

Albaraka Türk's Unconsolidated Net Profit for Q1'2025 Recorded TL 7 Billion 846 Million

Albaraka Türk, Türkiye's first and pioneering participation bank, realized a profit of TL 7 billion 846 million in the first quarter of 2025 according to unconsolidated financial results.

Asset Size Reached TL 350 Billion while Maintaining High Asset Quality

Albaraka Türk announced its financial results for the first quarter of 2025 on the Public Disclosure Platform (KAP). Support for the real sector continues, funded credits increased by 12.3% compared to the end of 2024 and 38.1% on year-over-year basis, reaching TL 166.7 billion. Asset size reached TL 350.7 billion.

Albaraka Türk decisively continues to take steps to strengthen its asset quality. Albaraka Türk's non-performing credits (NPL) ratio, which stood at 1.36% at the end of 2024, declined to 1.34% as of March 2025, while the provisioning ratio for non-performing credits remained high at 85.7%.

In the first quarter of the year, the size of funds collected through private current accounts and participation accounts reached TL 215 billion. While the high cost of funding is one of the most important items on the sector's agenda, the share of funds collected through private current accounts rose to 51.5% of funds collected, supporting the bank's solid balance sheet structure. Acting with the vision of sustainable profitability, Albaraka Türk raised its capital adequacy ratio to 20% by canceling TL 7 billion of free provisions that had been set aside in previous periods in order to support long-term growth and capital adequacy.

Capital Structure Continues to Strengthen

Sharing his views on the financial results, Albaraka Türk General Manager and Board Member Malek Temsah said, "We are seeing the positive effects of the steps we have taken for sustainable revenue growth and further strengthening of our financial structure. In the first quarter of 2025, our solo net profit increased by 1,178% compared to the first quarter of last year and amounted to TL 7 billion 846 million. We increased our adequacy ratio to 20% with the significant contribution of canceling 7 billion of the free provisions we had allocated in previous periods, in the first quarter of this year. Thanks to our strengthened capital structure, we will continue our operations in a stronger manner.

Malek Temsah said, "We continue our activities without slowing down in 2025 in line with the vision and mission of our Bank. In accordance with the principles and values of

participation finance, we are strengthening our customer-centered approach to best meet the needs of our customers. In this journey, we continue our determination to make our financial services more accessible and innovative by taking important steps in digitalization. We continue to fulfill our responsibility to society and the environment by increasing our sustainability-oriented projects. We will continue to work without slowing down in this direction.”

About Albaraka Turk:

Albaraka Turk was established in 1984 as Turkey's first participation bank. Established in 1985 under the leadership of Al Baraka Group B.S.C. (C), the leader of the Middle East finance sector, the Islamic Development Bank (IDB) and a local industrial group that has been serving the Turkish economy for more than half a century, Albaraka Turk adds value to the national economy and the sector with the products developed in the corporate, commercial, retail and digital banking sectors by adhering to interest-free banking principles and continues to provide reliable financial services. The bank, which has 223 branches in Turkey and 2 branches abroad, aims to provide the best service to its customers, employees, partners and society as the innovative and digital pioneer of participation finance. Albaraka Turk has received many important national and international awards in categories such as banking, human resources, technology and customer experience with the services and solutions it has developed with its pioneering banking vision.

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