

Albaraka Türk Katılım Bankası Anonim Şirketi

**Consolidated financial statements
and related disclosures at September 30, 2022
together with limited review report**

(Convenience translation of the limited review report and
financial statements originally issued in Turkish – see section three Note I.b)



AUDITOR’S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

(Convenience translation of the independent auditor’s review report originally issued in Turkish, See Note I.b of Section Three)

To the General Assembly of Albaraka Türk Katılım Bankası Anonim Şirketi;

Introduction

We have reviewed the consolidated balance sheet of Albaraka Türk Katılım Bankası Anonim Şirketi (“the Bank”) and its consolidated subsidiaries (collectively referred to as “the Group”) at 30 September 2022 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders’ equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the nine-month period then ended. The Group management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial Reporting Legislation which includes “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 “Interim Financial Reporting” for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

Scope of Review

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



Basis for the Qualified Conclusion

As explained in Section Five Part II. 6.b of Explanations and Notes to the Consolidated Financial Statements; the accompanying consolidated financial statements as at 30 September 2022 include a free provision amounting to TL 800.000 thousand which consist of TL 100.000 thousand provided in prior periods, TL 700.000 thousand recognized in the current year by the Group management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation.

Qualified Conclusion

Based on our review, except for the effects of the matter on the consolidated financial statements described in the basis for the qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial information do not present fairly in all material respects the consolidated financial position of Albaraka Türk Katılım Bankası Anonim Şirketi and its consolidated subsidiaries at 30 September 2022 and the results of its consolidated operations and its consolidated cash flows for the nine-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

Other matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2021 and as at and for the nine-month period ended 30 September 2021 were audited and reviewed by another independent audit firm that expressed a qualified opinion and unqualified conclusion in the audit report dated 8 March 2022 and in the auditor's review report dated 12 November 2021, respectively.

Report on other regulatory requirements arising from legislation

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



Additional Paragraph for Convenience Translation:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 September 2022. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

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

Didem Demer Kaya, SMMM
Partner

Istanbul, 16 November 2022

**CONSOLIDATED FINANCIAL REPORT OF ALBARAKA TÜRK KATILIM BANKASI A.Ş.
AS OF AND FOR THE NINE MONTH ENDED SEPTEMBER 30, 2022**

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34768 Ümraniye/İstanbul
Parent Bank's phone number and facsimile : 00 90 216 666 01 01 – 00 90 216 666 16 00
Parent Bank's website : www.albaraka.com.tr
Electronic mail contact info : albarakaturk@albarakaturk.com.tr

The consolidated interim financial report prepared in accordance with the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by the Banking Regulation and Supervision Agency is comprised of the following sections.

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE ACCOUNTING PRINCIPLES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS
- LIMITED REVIEW REPORT
- INTERIM REPORT

Investments in subsidiaries, real estate investment funds, venture capital investment funds and joint ventures whose financial statements have been consolidated in this consolidated financial report are as follows:

	Subsidiaries	Real Estate Investment Funds	Venture Capital Investment Funds	Joint Ventures
1.	Bereket Varlık Kiralama A.Ş.	Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu	Katılım Emeklilik ve Hayat A.Ş.
2.	Değer Varlık Kiralama A.Ş.	Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu	-
3.	Albaraka Portföy Yönetimi A.Ş.	-	Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu	-
4.	Insha Gmbh	-	Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu	-
5.	-	-	Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu	-

Bereket One Ltd and Albaraka Sukuk Ltd, which are not subsidiaries of the Bank but over which the Bank has 100% controlling power, have been included in the consolidation due to the reason that these companies are "Structured Entity".

The consolidated financial statements and related disclosures and footnotes; presented in **thousands of Turkish Lira** unless otherwise indicated; have been prepared in accordance with the Communiqué on Accounting Applications of Banks and Safeguarding of Documents, Banking Regulation and Supervision Agency Regulations, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related appendices and interpretations and in compliance with the records of our Bank, have been reviewed and presented as attached.

Housseem BEN HAJ AMOR

Chairman of the Board of Directors
and Member of the Audit
Committee

Malek Khodr TEMSAH

General Manager

Mustafa ÇETİN

Assistant General
Manager

Kemaleddin DİLBAZ

Financial Reporting
Manager

Mustafa BÜYÜKABACI

Chairman of the Audit Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:

Name-Surname/Title : Bora ŞİMŞEK / Financial Reporting / Vice Manager
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ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022

(Thousand of Turkish Lira (TL) unless otherwise stated)

SECTION ONE

General Information

I. History of the Parent Bank including its incorporation date, initial legal status and amendments to legal status:

Albaraka Türk Katılım Bankası Anonim Şirketi ("The Parent Bank") was incorporated on November 5, 1984 with the name of Albaraka Türk Özel Finans Kurumu A.Ş., based on the decision of the Council of Ministers numbered 83/7506 and dated December 16, 1983 regarding establishments of Special Finance Houses and obtained the operating permission from the Central Bank of Türkiye with the letter numbered 10912 and dated January 21, 1985.

Special Finance Houses, operating in accordance with the Communiqués of Under Secretariat of Treasury and the Central Bank of Türkiye based on the decision of Council of Ministers numbered 83/7506, have been subjected to the provisions of the Banking Law numbered 4389 with the change of law dated December 17, 1999 and numbered 4491. Special Finance Houses have been subjected to the provisions of "Communiqué Related to the Incorporation and Activities of Special Finance Houses" published in the Official Gazette dated September 20, 2001 numbered 24529 by the Banking Regulation and Supervision Agency ("BRSA"). "Communiqué Related to the Incorporation and Activities of Special Finance Houses" has been superseded by the "Communiqué Related to Credit Operations of Banks" published in the Official Gazette dated November 1, 2006 numbered 26333 and the Parent Bank operates in accordance with the Banking Law numbered 5411 published in the Official Gazette dated November 1, 2005 numbered 25983.

The decision regarding the change in the title of the Parent Bank, in relation with the provisions of the Banking Law numbered 5411, was agreed in the Extraordinary General Meeting dated December 21, 2005 and the title of the Parent Bank was changed as "Albaraka Türk Katılım Bankası A.Ş.". The change in the title was registered in Istanbul Trade Registry on December 22, 2005 and published in the Trade Registry Gazette dated December 27, 2005, numbered 6461.

The Parent Bank together with its consolidated ownerships is referred to as the "Group" in the accompanying consolidated financial statements.

The Parent Bank's head office is located in Istanbul and is operating through 224 (December 31, 2021: 229) local branches and 2 (December 31, 2021: 2) foreign branches and with 2.669 (December 31, 2021: 2.918) staff as of September 30, 2022. The Group has 2.693 (December 31, 2021: 2.943) staff as of September 30, 2022.

II. Shareholding structure, shareholders having direct or indirect, joint or individual control over the management and supervision of the Parent Bank and the disclosures on related changes in the current year, if any:

As of September 30, 2022, 43,37% (December 31, 2021: 36,29%) of the Parent Bank's shares are owned by Albaraka Group, 8,30% (December 31, 2021: 15,38%) owned by Dallah Albaraka Group, 7,84% (December 31, 2021: 7,84%) owned by Islamic Development Bank, 38,41% (December 31, 2021: 36,93%) of the shares are publicly traded and quoted at Borsa İstanbul. Rest belongs to different real persons and corporate entities.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022

(Thousand of Turkish Lira (TL) unless otherwise stated)

III. Explanation on the chairman and members of board of directors, members of audit committee, general manager and assistant general managers, their areas of responsibility and their shares in the Parent Bank, if any:

Title	Name and Surname	Administrative Function and Responsibility	Educational Degree	Ownership Percentage (%)
Chairman of the Board of Directors (BOD):	Houssem BEN HAJ AMOR	Chairman of BOD	Bachelor	-
Members of BOD:	Prof. Dr. Kemal VAROL	Member of BOD	Doctorate	-
	Mustafa BÜYÜKABACI	Member of BOD	Master	-
	Dr. Mohamed Ali CHATTI	Independent Member of BOD	Doctorate	-
	Dr. Bekir PAKDEMİRLİ	Independent Member of BOD	Doctorate	-
	Melikşah UTKU	Member of BOD	Master	-
	Ghassan Ahmed M. AMODI	Independent Member of BOD	Bachelor	-
	Tawfig Shaker M. MUFTI	Member of BOD	Bachelor	-
	Azhar Aziz DOGAR	Member of BOD	Master	-
	Akram YASSIN	Member of BOD	Master	-
General Manager:	Malek Khodr TEMSAH	Member of BOD/General Manager	Master	-
Assistant General Managers:	Turgut SİMİTÇİOĞLU	Chief Assistant General Manager Responsible for Credit Risks	Master	-
	Fatih BOZ	Assistant General Manager Responsible for Credits	Master	-
	Mehmet Fatih YORULMAZ	Assistant General Manager Responsible for Marketing	Master	-
	Hasan ALTUNDAĞ	Assistant General Manager Responsible for Sales	Bachelor	-
	Serhan YILDIRIM	Assistant General Manager Responsible for Treasury, Financial Institutions and Investment Banking	Bachelor	-
	Mustafa ÇETİN	Assistant General Manager Responsible for Finance	Bachelor	-
	Volkan EVCİL	Assistant General Manager Responsible for Central Operations	Bachelor	-
	Süleyman ÇELİK	Assistant General Manager Responsible for Human Values and Administrative Affairs	Bachelor	-
	Dr. Ömer EMEÇ ^(*)	Assistant General Manager Responsible for Strategy and Transformation	Doctorate	-
Chief Legal Consultancy	Hasan AVŞAR	Chief Legal Consultant	Bachelor	-
Audit Committee:	Mustafa BÜYÜKABACI	Chairman of Audit Committee	Master	-
	Houssem BEN HAJ AMOR	Member of Audit Committee	Bachelor	-

^(*) Appointed as Assistant General Manager by the decision of the Board of Directors with number 2395 dated October 24, 2022.

IV. Information on the Parent Bank's qualified shareholders:

The Parent Bank's paid in capital amounting to TL 2.500.000 consists of 2.500.000.000 number of shares with a nominal value of TL 1 (full) for each share. TL 1.084.167 of the paid in capital is owned by qualified shareholders who are listed below:

Name/Commercial Name	Share amount (nominal)	Share ratio^(*)	Paid shares	Unpaid shares
Albaraka Group	1.084.167	43,37%	1.084.167	-

^(*) Shares purchased from Stock Exchange is not included.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022

(Thousand of Turkish Lira (TL) unless otherwise stated)

V. Summary on the Parent Bank's service activities and field of operations:

The Parent Bank operates in accordance with the principles of interest-free banking as a participation bank. The Parent Bank mainly collects funds through current accounts and participation accounts based on profit and loss sharing agreements and investment agency agreements, which are only for legal entities. The Parent Bank lends such funds through corporate finance support, retail finance support, profit/loss sharing investment, finance lease, financing commodity against document and joint investments.

The Parent Bank classifies current and profit-sharing accounts separately from other accounts in accordance with their maturities. Profit sharing accounts are classified under six different maturity groups; up to one month, up to three months (three months included), up to six months (six months included), up to one year (one year included), one year and more than one year (with monthly, quarterly, semi-annual and annual profit share payment) and accumulated participation accounts.

The Bank may determine the profit rate following operating the participation accounts or estimated rates for investment agencies. The rate of participation accounts' participation to the loss is one hundred percent.

The Parent Bank constitutes specific fund pools with minimum maturities of one month, to be allocated to individually predetermined projects for financing purposes. Profit sharing accounts, which are part of the funds collected for project financing purpose, are managed in accordance with their maturities and independently from other accounts and transfers from these accounts to any other maturity groups are not executed. Specific fund pools are liquidated at the end of the financing period.

In addition to its ordinary banking activities, the Parent Bank operates as an insurance agency on behalf of Bereket Sigorta, Anadolu Sigorta, Türkiye Sigorta, Neova Sigorta, Coface Sigorta, HDI Sigorta, as a private pension insurance agency on behalf of Anadolu Hayat Emeklilik, Avivasa Emeklilik Hayat and Katılım Emeklilik ve Hayat, and as a brokerage agency on behalf of Bizim Menkul Değerler A.Ş. and Oyak Yatırım Menkul Değerler A.Ş. through its branches, engages in purchase and sale of precious metals, provides intermediary services in quick money transfers, credit card and member business (P.O.S.) services. Moreover, the Parent Bank is involved in providing non-cash loans that mainly comprise letters of guarantee, letters of credit and acceptances.

Transactions, which can be carried out by the Parent Bank, are not limited to the clauses listed above. If any activities other than those mentioned are considered as beneficial to the Parent Bank, the application must be recommended by the Board of Directors, approved by the General Assembly and authorized by relevant legal authorities, which then needs to be approved by the Ministry of Trade since such applications, are amendments in nature to the Article of Association. The application is included in the Article of Association after all necessary approvals are obtained.

VI. Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards with respect to consolidation and short explanation about the institutions subject to full or proportional consolidation and institutions, which are deducted from equity or not included in these three methods:

Albaraka Kültür Sanat ve Yayıncılık A.Ş., Albaraka Teknoloji Bilişim Sistemleri ve Pazarlama Ticaret A.Ş. and Insha Ventures Teknoloji Geliştirme ve Pazarlama A.Ş. which are the subsidiaries of "Inovasyon Girişim Sermayesi Yatırım Fonu" and Natura Gıda Sanayi ve Ticaret A.Ş., which is an subsidiary of "Değer Girişim Sermayesi Yatırım Fonu" controlled by the Parent Bank, have not been consolidated since they are non-financial subsidiaries.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022

(Thousand of Turkish Lira (TL) unless otherwise stated)

VI. Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards with respect to consolidation and short explanation about the institutions subject to full or proportional consolidation and institutions, which are deducted from equity or not included in these three methods (continued):

The Parent Bank consolidates Katılım Emeklilik ve Hayat A.Ş., an entity under common control, and Bereket Varlık Kiralama A.Ş., Değer Varlık Kiralama A.Ş., Albaraka Portföy Yönetimi A.Ş., Insha Gmbh the subsidiaries of the Bank, through equity method and full consolidation method, respectively. Real estate investment funds "Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu" and Venture Capital Investment Funds: "Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu" "Albaraka Portföy Yönetimi A.Ş. Inovasyon Girişim Sermayesi Yatırım Fonu" and "Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu" and Bereket One Ltd" and "Albaraka Sukuk Ltd", which are not subsidiaries of the Bank but over which the Bank has 100% controlling power have been included in the consolidation due to the reason that these companies are "Structured Entity".

VII. The existing or potential, actual or legal obstacles on immediate transfer of equity or reimbursement of liabilities between the parent bank and its subsidiaries:

There is no immediate transfer of equity between the Parent Bank and its subsidiaries. There is no existing or potential, actual or legal obstacle to the reimbursement of liabilities between the Parent Bank and its subsidiaries.

