TVF İFM GAYRİMENKUL İNŞAAT VE YÖNETİM A.Ş.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

(CONVENIENCE TRANSLATION INTO ENGLISH OF THE
INDEPENDENT AUDITORS' REPORT AND
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of TVF İFM Gayrimenkul İnşaat ve Yönetim A.Ş.

1. Our opinion

We have audited the accompanying financial statements of TVF İFM Gayrimenkul İnşaat ve Yönetim A.Ş. (the "Company") which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements comprising a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by the POA; are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Emphasis of matter

As explained in Note 2.1, based on the notification received from the Public Oversight Accounting and Auditing Standards Authority ("POA") dated 24 December 2024, the Company is evaluated to be exempted from the application of Turkish Accounting Standards 29- Financial Reporting in Hyperinflationary Economies ("TAS 29"). The Company has not adopted TAS 29 in the financial statements based on this evaluation. Our opinion is not modified in respect of this matter.



4. Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

5. Auditor's responsibilities for the audit of the financial statements

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

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

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Additional explanation for convenience translation into English

The Company's financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies by 31 December 2024. Accordingly, the accompanying financial statements are not intended to present fairly the financial position and results of operations of the Company in accordance with IFRS.

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



Özge Yılmaz Arslan, SMMM
Independent Auditor

Istanbul, 15 April 2025

TVF İFM GAYRİMENKUL İNŞAAT VE YÖNETİM A.Ş.

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TVF İFM GAYRİMENKUL İNŞAAT VE YÖNETİM A.Ş.

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

ASSETS	Notes	Audited 31 December 2024	Audited 31 December 2023
Cash And Cash Equivalents	3	323,989,590	528,559,347
Trade Receivables		33,488,936	910,618
- Due From Related Parties	*4*	*31,760,447*	*185,892*
- Due From Third Parties		*1,728,489*	*724,726*
Other receivables		2,247,037	-
- Other receivables due from third parties		*2,247,037*	-
Derivative Instruments	5	-	96,130,173
Prepaid Expenses	6	98,951,466	16,142,359
Other Current Assets		6,732,362	68,565
Total Current Assets		**465,409,391**	**641,811,062**
Investment Properties	7	101,346,030,000	58,503,610,000
Right Of Use Assets	10	20,820,455	20,070,302
Tangible Assets	8	80,227,172	42,409,759
Intangible Assets	9	78,291,165	75,024,048
Prepaid Expenses	6	99,576	2,518,773
Other Non - Current Assets	13	1,924,269,554	1,372,098,232
Total Non-Current Assets		**103,449,737,922**	**60,015,731,114**
TOTAL ASSETS		**103,915,147,313**	**60,657,542,176**
LIABILITIES			
Short-Term Parts Of Long-Term Borrowings	11	3,440,115,026	1,568,003,577
Other Financial Liabilities		1,023,225	106,964
Lease Liabilities	14	18,542,608	13,230,869
Trade Payables	12	671,529,729	740,609,472
- Due To Related Parties	*4,12*	*45,584,189*	*26,229,470*
- Due To Third Parties	*12*	*625,945,540*	*714,380,002*
Other Payables	13	3,914,383,622	67,887,249
- Due To Related Parties	*4,13*	*3,749,316,692*	-
- Due To Third Parties	*13*	*165,066,930*	*67,887,249*
Short - Term Provisions	15	124,415,441	4,044,205
- Short-Term Provisions For Employee Benefits	*15*	*124,415,441*	*4,044,205*
Total Short-term Liabilities		**8,170,009,651**	**2,393,882,336**
Long Term Borrowings	11	25,398,304,001	5,870,933,508
Lease Liabilities	14	4,430,715	7,894,541
Other Payables	4,13	-	11,935,762,334
- Due To Related Parties	*4,13*	-	*11,935,762,334*
Long - Term Provisions	15	3,868,151	2,728,627
- Long – Term Provisions For Employee Benefits	*15*	*3,868,151*	*2,728,627*
Total Long-Term Liabilities		**25,406,602,867**	**17,817,319,010**
Share Capital	16	211,750,000	211,750,000
Other Comprehensive Income or Loss That Will Not Be Reclassified to Profit or Loss		(1,528,876)	(651,508)
- Remeasurements of Employee Termination Benefit		*(1,528,876)*	*(651,508)*
Retained Earnings		40,235,242,338	22,303,750,287
Net Profit For The Period		29,893,071,333	17,931,492,051
TOTAL SHAREHOLDERS' EQUITY		**70,338,534,795**	**40,446,340,830**
TOTAL LIABILITIES		**103,915,147,313**	**60,657,542,176**

The accompanying notes form an integral part of these financial statements

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

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
Revenue	17	125,259,246	1,506,702
Cost Of Sales (-)	18	(84,584,515)	-
GROSS PROFIT		**40,674,731**	**1,506,702**
General And Administrative Expenses (-)	19	(1,139,542,900)	(263,705,857)
Marketing, Sales And Distribution Expenses (-)	19	(142,812,533)	(125,523,086)
Other Income From Operating Activities	20	-	12,888
Other Expense From Operating Activities (-)	20	(1,235,053)	(18,376)
OPERATING EXPENSE		**(1,242,915,755)**	**(387,727,729)**
Income From Investment Activities	21	40,868,152,873	23,032,116,868
Expenses From Investment Activities (-)	22	(2,414)	(754,163,617)
OPERATING PROFIT BEFORE FINANCIAL EXPENSE		**39,625,234,704**	**21,890,225,522**
Finance Income	23	66,991,950	20,816,608
Finance Expense (-)	23	(9,799,155,321)	(3,979,550,079)
PROFİT TAX BEFORE		**29,893,071,333**	**17,931,492,051**
Period Tax Expense		-	-
NET PROFIT FOR THE PERİOD		**29,893,071,333**	**17,931,492,051**
OTHER COMPREHENSIVE INCOME/(EXPENSE)		**(877,368)**	**(651,508)**
- Actuarial Gain/(Loss) Fund For Employee Termination Benefits		(877,368)	(651,508)
TOTAL COMPREHENSIVE INCOME		**29,892,193,965**	**17,930,840,543**

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

TVF İFM GAYRİMENKUL İNŞAAT VE YÖNETİM A.Ş.

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

			Accumulated Profit			
	Notes	Share capital	Retained Earnings	Net Profit for the Period	(Losses) on Remeasurements of Employee Termination Benefit	Total
Balance as at 1 January 2023		**211,750,000**	**9,927,111,314**	**12,376,638,973**	**-**	**22,515,500,287**
Capital Increase		-	-	-	-	-
Mergers		-	-	-	-	-
Transfers		-	12,376,638,973	(12,376,638,973)	-	-
Total Comprehensive Income/Expense		-	-	17,931,492,051	-	17,931,492,051
Other Comprehensive Income		-	-	-	(651,508)	(651,508)
Balance as at 31 December 2023	**16**	**211,750,000**	**22,303,750,287**	**17,931,492,051**	**(651,508)**	**40,446,340,830**
Balance as at 1 January 2024		**211,750,000**	**22,303,750,287**	**17,931,492,051**	**(651,508)**	**40,446,340,830**
Capital Increase		-	-	-	-	-
Mergers		-	-	-	-	-
Transfers		-	17,931,492,051	(17,931,492,051)	-	-
Total Comprehensive Income/Expense		-	-	29,893,071,333	-	29,893,071,333
Other Comprehensive Income		-	-	-	(877,368)	(877,368)
Balance as at 31 December 2024	**16**	**211,750,000**	**40,235,242,338**	**29,893,071,333**	**(1,528,876)**	**70,338,534,795**

The accompanying notes form an integral part of these financial statements

TVF İFM GAYRİMENKUL İNŞAAT VE YÖNETİM A.Ş.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

	Notes	Audited Current year 1 January - 31 December 2024	Audited Past year 1 January - 31 December 2023
Cash Flows From Operating Activities			
Net Profit For The Period		29,893,071,333	17,931,492,051
Adjustments to reconcile Profit Before Tax to Net Cash provided by Operating Activities:			
Adjustments for Depreciation And Amortization	8,9,10	30,393,251	11,610,227
Adjustments for Fair Value Losses/(Gains) of Investment Properties	7,21	(40,868,152,873)	(23,032,108,550)
Adjustments for Provision for Employee Termination Benefits	15	121,715,612	4,117,927
Loss on Sale of Property, Plant and Equipment	22	2,414	8,035
Property, Plant and Equipment Sales Profit	21	-	(8,318)
Loss on Sale of Investment Property	22	-	754,155,582
Adjustments for Interest Income And Expenses		1,487,388,368	580,264,872
- Adjustments Regarding Interest Income (-)	*23*	*(66,991,950)*	*(20,816,608)*
- Adjustments Regarding Interest Expenses		*1,554,380,318*	*601,081,480*
Adjustments for Unrealized Foreign Currency Translation Differences		1,726,119,250	4,083,341,511
Adjustments for Fair Value Losses /(Gains) On Derivative Financial Instruments	23	96,130,173	27,090,009
Cash provided before Changes in Assets and Liabilities		**(7,513,332,472)**	**359,963,346**
Changes in Working Capital			
Adjustments regarding the Decrease/(Increase) in Other Receivables related to Operations		(34,825,355)	(910,618)
- (Increase)/Decrease in other Receivables from Related Parties	*4*	*(31,574,555)*	*(185,892)*
- (Increase)/Decrease in other Receivables from Non-Related Parties		*(3,250,800)*	*(724,726)*
Decrease/(Increase) in Prepaid Expenses		(80,389,910)	1,176,358
Adjustments for (Decreases)/Increases in Trade Payables		(69,079,743)	434,630,852
- (Decrease)/Increase in Trade Payables to Non-Related Parties		*(88,434,462)*	*435,073,090*
- (Decrease)/Increase in Trade Payables to Related Parties		*19,354,719*	*(442,238)*
Adjustments related to the Increase in Other Payables related to Operations		97,179,681	5,610,285
- Increases related to Other Payables to Non-Related Parties		*97,179,681*	*5,610,285*
Adjustments related to other (Increase)/Decrease in Working Capital		(559,001,078)	(174,379,037)
- Decrease/(Increase) in Other Fixed Assets		*(552,171,322)*	*(195,574,623)*
- Decrease/(Increase) in Other Current Assets		*(6,663,799)*	*21,142,552*
- Other Short-Term Liabilities Increase/(Decrease)		(165,957)	53,034
Net Cash used in Operating Activities (-)		**(646,116,405)**	**266,127,840**
Investment Activities			
Cash Outflows from Purchase of Tangible and Intangible Assets		(49,057,410)	(55,729,552)
- Cash Outflows from Purchases of Tangible Fixed Assets (-)	*8*	*(44,524,641)*	*(37,078,034)*
- Cash Inflows from Sales of Tangible Assets		*96,426*	*31,555*
- Arising from the Purchase of Intangible Assets Cash Outflows (-)	*9*	*(4,629,195)*	*(18,683,073)*
Cash Outflows from Investment Property Purchases	7	(1,974,267,127)	(3,001,821,448)
Cash Inflows from Investment Property Sales		-	1,980,392,418
Interest Received		68,213,178	19,781,223
Net Cash used in Investing Activities (-)		**(1,955,111,359)**	**(1,057,377,359)**
Financing Activities			
Cash Inflows from Borrowing		35,805,367,125	9,169,904,644
- Cash Inflows from Loans/Debt Instruments	*11*	*26,336,575,000*	*2,300,000,000*
- Cash Inflows from Other Financial Borrowings	*13*	*9,468,792,125*	*6,869,904,644*
Cash Outflows related to Debt Payments	13	(19,746,400,256)	(6,342,391,157)
- Cash Outflows from Other Financial Borrowings	*13*	*(19,746,400,256)*	*(6,342,391,157)*
Cash Outflows related to Lease Obligations		(30,143,149)	(10,917,866)
Interest and Principal Paid (-)	11	(6,117,612,013)	(1,959,313,586)
Net Cash provided from Financing Activities		**9,911,211,706**	**857,282,035**
Net Increase/(Decrease) in Cash and Cash Equivalents		**(203,348,529)**	**425,995,862**
Balance of Cash and Cash Equivalents at the Beginning of the Period		**526,976,594**	**100,980,732**
Period-End Balance of Cash and Cash Equivalents	**3**	**323,628,065**	**526,976,594**

