,105	1,345,204

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Information in Terms of Major Sectors and Type of Counterparties:

Current Period	Credits		Provisions
	Impaired Receivables (TFRS 9)		Expected Credit Loss Provision (TFRS 9)
	Significant Increase in Credit Risk (Stage II)	Credit-Impaired Losses (Stage III)	
Major Sectors / Counterparties			
Agriculture	889,268	64,573	67,829
Farming and Stockbreeding	889,050	61,261	64,715
Forestry	-	1,243	1,099
Fishery	218	2,069	2,015
Manufacturing	3,326,038	642,120	857,045
Mining and Quarrying	286,367	340	6,098
Production	3,031,851	572,124	816,871
Electricity, Gas and Water	7,820	69,656	34,076
Services	5,654,022	1,000,792	1,203,466
Wholesale and Retail Trade	2,258,800	592,238	565,279
Accommodation and Dining	669,332	82,308	112,766
Transportation and Telecom.	655,358	38,067	42,700
Financial Institutions	313,896	1,131	272,672
Real Estate and Rental Services	801,861	173,292	108,984
Self Employed Services	241,176	29,346	29,183
Educational Services	16,678	31,251	24,999
Health and Social Services	696,921	53,159	46,883
Other	16,365,829	2,624,454	3,259,582
<b>Total</b>	<b>26,235,157</b>	<b>4,331,939</b>	<b>5,387,922</b>

  

Prior Period	Credits		Provisions
	Impaired Receivables (TFRS 9)		Expected Credit Loss Provision (TFRS 9)
	Significant Increase in Credit Risk (Stage II)	Credit-Impaired Losses (Stage III)	
Major Sectors / Counterparties			
Agriculture	236,546	62,244	44,741
Farming and Stockbreeding	236,524	59,195	42,190
Forestry	-	750	666
Fishery	22	2,299	1,885
Manufacturing	3,163,555	227,563	624,715
Mining and Quarrying	297,157	5,115	8,598
Production	2,864,782	215,579	611,802
Electricity, Gas and Water	1,616	6,869	4,315
Services	3,003,158	790,362	1,170,647
Wholesale and Retail Trade	915,354	382,255	303,664
Accommodation and Dining	1,008,457	98,946	375,746
Transportation and Telecom.	272,364	21,580	26,364
Financial Institutions	409,763	1,556	248,087
Real Estate and Rental Services	318,001	241,178	181,861
Self Employed Services	60,608	29,045	20,765
Educational Services	2,530	2,458	2,404
Health and Social Services	16,081	13,344	11,756
Other	8,894,500	1,156,988	4,237,296
<b>Total</b>	<b>15,297,759</b>	<b>2,237,157</b>	<b>6,077,399</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations Related to Consolidated Credit Risk (continued)

#### Information about Value Adjustment and Change in Provisions

	31.12.2023 Balance	Provision for Period	Provision Reversals	Written off from Asset	Other Adjustments (*)	31.12.2024 Balance
Default (Stage III)	1,741,062	2,726,180	212,852	(1,234,026)	32,613	3,478,681
Expected Credit Loss (Stage I-II)	6,036,175	6,051,609	(8,164,907)	-	304,737	4,227,614

(\*) Determined according to currency differences, business merger, acquisition, and disposition of affiliate company.

	31.12.2022 Balance	Provision for the Period	Provision Reversal	Written off from Asset	Other Adjustments (*)	31.12.2023 Balance
Default (Stage III)	2,031,948	677,682	(372,584)	(627,391)	31,407	1,741,062
Expected Credit Loss (Stage I-II)	3,761,613	4,211,906	(2,881,196)	-	943,852	6,036,175

(\*) Determined according to currency differences, business merger, acquisition, and disposition of affiliate company.

### III. Risks Involved in Counter-Cyclical Capital Buffer Calculation

#### Current Period

Countries where the risk ultimately taken	Private sector loans in banking accounts	Risk weighted amounts calculated in trading accounts	Total
Turkey	334,025,371	2,880,894	336,906,265
Switzerland	1,829,761	-	1,829,761
TRNC	1,311,095	-	1,311,095
Sweden	470,233	-	470,233
Belgium	357,590	-	357,590
Denmark	315,454	-	315,454
Romania	311,089	-	311,089
France	280,363	-	280,363
Germany	239,507	-	239,507
Greece	203,552	-	203,552
Poland	198,808	-	198,808
Other	597,784	-	597,784
	<b>340,140,607</b>	<b>2,880,894</b>	<b>343,021,501</b>

#### Prior Period

Countries where the risk ultimately taken	Private sector loans in banking accounts	Risk weighted amounts calculated in trading accounts	Total
Turkey	241,547,144	1,908,950	243,456,094
Switzerland	1,030,309	-	1,030,309
TRNC	886,361	-	886,361
Denmark	364,984	-	364,984
Sweden	288,703	-	288,703
Poland	159,316	-	159,316
Italy	149,771	-	149,771
Germany	108,187	-	108,187
Romania	88,488	-	88,488
France	84,834	-	84,834
Spain	69,554	-	69,554
Other	235,639	-	235,639
	<b>245,013,290</b>	<b>1,908,950</b>	<b>246,922,240</b>



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### IV. Explanations Related to Consolidated Currency Risk

Foreign currency risk indicates the probability of loss that the Group 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 Group are taken into consideration and risk is calculated by using the standard method.

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

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

Asset Liability Management and Treasury Department of the Parent 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 Parent Bank's Asset-Liability Committee on a weekly basis.

As of 31 December 2024, the Group's balance sheet short position is TL 15,637,239 (31 December 2023: TL 16,173,019 short position) off-balance sheet long position is TL 13,466,539 (31 December 2023: TL 19,027,263 long position) and as a result net foreign currency short position is TL 2,170,700 (31 December 2023: net TL 2,854,244 long position).

The announced current foreign exchange buying rates of the Parent Bank at 31 December 2024 and the previous five working days in full TL are as follows:

	24.12.2024	25.12.2024	26.12.2024	27.12.2024	30.12.2024	31.12.2024
USD	34.6222	34.6919	34.5960	34.5545	34.7233	34.7271
EURO	36.0002	36.1143	35.9798	36.0508	36.1158	36.0710

The simple arithmetic averages of the major current foreign exchange buying rates of the Parent Bank for the thirty days before 31 December 2024 are as follows:

	Monthly Average Foreign Buying Rate
USD	34.3713
EURO	36.0183

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

The Parent Bank is exposed to foreign currency risk in large amounts in EURO and USD.

The table below shows the Parent Bank's sensitivity to a 10% change in USD and EURO rates. The rate of 10% used is the rate used to report the currency risk to the senior management within the Parent Bank, and this rate represents the possible change expected by the management in exchange rates. 10% depreciation of USD and EURO against TL affects profit and equity amounts positively in the case of a short position and negatively in the case of a long position.

Change in FX Rate (%)		Effect on Profit / Loss	Effect on Equity (*)
		31 December 2024	31 December 2024
USD	10 increase	77,277	(10,999)
USD	10 decrease	(77,277)	10,999
EURO	10 increase	4,900	1,526
EURO	10 decrease	(4,900)	(1,526)
Change in FX Rate (%)		Effect on Profit / Loss	Effect on Equity (*)
		31 December 2023	31 December 2023
USD	10 increase	176,643	(364)
USD	10 decrease	(176,643)	364
EURO	10 increase	1,471	7,889
EURO	10 decrease	(1,471)	(7,889)

(\*) The effect on equity does not include the effect of the change in exchange rates on the income statement.

The sensitivity of the Parent Bank to the changes in the exchange rates did not change significantly in the current period. Opening or closing positions in line with market expectations may increase the sensitivity to changes in the period's exchange rates.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### IV. Explanations Related to Consolidated Currency Risk (continued)

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

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>	24,615,243	23,148,592	6,141,962	53,905,797
Banks <sup>(2)</sup>	2,709,237	4,219,939	8,635,515	15,564,691
Financial Assets at Fair Value Through Profit or Loss				
Money Market Placements	34,449	928,624	-	963,073
Para Piyasalarından Alacaklar	-	-	-	-
Financial Assets at Fair Value through Other Comprehensive Income	42,803	14,241,110	27,706	14,311,619
Loans <sup>(3)</sup>	70,657,764	29,515,796	5,082,531	105,256,091
Subsidiaries, Associates and Entities Under Common Control	-	-	-	-
Financial Assets Measured at Amortized Cost <sup>(4)</sup>	4,904,168	2,729,456	-	7,633,624
Derivative Financial Assets for Hedging Purposes <sup>(5)</sup>	37,273	13,973	-	51,246
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets <sup>(6)</sup>	5,640,068	940,071	109,312	6,689,451
<b>Total Assets</b>	<b>108,641,005</b>	<b>75,737,561</b>	<b>19,997,026</b>	<b>204,375,592</b>
<b>Liabilities</b>				
Bank Deposits	212,465	1,894,288	27,649	2,134,402
Foreign Currency Deposits <sup>(7)</sup>	38,142,764	43,310,999	22,420,778	103,874,541
Money Market Funds	17,828,276	33,108,117	-	50,936,393
Funds Provided from Other Financial Institutions	22,398,547	36,703,528	4,427	59,106,502
Securities Issued	-	-	-	-
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-
Other Liabilities <sup>(8)</sup>	2,271,446	1,558,673	130,874	3,960,993
<b>Total Liabilities</b>	<b>80,853,498</b>	<b>116,575,605</b>	<b>22,583,728</b>	<b>220,012,831</b>
<b>Net Balance Sheet Position</b>	<b>27,787,507</b>	<b>(40,838,044)</b>	<b>(2,586,702)</b>	<b>(15,637,239)</b>
<b>Net Off-Balance Sheet Position <sup>(11)</sup></b>	<b>(27,700,932)</b>	<b>38,864,727</b>	<b>2,302,744</b>	<b>13,466,539</b>
Financial Derivative Assets <sup>(9)</sup>	53,308,291	133,703,987	5,463,722	192,476,000
Financial Derivative Liabilities <sup>(9)</sup>	81,009,223	94,839,260	3,160,978	179,009,461
Non-Cash Loans <sup>(10)</sup>	25,424,123	30,547,551	10,527,545	66,499,219
<b>Prior Period</b>				
Total Assets	86,603,913	52,323,767	11,845,254	150,772,934
Total Liabilities	72,071,480	76,767,238	18,107,235	166,945,953
Net Balance Sheet Position	14,532,433	(24,443,471)	(6,261,981)	(16,173,019)
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 10,679 (31 December 2023: TL 11,729). The item in question includes a precious metal account in the amount of 5,619,533 TL (31 December 2023: 4,180,416 TL).

(2) The banks include TL 36,997 of expected credit loss provisions (31 December 2023: TL 39,955).

(3) Foreign currency indexed loans amounting to TL 15,635 (31 December 2023: TL 47,557) are included in the loan portfolio. Also, it includes TL 705,282 (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 1,596 (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 1,222,538 (31 December 2023: TL 574,412) income accruals from derivative financial instruments are deducted from other assets. The "Other Assets" row includes factoring receivables amounting to TL 5,585,595 and an expected credit loss provision for factoring receivables amounting to TL 102.

(7) Precious metal accounts amounting to TL 16,152,984 (31 December 2023: TL 12,519,232) are included in the foreign currency deposits. Additionally, the foreign exchange converted deposit rediscount effect is 52,792 TL.

(8) TL 803,934 (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 18,422,149 (31 December 2023: TL 4,655,233) are added to derivative financial assets and TL 12,224,777 (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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### V. Explanations Related to Consolidated Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Parent 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 Group.

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

The Group 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>	10,513,846	-	-	-	-	110,234,148	120,747,994
Banks <sup>(3)</sup>	14,360,515	24,000	-	-	-	9,164,875	23,549,390
Financial Assets at Fair Value Through Profit or Loss	579,693	229,765	370,141	1,968,542	358,079	662,967	4,169,187
Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	3,604,191	551,375	1,422,119	26,942,514	2,795,264	101,941	35,417,404
Loans <sup>(4)</sup>	17,879,679	42,819,407	116,747,174	154,413,487	1,563,714	(2,155,795)	331,267,666
Financial Assets Measured at Amortized Cost <sup>(5)</sup>	9,043,020	19,418,356	5,909,871	9,268,050	18,297,720	(11,957)	61,925,060
Other Assets	7,545,649	6,594,960	2,391,054	1,146,565	353,599	40,675,374	58,707,201
<b>Total Assets</b>	<b>63,526,593</b>	<b>69,637,863</b>	<b>126,840,359</b>	<b>193,739,158</b>	<b>23,368,376</b>	<b>158,671,553</b>	<b>635,783,902</b>
<b>Liabilities</b>							
Bank Deposits	5,271,155	-	-	-	-	767,742	6,038,897
Other Deposits	234,506,113	30,826,699	6,997,431	361	-	127,114,105	399,444,709
Money Market Funds	57,910,838	-	-	5,462,107	-	-	63,372,945
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	311,607	-	1,351,074	-	-	-	1,662,681
Funds Provided from Other Financial	9,486,535	7,146,929	24,931,353	4,505,700	25,039,846	-	71,110,363
Other Liabilities	135,964	19,766	354,968	962,808	457,285	92,223,516	94,154,307
<b>Total Liabilities</b>	<b>307,622,212</b>	<b>37,993,394</b>	<b>33,634,826</b>	<b>10,930,976</b>	<b>25,497,131</b>	<b>220,105,363</b>	<b>635,783,902</b>
<b>Balance Sheet Long Position</b>	-	31,644,469	93,205,533	182,808,182	-	-	307,658,184
<b>Balance Sheet Short Position</b>	(244,095,619)	-	-	-	(2,128,755)	(61,433,810)	(307,658,184)
<b>Off-Balance Sheet Long Position</b>	22,271	-	35,979	-	-	-	58,250
<b>Off-Balance Sheet Short Position</b>	-	-	-	(11,279)	-	-	(11,279)
<b>Total Position</b>	<b>(244,073,348)</b>	<b>31,644,469</b>	<b>93,241,512</b>	<b>182,796,903</b>	<b>(2,128,755)</b>	<b>(61,433,810)</b>	<b>46,971</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 24,178.

(3) Banks include balance of expected loss provisions amounting to TL 47,572.

(4) The revolving loans amounting to TL 44,743,943 are presented under the "Up to 1 Month" column. It includes an expected credit loss provision balance of 6,487,734 TL.

(5) Financial assets at amortized cost include balance of expected loss provisions of TL 11,957.

(6) Includes factoring receivables amounting to TL 16,412,974 and an expected credit loss provision for factoring receivables amounting to TL 216,281.

Other assets line in the non-interest-bearing column includes tangible assets amounting to TL 3,148,536, intangible assets amounting to TL 2,014,057, assets held for sale amounting to TL 32,289, subsidiaries amounting to TL 50 and non-financial jointly controlled entities under common control joint venture amounting to TL 5 and other liabilities line includes shareholders' equity amounting to TL 47,766,491.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### V. Explanations Related to Consolidated 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 Non-interest 5 Years	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	-	-	-	-	87,307,467	104,591,152
Banks <sup>(3)</sup>	3,926,206	-	-	-	-	3,702,131	7,628,337
Financial Assets at Fair Value Through Profit							
or Loss	124,611	4,538	134,884	293,163	148,506	424,106	1,129,808
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	801,705	3,466,575	-	82,335	7,826,338
Loans <sup>(5)</sup>	37,680,341	34,153,764	84,519,828	53,519,694	1,118,859	(4,529,310)	206,463,176
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	4,623,672	5,294,354	1,417,704	967,730	248,749	19,877,813	32,430,022
<b>Total Assets</b>	<b>85,422,426</b>	<b>52,991,097</b>	<b>93,878,097</b>	<b>70,377,768</b>	<b>12,070,100</b>	<b>106,852,654</b>	<b>421,592,142</b>
<b>Liabilities</b>							
Bank Deposits	2,248,143	-	-	-	-	329,106	2,577,249
Other Deposits	136,787,754	25,173,681	14,920,246	54,965	-	105,053,306	281,989,952
Money Market Funds	21,702,893	6,797,303	-	-	-	-	28,500,196
Miscellaneous Payables	-	593,928	918,013	-	-	-	1,511,941
Securities Issued	-	593,928	918,013	-	-	-	1,511,941
Funds Provided from Other Financial	9,427,209	15,216,401	9,493,014	7,095,456	-	-	41,232,080
Other Liabilities	12,777	72,552	202,499	900,067	155,868	64,436,961	65,780,724
<b>Total Liabilities</b>	<b>170,178,776</b>	<b>47,853,865</b>	<b>25,533,772</b>	<b>8,050,488</b>	<b>155,868</b>	<b>169,819,373</b>	<b>421,592,142</b>
Balance Sheet Long Position	-	5,137,232	68,344,325	62,327,280	11,914,232	-	147,723,069
Balance Sheet Short Position	(84,756,350)	-	-	-	-	(62,966,719)	(147,723,069)
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>(83,138,365)</b>	<b>5,700,395</b>	<b>68,482,206</b>	<b>60,423,780</b>	<b>11,914,232</b>	<b>(62,966,719)</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 6,766,467.

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

(7) Includes factoring receivables amounting to TL 10,102,832 and an expected credit loss provision for factoring receivables amounting to TL 125,884.

Other assets line in the non-interest bearing column includes tangible assets amounting to TL 1,980,316, intangible assets amounting to TL 1,304,219, assets held for sale amounting to TL 82,060, subsidiaries amounting to TL 50 and non-financial jointly controlled entities under common control joint venture amounting to TL 5 and other liabilities line includes shareholders' equity amounting to TL 37,284,416.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### V. Explanations Related to Consolidated Interest Rate Risk (continued)

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

	EURO %	USD %	YEN %	TL %
<i>Current Period</i>				
<i>Assets</i>				
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye	-	-	-	47.49
Banks	-	4.28	-	47.76
Financial Assets at Fair Value Through Profit or Loss	4.45	3.24	-	16.87
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	5.92	-	37.95
Loans <sup>(*)</sup>	6.23	7.14	3.83	50.36
Financial Assets Measured at Amortized Cost	2.68	4.81	-	25.87
<i>Liabilities</i>				
Bank Deposits	-	5.30	-	33.17
Other Deposits	1.45	1.80	-	46.48
Money Market Funds	3.72	4.21	-	48.65
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	49.62
Funds Provided from Other Financial Institutions	4.78	8.29	-	50.13

(\*) Includes factoring receivables.

	EURO %	USD %	YEN %	TL %
<i>Prior Period</i>				
<i>Assets</i>				
Cash Balances (Cash, Effective Deposit, Money in Transit, Cheques Purchased) and the Central Bank of Türkiye	-	-	-	42.10
Banks	-	-	-	42.27
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 <sup>(*)</sup>	6.97	8.82	5.73	41.48
Financial Assets Measured at Amortized Cost	3.14	5.18	-	28.17
<i>Liabilities</i>				
Bank Deposits	3.30	-	-	28.14
Other Deposits	3.08	3.21	-	37.94
Money Market Funds	4.78	7.00	-	42.47
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	42.66
Funds Provided from Other Financial Institutions	7.85	9.45	-	39.32

(\*) Includes factoring receivables.

#### Interest rate risk arising from banking accounts:

- a) Significant assumptions and frequency of measurement of interest rate risk, including the nature of interest rate risk arising from banking accounts and those related to the movement of deposits other than loan early repayments and time deposits:

Interest rate risk arising from banking accounts is monitored through different scenarios, and the interest risk exposed by presenting the results to the relevant committees is evaluated from different perspectives. There is a limit determined by the Board of Directors regarding the risk amount. It is taken care to ensure a certain harmony between assets and liabilities on the basis of currency, taking into account the market expectations of the bank.

Early repayment rates of loans were determined by examining the historic reaction of housing loans to interest movements in the previous periods. By analysing the movements of demand deposits on the basis of branches and accounts, it has been determined the duration of demand deposits that remain in the Parent Bank on account basis. Assumptions accepted in parallel with the results reached are reflected in the above-mentioned products in interest rate sensitivity calculations.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### V. Explanations Related to Consolidated Interest Rate Risk (continued)

#### Interest rate risk arising from banking accounts: (continued)

- a) Economic value differences arising from fluctuations in interest rates in accordance with the “Regulation on Measurement and Evaluation of Interest Rate Risk Arising from Banking Accounts by Standard Shock Method:

Currency	Shock Applied (+/- x basis point)	Gains/ (Losses)	Gains /Equity– (Losses)/ Equity
TL	(400)	5,040,307	6.81%
TL	500	(5,469,721)	(7.39)%
EURO	(200)	165,250	0.22%
EURO	200	(152,946)	(0.21)%
USD	(200)	(780,871)	(1.06)%
USD	200	704,415	0.95%
<b>Total (Of negative shocks)</b>		<b>4,424,686</b>	<b>5.98%</b>
<b>Total (Of positive shocks)</b>		<b>(4,918,252)</b>	<b>(6.65)%</b>

### VI. Explanations Related to Share Certificate Position Risk from Consolidated Banking Book

Equity securities which are not publicly traded in the Parent 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 Parent Bank has no shares traded on Borsa Istanbul.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

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

**VII. Explanations Related to Consolidated Liquidity Risk Management and Liquidity Coverage Ratio**

- a) Information on liquidity risk management, such as the Parent Bank's risk capacity, responsibilities and the structure of liquidity risk management, Parent 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 Parent 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 Parent 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 Parent Bank and its partnerships:

The Asset-Liability Management and the Treasury Group manage the Parent 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 Parent Bank tries to diversify its funding resources, it also tries to extend its payment terms. Customer deposits are the Parent 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 Parent 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 CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 DECEMBER 2024**

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

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

e) Information on liquidity risk mitigation techniques:

The Parent Bank's main liquidity management strategy is to diversify funding resources and extend the maturity structure. The Parent 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 Parent 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 parent 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 Parent 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### VII. Explanations Related to Consolidated 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 – 31 December 2024	TL+FC	FC	TL+FC	FC
<b>High Quality Liquid Assets</b>				
High Quality Liquid Assets			130,340,993	56,175,142
<b>Cash Outflows</b>				
Real person and retail deposits	272,111,035	68,794,098	22,946,583	6,879,410
Stable deposits	85,290,410	-	4,264,520	-
Less stable deposits	186,820,625	68,794,098	18,682,063	6,879,410
Unsecured debts other than real person and retail deposits	132,306,076	47,029,433	77,866,982	23,136,432
Operational deposits	6,886,909	1,922,183	1,721,727	480,546
Non-operational deposits	104,154,342	39,373,431	57,378,997	17,057,782
Other unsecured funding	21,264,825	5,733,819	18,766,258	5,598,104
Secured funding			264,940	-
Other cash outflows	902,196	22,210,929	902,196	22,210,929
Outflows related to derivative exposures	902,196	22,210,929	902,196	22,210,929
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	237,115,893	57,960,104	17,985,271	6,420,830
<b>Total Cash Outflows</b>			<b>119,965,972</b>	<b>58,647,601</b>
<b>Cash Inflows</b>				
Secured Receivables	-	-	-	-
Unsecured Receivables	56,835,132	20,714,905	36,092,578	16,940,916
Other Cash Inflows	3,045,324	10,766,373	3,045,324	10,766,373
<b>Total Cash Inflows</b>	<b>59,880,456</b>	<b>31,481,278</b>	<b>39,137,902</b>	<b>27,707,289</b>
			<b>Upper Limit Applied Values</b>	
<b>Total High Quality Liquid Assets Inventory</b>			<b>130,340,993</b>	<b>56,175,142</b>
<b>Total Net Cash Outflows</b>			<b>80,828,070</b>	<b>30,940,312</b>
<b>Liquidity Coverage Ratio (%)</b>			<b>161.26</b>	<b>181.56</b>

(\*) Simple arithmetic average of the last three months data calculated by using monthly 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			110,385,215	53,236,655
<b>Cash Outflows</b>				
Real person and retail deposits	195,833,555	66,529,998	17,445,596	6,653,000
Stable deposits	42,789,434	-	2,141,184	-
Less stable deposits	153,044,121	66,529,998	15,304,412	6,653,000
Unsecured debts other than real person and retail deposits	81,562,845	35,843,138	48,293,873	18,416,641
Operational deposits	4,219,588	785,579	1,054,897	196,396
Non-operational deposits	62,352,452	29,526,905	34,109,234	12,850,731
Other unsecured funding	14,990,805	5,530,654	13,129,742	5,369,514
Secured funding			629,524	-
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	132,099,186	52,408,416	11,628,544	6,097,801
<b>Total Cash Outflows</b>			<b>79,778,505</b>	<b>37,066,435</b>
<b>Cash Inflows</b>				
Secured Receivables	-	-	-	-
Unsecured Receivables	43,874,357	13,912,519	33,590,104	11,749,973
Other Cash Inflows	1,803	14,137,293	1,803	14,137,294
<b>Total Cash Inflows</b>	<b>43,876,160</b>	<b>28,049,812</b>	<b>33,591,907</b>	<b>25,887,267</b>
			<b>Upper Limit Applied Values</b>	
<b>Total High Quality Liquid Assets Inventory</b>			<b>110,385,215</b>	<b>53,236,655</b>
<b>Total Net Cash Outflows</b>			<b>46,186,598</b>	<b>11,179,168</b>
<b>Liquidity Coverage Ratio (%)</b>			<b>239.00</b>	<b>476.21</b>

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### VII. Explanations Related to Consolidated 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 Parent 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.