SECTION TWO

The consolidated financial statements

- I. Consolidated balance sheet (Statement of financial position)
- II. Consolidated statement of off-balance sheet
- III. Consolidated statement of profit or loss
- IV. Consolidated statement of profit or loss and other comprehensive income
- V. Consolidated statement of changes in shareholders' equity
- VI. Consolidated statement of cash flows

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

ASSETS	Notes (Section Five-I)	CURRENT PERIOD September 30, 2022			PRIOR PERIOD December 31, 2021		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		13.108.468	41.813.407	54.921.875	4.739.239	35.729.467	40.468.706
1.1 Cash and Cash Equivalents	(1)	9.049.205	34.232.788	43.281.993	3.306.028	28.469.107	31.775.135
1.1.1 Cash and Balances with Central Bank		6.683.366	27.549.878	34.233.244	1.820.832	24.677.779	26.498.611
1.1.2 Banks		2.536.177	6.702.427	9.238.604	1.531.688	3.802.373	5.334.061
1.1.3 Money Market Placements		-	-	-	-	-	-
1.1.4. Expected Credit Losses (-)		170.338	19.517	189.855	46.492	11.045	57.537
1.2 Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	(2)	3.435.271	7.537.994	10.973.265	963.086	6.889.642	7.852.728
1.2.1 Government Securities		2.528.720	7.494.048	10.022.768	707.698	6.850.649	7.558.347
1.2.2 Equity Securities		55.682	32.106	87.788	45.331	19.198	64.529
1.2.3 Other Financial Assets		850.869	11.840	862.709	210.057	19.795	229.852
1.3 Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	(3)	608.254	42.625	650.879	381.640	370.718	752.358
1.3.1 Government Securities		600.587	19.126	619.713	373.973	353.699	727.672
1.3.2 Equity Securities		7.667	23.499	31.166	7.667	17.019	24.686
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	(5)	15.738	-	15.738	88.485	-	88.485
1.4.1 Derivative Financial Assets Measured at Fair Value through Profit/Loss		15.738	-	15.738	88.485	-	88.485
1.4.2 Derivative Financial Assets Measured at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET)		40.810.241	45.198.024	86.008.265	24.807.293	40.232.465	65.039.758
2.1 Loans	(6)	37.892.307	32.315.719	70.208.026	25.484.848	33.819.930	59.304.778
2.2 Lease Receivables	(7)	311.343	556.567	867.910	379.930	440.744	820.674
2.3 Financial Assets Measured at Amortised Cost	(4)	4.878.215	12.865.505	17.743.720	697.735	7.405.476	8.103.211
2.3.1 Government Securities		4.867.736	12.865.505	17.733.241	697.735	7.405.476	8.103.211
2.3.2 Other Financial Assets		10.479	-	10.479	-	-	-
2.4 Expected Credit Losses (-)	(6)	2.271.624	539.767	2.811.391	1.755.220	1.433.685	3.188.905
III. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(8)	295.408	-	295.408	118.874	104	118.978
3.1 Asset Held for Resale		295.408	-	295.408	118.874	104	118.978
3.2 Assets of Discontinued Operations		-	-	-	-	-	-
IV. OWNERSHIP INVESTMENTS (Net)	(9)	401.848	-	401.848	357.379	-	357.379
4.1 Associates (Net)		-	-	-	-	-	-
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		-	-	-	-	-	-
4.2 Subsidiaries (Net)		272.196	-	272.196	268.696	-	268.696
4.2.1 Unconsolidated Financial Investments in Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		272.196	-	272.196	268.696	-	268.696
4.3 Joint Ventures (Net)		129.652	-	129.652	88.683	-	88.683
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		129.652	-	129.652	88.683	-	88.683
4.3.2 Unconsolidated Joint-Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	(10)	1.933.940	27.330	1.961.270	1.485.146	24.834	1.509.980
VI. INTANGIBLE ASSETS (Net)	(11)	133.464	9.933	143.397	83.026	9.240	92.266
6.1 Goodwill		-	7.480	7.480	-	6.958	6.958
6.2 Others		133.464	2.453	135.917	83.026	2.282	85.308
VII. INVESTMENT PROPERTY (Net)	(12)	1.218.338	-	1.218.338	1.035.405	-	1.035.405
VIII. CURRENT TAX ASSET		118	-	118	2.737	-	2.737
IX. DEFERRED TAX ASSET	(13)	292.611	-	292.611	489.049	-	489.049
X. OTHER ASSETS	(14)	1.816.433	287.140	2.103.573	764.995	145.195	910.190
TOTAL ASSETS		60.010.869	87.335.834	147.346.703	33.883.143	76.141.305	110.024.448

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

LIABILITIES	Notes (Section Five-II)	CURRENT PERIOD September 30, 2022			PRIOR PERIOD December 31, 2021		
		TL	FC	Total	TL	FC	Total
I. FUNDS COLLECTED	(1)	42.820.006	77.743.845	120.563.851	20.181.030	71.027.651	91.208.681
II. FUNDS BORROWED	(2)	71.992	3.445.208	3.517.200	53.707	2.090.828	2.144.535
III. BORROWINGS FROM MONEY MARKETS		-	-	-	1.327	-	1.327
IV. SECURITIES ISSUED (Net)	(3)	2.130.509	-	2.130.509	3.065.049	-	3.065.049
V. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS		-	-	-	-	-	-
VI. DERIVATIVE FINANCIAL LIABILITIES	(4)	17.729	-	17.729	180.485	6.769	187.254
6.1 Derivative Financial Liabilities at Fair Value through Profit or Loss		17.729	-	17.729	180.485	6.769	187.254
6.2 Derivative Financial Liabilities at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
VII. LEASE PAYABLES	(5)	400.411	24.198	424.609	327.840	21.774	349.614
VIII. PROVISIONS	(6)	1.031.429	27.414	1.058.843	309.931	4.060	313.991
8.1 Restructuring Reserves		-	-	-	-	-	-
8.2 Reserve for Employee Benefits		157.359	-	157.359	149.554	-	149.554
8.3 Insurance Technical Reserves (Net)		-	-	-	-	-	-
8.4 Other Provisions		874.070	27.414	901.484	160.377	4.060	164.437
IX. CURRENT TAX LIABILITY	(7)	113.117	2.146	115.263	106.980	19.825	126.805
X. DEFERRED TAX LIABILITY		-	-	-	-	-	-
XI. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(8)	-	-	-	-	-	-
11.1 Assets Held for Sale		-	-	-	-	-	-
11.2 Assets of Discontinued Operations		-	-	-	-	-	-
XII. SUBORDINATED LOANS	(9)	-	4.761.513	4.761.513	-	3.119.354	3.119.354
12.1 Loans		-	4.761.513	4.761.513	-	3.119.354	3.119.354
12.2 Other Debt Instruments		-	-	-	-	-	-
XIII. OTHER LIABILITIES	(10)	3.860.439	1.306.952	5.167.391	2.143.338	665.320	2.808.658
XIV. SHAREHOLDERS' EQUITY	(11)	9.589.829	(34)	9.589.795	6.692.420	6.760	6.699.180
14.1 Paid-In Capital		2.500.000	-	2.500.000	1.350.000	-	1.350.000
14.2 Capital Reserves		1.597.129	-	1.597.129	1.208.524	-	1.208.524
14.2.1 Share Premium		23.278	-	23.278	14.855	-	14.855
14.2.2 Share Cancellation Profits		-	-	-	-	-	-
14.2.3 Other Capital Reserves		1.573.851	-	1.573.851	1.193.669	-	1.193.669
14.3 Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss		759.538	-	759.538	388.024	-	388.024
14.4 Accumulated Other Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		648.665	(34)	648.631	314.936	6.760	321.696
14.5 Profit Reserves		1.839.977	-	1.839.977	1.745.919	-	1.745.919
14.5.1 Legal Reserves		152.093	-	152.093	145.290	-	145.290
14.5.2 Status Reserves		-	-	-	-	-	-
14.5.3 Extraordinary Reserves		1.683.926	-	1.683.926	1.600.540	-	1.600.540
14.5.4 Other Profit Reserves		3.958	-	3.958	89	-	89
14.6 Profit or Loss		466.000	-	466.000	(258.893)	-	(258.893)
14.6.1 Prior Years Profit/(Loss)		(669.128)	-	(669.128)	(591.729)	-	(591.729)
14.6.2 Current Year Profit/(Loss)		1.135.128	-	1.135.128	332.836	-	332.836
14.7 Minority Shares		1.778.520	-	1.778.520	1.943.910	-	1.943.910
TOTAL LIABILITIES		60.035.461	87.311.242	147.346.703	33.062.107	76.962.341	110.024.448

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF OFF- BALANCE SHEET
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF OFF-BALANCE SHEET	Notes (Section Five-III)	CURRENT PERIOD September 30, 2022			PRIOR PERIOD December 31, 2021		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)		15.297.326	13.251.855	28.549.181	11.428.440	16.308.916	27.737.356
I. GUARANTEES AND SURETIES	(1)	9.883.429	11.121.383	21.004.812	7.080.257	10.323.043	17.403.300
1.1. Letters of Guarantees		9.843.711	6.306.167	16.149.878	7.048.318	5.322.918	12.371.236
1.1.1. Guarantees Subject to State Tender Law		1.174.237	210.583	1.384.820	1.098.043	134.460	1.232.503
1.1.2. Guarantees Given for Foreign Trade Operations		40	2.450.126	2.450.166	15	1.905.653	1.905.668
1.1.3. Other Letters of Guarantee		8.669.434	3.645.458	12.314.892	5.950.260	3.282.805	9.233.065
1.2. Bank Loans		-	51.078	51.078	-	99.278	99.278
1.2.1. Import Letter of Acceptances		-	51.078	51.078	-	99.278	99.278
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letter of Credits		1.245	4.739.367	4.740.612	12.324	4.886.075	4.898.399
1.3.1. Documentary Letter of Credits		-	-	-	-	-	-
1.3.2. Other Letter of Credits		1.245	4.739.367	4.740.612	12.324	4.886.075	4.898.399
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Other Guarantees		-	24.771	24.771	-	14.772	14.772
1.7. Other Collaterals		38.473	-	38.473	19.615	-	19.615
II. COMMITMENTS	(1)	3.678.821	397.351	4.076.172	2.929.406	606.006	3.535.412
2.1. Irrevocable Commitments		3.643.321	397.351	4.040.672	2.889.906	606.006	3.495.912
2.1.1. Asset Purchase and Sale Commitments		299.952	397.351	697.303	321.618	606.006	927.624
2.1.2. Share Capital Commitment to Associates and Subsidiaries		-	-	-	-	-	-
2.1.3. Loan Granting Commitments		599.482	-	599.482	655.296	-	655.296
2.1.4. Securities Underwriting Commitments		-	-	-	-	-	-
2.1.5. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.6. Payment Commitment for Cheques		1.060.408	-	1.060.408	834.732	-	834.732
2.1.7. Tax And Fund Liabilities from Export Commitments		24.133	-	24.133	17.234	-	17.234
2.1.8. Commitments for Credit Card Expenditure Limits		1.657.771	-	1.657.771	1.059.919	-	1.059.919
2.1.9. Commitments for Promotions Related with Credit Cards and Banking Activities		1.013	-	1.013	555	-	555
2.1.10. Marketable Securities		-	-	-	-	-	-
2.1.11. Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12. Other Irrevocable Commitments		562	-	562	552	-	552
2.2. Revocable Commitments		35.500	-	35.500	39.500	-	39.500
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		35.500	-	35.500	39.500	-	39.500
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)	1.735.076	1.733.121	3.468.197	1.418.777	5.379.867	6.798.644
3.1. Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		-	-	-	-	-	-
3.1.3. Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2. Held for Trading Transactions		1.735.076	1.733.121	3.468.197	1.418.777	5.379.867	6.798.644
3.2.1. Forward Foreign Currency Buy/Sell Transactions		635.637	632.316	1.267.953	461.810	489.238	951.048
3.2.1.1. Forward Foreign Currency Transactions-Buy		396.837	232.744	629.581	239.837	242.194	482.031
3.2.1.2. Forward Foreign Currency Transactions-Sell		238.800	399.572	638.372	221.973	247.044	469.017
3.2.2. Other Forward Buy/Sell Transactions		1.099.439	1.100.805	2.200.244	956.967	4.890.629	5.847.596
3.3. Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		176.344.502	67.597.048	243.941.550	104.483.970	48.433.026	152.916.996
IV. ITEMS HELD IN CUSTODY		6.286.107	16.635.339	22.921.446	5.856.026	12.698.331	18.554.357
4.1. Assets Under Management		1.414.918	-	1.414.918	2.448.761	-	2.448.761
4.2. Investment Securities Held in Custody		12.325	253.894	266.219	17.473	548.751	566.224
4.3. Cheques Received for Collection		3.506.472	445.250	3.951.722	2.325.217	700.121	3.025.338
4.4. Commercial Notes Received for Collection		1.107.209	283.135	1.390.344	811.654	164.241	975.895
4.5. Other Assets Received for Collection		103	-	103	103	-	103
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items Under Custody		211.126	1.427.230	1.638.356	219.693	1.043.531	1.263.224
4.8. Custodians		33.954	14.225.830	14.259.784	33.125	10.241.687	10.274.812
V. PLEDGED ITEMS		170.058.395	50.961.709	221.020.104	98.627.944	35.734.695	134.362.639
5.1. Marketable Securities		19.180.369	10.752.612	29.932.981	10.587.982	8.001.966	18.589.948
5.2. Guarantee Notes		3.052.498	320.994	3.373.492	2.043.190	506.747	2.549.937
5.3. Commodity		21.745.914	4.473.400	26.219.314	11.752.302	3.695.799	15.448.101
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		112.056.214	30.099.489	142.155.703	67.505.021	18.800.660	86.305.681
5.6. Other Pledged Items		13.758.268	5.305.617	19.063.885	6.458.745	4.715.730	11.174.475
5.7. Pledged Items-Depository		265.132	9.597	274.729	280.704	13.793	294.497
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		191.641.828	80.848.903	272.490.731	115.912.410	64.741.942	180.654.352