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

NOTE - 1 ORGANIZATION AND NATURE OF OPERATIONS

Based on the 2019/14 numbered Board of Directors decision of Türkiye Wealth Fund dated 19 September 2019, establishment of a company titled "TVF İFM Gayrimenkul İnşaat ve Yönetim Anonim Şirketi" ("Company") with 100% of shares belonging to the Türkiye Wealth Fund was decided, and the Company was established on 21 May 2020. As of 31 December 31 2019, the ongoing investments in the Istanbul Financial Center project belonging to the TVF İFM Real Estate Investment Sub-Fund, related party debts and other commercial debts to be paid to the Türkiye Wealth Fund, and the lands belonging to the Türkiye Wealth Fund related to the Istanbul Financial Center project as of 31 December 2019 were transferred to the Company in 2020.

The company was established by the Türkiye Wealth Fund to carry out or have carried out all kinds of construction projects and to manage and operate the Istanbul Financial Center.

The Company is responsible for planning, programming, architecture, construction, decoration, restoration, undertaking and project design, financial evaluation services, coordination, evaluation, control and management of all kinds of applications, all kinds of construction and/or all kinds of infrastructure, communication, communication and sewage facilities, landscaping, environment and urban structures, primarily the Istanbul Financial Center project, to be built on its own or third parties' lands or lands they have undertaken with commitment, in accordance with the purpose and field of activity of the founder Türkiye Wealth Fund, in Türkiye and abroad; participating in all kinds of state and private sector tenders to be opened in Türkiye and abroad regarding these works; preparing and having done environmental plan, master development plan, implementation development plan, protection project, mapping; and supplying all kinds of construction, fixtures, electronic machinery, furniture decoration products, textile and packaging products and non-durable consumer goods required within the scope of the project.

The Company maintains its books of account and prepares their statutory financial statements in accordance with the Turkish Commercial Code ('TCC'), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance of Türkiye. The accompanying financial statements are prepared in Turkish Lira based on historical cost method, except for investment properties. The Company's internal regulations are prepared in accordance with the Türkiye Wealth Fund Internal Regulations. The Company's internal control system, risk management system, inspection management unit and research unit operations are also carried out by the Türkiye Wealth Fund.

As of 31 December 2024, the number of employees of the Company is 171 (31 December 2023: 139). The Company's registered address is: Finanskent Mah. Finans Cad. No: 46/3 İç Kapı No: 1 Ümraniye/İstanbul.

The Company's assets are separate from the assets of the Türkiye Wealth Fund. The Türkiye Wealth Fund and the companies in its portfolio are related companies.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Preparation

a) Measurement principles

The financial statements have been prepared based on historical cost, except for investment properties and derivative financial instruments, which are measured at fair value.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

b) Preparation principles

The Company's financial statements have been prepared in accordance with TFRS. TFRS include the Standards and Comments published by the Public Oversight Accounting and Auditing Standards Authority ("POA") under the names of Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS Comments and TFRS Comments.

The financial statements are presented in accordance with the formats in the "Financial Statement Samples and User Guide" which was published by the POA on 4 July 2024, and "Announcement regarding with TFRS Taxonomy" published by the POA.

The financial statements for the 1 January - 31 December 2024 accounting period have approved on 15 April 2025 by the Board of Directors. Company's General Assembly and the other related regulatory Boards have a right to demand changes of these financial statements.

c) Adjustment of financial statements during periods of high inflation

In the announcement published by the Public Oversight, Accounting and Auditing Standards Authority on 23 November 2023, it was stated that the financial statements of the enterprises applying Turkish Financial Reporting Standards (TFRS) for the annual reporting period ending on or after 31 December 2023 should be presented by adjusting them according to the inflation effect in accordance with the relevant accounting principles in the "Turkish Accounting Standard 29 Financial Reporting in Hyperinflationary Economies".

Türkiye Wealth Fund Management, following its application to the Public Oversight, Accounting and Auditing Standards Authority regarding the exemption from the application of TAS 29 for Türkiye Wealth Fund Management, Türkiye Wealth Fund and the separate and consolidated financial statements of companies and sub-funds which is established by Türkiye Wealth Fund for the reporting period ending 31 December 2023 and 2024, received correspondence from POA on 19 February 2024 and 24 December 2024, stating that the financial statements of the specified companies as of 31 December 2023, could be exempted from the application of TAS 29. Accordingly, TAS 29 has not been applied in the accompanying financial statements.

d) Reporting Currency and Functional Currency

The results and financial position of the Company are presented in the Turkish Lira, which is the currency of the primary economic environment in which the entity operates, and the functional and reporting currency of the Company.

e) Updated Conceptual Framework

Updated Conceptual Framework was published by POA on 27 October 2018. The Conceptual Framework sets out the basic framework that will guide POA when developing new TFRSs. The Conceptual Framework helps to ensure that standards are conceptually consistent and that similar transactions are treated in the same way, thus providing useful information for investors, lenders and other parties that provide credit. The Conceptual Framework helps companies develop accounting policies in cases where no TFRS is applicable for a particular transaction and, more broadly, helps stakeholders understand and interpret these standards. The updated Conceptual Framework is more comprehensive than its previous version and aims to provide POA with all the tools necessary for the development of standards. The updated Conceptual Framework covers all aspects of standard development, starting from the purpose of financial reporting to presentation and disclosures. The updated Conceptual Framework is effective from annual periods beginning on or after 1 January 2021, although early application is permitted for companies that use the Conceptual Framework to develop accounting policies in cases where no TFRS is applicable to a particular transaction.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

The new standards, amendments and interpretations

Company has implemented the new and revised standards and interpretations that are compatible with TAS and TFRS and are valid as of 31 December 2024 and are relevant to its field of activity.

a. Standards, amendments and interpretations applicable as at 31 December 2024:

- **Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

These standards, amendments and interpretations did not have a significant impact on the financial position or performance of the Company.

- **IFRS S1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.

- **IFRS S2, 'Climate-related disclosures';** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

Additionally, the Board Decision published in the Official Gazette dated 29 December 2023, the POA announced that certain businesses will be subject to mandatory sustainability reporting as of 1 January 2024. In order to determine the businesses that will be subject to sustainability reporting within the scope of the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" dated 5 January 2024, businesses that fall within the scope of sustainability practice are counted. On the other hand, in accordance with the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" dated 16 December 2024, a change has been made to the scope of businesses that will be subject to sustainability reporting. The Company is not included in this scope.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

b. Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:

The TFRS codification has been preserved in the standards newly published by the International Accounting Standards Board but not yet incorporated into legislation by the Public Oversight Accounting and Auditing Standards Authority.

Amendments to IAS 21 - Lack of Exchangeability; effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments; effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

- **Annual improvements to IFRS – Volume 11**; Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

    - it does not have public accountability; and
    - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Company will evaluate the effects of the above changes on its operations and implement the necessary ones.

2.2. Comparative figures and the restatement to the financial statements of the prior period

The Company's financial statements are prepared comparatively with the previous period in to enable the determination of financial position and performance trends.

The classification changes in the current period financial statements are also applied to the previous period financial statements for consistency, if necessary.

2.3. Significant Accounting Judgements, Estimates and Assumptions

In preparing the financial statements, the Company's management is required to make assumptions and estimates that will affect the reported asset and liability amounts, determine the probable liability commitments as of the balance sheet date and the income and expense amounts as of the reporting period. Actual results may differ from the estimates. Estimates are reviewed regularly, necessary adjustments are made and reflected in the income statement in the period in which they are realized.

Assumptions regarding the fair value measurement of investment properties are explained in Note 7.

2.4. Netting / Offsetting

Financial assets and liabilities are shown on the balance sheet at their net value if there is a legal right to set off, if net payment or collection is possible, or if the acquisition of the asset and the fulfillment of the liability can occur simultaneously. There are no financial assets and liabilities shown net as of 31 December 2024.

2.5. Summary of Significant Accounting Policies

The summary of significant accounting policies applied during the preparation of the financial statements is as follows:

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Investment Properties

Investment properties are properties held for the purpose of earning rental and/or capital gains and are initially measured at cost including transaction costs. After initial recognition, investment properties are recognized at fair value reflecting market conditions as of the balance sheet date. The Company has its investment properties independently valued at least once a year. At the end of each reporting period, the assessments regarding the fair value of investment properties are updated based on the most recent independent valuation study. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they occur.

Gains or losses arising from the disposal of investment property are equal to the difference between the net collections arising from the disposal of the asset and the book value of the property and are recognized as net profit or loss on value increase of investment property in the period of termination of use or disposal.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. The Company does not have any borrowing costs.

Impairment of non-financial assets

The Company assesses whether there is any indication that an asset is impaired at the relevant reporting date (when there is an indication that an asset with an indefinite useful life has an impairment). If such an indication exists, the recoverable amount of that asset is estimated. If the carrying amount of the asset or any cash-generating unit of that asset is higher than the amount that can be recovered through use or sale, an impairment has occurred. The recoverable amount is determined by selecting the higher of the asset's net sales price and its value in use. The value in use is the estimated present value of the cash flows expected to be obtained from the continued use of an asset and its disposal at the end of its useful life.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash generating unit to which the individual assets are allocated.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognized in other comprehensive income to the extent of amount of any previous revaluation.

Foreign currency transactions

Transactions in foreign currencies are translated to TRY at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Foreign currency differences are recognized in profit or loss.

The Company's financial statements are presented in the currency of the primary economic environment in which it operates. The Company's financial position and operational results are expressed in 'TRY', which is the functional currency of the Company.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction, and the non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated at the reporting date. Foreign currency differences are recognised in profit or loss in the period in which they are incurred.

