

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR INTERIM PERIOD 1 JANUARY – 31 MARCH 2024  
AND INDEPENDENT AUDITOR'S REPORT**

**(CONVENIENCE TRANSLATION OF  
THE FINANCIAL STATEMENTS ORIGINALLY  
ISSUED IN TURKISH)**

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**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 31 MARCH 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2024, unless otherwise stated.)

	Notes	<i>Unaudited</i> <b>31 March</b> <b>2024</b>	<i>Audited</i> <b>31 December</b> <b>2023</b>
<b>ASSETS</b>			
<b>Current assets</b>		<b>130,074,089</b>	<b>131,010,852</b>
Cash and cash equivalents	4	5,108,255	18,256,792
Trade receivables	6	6,390,197	9,097,619
<i>Trade receivables due from related parties</i>	24	2,802,042.00	4,333,685
<i>Trade receivables due from third parties</i>		3,588,155	4,763,934
Other receivables		485,825	1,133,409
<i>Other receivables due from related parties</i>	24	62,560	82,401.00
<i>Other receivables due from third parties</i>	7	423,265	1,051,008
Inventories	8	100,032,541	95,800,691
Prepaid expenses		15,858,498	4,099,452
<i>Prepaid expenses to related parties</i>	24	12,118,562	-
<i>Prepaid expenses to third parties</i>	15	3,739,936	4,099,452
Other current assets	14	2,193,189	2,617,343
Current tax assets	22	5,584	5,546
<b>Non-current assets</b>		<b>7,143,955</b>	<b>8,771,939</b>
Trade receivables	6	3,605,779	5,199,843
<i>Trade receivables due from third parties</i>		3,605,779	5,199,843
Other receivables	7	23,222	27,535
<i>Other receivables due from third parties</i>		23,222	27,535
Investments accounted for using equity method		3,470	1,555
Investment properties	9	2,101,667	2,147,518
Right-of-use assets		4,852	5,583
Property, plant and equipment	10	1,325,760	1,303,329
Intangible assets		79,205	69,880
Deferred tax assets	22	-	16,696
<b>Total assets</b>		<b>137,218,044</b>	<b>139,782,791</b>

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 31 MARCH 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2024, unless otherwise stated.)

	Notes	Unaudited 31 March 2024	Audited 31 December 2023
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>		<b>69,795,710</b>	<b>71,600,625</b>
Short-term borrowings	5	841,325	1,208,497
Short-term portions of long-term borrowings	5	2,286,087	2,511,502
<i>Lease liabilities</i>	5	944	1,086
<i>Bank Loans</i>	5	2,285,143	2,510,416
Trade payables	6	2,947,829	4,684,117
<i>Trade payables due to related parties</i>	24	218,210	-
<i>Trade payables due to third parties</i>	6	2,729,619	4,684,117
Other payables	7	1,682,005	1,353,583
<i>Other payables to related parties</i>	24	602	690
<i>Other payables to third parties</i>		1,681,403	1,352,893
Deferred income	15	61,670,093	61,419,421
<i>Deferred income from related parties</i>	24	3,594,990	4,046,814
<i>Deferred income from third parties</i>		58,075,103	57,372,607
Short-term provisions		368,371	423,505
<i>Short-term provisions for employee benefits</i>	13	102,215	121,250
<i>Other short-term provisions</i>	12	266,156	302,255
<b>Non-current liabilities</b>		<b>1,489,329</b>	<b>2,330,802</b>
Long-term borrowings	5	597,626	1,460,122
<i>Long-term borrowings from related parties</i>			
<i>Lease liabilities</i>		5,640	6,490
<i>Bank Loans</i>	5	591,986	1,453,632
Trade payables	6	369,086	425,165
<i>Trade payables due to third parties</i>		369,086	425,165
Other payables	7	301,311	242,254
<i>Other payables to third parties</i>		301,311	242,254
Deferred income	15	56,378	64,034
<i>Deferred income from third parties</i>		56,378	64,034
Long-term provisions		142,505	139,227
<i>Long-term provisions for employee benefits</i>	13	142,505	139,227
Deferred tax liability	22	22,423	0
<b>Shareholders' equity</b>		<b>65,933,005</b>	<b>65,851,364</b>
<b>Total equity attributable to equity holders of the Company</b>		<b>65,933,005</b>	<b>65,851,364</b>
Paid-in capital	16	3,800,000	3,800,000
Adjustment to share capital		40,076,884	40,076,884
Treasury shares (-)		(51,522)	(51,522)
Share premium (discounts)		23,056,326	23,056,326
Other equity reserves		(1,386,070)	(1,386,070)
Restricted reserves appropriated from profit		6,921,820	6,921,820
Retained earnings		(6,566,074)	(1,878,021)
Net (loss) / profit for the year		81,641	(4,688,053)
<b>Non-controlling interests</b>		<b>-</b>	<b>-</b>
<b>Total liabilities and equity</b>		<b>137,218,044</b>	<b>139,782,791</b>

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME FOR THE YEAR  
ENDED 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2024, unless otherwise stated.)

	Notes	<i>Unaudited</i> 1 January- 31 March 2024	<i>Unaudited</i> 1 January- 31 March 2023
Revenue	17	2,254,884	9,196,216
Cost of sales (-)	17	(1,314,969)	(7,395,486)
<b>Gross profit</b>		<b>939,915</b>	<b>1,800,730</b>
General administrative expenses (-)	18	(543,314)	(1,851,414)
Marketing expenses (-)	18	(85,326)	(102,757)
Other income from operating activities	20	697,978	318,576
Other expenses from operating activities (-)	20	(130,210)	(1,857,439)
<b>Operating profit</b>		<b>879,043</b>	<b>(1,692,304)</b>
Income from investing activities		-	-
<b>Operating profit before financial income / (expense)</b>		<b>879,043</b>	<b>(1,692,304)</b>
Financial income	21	1,040,065	462,484
Financial expenses (-)	21	(400,814)	(464,914)
Monetary gain/(loss)		(1,397,534)	(1,497,356)
<b>Profit from continuing operations, before tax</b>		<b>120,760</b>	<b>(3,192,089)</b>
Tax (expense)/income from continuing operations		(39,119)	(22,903)
<i>Current period tax expense</i>	22	-	-
<i>Deferred tax income</i>	22	(39,119)	(22,903)
<b>Net (loss) / profit for the period</b>		<b>81,641</b>	<b>(3,214,992)</b>
<b>Profit for the period is attributable to:</b>			
Non-controlling interests		-	-
<b>Owners of the Company</b>		<b>81,641</b>	<b>(3,214,992)</b>
<b>Total comprehensive (loss) / income for the period</b>		<b>81,641</b>	<b>(3,214,992)</b>
<b>Total comprehensive income is attributable to:</b>			
Non-controlling interests		-	-
<b>Owners of the Company</b>		<b>81,641</b>	<b>(3,214,992)</b>
<b>Earnings per share</b>		<b>0.0002</b>	<b>(0.0082)</b>

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

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. VE BAĞLI ORTAKLIKLARI

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 1 JANUARY - 31 MARCH 2024 AND 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2024, unless otherwise stated.)

						Other Accumulated Comprehensive Income and Expense not to be Reclassified to Profit or Loss		Retained Earnings		Equity		Total equity
	Share capital	Adjustment to Share capital	Treasury shares (-)	Share premium/ discounts	Other restricted reserves Equity Reserves	Other restricted reserves appropriated from profit	Gain/Loss on remeasurement of defined benefit plans	Retained earnings	Net profit for the period	Equity attributable to the parent	controlling interests	
<b>1 January 2023</b>	<b>3,800,000</b>	<b>40,076,884</b>	<b>(2,602,035)</b>	<b>23,056,326</b>	<b>-</b>	<b>6,750,279</b>	<b>-</b>	<b>(1,308,024)</b>	<b>1,041,395</b>	<b>70,814,825</b>	<b>-</b>	<b>70,814,825</b>
Transfers	-	-	-	-	-	170,367	-	871,028	(1,041,395)	-	-	-
(Increase)/decrease due to share repurchase transactions(*)	-	-	(340,563)	-	51,029	-	-	-	-	(289,534)	-	(289,534)
Dividend	-	-	-	-	-	-	-	(1,465,163)	-	(1,465,163)	-	(1,465,163)
Total comprehensive income	-	-	-	-	-	-	-	-	(3,214,993)	(3,214,993)	-	(3,214,993)
<b>31 March 2023</b>	<b>3,800,000</b>	<b>40,076,884</b>	<b>(2,942,598)</b>	<b>23,056,326</b>	<b>51,029</b>	<b>6,920,646</b>	<b>-</b>	<b>(1,902,159)</b>	<b>(3,214,993)</b>	<b>65,845,135</b>	<b>-</b>	<b>65,845,135</b>
<b>1 January 2024</b>	<b>3,800,000</b>	<b>40,076,884</b>	<b>(51,522)</b>	<b>23,056,326</b>	<b>(1,386,070)</b>	<b>6,921,820</b>	<b>-</b>	<b>(1,878,021)</b>	<b>(4,688,053)</b>	<b>65,851,364</b>	<b>-</b>	<b>65,851,364</b>
Transfers	-	-	-	-	-	-	-	(4,688,053)	4,688,053	-	-	-
Total comprehensive income/(expense)	-	-	-	-	-	-	-	-	81,641	81,641	-	81,641
<b>31 March 2024</b>	<b>3,800,000</b>	<b>40,076,884</b>	<b>(51,522)</b>	<b>23,056,326</b>	<b>(1,386,070)</b>	<b>6,921,820</b>	<b>-</b>	<b>(6,566,074)</b>	<b>81,641</b>	<b>65,933,005</b>	<b>-</b>	<b>65,933,005</b>

(\*) As of 31 March 2023, it shows the effect of purchase/sale considering the orders matched during the period for the shares repurchased.

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 1 JANUARY 31 MARCH 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2024, unless otherwise stated.)