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF PROFIT OR LOSS		Notes (Section Five-IV)	CURRENT PERIOD January 1- September 30, 2022	PRIOR PERIOD January 1- September 30, 2021	CURRENT PERIOD 3 Monthly July 1- September 30, 2022	PRIOR PERIOD 3 Monthly July 1- September 30, 2021
I.	PROFIT SHARE INCOME	(1)	7.134.878	3.427.134	2.742.834	1.223.766
1.1	Profit Share on Loans		5.146.453	2.841.586	2.090.809	999.747
1.2	Income Received from Reserve Deposits		47.503	92.845	-	38.944
1.3	Income Received from Banks		161	256	14	74
1.4	Income Received from Money Market Placements		-	-	-	-
1.5	Income Received from Marketable Securities Portfolio		1.876.674	466.054	624.394	174.737
1.5.1	Financial Assets at Fair Value Through Profit and Loss		945.216	175.538	237.316	70.712
1.5.2	Financial Assets at Fair Value through Other Comprehensive Income		165.169	99.850	28.932	28.199
1.5.3	Financial Assets Measured at Amortised Cost		766.289	190.666	358.146	75.826
1.6	Finance Lease Income		62.010	25.359	27.254	9.927
1.7	Other Profit Share Income		2.077	1.034	363	337
II.	PROFIT SHARE EXPENSE	(2)	3.855.789	2.354.585	1.640.436	823.929
2.1	Expense on Profit Sharing Accounts		3.019.334	1.386.211	1.370.419	515.907
2.2	Profit Share Expense on Funds Borrowed		368.926	197.249	135.164	62.620
2.3	Profit Share Expense on Money Market Borrowings		24.163	74.154	8.445	19.956
2.4	Profit Share Expense on Securities Issued		350.111	619.176	96.097	204.889
2.5	Finance Lease Expense		46.823	37.492	16.781	12.393
2.6	Other Profit Share Expense		46.432	40.303	13.530	8.164
III.	NET PROFIT SHARE INCOME (I – II)		3.279.089	1.072.549	1.102.398	399.837
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSES		547.562	273.875	197.445	103.413
4.1	Fees and Commissions Received		716.277	398.619	251.066	145.828
4.1.1	Non-Cash Loans		179.032	114.497	61.101	42.811
4.1.2	Other	(3)	537.245	284.122	189.965	103.017
4.2	Fees and Commissions Paid (-)		168.715	124.744	53.621	42.415
4.2.1	Non-Cash Loans		472	397	192	223
4.2.2	Other	(3)	168.243	124.347	53.429	42.192
V.	DIVIDEND INCOME	(4)	1.475	52	99	52
VI.	TRADING INCOME/LOSS(net)	(5)	1.898.040	(193.767)	640.162	(182.734)
6.1	Capital Market Transaction Income/(Loss)		1.174.034	(109.578)	325.856	(96.249)
6.2	Profit/(Loss) from Derivative Financial Instruments		63.607	(84.593)	39.139	(60.424)
6.3	Foreign Exchange Income/(Loss)		660.399	404	275.167	(26.061)
VII.	OTHER OPERATING INCOME	(6)	1.558.124	912.592	578.019	389.251
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		7.284.290	2.065.301	2.518.123	709.819
IX.	EXPECTED CREDIT LOSS (-)	(7)	3.130.945	725.088	1.072.452	220.955
X.	OTHER PROVISION EXPENSES (-)	(7)	718.536	13.019	293.072	(3.143)
XI.	PERSONNEL EXPENSES (-)		814.408	584.449	335.705	203.665
XII.	OTHER OPERATING EXPENSES (-)	(8)	802.986	547.705	271.316	163.851
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		1.817.415	195.040	545.578	124.491
XIV.	EXCESS AMOUNT RECORDED AS GAIN AFTER MERGER		-	-	-	-
XV.	PROFIT/(LOSS) ON EQUITY METHOD		42.385	23.904	15.567	9.784
XVI.	PROFIT/(LOSS) ON NET MONETARY POSITION		-	-	-	-
XVII.	PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	(9)	1.859.800	218.944	561.145	134.275
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(10)	496.998	(19.150)	80.507	10.152
18.1	Provision for Current Taxes		8.074	6.811	2.882	2.413
18.2	Deferred Tax Expense Effect (+)		1.110.500	260.890	352.509	76.447
18.3	Deferred Tax Income Effect (-)		621.576	286.851	274.884	68.708
XIX.	NET INCOME/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)	(11)	1.362.802	238.094	480.638	124.123
XX.	INCOME FROM DISCONTINUED OPERATIONS	(11)	-	-	-	-
20.1	Income from Assets Held For Sale		-	-	-	-
20.2	Income from Sale Of Associates, Subsidiaries And Jointly Controlled Entities (Joint Vent.)		-	-	-	-
20.3	Income from Other Discontinued Operations		-	-	-	-
XXI.	LOSS FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
21.1	Loss from Assets Held for Sale		-	-	-	-
21.2	Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-	-	-
21.3	Loss from Other Discontinued Operations		-	-	-	-
XXII.	PROFIT/(LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)		-	-	-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
23.1	Provision for Current Taxes		-	-	-	-
23.2	Deferred Tax Expense Effect (+)		-	-	-	-
23.3	Deferred Tax Income Effect (-)		-	-	-	-
XXIV.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-	-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	(12)	1.362.802	238.094	480.638	124.123
25.1	Group's Income/Loss		1.135.128	136.184	410.971	91.767
25.2	Minority Shares Profit/Loss (-)		227.674	101.910	69.667	32.356
	Earnings Per Share		0,45405	0,10088	0,16405	0,06798

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS OF SEPTEMBER 30, 2022

(Thousand of Turkish Lira (TL) unless otherwise stated)

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		CURRENT PERIOD January 1- September 30, 2022	PRIOR PERIOD January 1- September 30, 2021
I.	CURRENT PERIOD PROFIT/LOSS	1.362.802	238.094
II.	OTHER COMPREHENSIVE INCOME	698.449	28.744
2.1	Other Income/Expense Items not to be Recycled to Profit or Loss	371.514	(5.733)
2.1.1	Revaluation Surplus on Tangible Assets	447.008	-
2.1.2	Revaluation Surplus on Intangible Assets	-	-
2.1.3	Defined Benefit Plans' Actuarial Gains/Losses	-	-
2.1.4	Other Income/Expense Items not to be Recycled to Profit or Loss	(10.994)	(5.733)
2.1.5	Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	(64.500)	-
2.2	Other Income/Expense Items to be Recycled to Profit or Loss	326.935	34.477
2.2.1	Translation Differences	220.344	52.656
2.2.2	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at Fair Value through Other Comprehensive Income	142.776	(25.783)
2.2.3	Gains/losses from Cash Flow Hedges	-	-
2.2.4	Gains/Losses on Hedges of Net Investments in Foreign Operations	-	-
2.2.5	Other Income/Expense Items to be Recycled to Profit or Loss	-	-
2.2.6	Deferred Taxes on Other Comprehensive Income to be Recycled to Profit or Loss	(36.185)	7.604
III.	TOTAL COMPREHENSIVE INCOME (I+II)	2.061.251	266.838

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY						Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
	Notes (Section Five-V)	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves ^(*)	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Before Minority Shares	Minority Shares	Total Shareholders' Equity
CURRENT PERIOD (January 1 - September 30, 2022)																	
I. Closing balance		1.350.000	14.855	-	1.193.669	444.616	(56.592)	-	303.295	18.401	-	1.745.919	(591.729)	332.836	4.755.270	1.943.910	6.699.180
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balances at Beginning Of Period (I+II)		1.350.000	14.855	-	1.193.669	444.616	(56.592)	-	303.295	18.401	-	1.745.919	(591.729)	332.836	4.755.270	1.943.910	6.699.180
IV. Total Comprehensive Income		-	-	-	-	367.977	3.537	-	220.344	106.591	-	-	-	1.135.128	1.833.577	227.674	2.061.251
V. Capital Increase in Cash		1.150.000	8.423	-	-	-	-	-	-	-	-	-	-	-	1.158.423	-	1.158.423
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Others Changes		-	-	-	380.182	-	-	-	-	-	-	9.614	(325.791) ^(**)	-	64.005	(393.064)	(329.059)
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	84.444	248.392	(332.836)	-	-	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	84.444	(84.444)	-	-	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	332.836	(332.836)	-	-	-
Balances at end of the period (III+IV...+X+XI)		2.500.000	23.278	-	1.573.851	812.593	(53.055)	-	523.639	124.992	-	1.839.977	(669.128)	1.135.128	7.811.275	1.778.520	9.589.795

^(*) The Parent Bank has recognized undated additional tier 1 capital amounting to USD 205.000.000 issued through "Bereket One Ltd" under "other capital reserves" as per TAS 32: "Financial Instruments: Presentation" standart.

^(**) The Parent Bank has paid TL 323.616 in February and August 2022, the coupon payment amount of undated additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 67.075, the deferred tax expense related to the payment has been recognized under "prior periods' profit/ loss" as well.

1. Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/Losses on Remeasurements of Defined Benefit Plans,
3. Others (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will not be Reclassified to Profit or Loss)
4. Exchange Differences on Translation,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Others (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY							Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
		Notes (Section Five-V)	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves ^(*)	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Before Minority Shares	Minority Shares	Total Shareholders' Equity
PRIOR PERIOD (January 1 - September 30, 2021)																		
I.	Closing balance		1.350.000	14.855	-	945.711	300.370	(46.325)	-	96.212	2.226	-	1.494.079	(329.432)	302.304	4.130.000	218.936	4.348.936
II.	Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1.	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2.	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Balances at Beginning Of Period (I+II)		1.350.000	14.855	-	945.711	300.370	(46.325)	-	96.212	2.226	-	1.494.079	(329.432)	302.304	4.130.000	218.936	4.348.936
IV.	Total Comprehensive Income		-	-	-	-	(5.733)	-	-	52.656	(18.179)	-	-	-	136.184	164.928	101.910	266.838
V.	Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Others Changes		-	-	-	68.292	-	-	-	-	-	-	7.937	(139.834) ^(**)	-	(63.605)	833.573	769.968
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	243.926	58.378	(302.304)	-	-	-
11.1	Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	243.926	(243.926)	-	-	-	-
11.3	Others		-	-	-	-	-	-	-	-	-	-	-	302.304	(302.304)	-	-	-
Balances at end of the period (III+IV...+X+XI)			1.350.000	14.855	-	1.014.003	294.637	(46.325)	-	148.868	(15.953)	-	1.745.942	(410.888)	136.184	4.231.323	1.154.419	5.385.742

(*) The Parent Bank has recognized undated additional tier 1 capital amounting to USD 205.000.000 issued through "Bereket One Ltd" under "other capital reserves" as per TAS 32: "Financial Instruments: Presentation" standart.

(**) The Parent Bank has paid TL 158.013 in February and August 2021, the coupon payment amount of undated additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 30.954, the deferred tax expense related to the payment has been recognized under "prior periods' profit/ loss" as well.

1. Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/Losses on Remeasurements of Defined Benefit Plans,
3. Others (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will not be Reclassified to Profit or Loss)
4. Exchange Differences on Translation,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Others (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CASH FLOWS		Notes (Section Five-VI)	CURRENT PERIOD January 1- September 30, 2022	PRIOR PERIOD January 1- September 30, 2021
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes In Operating Assets And Liabilities		2.505.664	1.287.790
1.1.1	Profit Share Income Received		6.320.645	3.417.032
1.1.2	Profit Share Expense Paid		(3.101.344)	(2.216.756)
1.1.3	Dividend Received		1.475	52
1.1.4	Fees and Commissions Received		531.987	277.267
1.1.5	Other Income		1.416.935	516.846
1.1.6	Collections from Previously Written Off Loans		521.769	348.949
1.1.7	Payments to Personnel and Service Suppliers		(1.083.045)	(716.320)
1.1.8	Taxes Paid		(106.703)	(63.251)
1.1.9	Others		(1.996.055)	(276.029)
1.2	Changes In Operating Assets And Liabilities		11.340.081	4.557.118
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		(1.508.015)	(1.368.088)
1.2.2	Net (Increase) Decrease in Due From Banks and Other Financial Institutions		(1.647.345)	(3.462.488)
1.2.3	Net (Increase) Decrease in Loans		(3.874.093)	(5.454.017)
1.2.4	Net (Increase) Decrease in Other Assets		(1.238.277)	255.614
1.2.5	Net Increase (Decrease) in Bank Deposits		(573.264)	875.752
1.2.6	Net Increase (Decrease) in Other Deposits		20.267.420	11.957.112
1.2.7	Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value Through Profit or Loss		-	-
1.2.8	Net Increase (Decrease) in Funds Borrowed		-	-
1.2.9	Net Increase (Decrease) in Matured Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities		(86.345)	1.753.233
I.	Net Cash Flow From Banking Operations		13.845.745	5.844.908
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash flow from investing activities		(5.877.052)	(797.680)
2.1	Cash Paid For Acquisition of Investments, Associates and Subsidiaries		(16.274)	(9.037)
2.2	Cash Obtained From Disposal of Investments, Associates and Subsidiaries		-	-
2.3	Purchases of Property and Equipment		(129.722)	(152.273)
2.4	Disposals of Property and Equipment		278.065	569.393
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		-	(26.279)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		435.505	487.725
2.7	Purchase of Financial Assets Measured at Amortised Cost		(8.663.630)	(3.151.694)
2.8	Sale of Financial Assets Measured at Amortised Cost		2.219.004	1.484.485
2.9	Other		-	-
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Flow From Financing Activities		(1.449.310)	(3.030.616)
3.1	Cash Obtained from Funds Borrowed and Securities Issued		25.129.319	28.430.601
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued		(27.328.360)	(31.240.402)
3.3	Issued Capital Instruments		1.158.423	-
3.4	Dividends Paid		-	-
3.5	Payments for Leases		(85.076)	(62.802)
3.6	Other		(323.616)	(158.013)
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		1.487.815	377.804
V.	Net (Decrease) Increase in Cash and Cash Equivalents		8.007.198	2.394.416
VI.	Cash and Cash Equivalents at the Beginning of the Period		13.944.196	8.055.277
VII.	Cash and Cash Equivalents at the End of the Period		21.951.394	10.449.693

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

SECTION THREE

Accounting Policies

I. Explanations on basis of presentation:

a) The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks' Accounting Application and Safeguarding of Documents:

The consolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette numbered 26333 dated November 1, 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not prepared by BRSA, "Turkish Accounting Standards 34" ("TAS 34"), Interim Financial Reporting Standards and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA") (all are referred as BRSA Accounting and Reporting Legislation). The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette numbered 28337, dated June 28, 2012, and amendments to this Communiqué. The Parent Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

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

On 20 January 2022, the Public Oversight Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises. Accordingly, it has been stated that businesses applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29 Financial Reporting in High Inflation Economies. As of the preparation date of the financial statements, no new announcement has been made by the Public Oversight Authority in this context, and no inflation adjustment has been made within the scope of TAS 29 Financial Reporting Standard in Hyperinflationary Economies in the financial statements dated September 30, 2022.

b) Additional paragraph for convenience translation:

The differences between accounting principles, as described in the preceding paragraphs, and accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

c) Accounting policies and valuation principles applied in the preparation of consolidated financial statements:

The accounting policies and valuation principles applied in the preparation of consolidated financial statements, are determined and applied in accordance with regulations, communiqués, explanations and circulars on accounting and financial reporting principles published by the BRSA, and in case where there is no special regulation made by the BRSA, in accordance with principles in the context of TAS and TFRS. As of September 30, 2022, ownership investment accounted using equity method is Katılım Emeklilik ve Hayat A.Ş. The subsidiaries, real estate funds, venture capital investment funds accounted using full consolidation method are Bereket Varlık Kiralama A.Ş., Değer Varlık Kiralama A.Ş., Albaraka Portföy Yönetimi A.Ş., İnşa Gmbh, Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu and Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu respectively.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

I. Explanations on basis of presentation (continued):

c) Accounting policies and valuation principles applied in the preparation of consolidated financial statements (continued):

The preparation of the consolidated financial statements according to BRSA Reporting and Accounting Legislation requires the Group's management to make estimates and assumptions related to assets and liabilities in the balance sheet and contingent issues as of the balance sheet date. Such estimates and assumptions include the fair value calculations of the financial instruments, deferred tax assets and liabilities provisions for the lawsuits, impairment of the financial assets and revaluation of immovables and reviewed periodically and when adjustments are considered necessary they are reflected in the financial statements. The assumptions and estimates used are explained in the related notes. Accounting policies and evaluation principles in preparing Financial statements are determined and applied as per the principles stated in "BRSA Accounting and Financial Reporting Legislation" and consistent with the accounting policies applied for December 31, 2021 financial statements.

A new type of coronavirus (COVID-19), first emerging in China, has been classified by the World Health Organization as a pandemic affecting countries globally. The COVID-19 outbreak not only affects economic conditions both regionally and globally, as it causes disruptions in operations, especially in countries that are exposed to the epidemic. The effects of COVID-19 on Parent Bank's financial statements are regularly monitored by the risk units and Parent Bank's Management.

While preparing September 30, 2022 financials, the Parent Bank has reflected the possible impacts of Covid-19 Pandemic to the estimates and assumptions used in preparing financial statements. The estimates and assumptions used in expected credit loss provisions are explained under information on expected credit losses.