Consolidated Liquidity Coverage Ratio for the last three months are presented below:

	Current Period	
	TL+FC	FC
October 2024	168.52%	210.01%
November 2024	153.11%	160.47%
December 2024	165.22%	196.46%
	Prior Period	
	TL+FC	FC
October 2023	270.29%	496.37%
November 2023	237.44%	495.24%
December 2023	224.19%	350.76%

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## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### VII. Explanations Related to Consolidated 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>	43,666,677	77,105,495	-	-	-	-	(24,178)	120,747,994
Banks <sup>(3)</sup>	12,056,896	11,516,066	24,000	-	-	-	(47,572)	23,549,390
Financial Assets at Fair Value Through Profit and Loss	-	530,604	6,310	33,736	2,395,419	540,150	662,968	4,169,187
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	101,941	70,409	-	1,422,119	30,647,668	3,175,267	-	35,417,404
Loans Given <sup>(4)</sup>	-	17,348,507	42,827,714	116,848,377	154,835,149	1,563,714	(2,155,795)	331,267,666
Financial Assets Measured at Amortized Cost <sup>(5)</sup>	-	308,320	4,905,227	5,289,737	17,331,355	34,102,378	(11,957)	61,925,060
Other Assets <sup>(6)</sup>	-	19,276,704	7,280,861	3,173,363	1,343,643	353,600	27,279,030	58,707,201
<b>Total Assets</b>	<b>55,825,514</b>	<b>126,156,105</b>	<b>55,044,112</b>	<b>126,767,332</b>	<b>206,553,234</b>	<b>39,735,109</b>	<b>25,702,496</b>	<b>635,783,902</b>
<b>Liabilities</b>								
Bank Deposits	767,742	5,271,155	-	-	-	-	-	6,038,897
Other Deposit	127,114,105	234,506,113	30,826,699	6,997,431	361	-	-	399,444,709
Funds Provided from Other Financial Institutions	-	9,372,530	6,817,450	21,329,917	4,908,134	28,682,332	-	71,110,363
Money Market Funds	-	57,910,838	-	-	5,462,107	-	-	63,372,945
Securities Issued	-	311,607	-	1,351,074	-	-	-	1,662,681
Other Liabilities	1,487,648	34,602,993	1,192,604	1,808,800	2,533,935	869,689	51,658,638	94,154,307
<b>Total Liabilities</b>	<b>129,369,495</b>	<b>341,975,236</b>	<b>38,836,753</b>	<b>31,487,222</b>	<b>12,904,537</b>	<b>29,552,021</b>	<b>51,658,638</b>	<b>635,783,902</b>
<b>Liquidity Gap</b>	<b>(73,543,981)</b>	<b>(215,819,131)</b>	<b>16,207,359</b>	<b>95,280,110</b>	<b>193,648,697</b>	<b>10,183,088</b>	<b>(25,956,142)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>1,454,947</b>	<b>877,035</b>	<b>2,065,376</b>	<b>(431,035)</b>	<b>-</b>	<b>-</b>	<b>3,966,323</b>
Financial Derivative Assets	-	101,796,222	50,185,100	75,845,891	67,946,552	17,337,415	-	313,111,180
Financial Derivative Liabilities	-	100,341,275	49,308,065	73,780,515	68,377,587	17,337,415	-	309,144,857
Non-Cash Loans	18,432,655	5,383,012	16,167,040	40,792,709	21,860,658	-	-	102,636,074
<b>Prior Period</b>								
Total Assets	38,208,345	132,237,368	42,419,634	91,796,566	84,167,159	23,354,201	9,408,869	421,592,142
Total Liabilities	106,525,419	185,109,023	38,164,812	34,499,995	9,201,545	5,763,643	42,327,705	421,592,142
<b>Liquidity Gap</b>	<b>(68,317,074)</b>	<b>(52,871,655)</b>	<b>4,254,822</b>	<b>57,296,571</b>	<b>74,965,614</b>	<b>17,590,558</b>	<b>(32,918,836)</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	16,917,135	6,595,718	12,268,123	25,401,747	20,741,431	-	-	81,924,154

<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 24,178.

<sup>(3)</sup> Banks include TL balance of expected loss provisions amounting to TL 47,572.

<sup>(4)</sup> The revolving loans amounting to TL 44,743,943 are presented under the "Up to 1 Month" column. It includes expected loss provisions amounting to TL 6,487,734.

<sup>(5)</sup> Financial assets at amortized cost includes expected credit loss amounting to TL 11,957.

<sup>(6)</sup> Includes factoring receivables amounting to TL 16,412,974 and an expected credit loss provision for factoring receivables amounting to TL 216,281.

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## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### Analysis of financial liabilities by remaining contractual maturities:

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Adjustments	Total
<b>31 December 2024</b>								
Money Market Funds	-	58,371,035	-	-	6,091,557	-	(1,089,647)	63,372,945
Other Deposits	127,114,105	235,961,369	32,308,455	8,507,185	561	-	(4,446,966)	399,444,709
Banks Deposits	767,742	5,278,033	-	-	-	-	(6,878)	6,038,897
Funds Provided from Other Financial Institutions	-	10,938,085	6,852,016	23,073,690	12,134,735	40,362,302	(22,250,465)	71,110,363
Issued Securities	-	311,607	-	1,351,074	-	-	-	1,662,681
<b>Total</b>	<b>127,881,847</b>	<b>310,860,129</b>	<b>39,160,471</b>	<b>32,931,949</b>	<b>18,226,853</b>	<b>40,362,302</b>	<b>(27,793,956)</b>	<b>541,629,595</b>
<b>31 December 2023</b>								
Money Market Funds	-	21,952,174	-	6,797,303	-	-	(249,281)	28,500,196
Other Deposits	105,053,306	137,999,320	26,297,595	16,626,192	63,476	-	(4,049,937)	281,989,952
Banks Deposits	329,106	2,251,537	-	-	-	-	(3,394)	2,577,249
Funds Provided from Other Financial Institutions	-	12,802,350	5,240,587	19,677,801	12,820,808	5,520,108	(14,829,574)	41,232,080
Issued Securities	-	-	593,928	918,013	-	-	-	1,511,941
<b>Total</b>	<b>105,382,412</b>	<b>175,005,381</b>	<b>32,132,110</b>	<b>44,019,309</b>	<b>12,884,284</b>	<b>5,520,108</b>	<b>(19,132,186)</b>	<b>355,811,418</b>

The contract-based maturity analysis of the Group's derivative instruments is as follows:

	Up to 1 Month	1-3 Month	3-12 Month	1-5 Year	5 Years and Over	Total
<b>31 December 2024</b>						
<b>Derivative Financial Instruments for Hedging Purposes</b>						
Fair Value Hedge	346,874	140,475	432,143	2,963,816	91,909	3,975,217
Cash Flow Hedge	196,181	322,577	1,521,915	2,364,632	-	4,405,305
<b>Trading Transactions</b>						
Foreign Exchange Forward	9,049,985	7,587,524	12,358,820	853,451	-	29,849,780
Swap Money Selling Agreement	48,531,010	14,251,709	17,192,306	30,952,312	-	110,927,337
Interest Rate Swaps-Sell	1,548,119	1,270,702	3,577,863	3,859,807	1,169,014	11,425,505
Futures Monetary Agreement	-	10,326,701	6,187,791	-	-	16,514,492
Money Exchange Options Contract	27,416,567	20,502,653	24,654,611	-	-	72,573,831
<b>Total</b>	<b>87,088,736</b>	<b>54,402,341</b>	<b>65,925,449</b>	<b>40,994,018</b>	<b>1,260,923</b>	<b>249,671,467</b>
<b>31 December 2023</b>						
<b>Derivative Financial Instruments for Hedging Purposes</b>						
Fair Value Hedge	-	-	-	-	-	-
Cash Flow Hedge	3,333	1,160,593	6,801,260	394,909	154,012	8,514,107
<b>Trading Transactions</b>						
Foreign Exchange Forward	3,580,409	4,687,336	8,935,906	239,759	-	17,443,410
Swap Money Selling Agreement	19,864,368	25,836,340	3,711,553	22,080,353	-	71,492,614
Interest Rate Swaps-Sell	150,343	506,957	1,521,373	1,366,287	5,742,281	9,287,241
Futures Monetary Agreement	-	-	-	-	-	-
Money Exchange Options Contract	10,978,116	20,760,722	18,974,374	617,403	-	51,330,615
<b>Total</b>	<b>34,576,569</b>	<b>52,951,948</b>	<b>39,944,466</b>	<b>24,698,711</b>	<b>5,896,293</b>	<b>158,067,987</b>

Cash outflows of derivative instruments are shown in the tables above.

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## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### VII. Explanations Related to Consolidated 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	-	-	3,042,061	77,568,336	80,610,397
Tier 1 Capital and Tier 2 Capital	-	-	-	77,568,336	77,568,336
Other Capital Items	-	-	3,042,061	-	3,042,061
Individuals and retail customer deposits/participation funds	80,645,521	185,667,934	-	312	243,949,353
Stable deposit/participation fund	19,126,577	66,212,366	-	328	81,072,307
Low stability deposit/participation fund	61,518,944	119,455,568	-	(16)	162,877,046
Debts to other individuals	116,692,581	97,557,449	-	-	48,778,725
Operational deposit/participation fund	-	5,077,544	-	-	2,538,772
Other debts	116,692,581	92,479,905	-	-	46,239,953
Liabilities equivalent to interdependent assets					
Other liabilities	38,873,734	-	18,499,474	38,375,021	47,624,758
Derivative liabilities			-		
Other Capital Items and liabilities not listed above	38,873,734	-	18,499,474	38,375,021	47,624,758
<b>Available Stable Funding</b>					<b>420,963,233</b>
<b>Required Stable Funding</b>					
High-quality liquid assets					3,958,941
Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
Performing Receivables	-	29,429,129	189,884,064	155,981,243	231,826,840
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	-	29,429,129	3,614,470	1,103,723	7,325,327
Receivables from corporate customers, organizations, individuals and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	-	-	186,269,594	154,877,520	224,501,513
Receivables subject to a risk weighting of 35% or less	-	-	-	1,395,880	907,322
Receivables collateralized by a residential real estate mortgage	-	-	-	-	-
Receivables subject to a risk weighting of 35% or less	-	-	-	-	-
Stock exchange-traded stocks and debt instruments that do not qualify as high-quality liquid assets	-	-	-	-	-
Assets equivalent to interdependent liabilities					
Other assets	33,497,742	4,515,668	-	7,982,691	45,921,168
Physically delivered commodities, including gold	435,517				370,189
Initial collateral of derivative contracts or guarantee fund given to the central counterparty			64,031		54,426
Derivative assets			4,005,739		4,005,739
The amount of derivative liabilities before deduction of the exchange collateral			133,318		133,318
Other assets not listed above	33,062,225	312,580	-	7,982,691	41,357,496
Off-balance sheet liabilities		-	-	269,873,783	13,493,690
<b>Stable Funding Required</b>					<b>295,200,639</b>
<b>Net Stable Funding Rate (%)</b>					<b>142.60</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.

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## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### VII. Explanations Related to Consolidated 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	-	-	1,597,250	48,976,695	50,573,945
Tier 1 Capital and Tier 2 Capital	-	-	-	48,976,695	48,976,695
Other Capital Items	-	-	1,597,250	-	1,597,250
Individuals and retail customer deposits/participation funds	66,345,407	132,733,949	-	53,318	181,439,652
Stable deposit/participation fund	9,874,380	34,529,978	-	555	42,184,667
Low stability deposit/participation fund	56,471,027	98,203,971	-	52,763	139,254,985
Debts to other individuals	21,583,502	65,581,140	-	-	32,790,570
Operational deposit/participation fund	-	2,927,972	-	-	1,463,986
Other debts	21,583,502	62,653,168	-	-	31,326,584
Liabilities equivalent to interdependent assets					
Other liabilities	20,211,823	-	19,862,047	814,182	10,745,206
Derivative liabilities			-		
Other Capital Items and liabilities not listed above	20,211,823	-	19,862,047	814,182	10,745,206
<b>Available Stable Funding</b>					<b>275,549,373</b>
<b>Required Stable Funding</b>					
High-quality liquid assets					2,315,234
Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
Performing Receivables	-	20,747,765	139,344,109	86,707,582	145,876,883
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	-	8,547,765	3,962,897	5,267,601	8,531,214
Receivables from corporate customers, organizations, individuals and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	-	-	135,381,212	79,801,005	135,060,335
Receivables subject to a risk weighting of 35% or less	-	-	-	2,305,627	1,498,657
Receivables collateralized by a residential real estate mortgage	-	-	-	1,638,976	1,065,334
Receivables subject to a risk weighting of 35% or less	-	-	-	1,638,976	1,065,334
Stock exchange-traded stocks and debt instruments that do not qualify as high-quality liquid assets	-	-	-	-	-
Assets equivalent to interdependent liabilities					
Other assets	18,827,477	781,778	-	-	19,527,083
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	18,302,811	111,358	-	-	18,414,169
Off-balance sheet liabilities		-	-	155,028,245	7,751,412
<b>Stable Funding Required</b>					<b>175,470,612</b>
<b>Net Stable Funding Rate (%)</b>					<b>157.03</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.

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## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

The net stable funding ratio for the last three months, including the reporting period, is 143.62% (Q4 2023: 162.69%). Despite the Group's Net Stable Funding Ratio (NSFR) declining from 162.69% to 143.62% on a consolidated basis during the period from December 2023 to December 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 (TRY 10.4 billion) by the Bank in the third quarter significantly improved the long-term borrowing profile. In the 4th quarter of 2024, the increase in the stable funding equity and deposit portfolio led to a rise, while the increase in the Bank's loan portfolio caused the required stable funding to rise further, resulting in a slight decline in the Net Stable Funding Ratio (NSFR).

### VIII. Explanations Related to Consolidated 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) Summary comparison table of the total risk amount and the total asset amount in the financial statements prepared as per TAS:

	Current Period (**)	Prior Period (**)
Total Asset Amount in the Consolidated Financial Statements Prepared as per TAS (*)	612,621,137	403,945,224
The Difference between the Total Asset Amount in the Consolidated Financial Statements Prepared as per TAS and the Asset Amount in the Consolidated Financial statements Prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks	-	-
The Difference between the Derivative Financial Instruments and the Loan Derivatives Amount in the Consolidated Financial Statements Prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the Risk Amounts	2,402,898	1,484,227
The Difference between the Financial Transactions with Securities or Goods Warranty Amounts in the Consolidated Financial Statements Prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the Risk Amounts	10,783,943	4,581,750
The Difference between the Off-balance Sheet Transactions Amount in the Consolidated Financial Statements Prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the Risk Amounts	296,488,771	158,389,921
Other Differences between the Amount in the Consolidated Financial Statements Prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the Risk Amounts	(3,307,557)	(1,782,803)
<b>Total risk amount</b>	<b>918,989,192</b>	<b>566,618,319</b>

(\*) Consolidated financial statements prepared as per the sixth paragraph of Article 5 of the Communiqué on the Preparation of the Consolidated Financial Statements of Banks.

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### VIII. Explanations Related to Consolidated Leverage Ratio (continued)

c) 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)	607,877,498	399,162,838
(Assets deducted from core capital)	(1,943,809)	(1,239,086)
Total risk amount for assets on the balance sheet	605,933,689	397,923,752
<b>Derivative financial instruments and credit derivatives</b>		
Renewal cost of derivative financial instruments and loan derivatives	3,379,891	4,238,669
Potential credit risk amount of derivative financial instruments and loan derivatives	2,402,898	1,484,227
Total risk amount of derivative financial instruments and loan derivatives	5,782,789	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)	10,783,943	4,581,750
Risk amount arising from intermediated transactions	-	-
Total risk amount of financing transactions with securities or goods warranties	10,783,943	4,581,750
<b>Off-the-balance sheet transactions</b>		
Gross nominal amount of the off-balance sheet transactions	296,488,771	158,389,921
(Adjustment amount arising from multiplying by the credit conversion rate)	-	-
Total risk amount for off-balance sheet transactions	296,488,771	158,389,921
<b>Capital and total risk</b>		
Tier 1 Capital	55,056,679	35,561,874
Total risk amount	918,989,192	566,618,319
<b>Leverage ratio</b>		
Leverage ratio	5.99%	6.28%

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



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### IX. Explanations on the Presentation of Financial Assets and Liabilities at Their Fair Values

	Book Value		Fair Value	
	Current Period	Prior Period	Current Period	Prior Period
<b>Financial Assets</b>	<b>468,356,213</b>	<b>293,418,108</b>	<b>458,905,212</b>	<b>286,317,850</b>
Money Market Placement	-	12,242,941	-	12,242,941
Banks	23,549,390	7,628,337	23,549,390	7,628,337
Financial Assets at Fair Value Through Other Comprehensive Income	35,417,404	7,826,338	35,417,404	7,826,338
Financial Assets Valued Over Amortised Cost	61,925,060	49,280,368	47,458,034	42,218,736
Loans(**)	347,464,359	216,440,124	352,480,384	216,401,498
<b>Financial Liabilities</b>	<b>571,570,657</b>	<b>372,510,974</b>	<b>577,301,975</b>	<b>373,590,758</b>
Banks Deposits	6,038,897	2,577,249	6,038,897	2,577,249
Other Deposits	399,444,709	281,989,952	400,916,761	282,808,568
Funds Received from Other Financial Institutions (*)	134,483,308	69,732,276	138,742,574	69,993,444
Securities Issued	1,662,681	1,511,941	1,662,681	1,511,941
Other Liabilities	29,941,062	16,699,556	29,941,062	16,699,556

(\*) Money market funds and subordinated loans are included in the line of funds from other financial institutions.

(\*\*) Factoring receivables are included in the loans granted row.

Investment securities in the current period include financial assets valued at their amortised cost and at fair value through other comprehensive income. The fair value of assets held to maturity assets are determined based on market prices or quoted market prices of other securities subject to redemption in terms of interest, maturity and other similar circumstances, where their prices cannot be determined.

Due to the fact that demand deposits, variable rate placements and overnight deposits are short-term, hence their carrying value reflects their fair value. Estimated fair value of fixed interest deposits and funds provided from other financial institutions, is calculated with the presence of discounted cash flow using the current interest rates used for other debts of similar quality and similar maturity structure; by finding the discounted cash flow using the fair value of loans and the current interest rates used for receivables with similar and similar maturities. As the miscellaneous debts are short term, their carrying value approximately reflects their fair value.

The fair value of financial assets and liabilities are determined as follows:

- First level: Financial assets and liabilities are valued at the stock market prices traded in the active market for the same assets and liabilities.
- Second level: Financial assets and liabilities are valued from the inputs used to find the price of the relevant asset or liability directly or indirectly, which can be observed in the market other than the stock exchange price specified in the first level.
- Third level: Financial assets and liabilities are valued from inputs that are not based on any observable data in the market used to find the fair value of the asset or liability.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### IX. Explanations on the Presentation of Financial Assets and Liabilities at Their Fair Values (continued)

The following table contains the analysis of the fair values of the financial instruments carried at fair values, including the stock market prices, valuation techniques, all model data of which can be measured in the market, or using valuation techniques whose data cannot be measured in the market:

31 December 2024	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>	<b>38,857,527</b>	<b>5,246,759</b>	<b>287,652</b>	<b>44,391,938</b>
Financial Assets at Fair Value Through Profit or Loss	3,612,573	5,016,448	185,711	8,814,732
Government Debt Securities	2,962,137	-	-	2,962,137
Derivative Financial Assets at Fair Value Through Profit or Loss	-	4,645,545	-	4,645,545
Other Financial Assets at Fair Value Through Profit or Loss	650,436	370,903	185,711	1,207,050
Derivative Financial Assets for Hedging Purposes	-	159,802	-	159,802
Financial Assets at Fair Value Through Other Comprehensive Income	35,244,954	70,509	101,941	35,417,404
Government Debt Securities	35,244,954	70,509	-	35,315,463
Other Financial Assets at Fair Value Through Other Comprehensive Income	-	-	101,941	101,941
<b>Financial Liabilities</b>	<b>-</b>	<b>5,324,183</b>	<b>-</b>	<b>5,324,183</b>
Derivative Financial Liabilities at Fair Value Through Profit or Loss	-	5,252,853	-	5,252,853
Derivative Financial Liabilities for Hedging Purposes	-	71,330	-	71,330
31 December 2023	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>	<b>8,527,142</b>	<b>4,248,168</b>	<b>192,419</b>	<b>12,967,729</b>
Financial Assets at Fair Value Through Profit or Loss	855,817	3,136,969	110,084	4,102,870
Government Debt Securities	588,465	-	-	588,465
Derivative Financial Assets at Fair Value Through Profit or Loss	-	2,973,062	-	2,973,062
Other Financial Assets at Fair Value Through Profit or Loss	267,352	163,907	110,084	541,343
Derivative Financial Assets for Hedging Purposes	-	1,038,521	-	1,038,521
Financial Assets at Fair Value Through Other Comprehensive Income	7,671,325	72,678	82,335	7,826,338
Government Debt Securities	7,671,325	72,678	-	7,744,003
Other Financial Assets at Fair Value Through Other Comprehensive Income	-	-	82,335	82,335
<b>Financial Liabilities</b>	<b>-</b>	<b>2,635,298</b>	<b>-</b>	<b>2,635,298</b>
Derivative Financial Liabilities at Fair Value Through Profit or Loss	-	2,552,843	-	2,552,843
Derivative Financial Liabilities for Hedging Purposes	-	82,455	-	82,455

There is no transition between levels in the current year.