	Notes	Unaudited 1 January- 31 March 2024	Unaudited 1 January- 31 March 2023
<b>Cash flows from operating activities</b>			
Profit for the period		81,641	(3,214,992)
<b>Adjustments related to reconcile of net profit for the period</b>			
Adjustments related to depreciation and amortization expenses	9,10, 11	77,680	51,406
Adjustments related to tax expense (income)	22	39,119	22,903
Adjustments related to (reversal of) impairments (net)		220,189	861,305
<i>Adjustments related to (reversal of) impairment of inventories (net)</i>	8, 17	220,189	861,305
Adjustments related to provisions		(7,914)	203,701
<i>Adjustments related to (reversal of) provisions for employee benefits</i>		(2,398)	42,120
<i>Adjustments related to (reversal of) provision for lawsuit and/or penalty</i>	12, 17	7,760	161,361
<i>Adjustments related to (reversal of) provisions for possible risks</i>	17	(13,276)	220
Adjustments for interest (income) and expenses		(865,683)	(315,091)
<i>Adjustments for interest income</i>	20, 21	(1,208,493)	(740,948)
<i>Adjustments for interest expense</i>	20, 21	342,810	425,857
Adjustments related to (gain) loss on disposal of property		-	1,207,091
Monetary gain / loss		2,520,543	1,207,091
<b>Net cash from operations before changes in assets and liabilities</b>		<b>2,065,575</b>	<b>(1,183,677)</b>
<b>Changes in net working capital:</b>			
Adjustments related to (increase)/decrease in trade receivable		2,638,627	(80,671)
<i>Decrease/(increase) in trade receivables from related parties</i>		1,027,123	-
<i>Decrease/(Increase) in trade receivables from third parties</i>		1,611,504	(80,671)
Adjustments related to decrease/(increase) in inventories		(4,452,039)	193,540
Adjustments related to increase/(decrease) in trade payables		(924,486)	(1,576,274)
<i>Increase/(decrease) in trade payables to related parties</i>		504,622	(1,343,463)
<i>Increase/(decrease) in trade payables to third parties</i>		(1,429,108)	(232,811)
Adjustments related to decrease/(increase) in other receivables related to operations		(10,735,862)	(882,378)
Adjustments related to increase/(decrease) in other payables related to operations		886,702	7,029,640
Adjustments related to other increase/(decrease) in working capital		(76,629)	(298,243)
<b>Net cash flows from operating activities</b>			
Interest received		124,230	124,830
Payments related to provisions for employee benefits		(5,875)	(7,395)
<b>Cash flows from operating activities</b>		<b>(10,479,757)</b>	<b>3,319,372</b>
Purchases of investment properties, property, plant and equipment and intangible assets	9, 10	(63,586)	(50,237)
<b>Cash flows from investing activities</b>		<b>(63,586)</b>	<b>(50,237)</b>
Payments to acquire entity's shares or other equity instruments		-	(289,534)
Proceeds from Borrowings		828,689	4,208,890
<i>Proceeds from Loans</i>		-	2,280,773
<i>Proceeds from Issue of Debt Instruments</i>		828,689	1,928,117
Repayments of borrowings		(1,586,166)	(1,599,539)
<i>Loan Repayments</i>		(627,528)	(565,101)
<i>Payments of Issued Debt Instruments</i>		(958,638)	(1,034,438)
Interest paid		(255,712)	(441,848)
Dividends paid		-	(1,465,163)
Interest received		761,471	458,159
<b>Cash flow from financing activities</b>		<b>(251,718)</b>	<b>870,965</b>
Inflation impact on cash and cash equivalents		(2,239,904)	(1,311,705)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(13,034,965)</b>	<b>2,828,395</b>
Cash and cash equivalents at the beginning of the period	4	17,109,529	10,019,470
<b>Cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>4,074,564</b>	<b>12,847,865</b>

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

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2024, unless otherwise stated.)

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### NOTE 1 – ORGANIZATION AND OPERATION OF THE GROUP

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. ("Emlak Konut GYO" or the "Group") was established on 26 December 1990 as a subsidiary of Türkiye Emlak Bankası A.Ş. The Group is governed by its articles of association, and is also subject to the terms of the decree law about Public Finances Enterprises No. 233, in accordance with the statute of Türkiye Emlak Bankası A.Ş. The Group has been registered and started its activities on 6 March 1991. The Group's articles of association were revised on 19 May 2001 and it became an entity subject to the Turkish Commercial Code No. 4603.

The Company was transformed into a Real Estate Investment Company with Senior Planning Committee Decree No. 99/T-29, dated 4 August 1999, and according to Statutory Decree No. 588, dated 29 December 1999. According to Permission No. 298, dated 20 June 2002, granted by the Capital Markets Board ("CMB") regarding transformation of the Company into a Real Estate Investment Company and permission No. 5320, dated 25 June 2002, from the Republic of Turkey Ministry of Industry and Trade and amendment draft for the articles of association of the Company was submitted for the approval of the Board and the amendment draft was approved at the Ordinary General Shareholders Committee meeting of the Company convened on 22 July 2002, changing the articles of association accordingly.

The articles of association of the Company were certified by Istanbul Trade Registry Office on 29 July 2002 and entered into force after being published in Trade Registry Gazette dated 1 August 2002. As the result of the General Shareholders committee meeting of the Company convened on 28 February 2006, the title of the Company "Emlak Gayrimenkul Yatırım Ortaklığı A.Ş." was changed to "Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş."

By the decision of the Board of Directors of Istanbul Stock Exchange Market on 26 November 2010, 25% portion of the Company's class B shares with a nominal value of TRY625,000 has been trading on the stock exchange since 2 December 2010.

The registered address of the Group is Barbaros Mah. Mor Sümbül Sok. No: 7/2 B (Batı Ataşehir) Ataşehir – İstanbul. As of 31 March 2024, the number of employees of the Group is 1,123 (31 December 2023 - 1,142).

The objective and operating activity of the Company is coordinating and executing real estate property projects mostly housing, besides, commercial units, educational units, social facilities, and all related aspects, controlling and building audit services of the ongoing projects, marketing and selling the finished housing. Due to statutory obligation to be in compliance with the Real Estate Investment Companies decrees and related CMB communiqués, The Company cannot be a part of construction business, but only can organize it by auctioning between the contractors.

The consolidated financial statements on 31 March 2024 have been approved by the Board of Directors on 14 June 2024.

The ultimate parent and ultimate controlling party of the Group is T.C. Toplu Konut İdaresi Başkanlığı (the Housing Development Administration of Turkey, "TOKİ"). TOKİ is a state institution under the control of Republic of Turkey Ministry of Environment Urbanisation and Climate Change.

Emlak Konut GYO will be referred to as the "Group" with its subsidiaries and interests in joint ventures.



**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 MARCH 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2023, unless otherwise stated.)

**NOTE 1 – ORGANIZATION AND OPERATION OF THE GROUP (Continued)**

**Subsidiaries**

Subsidiaries of Emlak Konut GYO operate in Turkey and their main operations are as follows:

	<u>31 March 2024</u>		<u>31 December 2023</u>	
	<u>Direct and indirect ownership rate</u>	<u>Effective ownership rate (%)</u>	<u>Direct and indirect ownership rate</u>	<u>Effective ownership rate (%)</u>
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. ("EPP")				Real Estate Investments
Emlak Konut Asansör Sistemleri Sanayi ve Ticaret A.Ş.				Production, Sales and Marketing
Emlak Planlama İnşaat Proje Yönetimi ve Ticaret A.Ş.	100	100	100	100
Emlak Konut Asansör Sistemleri Sanayi ve Ticaret A.Ş.	100	100	100	100

**Shares in Joint Operations**

Shares in Joint Operations of Emlak Konut GYO operate in Turkey and their main operations are as follows:

	<u>31 March 2024</u>		<u>31 December 2023</u>	
	<u>Direct and indirect ownership rate (%)</u>	<u>Effective ownership rate (%)</u>	<u>Direct and indirect ownership rate (%)</u>	<u>Effective ownership rate (%)</u>
Dap Yapı İnşaat Sanayi ve Ticaret A.Ş. ve Eltes İnşaat Tesisat Sanayi ve Ticaret A.Ş. Ortak Girişimi – Emlak Konut GYO A.Ş. ("İstmarina AVM Adi Ortaklığı")				Shopping Mall and Office Management
Büyükyalı Tesis Yönetimi A.Ş.				Shopping Mall and Office Management
Merkez Cade Yönetim A.Ş.	30	30	30	30
İstmarina AVM Adi Ortaklığı	40	40	40	40
Büyükyalı Tesis Yönetimi A.Ş.	37	37	37	37

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 MARCH 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2023, unless otherwise stated.)

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**

**2.1. Basis of Presentation**

The accompanying standalone financial statements of the Company have been prepared in accordance with the communiqué numbered II-14,1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) which is published on Official Gazette numbered 28676 dated 13 June 2013 and Turkish Financial Reporting Standards and appendices and interpretations related to them adopted by the Public Oversight Accounting and Auditing Standards Authority (“POA”) have been taken as basis. TFRS is updated through communiqués in order to comply with the changes in the Turkish Financial Reporting Standards (TFRS).

The interim condensed consolidated financial statements are presented in accordance with the formats specified in the “Communiqué on TFRS Taxonomy” published by the POA on 15 April 2019 and the Illustrations of Financial Statements and Application Guidance published by the CMB.

The Group maintains its books of account and prepares its statutory financial statements in accordance with the principals issued by CMB, the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The consolidated financial statements have been prepared on the basis of historical cost, with the necessary adjustments and classifications reflected in the statutory records in accordance with TFRS.

**Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has the ability to use its power to affect its returns
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- The size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements

Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2023, unless otherwise stated.)

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### NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### 2.1. Basis of Presentation (Continued)

##### Basis of Consolidation (Continued)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

##### Changes in the Group's Ownership Interests in Existing Subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable TFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TFRS 9 *Financial Instruments*, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

##### Investments in Associates and Joint Ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1. Basis of Presentation (Continued)**

**Basis of Consolidation (Continued)**

Investments in Associates and Joint Ventures (Continued)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with TFRS 5. Under the equity method, investments in associates are carried in the balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognized. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Gains and losses arising from transactions between the Group and an associate of the Group are eliminated to the extent of the Group's interest in the relevant associate or joint venture.