The tension between Russia and Ukraine since the beginning of 2022 has turned into a crisis and continues as of the date of the report. The Parent Bank does not operate in either country, and the crisis is not expected to have a direct impact on the Parent Bank's operations. The developments are followed and their estimated effects are evaluated within the scope of the relevant accounting standards and reflected in the financial statements.

d) Restatement of the financial statements according to the current purchasing power of money:

Accompanying financial statements are subjected to TAS 29 "Financial Reporting in Hyperinflationary Economies" until December 31, 2004 and with regard to this the BRSA explained with its decision numbered 1623 and dated April 21, 2005 and its circular dated April 28, 2005 that the conditions for applying inflation accounting was no longer applicable and accordingly inflation accounting has not been applied in the accompanying financial statements starting from January 1, 2005.

e) Comparative information and classifications:

The changes in accounting policies are applied retrospectively and previous period financial statements are restated. The Financial statements of the Parent bank are prepared comparative to the previous term in order to determine its financial position and performans trends. If appropriate, the comparative information are restated in order to provide comparativeness to the statements of current period financial statements.

II. Explanations on strategy of using financial instruments and foreign currency transactions:

The Group creates its strategies on financial instruments considering its sources of financing. The main financing sources consist of current and profit-sharing accounts. Other than current and profit-sharing accounts, the Parent Bank's most important funding sources are its equity and borrowings from foreign financial institutions. The Parent Bank sustains its liquidity to cover matured liabilities by holding adequate level of cash and cash equivalents.

The Parent Bank's transactions in foreign currencies are accounted in accordance with the TAS 21 "Accounting Standard on the Effect of Changes in Foreign Currency Rates", and converted with the exchange rate ruling at the transaction date into Turkish Lira. Foreign currency assets and liabilities have been translated into Turkish Lira at the rate of exchange rates ruling at the balance sheet date announced by the Parent Bank. Gains or losses arising from foreign currency transactions and translation of foreign currency assets and liabilities are reflected in the income statement as foreign exchange gain or loss.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

II. Explanations on strategy of using financial instruments and foreign currency transactions (continued):

If the loans recognized in the foreign currency accounts are switched to non-performing, they are continued to be recognized in the foreign currency accounts and evaluated with the current exchange rates.

The foreign currency exchange differences resulting from the translation of debt securities issued and monetary financial assets into Turkish Lira are included in the income statement.

The balance sheet items of the foreign branches and foreign subsidiary of the Parent Bank included in the financial statements are translated into Turkish lira at the exchange rate ruling at the balance sheet date announced by the Parent Bank. Income statement items are translated into Turkish lira by exchange rate ruling at the transaction date and all exchange differences arising from translation are accounted in other capital reserves under equity according to TAS 21.

Precious metals (gold and silver) accounted under assets and liabilities, which do not have fixed maturity, are translated into Turkish lira by using the buying rate at the balance sheet date announced by the Parent Bank and resulting evaluation differences are reflected as foreign exchange gain or loss.

There are no foreign currency differences capitalized by the Group.

III. Information on consolidated associates:

Consolidated financial statements are prepared in accordance with the decrees, notes and explanations set forth in Communiqué on "Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette dated November 8, 2006, numbered 26340 and "Turkish Accounting Standard for Consolidated Financial Statements" ("TFRS 10").

a) Consolidation principles on joint ventures:

The joint venture is an entity in which the Parent Bank participates in its capital and has joint control and whose main operation is private pension and insurance and operates according to special legislation with permission and license and is established in Türkiye. The related joint venture has been consolidated through equity method. Where necessary, accounting policies of the joint venture have been harmonized to ensure consistency with the policies adopted by the Parent Bank.

Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in a joint venture from the changes in the participated joint venture's shareholders' equity during the period attributable to the portion of the investor and the deduction of the dividend received from the associate from the revised value of the joint venture amount.

The joint venture included in consolidation, its title, its place of incorporation, main activities and effective shareholding rates are as follows:

Title	Operation Center (City/Country)	Main Activities	Effective Rates (%)	Direct and Indirect Rates (%)
Katılım Emeklilik ve Hayat A.Ş.	İstanbul/Türkiye	Private pension and insurance	50,00	50,00

b) Consolidation principles on subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Parent Bank. Subsidiaries are consolidated using the full consolidation method considering materiality principle, taking account the operation results, size of asset and shareholders' equity. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the Parent Bank.

Control is accepted as when Parent Bank has power over its investee, or exposed to, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the full consolidation method, 100% of subsidiaries' assets, liabilities, income, expense and off-balance sheet items are combined with the Parent Bank's assets, liabilities, and income, expense and off-balance sheet items. The carrying amount of the Group's investment in each subsidiary and the Group's portion of the cost value of the capital of each subsidiary are eliminated. Intragroup balances and intragroup transactions and resulting unrealized profits and losses are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Parent Bank.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022
(Thousand of Turkish Lira (TL) unless otherwise stated)

III. Information on consolidated associates (continued):

b) Consolidation principles on subsidiaries (continued):

The subsidiaries included in consolidation, its title, its place of incorporation, main activities and effective shareholding rates are as follows:

Title	Operation Center (City/Country)	Main Activities	Effective Partnership Rates (%)	Direct and Indirect Partnership Rates (%)
Bereket Varlık Kiralama A.Ş.	Istanbul/Türkiye	Sukuk Issue	100,00	100,00
Değer Varlık Kiralama A.Ş.	Istanbul/Türkiye	Sukuk Issue	100,00	100,00
Albaraka Portföy Yönetimi A.Ş.	Istanbul/Türkiye	Investment Fund Foundation and Management	100,00	100,00
Insha Gmbh	Berlin/Germany	Providing digital participation banking services with the banking license of Solarisbank AG in Germany, collecting funds with this license through mudaraba method and evaluating the funds in accordance with the principles of interest-free finance and contract signed.	100,00	100,00

c) Consolidation principles on investment funds:

The investment funds, founded by the Parent Bank's subsidiary "Albaraka Portföy Yönetimi A.Ş." over which the Group has control as per procedures and principles stated in TFRS 10 "Turkish Financial Reporting Standards on consolidated Financial Statements", are accounted as per full consolidation method. For investment funds over which the Parent Bank does not have full control, minority shares are calculated separately under income statement and shareholders' equity. The information on the funds is represented as follows:

Title	Operation Center (City/Country)	Main Activities	Parent Bank's Effective Percentage of Shares (%)	Group's Direct and Indirect Effective Percentage of Shares (%)
Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu	Istanbul/Türkiye	Buy real estate and rights based on real estates, rent, lease and sell	46,27	46,27
Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu	Istanbul/Türkiye	Buy real estate and rights based on real estates, rent, lease and sell	63,90	69,07
Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu	Istanbul/Türkiye	To invest in company shares that can be financially and institutionally structured and developed, and to terminate the investment in the development or further stages of the company through methods such as sales, merger, and public offering.	10,70	19,59
Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu	Istanbul/Türkiye	To invest in the initial stages of technology and innovation companies that provide products or services to Fintech venture companies or financial companies or to terminate the investment in the advanced stages by methods such as sale, merger and public offering.	52,79	52,79
Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu	Istanbul/Türkiye	To invest in the initial stages or growth stages of new generation start-up companies or to be founder of them, to terminate the investment in the development or further stages of the company through methods such as sales, merger, and public offering.	13,65	54,76
Albaraka Portföy Yönetimi A.Ş. Inovasyon Girişim Sermayesi Yatırım Fonu	Istanbul/Türkiye	To incorporate innovative fintech projects inside the Parent Bank as co-founder or make the fintech projects more flexible and active in present companies by becoming their partner, to invest these companies' shares and terminate the investment in the development or advanced phase by sale, merger, public offer.	3,11	20,41
Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu ^(*)	Istanbul/Türkiye	The main investment strategy of the fund is to invest in lease certificates, of which venture companies whose shares are not traded on the stock exchange are the fund users, provided that they comply with the principles of participation financing. In this context, at least 80% of the total value of the fund consists of lease certificates (sukuk), which are in the nature of venture capital investment.	0,00	99,99

^(*) Relevant funds are controlled by the funds which are consolidated and controlled by the Parent Bank. Therefore, The Parent Bank has indirect control over these funds.

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III. Information on consolidated associates (continued):

d) Presentation of consolidated subsidiaries, associates and joint ventures in consolidated financial statements:

Turkish Lira denominated investments in consolidated associates and subsidiaries are accounted at cost value, less any impairment, in accordance with "Turkish Accounting Standards for Individual Financial Statements ("TAS 27")" in the consolidated financial statements.

In the consolidated financial statements, credit institutions, which are not included in consolidation, or subsidiaries, which are not financial institutions, are accounted at cost value, less any impairment in the consolidated financial statements.

If the cost amount exceeds the recoverable amount (the higher of an asset's fair value less costs of disposal and its value in use) the value of the related associates and subsidiaries is equal to the recoverable amount.

IV. Explanations on forward, option contracts and derivative instruments:

The derivative financial instruments of the Group generally consist of forward foreign currency, forward security and swap agreements. Derivative transactions portfolio may change as per market conditions in related terms. The Group records the spot foreign currency transactions in asset purchase and sale commitments.

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values. Derivative transactions are initially recorded at their fair values. In the periods following the recognizing of derivative transactions, depending on whether the fair value is positive or negative, the portion which is reflected to Income Statement for derivative assets and derivative liabilities are represented in Balance Sheet. Differences in fair values as a result of the valuation are recognized in trading income/loss line in the Income Statement as profit (loss) from derivative financial instruments and foreign exchange income (loss)

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V. Explanations on profit share income and expenses:

Profit share income

Profit share income is accounted in accordance with the internal rate of return method, which is equal to the net present value of the future cash flows of the financial asset determined in TFRS 9 and reflected to the accrual basis.

Profit-loss Investment projects are recognized under the “Loans” account in the balance sheet. Profit and loss investment projects are subject to valuation periodically every year and positive differences related to valuation are represented under “Profit Share on Loans”.

The Parent Bank has begun to calculate accrual for non-performing loans as of January 1, 2018. Net book value of non-performing receivables (Gross Book Value- Expected Loss Provision) is accounted at the gross book value of accruals with effective profit share rate.

Profit share expense

The Parent Bank records profit share expenses on accrual basis. The profit share expense accrual calculated in accordance with the unit value method on profit sharing accounts has been included under the account “Funds Collected” in the balance sheet.

VI. Explanations on fees, commission income and expenses:

Other than commission income and fees and expenses for various banking services that are reflected as income/expense when collected/paid, fees and commission income and expenses are reflected to income statement depending on the term of the related transaction.

The commissions and fees other than those, whose amortised costs are integral part of their effective profit rate, are accounted for in accordance with the TFRS 15 Revenue From Contracts With Customers Standard.

In accordance with provisions of TAS and TFRS, the portion of the commission and fees which are related to the reporting period and collected in advance for cash and non-cash loans granted is reflected to the income statement by using the internal rate of return method and straight line methods, respectively over the commission period of the related loan, respectively. Fees and commissions collected in advance which are related to the future periods are recorded under the account “Unearned Revenues” and included in “Other Liabilities” in the balance sheet. The commission received from cash loans corresponding to the current period is presented in “Profit Share from Loans” in the income statement.

In the correspondence of BRSA dated June 8, 2012 and numbered B.02.1.BDK.0.13.00.0-91.11-12061, it has been stated that there is no objection to recording the commissions received from long term non-cash loans collected in quarterly periods or periods less than a quarter directly as income. Consequently, the Parent Bank records the related cash and non-cash loans commissions directly as income.

VII. Explanations on financial assets:

Financial assets are recognized or derecognized according to TFRS 9 section three: “Recognition and Derecognition”. Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than “Financial Assets at Fair Value Through Profit or Loss”, transaction costs are added to fair value or deducted from fair value. They are included in the balance sheet of the Parent Bank, if the Parent Bank is a legal party to these instruments.

On which category financial instruments shall be classified at initial recognition depends on both the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Assessment of business model:

As per TFRS 9, the Parent Bank’s business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Parent Bank’s business model does not depend on management’s intentions for an individual instrument. Accordingly, this condition is not a classification approach on the basis of a financial instrument but an evaluation by combining financial assets.

The Parent Bank’s business models are divided into three categories. These categories are defined below:

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VII. Explanations on financial assets (continued):

a) The Business model whose objective is to hold assets in order to collect contractual cash flows:

A business model whose objective is to hold assets of The Parent Bank in order to collect contractual cash flows over the life of the instrument. The financial assets that are held within the scope of this business model are measured at amortised cost when the contractual terms of the financial asset meet the cash flow test that includes profit share payments arising only from principal and principal amount at specific dates.

b) The Business model whose objective is achieved by both collecting contractual cash flows and selling financial assets:

The Parent Bank may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Fair value changes of the financial assets that are held within the scope of this business model are accounted under other comprehensive income when the contractual terms of the financial asset meet the cash flows test that includes profit share payments arising only from principal and principal amount at specific dates.

c) Other business models:

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Contractual cash flows that contains solely payments of principal and profit share:

As per TFRS 9, the Parent Bank classifies a financial asset on the basis of its contractual cash flow characteristics if the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets at the fair value through profit or loss:

Financial assets at fair value through profit/loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and profit share at certain date; that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement. The Parent Bank recognizes profit and loss investments under "loans" as per BRSA uniform chart of accounts and measures them at fair value considering TFRS 9 provisions. The fair value measurements of profit and loss partnership investments are based on the valuation reports prepared by the valuation experts, taking into account the impact of the Covid-19 Pandemic.

In evaluating profit share investment projects various assumptions and estimations have been used. Work projects, discount rates and fair value parameters may fluctuate and sensitive to Covid-19 Pandemic's effect to market, economical conjuncture, and sectoral position, and other market conditions.

Sukuk (lease certificates) which are represented under Financial Assets Measured at Fair Value through Profit/Loss are evaluated with the weighted average clearing prices in Istanbul Stock Exchange and which are not quoted in Istanbul Stock Exchange evaluated with their prices determined in Central Bank of Türkiye.

As per the correspondence by BRSA numbered E-43890421-101.02.02-7182, the accounting of outright repurchase and sales of investment funds under Financial Assets Measured at Fair Value through Profit/Loss are approved Parent Bank's Advisory Committee in accordance with its decisions on condition that there is no agreement and/or condition with the customer regarding repurchase/resale and there is not even a custom that there is an obligation to repurchase/resale. Profits or losses arising from buying and selling are accounted in Capital Market Transaction Income/(Loss) under Trading income/ loss.

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VII. Explanations on financial assets (continued):

c) Other business models (continued):

Financial assets at fair value through other comprehensive income (continued):

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and profit share at certain dates, they are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Profit share income calculated with effective profit share rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the value corresponding to the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated Other Comprehensive Income or Expense to be Reclassified Through Profit or Loss" under shareholders' equity. The accumulated fair value differences that are reflected in shareholders' equity are reflected in the income statement when the stated securities are collected or disposed.

Equity securities, which are classified as financial assets at fair value through other comprehensive income are accounted for at fair value when they are traded in an organized market and / or the fair value can be reliably measured and these financial assets are not subject to expected losses recognition. The valuation differences of the mentioned securities are accounted under the "Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss" in shareholders' equity

Financial assets measured at amortized cost:

Financial assets that are held for collection of contractual cash flows within the scope of business model where those cash flows represent solely payments of principal and profit share on certain dates are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs, which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective internal rate of return method. Profit share income obtained from financial assets measured at amortized cost is accounted in income statement.

Loans:

Loans are non derivative financial assets that have fixed or determinable payments terms and are not quoted in an active market. Stated loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Profit Share Rate (internal rate of return) Method".