Tax calculated on corporate income

In accordance with the law No.6741 on Establishment of Türkiye Wealth Fund Management and Amendments in Certain Laws decision dated 19 August 2016 corporate tax exemption has been granted to Company. Per this law, the Company, Türkiye Wealth Fund and the companies and sub funds to be established by the Fund are exempt from income and corporate tax. This exemption also covers the tax cuts to be realized over their incomes and revenues as per the Income Tax Law dated 31 December 1960 and numbered 193, and Corporate Tax Law dated 13 June 2006 and numbered 5520, Other tax exemptions have been granted to the Company with the same law, which are as follows:

The Company, Türkiye Wealth Fund and the companies and sub funds to be incorporated by the Company are exempt from taxes, fees, contribution rates and tax certification fees received as per the Municipal Revenues Law dated 26 May 1981 and numbered 2464, except for electricity and gas consumption taxes and fire insurance taxes, from real estate tax for the real estates owned, land registry and cadastre revolving fund fees regarding the real estates purchased and sold, and from the obligation to deposit guarantee in all lawsuits and enforcement proceedings.

All documents drawn up regarding the transactions executed within the scope of the activities including incorporation and registration transactions of the Company and the Türkiye Wealth Fund and the companies and sub funds to be incorporated by the Company, registration and announcement proceedings of its articles of association are exception to the stamp tax, their all proceedings and transactions are exception to all kinds of fees, the amounts paid to the taxpayers of banking and insurance transaction tax in cash or on account under any circumstances, and the monies received in cash or on behalf for advantage under any circumstances are exception to the banking and insurance transaction tax, all credit usage transactions are exception to the resource utilization support fund.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

The Company and Türkiye Wealth Fund and the companies and sub funds to be incorporated by the Türkiye Wealth Fund are not subject to the legislations, implementations and restrictions applied for public institutions entities and partnerships, more than half of the share capital of which are State-owned or which are established pursuant to special laws, including state economic enterprises**.**

Law on the Courts of Account dated 3 December 2010 and numbered 6085, Law numbered 6362 and its secondary legislation entered into force with this Law, Statutory Decree on State Economic Enterprises dated 8 June 1984 and numbered 233, Statutory Decree dated 22 January 1990 and numbered 399 regarding Adjustment of State Economic Enterprises Personnel Regime and Abolishing of Some Provisions of the Statutory Decree numbered 233, State Personnel Law dated 14 July 1965 and numbered 657, Statutory Decree dated 4 July 2001 and numbered 631 regarding Regulations on Financial and Social Rights of Civil Servants and Other Public Officials and Making Amendments on Some Laws and Statutory Decrees, Statutory Decree dated 13 December 1983 and numbered 190 regarding General Personnel and its Procedure, Statutory Decree dated 18 April 1994 and numbered 527 regarding Making Amendments on some Laws and Statutory Decrees about Civil Servants and Other Public Officials, Travelling Expense Law dated 10 February 1954 and numbered 6245, Law dated 2 April 1987 and numbered 3346 regarding Auditing of State Economic Enterprises and Funds by the Turkish Grand National Assembly, Public Tender Act dated 4 January 2002 and numbered 4735, Public Tender Contracts Law dated 5 January 2002 and numbered 4735, Public Tender Act dated 8 September 1983 and numbered 2886, Transportation Law dated 5 January 1961 and numbered 237, Public Housings Law dated 9 November 1983 and numbered 2946, Law on Formation of Press-Announcement Association dated 2 January 1961 and numbered 195, Law on the Protection of Competition dated 7 December 1994 and numbered 4054, Privatization Applications Law dated 24 November 1994 and numbered 4046, and provisions regarding additions to and amendments on them, shall not apply to Türkiye Wealth Fund, the Company, sub funds and other companies incorporated by the Türkiye Wealth Fund.

Relevant provisions of laws regarding recruiting of personnel to public institutions and establishments shall not apply to the personnel who will be recruited by the Company. Asset leasing companies to be incorporated by the Company gets all rights, exceptions, reductions and exemptions granted to asset leasing companies which are incorporated within the framework of article 7/A of the Public Financing and Debt Management dated 28 March 2002 and numbered 4749. Asset leasing companies incorporated as per this article are exempt from registration fee and listing fee, which are required to be paid to Borsa Istanbul A.Ş. that issuers are subject to, regarding the securities issued.

Türkiye has started to adopt the OECD's Global Minimum Supplementary Corporate Tax regulations (Pillar 2) with a Bill submitted to the Turkish Grand National Assembly on 16 July 2024. These regulations entered into force with Law No. 7524 published in the Official Gazette dated 02.08.2024 and numbered 32620. The implementation in Türkiye is largely in line with the OECD's Pillar 2 Model Rules and shows similarities in terms of scope, exemptions, consolidation, tax calculations and declaration periods. The secondary regulation regarding the calculation details and application method has not yet been published, and specific issues such as Türkiye's unique circumstances and existing incentives are expected to be clarified with the Ministry's secondary legislation. These changes have not had a significant impact on the Company's financial position or performance.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized initially at fair value net of directly attributable transaction costs. Financial liabilities are subsequently measured at amortized cost using the effective interest method. The difference between the amount collected after deducting transaction costs and the amount received back is recognized as a finance cost in profit or loss during the period using the effective interest method.. Amortized cost is calculated taking into account any discounts or premiums on the purchase and any fees or costs that are an integral part of the effective interest rate.

Financial liabilities are classified as short-term if the group does not have an unconditional right to defer payment of the debt for at least twelve months after the end of the reporting period.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial recognition and only if the criteria in TFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss, except for derivative instruments.

Derecognition

Financial liabilities are derecognized from the balance sheet when the contractual obligation is fulfilled, canceled or expired. When the terms of a financial liability are renegotiated or transferred to another party, the difference between the carrying value of the financial liability and the amount paid, including the transferred non-cash assets and liabilities, is recognized in the income statement as profit or loss.

When financial liabilities are derecognized, the difference between the carrying amount and the amount paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Derivative financial instruments

The Company has derivative financial instruments to hedge against foreign exchange risk.

The Company's derivative transactions consist of a foreign exchange swap portfolio. The derivatives used by the Company to protect against economic risks are accounted for under TFRS 9. Derivative transactions are measured at fair value under "derivative financial instruments". Fair value changes of derivative instruments are accounted for under finance income and expense. Fair values of derivatives are calculated using a discounted cash flow model or market value.

Property, plant and equipment

Property, plant and equipment are measured at cost, including accumulated depreciation and accumulated impairment losses. If a significant portion (part) of a property, plant and equipment has a different useful life, they are treated as separate items.

The cost value of the tangible fixed asset consists of the purchase price, import duties and non-refundable purchase taxes, and expenses incurred to make the tangible fixed asset ready for use.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Property, plant and equipment are examined to determine a possible decrease in value and if the recorded value of the tangible fixed asset exceeds its recoverable value, the recorded value is reduced to its recoverable value by setting aside a provision. The recoverable value is accepted as the higher of the net cash flows from the current use of the tangible fixed asset and its fair value less the sales cost. Property, plant and equipment are depreciated using the straight-line method in accordance with the useful life principle. Depreciation is not set aside for land and plots due to their unlimited life. If significant parts of tangible fixed assets have different useful lives, they are accounted for as separate items (main elements) of tangible fixed assets and any loss or gain obtained from the sale of Property, plant and equipment is accounted for in profit or loss.

Depreciation is used to reduce the cost of property, plant and equipment to their estimated residual value using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

	Years
Furniture and fixtures	4-7
Special cost	2-4
Motor vehicles	3

Intangible assets

The Company's intangible assets consist of the above-mentioned, and computer software. Intangible assets are recorded at their acquisition costs and are amortized on a straight-line basis over their estimated useful lives. In the event of a value decrease, the recorded value of the intangible assets is reduced to the recoverable amount and the relevant amount is reflected as an expense in the period results.

The costs incurred during the purchase of computer software purchased by the Company and from the time it is purchased until it is ready for use are capitalized. Costs associated with maintaining computer software are recorded in the profit or loss statement in the period in which they are incurred. Expenses that are directly attributable to identifiable and unique software products that the Company has control over and that will provide economic benefits above their cost for more than one year are considered intangible assets. Costs include the costs of employees developing the software and a portion of general production expenses.

Amortization is used to reduce the cost of intangible assets to their estimated residual values using the straight-line method over their estimated useful lives and is recognized in the statement of profit or loss.

Estimated useful lives for the current period are as follows:

	Years
Computer software	3

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Leases

a) Leases as a lessee

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company accounts a right-of-use asset and a lease liability on its financial statements at the actual commencement date of the lease.

TFRS 16 standard started to be applied as of 1 January 2019.

TFRS 16 Leases

The POA published the TFRS 16 "Leasing Transactions" standard in April 2018. The new standard eliminates the distinction between operating leases and finance leases and requires many leases to be included in the balance sheet under a single model for companies that are lessees. The accounting for companies that are lessors has not changed significantly, and the difference between operating leases and finance leases continues. TFRS 16 replaces TAS 17 and the Interpretations related to TAS 17 and is valid for annual accounting periods starting on or after January 1, 2019.

Lessees have an exception to not applying this standard to short-term leases (leases of 12 months or less) or leases where the underlying asset is of low value (e.g., personal computers, some office equipment, etc.). At the commencement date of the lease, the lessee measures the lease obligation at the present value of the lease payments outstanding at that date (the lease liability) and amortizes the right-of-use asset over the term of the lease, including the related right-of-use asset as of that date. Lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee uses the lessee's incremental borrowing rate.

The lessee is subject to remeasurement of the lease obligation upon the occurrence of certain events (e.g. changes in the lease term, changes in future lease payments due to changes in a specified index or rate, etc.). In this case, the lessee records the remeasurement effect of the lease obligation as an adjustment to the right-of-use asset.

Right of use of assets

The Company accounts the right of use assets at the beginning of the financial leasing contract (for example, when the specified assets is ready for use). Right of use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The cost of the right-of-use asset comprises:

(a) the amount of the initial measurement of the lease liability,
(b) any lease payments made at or before the commencement date, less any lease incentives received,
(c) all initial direct costs incurred by the company.

Unless the transfer of ownership of the underlying asset to the Company at the end of the lease term is reasonably certain, the Company depreciates the right-of-use asset from the date the lease commences until the end of the useful life of the underlying asset. Right-of-use assets are subject to impairment assessment.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Lease liabilities

The Company measures its lease liability based on the present value of the outstanding lease payments at the commencement date of the lease.

Lease payments included in the measurement of the lease liability at the effective date of the lease consist of the following payments to be made for the right to use the underlying asset during the lease period and not paid at the effective date of the lease:

- Fixed payments,
- Variable lease payments based on an index or rate, with the first measurement being made using an index or rate at the actual commencement date of the lease,
- Amounts expected to be paid by the Company under residual value commitments,
- The exercise price of a purchase option, if the Company is reasonably certain to exercise the purchase option, and penalty payments for termination of the lease, if the lease term indicate that the Company will exercise an option to terminate the lease.