The table below shows the movement table of financial assets at Level 3:

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>192,419</b>	<b>127,017</b>
Purchases	-	-
Redemption or Sale	-	-
Valuation Difference	95,233	65,402
Transfers	-	-
<b>Balance at the End of the Period</b>	<b>287,652</b>	<b>192,419</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### X. Explanations Related to Transactions Carried Out on Behalf of Other Parties and Fiduciary Assets

The Group performs trading transactions on behalf of customers, and gives custody, administration and consultancy services.

The Group does not deal with fiduciary transactions.

### XI. Explanations Related to Consolidated Risk Management

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

#### 1. Risk management approach and risk weighted amounts

##### 1.1 Parent Bank’s risk management approach

The objective of the Risk Management system is to provide that the risks that are derived from the bank’s activities are defined, measured, monitored and controlled through policies, procedures and limits established.

Risk Management functions of the Parent Bank and all of its subsidiaries have been gathered under the Group Risk Management. Group Risk Management reports to the Boards of Directors of TEB Group through the Risk Committee and Audit Committee within the TEB A.Ş. and is responsible for fulfilling its duties of general supervision, notification and recommendation on behalf of the Boards of Directors in line with the principles laid down in this Regulation.

With Risk Policies, the Bank aims to,

- i) Identify the main risks to which parent bank is exposed and identified risks are within the controlled range,
- ii) Define roles and responsibilities to identify, analyse, measure, monitor, and control the main risks parent bank faces and other risks which may arise as a consequence of changes in activity structure and economic conditions,
- iii) Identify the volume of transactions which may cause non-controllable risks by considering equity strength or decrease the activities affected by such risks.

Risk policies and the procedures related there to contain written standards set by the Board of Directors and the “Senior Management” consisting of General Manager, Assistant General Managers and Chief Risk Officer.

Risk policies and related procedures are prepared in compliance with the Banking Law, external legislation and general banking practices and presented to the Senior Management / Board of Directors for approval.

It is the principal duty of all managers of the Parent Bank to provide compliance with risk policies containing the criteria required for each unit.

Risk Management Operations consist of;

- i) risk measurement,
- ii) monitoring of risks,
- iii) control of risk and reporting operations

Risk management operations are conducted by Group Risk Management and personnel.

Group Risk Management applies second order controls for quantifiable risks as part of continuous control system.

Head of Group Risk Management reports to the Board of Directors via Risk Committee and Audit Committee.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 1. Risk management approach and risk weighted amounts (continued)

##### 1.2 Overview of Risk Weighted Amounts

	Risk Weighted Amounts		Minimum Capital Requirement
	Current Period	Prior Period	Current Period
Credit Risk (Excluding Counterparty Credit Risk) (CCR)	352,798,076	251,222,495	28,223,846
Of which Standardized Approach (SA)	352,798,076	251,222,495	28,223,846
Of which Internal Rating-Based (IRB) Approach	-	-	-
Counterparty Credit risk	7,747,486	7,031,153	619,799
Of which Standardized Approach for Counterparty Credit Risk (SA-CCR)	7,747,486	7,031,153	619,799
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	11,748,795	8,521,919	939,904
Standardized approach (SA)	11,748,795	8,521,919	939,904
Internal model approaches (IMM)	-	-	-
Operational Risk	40,924,105	23,916,732	3,273,928
Of which Basic Indicator Approach	40,924,105	23,916,732	3,273,928
Of which Standard Approach	-	-	-
Of which Advanced Measurement Approach	-	-	-
Amounts Below the Thresholds for Deduction (Subject to a 250% Risk Weight)	-	-	-
Floor Adjustment	-	-	-
<b>Total</b>	<b>413,218,462</b>	<b>290,692,299</b>	<b>33,057,477</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 2. Linkages between financial statements and regulatory exposures

##### 2.1. Differences and mapping between the scope of accounting and legal consolidation

Current Period	Amount valued in accordance with TAS within the scope of legal consolidation (*)	Valued amount of items in accordance with TAS				Not subject to capital requirements or subject to deduction from capital
		Subject to credit risk framework	Subject to counterparty credit risk framework	Securitization positions	Subject to the market risk framework	
<b>Assets</b>						
Cash Balances and the Central Bank	120,772,172	120,772,172	-	-	-	-
Banks	23,596,962	28,313,910	-	-	-	-
Money Market Placement	-	-	-	-	-	-
Financial Assets at Fair Value through Profit Loss	4,169,187	662,968	-	-	3,506,219	-
Financial Assets at Fair Value Through Other Comprehensive Income	35,417,404	35,424,285	-	-	-	-
Financial Assets Measured at Amortised Cost	61,937,017	61,937,017	-	-	-	-
Derivative Financial Assets at Fair Value Through Profit and Loss	4,645,545	-	4,645,545	-	4,645,545	-
Derivative Financial Assets at Fair Value Through Other Comprehensive Income	159,802	-	159,802	-	159,802	-
Non-Performing Financial Assets	-	-	-	-	-	-
Expected credit loss (-)	(6,787,722)	(3,293,149)	-	-	-	-
Loans (*)	337,755,400	337,755,400	-	-	-	-
Factoring Receivables	16,412,974	16,412,974	-	-	-	-
Non-Current Assets Held For Sale and Discontinued Operations (Net)	32,289	32,289	-	-	-	-
Affiliates (Net)	-	-	-	-	-	-
Subsidiaries (Net)	50	50	-	-	-	-
Joint Ventures (Joint Ventures) (Net)	5	5	-	-	-	-
Tangible Assets (Net)	3,148,536	2,961,138	-	-	-	187,398
Intangible Assets (Net)	2,014,057	-	-	-	-	2,014,057
Investment Properties (Net)	-	-	-	-	-	-
Current Tax Asset	164,433	164,433	-	-	-	-
Deferred Tax Asset	1,607,225	1,607,225	-	-	-	-
Other Assets	30,738,566	25,215,664	5,522,902	-	-	-
<b>Total assets</b>	<b>635,783,902</b>	<b>627,966,381</b>	<b>10,328,249</b>	<b>-</b>	<b>8,311,566</b>	<b>2,201,455</b>
<b>Liabilities</b>						
Deposit	405,483,606	-	-	-	-	-
Loans Received	42,866,676	-	-	-	-	-
Money Market Funds	63,372,945	-	63,372,945	-	-	-
Issued securities	1,662,681	-	-	-	-	-
Financial Liabilities with Fair Value Through Profit or Loss	-	-	-	-	-	-
Derivative Financial Liabilities	5,324,183	-	1,924,761	-	-	-
Factoring debts	29,257	-	-	-	-	-
Lease Liabilities	1,838,073	-	-	-	-	-
Provisions	6,183,788	-	-	-	-	-
Current Tax Liability	3,071,453	-	-	-	-	-
Deferred Tax Liability	-	-	-	-	-	-
Fixed asset payables related to activities held and discontinued for sale (net)	-	-	-	-	-	-
Subordinated loans	28,243,687	-	-	-	-	-
Other Liabilities	29,941,062	-	892,920	-	-	-
Equity	47,766,491	-	-	-	-	-
<b>Total liabilities</b>	<b>635,783,902</b>	<b>-</b>	<b>66,190,626</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) Refers to the Parent Bank's consolidated financial statement.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 2. Linkages between financial statements and regulatory exposures (continued)

##### 2.1. Differences and mapping between the scope of accounting and legal consolidation (continued)

Prior Period	Amount valued in accordance with TAS within the scope of legal consolidation (*)	Valued amount of items in accordance with TAS				
		Subject to credit risk framework	Subject to counterparty credit risk framework	Securitization positions	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
<b>Assets</b>						
Cash Balances and the Central Bank	104,607,938	104,607,938	-	-	-	-
Banks	7,673,677	7,673,677	-	-	-	-
Money Market Placement	12,243,739	-	12,243,739	-	-	-
Financial Assets at Fair Value through Profit Loss	1,129,808	424,107	-	-	705,701	-
Financial Assets at Fair Value Through Other Comprehensive Income	7,826,338	7,828,116	-	-	-	-
Financial Assets Measured at Amortised Cost	49,291,458	49,291,458	-	-	-	-
Derivative Financial Assets at Fair Value Through Profit and Loss	2,973,062	-	2,973,062	-	2,973,062	-
Derivative Financial Assets at Fair Value Through Other Comprehensive Income	1,038,521	-	1,038,521	-	1,038,521	-
Non-Performing Financial Assets	-	-	-	-	-	-
Expected credit loss (-)	(6,966,365)	(1,715,450)	-	-	-	-
Loans (*)	213,229,643	213,229,643	-	-	-	-
Factoring Receivables	10,102,832	10,102,832	-	-	-	-
Non-Current Assets Held For Sale and Discontinued Operations (Net)	82,060	82,060	-	-	-	-
Affiliates (Net)	-	-	-	-	-	-
Subsidiaries (Net)	50	50	-	-	-	-
Joint Ventures (Joint Ventures) (Net)	5	5	-	-	-	-
Tangible Assets (Net)	1,980,316	1,908,884	-	-	-	71,432
Intangible Assets (Net)	1,304,219	-	-	-	-	1,304,219
Investment Properties (Net)	-	-	-	-	-	-
Current Tax Asset	225,426	225,426	-	-	-	-
Deferred Tax Asset	2,531,368	2,531,368	-	-	-	-
Other Assets	12,318,047	11,193,899	1,124,148	-	-	-
<b>Total assets</b>	<b>421,592,142</b>	<b>407,384,013</b>	<b>17,379,470</b>	<b>-</b>	<b>4,717,284</b>	<b>1,375,651</b>
<b>Liabilities</b>						
Deposit	284,567,201	-	-	-	-	-
Loans Received	29,594,113	-	-	-	-	-
Money Market Funds	28,500,196	-	28,500,196	-	-	-
Issued securities	1,511,941	-	-	-	-	-
Financial Liabilities with Fair Value Through Profit or Loss	-	-	-	-	-	-
Derivative Financial Liabilities	2,635,298	-	607,669	-	-	-
Factoring debts	30,482	-	-	-	-	-
Lease Liabilities	1,025,441	-	-	-	-	-
Provisions	6,628,887	-	-	-	-	-
Current Tax Liability	1,476,644	-	-	-	-	-
Deferred Tax Liability	-	-	-	-	-	-
Fixed asset payables related to activities held and discontinued for sale (net)	-	-	-	-	-	-
Subordinated loans	11,637,967	-	-	-	-	-
Other Liabilities	16,699,556	-	1,766,837	-	-	-
Equity	37,284,416	-	-	-	-	-
<b>Total liabilities</b>	<b>421,592,142</b>	<b>-</b>	<b>30,874,702</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) Represents the consolidated financial statements of Parent Bank.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 2. Linkages between financial statements and regulatory exposures (continued)

##### 2.2 Main sources of differences between the risk amounts and the amounts measured in accordance with TAS in the financial statements

Current Period		Total	Items subject to credit risk framework	Items subject to counterparty credit risk framework	Items subject to market risk framework
1	Valued amounts of assets within the scope of legal consolidation in accordance with TAS	635,783,902	627,966,381	10,328,249	8,311,566
2	Valued amounts of liabilities within the scope of legal consolidation in accordance with TAS	66,190,626	-	66,190,626	-
3	Total net amount under legal consolidation	569,593,276	627,966,381	(55,862,377)	8,311,566
4	Off-balance sheet amounts	307,189,790	77,067,394	2,441,254	-
5	Differences in valuations	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-
8	Differences due to prudential filters	-	-	-	-
9	Exposure amounts	876,783,066	705,033,775	(53,421,123)	8,311,566
Prior Period		Total	Items subject to credit risk framework	Items subject to counterparty credit risk framework	Items subject to market risk framework
1	Valued amounts of assets within the scope of legal consolidation in accordance with TAS	421,592,142	407,384,013	17,379,470	4,717,284
2	Valued amounts of liabilities within the scope of legal consolidation in accordance with TAS	30,874,702	-	30,874,702	-
3	Total net amount under legal consolidation	390,717,440	407,384,013	(13,495,232)	4,717,284
4	Off-balance sheet amounts	165,407,160	52,394,470	1,405,349	-
5	Differences in valuations	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-
8	Differences due to prudential filters	-	-	-	-
9	Exposure amounts	556,124,600	459,778,483	(12,089,883)	4,717,284

##### 2.3. Explanations of differences between accounting and regulatory exposure amounts in accordance with TAS

The market value approach is used to make valuation of the positions in the Parent Bank portfolios. The market data sources used for valuations are identified, defined in the Market Risk Policy, and reviewed annually. The relevant action is taken immediately when it is determined that the data does not reflect the market condition other than annual data source evaluation. Product valuations are checked by using sources such as Reuters and Bloomberg.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure

##### 3.1. General information about credit risk

##### 3.1.1. General qualitative information about credit risk

The objective of the Risk Management system is to provide that the risks that are derived from the bank's activities are defined, measured, monitored and controlled through policies, procedures and limits established.

Credit Risk Management reports aim to supply risk level trends and risk expectations for the future. Details and content vary depending on the requirements of meetings and are presented in graphs and figures for ease of explanation and taking decisions.

The main report presented to Senior Management is the Credit Risk General Overview report, which is prepared monthly and discussed by the Risk Policies Committee. This report is also presented to the Board of Directors, Risk Committee and to the Audit Committee. Additionally, Group Risk Management prepares reports with special titles less frequently. Most of these reports are presented to the Risk Policies Committee. These reports may also be used in irregular meetings where emergent subjects are discussed or in meetings where the attendance of Senior Management is not required.

Credit risk policies are prepared in line with the Banking Law, external regulations, and general banking practices, and are approved by the Risk Policies Committee, Risk Committee, and Board of Directors.

The Parent Bank's credit activities are managed according to the General Credit Policy that is approved by the Risk Policies Committee, Risk Committee and the Board of Directors.

The Risk Appetite Declaration is approved by the Board of Directors and audited once a year. The Parent Bank combines existing risk management tools, processes, principles, and policies, using a consistent approach with risk appetite declaration, and ensures that risks taken are within the agreed upon limits. In this way, the consistency of risk practices is improved across the Bank.

The Parent Bank controls the credit risk by monitoring loan receivables, limiting certain transactions with counter parties, evaluating the creditworthiness of the counter party regularly, diversifying loan types and products separately based on customer groups and industry to prevent the concentration of deferred payments and receiving guarantees when appropriate.

##### 3.1.2. Credit quality of assets

Current Period	Gross carrying value in consolidated financial statements prepared as per TAS		Allowances/depreciation/ and impairment	Net Value
	Defaulted exposures	Non-defaulted exposures		
Loans	4,543,220	349,625,154	6,704,015	347,464,359
Debt Securities	-	97,252,480	11,957	97,240,523
Off-balance sheet exposures	-	304,748,536	1,100,361	303,648,175
<b>Total</b>	<b>4,543,220</b>	<b>751,626,170</b>	<b>7,816,333</b>	<b>748,353,057</b>

  

Prior Period	Gross carrying value in consolidated financial statements prepared as per TAS		Allowances/depreciation/ and impairment	Net Value
	Defaulted exposures	Non-defaulted exposures		
Loans	2,344,969	220,987,506	6,892,351	216,440,124
Debt Securities	-	57,035,461	11,090	57,024,371
Off-balance sheet exposures	-	164,001,811	910,591	163,091,220
<b>Total</b>	<b>2,344,969</b>	<b>442,024,778</b>	<b>7,814,032</b>	<b>436,555,715</b>



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.1. General information about credit risk (continued)

##### 3.1.3. Changes in stock of defaulted loans and debt securities

<b>1 Defaulted loans and debt securities at end of the 31 December 2023</b>	<b>2,344,969</b>
2 Loans and debt securities that have defaulted since the last reporting period	6,036,235
3 Returned to non-defaulted status	-
4 Amounts written off (*)	(1,832,155)
5 Other changes (**)	(2,005,829)
<b>6 Defaulted loans and debt securities at end of 31 December 2024 (1+2-3-4-5)</b>	<b>4,543,220</b>

(\*) The Parent Bank wrote off TL 45,507 of its non-performing loans. Additionally, the portion of the Bank's non-performing loan portfolio amounting to TL 1,786,344 for which a provision of TL 1,350,146 was provided, was sold in 2024 with a price of TL 623,404 and after following the completion of the necessary procedures, non-performing loans were written off from the records.

(\*\*) Includes collections during the period.

<b>1 Defaulted loans and debt securities at end of the 31 December 2022</b>	<b>2,692,115</b>
2 Loans and debt securities that have defaulted since the last reporting period	1,896,775
3 Returned to non-defaulted status	-
4 Amounts written off (*)	(995,717)
5 Other changes (**)	(1,248,204)
<b>6 Defaulted loans and debt securities at end of 31 December 2023 (1+2-3-4-5)</b>	<b>2,344,969</b>

(\*) The Parent Bank wrote off TL 99,443 of its non-performing loans. Additionally, the portion of the Parent Bank's non-performing loan portfolio amounting to TL 896,274 for which a provision of TL 747,165 was provided, was sold in 2023 with a price of TL 367,959 and after following the completion of the necessary procedures, non-performing loans were written off from the records.

(\*\*) Includes collections during the period.

##### 3.1.4. Additional disclosure related to the credit quality

- a) The scope and definitions of "past due" and "impaired" exposures used for accounting purposes and the differences, if any, between the definition of "past due" and "impaired" for accounting purposes

According to the "Communiqué on Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves", non-required delay time loans that is not classified as Stage III Loans, whose principal and interest payment collection delayed more than 30 days are considered as "non-performing loan" in the Accounting Practice.

Receivables past due more than 90 days are considered as "impaired receivables", and they are classified as group III, IV, and V in accordance with Communiqué. A specific reserve is allocated for such receivables.

- b) The extent of past due exposures (more than 90 days) that are not considered to be "impaired" and the reasons for this

A specific provision is allocated for receivables which are overdue for more than 90 days in accordance with the Communiqué.

- c) Description of methods used for determining impairments

Provision amount is determined in accordance with the regulation on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves".

- d) The definition of the restructured exposure

If the borrower fails to make payment to the Parent Bank due to a temporary lack of liquidity, loans and other receivables including deferred interest payments may be restructured to provide the borrower with additional liquidity to enable the Bank to collect its receivables, or a new repayment schedule may be arranged.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.1. General information about credit risk (continued)

##### 3.1.4. Additional disclosure related to the credit quality (continued)

e) Breakdown of exposures by geographical areas, industry and residual maturity:

Breakdown of Loans and Receivables by sector:

	Current Period			
	TL	(%)	FC	(%)
Agriculture	4,543,364	1.91	1,453,447	1.30
Farming and Stockbreeding	4,511,716	1.89	285,553	0.26
Forestry	-	-	-	-
Fishery	31,648	0.01	1,167,894	1.05
Manufacturing	60,716,613	25.50	76,738,022	68.80
Mining and Quarrying	3,999,074	1.68	4,975,376	4.46
Production	53,969,115	22.67	69,857,491	62.63
Electricity, Gas and Water	2,748,424	1.15	1,905,155	1.71
Construction	3,877,102	1.63	2,332,999	2.09
Services	66,521,468	27.94	30,830,671	27.64
Wholesale and Retail Trade	27,607,702	11.60	6,270,072	5.62
Accommodation and Dining	2,014,346	0.85	2,588,854	2.32
Transportation and Telecom.	10,920,139	4.59	9,249,877	8.29
Financial Institutions	8,012,648	3.37	4,806,560	4.31
Real Estate and Rental Services	6,016,839	2.53	7,751,187	6.95
Self-Employment Services	2,705,603	1.14	164,121	0.15
Educational Services	190,949	0.08	-	-
Health and Social Services	9,053,242	3.80	-	-
Other	102,435,274	43.02	176,194	0.16
<b>Total</b>	<b>238,093,821</b>	<b>100.00</b>	<b>111,531,333</b>	<b>100.00</b>

  

	Prior Period			
	TL	(%)	FC	(%)
Agriculture	2,907,508	1.84	850,948	1.34
Farming and Stockbreeding	2,899,726	1.84	143,018	0.23
Forestry	-	-	-	-
Fishery	7,782	-	707,930	1.12
Manufacturing	49,912,756	31.66	42,940,345	67.79
Mining and Quarrying	2,371,296	1.50	2,881,954	4.55
Production	45,192,798	28.67	38,368,216	60.57
Electricity, Gas and Water	2,348,662	1.49	1,690,175	2.67
Construction	2,155,939	1.37	337,944	0.53
Services	37,105,469	23.54	18,948,667	29.91
Wholesale and Retail Trade	15,379,391	9.76	3,468,454	5.48
Accommodation and Dining	1,155,736	0.73	1,642,967	2.59
Transportation and Telecom.	5,688,477	3.61	6,001,139	9.47
Financial Institutions	5,031,339	3.19	3,990,127	6.30
Real Estate and Rental Services	3,023,196	1.92	3,728,945	5.89
Self-Employment Services	1,991,043	1.26	117,035	0.18
Educational Services	73,476	0.05	-	-
Health and Social Services	4,762,811	3.02	-	-
Other	65,563,535	41.59	264,395	0.42
<b>Total</b>	<b>157,645,207</b>	<b>100.00</b>	<b>63,342,299</b>	<b>100.00</b>

Breakdown of loans and receivables according to remaining maturities is provided in the note VII. of section four under the "Presentation of assets and liabilities according to their remaining maturities".

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.1. General information about credit risk (continued)

##### 3.1.4. Additional disclosure related to the credit quality (continued)

- f) Amounts of impaired exposures on geographical areas and industry basis (according to the definition used by the Bank for accounting purposes) and write-offs with related allowances.

All of the Parent Bank's loans under follow up is in Turkey. Amounts of provision allocated receivables based on sector are presented in the note II of section 4 under "Information in terms of major sectors and type of counterparties".