The Parent Bank's all loans including profit and loss investments are recorded under the "Measured at Amortized Cost" account. As per BRSA uniform chart of accounts, the Parent Bank recognizes profit and loss investments under "loans" and considering TFRS 9 provisions, measures them at fair value.

Granted cash loans are accounted by using the relevant accounts in accordance with the principles set out in the "Uniform Chart of Accounts to be Applied by the Participation Banks" and published in the Official Gazette dated September 20, 2017 and numbered 30186.

The Parent Bank periodically evaluates the provisions allocated for loans and other receivables as per TFRS 9 retrospectively and as a result of those evaluations, if appropriate, updates the classification rules and parameters on allocation of provisions.

VIII. Explanations on expected credit losses:

The Parent Bank allocates impairment for expected loss on financial assets measured at amortized cost and measured at fair value through other comprehensive income. As of January 1, 2018, the Parent Bank recognizes provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. In this framework, as of January 1, 2018, method of provisions for impairment as set out in accordance with the related legislation of BRSA is changed by applying the expected credit loss model under TFRS 9.

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VIII. Explanations on expected credit losses (continued):

The provisions written back are credited to “provision expenses”, and if such write backs are arising from previous year they are accounted under “other operating income”. The expected credit loss model includes instruments that are recorded at amortized cost or at fair value in other comprehensive income tables (such as bank deposits, loans and finance lease receivables) and, in addition, financial lease receivables that are not measured at fair value through profit or loss, credit commitments and financial guarantee contracts.

As stated under the note of significant estimates and assumptions in preparing financial statements, the Parent Bank has changed the parameters in allocating provisions by using the best estimates and assumptions for expected credit losses to reflect the possible impact of Covid-19 Pandemic to its financial statements as of September 30, 2022. From the beginning of the Covid-19 Pandemic;

-In provisioning parameters, base scenario rate has been updated as 80% negative condition scenario rate has been updated as 20% and positive condition scenario has been revoked.

-In order to calculate the impact of macroeconomical factors to lifetime expected credit losses, the model has been set by using approximately 10 years of data from first quarter of 2010 to third quarter of 2020. In this model NPL rates of the banks operating in the same sector has been used and supportive data from previous terms have been received. As a result of model update works, the parameters of unemployment and consumer price index have been found meaningful.

Under this context, the approach used through 2022 has been maintained and will be reviewed in the coming reporting periods by considering the changes in outcomes of pandemia, credit portfolio and expectations related to the future

The guiding principle of the expected credit loss model is to reflect the increase in credit risk of financial instruments or the general view of the recovery. The amount of allowance for the loss depends on the extent of the increase in credit risk since the initial issuance of the loan.

Expected credit loss is an estimate of the expected credit losses over the life of a financial instrument also the following aspects are important for the measurement.

- Probability-weighted and neutral amount determined by taking into account possible outcomes,
- Reasonable and supportable information on past events, current conditions and forecast of future economic conditions, at the time of reporting, without excessive cost and effort.

Provisions for these financial assets are calculated using two different approaches: 12-month expected loss and expected lifetime loss. Credit risk parameters used in the calculations are as follows:

Parameters used when calculating expected credit losses:

Probability of Default (PD):

PD refers to the likelihood that a loan will default within a specified time horizon. Based on TFRS 9, the Parent Bank uses two different PDs in order to calculate expected credit losses:

- 12-Months PD: As the estimated probability of default occurring within the next 12 months following the reporting date.
- Lifetime PD: As the estimated probability of default occurring over the remaining life of the financial instrument.

Loss Given Default (LGD):

If a loan default occurs, it represents the economic loss incurred on the loan. It is expressed as a percentage.

Exposure at Default (EAD):

For cash loans, it corresponds to the amount of loan granted as of the reporting date. For non-cash loans and commitments, it is the value calculated through using credit conversion factors. Credit conversion rate corresponds to the factor which adjust the potential increase of the exposure between the current date and the default date.

Financial Assets are divided into the following three categories depending on observable increases in their credit risks:

12 Month Expected Credit Losses (Stage 1):

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition and the delay days do not exceed 30 days. Impairment for credit risk is recorded in the amount of 12-month expected credit losses. It is valid for all assets unless there is a significant deterioration in the quality of the loan. The expected 12 month loss values (within 12 months after the reporting date or within a shorter period if the life of a financial instrument is shorter than 12 months) are part of the estimation of loss of life expectancy.

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VIII. Explanations on expected credit losses (continued):

Significant Increase in Credit Risk (Stage 2):

In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses.

The Parent Bank classifies financial assets as Level 2 by considering the following criteria:

- Loans with a delay over 30 days but not exceed 90 days
- The data obtained from the early warning system and the evaluation that the Parent Bank will make in this case
- The Parent Bank management's conclusion that there is significant increase in credit risk. At this point the Parent Bank compares probability of default of the loan in its origination with current status.
- Loans for which the repayment amount is fully collateralized and the collateral falls below the net realizable value.

Default (Stage 3/Specific Provision):

If the following conditions exist in accordance with the Parent Bank's internal procedures, the related financial asset is evaluated as default:

- Loans past 90 days from the last installment date
- Loans restructured and classified as performing receivables and restructured in the 1-year monitoring period at least once again and & or loans whose principal / profit payment is 30 days overdue.

The collective assessment of financial instruments is performed by building on homogeneous group assets arising from portfolio segmentation based on similar credit risk and product characteristics. This section provides an overview of the risk parameter estimation methods associated with the expected loss calculation approach for each stage on a common basis.

Loans whose cash flows differ or have different characteristics from other loans can be evaluated individually instead of collectively. Expected credit loss can be defined as the difference between all contractual cash flows due as per the whole contract and cash flows expected to be collected that have been discounted with the original effective profit ratio. When measuring expected credit losses, the Bank shall consider the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the possibility of a credit loss occurring is very low. The Bank makes such assessment by reflecting the estimate of expected credit loss which is unbiased and probability-weighted determined by evaluating a range of possible outcomes.

The following situations are taken into account when estimating cash flows.

- The conditions of the contract during the expected life of the financial instrument,
- Cash flows expected to be obtained from collateral sales.

Behavioral Maturity Calculation Methodology

Expected loss provision is calculated until end of the maturity for stage one loans whose remaining maturity is less than one year and calculated yearly for stage one loans whose remaining maturity is more than one year. For second group loans, it is calculated lifelong (until the end of maturity). In this calculation, the remaining maturity information of the loan is taken as basis for each loan. While this information is used for products with real maturity information, for products without real maturity information, behavioral maturity is calculated by analyzing historical data. Expected loss provision calculations are made over these maturities, depending on the type of loan.

Write-Off Policy

Within the framework of the provisions of the " Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions to be set aside for them" published in the Official Gazette dated July 6 ,2021 and numbered 31533, the portion of the loans that are classified under "Fifth Group-Loans with a Loss Qualification" and for which a lifetime expected loan loss provision or special provision is made due to the default of the borrower, for which there are no reasonable expectations for the recovery of the loans, as of the first reporting period following their classification in this Group, are written off from the records in an appropriate time determined by the bank, taking into account the situation of the debtor within the scope of TFRS 9. Writing off loans from the records is an accounting practice and does not result in waiving the right to the receivable.

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IX. Explanations on offsetting of financial instruments:

Financial instruments are offset when the Group has a legally enforceable right to net off the recognized amounts, and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. The sukuk investments issued by the Group which are repurchased has been offset in financial assets measured at fair value through other comprehensive income and subordinated loan accounts.

X. Explanations on sale and repurchase agreements and lending of securities:

Securities subject to repurchase agreement are classified as “Financial Assets Measured at Fair Value through Profit/Loss”, “Financial Assets Measured at Fair Value through Other Comprehensive Income” and “Financial Assets Measured at Amortised Cost” according to the investment purposes of the Group and measured according to the portfolio to which they belong. Funds obtained from the related agreements are accounted under “Borrowings from Money Markets” in liabilities and the difference between the sale and repurchase price is accrued over the life of the agreements using the internal rate of return method. Profit share expense on such transactions is recorded under “Profit Share Expense on Money Market Borrowings” in the income statement.

XI. Explanations on assets held for sale and discontinued operations and liabilities related to these assets:

Assets held for sale (or disposal group) are measured at the lower of the carrying amount of assets and fair value less any cost to be incurred for disposal and the amortising for these assets is stopped. In order to classify an asset as held for sale, the possibility of sale should be highly probable and the asset (or disposal group) should be available for immediate sale in its present condition. Highly saleable condition requires a plan designed by an appropriate level of management regarding the sale of the asset to be disposed of together with an active program for the determination of buyers as well as for the completion of the plan. Also, the asset shall be actively marketed in conformity with its fair value.

In addition, the sale is expected to be recognized as a completed sale within one year after the classification date and the necessary transactions and procedures to complete the plan should demonstrate the fact that there is remote possibility of making any significant changes in the plan or cancellation of the plan.

The Group has assets that are possessed due to receivables and debtors' obligations to the Parent Bank and classified as assets held for sale. In the case that the Group has not disposed of such assets within a year of receipt or failed to produce a solid plan for sale of the assets, they are reclassified as fixed assets. The Group transfers such assets from assets held for sale and discontinued operations to tangible assets.

A discontinued operation is a part of the Group's business which has been disposed of or classified as held for sale. The operating results of the discontinued operations are disclosed separately in the income statement. The Group has not any discontinued operations.

XII. Explanations on goodwill and other intangible assets:

Goodwill and other intangible assets are recorded at cost in accordance with TAS 38 “Turkish Accounting Standards for Intangible Assets”. The Group's intangible assets consist of softwares, intangible rights and goodwill. In addition, information technology services received from Albaraka Teknoloji Bilişim Sistemleri ve Pazarlama Ticaret A.Ş., a subsidiary of the İnovasyon Girişim Sermayesi Yatırım Fonu controlled by the Parent Bank, are also capitalized under intangible assets.

The costs of the intangible assets purchased before December 31, 2004 have been restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. Intangible assets purchased after this date have been recorded at their historical costs. Intangible assets are amortised by the Parent Bank over their estimated economic useful lives in equal amounts on a straight-line basis. Useful lives of the Parent Bank's software have been determined as 3 to 4 years and other intangible assets' useful lives have been determined as 15 years. At the the establishment of Insha GMBH, the subsidiary of the Parent Bank operating in Germany, Insha GMBH has taken over establishment expenses from Parent Bank and goodwill has arisen during this transfer. Related amount is represented both in Insha GMBH's financial statements and Parent Bank's consolidated financial statements.

If there is objective evidence of group impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 “Turkish Accounting Standard for Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

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XIII. Explanations on tangible assets:

The cost of the tangible assets purchased before December 31, 2004 have been restated by inflationary index from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The tangible assets purchased after this date are recorded at their historical costs. Tangible assets are recorded at cost less accumulated depreciation and provision for impairment, if any in compliance with the ("TAS 16") "Turkish Accounting Standards for Tangible Assets" in the financial statements.

As of March 31, 2009, the Parent Bank has made a change in accounting policy and adopted revaluation model for real estates in accordance TAS 16 and reflected the results of appraisal reports prepared by an authorized real estate appraisal firm to the financial statements. As of June 30, 2022, the Parent Bank has revalued its immovables and reflected the results of appraisal reports prepared by independent real estate appraiser firms using comparison of similar items method to the financial statements. The revaluation fund mentioned cannot be distributed as dividend to shareholders. Current period depreciation charge relating to the revaluation has been transferred to retained earnings from revaluation fund reserve.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets.

There are no changes in the accounting estimates which are expected to have an impact in the current or subsequent periods.

Depreciation is calculated on a straight-line basis. Depreciation rates used are determined by considering the estimated economic useful life of the assets. The annual rates used are as follows:

	Depreciation Rate %
Buildings	2
Motor vehicles	20 – 25
Furniture, fixture and office equipment	4 – 33
Safe-deposit boxes	2 – 20
Operational lease improvement costs (Leasehold improvements)	Leasing period - 5 years
Leased assets	1- 10 years

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year end. Leasehold improvements are depreciated over their estimated economic useful lives in equal amounts. The estimated economic useful lives cannot exceed the leasing period. In cases where the leasing period is not certain, the useful life is determined as five years. After January 1, 2010 in cases where leasing period is more than five years, the useful life is determined as five years.

If there is an indication for impairment, the Group estimates the recoverable amount of the tangible asset in accordance with TAS 36 "Turkish Accounting Standard for Impairment of Assets" and if the recoverable amount is less than its carrying value, provides for an impairment loss. Fixed assets which are carried at fair value in the financial statements are revalued by independent Capital Markets Board licensed firms in accordance with TFRS 13.

Gain or loss resulting from disposals of the tangible assets is calculated as the difference between the net proceeds from the sale and the net book value of the related asset.

The repair and maintenance costs of the tangible assets are capitalized, if the expenditure increases the economic life of the asset. Other repair and maintenance costs are expensed.

In accordance with TFRS 16, right-of-use asset is represented under tangible assets in the balance sheet.

XIV. Explanations on investment property:

Investment properties are retained in order to benefit for administrative purposes and production and supply of goods or services either or both obtain rental income or appreciation gain instead of selling them in ordinary workflow. Investment properties are accounted initially at cost then at fair value for the coming periods and changes are recognized in statement of profit or loss.

The cost includes the expenses directly associated with the purchase.

If the investment property is sold, all profits and losses incurred (referring the difference between sale price and carrying value of the asset) are recognized in statement of profit or loss. If the investment properties

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XIV. Explanations on investment property (continued):

which are recognized as fixed assets beforehand are sold, their revaluation differences (if there are any) under equity are transferred to prior year profits.

If a real estate's intended purpose amended and it is recognized again under fixed assets, the fair value at the date of the amendment becomes the cost for the next accounting transaction.

XV. Explanations on leasing transactions:

Assets acquired under finance lease contracts are recorded both as an asset and as a liability at the beginning date of the lease. The basis for the determination of the balances recorded in the balance sheet as asset and liability is the lower of fair value of the leased asset at the inception of the lease and the present value of the lease payments. Finance charges arising from lease contracts are expensed in the related periods taking into consideration the internal rate of return over the period of the lease.

Assets acquired under finance lease contracts are depreciated over their useful lives and impairment provision is provided in case a decrease in recoverable amount has been determined. The Parent Bank, as a participation bank, acts as a lessor in finance leasing transactions. The Parent Bank presents finance leased assets as a receivable equal to the net investment in the lease. Financial income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding.

With the "TFRS 16 Leases" standard, which became effective as of 1 January 2019, the difference between the operating lease and financial lease was removed and the lease transactions were started to be recognised under "Tangible Fixed Assets" as an asset (tenure) and under "Lease Payables" as a liability.

TFRS 16 Leases standard abolishes the dual accounting model currently applied for lessees through recognizing finance leases in the balance sheet whereas not recognizing operational lease. Instead, it is set forth a single model similar to the accounting of finance leases (on balance sheet). For lessors, the accounting remains almost the same.

The Parent Bank has the exemption for not applying this standard to short-term leaseings (leases with a rental period of 12 months or less) or to leases where the underlying asset is of low value (eg personal computers, some office equipment, etc.). At the effective date of the lease, the Parent Bank measures its leasing liability at the present value of the lease payments not paid at that time and depreciates the existence of the right to use as of the same date and is amortized over the lease term. If this ratio can be determined easily, lease payments are discounted using the Parent Bank's average profit rate.

If the ratio cannot be easily determined, the Parent Bank uses its own alternative borrowing rate. The profit share expense on the lease liability and the depreciation charge of the right to use is recorded separately. The lessee re-measures the lease obligation if certain events occur (for example, changes in lease duration, forward lease payments due to changes in a particular index or rate, etc.). In this case, the lessee records the reassignment effect of the lease obligation as a correction on the right to use.