Interests in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

**Adjustment of Consolidated Financial Statements in Hyperinflation Periods**

The Company prepared its consolidated financial statements as of 31 March 2024 and for the interim period ended 31 March 2024 by applying TAS 29 "Financial Reporting in Hyperinflationary Economies" in accordance with the announcement made by POA on 23 November 2023 and the "Application Guidance on Financial Reporting in Hyperinflationary Economies". In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date and comparative figures for prior periods are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has presented its consolidated financial statements as of 31 March 2023 and 31 December 2023 on a purchasing power basis as of 31 March 2024.

It has been decided that institutions registered in CMB and import companies obligated to apply financial statement adjustments stated in TAS/TFRS are required to apply hyperinflation accounting by implementing TAS 29 to financial statements for the year ended 31 December 2023, according to the rule number 81/1820 declared by CMB dated in 28 December 2023.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1. Basis of Presentation (Continued)**

**Adjustment of Consolidated Financial Statements in Hyperinflation Periods (Continued)**

The restatements in accordance with TAS 29 have been made using the adjustment factor derived from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute ("TSI"). As at 31 March 2024, the indices and adjustment factors used in the restatement of the consolidated financial statements are as follows:

<b>Date</b>	<b>Index</b>	<b>Adjustment correlation</b>	<b>3-year cumulative inflation ratios</b>
<b>31.03.2024</b>	2,139.47	1.00000	211%
<b>31.12.2023</b>	1,859.38	1.15063	268%
<b>31.03.2023</b>	1,296.75	1.68495	152%

Procedure of TAS 29 is presented below:

- All accounts, excluding accounts that are presented with current purchasing power at the current period, are restated with their related price index correlation. Same method is applied for previous years.
- Monetary balance sheet accounts are not restated because these accounts are presented with current purchasing power at the current period. Monetary accounts are accounts that are either received or paid in cash.

The main components of the Company's restatement for the purpose of financial reporting in hyperinflationary economies are as follows:

- The consolidated financial statements for the current period presented in Turkish Lira are expressed in terms of the purchasing power at the balance sheet date and the amounts for previous reporting periods have been restated in accordance with the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the measuring unit current at the balance sheet date. Where the inflation-adjusted amounts of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 have been applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the balance sheet date are restated by using the relevant adjustment factors.
- "All items in the statement of comprehensive income, except for the effect of non-monetary items in the balance sheet on the statement of comprehensive income, have been restated by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period has been recognized in the consolidated income statement in the net monetary position gains account.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1. Basis of Presentation (Continued)**

**Adjustment of Consolidated Financial Statements in Hyperinflation Periods (Continued)**

Impact of TAS 29 is summarized below:

i. *Restatement of Financial Statements*

Accounts that are not presented in terms of unit of measurement effective at the end of period within financial statements are restated. In relation to this, monetary accounts are not restated because they are presented in terms of unit of measurement effective at the end of period. Non-monetary accounts are required to be restated unless they are presented by their current value at the end of reporting period.

Net monetary profit or loss resulting from restatement of non-monetary accounts are included in income statement and they are also presented in other comprehensive income statement.

ii. *Restatement of Income Statement*

All accounts of income statement are presented by the unit of measurement at the end period. Therefore, all accounts are restated by applying monthly price index changes.

Cost of sales is restated with adjusted inventory balances.

Depreciation and amortization expenses, property, plant and equipment, intangible assets, investment property using the restated balances of real estate and right-of-use assets has been corrected.

iii. *Restatement of Cash Flow*

All accounts of income statement are presented by the unit of measurement at the end period.

iv. *Consolidated Financial Statements*

A subsidiary's financial statements whose functional currency is a currency of a hyperinflation economy need to be restated before integrated into parent company's consolidated financial statements based on price correlations. If the subsidiary is based in a foreign economy, restatement is made by closing foreign exchange (FX) rates.

v. *Comparative Balances*

Balances of previous periods are restated with price correlations in order to present them in terms of unit of measurement effective at the end of period.

vi. *Comparative Information and Restatement of Previous Periods' Consolidated Financial Statements*

Company's financial statements are prepared comparatively to previous periods in order to detect financial position and performance trends. If necessary, comparative information is restated and material differences are explained in order to establish compliance with the presentation of current period consolidated financial statements.

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of TRY as of 31 March 2023, unless otherwise stated.)

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### NOTE 3 – ACCOUNTING POLICIES

Interim condensed consolidated financial statements as of 31 March 2024 have been prepared by applying accounting policies that are consistent with the accounting policies applied in the preparation of the financial statements for the year ended 31 December 2023. Therefore, interim condensed financial statements should be read together with the end-of-year financial statements in order to create coherence.

#### 3.1 New and Revised Turkish Financial Reporting Standards

i) **The new standards, amendments and interpretations which are effective as of 31 March 2024 are as follows**

- **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.
- **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.
- **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.
- **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.
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However, the POA's Board Decision published in the Official Gazette dated 29 December 2023 announced that certain entities will be subject to mandatory sustainability reporting as of 1 January 2024. 5 January 2024 dated "Board Decision on the Scope of Application of Turkish Sustainability Reporting Standards (TSRS)" for the purpose of Determining the Entities that will be subject to Sustainability Reporting.

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**NOTE 3 – ACCOUNTING POLICIES (Continued)**

**3.1 New and Revised Turkish Financial Reporting Standards (Continued)**

**ii) Standards, amendments and improvements issued but not yet effective and not early adopted as of 31 March 2024**

- **Amendment to TFRS 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 TFRS 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.
- **IFRS 17, 'Insurance contracts';** effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which currently permits a wide range of applications. IFRS 17 will fundamentally change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features.

However, in the letter dated 6 April 2023 sent by the Public Oversight Authority (POA) to the Association of Insurance, Reinsurance and Pension Companies of Turkey, it was reported that it was concluded that it would be appropriate to apply TFRS 17 in the consolidated and separate financial statements of insurance, reinsurance and pension companies, banks that have partnerships/investments in these companies and other companies that have partnerships/investments in these companies as of 1 January 2024.

On the other hand, the implementation date of TFRS 17 has been postponed to 1 January 2025 by POA.

- **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.



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**NOTE 4 - CASH AND CASH EQUIVALENTS**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Cash on hand	97	89
Banks	4,505,044	17,695,751
- <i>Demand deposit</i>	125,714	89,961
- <i>Time deposits with maturities less than 3 months</i>	4,379,330	17,605,790
Other cash and cash equivalents	603,114	560,952
	<b>5,108,255</b>	<b>18,256,792</b>

Maturities of cash and cash flows are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Demand	125,714	89,961
Up to 3 month	4,379,330	17,605,790
	<b>4,505,044</b>	<b>17,695,751</b>

Average effective annual interest rates on time deposits in TRY on the balance sheet date:

	<b>31 March 2024</b>	<b>31 December 2023</b>
	(%)	(%)
Effective annual interest rate	47.14	40.58

The calculation of cash and cash equivalents of the Group for the use in statements of cash flows is as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Cash and cash equivalents	5,108,255	18,256,792
Less: Interest accruals on deposits	(72,185)	(138,040)
Less: LSRSA project deposits (*)	(965,661)	(1,028,345)
Add: the effect of provisions released under TFRS 9	4,155	19,122
	<b>4,074,564</b>	<b>17,109,529</b>

(\*) The contractors' portion of the residential unit sales from the LSRSA projects under construction and which accumulated in the bank accounts opened under the control of the Group is kept in deposits accounts in the name of the related projects under the control of the Group as stated in the agreement. There is no blocked deposit (31 December 2023: None) project accounts amounting TRY965,661 (31 December 2023: TRY1,028,345).

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
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**NOTE 5 – FINANCIAL LIABILITIES**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Short-term financial liabilities</b>		
Short-term bank loans	63,325	172,924
Issued debt instruments	778,000	1,035,573
Short-term portion of long-term borrowings	2,285,143	2,510,416
Lease obligation	944	1,086
	<b>3,127,412</b>	<b>3,719,999</b>
<b>Long-term financial liabilities</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Long-term borrowings	591,986	1,453,632
Lease obligation	5,640	6,490
	<b>597,626</b>	<b>1,460,122</b>

Borrowings used as of 31 March 2024 are denominated in TRY and the weighted average interest rate is 22.57% (31 December 2023: 20.66%).

The redemption schedules of the borrowings as of 31 March 2024 and 31 December 2023 are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
2025	591,986	1,453,632
	<b>591,986</b>	<b>1,453,632</b>

The maturity distributions of the borrowings are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Less than 3 months	778,000	1,144,423
Between 3 - 12 months	1,570,468	1,538,917
Between 1 - 5 years	591,986	1,453,632
	<b>2,940,454</b>	<b>4,136,972</b>

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
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**NOTE 6 – TRADE RECEIVABLES AND PAYABLES**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Short-term trade receivables</b>		
Receivables from related parties (Note 24)	2,802,042	4,333,685
Receivables from sale of residential and commercial units	2,212,287	2,233,944
Receivables from contractors of the lands invoiced under LSRSA	358,238	1,613,735
Receivables from land sales	1,257,723	939,723
Notes of receivables	120,499	243,241
Receivables from lessees	60,703	79,291
Other	4,115	10,189
<b>Unearned finance income</b>	<b>(425,410)</b>	<b>(356,189)</b>
	<b>6,390,197</b>	<b>9,097,619</b>
Doubtful receivables	5,102	6,033
Less: Provision for doubtful receivables	(5,102)	(6,033)
	<b>6,390,197</b>	<b>9,097,619</b>
	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Long-term trade receivables</b>		
Receivables from sale of residential and commercial units	3,883,971	4,666,582
Receivables from land sales	814,051	1,675,417
Unearned finance income	(1,092,243)	(1,142,156)
	<b>3,605,779</b>	<b>5,199,843</b>
	<b>2024</b>	<b>2023</b>
<b>Balance at 1 January</b>	<b>6,033</b>	<b>6,071</b>
Provision charged for the period	(931)	(72)
Provision released within current period	-	(676)
<b>Balance at 31 March</b>	<b>5,102</b>	<b>5,323</b>
	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Short-term trade payables</b>		
Trade payables	1,535,855	2,894,375
Payables to LSRSA contractors invoiced	918,175	1,063,054
Interest accruals on time deposits of contractors (*)	275,589	726,688
Payables to related parties (Note 24)	218,210	-
	<b>2,947,829</b>	<b>4,684,117</b>

(\*) The contractors' portion of the residential unit sales from the LSRSA projects under construction and which accumulated in the bank accounts opened under the control of the Group is kept in deposits accounts in the name of the related projects under the control of the Group as stated in the agreement. The Group tracks the contractor's share of the interest obtained from the advances accumulated in these accounts in short-term payables.