- g) Aging analysis of loans under close monitoring

31 December 2024	1-30 Day	31-60 Day	61-90 Day	Total
Loans and Receivables				
Commercial Loans	884,106	281,404	153,326	1,318,836
Consumer Loans	2,188,205	334,995	1,552,963	4,076,163
Credit Cards	1,091,284	860,796	1,137,919	3,089,999
<b>Total</b>	<b>4,163,595</b>	<b>1,477,195</b>	<b>2,844,208</b>	<b>8,484,998</b>

31 December 2023	1-30 Day	31-60 Day	61-90 Day	Total
Loans and Receivables				
Commercial Loans	100,292	19,299	137,509	257,100
Consumer Loans	1,237,868	229,895	541,569	2,009,332
Credit Cards	370,971	268,744	218,052	857,767
<b>Total</b>	<b>1,709,131</b>	<b>517,938</b>	<b>897,130</b>	<b>3,124,199</b>

- h) Breakdown of restructured exposures between impaired and not impaired exposures

Not impaired loans:

Current Period	Gross Amount	Significant Increase in Credit Risk (Stage II)	Net Amount
Commercial Loans	994,625	642,408	352,217
Consumer Loans	350,214	72,640	277,574
Credit Cards	779,351	231,606	547,745
<b>Total</b>	<b>2,124,190</b>	<b>946,654</b>	<b>1,177,536</b>

Prior Period	Gross Amount	Significant Increase in Credit Risk (Stage II)	Net Amount
Commercial Loans	920,030	599,674	320,356
Consumer Loans	105,211	9,684	95,527
Credit Cards	51,297	11,831	39,466
<b>Total</b>	<b>1,076,538</b>	<b>621,189</b>	<b>455,349</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.1. General information about credit risk (continued)

##### 3.1.4. Additional disclosure related to the credit quality (continued)

Impaired loans:

Current Period	Gross Amount	Default (Stage III)	Net Amount
Commercial Loans	8,896	4,341	4,555
Consumer Loans	292,486	214,194	78,292
Credit Cards	126,436	100,128	26,308
<b>Total</b>	<b>427,818</b>	<b>318,663</b>	<b>109,155</b>

Prior Period	Gross Amount	Default (Stage III)	Net Amount
Commercial Loans	11,217	5,311	5,906
Consumer Loans	97,573	70,583	26,990
Credit Cards	15,990	13,092	2,898
<b>Total</b>	<b>124,780</b>	<b>88,986</b>	<b>35,794</b>

#### 3.2. Credit Risk Mitigation

##### 3.2.1. Qualitative disclosure requirements related to credit risk mitigation techniques

###### a) Core features of policies and processes for which the Bank makes on and off-balance sheet netting

The Parent Bank does not perform on and off-balance sheet offsetting to decrease credit risk, and credit derivatives are not used.

###### b) Core features of policies and processes for collateral evaluation and management

Financial collaterals are measured at fair value as of reporting date and are included in the risk mitigation process. When allocating the collateral amount to loans provided, the Bank applies credit risk mitigation according to the comprehensive method that includes risk mitigation calculations considering the volatility-adjusted values of financial collaterals. The legal validity of the mortgage is ensured by duly registering the mortgage in a timely manner, and significant changes in market conditions are monitored.

In terms of credit risk mitigation, the Parent Bank uses cash, government and treasury bonds, fund, gold, bank guarantee, stock and derivatives as main collateral type. Mortgages on residential and commercial real estate reported under different risk class are other main types of collaterals.

###### c) Information about market or credit risk concentrations under the credit risk mitigation instruments used (i.e. by guarantor type, collateral and credit derivative providers)

Guarantor entity's credit risk value is to be considered in credit risk mitigation process in cases where Parent Bank credit customers obtained guarantee from other entities.

The Parent Bank mostly prefers cash, securities such as government and treasury bond for collateral which have low market and credit risk concentration risk.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.2. Credit risk mitigation (continued)

##### 3.2.2. Credit risk mitigation techniques – Overview

	Exposures unsecured: valued amount in accordance with TAS	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives of which: secured amount
<b>Current Period</b>							
1 Loans (*)	317,526,204	24,635,281	23,446,687	8,927,914	6,289,938	-	-
2 Debt securities (*)	97,259,362	-	-	-	-	-	-
<b>3 Total</b>	<b>414,785,566</b>	<b>24,635,281</b>	<b>23,446,687</b>	<b>8,927,914</b>	<b>6,289,938</b>	-	-
4 Of which defaulted (*)	4,265,932	276,465	116,304	823	580	-	-

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

	Exposures unsecured: valued amount in accordance with TAS	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives of which: secured amount
<b>Prior Period</b>							
1 Loans (*)	199,881,215	14,672,845	13,201,392	7,146,212	4,546,415	-	-
2 Debt securities (*)	57,037,239	-	-	-	-	-	-
<b>3 Total</b>	<b>256,918,454</b>	<b>14,672,845</b>	<b>13,201,392</b>	<b>7,146,212</b>	<b>4,546,415</b>	-	-
4 Of which defaulted (*)	2,292,779	41,635	27,011	10,555	117	-	-

(\*) In the calculation of the amount subject to credit risk, the Central Bank's foreign exchange buying rates as of December 30, 2022, were used in accordance with the Board decision dated January 31, 2023, and numbered 10496 when calculating the revalued amounts in foreign currency.

#### 3.3. Credit risk under standardized approach

##### 3.3.1. Disclosures on banks' use of credit ratings under the standard approach for credit risk

For portfolios that are risk-weighted under the standardized approach for credit risk, banks must disclose the following information:

- Names of the External Credit Assessment Institutions (ECAIs) and Export Credit Agencies (ECAs) used by the parent bank, and the reasons for any changes over the reporting period

The Parent Bank uses Fitch Ratings International Rating Agency's external ratings.

- The risk classes for which each ECAI or ECA is used

The credit rating of Fitch International Rating is used for all receivables from the central governments or central banks which are included in the risk classes indicated in Article 6 of the Communiqué on Measurement and Assessment of Capital Adequacy of the Bank, and the country risk classification announced by The Organization for Economic Co-operation and Development (OECD) is used for receivables from banks and intermediary agencies. 20% risk weight on is used for receivables from non-rated banks and intermediary agencies with a maturity period of three months or less, and 50% risk weight is used for receivables with a maturity period of more than three months, and the risk weight used for all receivables is not lower than the risk concentration corresponding to the OECD credit quality level of the country where the non-rated banks and intermediary agencies are founded.

- A description of the process used to apply the issuer to issue credit ratings onto other issuer comparable assets in the banking book

20% risk weight is used for receivables from non-rated banks and intermediary agencies with a maturity period of 3 months or less, and a 50% risk weight is used for receivables with a maturity period of more than 3 months. According to the regulation on capital adequacy, corporates where the counterparties are domestic, the related exposures are included in the calculation of capital adequacy as unrated.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.3. Credit risk under standardized approach (continued)

###### 3.3.1. Disclosures on banks’ use of credit ratings under the standard approach for credit risk (continued)

- d) The alignment of the alphanumerical scale of each agency used with risk buckets. (except where Agency (BRSA) publishes a standard mapping with which the bank has to comply)

Risk ratings per the credit quality levels and the risk weights according to exposure categories announced by Fitch Ratings International Rating Agency and Organization for Economic Co-operation and Development (OECD)’s are presented below:

Credit Quality Level	Fitch Ratings Long- Term Credit Rating	Risk Weight of Receivables from Central Government or Central Banks	Receivables from Banks and Brokerage Houses		Corporate Receivables (*)
			DTM less than 3 months	DTM higher than 3 months	
0	-		20%	50%	100%
1	AAA to AA-	0%	20%	50%	100%
2	A+ to A-	20%	20%	50%	100%
3	BBB+ to BBB-	50%	50%	50%	100%
4	BB+ to BB-	100%	100%	100%	100%
5	B+ to B-	100%	100%	100%	100%
6	CCC+ and below	150%	100%	100%	100%
7	-		150%	150%	100%

(\*) In accordance with the Board Decisions No 10265 dated 07 July 2022, 500% risk weights are applied to Corporate Receivables.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.3. Credit risk under standardized approach (continued)

##### 3.3.2. Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

Current Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		Risk Weighted Amounts and Risk Weighted Amounts density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk Weighted amounts	Risk Weighted amounts density
Risk classes						
1 Exposures to central governments or central banks	196,092,040	-	198,566,031	135,000	2,373,614	1%
2 Exposures to regional governments or local authorities	8,640,525	2,696	8,376,110	1,286	4,188,703	50%
3 Exposures to administrative units and non-commercial enterprises	-	-	-	-	-	-
4 Exposures to multilateral development banks	-	-	-	-	-	-
5 Exposures to international organizations	-	-	-	-	-	-
6 Exposures to banks and brokerage firms	35,210,763	4,804,336	34,720,798	3,205,310	10,275,753	27%
7 Exposures to corporates	157,208,119	83,360,201	154,228,899	45,726,652	193,945,889	97%
8 Retail exposures	134,361,422	155,904,384	131,508,305	16,561,736	111,032,426	75%
9 Exposures secured by residential property	10,296,604	1,210,507	10,275,076	578,239	3,798,660	35%
10 Exposures secured by commercial real estate	10,670,551	2,158,866	10,670,552	1,159,249	6,688,441	57%
11 Past-due loans	1,257,756	473,107	1,257,176	206,082	1,351,028	92%
12 Higher-risk categories by the Agency Board	2,361,822	-	2,361,822	-	4,445,779	188%
13 Exposures in the form of covered bonds	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-
16 Other Receivables	20,607,166	33,098,062	20,607,166	-	14,055,387	68%
17 Investments in equities	642,394	-	642,396	-	642,396	100%
<b>18 Total</b>	<b>577,349,162</b>	<b>281,012,159</b>	<b>573,214,331</b>	<b>67,573,554</b>	<b>352,798,076</b>	<b>55%</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.3. Credit risk under standardized approach (continued)

##### 3.3.2. Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects (continued)

Prior Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		Risk Weighted Amounts and Risk Weighted Amounts density	
	On-balance sheet Amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk Weighted Amounts	Risk Weighted Amounts density
Risk classes						
1 Exposures to central governments or central banks	127,173,805	-	127,893,805	-	1,753,945	1%
2 Exposures to regional governments or local authorities	374,705	6,557	340,905	3,190	172,052	50%
3 Exposures to administrative units and non-commercial enterprises	-	-	-	-	-	-
4 Exposures to multilateral development Banks	-	-	-	-	-	-
5 Exposures to international organizations	-	-	-	-	-	-
6 Exposures to banks and brokerage firms	8,522,042	5,360,939	8,522,041	4,025,743	4,455,263	36%
7 Exposures to corporates	75,385,874	48,637,683	74,140,466	25,205,169	96,520,991	97%
8 Retail exposures	62,039,867	70,745,307	60,407,070	8,349,726	53,094,522	77%
9 Exposures secured by residential Property	4,930,336	787,370	4,930,336	353,927	1,849,492	35%
10 Exposures secured by commercial real Estate	9,068,901	2,823,825	8,799,004	1,230,378	6,568,460	65%
11 Past-due loans	621,941	115,949	621,845	33,001	433,930	66%
12 Higher-risk categories by the Agency Board	45,163,463	-	45,143,167	-	77,997,954	173%
13 Exposures in the form of covered bonds	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-
16 Other Receivables	16,361,148	8,555,674	16,361,131	2	7,983,265	49%
17 Investments in equities	392,622	-	392,623	-	392,621	100%
<b>18 Total</b>	<b>350,034,704</b>	<b>137,033,304</b>	<b>347,552,393</b>	<b>39,201,136</b>	<b>251,222,495</b>	<b>65%</b>



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.3. Credit risk under standardized approach (continued)

##### 3.3.3. Receivables by risk classes and risk weights

Current Period														Total credit risk exposure amount (after CCF and CRM)
Risk Classes / Risk Weights		0%	10%	20%	25%	35%	50% secured by real estate (*)	75%	100%	150%	250%	500%	Others (**)	
1	Exposures to regional governments or local authorities	196,327,417	-	-	-	-	-	-	2,373,614	-	-	-	-	198,701,031
2	Exposures to regional governments or local authorities	-	-	-	-	-	8,377,387	-	9	-	-	-	-	8,377,396
3	Exposures to administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to banks and financial intermediaries	-	-	21,566,625	-	-	11,561,405	-	68,621	12,510	-	-	4,716,947	37,926,108
7	Exposures to corporates	-	-	2,168,160	-	-	8,550,268	-	189,237,123	-	-	-	-	199,955,551
8	Retail exposures	-	-	30,524	-	-	13,271	148,026,246	-	-	-	-	-	148,070,041
9	Exposures secured by residential property	-	-	-	-	10,853,315	-	-	-	-	-	-	-	10,853,315
10	Exposures secured by commercial real estate	-	-	-	-	-	10,282,721	-	1,547,080	-	-	-	-	11,829,801
11	Past-due loans	-	-	-	-	-	946,525	-	257,012	193,672	-	66,049	-	1,463,258
12	Higher-risk categories by the Agency Board	-	-	-	-	-	-	-	-	2,103,809	-	258,013	-	2,361,822
13	Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Investments in equities	-	-	-	-	-	-	-	642,396	-	-	-	-	642,396
17	Other Receivables	6,453,158	-	123,273	-	-	-	-	14,030,735	-	-	-	-	20,607,166
18	<b>Total</b>	<b>202,780,575</b>	<b>-</b>	<b>23,888,582</b>	<b>-</b>	<b>10,853,315</b>	<b>39,731,577</b>	<b>148,026,246</b>	<b>208,156,590</b>	<b>2,309,991</b>	<b>-</b>	<b>324,062</b>	<b>4,716,947</b>	<b>640,787,885</b>

(\*) The amount shown in the “Receivables Secured by Commercial Real Estate Mortgage” row is “Secured by Real Estate Mortgage,” and the other amounts indicated in this column represent receivables subject to a 50% risk weight.

(\*\*) A two percent risk weight is shown in the “Others” column.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 3. Consolidated Credit Risk Disclosure (continued)

##### 3.3. Credit risk under standardized approach (continued)

##### 3.3.3. Receivables by risk classes and risk weights (continued)

														Total credit risk exposure amount (after CCF and CRM)
Prior Period		50% secured												
Risk Classes / Risk Weights		0%	10%	20%	25%	35%	by real estate (*)	75%	100%	150%	250%	500%	Others(**)	
1	Exposures to regional governments or local authorities	126,139,860	-	-	-	-	-	-	1,753,945	-	-	-	-	127,893,805
2	Exposures to regional governments or local authorities	-	-	-	-	-	344,086	-	9	-	-	-	-	344,095
3	Exposures to administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to banks and financial intermediaries	-	-	6,391,294	-	-	6,032,262	-	50,939	73,289	-	-	-	12,547,784
7	Exposures to corporates	-	-	113,560	-	-	5,467,593	-	93,764,482	-	-	-	-	99,345,635
8	Retail exposures	-	-	7,071	-	-	14,940	62,596,587	6,138,198	-	-	-	-	68,756,796
9	Exposures secured by residential property	-	-	-	-	5,284,263	-	-	-	-	-	-	-	5,284,263
10	Exposures secured by commercial real estate	-	-	-	-	-	6,921,844	-	3,107,538	-	-	-	-	10,029,382
11	Past-due loans	-	-	-	-	-	451,815	-	193,049	9,982	-	-	-	654,846
12	Higher-risk categories by the Agency Board	-	-	-	-	-	-	-	-	27,145,391	-	428,105	17,569,671	45,143,167
13	Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Investments in equities	-	-	-	-	-	-	-	392,623	-	-	-	-	392,623
17	Other Receivables	8,309,946	-	84,903	-	-	-	2	7,966,282	-	-	-	-	16,361,133
18	Total	134,449,806	-	6,596,828	-	5,284,263	19,232,540	62,596,589	113,367,065	27,228,662	-	428,105	17,569,671	386,753,529

(\*) The amount shown in the line "Receivables collateralised by mortgages on commercial real estate" is "Collateralised by mortgages on real estate" and the other amounts in this column represent the receivables subject to 50% risk weight.

(\*\*) In accordance with the Board Decision dated 28 April 2022 and numbered 10188, a 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) and shown in the "Others" column.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 DECEMBER 2024**

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

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**XI. Explanations Related to Consolidated Risk Management (continued)**

**4. Counterparty Credit Risk**

**4.1. Qualitative disclosure related to counterparty credit risk**

Limit requests of clients demanding derivative transactions are evaluated based on the related line of business in different credit committees. Limit amounts approved by credit committee are risk weighted limits. In calculation of risk amount that traced to risk weighted limits is multiplied by coefficients based on each factor’s historical movement that varies according to transaction’s nominal amount, transaction’s maturity, type, currency and purpose. (potential risk) The coefficients used in the calculations are reviewed annually. In the event of high market volatility, all coefficients can be evaluated and modified without waiting for the one-year review period.

In the calculation of coefficients, analyses are conducted considering different historical periods. All results are discussed firstly among line of business and then in the Market Risk Committee. Final decision is made by Risk Policy Committee and one of the alternatives is chosen. Approval of the Board of Directors members is obtained if the Risk Policy Committee members deem necessary.

Derivative product customers are classified into two categories based on the purpose of the transaction: Trading or Hedging. The relevant credit department decides which category the customer will fall into, covering all transactions of the respective customer.

In principle, all individual customers are evaluated as in trading portfolio, and transactions with these customers are conducted with 100% cash and cash equivalent collaterals. For commercial and corporate customers, decisions are made on a firm basis, and transactions can be conducted with different collateral conditions based on the decision. Risks are monitored daily based on the collateral conditions set with the client, and additional collaterals are demanded when a necessity arises according to internally set principles.

For derivative transactions made with banks, ISDA, CSA, VM and GMRA agreements are requested from counterparties in principle, derivative transactions are not made with banks that do not sign these agreements. Collateral management is made on a daily basis with banks considering agreement conditions so that counterparty risk is minimized.

All open derivative transactions are evaluated daily by using market data and resulting evaluation amount is installed to the main banking system. As a new transaction is made, risk amount calculated with risk coefficients is reflected automatically to the system. In other words, counterparty risk regarding all derivative transactions is monitored on the main banking system. Collateral amount required for customer transactions, transaction evaluation amount and the potential risk calculated with the relevant coefficient are monitored daily by considering collateral condition and limit monitoring principles set up by the Bank.

Simulations of transactions are conducted in order to be able to see the level of capital consumption on transaction basis. Ratings and Basel risk classes of derivative customers and banks are reviewed and updated monthly. These are considered in the calculation of capital requirement and evaluation of collateral conditions.

As of 1 July 2022, the “Standard Approach” method has been used in the calculation of counterparty credit risk.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 4. Counterparty Credit Risk (continued)

##### 4.2. Analysis of counterparty credit risk (CCR) exposure by approach

Current Period	Replacement cost	Potential future exposure	EEPE(*)	Alpha used for computing regulatory Exposure at Default	Exposure at Default post Credit Risk Mitigation	Risk Weighted Amounts
Standardized Approach - CCR (For Derivatives)	1,755,285	2,195,563		1.4	3,931,544	3,236,668
Internal Model Method (for derivatives, repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
Simple Approach for Credit Mitigation (for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
Comprehensive Approach for Credit Risk Mitigation (for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
VaR for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					12,495,929	3,189,441
<b>Total</b>						<b>6,426,109</b>

(\*) Effective Expected Position Risk Amount

Prior Period	Replacement Cost	Potential future exposure	EEPE(*)	Alpha used for computing regulatory Exposure at Default	Exposure at Default post Credit Risk Mitigation	Risk Weighted Amounts
Standardized Approach - CCR (For Derivatives)	1,350,406	1,376,928		1.4	2,710,248	2,064,377
Internal Model Method (for derivatives, repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
Simple Approach for Credit Mitigation (for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
Comprehensive Approach for Credit Risk Mitigation (for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
VaR for repo transactions, marketable securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					7,263,300	3,631,653
<b>Total</b>						<b>5,696,030</b>

(\*) Effective Expected Position Risk Amount

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 4. Counterparty Credit Risk (continued)

##### 4.3. Credit valuation adjustment (CVA) capital charge

Current Period	Exposure at Default post-Credit Risk Mitigation	Risk Weighted Amounts
Total portfolios subject to the Advanced CVA capital charge	-	-
(i) Value at Risk component (including the 3*multiplier)		-
(ii) Stressed Value at Risk component (including the 3*multiplier)		-
All portfolios subject to the Standardized CVA capital charge	3,931,544	1,283,728
<b>Total subject to the CVA capital charge</b>	<b>3,931,544</b>	<b>1,283,728</b>

  

Prior Period	Exposure at Default post-Credit Risk Mitigation	Risk Weighted Amounts
Total portfolios subject to the Advanced CVA capital charge	-	-
(i) Value at Risk component (including the 3*multiplier)		-
(ii) Stressed Value at Risk component (including the 3*multiplier)		-
All portfolios subject to the Standardized CVA capital charge	2,710,248	1,315,620
<b>Total subject to the CVA capital charge</b>	<b>2,710,248</b>	<b>1,315,620</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 4. Counterparty Credit Risk (continued)

##### 4.4. Counterparty credit risk by risk classes and risk weights

Current Period Risk Weight / Regulatory portfolio	0%	2%	10%	20%	50%	75%	100%	150%	500%	Others	Total credit exposure (*)
Receivables from central governments and central banks	-	-	-	-	-	-	-	-	-	-	-
Receivables from regional and local governments	-	-	-	-	-	-	-	-	-	-	-
Receivables from administration and non-commercial entity	-	-	-	-	-	-	-	-	-	-	-
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and financial intermediaries	-	1,490,053	-	10,399,322	2,930,699	-	-	-	-	-	14,820,074
Corporate receivables	-	-	-	134,225	200,654	-	2,727,172	-	-	-	3,062,051
Retail receivables	-	-	-	-	-	35,401	-	-	-	-	35,401
Other receivables(**)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,490,053</b>	-	<b>10,533,547</b>	<b>3,131,353</b>	<b>35,401</b>	<b>2,727,172</b>	-	-	-	<b>17,917,526</b>

(\*) Total credit risk: Amount related to capital adequacy calculation after the counterparty credit risk measurement techniques are applied.

(\*\*) Other receivables: Includes amounts that cannot be included in the counterparty credit risk reported in the Central Counterparty risk table.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 4. Counterparty Credit Risk (continued)

##### 4.4. Counterparty credit risk by risk classes and risk weights (continued)

Prior Period Risk Weight / Regulatory portfolio	0%	2%	10%	20%	50%	75%	100%	150%	500%	Others	Total credit exposure (*)
Receivables from central governments and central banks	466,650	-	-	-	-	-	-	-	-	-	466,650
Receivables from regional and local governments	-	-	-	-	-	-	-	-	-	-	-
Receivables from administration and non-commercial entity	-	-	-	-	-	-	-	-	-	-	-
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and financial intermediaries	-	855,980	-	23,075	7,564,930	-	-	-	-	-	8,443,985
Corporate receivables	-	-	-	1,860	-	-	1,883,211	-	-	-	1,885,071
Retail receivables	-	-	-	-	-	33,822	-	-	-	-	33,822
Other receivables (**)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>466,650</b>	<b>855,980</b>	<b>-</b>	<b>24,935</b>	<b>7,564,930</b>	<b>33,822</b>	<b>1,883,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,829,528</b>

(\*) Total credit risk: Amount related to capital adequacy calculation after the counterparty credit risk measurement techniques are applied.

(\*\*) Other receivables: Includes amounts that cannot be included in the counterparty credit risk reported in the Central Counterparty risk table.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 4. Counterparty Credit Risk (continued)

##### 4.5. Composition of collateral for counterparty credit risk exposure

Current Period	Collateral used in derivative transactions				Collateral used in other transactions	
	Collateral received		Posted collateral		Collateral received	Posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	-	-	-	-	4,716,947
Cash – other currencies	-	998,779	-	62,390	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	<b>998,779</b>	-	<b>62,390</b>	-	<b>4,716,947</b>

Prior Period	Collateral used in derivative transactions				Collateral used in other transactions	
	Collateral received		Posted collateral		Collateral received	Posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	1,618,392	-	-	-	689,592
Cash – other currencies	-	105,433	-	250,698	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	<b>1,723,825</b>	-	<b>250,698</b>	-	<b>689,592</b>

##### 4.6. Credit Derivatives

None.