Right to use asset:

The right to use asset is first recognized by cost method and includes:

- The initial measurement amount of the lease obligation,
- The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- All initial direct costs incurred by the Parent Bank and

When applying the cost method, the existence of the right to use:

- Accumulated depreciation and accumulated impairment losses are deducted and
- Measures the restatement of the lease obligation at the restated cost.

While the Parent Bank is depreciating the right- to- use asset it utilizes the provisions for depreciation in TAS 16 Tangible Assets Standard.

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XV. Explanations on leasing transactions (continued):

The lease liabilities:

At the effective date of the lease, the Parent Bank measures its leasing liability at the present value of the lease payments not paid at that time. If this ratio can be determined easily, lease payments are discounted using the Parent Bank's average profit rate. If the ratio cannot be easily determined, the Parent Bank uses its own alternative borrowing rate.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

After the effective date of the lease, the Parent Bank measures the leasing liability as follows:

- Increases the book value to reflect the profit share rate on the lease obligation,
- Reduces the book value to reflect the lease payments made,
- Measures the book value to reflect reassessments and restructuring, or reflect the fixed lease payments, which is revised but inherently fixed. The profit rate on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic profit rate to the remaining balance of the lease liability.

XVI. Explanations on provisions and contingent liabilities:

Provisions and contingent liabilities, excluding the expected loss provisions for loans, are accounted in accordance with TAS 37: "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognized when the Parent Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the cut-off principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Parent Bank; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XVII. Explanations on liabilities regarding employee rights:

i) Defined benefit plans:

Provision for employee severance benefits has been accounted for in accordance with TAS 19 "Employee Benefits".

In accordance with the existing social legislation in Türkiye, the Group is required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated for reasons other than misconduct or due to resignation. The retirement pay is calculated for every working year within the Group over salary for 30 days or the official ceiling amount per year of employment and the notice pay is calculated for the relevant notice period time as determined based on the number of years worked for the Group.

The Group has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, The Group recognizes all actuarial gains and losses immediately through other comprehensive income. As of September 30, 2022, there is an actuarial loss amounts to TL 70.740 before deferred tax calculation. (December 31, 2021: TL 70.740 actuarial loss).

Provision for the employees' unused vacations have been booked in accordance with TAS 19 and reflected to the financial statements.

There are no foundations, pension funds or similar associations of which the Group's employees are members.

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XVII. Explanations on liabilities regarding employee rights (continued):

ii) Defined contribution plans:

The Group pays defined contribution plans to publicly administered Social Security Funds for its employees. The Group has not any further payment obligations other than this contribution share. The contributions are recognized as personnel expenses when they accrue.

iii) Short term benefits to employees:

In accordance with TAS 19, the Group measures the expected costs of the cumulative annual leaves as additional amounts anticipate to pay accumulated and unused rights as of reporting period.

XVIII. Explanations on taxation:

Current tax:

The Group is subject to tax laws and legislation effective in Türkiye.

In the financial statements as of September 30, 2022, the corporate tax rate is applied 25%. In accordance with the Law No. 7316 published in the Official Gazette dated April 22, 2021, starting from the tax returns that must be submitted as of July 1, 2021 and to be valid for the taxation period starting from January 1, 2021, the corporate tax rate is 25% for the taxation period of 2021, this rate was determined as 23% for the taxation period of 2022. However, with the publication of the Law No. 7394 in the Official Gazette dated April 15, 2022, for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies, the corporate tax rate has been permanently increased to 25%, and this change will be valid for tax returns to be submitted after 1 July 2022. Therefore, as of the first quarter of 2022, the tax rate to be taken into account in the calculation of corporate tax is 23%, and the tax rate to be applied to the cumulative earnings of 2022 in the second quarter and following periods of 2022 will be taken into account as 25%.

Dividends paid to the resident institutions are not subject to withholding tax in Türkiye. Withholding tax rate on the dividend payments other than these is 10%. Appropriation of the retained earnings to capital is not considered as profit distribution and accordingly is not subject to withholding tax.

The prepaid taxes are calculated based on quarterly profits of the Parent Bank using current rate which must be announced by the 14th day and paid by the 17th day of the second month following the taxed period. The prepaid taxes can be deducted from the annual corporate tax calculated on the annual corporate income. The remaining prepaid tax, if any after deduction, can be refunded in cash or deducted from other financial liabilities to the government.

75% portion of the capital gains derived from the sale of equity investments and 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years.

In accordance with the tax legislation, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In accordance with the last paragraph of the first article of the law dated February 11, 1986 and numbered 3259 "Law related to granting tax exemption to Islamic Development Bank" dividends paid to Islamic Development Bank is exempt from corporate tax. Therefore, dividend distributed to Islamic Development Bank as a shareholder of the Parent Bank is exempt from corporate tax and income tax withholding.

In Türkiye, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns to their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings and carry out sectorial investigations.

Considering the participation accounts' part in general loan loss provision as expense for tax calculation, Finance Ministry initiated a sector-specific review. The relevant documents and calculations have been requested from the Parent Bank. As of report date, there is no information or written report transmitted to the Parent Bank.

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XVIII. Explanations on taxation (continued):

Current tax (continued):

As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the Law No. 7352 on the Amendment of the Tax Procedure Law and the Corporate Tax Law, published in the Official Gazette dated January 29, 2022 numbered 31734, the temporary article 33 was added to the Tax Procedure Law No. 213, and it is enacted that financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods (including advance tax periods) and 2023 advance tax periods (for those designated as a special accounting period, as of the accounting periods ending in 2022 and 2023) , regardless of whether the conditions for the inflation adjustment within the scope of repeated Article 298 are met, and December 31, 2023 financial statements will be subject to inflation adjustment regardless of whether the conditions for the inflation adjustment are met, and the profit or loss calculations arising from the inflation adjustment will be represented in the previous years' profit/loss account.

Deferred tax:

The Group calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with ("TAS 12") "Turkish Accounting Standard for Income Taxes". Deferred tax asset is calculated on all temporary differences to the extent that is probable that taxable profit will be available and deferred tax liability is calculated for all temporary differences. Deferred tax asset and liabilities are shown in the accompanying financial statements on a net basis.

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

Deferred tax is measured at enacted tax rates prevailing in the period when the assets are realized or liabilities are settled, and the tax is recorded as income or expense in the income statement. Nonetheless, if the deferred tax is related to assets directly associated with the equity in the same or different period, it is directly recognized in the equity accounts. In accordance with the Law No. 7316 published in the Official Gazette dated April 22, 2021, starting from the tax returns that must be submitted as of July 1, 2021 and to be valid for the taxation period starting from January 1, 2021, the corporate tax rate is 25% for the taxation period of 2021, this rate was determined as 23% for the taxation period of 2022 and 20% for taxation periods for and after 2023. However, with the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022, for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies, the corporate tax rate has been permanently increased to 25%, and this change will be valid for tax returns to be submitted after 1 July 2022. Therefore, as of the first quarter of 2022, the tax rate to be taken into account in the calculation of corporate tax is 23%, and the tax rate to be applied to the cumulative earnings of 2022 in the second quarter and following periods of 2022 will be taken into account as 25%. As of september 30, 2022 deferred tax is calculated as 25%. As of December 31, 2021, for the items subject to deferred tax calculation, the enacted rates have been used which are valid as per prevailing tax legislation and consistent with these items' lifetimes as of the reporting date. There is not deferred tax calculation for free provisions.

As explained in detailed note under "XIX." Additional explanations on borrowings, deferred tax is calculated for exchange difference and coupon payment for Tier 1 under equity and deferred tax expenses. In addition, if loss occurs in the income statement prepared as per Turkish Tax Legislation, The Parent Bank recognizes deferred tax. While making this calculation, The Parent Bank's growth projections in its budget, reinforceable estimates on income statement and expectations on inflation, currency and interest rates by Central Bank of Türkiye are considered.

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XVIII. Explanations on taxation (continued):

Transfer pricing:

Transfer pricing is regulated through the article 13 of Corporate Tax Law titled “Disguised Profit Distribution by way of Transfer Pricing”. Detailed information for the practice regarding the subject is found in the “General Communiqué on Disguised Profit Distribution by way of Transfer Pricing”.

According to the related regulation, in the case of making purchase or sales of goods or services with related persons/corporations at a price that is determined against “the arm’s length principle”, the gain is considered to be distributed implicitly through transfer pricing and such distribution of gains is not deductible in calculation of corporate tax.

XIX. Additional explanations on borrowings:

The Group accounts its debt instruments in accordance with TFRS 9 “Financial Instruments”. In the following periods, all financial liabilities are carried at amortized cost by using the internal rate of return method. The Parent Bank has no borrowings that require hedging techniques for accounting and revaluation of debt instruments and liabilities representing the borrowings.

There are no debt securities issued by the Parent Bank. The Parent Bank has issued borrowings through its subsidiary Bereket Varlık Kiralama A.Ş. and its structured entities Bereket One Ltd. and Albaraka Sukuk Ltd.

The Parent Bank has subordinated loans borrowed through sukuk issuance, which has convertible nature to the shares.

Additional tier 1 capital borrowings:

Undated sukuk transaction in foreign currency is issued and included in the additional capital account by the Parent Bank’s structured entity “Bereket One Ltd.”. Stated transaction evaluated as non-monetary item and accounted over historical cost in Turkish Lira under equities in the “other capital reserves” accordance with TAS 32.

XX. Explanations on issued share certificates:

None.

XXI. Explanations on acceptances and availed drafts:

Acceptances and availed drafts are realized simultaneously by the Parent Bank with the payment dates of the customers and they are presented as commitments in the off-balance sheet accounts.

XXII. Explanations on government grants:

As of the balance sheet date, there are no government grants received by the Group.

XXIII. Explanations on segment reporting:

Business segment is a component of the Parent Bank that engages in business activities from which the Group may earn revenues and incur expenses, whose operating results are regularly reviewed by the Parent Bank’s chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial available.

Segment reporting is disclosed in Section Four, Note X.

XXIV. Explanations on other matters:

There are no other matters.

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SECTION FOUR

Information on Consolidated Financial Structure and Risk Management of the Group

I. Explanations on consolidated capital adequacy standard ratio:

Total capital and capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". As of September 30, 2022, the Parent Bank's total capital has been calculated as TL 11.060.911 and capital adequacy standard ratio is 17,54%. As of December 31, 2021, the Parent Bank's total capital amounted to TL 6.399.996 and capital adequacy ratio was 14,65%. The Parent Bank's capital adequacy standard ratio is above the minimum ratio required by the legislation.

a. Information on consolidated capital:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	2.500.000	1.350.000
Share issue premiums	23.278	14.855
Reserves	1.170.849	1.154.190
Gains recognized in equity as per TAS	2.259.343	1.184.247
Profit	1.135.128	332.836
Current Period Profit	1.135.128	332.836
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
Minority Share	-	-
Common Equity Tier 1 Capital Before Deductions	7.088.598	4.036.128
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1 st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	53.055	56.592
Improvement costs for operating leasing	19.832	21.295
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	136.304	87.948
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	266.747
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	111.451
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4 th clause of the 56 th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	12.938	19.811
Amount exceeding 15% of the common equity as per the 2 nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions From Common Equity Tier 1 Capital	222.129	563.844
Total Common Equity Tier 1 Capital	6.866.469	3.472.284

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I. Explanations on consolidated capital adequacy standard ratio (continued):

a. Information on consolidated capital (continued):

	Current Period	Prior Period
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	775.720	775.720
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Third parties' share in the Additional Tier I capital	-	-
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	-
Additional Tier I Capital before Deductions	775.720	775.720
Deductions from Additional Tier I Capital	-	-
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
Transition from the Core Capital to Continue to deduce Components	-	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions From Additional Tier I Capital	-	-
Total Additional Tier I Capital	775.720	775.720
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	7.642.189	4.248.004
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	2.766.150	1.983.300
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Third parties' share in the Tier II Capital	-	-
Third parties' share in the Tier II Capital (Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	658.023	303.215
Tier II Capital Before Deductions	3.424.173	2.286.515
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	127.336
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	127.336
Total Tier II Capital	3.424.173	2.159.179
Total Capital (The sum of Tier I Capital and Tier II Capital)	11.066.362	6.407.183
The sum of Tier I Capital and Tier II Capital (Total Capital)	-	-
Deductions from Capital Loans granted contrary to the 50 th and 51 th Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA	5.451	7.187

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I. Explanations on consolidated capital adequacy standard ratio (continued):

a. Information on consolidated capital (continued):

	Current Period	Prior Period
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
Total Capital (Total Core Capital and Supplementary Capital)	11.060.911	6.399.996
Total risk weighted amounts	63.047.247	43.674.167
Capital Adequacy Ratios		
Consolidated Core Capital Adequacy Ratio (%)	10,89	7,95
Consolidated Tier 1 Capital Adequacy Ratio (%)	12,12	9,73
Consolidated Capital Adequacy Ratio (%)	17,54	14,65
BUFFERS		
The total additional capital requirement ratio (a + b + c)	2,50	2,50
a) Capital conservation buffer requirement (%)	2,50	2,50
b) Bank specific counter-cyclical buffer requirement (%)	0,00	0,00
c) Systemic significant bank buffer ratio (%)	0,00	0,00
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	6,39	3,45
Amounts below the Excess Limits as per the Deduction Principles	-	-
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation	687.941	349.209
Limits related to provisions considered in Tier II calculation	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	658.023	303.215
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	658.023	303.215
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0,6 % of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)	-	-
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

(¹) Amounts in this column represents the amounts of items that are subject to transition provisions.

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I. Explanations on consolidated capital adequacy standard ratio (continued):

In press release by BRSA dated March 23, 2020 it is stated that there are financial market turbulences as a result of Covid-19 Pandemic. Because of this, in calculating credit risk as per "Regulation on Measurement and Assessment of Capital Adequacy of Banks", it is possible that Central Bank buying exchange rates of December 31, 2021 can be used in calculating the revalued amounts of monetary and non-monetary items and their specific provisions. The items, which are carried at cost is out of scope. As of September 30, 2022, the Parent Bank has utilized this facility mentioned above.

b. Details on subordinated liabilities:

Issuer	Albaraka Sukuk Ltd.	Bereket One Ltd.
Unique Identifier (CUSIP, ISIN etc.)	XS1301525207	XS17 72390628
Governing Law(s) of the Instrument	English Law	English Law
Special Consideration in the Calculation of Equity		
As of January 1, 2015, consideration to be subject to a 10% reduction application status	No	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Sukuk Wakala	Sukuk Mudaraba
Amount recognized in regulatory capital (as of most recent reporting date)	TL 2.766.150	TL 775.720 ^(*)
Par Value of Instrument	TL 4.610.250	TL 775.720
Accounting Classification	Subordinated Loan	Equity
Original date of Issuance	November 30, 2015	February 20, 2018
Perpetual or dated	Dated	Undated
Maturity date	November 30, 2025	Undated
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date: November 30, 2025 Total Repayment Amount of Profit Share: USD 131.250.000 (first 5 year), USD 117.137.500 (second 5 years) Repayment Period: 6 months Principal Payment: USD 250.000.000	Last Payment Date: None First refund option date: February 20, 2023 Total Repayment Amount of Profit Share for 5 years: USD 102.500.000 Repayment Period: 6 months Principal Payment: USD 205.000.000
Subsequent call dates	-	-
Profit Share/Dividends		
Fixed or floating profit share/dividend	Fixed	Fixed
Profit share rate and any related index	9,371 % (first 5 years: 10,50%)	10%
Existence of a dividend stopper	As per BRSA regulations and Communiqués it is payable	As per BRSA regulations and Communiqués it is payable
Fully discretionary, partially discretionary or mandatory	Mandatory	Optional
Existence of step up or other incentive to redeem	-	-
Noncumulative or cumulative	Cumulative	Noncumulative
Convertible or Non-convertible		
If convertible, conversion trigger	As per BRSA regulations and Communiqués it is convertible	As per BRSA regulations and Communiqués it is convertible
If convertible, fully or partially	As per BRSA approval it is convertible fully or partially	As per BRSA approval it is convertible fully or partially
If convertible, conversion rate	As per BRSA approval it is convertible and the rate may be determined.	As per BRSA approval it is convertible and the rate may be determined.
If convertible, mandatory or optional conversion	Subject to BRSA's approval.	Subject to BRSA's approval.
If convertible, specify instrument type convertible into	Share certificate	Share certificate
If convertible, specify issuer of instrument it converts into	-	-
Write-down feature		
If write-down, write-down trigger(s)	-	Non-sustainability-The ratio of Core Capital to below 5,125%
If write-down, full or partial	-	At least to ensure that the core capital ratio exceeds 5,125%
If write down, permanent or temporary	-	Permanent and Temporary
If temporary write-down, description of write-up mechanism	-	In case of the ratio of core capital exceeds 5,125%
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After all creditors and participation fund owners	After participation fund owners, other borrowers and the debt instruments included in the Tier II capital calculation
In compliance with article number 7 and 8 of "Own fund regulation"	No	No
Details of incompliance with article number 7 and 8 of "Own fund regulation"	No	No

^(*) Represented as historical cost.