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**NOTE 6 – TRADE RECEIVABLES AND PAYABLES (Continued)**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Long-term trade payables</b>		
Trade payables	369,086	425,165
	<b>369,086</b>	<b>425,165</b>

**NOTE 7 – OTHER RECEIVABLES AND PAYABLES**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Short-term other receivables</b>		
Advances given to contractor firms	317,712	620,742
Other receivables from related parties (Note 24)	62,560	82,401.00
Receivables from the authorities	41,709	32,214
Other	63,844	398,052
	<b>485,825</b>	<b>1,133,409</b>

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Long-term other receivables</b>		
Other receivables from third parties	22,208	26,368
Deposits and guarantees given	1,014	1,167
	<b>23,222</b>	<b>27,535</b>

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Short-term other payables</b>		
Taxes and funds payable	1,436,380	1,246,261
Other payables to related parties	602	690
Other	245,023	106,632
	<b>1,682,005</b>	<b>1,353,583</b>

As of 31 March 2024, other long-term payables are amount to TRY210,539 and consist of deposits and guarantees received (31 December 2023: TRY193,414).

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**NOTE 8 – INVENTORIES**

	<b>31 March 2024</b>	<b>31 December 2023</b>
Lands	23,519,959	21,515,635
<i>Cost</i>	29,926,023	28,086,184
<i>Impairment</i>	(6,406,064)	(6,570,549)
Planned land by LSRSA	38,689,459	38,762,246
Planned land by turnkey project	27,482,887	24,834,093
<i>Planned land by turnkey project</i>	33,474,169	30,420,130
<i>Impairment (*)</i>	(5,991,282)	(5,586,037)
Residential and commercial units ready for sale	9,422,739	9,835,532
<i>Cost</i>	10,722,661	11,156,025
<i>Impairment</i>	(1,299,922)	(1,320,493)
Inventories of Emlak Konut Asansör	917,497	853,185
	<b>100,032,541</b>	<b>95,800,691</b>

(\*) It is the provision for impairment due to the increase in construction costs in the Global and Turkish markets.

The determination of the net realizable value of the Group assets classified as "Inventories" and the calculation of the provision for impairment, if any, is based on the valuation reports prepared by Acar Taşınmaz Değerleme ve Danışmanlık A.Ş. and Yetkin Gayrimenkul Değerleme A.Ş. as of 31 December 2023.

The movements of impairment on inventories are as follows:

	<b>2024</b>	<b>2023</b>
<b>Opening balance at 1 January</b>	<b>13,477,079</b>	<b>19,923,206</b>
the current period	220,189	1,834,852
the current period	-	(973,547)
<b>Closing balance at 31 March</b>	<b>13,697,268</b>	<b>20,784,511</b>

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**NOTE 8 – INVENTORIES (Continued)**

As of 31 March 2024 and 31 December 2023 the details of land and residential inventories of the Group are as follows:

<b>Lands</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
İstanbul Küçükçekmece Lands	5,741,927	5,741,927
Muğla Bodrum Lands	3,897,658	4,192,702
İstanbul Esenler Lands	3,993,196	3,993,196
İstanbul Avcılar Lands	4,286,455	3,314,973
İstanbul Başakşehir Lands	1,432,817	1,409,427
İstanbul Çekmeköy Lands	554,021	554,001
İstanbul Arnavutköy Lands	637,580	510,250
İstanbul Ataşehir Lands	457,484	455,484
İzmir Urla Lands	365,891	365,891
İzmir Aliağa Lands	290,384	-
İstanbul Resneli Lands	458,641	-
Muğla Milas Lands	170,000	170,000
İzmir Seferihisar Lands	120,730	136,092
İstanbul Kartal Lands	424,419	103,132
Tekirdağ Çorlu Lands	84,948	84,948
İstanbul Tuzla Lands	85,207	73,420
Sakarya Sapanca Lands	127,560	-
İstanbul Ümraniye Lands	56,046	56,044
Ankara Çankaya Lands	24,094	24,093
Kocaeli Lands	13,571	17,406
Balıkesir Lands	-	15,042
İstanbul Zekeriyaköy Lands	11,376	11,376
İzmir Dikili Lands	-	2,499
Diğer	285,954	283,732
	<b>23,519,959</b>	<b>21,515,635</b>

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**NOTE 8 - INVENTORIES (Continued)**

<b>Planned lands by LSRSA</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Nidapark İstinye Project	5,233,542	5,236,437
Nişantaşı Koru Project	3,650,219	3,652,239
Bizim Mahalle 2. Etap 2. Kısım Project	2,912,622	2,914,363
Merkez Ankara Project	2,612,567	2,614,012
Nidapark Küçükyalı Project	2,573,503	2,574,927
Yeni Levent Project	1,846,486	1,847,508
Bizim Mahalle 2. Etap 1. Kısım Project	1,697,320	1,698,259
Çekmeköy Çınarköy Project	1,606,719	1,607,608
Meydan Başakşehir Project	1,521,441	1,522,283
Batıyakası 2. Etap Project	1,374,860	1,375,620
Next Level İstanbul Project	1,273,162	1,273,867
Beşiktaş Akat Project	1,230,295	1,226,186
Ümraniye İnkılap Project	1,161,045	1,161,688
İstanbul Kayabaşı 9. Etap Project	1,136,902	1,137,530
Başakşehir Ayazma 4. Etap Project	1,027,253	1,027,822
İstanbul Tuzla Merkez Project	1,015,697	1,016,259
Batıyakası 1. Etap Project	894,416	894,911
İstanbul Kayabaşı 8. Etap Project	770,089	770,515
İstanbul Eyüpsultan Kemerburgaz Project	741,767	742,178
Avcılar Firüzköy 1. Etap 2. Kısım Project	717,223	717,620
Avcılar Firüzköy 2. Etap Project	708,085	708,477
Avcılar Firüzköy 1. Etap 1. Kısım Project	658,115	658,479
Bodrum Türkbükü Project	534,022	534,317
Nezihpark Project	327,426	327,607
Antalya Aksu Project	286,894	287,053
Barbaros 48 Project	282,084	282,240
İstanbul Ataşehir Küçükbakkalköy Project	265,378	265,525
İstanbul Kayabaşı 10. Etap Project	247,942	248,078
Cer İstanbul Project	163,474	163,565
Ankara Çayyolu 2. Etap Project	139,290	139,367
Düşler Vadisi Project	30,458	84,682
Allsancak Project	32017	32035
Evora İzmir Project	17,146	17,154
İdealist Cadde Project	-	1,835
	<b>38,689,459</b>	<b>38,762,246</b>

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**NOTE 8 - INVENTORIES (Continued)**

<b>Residential and commercial units completed</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Merkez Ankara Project	4,342,104	4,378,842
Kuzey Yakası Project	1,438,633	1,578,110
Maslak 1453 Project	1,112,375	1,114,428
Komşu Finans Houses	838,540	838,540
Bizim Mahalle 1. Etap 1. Kısım Project	381,478	448,916
Denizli Merkez Efendi İkmal İşi Project	344,011	410,934
Sarphan Finanspark Project	314,210	346,819
Bizim Mahalle 1. Etap 2. Kısım Project	263,662	256,630
Emlak Konut Florya Houses	-	89,095
Semt Bahçekent 1. Etap 2. Kısım Project	74,179	74,179
Köy 2. Etap Project	64,400	64,400
Yalova Armutlu Project	56,182	56,182
Karat 34 Project	31,033	44,100
Nidapark İstinye Project	38,048	38,048
Büyükyalı Project	34,602	34,602
Metropol İstanbul Project	22,306	22,306
Evora Denizli Project	16,508	16,508
Kocaeli Körfezkent Emlak Konutları	9,205	9,205
Ormanköy Project	-	4,012
Göl Panorama Project	3,522	3,522
Başakşehir Ayazma Emlak Konutları	3,436	3,435
Temaşehir Project	1,499	2,719
Avangart İstanbul Project	32,806	-
	<b>9,422,739</b>	<b>9,835,532</b>



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**NOTE 8 - INVENTORIES (Continued)**

<b>Planned lands by turnkey project</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Çekmeköy Çınarköy Project	16,309,777	14,740,743
Ankara Saraçoğlu Project	2,553,809	2,588,216
Emlak Konut Vadi Evleri Project	2,885,807	2,429,292
Bizim Mahalle Project	2,244,677	1,971,042
İstanbul Avcılar Firuzköy Project	901,044	1,821,892
Balıkesir Altıeylül Project	1,246,708	1,010,705
Arnavutköy Yenişehir Project	895,732	196,521
Diğer	445,333	75,682
	<b>27,482,887</b>	<b>24,834,093</b>

**NOTE 9 – INVESTMENT PROPERTIES**

Rent income is obtained in investment properties and the appraisal used in calculation of low value is made through a precedent comparison and income reduction. As of 31 December 2023 the Group evaluated that there is no situation that would lead to low value in investment properties.