Variable lease payments that are not tied to an index or rate are recorded as expenses in the period in which the event or condition that triggers the payment occurs.

The Company determines the revised discount rate for the remaining part of the lease term as the implicit interest rate in the lease, if it can be easily determined; if it cannot be easily determined, it determines the Company's alternative borrowing interest rate on the date of reassessment.

After the commencement date of the lease, the Company measures its lease liability as follows:

- Increases the carrying amount to reflect interest on the lease liability, and
- Decreases the carrying amount to reflect lease payments made.

In addition, the value of finance lease obligations is remeasured if there is a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment of the option to purchase the underlying asset.

Short-term leases and leases where the underlying asset is of low value

The Company applies the short-term rental record exemption to short-term vehicle and building leases (i.e., assets with a lease term of 12 months or less from the inception date and without a purchase option). Short-term leases and leases of low-value assets are recorded as expenses on a straight-line basis over the lease term.

b) Leasing - the Company in the case of the lessor

Leasing transactions in which the risks and benefits of ownership are not transferred to the tenant are classified as operating leases. In operating leases, leased assets are classified as investment properties or assets subject to operational lease in the statement of financial position, and the rental income obtained is reflected in the profit or loss statement on a straight-line basis throughout the lease period. The Company does not have any investment properties from which it earns rental income.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Provision for employee benefits

a) Provision for employee termination benefits

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company, Such payments are considered as being part of defined retirement benefit plan as per Turkish Accounting Standard No, 19 (revised) "Employee Benefits" ("TAS 19").

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, The calculated actuarial gains and losses are accounted under the other comprehensive income.

The Company uses actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc,) to estimate the entity's obligation for employment termination benefits.

The retirement benefit obligation has not been calculated due to low number of personnel and immateriality.

b) Unused vacation liabilities

Liabilities arising from unused vacations of the employees are accrued in the period when the unused vacations are qualified. The Company recognizes a liability for unused vacation days based on salaries of employees at the end of each reporting period.

Financial Assets

a) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to ready to convertible to liquid and an insignificant risk of changes in value.

b) Trade Receivables

Trade receivables arising from the provision of products or services to the buyer are shown net of unearned finance income. Trade receivables after unearned finance income are calculated by discounting the amounts to be obtained in subsequent periods of the receivables recorded at the original invoice value using the effective interest method. Short-term receivables without a specified interest rate are shown at their cost (invoice) values, unless the effect of the original effective interest rate is not very material.

Maturity difference income/expenses and exchange gains/losses related to commercial transactions are recognized in the income statement under the "other income/expenses from main activities" account.

Expected credit loss

TFRS 9 'expected credit loss' (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments measured at FVOCI, but not to investments in equity instruments.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Under TFRS 9, credit losses are recognised starting from initial recognition. The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities are in scope of TFRS 9 expected credit loss requirements.

Under TFRS 9, credit loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument,

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held).

To determine whether a financial instrument has low credit risk, the entity assesses its internal credit risk ratings or the type and risks of financial instruments evaluated that are consistent with a globally accepted definition of low credit risk, can use other methodologies that take into account The maximum period for which ECLs will be measured is the maximum contract period for which the Company is exposed to credit risk.

Measurement of ECL'S

ECLs are a probability-weighted estimate of credit losses, Credit losses are measured as the present value of all cash shortfalls (i,e, the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired, A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

Provisions, contingent liabilities, contingent assets

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are assessed continuously to determine probability of outflow of economically beneficial assets, For contingent liabilities, when an outflow of resources embodying economic benefits are probable, provision is recognized for this contingent liability in the period when the probability has changed, except for cases where a reliable estimate cannot be made.

When the outflow of economic benefits from the Company is probable but the amount cannot be measured reliably, the Company discloses this fact in the notes.

Possible assets that arise from past events and whose existence not wholly within the control of the Company and that will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events are recognized as contingent assets. When an inflow of resources embodying economic benefits is probable, the Company discloses contingent assets in the notes.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Related parties

In the event any of the following circumstances is present in existence, the entity or person is in relation with the Company:

a) Any individual or any one of the close family members of such individual are considered as being related with the reporting entity:

   In the event the subject matter individual,

   (i) is in possession of control or joint control over the reporting entity,
   (ii) is entitled to a significant influence on the reporting entity,
   (iii) is a member of the key management staff of the reporting entity or one of the major shareholders of the reporting entity,

b) In the event any of the following circumstances is present in existence, the entity is considered to be in relation with the reporting entity:

   (i) If the entity and the reporting entity are members of the same group
   (ii) If the entity is an affiliate or business partnership of the other entity (or a member of the group that such other entity is also a member of),
   (iii) If both entities are business partnerships of the same third party,
   (iv) If one of the entities is a business partnership of any third entity and the other entity is an affiliate of the subject matter third entity, .

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

(v) If there are benefit plans for the post-retirement stage with respect to the employees of the entity, reporting entity or any other entity related to the reporting entity, (In the event the reporting entity is itself in possession of such a plan, the sponsoring employers are likewise related to the reporting entity.)
(vi) If the entity is controlled by any individual identified under article (a) or under joint control,
(vii) If any individual identified under item (i) of article (a) is in possession of a substantial influence on the entity or is a member of the key management personnel of the subject matter entity (or of the major shareholder of any such entity),

Consists of the transfer of sources, services or obligations between the related party and any party related to the reporting entity of the transaction performed, regardless of whether the same is in consideration for a charge or otherwise.

Revenue

The Company has started to use the five-stage model below in accounting for revenue in line with TFRS 15 "Revenue from Customer Contracts Standard", which came into effect on January 1, 2018.

- Defining contracts with customers
- Defining performance obligations in contracts
- Determining transaction price in contracts
- Allocating transaction price to performance obligations
- Recognizing revenue

According to this model, first of all, the goods or services promised in each contract made with customers are evaluated and each commitment given to transfer the goods or services in question is determined as a separate performance obligation. Then, it is determined whether the performance obligations will be fulfilled over time or at a certain time. If the company transfers control of a good or service over time and therefore fulfills the performance obligations related to the relevant sales over time, it measures the progress towards the full fulfillment of the performance obligations in question and includes the revenue in the financial statements over time.

When the company fulfills or performs its performance obligation by transferring a promised good or service to its customer, it records the transaction price corresponding to this performance obligation as revenue in its financial statements. When (or as) control of the goods or services passes to the customer, the goods or services are transferred.

When evaluating the transfer of control of the goods or services sold to the customer, the Company considers:

a) The Company takes into consideration the ownership of the right to collect the goods or services,
b) The customer's ownership of the legal title to the goods or services,
c) The transfer of possession of the goods or services,
d) The customer's ownership of significant risks and rewards arising from ownership of the goods or services,
e) The customer's acceptance of the goods or services.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of Significant Accounting Policies (Continued)

If the Company anticipates that the period between the date of transfer of the goods or services promised to the customer at the beginning of the contract and the date on which the customer pays for these goods or services will be one year or less, it does not make any adjustments for the effect of a significant financing component in the committed price. On the other hand, if there is a significant financing component in the revenue, the revenue value is determined by discounting the future collections with the interest rate included in the financing component. The difference is recorded in the relevant periods as other income from main activities on an accrual basis.

Rental Income

The Company's income consists of rental income. Rental income from investment properties is recorded on a straight-line basis over the consideration received and to be received during the rental period, on the basis of the accrual principle. Income is measured at the fair value of the consideration received or to be received. Income is realized if the economic benefits arising from this transaction are considered possible to flow to the Company and the amount of this income can be measured reliably.

Business Combinations

Business combinations are accounted for using the acquisition method when control is transferred to the Company. The consideration transferred is measured at fair value, as is the case with identifiable net assets acquired in general; the resulting goodwill is tested for impairment annually. Gains from bargain purchases are recognized immediately in profit or loss. Acquisition costs are generally recognized as expenses in the period in which they are incurred, except when they relate to debt or the issuance of equity.

The consideration transferred does not include amounts related to the fulfilment of pre-existing contracts. These amounts are generally recognised in profit or loss.

Any contingent consideration is measured at its fair value at the acquisition date. If a contingent payment obligation that meets the definition of a financial instrument is classified as equity, it is not remeasured and is recognised within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and any subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If the stock-based payment awards (exchange awards) are required to be replaced with awards received by employees of the acquirer (acquiror awards), then all or part of the amount of the acquirer's replacement awards is included in measuring the consideration transferred to the entity. This determination is based on the market-based measurement of the replacement awards compared to the market-based measurement of the acquirer's awards and the extent to which the replacement awards are tied to pre-merger services.

Events after the reporting period

Events after the reporting period include all events that favor or against the Company take place between the balance sheet date and the date the financial statements are authorized for issue. As at balance sheet date, in the event that there is new evidence of the existence of the events in subject or if the related events occur after the balance sheet date, these matters are disclosed in Note 26.

In the case that events occur requiring an adjustment, the Company adjusts the amounts recognized in its financial statements to reflect the adjusting events after the balance sheet date.

NOTE 3 - CASH AND CASH EQUIVALENTS

As at 31 December 2024 and 31 December 2023, cash and cash equivalents comprised the followings:

	31 December 2024	31 December 2023
Cash	230,184	-
Bank	323,759,406	528,559,347
- *Demand deposits(*)*	*323,759,123*	*528,091,333*
- *Time deposits*	*283*	*468,014*
Total	**323,989,590**	**528,559,347**

(*) As of 31 December 2024, the Company's time deposits are in USD and TRY (31 December 2023: The Company's time deposits are in EUR and TRY).

There are no blocked deposits as of 31 December 2024 and 31 December 2023.