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I. Explanations on consolidated capital adequacy standard ratio (continued):

c. Information on reconciliation of total capital and equity:

The difference between Consolidated Total Capital and Equity in the consolidated balance sheet mainly arises from Stage 1 and Stage 2 expected credit losses, debt instruments and share issue premiums deemed suitable by the BRSA. In the calculation of Total Capital, Stage 1 and Stage 2 expected credit losses up to 1,25% of the credit risk is taken into consideration as Tier II Capital. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities and other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. Explanations on consolidated credit risk:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

III. Explanations on consolidated currency risk:

Foreign currency risk arises from the Group's possible exposure to the changes in foreign currencies.

- a.** The Parent Bank is exposed to currency risks as a market risk and tries to balance the currency risks by avoiding to keep any long or short positions. The currency risk of the Parent Bank is monitored on a daily basis. Net foreign currency position/shareholders' equity ratio is also controlled on a daily basis. All foreign currency assets, liabilities and foreign currency forward transactions are taken into consideration while capital requirement to be employed for foreign currency risk is calculated. Standard Method used in legal reporting and amount subject to risk is calculated on a monthly basis.
- b.** The Group does not have any derivative financial instruments held for hedging purposes.
- c.** As a result of the uncertainty and volatility in the markets, foreign currency position is kept at a balance, and accordingly, no currency risk is anticipated. The Parent Bank takes necessary measures to keep the currency risk at a minimum level.
- ç.** Foreign exchange buying rates of the last five working days before the balance sheet date as publicly announced by the Parent Bank are as follows:

	USD	EUR
As of September 30, 2022 - Balance sheet evaluation rate	18,441	18,064
As of September 29, 2022	18,430	17,989
As of September 28, 2022	18,440	17,757
As of September 27, 2022	18,403	17,701
As of September 26, 2022	18,370	17,719
As of September 23, 2022	18,328	17,779

- d.** The simple arithmetical average of the major foreign exchange buying rates of the Parent Bank for the thirty days before the balance sheet date is TL 18,214 for 1 USD (December 2021: TL 13,562), TL 18,050 for 1 EUR (December 2021: TL 15,327).

The Parent Bank is mainly exposed to EUR and USD currency risks.

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III. Explanations on consolidated currency risk (continued):

Information on currency risk of the Group:

	EUR	USD	Other FC ^(*)	Total
Current Period				
Assets				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	6.462.403	16.998.276	4.089.199	27.549.878
Banks	778.499	2.649.884	3.254.527	6.682.910
Financial assets at fair value through profit and loss ^(**)	1.067.812	1.378.291	5.091.891	7.537.994
Money market placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	1.497	31.850	9.278	42.625
Loans and financial lease receivables ^(***)	7.775.445	25.103.500	-	32.878.945
Subsidiaries, associates and joint ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	1.724.657	11.140.617	-	12.865.274
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	3	-	27.327	27.330
Intangible assets	9.933	-	-	9.933
Other assets ^(****)	19.215	262.168	11.102	292.485
Total assets	17.839.464	57.564.586	12.483.324	87.887.374
Liabilities				
Current account and funds collected from banks via participation accounts	421.915	790.620	31.532	1.244.067
Other current and profit sharing accounts	14.849.043	49.661.505	11.989.230	76.499.778
Money market borrowings	-	-	-	-
Funds provided from other financial institutions and subordinated loans	2.238.170	5.968.551	-	8.206.721
Marketable securities issued	-	-	-	-
Miscellaneous payables	71.481	1.153.131	82.340	1.306.952
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities	5.277	46.002	2.479	53.758
Total liabilities	17.585.886	57.619.809	12.105.581	87.311.276
Net balance sheet position	253.578	(55.223)	377.743	576.098
Net off balance sheet position	(352.248)	732.722	16.912	397.386
Derivative financial instruments assets ^(*****)	-	1.242.892	21.037	1.263.929
Derivative financial instruments liabilities ^(*****)	352.248	510.170	4.125	866.543
Non-cash loans ^(*****)	3.048.652	7.984.963	87.768	11.121.383
Prior Period				
Total assets	19.846.685	46.813.240	10.428.970	77.088.895
Total liabilities	17.774.376	49.024.242	10.156.963	76.955.581
Net balance sheet position	2.072.309	(2.211.002)	272.007	133.314
Net off balance sheet position	(2.145.002)	2.733.834	(75.193)	513.639
Derivative financial instruments assets	-	3.219.728	30.028	3.249.756
Derivative financial instruments liabilities	2.145.002	485.894	105.221	2.736.117
Non-cash loans ^(*****)	3.317.764	6.952.583	52.696	10.323.043

^(*) TL 3.894.250 (December 31, 2021: TL 3.664.103) of the balance in Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye in other FC column represent precious metals, TL 1.907.119 (December 31, 2021: TL 962.090) of the balance in Banks in other FC column represent precious metals accounts with banks, TL 10.943.931 (December 31, 2021: TL 9.344.729) of the balance in Other current and profit sharing accounts in other FC column represent precious metals deposits accounts, TL 5.091.891 (December 31, 2021: TL 4.877.174) of the balance in other FC column in financial assets at fair value through profit and loss represents gold-indexed lease certificates (sukuk)

^(**) Derivative financial instruments are included.

^(***) The balance includes foreign currency indexed loans and financial lease receivables of TL 546.426 (December 31, 2021: TL 944.111).

^(****) Foreign currency indexed receivables from commission and fees of non-cash loans amounting to TL 5.114 (December 31, 2021: TL 3.479) is included in other assets.

^(*****) In the current period, derivative financial instruments assets include foreign currency purchase commitment in the amount of TL 201.340 (December 31, 2021: TL 142.473) and derivative financial instruments liabilities include foreign currency sale commitment in the amount of TL 196.011 (December 31, 2021: TL 463.533).

^(*****) Does not have any effect on the net off-balance sheet position.

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III. Explanations on consolidated currency risk (continued):

Other issues related to currency risk:

Since the Parent Bank has issued undated additional tier 1 capital amount to USD 205.000.000 (Historical cost: TL 775.720) and recognized under the equity as “Other Capital Reserves”, this stated amount is not included in the above table.

IV. Explanations on consolidated position risk of equity securities in banking book:

The Parent Bank does not have any associate and subsidiary quoted at Borsa İstanbul.

The Parent Bank’s equity securities which are not quoted at Borsa İstanbul are recognized at fair values and if the fair values are not measured reliably, they are recognized at cost.

The equity securities under banking book calculated as per credit risk standard method amount to TL 223.493. 100% risk weight is applied to related whole amount (December 31, 2021: TL 131.322).

V. Explanations on consolidated liquidity risk:

Liquidity risk is managed by Asset and Liability Committee (“ALCO”) in line with risk management policies and risk appetite approved by the Board of Directors in order to take the necessary measures in a timely and correct manner against possible liquidity shortages that may result from market conditions and balance sheet structure of the Parent Bank. Under stressed conditions, liquidity risk is managed within the Contingency Funding Plan framework.

The Board of Directors reviews the liquidity risk management strategy, policy and practices and approves the liquidity strategy and policies within the framework of risk management strategy and policies, ensures the effective of practice of policies and integrations with Parent Bank’s risk management strategy. The Board of Directors determines the basic metrics in liquidity risk measurement and monitoring. The Board of Directors establishes risk appetite of the Parent Bank in liquidity risk management, identifies the risk limits in accordance with the risk appetite, and reviews it regularly.

ALCO takes necessary decisions which will be executed by related departments by assessing the liquidity risk that the Parent Bank is exposed to and considering the Parent Bank’s strategy and conditions of competition and pursues the implementations.

Risk Management Department defines the Parent Bank’s liquidity risk, measures and monitors the risks with liquidity risk measurement methods that are in compliance with legal legislation, presents measurement results periodically to related departments, committees and senior management. Risk Management Department coordinates related parties in order to ensure compliance of risk management process in accordance with the Parent Bank’s risk profile, operation environment and strategic plan with regulations. The liquidity risk analysis and the important early warning signals are reported periodically to related senior management. Additionally, analysis and monitored internal reserve limit ratios related to liquidity risk are presented in ALCO report. Reserve limit ratios and alert levels approved by the Board of Directors are monitored and reported regularly to related parties.

The Parent Bank’s funding management is carried out in compliance with the ALCO decisions in the direction of the Fund Transfer Pricing (FTP) committee. Funding and placement strategies are developed by assessing liquidity of the Parent Bank. In liquidity risk management actions that will be taken and procedures are determined by considering normal economic conditions and stress conditions.

Diversification of assets and liabilities is assured to be able to continuously meet the obligations, also considering the relevant currencies. Funding sources are monitored actively during identification of concentration risk related to funding. The Parent Bank’s funding base of funds collected and other borrowing transactions are diversified in order to prevent the concentration of a particular funding source. Factors that could trigger the sudden and significant run off in funds or impair the accessibility of the funding sources are analyzed.

In the context of TL and foreign currencies liquidity management, the Parent Bank monitors the cash flows regarding assets and liabilities and forecasts the required liquidity in future periods. In cash flow analysis, stress is applied to items that affect the liquidity by volume and rate of change from a liquidity management point of view. Liquidity risk exposed by the Parent Bank is managed by establishing risk appetite, effective control environment and closely monitoring by limits.

The results of liquidity risk stress testing are taken into consideration in the assessment of liquidity adequacy and identification of strategy, policy and procedures regarding liquidity risk and contingency funding plan is prepared within this framework. There exists “Liquidity Risk Management Contingency Funding Plan” in the Parent Bank including mechanisms to prevent increase in liquidity risk during normal and liquidity crisis scenarios for different conditions and levels.

Available liquidity sources are determined by considering the liquidity squeezes. Within the framework of this plan, the Parent Bank monitors liquidity risk in terms of early warning indicators in each stress. While assessing the sectors affected by Covid-19 Pandemic, the Bank has benefited from analyses by foreign rating institutions published to the general public. The sectors that are expected to be affected most are ranged from high risk to low risk and all customers are reclassified as per risk groups. These customers are reassessed in following up operations, stress test and sectoral concentration analysis and related reassessments will continue in the coming periods.

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V. Explanations on consolidated liquidity risk (continued):

Consolidated liquidity coverage ratio:

		Rate of "Percentage to be taken into account" not Implemented Total Value ^(*)		Rate of "Percentage to be taken into account" Implemented Total Value ^(*)	
		TL+FC	FC	TL+FC	FC
	Current Period				
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			53.445.979	44.169.886
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	64.625.670	50.652.157	6.202.779	5.065.216
3	Stable Funds Collected	5.195.773	-	259.789	-
4	Less stable Funds Collected	59.429.897	50.652.157	5.942.990	5.065.216
5	Unsecured Funding other than Retail and Small Business Customers Deposits	29.828.933	21.222.107	14.156.971	7.935.825
6	Operational Funds Collected	21.276.660	16.909.484	5.319.165	4.227.371
7	Non-Operational Funds Collected	6.548.243	2.523.918	3.909.076	1.160.349
8	Other Unsecured Funding	2.004.030	1.788.705	4.928.730	2.548.105
9	Secured funding			-	-
10	Other Cash Outflows	4.147.927	3.053.571	4.147.927	3.053.571
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	4.147.927	3.053.571	4.147.927	3.053.571
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15	Other irrevocable or conditionally revocable commitments	22.714.602	11.233.983	2.684.044	1.727.449
16	TOTAL CASH OUTFLOWS			27.191.721	17.782.061
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	16.071.192	10.352.780	13.628.227	9.563.546
19	Other contractual cash inflows	4.158.682	2.695.162	4.158.682	2.695.162
20	TOTAL CASH INFLOWS	20.229.874	13.047.942	17.786.909	12.258.708
				Upper limit applied amounts	
21	TOTAL HQLA			53.445.979	44.169.886
22	TOTAL NET CASH OUTFLOWS			9.404.812	5.523.353
23	Liquidity Coverage Ratio (%)			568,283	799,693

^(*) Calculated from the average amounts of the last three months (calculated as of end of the month)

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated March 21, 2014, the dates on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months are as follows:

Liquidity Coverage Ratio (%)	Current Period	
	TL+FC	FC
Lowest	471,88	745,88
Date	September 30, 2022	September 30, 2022
Highest	635,03	867,56
Date	July 31, 2022	August 31, 2022
Average	568,28	799,69

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V. Explanations on consolidated liquidity risk (continued):

Consolidated liquidity coverage ratio (continued):

		Rate of "Percentage to be taken into account" not Implemented Total Value ^(*)		Rate of "Percentage to be taken into account" Implemented Total Value ^(*)	
		TL+FC	FC	TL+FC	FC
	Prior Period				
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			36.838.796	32.873.748
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	51.719.040	39.191.290	4.919.858	3.919.129
3	Stable Funds Collected	5.040.933	-	252.047	-
4	Less stable Funds Collected	46.678.107	39.191.290	4.667.811	3.919.129
5	Unsecured Funding other than Retail and Small Business Customers Deposits	25.430.075	19.978.144	11.333.624	7.496.853
6	Operational Funds Collected	16.123.135	13.072.841	4.030.784	3.268.210
7	Non-Operational Funds Collected	8.037.268	5.640.617	4.215.904	2.583.742
8	Other Unsecured Funding	1.269.672	1.264.686	3.086.936	1.644.901
9	Secured funding			-	-
10	Other Cash Outflows	3.018.517	2.425.198	3.018.517	2.425.198
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	3.018.517	2.425.198	3.018.517	2.425.198
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15	Other irrevocable or conditionally revocable commitments	16.235.975	9.422.344	1.898.899	1.380.669
16	TOTAL CASH OUTFLOWS			21.170.898	15.221.849
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	9.372.953	5.939.753	7.319.811	4.831.849
19	Other contractual cash inflows	3.037.878	2.397.809	3.037.878	2.397.809
20	TOTAL CASH INFLOWS	12.410.831	8.337.562	10.357.689	7.229.658
				Upper limit applied amounts	
21	TOTAL HQLA			36.838.796	32.873.748
22	TOTAL NET CASH OUTFLOWS			10.813.209	7.992.191
23	Liquidity Coverage Ratio (%)			340,68	411,32

^(*) Calculated from the average amounts of the last three months (calculated as of end of the month)

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated March 21, 2014, the dates on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months for 2021 are as follows:

Liquidity Coverage Ratio (%)	Prior Period	
	TL+FC	FC
Lowest	303,54	352,31
Date	November 30, 2021	November 30, 2021
Highest	377,31	442,79
Date	October 31, 2021	October 31, 2021
Average	340,68	411,32

Consolidated liquidity coverage ratio is calculated by comparing the high-quality liquid assets owned by the Parent Bank to net cash outflow in 30 days maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, banks receivables, funds collected, funds borrowed. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

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V. Explanations on consolidated liquidity risk (continued):

Consolidated liquidity coverage ratio (continued):

High quality liquid assets consist of cash, deposits in central banks and securities considered as high quality liquid assets. Reserve deposits are included in high quality liquid assets, limited by the amount that is allowed by central bank to use in liquidity shortages. Group's high quality liquid assets are composed of 3,73% cash, 51,37% deposits in central banks and 44,90% securities considered as high-quality liquid assets.