The movements of investment properties as of 31 March 2024 and 2023 are as follows:

	<b>Lands, residential and commercial</b>	<b>Atasehir general management building A block</b>	<b>Total</b>
<b>Cost Value</b>			
Opening balance as of 1 January 2024	2,020,801	300,547	2,321,348
Transfers to commercial units and land inventories	-	-	-
Transfers from residential and commercial unit inventories	-	-	-
<b>Closing balance as of 31 March 2024</b>	<b>2,020,801</b>	<b>300,547</b>	<b>2,321,348</b>
<b>Accumulated Depreciation</b>			
Opening balance as of 1 January 2024	130,457	43,373	173,830
Charge for the year	44,348	1,503	45,851
<b>Closing balance as of 31 March 2024</b>	<b>174,805</b>	<b>44,876</b>	<b>219,681</b>
<b>Carrying value as of 31 March 2024</b>	<b>1,845,996</b>	<b>255,671</b>	<b>2,101,667</b>

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**NOTE 9 – INVESTMENT PROPERTIES (Continued)**

	<b>Lands, residential and commercial units</b>	<b>Atasehir general management building A block</b>	<b>Total</b>
<b>Cost Value</b>			
Opening balance as of 1 January 2023	3,214,264	300,547	3,514,812
Transfers from commercial units and land inventories	(1,254,545)	-	(1,254,545)
Transfers to residential and commercial unit inventories	(9,567)	-	(9,567)
Disposal (-)	-	-	-
<b>Closing balance as of 31 March 2023</b>	<b>1,950,152</b>	<b>300,547</b>	<b>2,250,700</b>
<b>Accumulated Depreciation</b>			
Opening balance as of 1 January 2022	65,888	31,351	97,239
Charge for the year	4,440	1,503	5,943
Disposals	-	-	-
<b>Closing balance as of 31 March 2023</b>	<b>70,328</b>	<b>32,854</b>	<b>103,182</b>
<b>Carrying value as of 31 March 2023</b>	<b>1,879,825</b>	<b>267,693</b>	<b>2,147,518</b>

As of 31 December 2023, the valuation reports prepared by Acar Taşınmaz Değerleme ve Danışmanlık A.Ş. and Yetkin Gayrimenkul Değerleme A.Ş. have taken into consideration when determining the fair values of investment properties. The fair values of the investment property determined by independent valuation experts are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Atasehir General Management Office A Block	1,427,737	1,427,737
Independent commercial units of Büyükyalı AVM	2,103,342	2,103,342
Independent commercial units of Istmarina AVM	1,331,456	1,331,456
Lands and completed units	715,033	715,033
	<b>5,577,568</b>	<b>5,577,568</b>

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**NOTE 10 – PROPERTY, PLANT AND EQUIPMENT**

<b>31 March 2024</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Machinery and equipment</b>	<b>Furniture, equipment and fixtures</b>	<b>Special Cost</b>	<b>Construction in progress</b>	<b>Total</b>
Net carrying value as of 1 January 2024	777,270	24,217	139,646	158,201	47,731	156,264	1,303,329
Additions	-	3,749	32,253	9,962	-	-	45,964
Transfers from constructions in progress, (net)	-	-	-	27,433	-	(27,433)	-
Depreciation expense(-)	(10,695)	(1,797)	(4,866)	(4,653)	(1,522)	-	(23,533)
<b>Net carrying value 31 March 2024</b>	<b>766,575</b>	<b>26,169</b>	<b>167,033</b>	<b>190,943</b>	<b>46,209</b>	<b>128,831</b>	<b>1,325,760</b>
Cost	863,399	56,021	196,120	439,584	59,298	128,831	1,743,254
Accumulated depreciation (-)	(96,825)	(29,852)	(29,087)	(248,641)	(13,089)	-	(417,494)
<b>Net carrying value 31 March 2024</b>	<b>766,575</b>	<b>26,169</b>	<b>167,033</b>	<b>190,943</b>	<b>46,209</b>	<b>128,831</b>	<b>1,325,760</b>
<b>31 March 2023</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Machinery and equipment</b>	<b>Furniture, equipment and fixtures</b>	<b>Special Cost</b>	<b>Construction in progress</b>	<b>Total</b>
Net carrying value as of 1 January 2023	796,301	6,653	106,395	91,167	54,120	186,256	1,240,892
Additions	15,022	13,277	8,377	12,007	129	-	48,812
Depreciation expense(-)	(8,838)	(863)	(18,500)	(6,067)	(1,177)	-	(35,445)
<b>Net carrying value 31 March 2023</b>	<b>802,485</b>	<b>19,067</b>	<b>96,272</b>	<b>97,107</b>	<b>53,072</b>	<b>186,256</b>	<b>1,254,259</b>
Cost	880,068	42,960	124,343	320,361	59,777	186,256	1,613,765
Accumulated depreciation (-)	(77,583)	(23,893)	(28,071)	(223,254)	(6,705)	-	(359,506)
<b>Net carrying value 31 March 2023</b>	<b>802,485</b>	<b>19,067</b>	<b>96,272</b>	<b>97,107</b>	<b>53,072</b>	<b>186,256</b>	<b>1,254,259</b>

All of the depreciation expenses are included in the general administrative expenses.

The expected useful lives for property, plant and equipment are as follows:

	<b>Years</b>
Buildings	50
Motor vehicles	5
Furniture, equipment and fixtures	4-5
Machinery and equipment	5

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**NOTE 11 – INTANGIBLE ASSETS**

<b>31 March 2024</b>	<b>Licenses</b>	<b>Computer software</b>	<b>Rights</b>	<b>Total</b>
Net carrying value as of 1 January 2024	6,723	29,020	34,137	69,880
Additions	-	17,620	-	17,620
Amortization expense (-)	(1,438)	(3,157)	(3,701)	(8,296)
<b>Net carrying value 31 March 2024</b>	<b>5,285</b>	<b>43,484</b>	<b>30,436</b>	<b>79,205</b>
Cost	92,641	80,273	51,809	224,723
Accumulated amortization (-)	(87,356)	(36,790)	(21,373)	(145,518)
<b>Net carrying value 31 March 2024</b>	<b>5,285</b>	<b>43,484</b>	<b>30,436</b>	<b>79,205</b>

  

<b>31 March 2023</b>	<b>Licenses</b>	<b>Computer software</b>	<b>Rights</b>	<b>Total</b>
Net book value, 1 January 2023	13,400	7,633	9,668	30,701
Additions	-	-	1,424	1,424
Amortization expense (-)	(3,551)	(320)	(6,147)	(10,018)
<b>Net carrying value 31 March 2023</b>	<b>9,849</b>	<b>7,313</b>	<b>4,945</b>	<b>22,107</b>
Cost	91,144	37,869	13,719	142,732
Accumulated amortization (-)	(81,295)	(30,556)	(8,774)	(120,625)
<b>Net carrying value 31 March 2023</b>	<b>9,849</b>	<b>7,313</b>	<b>4,945</b>	<b>22,107</b>

**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Provisions</b>		
Provision for lawsuits	266,156	302,255
	<b>266,156</b>	<b>302,255</b>

According to the opinions of the Group's lawyers, provisions amounting to TRY266,156 have been made as of 31 March 2024 (31 December 2023: TRY302,255). As of 31 March 2024, there are 1 cases of defect, 10 cases of loss of rent, 7 cases of cancellation of title deeds and registration, 2 cases of business and 35 other cases. The amount of risk arising from the total possible cash outflow is TRY610,531 (31 December 2023: TRY302,255) and the lawsuits are still pending.

The movements of provision for lawsuits as of 31 December 2023 and 2022 are as follows:

	<b>2024</b>	<b>2023</b>
<b>Balance at 1 January</b>	<b>302,255</b>	<b>422,654</b>
Provision added within the current period (Note 20)	7,760	161,361
Monetary gain/(loss)	(43,859)	(281,760)
<b>Closing balance at 31 March</b>	<b>266,156</b>	<b>302,255</b>

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**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**12.1 Continuing Lawsuits and Provisions**

**12.1.1** The LSRSA Project Agreement dated 21 December 2005 regarding 750 units in İzmir Mavisehir Upper North Area 2. Phase was abolished on 21 December 2009 since the contractor did not meet the requirements of the provisions in the agreement. Following the cancellation of the agreement, the project was transferred to the Group and the remaining part of the project was completed by another construction Group which was assigned in accordance with Public Tender Law. The related units have been completed and are sold by the Group as in Turnkey projects.

The contractor filed a lawsuit against the Company claiming that the completion percentage of the project was significantly high and that the agreement between the parties was based on construction right in return for flat. İzmir Karsiyaka Commercial Court of First Instance issued an expert report and determine that the level of work was at around 83%, and that the legal relationship of the parties were not related to construction right in return of the flat. The Company and the contractor filed counter lawsuits in the following period and an additional report was decided to be issued. The additional report is about the final receivables and payables of the parties considering all the claims. As a result of the examination of the additional report at the hearing on 11 June 2014, the second expert committee was examined however, since the expert report was not received, the date of the case was not finalized. In addition, the file was transferred to the delegation, as the Commercial Courts turned into Delegation Judges. According to the various expert reports submitted to the file during the proceedings, the plaintiff has not recognized the value of the lawsuit and increased it to TRY76,161. As of 31 March 2024, a provision amounting to TRY139,770 has been provided including interest and legal expenses. The lawsuit has been partially accepted and partially rejected and the trial is ongoing.

**12.1.2** The filed by the contractor firm is action of debt, deed cancellation and registration case. The decision of the contractor's contract was terminated unfairly, passing through degrees. Lawsuits filed by the company and amounting to TRY2,071 have been partially accepted and the decision was appealed by the parties, the trial is ongoing at the Istanbul 16th Commercial Court of First Instance. As of 31 March 2024 a provision amounting to TRY8,181 has been made including interest and litigation costs.

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**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**12.1 Continuing Lawsuits and Provisions (Continued)**

**12.1.3** Within the scope of Revenue Sharing in Return for Riva Land Sale Tender for immovables parcel numbered 3201, 3202, 3203 located in Istanbul Province, Beykoz/Riva District as per the Article 14 of Bidding Specification of the aforementioned tender, bid bonds have been submitted to the client company by the Joint Venture, in the second session of the tender held on 15 June 2017, it was decided to leave the tender under the responsibility of the Joint Venture, which gave the most economically advantageous bid however, companies that have applied to the client company and invited for signature were requested to revise the terms and criteria of the tender, with the justification that the Planned Areas Type Zoning Regulation by the Ministry of Environment and Urbanization published on Official Gazette No. 30113 dated 3 July 2017 contains regulations that cause a significant reduction in the construction area subject to the tender, with the entry into force of the provisions of the said Regulation, the revision requests of the plaintiff companies were rejected on the grounds that there would be no change in the construction field based on the precedent and the Company gave a deadline until 15 August 2017 for the signing of the contract, as the client company did not come to sign the contract at the end of the period, the bid bonds submitted by the plaintiff companies within the scope of the Revenue Sharing in Return for Riva Land Sale Tender were registered as revenue and the tender was awarded to the non-litigated contractor who submitted the second most appropriate bid for the subject matter and there are pecuniary and non-pecuniary damages lawsuits filed on the grounds that the claimant's revision requests regarding the conditions and criteria of the aforementioned tender were rejected and that the recognition of the letters of guarantee as revenue was unfair. Provision amounting to TRY11,792 has been made including interest and litigation costs as of 31 March 2024.