As at 31 December 2024 and 2023, time deposits comprised the followings:

Currency	Interest rate (%)	Maturity date	31 December 2024
TRY	42.00	2 January 2025	314,318,856
USD	1.00	2 January 2025	9,440,267
Total			**323,759,123**

Currency	Interest rate (%)	Maturity date	31 December 2023
TRY	38.50	2 January 2024	500,820,027
EUR	1.00	2 January 2024	27,038,752
TRY	39.00	2 January 2024	232,554
Total			**528,091,333**

Cash and cash equivalents in the Company's cash flow statement as of 31 December 2024 and 2023 shown by deducting interest accruals from the total of liquid assets:

	31 December 2024	31 December 2023
Cash and cash equivalents	323,989,590	528,559,347
Minus: Interest accruals	(361,525)	(1,582,753)
	323,628,065	**526,976,594**

NOTE 4 - RELATED PARTY TRANSACTIONS

Related party balances:

a) Cash and cash equivalents from related parties

	31 December 2024	31 December 2023
T.C. Ziraat Bankası A.Ş.	323,397,651	526,494,590
Türkiye Halk Bankası A.Ş.	229	482,004
Total	**323,397,880**	**526,976,594**

b) Trade receivables from related parties

	31 December 2024	31 December 2023
Ziraat Gayrimenkul Yatırım Ortaklığı	11,175,049	-
Türkiye Halk Bankası A.Ş.	7,086,439	-
Türkiye Vakıflar Bankası T.A.O	6,428,013	-
Halk Gayrimenkul Yatırım Ortaklığı	4,724,292	-
Borsa İstanbul A.Ş.	1,091,568	-
Enerji Piyasaları İşletme A.Ş.	1,080,821	-
Vakıf Gayrimenkul Yatırım Ortaklığı	149,760	-
Türkiye P ve I Sigorta A.Ş.	24,505	-
Superonline İletişim Hizmetleri A.Ş.	-	185,892
Total	**31,760,447**	**185,892**

c) Trade payables to related parties

	31 December 2024	31 December 2023
Türkiye Sigorta A.Ş.	42,733,506	16,059,766
Türkiye Hayat Emeklilik A.Ş.	975,455	-
İnnova Bilişim Çözümleri A.Ş.	697,025	-
Superonline İletişim Hizmetleri A.Ş.	519,287	278,798
TVF Varlık Kiralama A.Ş.	222,448	-
Turkcell Digital İş Servisleri A.Ş.	218,390	9,706,033
Turkcell İletişim Hizmetleri A.Ş.	72,410	38,137
Turkcell Satış ve Dijital İş Servisleri A.Ş.	68,991	68,991
Türk Telekomünikasyon A.Ş.	39,520	26,242
PTT Anadolum Lojistik A.Ş.	32,863	51,363
Türkiye Katılım Sigorta A. Ş.	4,294	-
Borsa İstanbul A.Ş.	-	140
Total	**45,584,189**	**26,229,470**

NOTE 4 - RELATED PARTY TRANSACTIONS (Continued)

Related party balances:

d) Financial debts to related parties

	31 December 2024	31 December 2023
TVF Varlık Kiralama A.Ş.	26,743,051,725	-
Türkiye Vakıflar Bankası T.A.O.	-	1,500,000,000
T.C. Ziraat Bankası A.Ş.	-	1,000,000,000
Türkiye Halk Bankası A.Ş.	-	750,000,000
Total	**26,743,051,725**	**3,250,000,000**

e) Financial income from related parties

	31 December 2024	31 December 2023
T.C. Ziraat Bankası A.Ş.	58,163,606	12,910,644
Türkiye Halk Bankası A.Ş.	174,309	40,409
Total	**58,337,915**	**12,951,053**

f) Finance expenses to related parties

	31 December 2024	31 December 2023
Türkiye Wealth Fund	1,895,045,622	1,100,411,558
Türkiye Vakıflar Bankası T.A.O.	1,578,260,173	281,278,122
T.C. Ziraat Bankası A.Ş.	1,074,517,875	191,213,523
Türkiye Halk Bankası A.Ş.	783,561,377	107,386,086
TVF Varlık Kiralama A.Ş.	347,989,164	-
Total	**5,679,374,212**	**1,680,289,289**

g) Other payables to related parties

	31 December 2024	31 December 2023
Türkiye Wealth Fund	3,749,316,692	11,935,762,334
Total	**3,749,316,692**	**11,935,762,334**

NOTE 5 - DERIVATIVE INSTRUMENTS

As of 31 December 2024 and 31 December 2023, the details of derivative instruments are as follows:

Foreign currency derivative instruments	31 December 2024	31 December 2023
Foreign exchange and interest rate swap buying and selling transactions	-	96,130,173
Total derivative instruments	**-**	**96,130,173**

NOTE 6 - PREPAID EXPENSES

As of 31 December 2024 and December 31, 2023, prepaid expenses are as follows:

Short Term Prepaid Expenses

	31 December 2024	31 December 2023
Order advances given (*)	58,390,526	140,171
Prepaid expenses	40,560,940	16,002,188
Total	**98,951,466**	**16,142,359**

Long Term Prepaid Expenses

	31 December 2024	31 December 2023
Prepaid expenses	99,576	-
Order advances given	-	2,518,773
Total	**99,576**	**2,518,773**

(*) The amount of order advances given as of 31 December 2023 and 2024 consists of advances given to construction companies working on the Istanbul International Financial Center project.

NOTE 7 - INVESTMENT PROPERTIES

As of December 31, 2024, the movement of investment properties is as follows:

	1 January 2024	Additions	Transfers (*)	Fair value increases	31 December 2024(**)
Buildings	39,055,919,964	1,816,838,369	8,859,168,287	37,594,645,986	87,326,572,606
Lands	19,447,690,036	157,428,758	(8,859,168,287)	3,273,506,887	14,019,457,394
Total	**58,503,610,000**	**1,974,267,127**	**-**	**40,868,152,873**	**101,346,030,000**

(*) In the parcels numbered 6 and 8 subject to valuation, construction activities have been completed, floor easements have been established and offices and shops have acquired the status of independent units, therefore the value has been transferred from the land to the buildings.

(**) The parcels numbered 6 and 8 on Plot 3328 located in Finanskent Ümraniye Istanbul, belonging to the Company, were temporarily transferred to TVF Varlık Kiralama A.Ş. as the underlying asset within the scope of the USD Debt Instrument issuance.

NOTE 7 - INVESTMENT PROPERTIES (Continued)

As of December 31, 2023, the movement of investment properties is as follows:

	1 January 2023	Additions	Disposals	Fair value increases	31 December 2023
Buildings	24,380,253,129	2,480,978,442	(2,018,778,694)	14,213,467,087	39,055,919,964
Lands	10,823,974,873	520,843,006	(715,769,306)	8,818,641,463	19,447,690,036
Total	**35,204,228,002**	**3,001,821,448**	**(2,734,548,000)**	**23,032,108,550**	**58,503,610,000**

Fair value measurements of the Company's investment properties

The Company's investment properties consist of commercial properties planned to be rented to third parties. The fair value of investment properties was determined by an independent real estate valuation company of the Company. These valuation companies are authorized by the Capital Markets Board ("CMB") and provide real estate valuation services in accordance with the capital markets legislation and have sufficient experience and qualifications in measuring the fair value of real estate in the relevant regions.

As of 31 December 2024 and 31 December 2023, the Company's investment properties and the fair value hierarchy of these assets are shown in the table below:

	Fair value level		
	Level 1	**Level 2**	**Level 3**
31 December 2024			
Lands	-	-	14,019,457,394
Buildings	-	50,045,610,000	37,280,962,606
Total		**50,045,610,000**	**51,300,420,000**

	Fair value level		
	Level 1	**Level 2**	**Level 3**
31 December 2023			
Lands	-	-	19,447,690,036
Buildings	-	-	39,055,919,964
Total	**-**	**-**	**58,503,610,000**

NOTE 7 - INVESTMENT PROPERTIES (Continued)

There has been no transition between levels in the current period.

Level 1: Fair values of financial instruments traded in active markets are based on market transaction prices as of the end of the reporting period. The quoted market price used for financial assets held by the Company is the current purchase price. Such financial instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using reliable valuation techniques by making maximum use of observable market data and minimizing business-specific estimates as much as possible. If all significant data required to determine the fair value of a vehicle is observable, it is classified at level 2.

Level 3: If one or more of the key data is based on unobservable market data, the financial instrument is included in level 3. This applies to stocks that are not traded on the stock exchange.

Real estate valuation companies determine the fair value of the Company's real estate investment portfolio every year. For the fair values of investment properties, the land unit value was calculated by using the comparable comparison and project development method, and project development was taken as basis since the comparables did not have land stocks of similar quality and the project is located in the financial center for the real estates currently under construction, 'Cost Approach Analysis' was used, and for the parcels that have acquired floor easement, 'Peer Comparison Method' was applied.

The real estate subject to valuation; They are parcels no. 1, 2, 6, 8, 13 and 14, island 3328, located in Finanskent District, Ümraniye district, Istanbul province All of the parcels located on island 3328 were designed as the Istanbul International Financial Center with a holistic planning approach on an island basis. According to the valuation report prepared by Denge Gayrimenkul Değerleme ve Danışmanlık A.Ş. for the relevant project on January 20, 2025, since some of the subject real estates are at the construction level, the cost approach analysis method and for those where construction activities have been completed, floor easements have been established, and offices and shops have become independent sections, the value determination has been made using the market (comparative comparison) approach. In the determination of the land value, the comparable comparison and project development method have been applied and comparable comparison has been taken as basis. In the evaluation of the subject real estate, the Cost Approach Analysis and Comparative Comparison have been taken as basis by considering the nearby purchase and sale current values and current economic conditions, the location of the real estate, zoning status, and construction level. In the final valuation, the Income Approach has not been taken into account in the final value, considering that the rental transactions within the project are still at a minimum level and the market has not been formed in terms of rental prices.

The following table shows the change in recurring fair value measurements at Level 3 for the periods ending 31 December 2024 and 31 December 2023:

	Investment Properties
Opening Balance 1 January 2023	**35,204,228,002**
Achievements	3,001,821,448
Transfer of investment property	(2,734,548,000)
Fair value increases	23,032,108,550
Closing Balance 31 December 2023	**58,503,610,000**
Achievements	1,974,267,127
Fair value increases	40,868,152,873
Closing Balance 31 December 2024	**101,346,030,000**

NOTE 8 - TANGIBLE ASSETS

The movement table of tangible fixed assets as of December 31, 2024 is as follows:

	1 January 2024	Additions	Disposals	31 December 2024
Cost				
Furniture and fixtures	43,951,848	44,524,641	(293,756)	88,182,733
Special costs	2,188,424	-	-	2,188,424
Motor vehicles	673,520	-	-	673,520
Closing balance as of 31 December 2024	**46,813,792**	**44,524,641**	**(293,756)**	**91,044,677**

	1 January 2024	Current year depreciation	Disposals	31 December 2024
Accumulated Depreciation				
Furniture and fixtures	(2,690,254)	(5,876,458)	194,916	(8,371,796)
Special costs	(1,638,943)	(507,423)	-	(2,146,366)
Motor vehicles	(74,836)	(224,507)	-	(299,343)
Closing balance as of 31 December 2024	**(4,404,033)**	**(6,608,388)**	**194,916**	**(10,817,505)**
Net book value	**42,409,759**			**80,227,172**

The movement table of tangible assets as of December 31, 2023 is as follows:

	1 January 2023	Additions	Disposals	31 December2023
Cost				
Furniture and fixtures	7,637,578	36,404,514	(90,244)	43,951,848
Special costs	2,188,424	-	-	2,188,424
Motor vehicles	-	673,520	-	673,520
Closing balance as of 31 December 2023	**9,826,002**	**37,078,034**	**(90,244)**	**46,813,792**