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 4. Counterparty Credit Risk (continued)

##### 4.7. Exposures to central counterparties

	Current Period		Prior Period	
	Risk Amount After CRA	RAT	Risk Amount After CRA	RAT
<b>Total risks arising from transactions with qualified CCPs</b>		37,649		5,711
Regarding the risks arising from transactions in the CCP (excluding initial margin and guarantee fund amount)				
(i) OTC derivative financial instruments	1,490,053	29,801	166,388	3,328
(ii) Other derivative financial instruments	-	-	-	-
(iii) Repo-reverse repo transactions, securities on credit transactions and securities or commodity lending or borrowing transactions	-	-	-	-
(iv) Netting groups to which cross product netting is applied	-	-	-	-
Reserved initial margin	-		-	
Unallocated initial margin	-		-	
Paid guarantee fund amount	119,811	7,848	99,300	2,383
Unpaid guarantee fund commitment	-	-	-	-
<b>Total risks arising from transactions with non-qualified CCPs</b>		-		-
Regarding the risks arising from transactions in the CCP (excluding initial margin and guarantee fund amount)				
(i) OTC derivative financial instruments	-	-	-	-
(ii) Other derivative financial instruments	-	-	-	-
(iii) Repo-reverse repo transactions, securities on credit transactions and securities or commodity lending or borrowing transactions	-	-	-	-
(iv) Netting groups to which cross product netting is applied	-	-	-	-
Reserved initial margin	-	-	-	-
Unallocated initial margin	-		-	
Paid guarantee fund amount	-	-	-	-
Unpaid guarantee fund commitment	-	-	-	-

#### 5. Securitization Disclosures

Since the Parent Bank does not hold securitization position, the notes to be presented according to the ‘Communiqué on Disclosures about Risk Management to be announced to Public by Banks’ have not been presented.

#### 6. Market Risk Disclosures

The market risk section includes the market risk capital requirements calculated for trading book and banking book exposures that are subject to a market risk charge. It also includes capital requirements for securitization positions held in the trading book. However, it excludes the counterparty credit risk capital charges that apply to the same exposures, which are reported in Section 5 – Counterparty credit risk.

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 note.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

**XI. Explanations Related to Consolidated Risk Management (continued)**

**6. Market Risk Disclosures (continued)**

**6.1. Qualitative disclosure requirements related to market risk**

Interest rate and foreign exchange rate risks, arising from the volatility in the financial markets, of the financial positions taken by the Parent Bank related to balance sheet and off-balance sheet accounts are measured and while calculating the capital adequacy and the amount subject to Value at Risk (VAR), as summarized below, is taken into consideration by the standard method. Beside the standard method, VAR is calculated by using internal model as supported by scenario analysis and stress tests. VAR is calculated daily by historic simulation. These results are also reported daily to the management.

For FX position, limits in different breakdowns are determined by Board of Directors and option operations are considered with delta conjugates.

In regular analysis, net interest income effects originating from interest rates changes are calculated for all interest rates sensitive products and the results are followed up in limits determined by Board of Directors. The shocks which are given to interest rates are changes by each currency and in linear scenario analysis, not only linear but also sudden shocks are evaluated. These analyses may be performed for both current and targeted financial figures.

According to economic cost approach, changes in market interest rates may affect the Parent Bank’s assets, liabilities and off-balance sheet items values. The Parent Bank’s economic value’s sensitivity to interest rate is an important issue for stockholders, management and auditors.

Economic value of a product is net present value that is calculated by discounting expected cash flow.

Economic value of the Parent Bank is the net present value of the cash flows that is subtracting expected cash flows of liabilities from net present value of assets and adding off balance sheet items expected cash flows. Economic value approach represents value of the Bank’s sensitivity to interest rate fluctuations.

Market value of equity is defined as the difference between the market value of assets and liabilities. The Board of Directors predefines a limit for market value of equity; shock method is applied to all items to be able to see equity’s influence on market value. Shocks applied may vary based on currencies.

As Economical Value approach considers effects of interest rate changes on all future cash flows, it enables to comprehensively understand effects of interest rate changes in the long run.

In addition to these analyses, Group Risk Management, based on current position, conducts stress testing to be able to predict possible losses as a consequence of exceptional fluctuations. Stress testings are prepared by BNP Paribas and TEB Group Risk Management measure the sensitivity created as a result of market price changes based on scenarios. Scenario analysis both on historical and hypothetical basis are conducted. Both historical and hypothetical scenario analyzes are performed.

Scenario analysis is applied both to currency and interest rates to be able to understand the effects on current portfolio.

Other than scenario analysis, various stress testings are applied to current portfolio; in order to see the effects of prior events on current position.

Nominal amount limits defined for bond portfolio, Value at Risk (“VAR”) limit for trading portfolio, and PV01 limits set for tracking interest rate risk are calculated daily, tracked, and reported to the management. Both interest rate and liquidity gap calculations are made for each item of the balance sheet. For both calculations, as product-based cash flows are formed, repricing, maturity and product-based acceptances are also considered.

Monthly reports are prepared for Market and Liquidity Risk Committees. Reports include end of the day positions, monthly/annual cumulative profit/loss balances and some positions taken in that month.

All Limit and risk positions are represented to Risk Policies Committee, Risk Committee and to The Board of Directors.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### XI. Explanations Related to Consolidated Risk Management (continued)

#### 6. Market Risk Disclosures (continued)

##### 6.2. Standardized Approach

Current Period		Risk Weighted Amounts
Outright products		
1	Interest rate risk (general and specific)	4,369,919
2	Equity risk (general and specific)	-
3	Foreign exchange risk	4,947,179
4	Commodity risk	1,769,084
Options		
5	Simplified approach	-
6	Delta-plus method	662,613
7	Scenario approach	-
8	Securitization	-
<b>9</b>	<b>Total</b>	<b>11,748,795</b>

  

Prior Period		Risk Weighted Amounts
Outright products		
1	Interest rate risk (general and specific)	2,735,962
2	Equity risk (general and specific)	-
3	Foreign exchange risk	3,170,051
4	Commodity risk	1,866,568
Options		
5	Simplified approach	-
6	Delta-plus method	749,338
7	Scenario approach	-
8	Securitization	-
<b>9</b>	<b>Total</b>	<b>8,521,919</b>

#### 7. Explanations Related to Consolidated Operational Risk

- a) Operational risk has been calculated using the basic indicator approach. Market risk measurements are performed annually.
- b) In case of Basic Indicator Approach the following:

	31.12.2021	31.12.2022	31.12.2023	Total/Number of positive gross income years	Rate (%)	Total
Gross Income	6,758,087	25,564,364	33,156,117	21,826,189	15	3,273,928
Operational Risk Capital Requirement (Total*12.5)						40,924,105

  

	31.12.2020	31.12.2021	31.12.2022	Total/Number of positive gross income years	Rate (%)	Total
Gross Income	5,944,320	6,758,087	25,564,364	12,755,590	15	1,913,339
Operational Risk Capital Requirement (Total*12.5)						23,916,732

- c) The Group does not use the standard method.
- d) The Group does not use any alternative approach in standard method.
- e) The Group does not use advanced measurement approach.

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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**XI. Explanations Related to Consolidated Risk Management (continued)**

**8. Explanations Related to Remuneration Policy in Banks:**

TEB pays net salaries on the last working day of each month, after the required legal deductions are made. In addition to receiving a monthly salary, all TEB employees are assessed based on meeting their qualitative and quantitative targets, and the Bank may pay performance-based success and sales premiums or annual performance bonuses to reward employees’ collective and individual success.

An annual performance bonus is determined based on the Bank’s profitability, the results of Bank activities, and the realization of targets in line with market practices (local and/or professional). A performance bonus is only paid when the target realized in a particular year is at least 80%. Employees included in the success and sales premium scheme are paid success and sales premiums based to the targets realized during the year.

The remuneration policy of the Bank was prepared in line with the BRSA’s “Communiqué on Corporate Management of Banks” and “Guidance on Good Remuneration Practices in Banks”, and within the scope of the principle of proportionality, the content, structure, and strategies of the Bank’s activities, long-term targets, the risk management structure of the Bank and local regulations. These regulations aim to prevent taking excessive risks and evaluate actual contributions to the risk management.

The remuneration policy supports the Bank in managing risks in line with the principles and parameters determined and approved by the Board of Directors. The remuneration policy aims to attract and retain expert employees who will contribute to the Bank reaching its strategic targets in both business line and support functions.

SECOM (Selection and Compensation Committee) is responsible, on behalf of the Board of Directors, for ensuring that the remuneration policy is prepared in line with local and BNP Paribas regulations. SECOM manages the principles of the remuneration policy, taking opinions from the Human Resources, Financial Affairs, Risk, Compliance, and Internal Control Groups. The remuneration policy is reviewed and approved by SECOM and submitted to the Board of Directors. The remuneration policy is reviewed annually.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### SECTION FIVE

#### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS

##### I. Explanations and Disclosures Related to the Consolidated 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	1,759,370	6,013,987	1,034,157	11,238,000
Balances with the Central Bank of Türkiye	65,096,326	47,463,277	39,678,186	52,128,885
Other	-	439,212	1,081	527,629
<b>Total</b>	<b>66,855,696</b>	<b>53,916,476</b>	<b>40,713,424</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	35,454,108	-	18,986,133	-
Unrestricted Time Deposit	10,513,842	18,419,016	17,283,685	28,228,037
Restricted Time Deposit	19,128,376	29,044,261	3,408,368	23,900,848
<b>Total</b>	<b>65,096,326</b>	<b>47,463,277</b>	<b>39,678,186</b>	<b>52,128,885</b>

As of 31 December 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 4%.

##### 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 2,962,137 (31 December 2023: TL 588,465).

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Debt Securities	2,491,105	471,032	242,988	345,477
Securities Representing Share in Capital	185,053	371,561	109,257	164,734
Other Financial Assets	529,956	120,480	117,236	150,116
<b>Total</b>	<b>3,206,114</b>	<b>963,073</b>	<b>469,481</b>	<b>660,327</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	440,721	15,764	213,972	94,335
Swap Transactions	1,976,625	1,243,839	1,237,871	524,285
Futures Transactions	-	-	-	-
Options	515,405	453,191	483,792	418,807
Other	-	-	-	-
<b>Total</b>	<b>2,932,751</b>	<b>1,712,794</b>	<b>1,935,635</b>	<b>1,037,427</b>

#### 4. Information on banks:

##### a) Information on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	7,311,913	1,527	1,369,255	927
Foreign	683,361	15,600,161	302,205	6,001,290
Foreign Head Offices and Branches	-	-	-	-
<b>Total</b>	<b>7,995,274</b>	<b>15,601,688</b>	<b>1,671,460</b>	<b>6,002,217</b>

An expected loss provision of TL 47,572 (31 December 2023: TL 45,340) has been set aside for receivables from banks.

##### b) Information on foreign banks account:

	Unrestricted Amount		Restricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	3,192,040	1,766,503	1,851,469	239,507
USA, Canada	3,729,709	1,305,097	93,069	-
OECD Countries (*)	4,414,807	357,404	44,367	-
Off-Shore Banking Regions	1,233	31	-	-
Other	2,642,740	2,361,153	314,088	273,800
<b>Total</b>	<b>13,980,529</b>	<b>5,790,188</b>	<b>2,302,993</b>	<b>513,307</b>

(\*) OECD countries other than EU countries, USA and Canada.

#### 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	4,785,960	-	3,751,191	-
Other	-	-	-	-
<b>Total</b>	<b>4,785,960</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	8,915,248	14,241,110	996,753	2,649,642
Treasury Bills	-	-	-	-
Other Debt Securities	-	-	-	-
Bank Bonds and Bank Guaranteed Bonds	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>8,915,248</b>	<b>14,241,110</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 7,475,086 (31 December 2023: TL 428,752).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### I. Explanations and Disclosures Related to the Consolidated 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	35,315,463	7,744,003
Quoted on a Stock Exchange	35,244,954	7,671,325
Unquoted on a Stock Exchange	70,509	72,678
Equity Securities	101,941	82,335
Quoted on a Stock Exchange	-	-
Unquoted on a Stock Exchange	101,941	82,335
Impairment Provision (-)	-	-
<b>Total</b>	<b>35,417,404</b>	<b>7,826,338</b>

An expected loss provision of TL 6,881 (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 Parent Bank:

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	278,013	-	1,607,169
Corporate Shareholders	-	278,013	-	1,607,169
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	538,998	-	341,242	-
<b>Total</b>	<b>538,998</b>	<b>278,013</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:

		Loans under Close Monitoring		
		Not Under the Scope of Restructuring	Loans with Revised Contract Terms	Refinancing
<b>Cash Loans</b>	<b>Standard Loans</b>			
Non-Specialized Loans	307,188,304	24,110,967	876,710	1,247,480
Working Capital Loans	35,401,475	2,117,501	-	795,813
Export Loans	62,972,323	453,677	19,144	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	8,862,062	8	-	-
Consumer Loans	47,978,137	8,613,080	10,806	339,408
Credit Cards	36,780,152	6,310,548	779,351	-
Other	115,194,155	6,616,153	67,409	112,259
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>307,188,304</b>	<b>24,110,967</b>	<b>876,710</b>	<b>1,247,480</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### I. Explanations and Disclosures Related to the Consolidated 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	195,694,727	14,221,221	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	34,498,325	5,611,961	28,012	77,199
Credit Cards	21,143,243	2,896,900	51,297	-
Other	70,026,716	2,197,411	3,349	72,909
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>195,694,727</b>	<b>14,221,221</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	1,099,812	-	689,068	-
Significant increase in Credit Risk	-	2,292,005	-	4,468,017
<b>Total</b>	<b>1,099,812</b>	<b>2,292,005</b>	<b>689,068</b>	<b>4,468,017</b>

c) Distribution of cash loans by maturity structure:

Current Period	Loans under Close Monitoring		
	Standard Loans	Not under the Scope of Restructuring	Restructured
Short Term Loans	193,251,076	14,312,630	483,407
Medium- and Long-Term Loans	113,937,228	9,798,337	1,640,783
<b>Total</b>	<b>307,188,304</b>	<b>24,110,967</b>	<b>2,124,190</b>

Prior Period	Loans under Close Monitoring		
	Standard Loans	Not under the Scope of Restructuring	Restructured
Short Term Loans	129,454,776	6,142,315	29,365
Medium- and Long-Term Loans	66,239,951	8,078,906	1,047,173
<b>Total</b>	<b>195,694,727</b>	<b>14,221,221</b>	<b>1,076,538</b>



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

d) 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>26,801,924</b>	<b>22,227,974</b>	<b>49,029,898</b>
Housing Loans	1,713	4,030,028	4,031,741
Vehicle Loans	4,915,916	1,168,139	6,084,055
General Purpose Loans	21,884,295	17,029,807	38,914,102
Other	-	-	-
<b>Consumer Loans –Indexed to FC</b>	<b>-</b>	<b>6,102</b>	<b>6,102</b>
Housing Loans	-	6,102	6,102
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC (**)</b>	<b>-</b>	<b>12,839</b>	<b>12,839</b>
Housing Loans	-	574	574
Vehicle Loans	-	3,986	3,986
General Purpose Loans	-	8,279	8,279
Other	-	-	-
<b>Individual Credit Cards-TL</b>	<b>35,298,816</b>	<b>605,978</b>	<b>35,904,794</b>
With Instalments	8,970,738	605,978	9,576,716
Without Instalments	26,328,078	-	26,328,078
<b>Individual Credit Cards-FC</b>	<b>134,756</b>	<b>-</b>	<b>134,756</b>
With Instalments	-	-	-
Without Instalments	134,756	-	134,756
<b>Personnel Loans-TL</b>	<b>213,580</b>	<b>119,736</b>	<b>333,316</b>
Housing Loans	-	64	64
Vehicle Loans	-	-	-
General Purpose Loans	213,580	119,672	333,252
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>184,280</b>	<b>252</b>	<b>184,532</b>
With Instalments	51,719	252	51,971
Without Instalments	132,561	-	132,561
<b>Personnel Credit Cards-FC</b>	<b>2,208</b>	<b>-</b>	<b>2,208</b>
With Instalments	-	-	-
Without Instalments	2,208	-	2,208
<b>Overdraft Accounts-TL (Real Persons) (*)</b>	<b>7,559,271</b>	<b>-</b>	<b>7,559,271</b>
<b>Overdraft Accounts-FC (Real Persons)</b>	<b>5</b>	<b>-</b>	<b>5</b>
<b>Total</b>	<b>70,194,840</b>	<b>22,972,881</b>	<b>93,167,721</b>

(\*) Overdraft accounts include personnel loans amounting to TL 18,942.

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

d) 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>10,878,327</b>	<b>26,844,031</b>	<b>37,722,358</b>
Housing Loans	2,514	2,839,333	2,841,847
Vehicle Loans	2,705,338	1,430,026	4,135,364
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>32,514,732</b>	<b>27,041,785</b>	<b>59,556,517</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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

e) 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>8,031,049</b>	<b>35,196,504</b>	<b>43,227,553</b>
Business Loans	2,410	126,049	128,459
Vehicle Loans	1,341,699	8,034,704	9,376,403
General Purpose Loans	6,686,940	27,035,751	33,722,691
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>28,163</b>	<b>-</b>	<b>28,163</b>
Business Loans	-	-	-
Vehicle Loans	25,741	-	25,741
General Purpose Loans	2,422	-	2,422
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	<b>7,628,578</b>	<b>2,052</b>	<b>7,630,630</b>
With Instalments	1,651,034	2,052	1,653,086
Without Instalments	5,977,544	-	5,977,544
<b>Corporate Credit Cards-FC</b>	<b>13,131</b>	<b>-</b>	<b>13,131</b>
With Instalments	-	-	-
Without Instalments	13,131	-	13,131
<b>Overdraft Accounts-TL (Legal Entities)</b>	<b>1,925,782</b>	<b>-</b>	<b>1,925,782</b>
<b>Overdraft Accounts-FC (Legal Entities)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>17,626,703</b>	<b>35,198,556</b>	<b>52,825,259</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>

f) Distribution of loans by users:

	Current Period	Prior Period
Public	6,046,132	5,207,828
Private	327,377,329	205,784,658
<b>Total</b>	<b>333,423,461</b>	<b>210,992,486</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

g) Distribution of domestic and foreign loans:

	Current Period	Prior Period
Domestic Loans	331,650,467	210,159,249
Foreign Loans	1,772,994	833,237
<b>Total</b>	<b>333,423,461</b>	<b>210,992,486</b>

h) Loans granted to subsidiaries and associates:

These amounts are eliminated in the consolidated financial statements.

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

	Current Period	Prior Period
Loans with Limited Collectability	1,362,458	332,737
Loans with Doubtful Collectability	1,038,617	295,324
Uncollectible Loans	694,842	981,321
<b>Total</b>	<b>3,095,917</b>	<b>1,609,382</b>

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

j.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	322,632	85,266	19,920
Restructured Loans	322,632	85,266	19,920
<b>Prior Period</b>			
Gross Amounts before Provisions	61,062	36,088	27,630
Restructured Loans	61,062	36,088	27,630

j.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>441,358</b>	<b>1,299,929</b>
Additions during the Period (+)	5,653,404	18,911	145,472
Transfers from other accounts of Non-performing (+)	-	2,874,889	614,410
Transfers to other accounts of Non-performing (-)	2,874,889	614,410	-
Collections during the Period (-)	829,970	403,758	887,234
Write-Offs (-)	-	-	45,507
Sold (-) (*)	564,612	841,801	380,235
Corporate and Commercial Loans	1,694	8,750	18,926
Retail Loans	284,009	491,431	255,549
Credit Cards	278,909	341,620	105,760
Other	-	-	230,112
<b>Current Period End Balance</b>	<b>1,879,803</b>	<b>1,475,189</b>	<b>976,947</b>
Provision (-)	1,362,458	1,038,617	694,842
<b>Net Balances on Balance Sheet</b>	<b>517,345</b>	<b>436,572</b>	<b>282,105</b>

(\*) The portion of the Parent Bank's non-performing receivables portfolio amounting to TL 1,786,344 with a provision of TL 1,350,146 was sold for TL 623,404 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

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

j.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>31 December 2024</b>			
Period End Balance	13,674	47,425	29,355
Provision Amount (-)	8,731	26,756	21,963
<b>Net Balance on Balance Sheet</b>	<b>4,943</b>	<b>20,669</b>	<b>7,392</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>

j.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)	1,879,803	1,475,189	976,947
Provision Amount (-)	1,362,458	1,038,617	694,842
<b>Loans to Real Persons and Legal Entities (Net)</b>	<b>517,345</b>	<b>436,572</b>	<b>282,105</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	441,358	1,299,929
Provision Amount (-)	332,737	295,324	981,321
<b>Loans to Real Persons and Legal Entities (Net)</b>	<b>163,133</b>	<b>146,034</b>	<b>318,608</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>3,180</b>	<b>1,597</b>	<b>13,054</b>
Interest Accruals, Rediscounts and Valuation Differences	335,979	293,933	274,617
Provision Amount (-)	332,799	292,336	261,563
<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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

##### k) 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 45,507 (31 December 2023: TL 99,443) and its effect on NPL ratio is 0.02% (31 December 2023: 0.05%). The follow-up conversion rate is 1.27% (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 1.29% (31 December 2023: 1.09%).