**12.1.4** This is a lawsuit filed by Şekerbank T.A.Ş. who has been assigned a receivable of TRY46,000, which has arisen and will arise from the Istanbul Ümraniye 1st Stage Revenue Sharing Work contractor Yeni Sarp-Özarak Ordinary Partnership's Emlak Konut GYO A.Ş. alleging that TRY34,135 of the assignment receivable remaining from the assignment has not been unfairly paid to him. At the same time with this lawsuit, the plaintiff requested to place a mortgage equal to the amount of the lawsuit to some of the immovables within the scope of the project in order to constitute the guarantee of the receivable subject to the lawsuit. On 15 October 2020, the court decided to reject the case. The plaintiff requested an appeal and the appeal court overturned the decision. As of 31 March 2024, a provision has been made in the amount of TRY72,915 including interest and litigation costs.

**12.2 Contingent Liabilities of the Group**

In the financial statements prepared as of 31 December 2023, the ongoing litigation liabilities were evaluated in the following matters. According to the opinion of the Group Management and its lawyers, no provision has been made in the financial statements prepared as of 31 March 2024 on the grounds that it is not probable that the outflow of resources with economic benefits will be realized in cases filed against the Group in order to fulfill its obligation.

**12.2.1** Concerning the İzmir Mavisehir Upper North Area Phase 2 LSRSA project, a lawsuit was filed based on the assignments given by the contractor in favor of the complainant. The case is proceeding. According to the opinion of the Group lawyer, no liability is expected to arise as a result of the related lawsuit.

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**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**Contingent Liabilities of the Group (Continued)**

**12.2.2** In case it is not possible to register on behalf of the plaintiff with the reversal of the responsibility of TOKİ ¼ share (65,122.35 m2) of the parcel with an area of 260,489.41 m2 in Istanbul province, Tuzla district, Orhanlı Mah. 120 Island 1, which is still registered to TOKİ, and in case the immovable share value of TRY117,220 is not possible from the date of transfer for now, the lawsuit (total amount including interest TRY135,615) filed against our Company by the plaintiff of 2021/740 E. Anadolu Yakası Ticaret Lojistik ve Yapı A.Ş. of Istanbul Anadolu 1st Commercial Court of First Instance, is seen in the file numbered 2021/740 of the Istanbul Anadolu 1st Commercial Court of First Instance and has a hearing on 14 June 2023.

**12.3 Contingent Assets of the Group**

**12.3.1** As of 31 March 2024 and 31 December 2023, breakdown of nominal commercial receivables from residential and commercial unit sales by maturities and based on the residential and commercial units that are under construction or completed but not yet delivered within the scope of the sales promise contract that is not yet included in the balance sheet as it does not meet the TFRS 15 criteria, expected collection times of nominal installments that are not due or collected by maturities are as follows:

<b>31 March 2024</b>	<b>Trade Receivables</b>	<b>Off-balance sheet deferred revenue</b>	<b>Total</b>
1 year	2,570,525	8,592,643	11,163,168
2 year	1,720,486	5,840,654	7,561,140
3 year	955,346	3,889,741	4,845,087
4 year	597,232	1,250,995	1,848,227
5 year and above	1,424,958	491,011	1,915,969
	<b>7,268,547</b>	<b>20,065,044</b>	<b>27,333,591</b>

<b>31 December 2023</b>	<b>Trade Receivables</b>	<b>Off-balance sheet deferred revenue</b>	<b>Total</b>
1 year	3,098,887	10,712,992	13,811,879
2 year	2,360,399	7,556,218	9,916,617
3 year	1,782,500	4,977,046	6,759,546
4 year	583,893	1,460,114	2,044,007
5 year and above	1,576,479	877,542	2,454,021
	<b>9,402,158</b>	<b>25,583,912</b>	<b>34,986,070</b>

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**NOTE 13 -EMPLOYEE BENEFITS**

	<b>31 March 2024</b>	<b>31 December 2023</b>
<b>Short-term provisions</b>		
Unused vacation provision	102,215	121,251
	<b>102,215</b>	<b>121,251</b>
<b>Long-term provisions</b>		
Provision for employment termination benefit	142,505	139,227
	<b>142,505</b>	<b>139,227</b>

TAS 19 requires actuarial valuation methods to be developed to estimate the Company's provision for severance pay. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Discount Rate (%)	3.50	3.50
Turnover rate to estimate probability of retirement (%)	1.10	1.10

The basic assumption is that the ceiling provision for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the expected effects of inflation.

If the discount rate is 1% lower, the severance pay liability will be TRY14,251 more.

Leaving the other assumptions the same, if the probability of leaving the job voluntarily is 1% higher, the severance pay liability will be TRY7,126 more.



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**NOTE 14 – OTHER ASSETS**

<b>Other current assets</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Deferred VAT	1,850,710	1,785,045
Income accruals	125,093	420,529
Progress payments to contractors	28,697	243,852
Receivables from tax office	167,836	152,161
Prepaid income tax	15,027	8,163
Other	5,825	7,592
	<b>2,193,188</b>	<b>2,617,342</b>

**NOTE 15 – DEFERRED INCOME AND PREPAID EXPENSES**

<b>Short-term deferred income</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Advances taken from turnkey project sales	23,663,045	23,475,672
Deferred income from LSRSA projects (*)	20,298,729	19,404,450
Advances taken from LSRSA contractors (**)	13,839,938	14,067,063
Advances received from related parties (Note 24)	3,594,990	4,046,814
Deferred income related to sales of independent units	273,391	425,422
	<b>61,670,093</b>	<b>61,419,421</b>

(\*) The balance is comprised of deferred income of future land sales regarding the related residential unit's sales under LSRSA projects.

(\*\*) Before the contract is signed with the contractor companies in the ASKGP projects, the company collects the first payment of the total income corresponding to the share of the company from the total sales income in advance at the determined rates.

<b>Long-term deferred income</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Other advances given	56,378	64,034
	<b>56,378</b>	<b>64,034</b>

<b>Prepaid expenses</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
Advances given for inventory (*)	12,118,562	-
Prepaid expenses	178,995	148,550
Prepaid expenses to related parties (Note 24)	3,560,941	3,950,902
	<b>15,858,498</b>	<b>4,099,452</b>

(\*) Consists of the amount paid for 1,615 independent units purchased from Yeni Fikirtepe project, which the Company has undertaken the construction of on behalf of the Ministry of Environment, Urbanization and Climate Change.

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### NOTE 16 – SHAREHOLDERS’ EQUITY

The Group’s authorized capital amount is TRY3,800,000 (31 December 2023: TRY3,800,000) and consists of 380,000,000,000 (31 December 2023: 380,000,000,000) authorized number of shares with a nominal value of TRY0.01 each.

The Group’s shareholders and their shareholding percentages as of 31 March 2024 and 31 December 2023 is as follows:

Shareholders	31 March 2024		31 December 2023	
	Share (%)	TL	Share (%)	TL
Public offering portion	50.66	1,925,119	50.66	1,925,119
T.C. Toplu Konut İdaresi Başkanlığı "TOKİ"	49.34	1,874,831	49.34	1,874,831
HAS beneficiaries	0.00	48	0.00	48
Other	0.00	2	0.00	2
<b>Total paid-in capital</b>	<b>100</b>	<b>3,800,000</b>	<b>100</b>	<b>3,800,000</b>
Adjustment to share capital		40,076,884		40,076,884
		<b>43,876,884</b>		<b>43,876,884</b>

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve balance reaches 20% of the Group’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

In accordance with the Communiqué Serial: II, No: 14,1 which became effective as of 13 June 2013 and according to the CMB's announcements clarifying the said Communiqué, “Share Capital”, “Restricted Reserves Appropriated from Profit” and “Share Premiums” need to be recognized over the amounts contained in the legal records. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- If the difference is arising from the valuation of “Paid-in Capital” and not yet been transferred to capital should be classified under the “Inflation Adjustment to Share Capital”;
- If the difference is arising from valuation of “Restricted Reserves Appropriated from Profit” and “Share Premium” and the amount has not been subject to dividend distribution or capital increase, it shall be classified under “Retained Earnings”. Other equity items should be revaluated in accordance with the CMB standards.

There is no any use of the adjustment to share capital except adding it to the share capital.

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**NOTE 16 – SHAREHOLDERS’ EQUITY (Continued)**

In accordance with the Capital Markets Board Bulletin published on 7 March 2024 The explanation related to adjusted equity accounts in accordance with TAS 29 is as follows:

	PPI Indexed Legal Records	CPI Indexed Records	Amounts followed in Accumulated Profit/Low
Adjustment to share capital	67,266,564	40,076,884	(27,189,680)
Share premium	38,532,148	23,056,326	(15,475,822)
Restricted reserves appropriated from profit	10,353,629	6,912,960	(3,440,669)

**NOTE 17 – REVENUE AND COST OF SALES**

	1 January- 31 March 2024	1 January- 31 March 2023
<b>Sales income</b>		
Land sales	481,349	5,040,661
<i>Sales of planned lands by way of     LSRSA</i>	<i>377,144</i>	<i>1,029,771</i>
<i>Land sales income</i>	<i>104,205</i>	<i>4,010,890</i>
Residential and commercial units sales	1,044,760	3,585,852
Consultancy income	699,586	525,946
Elevator sales income	9,078	-
Rent income	24,292	48,707
	<b>2,259,065</b>	<b>9,201,166</b>
Sales returns	(4,181)	(4,950)
<b>Net sales income</b>	<b>2,254,884</b>	<b>9,196,216</b>
<b>Cost of sales</b>		
Cost of lands	(448,255)	(2,547,495)
<i>Cost of lands planned by way of     LSRSA</i>	<i>(75,328)</i>	<i>(951,711)</i>
<i>Cost of lands sold</i>	<i>(372,927)</i>	<i>(1,595,784)</i>
Cost of residential and commercial units sold	(866,714)	(4,847,991)
	<b>(1,314,969)</b>	<b>(7,395,486)</b>
<b>Gross Profit</b>	<b>939,915</b>	<b>1,800,730</b>