	1 January 2023	Prior year depreciation	Disposals	31December 2023
Accumulated Depreciation				
Furniture and fixtures	(695,588)	(2,053,639)	58,973	(2,690,254)
Special costs	(1,049,432)	(589,511)	-	(1,638,943)
Motor vehicles	-	(74,836)	-	(74,836)
Closing balance as of 31 December 2023	**(1,745,020)**	**(2,717,986)**	**58,973**	**(4,404,033)**
Net book value	**8,080,982**			**42,409,759**

NOTE 9 - INTANGIBLE ASSETS OTHER THAN GOODWILL

The movement table of intangible assets as of 31 December 2024 is as follows:

	1 January 2024	Additions	Disposals	31 December 2024
Cost				
Rights	75,247,867	4,629,195	-	79,877,062
Closing balance as of 31 December 2024	**75,247,867**	**4,629,195**	-	**79,877,062**

	1 January 2024	Current year depreciation	Disposals	31 December 2024
Accumulated Depreciation				
Rights	(223,819)	(1,362,078)	-	(1,585,897)
Closing balance as of 31 December 2024	**(223,819)**	**(1,362,078)**	-	**(1,585,897)**
Net book value	**75,024,048**			**78,291,165**

The movement table of intangible assets as of 31 December 2023 is as follows:

	1 January 2023	Additions	Disposals	31 December 2023
Cost				
Rights	56,564,794	18,683,073	-	75,247,867
Closing balance as of 31 December 2023	**56,564,794**	**18,683,073**	-	**75,247,867**

	1 January 2023	Current year depreciation	Disposals	31 December 2023
Accumulated Depreciation				
Rights	(41,447)	(182,372)	-	(223,819)
Closing balance as of 31 December 2023	**(41,447)**	**(182,372)**	-	**(223,819)**
Net book value	**56,523,347**			**75,024,048**

NOTE 10 - RIGHT OF USE ASSETS

The movement table of right-of-use assets on 31 December 2024 is as follows**:**

	1 January 2024	Additions	Disposals	31 December 2024
Cost				
Buildings	2,864,974	-	-	2,864,974
Vehicles	25,678,254	23,172,938	(4,694,582)	44,156,610
	28,543,228	**23,172,938**	**(4,694,582)**	**47,021,584**

	1 January 2024	Current year depreciation	Disposals	31 December 2024
Accumulated Depreciation				
Buildings	(1,721,497)	(1,143,477)	-	(2,864,974)
Vehicles	(6,751,429)	(21,279,308)	4,694,582	(23,336,155)
	(8,472,926)	**(22,422,785)**	**4,694,582**	**(26,201,129)**
Net book value	**20,070,302**			**20,820,455**

The movement table of right-of-use assets on 31 December 2023 is as follows:

	1 January 2023	Additions	Disposals	31 December 2023
Cost				
Buildings	2,871,197	2,864,974	(2,871,197)	2,864,974
Vehicles	3,036,935	23,847,124	(1,205,805)	25,678,254
	5,908,132	**26,712,098**	**(4,077,002)**	**28,543,228**

	1 January 2023	Current year depreciation	Disposals	31 December 2023
Accumulated Depreciation				
Buildings	(2,564,564)	(2,028,130)	2,871,197	(1,721,497)
Vehicles	(1,275,494)	(6,681,740)	1,205,805	(6,751,429)
	(3,840,058)	**(8,709,870)**	**4,077,002**	**(8,472,926)**
Net book value	**2,068,074**			**20,070,302**

NOTE 11 - BORROWINGS

The details of the Company's financial borrowings and weighted average interest rates are as follows:

a) Short-term borrowings

	2024		
	Yearly average effective interest rate (%)	Original currency	TRY equivalent
USD Debt Instrument	7	38,047,627	1,344,747,724
5. Composition	44	817,819,682	817,819,682
6. Composition	45	506,150,486	506,150,486
7. Composition	45	771,397,135	771,397,134
			3,440,115,026

	2023		
	Yearly average effective interest rate (%)	Original currency	TRY equivalent
TRY	TRY REF+8.95	273,242,150	273,242,150
2. Composition	25	318,065,564	318,065,564
3. Composition	28	525,906,739	525,906,739
5. Composition	44	275,688,294	275,688,294
6. Composition	45	175,100,830	175,100,830
			1,568,003,577

b) Long-term borrowings

	2024		
	Yearly average effective interest rate (%)	Original currency (*)	TRY equivalent
USD Debt Instrument	7	718,607,054	25,398,304,001
		718,607,054	**25,398,304,001**

(*) Within the scope of the USD Debt Instrument (lease certificate with maturity date of January 23, 2030) issuance carried out by TVF İFM Gayrimenkul İnşaat ve Yönetim A.Ş., for the purpose of transferring the assets underlying the issued lease certificates, the parcels numbered 6 and 8 of Plot 3328 located in Finanskent, Ümraniye Istanbul, which are owned by the Company, were temporarily transferred to TVF Varlık Kiralama A.Ş. within the framework of the relevant legislation and USD debt instrument issuance agreements. Following the expiration of the USD debt instrument maturity and the fulfillment of all obligations undertaken by the Company within the scope of the issuance, the ownership of the said real estates will be transferred back to the Company.

NOTE 11 - BORROWINGS (Continued)

	2023		
	Yearly average effective interest rate (%)	Original currency	TRY equivalent
TRY	TRY REF+8.95	5,000,000,000	5,000,000,000
5. Composition	44	540,754,219	540,754,219
6. Composition	45	330,179,289	330,179,289
		5,870,933,508	**5,870,933,508**

The repayment schedule of long-term loans on 31 December 2024 and 31 December 2023 is summarized below:

	31 December 2024	31 December 2023
Up to 1 year	3,440,115,026	1,568,003,577
1 to 2 years	25,398,304,001	5,870,933,508
Total	**28,838,419,027**	**7,438,937,085**

Movement of borrowings is as follows:

	2024	2023
1 January	**7,438,937,085**	**6,582,050,147**
Loan principal inflows during the period	26,336,575,000	2,300,000,000
Interest accruals during the period	1,180,518,955	516,200,524
Principal and interest paid	(6,117,612,013)	(1,959,313,586)
31 December	**28,838,419,027**	**7,438,937,085**

NOTE 12 - TRADE PAYABLES

The details of trade payables as of 31 December 2024 and 31 December 2023 are as follows:

Short Term Trade Payables to Related Parties

	31 December 2024	31 December 2023
Sellers	45,584,189	26,229,470
Total	**45,584,189**	**26,229,470**

Short-Term Trade Payables to Non-Related Parties

	31 December 2024	31 December 2023
Sellers	625,945,540	714,380,002
Total	**625,945,540**	**714,380,002**

NOTE 13 - OTHER ASSETS AND LIABILITIES

Details of other assets and liabilities as of 31 December 2024 and 31 December 2023 are as follows:

Other Long-Term Non - Current Assets from Non-Related Parties

	31 December 2024	31 December 2023
VAT carried forward	1,924,269,554	1,372,098,232
Total	**1,924,269,554**	**1,372,098,232**

Other Short-Term Payables to Non-Related Parties

	31 December 2024	31 December 2023
Taxes and fees payable	151,232,077	60,318,802
Social security premiums payable	8,016,335	7,439,263
Other payables	5,818,518	129,184
Total	**165,066,930**	**67,887,249**

Other Long-Term Payables to Related Parties

	31 December 2024	31 December 2023
Other payables (*)	3,749,316,692	11,935,762,334
Total	**3,749,316,692**	**11,935,762,334**

(*) The payable balance consists of debts received from the Türkiye Wealth Fund to provide financing for the ongoing Istanbul International Financial Center construction project. The maturity date of the relevant payable is January 14, 2025, and an interest rate of 8.08% is valid for USD borrowing and an interest rate of Euribor + 4.25% is valid for EUR borrowing.

The movement of other borrowings to related parties is as follows:

	2024	2023
1 January	**11,935,762,334**	**7,243,480,151**
Principal inflows during the period	9,468,792,125	5,580,466,749
Interest accruals during the period	1,113,062,124	1,289,437,895
Principal and interest paid	(19,746,400,256)	(6,342,391,158)
Exchange rate valuation	978,100,365	4,164,768,697
31 December	**3,749,316,692**	**11,935,762,334**

NOTE 14 - LIABILITIES FROM LEASING TRANSACTIONS

The details of the liabilities from leasing transactions as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Short-term liabilities from leases	18,542,608	13,230,869
Long-term liabilities from leases	4,430,715	7,894,541
Total	**22,973,323**	**21,125,410**

NOTE 15 - PROVISIONS FOR EMPLOYEE BENEFITS

Provision for employee termination benefits:

Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19, 'Employee Benefits' stipulates the development of company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 31 December 2024, the provision has been calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. The discount rate is 3.50% used in the calculation of the provisions. Severance pay ceiling is revised semi-annually. Severance pay ceiling amounts to full TRY 46,655.43 (January 1, 2024: TRY 35,058.58) which is effective as of 1 January 2025 has been considered in the provision for employee termination benefit calculations of the Company.

	31 December 2024	31 December 2023
Premium accruals	110,567,826	-
Unused vacation	13,847,615	4,044,205
Provision for employee termination benefits	3,868,151	2,728,627
Total	**128,283,592**	**6,772,832**

Provision for employee termination benefits

	2024	2023
Opening Balance, 1 January	**2,728,627**	**1,175,701**
Interest expense	120,035	124,859
Service charge for the period	1,224,341	950,921
Payments during the period	(1,082,220)	(174,362)
Actuarial loss	877,368	651,508
Total	**3,868,151**	**2,728,627**

NOTE 15 - PROVISIONS FOR EMPLOYEE BENEFITS (Countinued)

Provision for Unused Leave

	2024	2023
Opening Balance, 1 January	**4,044,205**	**877,199**
Separated during the period, net	9,803,410	3,167,006
Total	**13,847,615**	**4,044,205**

Premium accruals

	2024	2023
Opening Balance, 1 January	-	-
Separated during the period, net	110,567,826	-
Total	**110,567,826**	-

NOTE 16 - EQUITY

As of December 31, 2024, the Company's capital is divided into 211,750,000 registered shares, each with a value of 1 (One) TRY and amounts to TRY 211,750,000. TRY 211,750,000 of this capital, corresponding to 211,750,000 shares, belongs to the Türkiye Wealth Fund. TRY 211,750,000, which constitutes the basic capital, has been fully paid.