##### l) Other explanations and disclosures:

Current Period	Commercial	Consumer	Credit Cards	Total
Standard Loans	222,430,015	47,978,137	36,780,152	307,188,304
Loans Under Close Monitoring	10,181,964	8,963,294	7,089,899	26,235,157
Loans Under Follow Up	1,436,810	1,840,097	1,055,032	4,331,939
<b>Total</b>	<b>234,048,789</b>	<b>58,781,528</b>	<b>44,925,083</b>	<b>337,755,400</b>
12 Month Expected Credit Loss (Stage I) (-)	443,011	379,667	277,134	1,099,812
Significant Increase in Credit Risk (Stage II) (-)	911,863	483,120	897,022	2,292,005
Default (Stage III) (-)	1,007,858	1,304,811	783,248	3,095,917
<b>Total</b>	<b>2,362,732</b>	<b>2,167,598</b>	<b>1,957,404</b>	<b>6,487,734</b>
<b>Net Credit Balance on Balance Sheet</b>	<b>231,686,057</b>	<b>56,613,930</b>	<b>42,967,679</b>	<b>331,267,666</b>
Prior Period	Commercial	Consumer	Credit Cards	Total
Standard Loans	140,053,159	34,498,325	21,143,243	195,694,727
Loans Under Close Monitoring	6,632,390	5,717,172	2,948,197	15,297,759
Loans Under Follow Up	709,694	1,268,519	258,944	2,237,157
<b>Total</b>	<b>147,395,243</b>	<b>41,484,016</b>	<b>24,350,384</b>	<b>213,229,643</b>
12 Month Expected Credit Loss (Stage I) (-)	291,501	233,326	164,241	689,068
Significant Increase in Credit Risk (Stage II) (-)	2,762,281	995,854	709,882	4,468,017
Default (Stage III) (-)	495,145	924,767	189,470	1,609,382
<b>Total</b>	<b>3,548,927</b>	<b>2,153,947</b>	<b>1,063,593</b>	<b>6,766,467</b>
<b>Net Credit Balance on Balance Sheet</b>	<b>143,846,316</b>	<b>39,330,069</b>	<b>23,286,791</b>	<b>206,463,176</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

##### 1) Other explanations and disclosures: (continued)

The following is a reclassification of provision for impairment on loans by stage;

#### Current Period

Commercial	Standard Loans (Stage 1)	Loans Under Close Monitoring (Stage 2)	Loans Under Follow Up (Stage 3)	Total
31 December 2023	291,501	2,762,281	495,145	3,548,927
Transfers;				
- Stage 1 to Stage 2	(9,174)	63,113	-	53,939
- Stage 1 to Stage 3	(2,846)	-	182,406	179,560
- Stage 2 to Stage 3	-	(49,935)	29,113	(20,822)
- Stage 2 to Stage 1	1,696	(160,065)	-	(158,369)
- Stage 3 to Stage 2	-	-	-	-
Transferred within the period	326,621	(1,712,672)	563,012	(823,039)
Collections	(182,915)	(216,978)	(231,595)	(631,488)
Sold Portfolio	-	-	(17,399)	(17,399)
Write-offs	-	-	(45,437)	(45,437)
Currency differences	18,128	226,119	32,613	276,860
<b>Total Expected Loss Provision - 31 December 2024</b>	<b>443,011</b>	<b>911,863</b>	<b>1,007,858</b>	<b>2,362,732</b>

#### Prior Period

Commercial	Standard Loans (Stage 1)	Loans Under Close Monitoring (Stage 2)	Loans Under Follow Up (Stage 3)	Total
31 December 2022	365,454	1,775,605	596,016	2,737,075
Transfers;				
- Stage 1 to Stage 2	(21,170)	47,017	-	25,847
- Stage 1 to Stage 3	(661)	-	27,380	26,719
- Stage 2 to Stage 3	-	(2,859)	8,182	5,323
- Stage 2 to Stage 1	1,185	(30,935)	-	(29,750)
- Stage 3 to Stage 2	-	-	-	-
Transferred within the period	145,986	423,746	201,931	771,663
Collections	(235,592)	(135,862)	(256,214)	(627,668)
Sold Portfolio	-	-	(26,596)	(26,596)
Write-offs	-	-	(86,961)	(86,961)
Currency differences	36,299	685,569	31,407	753,275
<b>Total Expected Loss Provision - 31 December 2023</b>	<b>291,501</b>	<b>2,762,281</b>	<b>495,145</b>	<b>3,548,927</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

##### 1) Other explanations and disclosures: (continued)

##### Current Period

Consumer	Standard Loans (Stage 1)	Loans Under Close Monitoring (Stage 2)	Loans Under Follow Up (Stage 3)	Total
31 December 2023	233,326	995,854	924,767	2,153,947
Transfers;				
- Stage 1 to Stage 2	(25,415)	98,106	-	72,691
- Stage 1 to Stage 3	(7,083)	-	308,935	301,852
- Stage 2 to Stage 3	-	(25,158)	138,244	113,086
- Stage 2 to Stage 1	6,950	(40,832)	-	(33,882)
- Stage 3 to Stage 2	-	-	(2)	(2)
Transferred within the period	283,561	(407,874)	446,619	322,306
Collections	(111,672)	(136,976)	159,889	(88,759)
Sold Portfolio	-	-	(647,590)	(647,590)
Write-offs	-	-	(26,051)	(26,051)
Currency differences	-	-	-	-
<b>Total Expected Loss Provision - 31 December 2024</b>	<b>379,667</b>	<b>483,120</b>	<b>1,304,811</b>	<b>2,167,598</b>

##### Prior Period

Consumer	Standard Loans (Stage 1)	Loans Under Close Monitoring (Stage 2)	Loans Under Follow Up (Stage 3)	Total
31 December 2022	231,139	385,520	1,173,192	1,789,851
Transfers;				
- Stage 1 to Stage 2	(16,253)	62,410	-	46,157
- Stage 1 to Stage 3	(4,496)	-	140,516	136,020
- Stage 2 to Stage 3	-	(24,134)	107,116	82,982
- Stage 2 to Stage 1	6,435	(57,058)	-	(50,623)
- Stage 3 to Stage 2	-	-	-	-
Transferred within the period	91,318	705,557	(62,374)	734,501
Collections	(76,020)	(79,817)	(82,209)	(238,046)
Sold Portfolio	-	-	(372,020)	(372,020)
Write-offs	-	-	(12,482)	(12,482)
Currency differences	-	-	-	-
Purchase of subsidiaries	1,203	3,376	33,028	37,607
<b>Total Expected Loss Provision - 31 December 2023</b>	<b>233,326</b>	<b>995,854</b>	<b>924,767</b>	<b>2,153,947</b>



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

##### 1) Other explanations and disclosures: (continued)

##### Current Period

	Standard Loans (Stage 1)	Loans Under Close Monitoring (Stage 2)	Loans Under Follow Up (Stage 3)	Total
<b>Credit Cards</b>				
31 December 2023	164,241	709,882	189,470	1,063,593
Transfers;	-	-	-	-
- Stage 1 to Stage 2	(18,098)	549,602	-	531,504
- Stage 1 to Stage 3	(5,441)	-	421,326	415,885
- Stage 2 to Stage 3	-	(22,285)	103,782	81,497
- Stage 2 to Stage 1	31,647	(140,327)	-	(108,680)
- Stage 3 to Stage 2	-	-	-	-
Transferred within the period	134,423	(92,643)	269,978	311,758
Collections	(29,638)	(107,207)	296,241	159,396
Sold Portfolio	-	-	(497,549)	(497,549)
Write-offs	-	-	-	-
Currency differences	-	-	-	-
<b>Total Expected Loss Provision - 31 December 2024</b>	<b>277,134</b>	<b>897,022</b>	<b>783,248</b>	<b>1,957,404</b>

##### Prior Period

	Standard Loans (Stage 1)	Loans Under Close Monitoring (Stage 2)	Loans Under Follow Up (Stage 3)	Total
<b>Credit Cards</b>				
31 December 2022	137,943	257,466	129,119	524,528
Transfers;	-	-	-	-
- Stage 1 to Stage 2	(10,904)	166,690	-	155,786
- Stage 1 to Stage 3	(2,293)	-	79,260	76,967
- Stage 2 to Stage 3	-	(13,557)	38,340	24,783
- Stage 2 to Stage 1	17,271	(99,622)	-	(82,351)
- Stage 3 to Stage 2	-	-	-	-
Transferred within the period	43,448	442,857	90,930	577,235
Collections	(21,224)	(43,952)	(18,847)	(84,023)
Sold Portfolio	-	-	(129,332)	(129,332)
Write-offs	-	-	-	-
Currency differences	-	-	-	-
<b>Total Expected Loss Provision - 31 December 2023</b>	<b>164,241</b>	<b>709,882</b>	<b>189,470</b>	<b>1,063,593</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

##### l) Other explanations and disclosures: (continued)

The fair value of collaterals of non-performing loans, capped with the respective outstanding loan balance as of 31 December 2024 is TL 960,710 (31 December 2023: TL 639,046).

#### The fair value of the collateral of non-performing loans that do not exceed the risk:

	Current Period	Prior Period
Mortgage	630,403	557,394
Vehicle	312,636	48,162
Cash	1,297	238
Other (*)	16,374	33,252
<b>Total</b>	<b>960,710</b>	<b>639,046</b>

(\*) Other amount includes Treasury backed and Portfolio guaranteed CGF guarantee amounting to TL 54,504 (31 December 2023: TL 33,252).

As of 31 December 2024, the fair value of the collaterals of the customers' total principal risk related to the loans under close monitoring that do not exceed the risk is TL 6,685,815 (31 December 2023: TL 3,881,224).

#### Fair value of the part of the collaterals of the closely monitored loans that do not exceed the risk:

	Current Period	Prior Period
Mortgage	3,741,747	3,232,685
Vehicle	2,311,557	541,478
Cash, Government Bonds	632,498	106,561
Other	13	500
<b>Total</b>	<b>6,685,815</b>	<b>3,881,224</b>

As of 31 December 2024 and 31 December 2023, the details of the commodities and real estates that the parent bank has acquired for disposal of credit receivables are as follows:

31 December 2024	Commercial	Consumer	Total
Residential, commercial or industrial properties	32,000	289	32,289
Other	-	-	-
<b>Total</b>	<b>32,000</b>	<b>289</b>	<b>32,289</b>

31 December 2023	Commercial	Consumer	Total
Residential, commercial or industrial properties	81,771	289	82,060
Other	-	-	-
<b>Total</b>	<b>81,771</b>	<b>289</b>	<b>82,060</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### I. Explanations and Disclosures Related to the Consolidated 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	44,531,480	6,542,001	14,269,209	14,639,935
<b>Total</b>	<b>44,531,480</b>	<b>6,542,001</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	5,568,097	-	17,933,295	-
Other	-	-	-	-
<b>Total</b>	<b>5,568,097</b>	<b>-</b>	<b>17,933,295</b>	<b>-</b>

Unrestricted financial assets measured at amortized cost are TL 5,295,439 (31 December 2023: TL 2,449,019).

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

	Current Period	Prior Period
Government Bonds	61,937,017	49,291,458
Treasury Bills	-	-
Other Public Sector Debt Securities	-	-
<b>Total</b>	<b>61,937,017</b>	<b>49,291,458</b>

An expected loss provision of TL 11,957 (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	61,937,017	49,291,458
Quoted on a Stock Exchange	61,937,017	49,291,458
Unquoted on a Stock Exchange	-	-
Impairment Provision (-)	-	-
<b>Total</b>	<b>61,937,017</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	1,218,219	5,539,588
Purchases During the Year	14,600,317	15,451,927
Disposals Through Sales and Redemptions	(9,675,435)	(9,541,486)
Impairment Provision (-)	-	-
Valuation Effect(*)	6,502,458	(2,614,507)
<b>Closing Balance</b>	<b>61,937,017</b>	<b>49,291,458</b>

(\*) Includes rediscount amounts too.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

- a.1) Information on consolidated 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 consolidated 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:

	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	768,963	189	4,431	671,479
Net income for the period and prior period income	503,737	1,233,239	531,050	222,526
Income/ Loss recognized under equity in accordance with TAS	-	-	-	-
Leasehold improvements on operational leases (-)	5,070	4,414	1,914	677
Goodwill and intangible asset and the related deferred tax liability (-)	23,262	25,131	3,094	9,218
<b>Total Common Equity Tier 1 Capital</b>	<b>1,294,368</b>	<b>1,303,883</b>	<b>560,473</b>	<b>955,736</b>
Provisions	26,782	-	-	7,732
<b>Equity</b>	<b>1,321,150</b>	<b>1,303,883</b>	<b>560,473</b>	<b>963,468</b>

The Parent Bank does not have any capital requirement arising from its subsidiaries included in the consolidated capital adequacy standard ratio.

- b) If there is any consolidated subsidiary, total equity amount that is lack of subjection to the reasonable justifications of non-consolidate and minimum capital requirement: None (31 December 2023: None).
- c) Information on the consolidated subsidiaries: None (31 December 2023: None).
- d) Information on the consolidated subsidiaries:
- d.1) Information on the consolidated subsidiaries:

Title	Address (City/ Country)	Group'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	100.00	-
3 TEB Portföy Yönetimi A.Ş. (*)	İstanbul/Turkey	54.74	45.26
4 TEB Finansman A.Ş.	İstanbul/Turkey	100.00	-

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

	Shareholders', Total Assets	Equity	Total Fixed Assets	Interest Income	Income on Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit/Loss (*)	Fair Value
1	17,086,304	1,322,700	63,281	4,253,505	-	503,737	377,396	-
2	2,123,951	1,333,428	54,693	1,157,838	-	523,439	409,317	-
3	695,011	565,481	29,088	34,971	90	400,368	103,636	-
4	5,554,230	965,631	18,553	1,623,952	-	222,954	175,146	-

(\*) Amounts adjusted according to the BRSA's financial statements prepared for consolidation as of 31 December 2024. Within the framework of BRSA regulations, it includes values as of 31 December 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 31 December 2023, which have not been subjected to inflation accounting.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### I. Explanations and Disclosures Related to the Consolidated 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	311,029	134,897
Movements during the Period	17,515	176,132
Purchases (*)	-	162,985
Bonus Shares Obtained	-	-
Share in Current Year Income	-	-
Sales	-	-
Revaluation Increase/(Decrease)	17,515	13,147
Provisions for Impairment	-	-
<b>Balance at the end of the period</b>	<b>328,544</b>	<b>311,029</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	122,142	104,627
<b>Total</b>	<b>328,544</b>	<b>311,029</b>

The carrying amounts of the subsidiaries above have been eliminated in the consolidated financial statements.

##### 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 (%)	Current Assets	Non-current Assets	Long-Term Liability	Income	Expense
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (*)	0.1	33.3	336,786	291,791	145,066	1,771,727	(1,652,358)

(\*) As of 31 December 2024, 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 consolidated joint venture (joint venture) is not consolidated:

The Parent 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### I. Explanations and Disclosures Related to the Consolidated 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	-	-	-	-
Cash Flow Hedge	108,556	51,246	735,767	302,754
Foreign Net Investment Hedge	-	-	-	-
<b>Total</b>	<b>108,556</b>	<b>51,246</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.

According to cash flow hedges terminated by the Parent Bank, accumulated valuation differences amounted TL 17,507 (31 December 2023: TL 39,591) is recorded under equity as of 31 December 2024 and these accumulated differences are transferred into income statement by considering maturity date of hedged items.

13. Information on tangible assets:

	31 December 2023	Purchases	Sales	Other	31 December 2024
<b>Cost:</b>					
Real estate	117,731	4,602	-	49	122,382
Right of Use	1,538,866	1,219,136	(216,248)	-	2,541,754
Furniture, Furnishings, Office Machines and Other Securities	2,141,355	849,827	(47,221)	4,177	2,948,138
<b>Total Cost</b>	<b>3,797,952</b>	<b>2,073,565</b>	<b>(263,469)</b>	<b>4,226</b>	<b>5,612,274</b>
	31 December 2023	Charge for the Period	Sales	Other	31 December 2024
<b>Accumulated Depreciation:</b>					
Real estate	64,381	3,367	-	49	67,797
Right of Use Depreciation	701,029	514,116	(174,531)	(1,410)	1,039,204
Furniture, Furnishings, Office Machines and Other Securities	1,052,226	348,712	(44,554)	353	1,356,737
<b>Total Accumulated Depreciation</b>	<b>1,817,636</b>	<b>866,195</b>	<b>(219,085)</b>	<b>(1,008)</b>	<b>2,463,738</b>
<b>Net Book Value</b>	<b>1,980,316</b>				<b>3,148,536</b>

- a) The impairment provision set or cancelled in the current period according to the asset groups not individually significant but materially affecting the overall financial statements, and the reason and conditions for this: None.
- b) Pledges, mortgages and other restrictions on the tangible assets, expenses arising from the construction for tangible assets, commitments given for the purchases of tangible assets: None.

14. Information on intangible assets:

	31 December 2023	Purchases	Sales	Other	31 December 2024
<b>Cost:</b>					
Other Intangible Assets	1,707,733	1,061,489	(9,297)	-	2,759,925
<b>Total Cost</b>	<b>1,707,733</b>	<b>1,061,489</b>	<b>(9,297)</b>	<b>-</b>	<b>2,759,925</b>
	31 December 2023	Charge for the Period	Sales	Other	31 December 2024
<b>Accumulated Depreciation:</b>					
Other Intangible Assets	824,638	342,397	(3)	(40)	1,166,992
<b>Total Accumulated Depreciation</b>	<b>824,638</b>	<b>342,397</b>	<b>(3)</b>	<b>(40)</b>	<b>1,166,992</b>
<b>Net Book Value</b>	<b>883,095</b>				<b>1,592,933</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 14. Information on intangible assets: (continued)

- Disclosures for book value, description and remaining useful life for a specific intangible asset that is material to the financial statements: None.
- Disclosure for intangible assets acquired through government grants and accounted for at fair value at initial recognition: None.
- The method of subsequent measurement for intangible assets that are acquired through government incentives and recorded at fair value at the initial recognition: None.
- Book value of intangible assets that are restricted or pledged in use: None.
- Amount of purchase commitments for intangible assets: None.
- Information on revalued intangible assets according to their types: None.
- Amount of total research and development expenses recorded in income statement within the period if any: None.
- Positive or negative consolidation goodwill on entity basis: None.
- Information on goodwill:

Following the publication of the BRSA's permission dated 10 February 2011 in the Official Gazette dated 12 February 2011 and numbered 27844, all rights by the termination of the legal personality of Fortis Bank A.Ş. The merger of two banks was realized through the transfer of receivables, liabilities and liabilities to the Bank in the form of ashes. The shareholders of Fortis Bank A.Ş., which was dismissed due to the merger, were given 1.0518 registered TEB shares for each share with a nominal value of TL 1 to be replaced with their existing shares. Since the enterprises subject to this merger are not controlled by the same person or persons before and after the business merger, the transaction has been evaluated within the scope of TFRS 3. In the merger, Fortis Bank A.Ş. has been identified as an acquired business and the fair value of the equity shares subject to the change because of the merger, as of 14 February 2011, is taken into account as the transferred price, and the difference between this value and the fair value of the identifiable net assets of Fortis Bank A.Ş. is recognized as goodwill.

- Beginning and ending balance of the goodwill and movement on goodwill in the current period:

	Current Period	Prior Period
Beginning of the period	421,124	421,124
Foreign currency differences	-	-
Acquisitions	-	-
<b>Period End Balance</b>	<b>421,124</b>	<b>421,124</b>

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

#### 16. Information on deferred tax asset:

- As of 31 December 2024, deferred tax asset computed on the temporary differences and reflected to the balance sheet is TL 1,607,225 (31 December 2023: TL 2,531,368). There are no tax exemptions or deductions over which deferred tax asset is computed.
- Temporary differences over which deferred tax asset is not computed and recorded in the balance sheet in prior periods: None.
- Allowance for deferred tax and deferred tax assets from reversal of allowance: None.
- Movement of deferred tax:

	Current Period	Prior Period
<b>As of 1 January</b>	<b>2,531,368</b>	<b>1,624,898</b>
Deferred Tax Income / (Expense)	(1,308,998)	474,452
Deferred Tax Accounted Under Equity	384,855	357,415
Subsidiary Acquisition	-	74,603
<b>Deferred Tax Asset</b>	<b>1,607,225</b>	<b>2,531,368</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 16. Information on deferred tax assets: (continued)

After net off the net deferred tax asset is presented as deferred tax asset on the balance sheet and net deferred tax liability presented as deferred tax liability on balance sheet. The deferred tax expense of TL 1,308,998 is stated under the tax provision in the income statement (31 December 2023: TL 474,452 income). The portion of the deferred tax that is directly attributable to equity which is presented in the table below has been netted within the relevant accounts in the statement of shareholders' equity.

	Current Period	Prior Period
Financial Assets Fair Value Through Other Comprehensive Income	181,812	275,549
From hedge accounting	116,713	988
Actuarial gains and losses	86,330	80,878
<b>Total</b>	<b>384,855</b>	<b>357,415</b>

	2024		2023	
Timing differences that form the basis for deferred tax	Accumulated temporary differences	Deferred tax asset/(liability)	Accumulated temporary differences	Deferred tax asset/(liability)
Valuation Differences of Financial Assets and Liabilities	(8,397,232)	(2,519,170)	(5,055,874)	(1,516,762)
Expected Loss Provisions	4,176,029	1,252,809	5,998,938	1,799,681
Unearned Revenues	2,896,812	869,044	1,495,830	448,749
Differences Between Book Value and Tax Value of Fixed Assets	2,357,691	707,307	2,399,172	719,752
Provision for Employee Benefits	2,962,376	888,713	3,098,722	929,617
Valuation Differences of Derivatives	661,786	198,536	(970,266)	(291,080)
Accumulated Depreciation Differences	(542,374)	(162,712)	(210,915)	(63,275)
Other	1,242,330	372,698	1,682,287	504,686
<b>Total Net Deferred Tax Asset</b>	<b>5,357,418</b>	<b>1,607,225</b>	<b>8,437,894</b>	<b>2,531,368</b>

#### 17. 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	8,194	49,380
Disposed (-)	58,251	67,042
Impairment (-)	(286)	648
Depreciation Value (-)	-	-
Period End Cost	32,289	82,060
Period End Accumulated Depreciation (-)	-	-
<b>Closing Net Book Value</b>	<b>32,289</b>	<b>82,060</b>

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



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 18. Information on factoring receivables of Group:

a) Maturity analysis explanation:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short Term (*)	10,827,379	5,585,595	5,911,393	4,191,439
Mid and Long Term	-	-	-	-
Stage 1 Provision (-)	9,602	100	7,172	115
Stage 2 Provision (-)	17,078	2	16,709	-
Stage 3 Provision (-)	189,499	-	94,219	7,669
<b>Total</b>	<b>10,611,200</b>	<b>5,585,493</b>	<b>5,793,293</b>	<b>4,183,655</b>

(\*) Includes factoring receivables which is impaired amounting to TL 211,281 (31 December 2023: TL 107,812).

b) Other explanations and disclosures:

Current Period	Commercial	Consumer	Total
Standard Loans	14,050,313	-	14,050,313
Close Monitoring Loans	2,151,380	-	2,151,380
Loans Under Follow-Up	211,281	-	211,281
<b>Total</b>	<b>16,412,974</b>	<b>-</b>	<b>16,412,974</b>
12 month expected credit loss (Stage I) (-)	9,702	-	9,702
Significant increase in credit risk (Stage II) (-)	17,080	-	17,080
Default (Stage III) (-)	189,499	-	189,499
<b>Total Allowance for Impairment (-)</b>	<b>216,281</b>	<b>-</b>	<b>216,281</b>
<b>Net Credit Balance on Balance Sheet</b>	<b>16,196,693</b>	<b>-</b>	<b>16,196,693</b>
Prior Period	Commercial	Consumer	Total
Standard Loans	8,851,783	-	8,851,783
Close Monitoring Loans	1,143,237	-	1,143,237
Loans Under Follow-Up	107,812	-	107,812
<b>Total</b>	<b>10,102,832</b>	<b>-</b>	<b>10,102,832</b>
12 month expected credit loss (Stage I) (-)	7,287	-	7,287
Significant increase in credit risk (Stage II) (-)	16,709	-	16,709
Default (Stage III) (-)	101,888	-	101,888
<b>Total Allowance for Impairment (-)</b>	<b>125,884</b>	<b>-</b>	<b>125,884</b>
<b>Net Credit Balance on Balance Sheet</b>	<b>9,976,948</b>	<b>-</b>	<b>9,976,948</b>

c) Aging analysis of accounting past-due exposures:

31 December 2024	1-30 Days	31-60 Days	61-90 Days	Total
Commercial Loans	11,191	15,617	5,749	32,557
Consumer Loans	-	-	-	-
Credit Cards	-	-	-	-
<b>Total</b>	<b>11,191</b>	<b>15,617</b>	<b>5,749</b>	<b>32,557</b>
31 December 2023	1-30 Days	31-60 Days	61-90 Days	Total
Commercial Loans	989	1,349	448	2,786
Consumer Loans	-	-	-	-
Credit Cards	-	-	-	-
<b>Total</b>	<b>989</b>	<b>1,349</b>	<b>448</b>	<b>2,786</b>