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**NOTE 18 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES**

	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
<b>General administrative expenses</b>		
Personnel expenses	(302,320)	(222,773)
Depreciation and amortization	(77,680)	(51,405)
Security and cleaning expenses	(56,989)	(34,347)
Consultancy expenses	(19,075)	(85,021)
Due and contribution expenses	(16,535)	(10,576)
Travel expenses	(14,333)	(7,767)
Taxes, duties and fees	(7,048)	(168,571)
Maintenance and repair expenses	(4,344)	(7,332)
Insurance expenses	(1,350)	-
Lawsuit and notary expenses	(1,606)	(2,636)
Communication expenses	(1,697)	(1,361)
Donations	-	(1,246,957)
Information technologies expenses	-	(13,747)
Other	(40,337)	1,079
	<b>(543,314)</b>	<b>(1,851,414)</b>

	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
<b>Marketing and sales expenses</b>		
Advertising expenses	(44,375)	(63,500)
Personnel expenses	(17,516)	(19,765)
Consultancy expenses	(9,720)	(6,503)
Other	(13,715)	(12,989)
	<b>(85,326)</b>	<b>(102,757)</b>

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**NOTE 19 – EXPENSE BY NATURE**

	<b>1 January - 31 March 2024</b>	<b>1 January - 31 March 2023</b>
Expenses from residential and Land costs	866,714 448,255	4,847,991 2,547,495
Personnel expenses	319,836	242,538
Donations	-	1,246,957
Taxes,duties and fees	7,048	168,571
Consultancy expenses	28,795	91,524
Advertising expenses	44,375	63,500
Security and cleaning expenses	56,989	34,347
DEPRECIATION AND AMORTISATION (NOTE 11.12.12)	77,680	51,405
Due and contribution expenses	16,535	10,576
Information technologies expenses	-	13,747
Lawsuit and notary expenses	1,606	2,636
Communication expenses	1,697	1,361
Insurance expenses	1,350	-
Other	72,729	27,009
	<b>1,943,609</b>	<b>9,349,657</b>

**NOTE 20 – OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES**

	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
<b>Other income from operating activities</b>		
Default interest income from projects	1,125	47,022
Impairment provisions released	420,708	-
Financial income from forward sales	124,230	124,830
Income from transfer commissions	49,472	110,937
Reversal of unaccrued financial income, net	5,677	-
Income from tender contract sales	-	1,110
Other	96,766	34,677
	<b>697,978</b>	<b>318,576</b>

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**NOTE 20 – OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES (Continued)**

	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
<b>Other expenses from operating activities</b>		
Provision for impairment of land and residential ir	-	(1,672,418)
Reversal of unaccrued financial expense, net	(110,106)	-
Provision for lawsuits (Note 12)	(7,760)	(161,361)
Other	(12,344)	(23,660)
	<b>(130,210)</b>	<b>(1,857,439)</b>

**NOTE 21 – FINANCIAL INCOME / EXPENSES**

	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
<b>Financial income</b>		
Interest income from time deposits	761,471	458,159
T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı interest income (*)	272,195	-
Interest income from land acquisition	755	-
Foreign exchange gains	5,644	4,325
	<b>1,040,065</b>	<b>462,484</b>
<b>Financial expenses</b>		
Borrowings interest and lease certificate expenses	(342,810)	(422,056)
Foreign exchange losses	(58,004)	(39,057)
T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı interest expenses (*)	-	(3,801)
	<b>(400,814)</b>	<b>(464,914)</b>

(\*) As of 31 March 2024, this amount consists of interest income accrued for the land acquired from the Ministry of Environment, Urbanization and Climate Change of the Republic of Turkey.

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**NOTE 22 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)**

*Corporate Tax*

The Emlak Konut GYO is exempt from Corporate Tax in accordance with the paragraph 4-d of Article 8 of the Corporate Tax Law. According to the paragraph 6-a of Article 94 of the Income Tax Law the earnings of real estate investment companies are subject to withholding and withholding tax rate is determined as "0" according to the Council of Ministers Decision, No: 93/5148. The Group's subsidiaries, associates and joint operations are subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group's results for the years and periods. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and other incentives (prior year's losses if any and investment incentives used if preferred) utilized.

Pursuant to the temporary article added to the Corporate Tax Law with Article 11 of the Law No. 7316 published in the Official Gazette dated 22 April 2021 and numbered 31462; The corporate tax rate for the corporate earnings of the 2023 taxation period is 25% (2023: 25% for the year 2022).

The Law numbered 7061 on "Amendment of Certain Taxes and Laws and Other Acts" was published on the Official Gazette dated 5 December 2017 and numbered 30261. Article 5 entitled "Exceptions" of the Corporate Tax Law has been amended in Article 89 of the Law. In accordance with (a) clause in the first paragraph of the Article, the exemption of 75% applied to gains from the sales of lands and buildings held by the entities for two full years has been reduced to rate of 50%. This regulation has been effective from 5 December 2017.

The current tax liability of the Group as of 31 December 2023 is as follows:

	<b>31 March</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
Current tax assets		
Prepaid taxes and funds	5,584	5,546
	<b>5,584</b>	<b>5,546</b>

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**NOTE 22 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)  
(Continued)**

*Deferred Tax:*

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising from the differences between its consolidated financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TFRS and tax purposes and they are given below.

The tax rate used in the calculation of deferred tax assets and liabilities is 25% over the temporary timing differences expected to reverse in 2023, and 23% over the temporary timing differences that are expected to reverse after 2022. (2022: 23% for 2023).

In Turkey, the companies cannot declare a tax return, therefore subsidiaries that have deferred tax assets position were not netted off against subsidiaries that have deferred tax liabilities position and disclosed separately.

	<b>31 March</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
<u>Deferred tax (assets)/liabilities:</u>		
Fair value adjustment to inventories in acquired associates	33,584	(9,069)
Effect of amortized cost method on receivables	(785)	(495)
Depreciation / amortization differences of property, plant and equipment and other intangible assets	16,622	12,463
Adjustments related to deferred income	(9,808)	(7,891)
Provision for employment termination benefits	(17,190)	(11,703)
	<b>22,423</b>	<b>(16,696)</b>

The movements of deferred tax (asses)/ liabilities for the periods ended 31 December 2023 and 2022 are as follows:

	<b>1 January- 31 March</b>	<b>1 January- 31 March</b>
	<b>2024</b>	<b>2023</b>
<u>Movement of deferred tax (assets)/liabilities:</u>		
Opening balance as of 1 January	16,696	(153,751)
Charged to profit or loss	(39,119)	(22,903)
Closing balance at 31 December	<b>(22,423)</b>	<b>(176,654)</b>



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**NOTE 22 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)  
(Continued)**

	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
<u>Reconciliation of tax provision:</u>		
(Loss) / profit from operations before tax	<u>120,760</u>	<u>742,389</u>
Tax at the domestic income tax rate 2023: 25% (2022: 23%)	(30,190)	638,418
Tax effects of:		
- revenue that is exempt from taxation	46,566	(621,175)
- other	(55,495)	(40,146)
Income tax expense recognised in profit	<u>(39,119)</u>	<u>(22,903)</u>
	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
<u>Tax (expense) / income comprises:</u>		
Current tax expense	-	-
Deferred tax income	(39,119)	(22,903)
Total tax income	<u>(39,119)</u>	<u>(22,903)</u>

**NOTE 23 – EARNINGS PER SHARE**

In Turkey, companies can increase their share capital by making a pro rata distribution of shares "bonus shares" to existing shareholders from retained earnings. The issue of such shares is treated as the issuance of ordinary shares in the calculation of earnings per share. Accordingly, the weighted average number of shares used in these calculations is determined by taking into consideration the retroactive effects of these share distributions. Earnings per share is calculated by considering the total number of new shares when there is an increase in issued shares because of distribution of bonus shares after the balance sheet date but before the preparation of financial statements.

The earnings per share stated in income statement are calculated by dividing net income for the period by the weighted average number of the Group's shares for the period.

The Group can withdraw the issued shares. The weighted average number of shares taken back changes the calculation of earnings per share in line with the number of shares.

	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
Net income attributable to equity holders		
of the parent in full TL	81,641	(3,214,993)
Weighted average number of ordinary shares	3,804,550,291	3,938,879,862
<b>Earnings per share in full TL</b>	<b>0.0002</b>	<b>(0.0085)</b>

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### NOTE 24 – RELATED PARTY DISCLOSURES

The main shareholder of the Group is T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ"). TOKİ is a state institution under the control of Republic of Turkey Ministry of Environment and Urbanisation. Related parties of the Group are as listed below.

1. T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")
2. GEDAŞ (Gayrimenkul Değerleme A.Ş.) (an affiliate of TOKİ)
3. TOBAŞ (Toplu Konut - Büyükşehir Bel. İnş. Emlak ve Proje A.Ş.) (an affiliate of TOKİ)
4. Vakıf Gayrimenkul Yatırım Ortaklığı A.Ş. (an affiliate of TOKİ)
5. Vakıf İnşaat Restorasyon ve Ticaret A.Ş. (an affiliate of TOKİ)
6. Emlak-Toplu Konut İdaresi Spor Kulübü
7. Emlak Planlama İnşaat Proje Yönetimi ve Tic. A.Ş. - Emlak Basın Yayın A.Ş. Ortak Girişimi
8. Ege Yapı – Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. Ortak Girişimi
9. Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Cathay Ortak Girişimi
10. Emlak Konut Spor Kulübü Derneği
11. Türkiye Emlak Katılım Bankası A.Ş.
12. T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü
13. İller Bankası A.Ş.
14. Emlak Basın Yayın A.Ş.

According to the revised TAS 24 – “Related Parties Transactions Standard”, exemptions have been made to the related party disclosures of state institutions and organizations. The Group has transactions with state banks (T.C.Ziraat Bankası A.Ş., Türkiye Vakıflar Bankası T.A.O., Türkiye Halk Bankası A.Ş., Türkiye Emlak Katılım Bankası A.Ş.) and Republic of Turkey Undersecretariat of Treasury.