The Company's shareholders and shares in capital as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024		31 December 2023	
	Shares	Ownership interest	Shares	Ownership interest
Türkiye Wealth Fund	211,750,000	100%	211,750,000	100%
Paid-in Capital	**211,750,000**	**100%**	**211,750,000**	**100%**

NOTE 17 - REVENUE

The details of revenue for the accounting periods ending on 31 December 2024 and 31 December 2023 are as follows

	1 January - 31 December 2024	1 January - 31 December 2023
Common area reflection revenues	107,419,827	-
Rental income	12,798,425	1,506,702
Rental fee income	4,499,378	-
Other	541,616	-
Total	**125,259,246**	**1,506,702**

NOTE 18 - COST OF SALES

The details of revenue for the accounting periods ending on 31 December 2024 and 31 December 2023 are as follows

	1 January - 31 December 2024	1 January - 31 December 2023
Security expenses	(60,405,502)	-
Personnel expenses	(6,518,573)	-
Energy expenses	(6,432,995)	-
Maintenance and repair expenses	(5,246,402)	-
Cleaning expenses	(3,170,632)	-
Other	(2,810,411)	-
Total	**(84,584,515)**	**-**

NOTE 19 - GENERAL ADMINISTRATION, MARKETING, SALES AND DISTRIBUTION EXPENSES

The details of marketing expenses for the accounting periods ending on 31 December 2024 and 31 December 2023 are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
General administrative expenses	(1,139,542,900)	(263,705,857)
Sales and distribution expenses	(142,812,533)	(125,523,086)
Total	**(1,282,355,433)**	**(389,228,943)**

Marketing Expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Advertising, publicity, promotion expenses	(136,547,952)	(121,366,477)
Representation and entertainment expenses	(3,079,650)	(54,300)
Subcontractor expenses	(1,497,362)	-
Travel expenses	(582,466)	(627,252)
Office expenses	(572,503)	(380,574)
Audit and consultancy expenses	(300,000)	(912,260)
Depreciation and amortization (Note 8, 9, 10)	(22,760)	-
Personnel expenses	(12,500)	(1,431,100)
Communication expenses	-	(663,414)
Taxes, duties and charges	-	(84,932)
Other	(197,339)	(2,777)
Total	**(142,812,533)**	**(125,523,086)**

NOTE 19 - GENERAL ADMINISTRATION, MARKETING, SALES AND DISTRIBUTION EXPENSES (Continued)

General Administrative Expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	(662,494,571)	(199,521,220)
IT expenses	(181,352,645)	(1,398,496)
Subcontractor	(74,310,778)	-
Insurance expenses	(55,014,137)	(7,816,486)
Audit and consultancy expenses	(42,316,101)	(1,375,771)
Energy expenses	(34,021,184)	-
Depreciation and amortization expenses (Note 8, 9, 10)	(30,370,491)	(11,610,227)
Security expenses	(18,383,509)	(12,936,399)
Office expenses	(14,246,540)	(4,796,492)
Unused vacation provision expenses (Note 15)	(9,803,410)	(3,167,006)
Travel expenses	(5,969,743)	(1,448,685)
Rent expenses	(3,770,452)	(17,447)
Maintenance and repair expenses	(2,155,478)	-
Representation and entertainment expenses	(1,760,951)	(1,345,532)
Severance pay provision expenses (Note 15)	(262,156)	(901,418)
Taxes, duties and charges	(206,602)	(908,917)
Corporate communication expenses	(100,533)	(2,936,383)
Advertising, publicity, promotion expenses	(12,000)	-
Cleaning expenses	-	(11,504,606)
Other	(2,991,619)	(2,020,772)
Total	**(1,139,542,900)**	**(263,705,857)**

NOTE 20 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Details of other income and expenses from main activities for the years ending 31 December 2024 and 31 December 2023 are as follows:

Other Income from Operating Activities	1 January - 31 December 2024	1 January - 31 December 2023
Maturity difference income related to commercial transactions	-	12,072
Other income	-	816
Total	-	**12,888**

Other Expenses from Operating	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange loss on trade receivables/payables	(1,186,423)	-
Other expense	(48,630)	(18,376)
Total	**(1,235,053)**	**(18,376)**

NOTE 21 - INCOME FROM INVESTMENT ACTIVITIES

The details of income from investment activities for the years ending 31 December 2024 and 31 December 2023 are as follows:

Income from Investing Activities	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Investment properties fair value increases	40,868,152,873	23,032,108,550
Fixed asset sales profit	-	8,318
Total	**40,868,152,873**	**23,032,116,868**

NOTE 22 - EXPENSES FROM INVESTMENT ACTIVITIES

The details of expenses from investment activities for the years ending 31 December 2024 and 31 December 2023 are as follows:

Expenses from Investment Activities	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Fixed asset sales loss	(2,414)	(8,035)
Loss on sale of investment property (*)	-	(754,155,582)
Total	**(2,414)**	**(754,163,617)**

(*) Within the framework of the protocol signed between the Company and the Türkiye Wealth Fund on 27 April 2023, the building built on the 7th parcel of Island 3328 was transferred to the Türkiye Wealth Fund for a fee of EUR 103,178,263. The relevant price includes the land and construction costs incurred until the transfer date and the financing cost.

NOTE 23 - FINANCIAL INCOME AND EXPENSE

As of 31 December 2024, and 31 December 2023, financial income is as follows:

Financial income	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Interest income from time deposits	66,991,950	20,816,608
Total	**66,991,950**	**20,816,608**

Financial expenses	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Exchange rate difference expenses	(5,694,325,194)	(1,097,669,827)
Rediscount interest expense	(4,008,699,954)	(2,854,790,243)
Losses from derivative instruments	(96,130,173)	(27,090,009)
Total	**(9,799,155,321)**	**(3,979,550,079)**

NOTE 24 - INCOME TAX

Since the Company's tax is exempt from corporate tax, it does not have current tax expense and deferred tax expense (or income) in the current and previous period.

In accordance with the law No,6741 on Establishment of Türkiye Wealth Fund and Amendments in Certain Laws decision dated 19 August 2016 corporate tax exemption has been granted to Company.

Per this Law the Company, Türkiye Wealth Fund and the companies and sub funds to be established by the Company are exempt from income and corporate tax. This exemption also covers the tax cuts to be realized over their incomes and revenues as per the Income Tax Law dated 31 December 1960 and numbered 193, and Corporate Tax Law dated 13 June 2006 and numbered 5520.

The law on amending the Tax Procedure Law and the Corporate Tax Law was enacted on 20 January 2022. It has been enacted with the number 7352 and it has been decided that the financial statements will not be subject to inflation adjustment in the 2022 and 2023 accounting periods, including the temporary accounting periods, and in the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for the inflation adjustment within the scope of the repeated Article 298 are met. In line with Law No. 7352, the inflation adjustment will be applied to the financial statements dated 31 December 2023 and 2024, and the profit/loss difference arising from the inflation adjustment will be shown in the profit/loss account of previous years and will not be subject to tax.

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

The main financial instruments used by the Company are debts to related parties. The main purpose of using this instrument is to generate financing for the Company's operations.

There is credit risk and liquidity risk arising from the instruments used. The Company is exposed to interest rate risk arising from the effect of changes in interest rates on interest bearing assets and liabilities. The Company management manages the risks as stated below. The Company also monitors the market risk that may arise from the use of financial instruments.

Foreign currency risk

There is a foreign currency risk arising from the transactions made by the Company. These risks arise from the Company's purchase and sale of goods and services in currencies other than the valuation currency and the use of bank loans in foreign currencies. The company uses derivative instruments using swap and forward transactions to minimize the exchange rate risk arising from balance sheet items.

	1 January - 31 December 2024	1 January - 31 December 2023
Assets	9,717,834	27,237,847
Liabilities	(3,774,439,564)	(11,942,916,494)
Net balance sheet foreign currency position	(3,764,721,730)	(11,915,678,647)
Foreign currency position of off-balance sheet derivative instruments (net)	-	96,130,173
Total	**(3,764,721,730)**	**(11,819,548,474)**

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The Company's foreign currency risk as of 31 December 2024 is as follows:

31 December 2024	Total TRY Equivalent	USD TRY Equivalent	EUR TRY Equivalent	GBP TRY Equivalent
Assets				
Cash and cash equivalents	9,670,733	9,670,422	311	-
Trade receivables	-	-	-	-
Other assets	47,101	(173,081)	219,263	919
Total Assets	**9,717,834**	**9,497,341**	**219,574**	**919**
Liabilities				
Trade Payables	(25,122,872)	(20,890,185)	(4,232,687)	-
Other payables and provisions	(3,749,316,692)	(2,016,184,345)	(1,733,132,347)	
Total Liabilities	**(3,774,439,564)**	**(2,037,074,530)**	**(1,737,365,034)**	**-**
Net asset/(liability) position of off-balance sheet foreign currency derivative instruments	-	-	-	-
Monetary items net foreign currency asset/(liability) position	**(3,764,721,730)**	**(2,027,577,189)**	**(1,737,145,460)**	**919**

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The Company's foreign currency risk as of 31 December 2023 is as follows:

31 December 2023	Total TRY Equivalent	USD TRY Equivalent	EUR TRY Equivalent
Assets			
Cash and cash equivalents	27,042,535	3,783	27,038,752
Trade receivables	136,325	136,325	-
Other assets	58,987	3,494	55,493
Total Assets	**27,237,847**	**143,602**	**27,094,245**
Liabilities			
Trade Payables	(7,154,160)	(5,202,214)	(1,951,946)
Other payables and provisions	(11,935,762,334)	-	(11,935,762,334)
Total Liabilities	**(11,942,916,494)**	**(5,202,214)**	**(11,937,714,280)**
Net asset/(liability) position of off-balance sheet foreign currency derivative instruments	**96,130,173**	**-**	**96,130,173**
Monetary items net foreign currency asset / (liability) position	**(11,819,548,474)**	**(5,058,612)**	**(11,814,489,862)**

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

	Profit/(Loss)	
	Appreciation of foreign currency	**Depreciation of foreign currency**
31 December 2024		
Change in USD against TRY by 20%		
Net USD asset/(liability)	(405,515,438)	405,515,438
USD hedged items (-)		
USD net effect	**(405,515,438)**	**405,515,438**
Change in EUR against TRY by 20%		
Net EUR asset/(liability)	(347,429,092)	347,429,092
EUR hedged items (-)		
EUR net effect	**(347,429,092)**	**347,429,092**
Change in GBP against TRY by 20%		
Net GBP assets/liabilities	184	(184)
GBP hedged items (-)		
GBP net effect	**184**	**(184)**
Change in other currency against TRY by 20%	-	-
Net other currency asset/liability	-	-
Other currency hedged items (-)	-	-
Other currency net effect	-	-

	Profit/(Loss)	
	Appreciation of foreign currency	**Depreciation of foreign currency**
31 December 2023		
Change in USD against TRY by 20%		
Net USD asset/(liability)	(1,011,722)	1,011,722
USD hedged items (-)	-	-
USD net effect	**(1,011,722)**	**1,011,722**
Change in EUR against TRY by 20%		
Net EUR asset/(liability)	(2,382,124,007)	2,382,124,007
EUR hedged items (-)	19,226,035	(19,226,035)
EUR net effect	**(2,362,897,972)**	**2,362,897,972**
Change in GBP against TRY by 20%		
Net GBP assets/liabilities	-	-
GBP hedged items (-)	-	-
GBP net effect	-	-
Change in other currency against TRY by 20%		
Net other currency asset/liability	-	-
Other currency hedged items (-)	-	-
Other currency net effect	-	-

Credit risk

Credit risk is the risk that the other party will suffer financial losses because of a mutual relationship failing to fulfill its obligation with respect to a financial instrument.