#### 19. Information on other assets:

Other assets of the balance sheet amount to TL 30,738,566 (31 December 2023: TL 12,318,047) and do not exceed 10% of the total balance sheet excluding off-balance sheet commitments.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations and Disclosures Related to the Consolidated 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	20,904,989	-	100,254,960	58,116,998	6,547,050	864,954	3,175,396	-	189,864,347
Residents in Turkey	64,925,497	-	9,369,119	13,139,099	37,306	28,307	169,437	-	87,668,765
Residents Abroad	61,881,038	-	8,743,334	12,726,768	31,117	12,594	155,782	-	83,550,633
Public Sector Deposits	3,044,459	-	625,785	412,331	6,189	15,713	13,655	-	4,118,132
Commercial Deposits	4,056,278	-	49,827	281,935	-	-	-	-	4,388,040
Other Institutions Deposits	19,750,354	-	60,079,525	13,298,694	3,879,521	532,283	762,041	-	98,302,418
Precious Metals Deposits	1,479,898	-	255,998	1,264,938	55,937	11,063	321	-	3,068,155
Bank Deposits	15,997,089	-	25,491	94,925	10,921	24,118	440	-	16,152,984
Central Bank of Türkiye	767,742	-	5,271,155	-	-	-	-	-	6,038,897
Domestic Banks	396,374	-	-	-	-	-	-	-	396,374
Foreign Banks	4	-	1,737,633	-	-	-	-	-	1,737,637
Participation Banks	371,364	-	3,533,522	-	-	-	-	-	3,904,886
Other	-	-	-	-	-	-	-	-	-
Foreign Currency Deposits	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>127,881,847</b>	<b>-</b>	<b>175,306,075</b>	<b>86,196,589</b>	<b>10,530,735</b>	<b>1,460,725</b>	<b>4,107,635</b>	<b>-</b>	<b>405,483,606</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 31 December 2024, TL deposit amount includes TL 21,398,461 (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	62,390,386	-	11,279,340	12,705,976	231,984	50,731	47,189	-	86,705,606
Residents in Turkey	59,024,612	-	10,540,158	12,196,472	211,226	47,602	42,603	-	82,062,673
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	15,999,693	-	12,639,296	20,143,834	1,154,047	1,998,176	1,399,329	-	53,334,375
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>105,382,412</b>	<b>-</b>	<b>57,340,108</b>	<b>99,363,344</b>	<b>5,885,859</b>	<b>11,944,273</b>	<b>4,651,205</b>	<b>-</b>	<b>284,567,201</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	91,691,410	49,743,453	94,057,590	72,203,333
Foreign Currency Saving Deposits	21,190,054	18,884,543	22,201,877	26,773,509
Other Deposits in the Form of Saving Deposits	6,316,932	4,671,518	7,318,563	6,054,464
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-
<b>Total</b>	<b>119,198,396</b>	<b>73,299,514</b>	<b>123,578,030</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 10,312,851 (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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### II. Explanations and Disclosures Related to the Consolidated 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	2,161,731	2,040,846
Deposits of Controlling Shareholders and Their Close Families	5,751,847	3,159,145
Deposits of Chairman and Members of the Board of Directors and Their Close Families	210,468	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	1,021,092	150,842	344,298	14,767
Swap Transactions	2,519,447	496,607	1,020,999	347,925
Futures Transactions	-	-	-	-
Options	379,132	372,595	387,146	437,708
Other	-	-	-	-
<b>Total</b>	<b>3,919,671</b>	<b>1,020,044</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	7,428,385	335,827	5,228,327	12,801
From Foreign Banks, Institutions and Funds	4,575,476	30,526,988	324,183	24,028,802
<b>Total</b>	<b>12,003,861</b>	<b>30,862,815</b>	<b>5,552,510</b>	<b>24,041,603</b>

As of 31 December 2024, the Group has borrowings from its related parties amounting to TL 5,564,605 (31 December 2023: 4,189,313).

b) Maturity analysis of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	11,769,722	7,903,620	5,552,510	6,038,243
Medium and Long-Term	234,139	22,959,195	-	18,003,360
<b>Total</b>	<b>12,003,861</b>	<b>30,862,815</b>	<b>5,552,510</b>	<b>24,041,603</b>

c) Information on debt securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bonds	1,326,075	-	868,080	-
Treasury Bills	336,606	-	643,861	-
<b>Total</b>	<b>1,662,681</b>	<b>-</b>	<b>1,511,941</b>	<b>-</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 4. Information on money market funds:

Information on funds provided through repurchase transactions:

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>From Domestic Transactions</b>	<b>12,436,552</b>	<b>45,474,286</b>	<b>390,354</b>	<b>21,558,125</b>
Financial Institutions and Organizations	12,015,992	45,474,286	-	21,558,125
Other Institutions and Organizations	420,560	-	390,354	-
Individuals	-	-	-	-
<b>From Foreign Transactions</b>	<b>-</b>	<b>5,462,107</b>	<b>-</b>	<b>6,551,717</b>
Financial Institutions and Organizations	-	5,462,107	-	6,551,717
Other Institutions and Organizations	-	-	-	-
Individuals	-	-	-	-
<b>Total</b>	<b>12,436,552</b>	<b>50,936,393</b>	<b>390,354</b>	<b>28,109,842</b>

#### 5. 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 29,986,506 (31 December 2023: TL 16,699,556) do not exceed 10% of the total balance sheet.

#### 6. 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 31 December 2024, the Group has leasing liability amounting to TL 1,838,073 (31 December 2023: TL 1,025,441).

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge	-	313,138	-	-
Cash Flow Hedge	71,330	-	82,455	-
Hedging the Risk of Net Investments Abroad	-	-	-	-
<b>Total</b>	<b>71,330</b>	<b>313,138</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.

Derivative financial instruments for fair value hedging purposes consist of interest rate swaps. As of 31 December, 2024, the amount of TL 313,138 represents the fair value of derivative financial instruments used in fair value hedging of foreign currency borrowings (31 December, 2023: None).

As of 31 December 2024, there are accumulated valuation differences of TL 17,507 (31 December 2023: TL 39,591) under equity. Regarding the cash flow hedging transactions terminated by the Parent Bank, this amount is spread over the remaining terms of the hedged items by the Parent Bank and transferred to the income statement.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 8. Information on provisions:

- a) 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).
- b) The specific provisions provided for unindemnified non-cash loans or expected credit loss for non-cash loans:

	Current Period	Prior Period
Stage 1	329,245	167,442
Stage 2	388,352	611,469
Stage 3	382,764	131,680
<b>Total</b>	<b>1,100,361</b>	<b>910,591</b>

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

As of 31 December 2024, TL 76,565 (31 December 2023: TL 56,774) unused vacation provision, TL 1,203,743 (31 December 2023: TL 1,475,226) employment termination benefit provision, TL 1,709,490 (31 December 2023: TL 1,570,679) bonus provision, TL 18,315 (31 December 2023: TL 17,940) other expense provision are presented under “Provision of Employee Rights” in financial statements.

##### c.1) Termination benefits:

In determining the liability, the Parent Bank makes use of independent actuaries and makes assumptions on issues such as discount rate, employee turnover rate and future salary increases. These assumptions are reviewed annually:

	31 December 2024	31 December 2023
Discount rate (%)	30.51	23.13
Estimated inflation rate (%)	25.25	17.77
Salary increase rate over inflation rate (%)	1.00	1.00

##### Movement of employee termination benefits

	Current Period	Prior Period
As of 1 January	1,475,226	1,291,701
Current service cost	119,912	88,764
Interest cost	242,258	90,071
Reductions and payments	24,734	9,519
Actuarial loss / (gain)	325,890	369,459
Compensations paid	(984,277)	(387,230)
Subsidiary Acquisition	-	12,942
<b>Total</b>	<b>1,203,743</b>	<b>1,475,226</b>

##### c.2) Retirement Benefits:

The employees who have joined the Parent Bank as a consequence of the merger of the Parent Bank and Fortis Bank are members of the “Pension Fund Foundation” established in accordance with the Social Security Law No.506, provisional Article No.20.

The liabilities described in the Retirement Fund Section 3 No. XVI “Explanations on Liabilities related to Rights of Employees” which may arise during the transfer have been calculated by the actuary based on the principles of the related regulation, whereas the liabilities in connection with other social rights and benefits which will not be undertaken by the SSI after the transfer have been calculated by the actuary based on TAS 19 principles. The Parent Bank 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 31 December 2024 and 31 December 2023. 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.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

##### c) Liabilities on unused vacation, bonus, health, employee termination benefits: (continued)

##### c.2) Retirement Benefits: (continued)

Within the frame of the assumptions determined;

Period Based Pension and Health Obligations:	31 December 2024	31 December 2023
Net Present Value of Transferrable Retirement Liabilities	(11,377,142)	(6,317,234)
Net Present Value of Transferrable Retirement and Health Contributions	1,881,959	851,710
General Administration Expenses	(113,771)	(63,172)
Present Value of Pension and Medical Benefits Transferable to SSF (1)	(9,608,954)	(5,528,696)
Fair Value of Plan Assets (2)	12,690,064	8,399,806
Asset Surplus over Transferable Benefits ((2)-(1)=(3))	3,081,110	2,871,110
Non-Transferable Benefits (4)	(3,059,646)	(2,148,410)
Asset Surplus over Total Benefits ((3)-(4))	21,464	722,700

As of 31 December 2024 and 31 December 2023, the distribution of the fair value of the total assets of the Pension Fund is as follows:

	31 December 2024	31 December 2023
Bank placements	1,026,000	1,730,850
Tangible assets	2,296,000	465,925
Government Bonds and Treasury Bills, Funds and Rediscount Interest Income	9,260,958	5,697,020
Other	107,106	506,011
<b>Total</b>	<b>12,690,064</b>	<b>8,399,806</b>

Actuarial assumptions used in the calculation of liabilities excluding the period-based liabilities according to TAS 19 are as follows:

	31 December 2024	31 December 2023
Discount rates (%)	30.51	23.13
Inflation expectations (%)	25.25	17.77

As of 31 December 2024, health inflation is assumed to be in line with inflation. Long-term inflation assumption is assumed to be 25.25% on 31 December 2024 (31 December 2023: 17.77%). It is assumed that general salary increases will be 1% above inflation and SSI ceiling increase will be at the same rate as inflation. CSO 2001 (31 December 2023: CSO 2001) Female/Male mortality table is used to represent expected mortality rates both before and after retirement.

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

	Current Period	Prior Period
Provision for Non-Cash Loans	1,100,361	910,591
Provision for Legal Cases	237,311	233,353
Provision for Promotions of Credit Cards and Banking Services	55,489	16,718
Other (*)	1,782,514	2,347,606
<b>Total</b>	<b>3,175,675</b>	<b>3,508,268</b>

(\*) As of 31 December 2024, it includes a free provision of TL 1,500,000 (December 31, 2023: TL 2,050,000).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

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

The following table is represented reconciliation on the provision for impairment of non-cash loans;

	Standard Loans (Stage I)	Loans Under Close Monitoring (Stage II)	Loans Under Follow Up (Stage III)	Total
<b>Current Period</b>				
31 December 2023	167,442	611,469	131,680	910,591
Transfers;				
- Stage 1 to Stage 2	(626)	10,288	-	9,662
- Stage 1 to Stage 3	(184)	-	14,523	14,339
- Stage 2 to Stage 3	-	(66,738)	308,622	241,884
- Stage 2 to Stage 1	-	-	-	-
- Stage 3 to Stage 2	308	(2,061)	-	(1,753)
Transferred within the period	188,825	143,418	(60,378)	271,865
Collections	(28,946)	(357,989)	(11,683)	(398,618)
Exchange differences	2,426	49,965	-	52,391
<b>Total Expected Loss Provision -31 December 2024</b>	<b>329,245</b>	<b>388,352</b>	<b>382,764</b>	<b>1,100,361</b>

	Standard Loans (Stage I)	Loans Under Close Monitoring (Stage II)	Loans Under Follow Up (Stage III)	Total
<b>Prior Period</b>				
31 December 2022	163,475	389,419	133,621	686,515
Transfers;				
- Stage 1 to Stage 2	(688)	4,024	-	3,336
- Stage 1 to Stage 3	(112)	-	5,422	5,310
- Stage 2 to Stage 3	-	(6,942)	120,364	113,422
- Stage 2 to Stage 1	-	-	-	-
- Stage 3 to Stage 2	425	(4,346)	-	(3,921)
Transferred within the period	15,447	139,730	(107,916)	47,261
Collections	(29,853)	(95,662)	(19,811)	(145,326)
Exchange differences	18,748	185,246	-	203,994
<b>Total Expected Loss Provision -31 December 2023</b>	<b>167,442</b>	<b>611,469</b>	<b>131,680</b>	<b>910,591</b>

#### 9. Information on taxes payable:

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

The Group's corporate tax liability is TL 416,222 as of 31 December 2024 (31 December 2023: TL 395,928). As of 31 December 2024, the Group's total debt for taxes and premiums is TL 3,071,453 (December 31, 2023: TL 1,476,644).

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

	Current Period	Prior Period
Corporate Tax Payable	416,222	395,928
Taxation on Securities	1,142,179	194,666
Property Tax	9,767	5,891
Banking Insurance Transaction Tax (BITT)	989,051	464,854
Foreign Exchange Transaction Tax	15,253	8,508
Value Added Tax Payable	85,011	61,748
Other (*)	208,129	118,714
<b>Total</b>	<b>2,865,612</b>	<b>1,250,309</b>

(\*) TL 183,835 (31 December 2023: TL 111,043) of the other item is income tax deducted from wages and TL 9,236 (31 December 2023: TL 5,834) is stamp tax payable.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 9. Information on taxes payable: (continued)

##### c) Information on premiums:

	Current Period	Prior Period
Social Security Premiums-Employee	83,397	157,917
Social Security Premiums-Employer	105,358	57,105
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	6,017	4,067
Unemployment Insurance-Employer	11,069	7,246
Other	-	-
<b>Total</b>	<b>205,841</b>	<b>226,335</b>

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

**10. Information on fixed assets payables related to activities held and discontinued for sale:** None (31 December 2023: None).

#### **11. Explanations on the number of subordinated loans the Parent Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any:**

On January 17, 2024, the Parent Bank issued a subordinated debt instrument amounting to USD 400 million with a maturity of 10 years and an early redemption option at the end of the 5th year. The interest rate of the "Tier 2 capital" issuance is a fixed annual rate of 9.375%.

On May 8, 2024, the Parent Bank issued a subordinated private placement debt instrument amounting to EUR 100 million with a maturity of 10 years and early redemption options, provided that it is not earlier than the 5th year and at the end of each subsequent interest period. The interest rate of the issuance is 6-month Euribor + 3.70% annually. The mentioned "Tier 2 capital" was provided by the International Finance Corporation ("IFC").

On September 11, 2024, the Parent Bank issued an "additional Tier 1 capital" debt instrument amounting to USD 300 million, which is perpetual and has redemption options at any time from the end of the earliest 5th year to the end of the latest 5.5th year following the closing date and at each subsequent interest payment period. The interest rate of the issuance is a fixed annual rate of 9.375%.

The subordinated loans mentioned above have been used in line with the BRSA's definitions of "credit capital" and, in addition to providing long-term funding for the Parent Bank, positively impact the Group's capital adequacy ratio.



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 11. Explanations on the number of subordinated loans the Parent Bank used, maturity, interest rate, institution that the loan was borrowed from, and conversion option, if any: (continued)

Information on subordinated loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt Instruments to be Included in Additional Capital Calculation	-	10,497,994	-	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	10,497,994	-	-
Debt Instruments to be Included in the Contribution Capital Calculation	-	17,745,693	-	11,637,967
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	17,745,693	-	11,637,967
<b>Total</b>	-	<b>28,243,687</b>	-	<b>11,637,967</b>

	Current Period		Prior Period	
	TL	FC	TL	FC
From Domestic Banks	-	-	-	-
From Domestic Other Institutions	-	-	-	-
From Foreign Banks	-	24,601,200	-	11,637,967
From Other Foreign Institutions	-	3,642,487	-	-
<b>Total</b>	-	<b>28,243,687</b>	-	<b>11,637,967</b>

#### 12. 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 Parent 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 Parent Bank is followed up and estimated by the Parent 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.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 12. Information on shareholders’ equity: (continued)

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	(426,482)	(112,577)	(81,685)	(29,672)
Foreign Exchange Difference	-	-	-	-
<b>Total</b>	<b>(426,482)</b>	<b>(112,577)</b>	<b>(81,685)</b>	<b>(29,672)</b>

**13. Information on minority interests:** As of 31 December 2024, part of the Group equity that belongs to minority shares is TL 255,937 (31 December 2023: TL 74,982).

**14. Information on factoring liabilities:** As of 31 December 2024, the Group has factoring debt of TL 29,257 (31 December 2023: TL 30,482).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### III. Explanations and Disclosures Related to the Consolidated 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	120,254,472	52,048,755
Asset Purchase Commitments	37,721,935	10,243,499
Loan Granting Commitments	32,887,846	13,577,154
Commitments for Cheque Payments	5,731,412	4,044,146
Tax and Fund Liabilities from Export Commitments	2,395,399	302,721
Commitments for Credit Cards and Banking Services Promotions	7,529	3,181
Other Irrevocable Commitments	1,060,055	955,409
Other Revocable Commitments	2,053,814	902,792
<b>Total</b>	<b>202,112,462</b>	<b>82,077,657</b>

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

The Group, 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	25,708,955	22,935,305
Bank acceptances	62,540	70,513
Other guarantees	18,395,507	10,693,200
Other contingencies	6,225,965	3,057,472
<b>Total</b>	<b>50,392,967</b>	<b>36,756,490</b>

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

	Current Period	Prior Period
Guarantee letters	35,306,635	28,949,303
Advance guarantee letters	6,051,652	8,472,141
Guarantee letters given for customs	1,689,825	1,321,518
Temporary guarantee letters	1,100,708	659,207
Other guarantee letters	8,094,287	5,765,495
<b>Total</b>	<b>52,243,107</b>	<b>45,167,664</b>

##### c) c.1) Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash Loans Given Against Achieving Cash Loans	7,488,129	5,609,748
With Maturity of One Year or Less Than One Year	1,582,864	821,496
With Maturity of More Than One Year	5,905,265	4,788,252
Other Non-Cash Loans	95,147,945	76,314,406
<b>Total</b>	<b>102,636,074</b>	<b>81,924,154</b>

For non-cash loans amounting to TL 781,048 (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 382,764 (31 December 2023: TL 131,680) has been set aside. In addition, TL 329,245 (31 December 2023: TL 167,442) Stage 1, TL 388,352 (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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### III. Explanations and Disclosures Related to the Consolidated Off-Balance Sheet Items (continued)

#### 1. Information on off-balance sheet liabilities: (continued)

c.2) Information on sectoral risk breakdown of non-cash loans:

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	82,347	0.23	23,047	0.03	82,951	0.42	3,953	0.01
Farming and raising livestock	81,984	0.23	21,426	0.03	81,156	0.41	3,953	0.01
Forestry	-	-	-	-	-	-	-	-
Fishery	363	-	1,621	-	1,795	0.01	-	-
Manufacturing	19,527,667	54.04	30,491,364	45.86	8,836,468	44.99	23,981,409	38.50
Mining and Quarry	886,008	2.45	3,596,392	5.41	438,967	2.23	783,719	1.26
Production	18,295,956	50.63	26,418,476	39.73	8,262,778	42.07	23,165,480	37.19
Electricity, Gas and Water	345,703	0.96	476,496	0.72	134,723	0.69	32,210	0.05
Construction	3,020,790	8.36	14,217,853	21.38	1,992,328	10.14	14,932,457	23.98
Services	13,256,960	36.68	19,868,772	29.88	8,444,984	43.00	20,834,283	33.45
Wholesale and Retail Trade	8,323,770	23.03	6,354,454	9.56	5,305,720	27.01	6,786,838	10.90
Hotel and Restaurant Services	590,391	1.63	47,259	0.07	284,066	1.45	19,444	0.03
Transportation and Communication	2,043,995	5.66	2,340,865	3.52	1,140,776	5.81	1,563,540	2.51
Financial Institutions	814,380	2.25	2,371,371	3.57	428,284	2.18	3,889,322	6.24
Real Estate and Renting	896,989	2.48	5,327,445	8.01	647,865	3.30	5,517,421	8.86
Self-employment Services	566,443	1.57	3,427,378	5.15	620,375	3.16	3,045,051	4.89
Education Services	16,531	0.05	-	-	7,942	0.04	12,667	0.02
Health and Social Services	4,461	0.01	-	-	9,956	0.05	-	-
Other	249,091	0.69	1,898,183	2.85	285,511	1.45	2,529,810	4.06
<b>Total</b>	<b>36,136,855</b>	<b>100.00</b>	<b>66,499,219</b>	<b>100.00</b>	<b>19,642,242</b>	<b>100.00</b>	<b>62,281,912</b>	<b>100.00</b>

c.3) Information on Stage I and Stage II non-cash loans:

Current Period	Stage I		Stage II	
	TL	FC	TL	FC
<b>Non-Cash Loans</b>				
Letters of Guarantee	18,071,474	30,391,799	843,393	2,198,508
Bank Acceptances	-	62,540	-	-
Letters of Credit	12,209	25,628,606	-	25,634
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Commitments	-	-	-	-
Other Commitments and Contingencies	16,919,340	7,552,299	149,224	-
<b>Total</b>	<b>35,003,023</b>	<b>63,635,244</b>	<b>992,617</b>	<b>2,224,142</b>

Prior Period	Stage I		Stage II	
	TL	FC	TL	FC
<b>Non-Cash Loans</b>				
Letters of Guarantee	12,770,503	28,525,278	583,560	3,288,323
Bank Acceptances	-	70,513	-	-
Letters of Credit	-	22,788,090	-	147,215
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Commitments	-	-	-	-
Other Commitments and Contingencies	6,146,454	7,462,493	141,725	-
<b>Total</b>	<b>18,916,957</b>	<b>58,846,374</b>	<b>725,285</b>	<b>3,435,538</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### III. Explanations and Disclosures Related to the Consolidated Off-Balance Sheet Items (continued)

#### 2. Information related to derivative financial instruments:

	Derivative Transactions According to Purposes			
	Trading		Hedging	
	Current Period	Prior Period	Current Period	Prior Period
Types of Trading Transactions				
Foreign Currency Related Derivative Transactions (I):	442,166,665	265,163,642	-	-
Forward Transactions	57,413,528	35,938,034	-	-
Swap Transactions	204,718,713	127,164,205	-	-
Futures Transactions	30,848,901	-	-	-
Option Transactions	149,185,523	102,061,403	-	-
Interest Related Derivative Transactions (II):	109,042,432	102,471,834	-	-
Forward Rate Transactions	-	-	-	-
Interest Rate Swap Transactions	99,673,342	91,040,876	-	-
Interest Option Transactions	9,369,090	11,430,958	-	-
Futures Interest Transactions	-	-	-	-
Marketable Securities Call-Put Options (III)	-	-	-	-
Other Trading Derivative Transactions (IV)	479,564	4,413,011	-	-
<b>A. Total Trading Derivative Transactions (I+II+III+IV)</b>	<b>551,688,661</b>	<b>372,048,487</b>	-	-
Types of Hedging Transactions				
Fair Value Hedges	-	-	40,283,436	-
Cash Flow Hedges	-	-	30,283,940	26,163,509
Net Investment Hedges	-	-	-	-
<b>B. Total Hedging Related Derivatives</b>	-	-	<b>70,567,376</b>	<b>26,163,509</b>
<b>Total Derivative Transactions (A+B)</b>	<b>551,688,661</b>	<b>372,048,487</b>	<b>70,567,376</b>	<b>26,163,509</b>

Related to agreements of forward transactions and options; the information based on the type of forward and options transactions are disclosed separately, specified with related amounts, type of agreement, purpose of transaction, nature of risk, strategy of risk management, hedging relationship, possible effects on the Bank's financial position, timing of cash flows, reasons of unrealized transactions which previously projected to be realized, income and expenses that could not be linked to income statement in the current period because of the agreements:

Forward foreign exchange and swap transactions are based on protection from interest and currency fluctuations. According to TAS, they do not qualify as hedging instruments and are remeasured at fair value.