- The Group keeps its deposits predominantly in state banks in accordance with the relevant provisions. As of 31 March 2024 the Group has deposits amounting to TRY3,930,624 in state banks (31 December 2023: TRY9,603,387). Average effective interest rates of time deposits of the Group as of 31 March 2024 are explained in Note 4.

The transactions between the Group and the related parties are as follows:

	31 March 2024	31 December 2023
<b>Trade receivables from related parties</b>		
T.C. Çevre ve Şehircilik Bakanlığı (*)	2,802,042	4,333,685
	<b>2,802,042</b>	<b>4,333,685</b>

(\*) The Company's trade receivables from the Ministry of Environment and Urbanization consist of payments made by the Company for urban transformation projects

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**NOTE 24 – RELATED PARTY DISCLOSURES (Continued)**

	31 March 2024	31 December 2023
<b>Short-term other receivables from related parties</b>		
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Ferzan Adi Ortaklığı	62,560	82,401
	<b>62,560</b>	<b>82,401</b>

	31 March 2024	31 December 2023
<b>Trade payables to related parties</b>		
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ") (*)	218,210	-
	<b>218,210</b>	<b>-</b>

(\*) Remaining debt amount related to the acquisition of 22 parcels purchased by the company in the protocol signed with TOKİ on 9 March 2022.

According to the protocols signed with TOKİ regarding to land purchases, the cost of lands purchased from TOKİ is kept in time deposit accounts of Emlak Konut in the name of TOKİ, until the payment date determined by TOKİ. Interest amounts on time deposits of TOKİ arising from these transactions are netted off from time deposit interest income in the financial statements. All of this accumulated interest income on time deposits will be paid to TOKİ.

	31 March 2024	31 December 2023
<b>Deferred revenue from related parties</b>		
Türkiye Emlak Katılım Bankası A.Ş. (*)	3,594,990	4,046,814
	<b>3,594,990</b>	<b>4,046,814</b>

(\*) Includes amounts received by the Group for 29 commercial units sold to Türkiye Emlak Katılım Bankası A.Ş.

	31 March 2024	31 December 2023
<b>Short-term other payables from related parties</b>		
Emlak Planl. İnş. Prj. Yön. A.Ş. - Cathay Ortak Girişimi	602	690
	<b>602</b>	<b>690</b>

	31 March 2024	31 December 2023
<b>Financial investments from related parties</b>		
Türkiye Emlak Katılım Bankası A.Ş.	-	66,180
	<b>-</b>	<b>66,180</b>

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**NOTE 24 – RELATED PARTY DISCLOSURES (Continued)**

<b>Prepaid expenses to related parties</b>	<b>31 March 2024</b>	<b>31 December 2023</b>
T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı	12,118,562	-
	<b>12,118,562</b>	<b>-</b>

According to the protocols signed with TOKİ regarding to land purchases, the cost of lands purchased from TOKİ is kept in time deposit accounts of Emlak Konut in the name of TOKİ, until the payment date determined by TOKİ. Interest amounts on time deposits of TOKİ arising from these transactions are netted off from time deposit interest income in the financial statements. All of this accumulated interest income on time deposits will be paid to TOKİ.

<b>Purchases from related parties</b>	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
Emlak Basın Yayın A.Ş.	-	2,872
T.C. Çevre ve Şehircilik Bakanlığı	13,047,080	7,611,999
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")	468,750	9,874,652
	<b>13,515,831</b>	<b>17,489,523</b>

  

<b>Sales to related parties</b>	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
T.C. Çevre ve Şehircilik Bakanlığı	-	255,951
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")	46,470	6,304
İller Bankası A.Ş.	-	1,514,725
	<b>46,470</b>	<b>1,776,980</b>

Key management personnel are those who have the authority and responsibility to plan, manage and control the activities (administrative or other) directly or indirectly of the Group including any manager. Salaries and other short-term benefits provided to the key management personnel, General Manager of the Board of Directors, Assistant General Managers and General Manager Consultant, are as follows:

<b>Compensation to key management</b>	<b>1 January- 31 March 2024</b>	<b>1 January- 31 March 2023</b>
Salaries and other short-term benefits	11,008	14,231
	<b>11,008</b>	<b>14,231</b>

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**NOTE 25 – COMMITMENTS**

The Group's mortgage and guarantees received as of 31 March 2024 and 31 December 2023 are as follows:

	<b>31 March 2024</b>	<b>31 December 2023</b>
Guarantees received (*)	28,751,132	27,742,522
Mortgages received (**)	752,162	865,465
	<b>29,503,294</b>	<b>28,607,987</b>

(\*) Guarantees received consist of letters of guarantee given by contractors for construction projects and temporary guarantee letters received during the tender process.

(\*\*) Mortgages received consist of mortgaged independent sections and lands sold but not yet collected.

The collaterals, pledges and mortgages ("CPM") of the Group as of 31 March 2024 and 31 December 2023 are as follows :

	<b>31 March 2024</b>	<b>31 December 2023</b>
A. CPM given on behalf of the Company's legal personality	257,678	337,714
B. CPM given on behalf of fully consolidated subsidiaries	-	-
C. CPM given for continuation of its economic activities on behalf of third parties	-	-
D. Total amount of other CPM	-	-
i) Total amount of CPM given on behalf of majority shareholder	-	-
ii) Total amount of CPM given on behalf of other companies which are not in scope of B and C	-	-
iii) Total amount of CPM given on behalf of third parties which are not in scope of C	-	-
	<b>257,678</b>	<b>337,714</b>

**NOTE 26 - EVENTS AFTER THE REPORTING PERIOD**

The Company has signed a protocol with the Ministry of Environment, Urbanization and Climate Change (Urban Transformation Services Presidency) for the purchase of 12 immovable properties located in Musalla Mahallesi, Çeşme, İzmir, 2 immovable properties located in Zümrüt Mahallesi, Konyaaltı, Antalya, 5 immovable properties located in Ovacık Mahallesi, Çeşme, İzmir and 2 immovable properties located in Terakki Mahallesi, Merkez, Zonguldak for a total consideration of TRY1,677,934,790 (excluding VAT).

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**ADDITIONAL NOTE – CONTROL OF COMPLIANCE WITH THE PORTFOLIO  
LIMITATIONS**

	Consolidated (Separate) Financial Statement Main Account Items	Related Regulation	31 March 2024	31 December 2023
A	Money and Capital Market Instruments	Communiqué No. III-48.1, Art.24(b)	3,643,148	14,261,817
B	Real Estate, Real Estate Based Projects, Real Estate Based Rights	Communiqué No. III-48.1, Art.24(a)	103,392,541	86,620,419
İŞ	Subsidiaries	Communiqué No. III-48.1, Art.24(b)	3,284,216	2,854,261
	Due from Related Parties (Non-trade)	Communiqué No. III-48.1, Art.23(f)	-	-
DV	Other Assets		26,507,987	17,095,435
<b>D</b>	<b>Total Assets</b>		<b>136,827,892</b>	<b>120,831,932</b>
E	Financial Liabilities	Communiqué No. III-48.1, Art.24(b)	3,718,354	4,400,778
F	Other Financial Liabilities	Communiqué No. III-48.1, Art.24(a)	-	-
G	Financial Leasing Liabilities	Communiqué No. III-48.1, Art.24(b)	-	-
H	Due to Related Parties (Non-trade)	Communiqué No. III-48.1, Art.23(f)	-	-
İ	Equity		67,625,932	58,549,588
EB	Other Liabilities		65,483,606	57,881,566
<b>D</b>	<b>Total Liabilities</b>	Communiqué No. III-48.1, Art.3(k)	<b>136,827,892</b>	<b>120,831,932</b>
	Consolidated (Separate) Other Financial Information	Related Regulation	31 Mart 2024	31 Aralık 2023
A1	Part of Money and Capital Market Instruments Held for 3-Year Real Estate Payments	Communiqué No. III-48.1, Art.24(b)	3,643,148	14,261,817
A2	Maturity / Demand / Foreign Currency	Communiqué No. III-48.1, Art.24(b)	4,676,839	15,258,885
A3	Foreign Capital Market Instruments	Communiqué No. III-48.1, Art.24(d)	-	-
B1	Foreign Real Estate, Real Estate Based Projects, Real Estate Based Rights	Communiqué No. III-48.1, Art.24(d)	-	-
B2	Idle Land / Plots of Land	Communiqué No. III-48.1, Art.24(c)	9,094,315	10,054,883
C1	Foreign Subsidiaries	Communiqué No. III-48.1, Art.24(d)	-	-
C2	Subsidiaries of the Operating Company	Communiqué No. III-48.1, Art.28	3,279,614	1,048,000
J	Non-Cash Loans	Communiqué No. III-48.1, Art.31	153,959	148,368
K	Mortgage costs of mortgaged lands on which the project will be developed, the ownership of which does not belong to the partnership	Communiqué No. III-48.1, Art.22(e)	-	-
	Portföy Sınırlamaları	Related Regulation	31 Mart 2024	31 Aralık 2023
1	Mortgage costs of mortgaged lands on which the project will be developed, the ownership of which does not belong to the partnership	Communiqué No. III-48.1, Art.22(e)	0%	0%
2	Real Estate, Real Estate Based Projects, Real Estate Based Rights	Communiqué No. III-48.1, Art.24(a), (b)	78%	83%
3	Money and Capital Market Instruments and Subsidiaries Foreign Real Estate, Real Estate-Based Projects,	Communiqué No. III-48.1, Art.24(b)	2%	2%
4	Real Estate Rights, Subsidiaries, Capital Market Instruments	Communiqué No. III-48.1, Art.24(d)	0%	0%
5	Idle Land / Plots of Land	Communiqué No. III-48.1, Art.24(c)	7%	8%
6	Participation in an Operating Company	Communiqué No. III-48.1, Art.28	2%	1%
7	Borrowing Limit	Communiqué No. III-48.1, Art.31	6%	8%
8	Maturity/Demand TRY/FX	Communiqué No. III-48.1, Art.22(e)	1%	1%

The information in the table of Control of Compliance with the Portfolio Limitations is condensed information derived from financial statements as per Article 16 of Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets” and is prepared within the frame of provisions related to compliance to portfolio limitations stated in the Communiqué Serial III No 48.1 “Principles Regarding Real Estate Investment Trusts” published in the Official Gazette No. 28660 on 28 May 2013.

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