Credit risk concentration is related to the fact that certain companies operate in similar business areas and are located in the same geographic region or that changes in economic, political and other conditions may affect the contractual obligations of these companies within the framework of similar economic conditions. Credit risk concentration indicates the sensitivity of the Company's performance to developments affecting a certain sector or geographic region. Credit risk consists of deposits and cash and cash equivalents in banks and other financial institutions. The Company's deposit investments in banks are limited to financial institutions with high credit quality.

The following tables present the analysis of the Company's credit risk as of 31 December 2024.

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2024	Trade receivables	Other receivables	Cash and cash equivalents	Derivative instruments	Total
Exposure to maximum credit risk as at reporting date	**33,488,936**	**2,247,037**	**323,989,590**	**-**	**359,725,563**
- The part of maximum risk under guarantee with collateral	-	-	-	-	-
A Net carrying value of financial assets which are neither impaired nor overdue	33,488,936	2,247,037	323,989,590	-	359,725,563
B Net carrying value of financial assets that are restructured, otherwise which will be regarded as overdue or impaired	-	-	-	-	-
C Net carrying value of financial assets which are overdue but not impaired	-	-	-	-	-
- Covered portion of net book value (with letter of guarantee etc		-	-	-	-
D Net carrying value of assets which are impaired	-	-	-	-	-
- Past due	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Covered portion of net book value (with letter of guarantee etc.)	-	-	-	-	-
E Off balance sheet items with credit risks	-	-	-	-	-

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2023	Trade receivables	Other receivables	Cash and cash equivalents	Derivative instruments	Total
Exposure to maximum credit risk as at reporting date	**910,618**	**-**	**528,559,347**	**96,130,173**	**625,600,138**
- The part of maximum risk under guarantee with collateral	-	-	-	-	-
A Net carrying value of financial assets which are neither impaired nor overdue	910,618	-	528,559,347	96,130,173	625,600,138
B Net carrying value of financial assets that are restructured, otherwise which will be regarded as overdue or impaired	-	-	-	-	-
C Net carrying value of financial assets which are overdue but not impaired	-	-	-	-	-
- Covered portion of net book value (with letter of guarantee etc,	-	-	-	-	-
D Net carrying value of assets which are impaired	-	-	-	-	-
- Past due	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Covered portion of net book value (with letter of guarantee etc.)	-	-	-	-	-
E Off balance sheet items with credit risks	-	-	-	-	-

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

Liquidity risk is the risk of a company's not being able to meet its funding needs. Prudent liquidity risk management is to provide sufficient cash and cash equivalents, to enable funding with the support of credit limits provided by reliable credit institutions and to close the open position. The company provides funding by balancing cash inflows and outflows by keeping credit lines ready in the business environment.

The table below shows the maturities of the Company's non-derivative financial liabilities.

31 December 2024

	Carrying amount	Total cash outflows	Less than 3 months	3-12 Months	1-5 Years	5 Years and above
Financial liabilities	28,838,419,027	38,723,197,650	692,954,704	3,232,062,858	7,369,182,300	27,428,997,788
Lease liabilities	22,973,323	28,067,250	7,624,050	15,438,200	5,005,000	-
Trade payables	671,529,729	671,529,729	671,529,729	-	-	-
Other payables	3,914,383,622	3,930,879,740	3,765,812,810	165,066,930	-	-
Total	**33,447,305,701**	**43,353,674,369**	**5,137,921,293**	**3,412,567,988**	**7,374,187,300**	**27,428,997,788**

31 December 2023

	Carrying amount	Total cash outflows	Less than 3 months	3-12 Months	1-5 Years	5 Years and above
Financial liabilities	7,439,044,049	9,761,445,177	749,524,772	2,168,975,584	6,842,944,821	-
Lease liabilities	21,125,410	25,980,450	4,762,750	12,597,450	8,620,250	-
Trade payables	740,609,472	740,609,472	740,609,472	-	-	-
Other payables	12,003,649,583	19,288,784,598	-	67,887,249	-	19,220,897,349
Total	**20,204,428,514**	**29,816,819,697**	**1,494,896,994**	**2,249,460,283**	**6,851,565,071**	**19,220,897,349**

Interest Risk

The Company is exposed to interest rate risk arising from the impact of changes in interest rates to which interest-bearing assets and liabilities are subject. The company manages this risk with natural measures by balancing interest rate sensitive assets and liabilities. The sensitivity of the income statement to interest is the change in interest rates at the rates assumed below; As of 31 December 2024, the net interest income of financial assets and liabilities with variable interest that are not intended for trading (excluding tax effects).

	Income Statement		Equity (*)	
31 December 2024	**100 bp increase**	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
Financial liabilities with variable interest	(1,037,318)	1,037,340	(1,037,318)	1,037,340
Total, net	**(1,037,318)**	**1,037,340**	**(1,037,318)**	**1,037,340**

(*) Equity impact includes income statement impact.

NOTE 25 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

	Income Statement		Equity (*)	
31 December 2023	**100 bp increase**	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
Financial liabilities with variable interest	(168,261,154)	173,600,347	(168,261,154)	173,600,347
Total, net	**(168,261,154)**	**173,600,347**	**(168,261,154)**	**173,600,347**

(*) Equity impact includes income statement impact

Price Risk

Price risk consists of exchange rate, interest, and market risk. Market risk is closely monitored by the Company's management through available market information and appropriate valuation methods.

Capital management

The Company aims to increase its profits in capital management by using the debt and equity balance in the most efficient way while trying to ensure the continuity of its activities.

The capital structure of the Company consists of debts, cash and cash equivalents and equity items including capital. Net debt is calculated by deducting the sum of financial liabilities (including long-term and short-term financial liabilities) from cash and cash equivalents. This ratio is calculated by dividing net financial debt by total resources in the statement of financial position.

	31 December 2024	**31 December 2023**
Total debt	33,447,305,701	20,204,321,550
Less: Cash and cash equivalents	(323,989,590)	(528,559,347)
Net debt	33,123,316,111	19,675,762,203
Total equity	70,338,534,795	40,446,340,830
Invested capital	103,461,850,906	60,122,103,033
Net debt/invested capital	**32%**	**33%**

Fair value

Fair value refers to the price of an asset that is the subject of trading among the willing parties in a current transaction.

The following methods and assumptions are used to estimate the fair value of each financial instrument when it is possible to determine fair value. (Note 7)

NOTE 26 - FAIR VALUE AND FINANCIAL RISK MANAGEMENT DISCLOSURES

Financial assets

Since they are short term and subject to insignificant credit risk, the carrying values of cash and cash equivalents, accrued interests and other financial assets are considered to be close to their fair values. It is thought that the carrying values of the trade receivables after deducting the provision for doubtful receivables are close to their fair values.

Financial liabilities

Other payables are presented at amortised cost and the transaction costs are added to the initial cost. Since the interest rates on it are updated considering the changing market conditions, the fair values of the other payables are considered to represent the value they carry.

The Company has determined the estimated fair values of financial instruments using currently available market information and appropriate valuation methodologies. However, evaluating market information and estimating fair values require interpretation and judgment. As a result, the estimates presented here may not be indicative of the amounts the Company could obtain in a current market transaction.

Non-financial assets

Real estate valuation reports prepared by a real estate valuation company authorized by the CMB are used as the basis for determining the fair values of investment properties measured at fair value in the financial statements.

Since the interest rates on them are updated by considering the changing market conditions, it is considered that the fair value of other payables represents their carrying value.

As of 31 December 2024 and 31 December 2023, the classification of financial instruments and fair values is as follows:

31 December 2024	Financial assets and liabilities valued at amortized cost	Financial assets and liabilities at fair value through profit or loss	Book value	Note
Financial Assets				
Cash and cash equivalents	323,989,590	-	323,989,590	3
Trade receivable	33,488,936	-	33,488,936	-
Derivative financial instruments	-	-	-	5
Total	**357,478,526**		**357,478,526**	
Financial Liabilities				
Bank borrowings	28,838,419,027	-	28,838,419,027	11
Lease liabilities	22,973,323	-	22,973,323	14
Trade payables	671,529,729	-	671,529,729	12
Other payables	3,914,383,622	-	3,914,383,622	13
Total	**33,447,305,701**	**-**	**33,447,305,701**	

NOTE 26 - FAIR VALUE AND FINANCIAL RISK MANAGEMENT DISCLOSURES (Continued)

31 December 2023	Financial assets and liabilities valued at amortized cost	Financial assets and liabilities at fair value through profit or loss	Book value	Note
Financial Assets				
Cash and cash equivalents	528,559,347	-	528,559,347	3
Trade receivable	910,618	-	910,618	-
Derivative financial instruments	-	96,130,173	96,130,173	5
Total	**529,469,965**	**96,130,173**	**625,600,138**	
Financial Liabilities				
Bank borrowings	7,438,937,085	-	7,438,937,085	11
Lease liabilities	21,125,410	-	21,125,410	14
Trade payables	740,609,472	-	740,609,472	12
Other payables	12,003,649,583	-	12,003,649,583	13
Total	**20,204,321,550**	**-**	**20,204,321,550**	

NOTE 27 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

Contingent Assets and Liabilities

	31 December 2024	31 December 2023
Received guarantees	214,422,833	8,291,911

Collateral/Pledge/Mortgage/Bill of guarantees ("CPMB")

The Company's collateral / pledge / mortgage / surety position as of December 31, 2024 and December 31, 2023 is as follows::

Collateral-Pledge-Mortgage-Guarantees ("CPMB") given by the Company	31 December 2024	31 December 2023
A. CPMB's provided in the name of its own legal personality	3,504,275	447,574
B. CPMB's provided on behalf of the fully consolidated companies	-	-
C. CPMB's provided on behalf of third parties for the ordinary course of business	-	-
D. Total amount of other of CPMB's provided	-	-
i) Total amount of CPMB's provided on behalf of the majority shareholders	-	-
ii) Total amount of CPMB's provided on behalf of other companies which are not in the scope of B and C	-	-
iii) Total amount of CPMB's provided on behalf of third parties which are not in the scope of C	-	-
	3,504,275	**447,574**

NOTE 28 - AUDIT FEES

Fees for Services Received from Independent Auditors/Independent Auditing Firms

The Company's explanation regarding the fees for the services received from the independent audit firms, which is based on the letter of POA dated 19 August 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on 30 March 2021, are as follows:

	31 December 2024	31 December 2023
Independent audit fee for the reporting period	625,000	225,000
Total	**625,000**	**225.000**

NOTE 29 - SUBSEQUENT EVENTS

On 13 January 2025, the Company issued a USD debt instrument of 250 million with an interest rate of 6.95% and a maturity date of 23 January 2030. With the said USD debt instrument issuance, the Capital Loan debt to the Türkiye Wealth Fund was paid off in full.

In addition, significant progress has been made in the ongoing construction of office and shopping mall projects, and the gradual leasing of the relevant areas continues.

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