#### i) Derivative Instruments for Fair Value Hedging Purposes:

	Current Period			Prior Period		
	Nominal	Fair Value		Nominal	Fair Value	
		Asset	Liability		Asset	Liability
Cross-currency interest rate swaps	-	-	-	-	-	-
Interest rate swaps	40,283,436	-	313,138	-	-	-
<b>Total</b>	<b>40,283,436</b>	-	<b>313,138</b>	-	-	-

#### ii) Derivative instruments for cash flow hedge purposes

The Parent Bank has designated swap transactions with a total notional amount of TL 30,283,940 (31 December 2023: TL 26,163,509) as cash flow hedges by matching with the deposit portfolio and selected loans portfolio with maturities between 1-90 days. The amount of the portion accounted under equity is TL 78,511 (31 December 2023: TL 310,532 receivable) payable and TL 23,553 (31 December 2023: TL 93,160 payable) receivable in the financial statements, net of deferred tax effect.

	Current Period			Prior Period		
	Nominal	Fair Value		Nominal	Fair Value	
		Asset	Liability		Asset	Liability
Cross currency swaps	-	-	-	7,449,520	776,565	82,455
Interest rate swaps	30,283,940	159,802	71,330	18,713,989	261,956	-
<b>Total</b>	<b>30,283,940</b>	<b>159,802</b>	<b>71,330</b>	<b>26,163,509</b>	<b>1,038,521</b>	<b>82,455</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 3. Credit derivatives and risk exposures on credit derivatives: None.

#### 4. Explanations on contingent liabilities and assets:

- a.1) The Group's share in contingent liabilities arising from entities under common control (joint ventures) together with other venturer: None.
- a.2) Share of entity under common control (joint ventures) in its own contingent liabilities: None.
- a.3) The Group's contingent liabilities resulting from liabilities of other ventures in entities under common control (joint ventures): None.

#### b) Accounting and presentation of contingent assets and liabilities in the financial statements:

- b.1) Contingent assets are accounted for if probability of realization is almost certain. If probability of realization is high, then it is explained in the footnotes: As of 31 December 2024, there are no contingent assets that need to be explained (31 December 2023: None).
- b.2) A provision is made for contingent liabilities if realization is probable, and the amount can be reliably determined. If realization is remote or the amount cannot be determined reliably, then it is explained in the footnotes. The Bank and financial institution subject to consolidation have provided provision amounting to TL 237,311 (31 December 2023: TL 233,353) for various lawsuits filed by various individuals and institutions with high probability of occurrence and cash outflow. This amount is presented under “Other Provisions” in the financial statements.

#### 5. Custodian and intermediary services:

The Group provides trading and safe keeping services in the name and account of third parties, which are presented in the statement of Consolidated Off-Balance Accounts.

#### 6. The information on the Bank's rating by the international rating introductions (\*):

TEB maintained its position as one of the most highly rated banks in Turkey. As of 31 December 2024, TEB's ratings were as follows:

##### **Fitch Ratings:**

<i>Foreign Currency</i>	
Long-term	BB-
Short-term	B
Outlook	Stable
<i>Turkish Lira</i>	
Long-term	BB-
Short-term	B
Outlook	Stable
National	AA (tur)
Outlook	Stable
Financial Strength	b+
Shareholder Support Note	bb-

##### **Moody's Investor Services:**

Baseline Credit Assessment	b2
Adjusted Baseline Credit Assessment	ba3
Long Term FC Deposits	Ba3
Short Term FC Deposits	NP
Long Term TL Deposits	Ba3
Short Term TL Deposits	NP
Outlook	Positive

(\*) Ratings above are not performed based on the “Communiqué for Authorization and Activities of Rating Institutions” published by the Capital Markets Board.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### IV. Explanations and Disclosures Related to the Consolidated 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	52,730,670	4,176,510	23,337,080	2,534,133
Medium and Long-Term Loans	32,238,264	2,044,639	11,708,680	1,179,081
Interest on Loans Under Follow-Up	358,613	37,568	237,155	8,504
<u>Premiums Received from Resource Utilization Support Fund</u>	-	-	-	-
<b>Total</b>	<b>85,327,547</b>	<b>6,258,717</b>	<b>35,282,915</b>	<b>3,721,718</b>

(\*) Includes fees and commissions obtained from cash loans amounting to TL 1,436,972 (31 December 2023: TL 981,443).

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

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of Türkiye	543,616	-	116,389	11,464
Domestic Banks	1,437,636	7	884,691	546
Foreign Banks	175,585	226,832	74,207	247,700
<u>Branches and Head Office Abroad</u>	-	-	-	-
<b>Total</b>	<b>2,156,837</b>	<b>226,839</b>	<b>1,075,287</b>	<b>259,710</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	933,362	52,190	176,700	30,677
Financial Assets at Fair Value Through Other Comprehensive Income	3,351,707	276,653	1,681,212	129,230
Financial Assets Measured at Amortized Cost	13,358,746	486,648	9,857,644	453,755
<b>Total</b>	<b>17,643,815</b>	<b>815,491</b>	<b>11,715,556</b>	<b>613,662</b>

As stated in Note VII of Section Three, the Parent 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. At year-end, the actual inflation rate is used.

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

These amounts are eliminated in the consolidated financial statements.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### IV. Explanations and Disclosures Related to the Consolidated 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	3,532,080	3,918,457	3,768,994	2,739,965
The Central Bank of the Republic of Türkiye	-	-	-	-
Domestic Banks	2,247,416	5,099	3,545,635	4,291
Foreign Banks	1,284,664	3,913,358	223,359	2,735,674
Branches and Head Office Abroad	-	-	-	-
Other Financial Institutions	-	176,948	-	-
<b>Total</b>	<b>3,532,080</b>	<b>4,095,405</b>	<b>3,768,994</b>	<b>2,739,965</b>

(\*) It also includes fees and commission expenses related to borrowings, amounting to TL 212,200 (31 December 2023: TL 119,679).

b) Information on interest expense on associates and subsidiaries:

These amounts are eliminated in the consolidated financial statements.

c) Information on interest expenses on securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest expense on securities issued	514,234	-	1,082,805	-
<b>Total</b>	<b>514,234</b>	<b>-</b>	<b>1,082,805</b>	<b>-</b>

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

Current Period	Time Deposits							
	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
TL								
Bank Deposits	-	1,191,750	-	-	-	-	-	1,191,750
Saving Deposits	-	30,526,266	25,613,689	3,137,411	5,590,219	1,252,196	-	66,119,781
Public Sector Deposits	-	16,694	92,617	104,516	-	-	-	213,827
Commercial Deposits	-	10,790,349	8,282,150	1,072,713	556,585	390,828	-	21,092,625
Other Deposits	-	39,403	435,650	14,921	1,081	66	-	491,121
7 Day Call Accounts	-	-	-	-	-	-	-	-
Total	-	42,564,462	34,424,106	4,329,561	6,147,885	1,643,090	-	89,109,104
FC								
Foreign Currency Deposits	-	35,335	213,471	481	581	12,317	-	262,185
7 Day Call Accounts	-	2,405	-	-	-	-	-	2,405
Precious Metal Deposits	-	-	67	-	-	-	-	67
Total	-	37,740	213,538	481	581	12,317	-	264,657
Grand Total	-	42,602,202	34,637,644	4,330,042	6,148,466	1,655,407	-	89,373,761



# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### IV. Explanations and Disclosures Related to the Consolidated 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	-	379,800	-	-	-	-	-	379,800
Saving Deposits	-	5,687,280	15,883,593	413,388	660,675	469,031	-	23,113,967
Public Sector Deposits	-	19,021	270,538	90,468	-	-	-	380,027
Commercial Deposits	-	1,860,865	3,842,937	237,443	134,245	362,915	-	6,438,405
Other Deposits	-	17,585	191,245	7,613	1	1,223	-	217,667
7 Day Call Accounts	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>7,964,551</b>	<b>20,188,313</b>	<b>748,912</b>	<b>794,921</b>	<b>833,169</b>	-	<b>30,529,866</b>
<b>FC</b>								
Foreign Currency	-	29,569	337,053	15,733	1,918	728	-	385,001
Deposits	-	393	-	-	-	-	-	393
7 Day Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	23	3,634	218	-	-	-	3,875
<b>Total</b>	-	<b>29,985</b>	<b>340,687</b>	<b>15,951</b>	<b>1,918</b>	<b>728</b>	-	<b>389,269</b>
<b>Grand Total</b>	-	<b>7,994,536</b>	<b>20,529,000</b>	<b>764,863</b>	<b>796,839</b>	<b>833,897</b>	-	<b>30,919,135</b>

#### 3. Information on dividend income:

	Current Period	Prior Period
Financial Assets at Fair Value through Profit and Loss	24,235	12,170
Financial Assets at Fair Value Through Other Comprehensive Income	1,480	746
Other	3	1
<b>Total</b>	<b>25,718</b>	<b>12,917</b>

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

	Current Period	Prior Period
<b>Profit</b>	<b>2,515,744,015</b>	<b>221,894,677</b>
Profit on Capital Market Operations	1,082,414	1,924,600
Profit on Derivative Financial Instruments <sup>(1)</sup>	72,699,294	88,891,537
Foreign Exchange Profit	2,441,962,307	131,078,540
<b>Loss (-)</b>	<b>2,517,154,389</b>	<b>211,639,275</b>
Losses on Capital Market Operations	1,011,087	387,652
Losses on Derivative Financial Instruments <sup>(1)</sup>	75,407,484	92,455,422
Foreign Exchange Losses	2,440,735,818	118,796,201

(1) Includes exchange rate fluctuations of hedging transactions net profit of TL 148,287 (31 December 2023: TL 181,032 profit), derivative financial instruments exchange rate changes in profit accounts amounting to TL 326,497 (31 December 2023: TL 7,042,585 loss) net exchange profit.

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

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

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

#### 6. 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	925,620	1,647,448
12-Month Expected Credit Losses (Stage 1)	561,557	(82,562)
Significant Increase in Credit Risk (Stage 2) (**)	(2,674,843)	1,408,689
Credit-Impaired (Stage 3)	3,038,906	321,321
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(*)	(666,719)	1,805,505
<b>Total</b>	<b>258,901</b>	<b>3,452,953</b>

(\*) As of December 31, 2024, it includes the reversal of free provisions amounting to 550,000 TL (December 31, 2023: an increase of 1,650,000 TL in free provisions).

(\*\*) As of December 31, 2024, the amount of additional provisions previously allocated under IFRS 9 and reversed during the period is 2,884,595 TL (December 31, 2023: 2,119,142 TL).

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

	Current Period	Prior Period
Reserve for Employee Termination Benefits <sup>(1)</sup>	386,904	188,354
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	866,195	502,540
Impairment Expenses of Intangible Assets	-	-
Impairment Expense of Goodwill	-	-
Depreciation Expenses of Intangible Assets	342,397	197,108
Impairment for Investments Accounted with Equity Method	-	-
Impairment Expenses of Assets to be Disposed	(286)	648
Depreciation Expenses of Assets to be Disposed	-	-
Impairment Expenses of Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	6,896,217	5,052,897
Leasing Expenses on TFRS 16 Exceptions	194,397	108,909
Maintenance and Repair Expenses	269,625	190,721
Advertisement Expenses	341,255	285,774
Other Expenses	6,090,940	4,467,493
Loss on Sales of Assets	1,280	1,645
Other <sup>(2)</sup>	3,483,498	1,615,962
<b>Total</b>	<b>11,976,205</b>	<b>7,559,154</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 991,446 (31 December 2023: TL 601,533) and other taxes and fees paid-in the amount of TL 1,677,809 (31 December 2023: TL 552,025).

#### 8. Information on profit loss before continuing and discontinued operations before tax:

- The portion of the profit before tax amounting to TL 30,794,804 (31 December 2023: TL 18,811,425) consists of net interest income, while TL 10,794,147 (31 December 2023: TL 5,557,259) consists of net fee and commission income; total operating expenses amount to TL 24,145,771 (31 December 2023: TL 14,944,327).
- Explanations on discontinued operations profit loss: None.

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

- As of 31 December 2024, the current tax expense from continuing operations amounting to TL 2,850,313 (31 December 2023: TL 4,065,869 expense) and net deferred tax expense is TL 1,308,998 (31 December 2023: TL 474,452 net deferred tax income) and there is no current and deferred tax income/expense from discontinued operations (31 December 2023: None).
- Deferred tax expense on temporary differences resulted from continued operations is TL 1,308,998 (31 December 2023: 474,452 net deferred tax income).

#### 10. Information on net profit / loss of continuing and discontinued operations:

The Group's net profit from continuing operations as of 31 December 2024 is TL 12,538,029 (31 December 2023: TL 13,175,086) and there is no net profit from discontinued operations as of 31 December 2024 (31 December 2023: None).

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

- 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 (31 December 2023: None).
- Effect of changes in accounting estimates on income statement for the current and, if any, for subsequent periods: None (31 December 2023: None).
- Profit/loss attributable to minority interest:

	Current Period	Prior Period
Minority interest profit/loss	181,207	46,906

#### 12. 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 Interest Income</b>		
Interest Received from Factoring Transactions	4,154,032	2,127,607
Other	2,322,026	274,033
<b>Total</b>	<b>6,476,058</b>	<b>2,401,640</b>

	Current Period	Prior Period
<b>Other fees and commissions received</b>		
Fees and commissions received due to cards and POS	14,316,609	5,365,112
Fund management commissions	1,615,183	519,908
Insurance commissions	1,029,305	637,461
Brokerage and Consultancy Commission	707,914	611,382
Transfer commissions	617,693	394,380
General limit revision commissions	358,791	217,976
Settlement expense provision, eft, swift, agency commissions	218,374	191,323
Early closing commissions	53,810	27,342
Consultancy Commission	36,551	61,047
Other	960,905	1,049,231
<b>Total</b>	<b>19,915,135</b>	<b>9,075,162</b>

	Current Period	Prior Period
<b>Other fees and commissions given</b>		
Fees and commissions paid due to cards and POS	8,794,162	3,571,217
Commission and fees paid to correspondent banks	471,074	373,354
Settlement expense provision, eft, swift, agency commissions	314,462	112,228
Other	870,225	422,761
<b>Total</b>	<b>10,449,923</b>	<b>4,479,560</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

The fee for services for the reporting period regarding the services received from the independent auditor or independent audit firm in accordance with the decision of the POA dated 26 March 2021 is given in the table below. These fees include the fees for services rendered to the Parent Bank’s domestic subsidiaries and consolidated non-financial partnerships.

<i>(Thousand TL amounts excluding VAT)</i>	<b>Current Period</b>	<b>Prior Period</b>
Independent audit fee for the reporting period	25,568	18,007
Fees for tax advisory services	1,251	-
Fee for other assurance services	11,264	577
Fees for services other than independent audit	-	3,969
<b>Total</b>	<b>38,083</b>	<b>22,553</b>

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

**V. Explanations and Disclosures Related to Consolidated Statement of Changes in Shareholders' Equity**

- a) The effect of changes in the fair value of financial assets at fair value through profit or loss is recognized in the "Marketable Securities Valuation Differences" account under the equity. The relevant amount decreased by TL 610,939 in 2024 (31 December 2023: TL 1,080,797 decreased) and change effect to deferred tax is TL 181,812 (31 December 2023: TL 275,549).

- b) Increase in cash flow risk hedging items:

The Bank uses interest rate and cross currency swaps for reducing cash flow risk arising from short term deposit and borrowing. In this context, the effective portion is accounted for under equity in "Hedging Funds" account. In 2024, the amount decreased by TL 389,043 (31 December 2023: TL 66,060 decreased) and the deferred tax effect of this change was TL 116,713 (31 December 2023: TL 988).

- c) Explanations on profit distribution:

According to the decision taken at the Ordinary General Assembly Meeting of the Parent Bank held on 27 March 2024, out of TL 11,726,648, which constitutes the net balance sheet profit for the year 2023, TL 1,172,665 to shareholders and TL 9.96 to founder redemption certificate holders as profit as recommended by the Board of Directors, and the remaining balance was allocated as Extraordinary Reserves.

Profit appropriation will be resolved in the General Assembly meeting which has not been conducted as of the date of the accompanying financial statements are authorized for issue.

**VI. Explanations and Disclosures Related to Statement of Consolidated Cash Flows**

- 1. The effect of the other items stated in the cash flow statement and the change in exchange rates on cash and cash equivalents:**

"Other items" under "Operating profit before changes in operating assets and liabilities" amounting to TL 33,436,583 (31 December 2023: TL 15,395,139) consists of other operating expenses excluding finance lease expenses, provision for employment termination benefits, depreciation expenses and taxes paid, and fees and commissions paid.

"Net increase in other liabilities" amounting to TL 16,025,234 (31 December 2023: TL 3,832,601) under "Change in assets and liabilities from banking activities" consists of miscellaneous payables, other liabilities, and changes in money markets. "Net decrease in other assets" amounting to TL 30,550,119 (31 December 2023: TL 8,570,346) consists of changes in blocked reserve requirements, miscellaneous receivables, and other assets.

"Other items" item under "Net cash flows from investing activities" amounting to TL 1,061,489 (31 December 2023: TL 745,780) consists of cash outflow for intangible assets purchased in the current period.

The effect of the change in foreign exchange rate on cash and cash equivalents includes the foreign exchange rate difference resulting from the conversion of foreign currency cash and cash equivalents to TL at the beginning and end of monthly the period has been realized as TL 2,634,397 for the year 2024 (31 December 2023: TL 6,438,331).

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

### VI. Explanations and Disclosures Related to Statement of Cash Flows (continued)

#### 2. Cash and cash equivalents at the beginning and end of periods:

The reconciliation of the components of cash and cash equivalents, accounting policies used to determine these components, the effect of any change made in accounting principle in the current period, the recorded amounts of the cash and cash equivalent assets at the balance sheet and the recorded amounts in the cash flow statement:

<b>Beginning of the Period</b>	<b>Current Period</b>	<b>Prior Period</b>
<b>Cash</b>	<b>77,298,722</b>	<b>25,644,055</b>
Cash in TL/Foreign Currency	12,272,157	10,757,014
Central Bank – Unrestricted amount	64,497,855	14,326,200
Other	528,710	560,841
<b>Cash Equivalents</b>	<b>19,595,254</b>	<b>16,466,729</b>
Banks	7,395,254	8,866,729
Money Market Placements	12,200,000	7,600,000
<b>Total Cash and Cash Equivalents</b>	<b>96,893,976</b>	<b>42,110,784</b>
<b>End of the Period</b>	<b>Current Period</b>	<b>Prior Period</b>
<b>Cash</b>	<b>72,599,535</b>	<b>77,298,722</b>
Cash in TL/Foreign Currency	7,773,357	12,272,157
Central Bank – Unrestricted amount	64,386,966	64,497,855
Other	439,212	528,710
<b>Cash Equivalents</b>	<b>23,273,069</b>	<b>19,595,254</b>
Banks	23,273,069	7,395,254
Money Market Placements	-	12,200,000
<b>Total Cash and Cash Equivalents</b>	<b>95,872,604</b>	<b>96,893,976</b>

# TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ

## NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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

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

##### a) Current Period:

Risk Group Involving the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Parent Bank		Other Entities Included in the Risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-Cash
Loans						
Balance at Beginning of the Period	-	-	413,103	1,607,169	1,028,497	188,732
Balance at End of the Period	-	-	1,131,304	278,013	874,544	394,775
Interest and Commission Income	-	-	14,848	2	128,851	2,086

Direct and indirect shareholders of the Group balance above include TL 1,131,304 and other entities included in the risk group balance above includes TL 5,807 placement in "Banks".

##### b) Prior Period:

Risk Group Involving the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Parent Bank		Other Entities Included in the Risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-Cash
Loans						
Balance at Beginning of the Period	-	-	295,698	1,118,603	1,317,029	93,918
Balance at End of the Period	-	-	413,103	1,607,169	1,028,497	188,732
Interest and Commission Income	-	-	42,811	2,264	143,534	1,318

Direct and indirect shareholders of the Group balance above include TL 413,103 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 Parent Bank:

Risk Group Involving the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Parent 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	-	-	5,808,611	5,686,882	2,519,918	1,332,483
Balance at End of the Period	-	-	11,212,092	5,808,611	5,549,810	2,519,918
Deposit Interest Expense	-	-	1,382,444	710,474	597,585	198,928

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

Risk Group Involving the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Vent.)		Direct and Indirect Shareholders of the Parent 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	-	-	89,182,720	93,842,978	4,865,240	4,740,236
Total Profit/Loss	-	-	(122,403)	267,296	(112,663)	(14,052)
Hedging Transactions purposes						
Beginning of the Period	-	-	21,460,631	16,690,868	-	-
End of the Period	-	-	51,557,376	21,460,631	-	-
Total Profit/Loss	-	-	(366,421)	116,046	-	-

##### d) As of 31 December 2024, the total amount of remuneration and benefits provided for the senior management of the Group is TL 461,851 (31 December 2023: TL 262,302)

**NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

## VIII. Explanations on the Parent Bank's Domestic Branches, Agencies and Branches Abroad and Off-shore Branches

	Numbers	Employees			
Domestic branches	432	7,975			
				Country	
Rep-offices abroad	-	-	-		
				Total Assets	Capital
Branches abroad	4	72	Cyprus	5,025,862	80,000
Off-shore branches	-	-	-	-	-

The Parent Bank closed 11 branches in 2024, 3 branches were opened during the year.

None.



# **TÜRK EKONOMİ BANKASI ANONİM ŞİRKETİ**

## **NOTES AND EXPLANATIONS TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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### **SECTION SIX**

#### **OTHER EXPLANATIONS**

##### **I. Other Explanations on Activities of the Parent Bank**

None.

### **SECTION SEVEN**

#### **INDEPENDENT AUDITOR’S REPORT**

##### **I. Explanations on the Independent Auditor’s Report**

The consolidated financial statements of the Group were audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst&Young Global Limited) and the independent auditor’s report dated 4 February 2025 is presented preceding the consolidated financial statements.

##### **II. Other Footnotes and Explanations Prepared by Independent Auditors**

None.