Group's main funding sources are funds collected, funds borrowed, borrowings from money market, issued securities and subordinated loans. Funding source composition in report date is 92,05% funds collected, 7,95% funds borrowed, borrowings from money market, subordinated loans and securities issued.

Cash flows of derivatives that will take place within 30 days are considered in calculation of liquidity coverage ratio. Cash outflows of derivatives that arise from margin obligations, are reflected to the results in accordance with the methodology articulated in the related legislation.

The Parent Bank manages all the transactions with its foreign branches and subsidiaries consolidated in the framework of central bank, markets and related legislation of the country in which the institutions are located. Consolidated liquidity risk of the Parent Bank, its foreign branches and subsidiaries that are to be consolidated are managed within the regulatory limits and in accordance with group strategies. The liquidity positions of consolidated subsidiaries are continuously monitored by the Parent Bank.

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V. Explanations on consolidated liquidity risk (continued):

Presentation of assets and liabilities according to their remaining maturities:

	Demand ^(*)	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated ^(****) (*****)	Total
Current Period								
Assets								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	15.782.425	18.450.302	-	-	-	-	-	34.232.727
Banks	6.205.100	2.523.923	320.243	-	-	-	-	9.049.266
Financial Assets at Fair Value Through Profit and Loss ^(**)	661.210	194.432	36.073	1.274.388	8.709.432	113.468	-	10.989.003
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	31.166	232.359	-	53.698	333.656	-	-	650.879
Loans ^(***)	316.101	6.399.697	13.566.126	24.515.562	20.115.259	2.863.725	488.075	68.264.545
Financial Assets Measured at Amortised Cost	-	172.127	105.680	2.314.629	12.267.284	2.884.000	-	17.743.720
Other Assets ^(****)	-	-	2.312	44.068	189.201	297.485	5.883.497	6.416.563
Total Assets	22.996.002	27.972.840	14.030.434	28.202.345	41.614.832	6.158.678	6.371.572	147.346.703
Liabilities								
Current account and funds collected from banks via participation accounts	1.241.472	36	6.564	27.798	-	-	-	1.275.870
Other current and profit-sharing accounts	54.402.989	35.471.579	19.956.570	8.966.563	490.280	-	-	119.287.981
Funds provided from other financial institutions and subordinated loans	-	996.298	2.197.579	474.586	4.610.250	-	-	8.278.713
Money Market Borrowings	-	-	-	-	-	-	-	-
Marketable securities issued	-	-	1.699.986	430.523	-	-	-	2.130.509
Miscellaneous payables	-	884.339	219.425	89.157	95	-	3.974.375	5.167.391
Other liabilities	775.720	-	201	10.820	128.291	261.099	10.030.108	11.206.239
Total Liabilities	56.420.181	37.352.252	24.080.325	9.999.447	5.228.916	261.099	14.004.483	147.346.703
Net Liquidity Gap	(33.424.179)	(9.379.412)	(10.049.891)	18.202.898	36.385.916	5.897.579	(7.632.911)	-
Net Off-Balance Sheet Position	-	975	(299.802)	1.256	-	-	-	(297.571)
Financial Derivative Assets	-	1.475.451	34.304	75.558	-	-	-	1.585.313
Financial Derivative Liabilities	-	1.474.476	334.106	74.302	-	-	-	1.882.884
Non-Cash Loans	13.650.055	318.710	908.403	4.479.866	1.627.550	20.228	-	21.004.812
Prior Period								
Total Assets	14.491.715	21.958.118	12.342.270	19.571.648	32.405.443	4.041.118	5.214.136	110.024.448
Total Liabilities	47.057.874	37.165.638	10.085.216	3.765.786	3.389.861	214.808	8.345.265	110.024.448
Net Liquidity Gap	(32.566.159)	(15.207.520)	2.257.054	15.805.862	29.015.582	3.826.310	(3.131.129)	-
Net Off-Balance Sheet Position	-	(284.967)	243.204	8.513	-	-	-	(33.250)
Financial Derivative Assets	-	2.701.371	549.987	131.339	-	-	-	3.382.697
Financial Derivative Liabilities	-	2.986.338	306.783	122.826	-	-	-	3.415.947
Non-Cash Loans	11.725.992	164.297	770.409	3.464.733	1.262.356	15.513	-	17.403.300

^(*) Loans include accruals, other liabilities include undated additional Tier 1 Capital accounted under Shareholders' Equity.

^(**) Derivative financial instruments are included.

^(***) Leasing receivables are included under loans. Unallocated amount represents the net non-performing loans

^(****) Certain assets in the balance sheet that are necessary for the banking operations but cannot be readily convertible into cash in the near future, such as tangible assets, right of use of movables and real estates, investments in associates and subsidiaries, stationary supplies, prepaid expenses are included here.

^(*****) The unallocated other liabilities column consists of equity, provisions and (if any) deferred tax liabilities.

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VI. Explanations on consolidated leverage ratio:

	Current Period^(**)	Prior Period^(**)
Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards ^(*)	143.515.237	102.949.931
The difference between total assets prepared in accordance with Turkish Accounting Standards and total assets in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements"	-	-
The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	7.642.384	6.047.894
The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	-	16.729
The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	55.398	39.014
Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	-	-
Total Risk Amount	173.484.947	123.857.781

^(*) Consolidated financial statements prepared in compliance with the paragraph 6 of article 5 of the communiqué "Preparation of Consolidated Financial Statements".

^(**) Represents average of the three months.

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VI. Explanations on consolidated leverage ratio (continued):

As of September 30, 2022, consolidated leverage ratio of the Group calculated from the arithmetic average of the last three months is 4,32% (December 31, 2021: 3,30%). Leverage ratio is required to remain minimum 3% as per "Communiqué on Measurement and Evaluation for Leverage Ratios of Banks". The reason for the difference in leverage ratio between current and previous period is that increase in average capital amount is higher than increase in average total risk amount.

	Current Period ^(*)	Prior Period ^(*)
Balance sheet assets		
1 Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	145.057.762	103.252.744
2 (Assets deducted from Core capital)	(190.890)	(189.027)
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	144.866.872	103.063.717
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	32.751	157.781
5 Potential credit risk amount of derivative financial assets and credit derivatives	38.586	31.543
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	71.337	189.324
Financing transactions secured by marketable security or commodity		
7 Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	3.021.993	600.159
8 Risk amount arising from intermediary transactions	-	-
9 Total risk amount of financing transactions secured by marketable security or commodity (sum of lines 7 and 8)	3.021.993	600.159
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	25.556.695	20.035.331
11 (Correction amount due to multiplication with credit conversion rates)	(31.950)	(30.750)
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	25.524.745	20.004.581
Capital and total risk		
13 Core Capital	7.485.933	4.060.873
14 Total risk amount (sum of lines 3, 6, 9 and 12)	173.484.947	123.857.781
Leverage ratio		
15 Leverage ratio (%)	4,32	3,30

(*) The average of the last three months in the related periods

VII. Explanations on presentation of consolidated financial assets and liabilities at fair value:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

VIII. Explanations regarding the activities carried out on behalf and account of other persons:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

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IX. Explanations on consolidated risk management:

Notes and explanations in this section have been prepared in accordance with the Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks that have been published in Official Gazette numbered 29511 dated October 23, 2015 and became effective as of March 31, 2016. The following tables which have to be presented on a quarterly basis have not been presented dated September 30, 2022 since the Group use the standard approach for the calculation of capital adequacy:

- RWA flow statements of credit risk exposures under the Internal Rating-Based approach ("IRB").
- RWA flow statements of CCR exposures under the Internal Model Method.
- RWA flow statements of market risk exposures under an Internal Model Approach.

a. Risk management strategy and weighted amounts:

a.1. Risk management strategy:

Not prepared in compliance with the "Regulation on Calculation of Risk Management Disclosures".

a.2. Risk weighted amounts:

		Risk Weighted Amount		Minimum capital requirement
		Current Period	Prior Period	Current Period
1	Credit risk (excluding counterparty credit risk) (CCR)	52.590.031	36.040.572	4.207.202
2	Standardised approach (SA)	52.590.031	36.040.572	4.207.202
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	51.778	60.985	4.142
5	Standardised approach for counterparty credit risk (SA-CCR)	51.778	60.985	4.142
6	Internal model method (IMM)	-	-	-
7	Basic risk weight approach to internal models	-	-	-
8	equity position in the banking account	-	-	-
9	Investments made in collective investment companies – look-through approach	-	-	-
10	Investments made in collective investment companies – mandate-based approach	-	-	-
11	Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
12	Settlement risk	-	-	-
13	Securitization positions in banking accounts	-	-	-
14	IRB ratings-based approach (RBA)	-	-	-
15	IRB Supervisory Formula Approach (SFA)	-	-	-
16	SA/simplified supervisory formula approach (SSFA)	-	-	-
17	Market risk	5.941.470	4.059.574	475.318
18	Standardised approach (SA)	5.941.470	4.059.574	475.318
19	Internal model approaches (IMM)	-	-	-
20	Operational Risk	4.463.968	3.513.036	357.117
21	Basic Indicator Approach	4.463.968	3.513.036	357.117
22	Standard Approach	-	-	-
23	Advanced measurement approach	-	-	-
24	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
25	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	63.047.247	43.674.167	5.043.779

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X. Explanations on consolidated business segments:

The Parent Bank operates in retail, commercial and corporate banking segments via profit/loss sharing method in accordance with its mission.

Current Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income (Net)	(767.464)	4.871.564	3.521.845	103.876	7.729.821
Operating Expenses ^(*)	(1.212.247)	(3.462.196)	(592.562)	(603.016)	(5.870.021)
Operating Income/Expenses	(1.979.711)	1.409.368	2.929.283	(499.140)	1.859.800
Profit/(Loss) Before Tax	(1.979.711)	1.409.368	2.929.283	(499.140)	1.859.800
Tax Income (Expense)	-	-	-	(496.998)	(496.998)
Current Year Profit/(Loss)	(1.979.711)	1.409.368	2.929.283	(996.138)	1.362.802
Total Assets	5.095.858	68.704.224	69.536.064	4.010.557	147.346.703
Total Liabilities	84.267.502	43.913.420	10.862.867	8.302.914	147.346.703

Prior Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income (Net)	(163.644)	1.568.083	733.637	276.337	2.414.413
Operating Expenses ^(*)	(853.391)	(904.220)	(436.471)	(1.387)	(2.195.469)
Operating Income/Expenses	(1.017.035)	663.863	297.166	274.950	218.944
Profit/(Loss) Before Tax	(1.017.035)	663.863	297.166	274.950	218.944
Tax Income (Expense)	-	-	-	19.150	19.150
Current Year Profit/(Loss)	(1.017.035)	663.863	297.166	294.100	238.094
Total Assets	4.505.547	54.710.653	46.176.835	4.631.413	110.024.448
Total Liabilities	61.601.748	34.385.240	8.752.365	5.285.095	110.024.448

^(*) Operating expenses have been allocated to business segments by using branch segment and number of branch employees allocation keys.

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SECTION FIVE

Explanations and notes on the consolidated financial statements

I. Explanations and notes related to consolidated assets:

1. a. Cash and balances with the Central Bank of Republic of Türkiye (CBRT):

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Foreign currency	200.834	1.899.424	158.510	1.636.898
CBRT	6.227.168	23.845.310	1.477.835	21.001.121
Other ^(*)	255.364	1.805.144	184.487	2.039.760
Total	6.683.366	27.549.878	1.820.832	24.677.779

^(*) Includes precious metals amounting to TL 545.710 (December 31, 2021: TL 528.804) and cash in transit amounting to TL 1.514.798 (December 31, 2021: TL 1.695.443) as of September 30, 2022.

b. Information related to CBRT:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	5.294.478	6.327.181	1.436.022	5.163.805
Unrestricted time deposit	-	-	-	-
Restricted time deposit ^(*)	932.690	17.518.129	41.813	15.837.316
Total	6.227.168	23.845.310	1.477.835	21.001.121

^(*) As of September 30, 2022, the reserve requirement held in standard gold is TL 3.348.540 (December 31, 2021: TL 3.135.299)

In accordance with the "Communiqué Regarding the Reserve Requirements numbered 2005/1", banks operating in Türkiye are required to maintain reserves in CBRT for TL and foreign currency liabilities. According to the Communiqué Regarding the Reserve Requirements, reserve requirements can be maintained in TL, USD and/or EURO and standard gold.

As per the regulation by CBRT dated November 27, 2020, the commission is paid to CBRT from foreign exchange reserves except USD kept at required reserves and foreign exchange call deposits.

As of September 30, 2022, the compulsory rates for the reserve deposits for Turkish Lira are implemented within an interval from 3% to 8% depending on maturity of deposits and the compulsory rates for the foreign currency liabilities are within an interval from 5% to 26% depending on maturity of deposits and other liabilities.

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I. Explanations and notes related to consolidated assets (continued):

c.1. Information on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic ^(*)	2.536.177	2.294.580	1.531.688	1.039.578
Abroad	-	4.407.847	-	2.762.795
Foreign head offices and branches	-	-	-	-
Total	2.536.177	6.702.427	1.531.688	3.802.373

^(*) Includes blockaged amount TL 2.523.923 (December 31, 2021: TL 1.480.543) booked under TL accounts arising from POS transactions

c.2. Information on foreign bank accounts:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

2. Information on financial assets measured at fair value through profit/loss:

a. Information on financial assets measured at fair value through profit/loss subject to repurchase transactions and given as collateral or blocked:

As of September 30, 2022, there is not any investment amount subject to repurchase agreements (December 31, 2021: None).

As of September 30, 2022, the collateraled /blocked nominal investment amount is TL 120.000 (December 31, 2021: TL 6.916).

b. Information on financial assets measured at fair value through profit/loss:

	Current Period		Prior Period	
	TL	FC	TL	FC
Sukuk	3.378.678	7.494.047	915.941	6.850.650
Equity Securities	55.682	32.106	45.331	19.198
Others	911	11.841	1.814	19.794
Total	3.435.271	7.537.994	963.086	6.889.642

3. Information on financial assets measured at fair value through other comprehensive income:

a. Information on financial assets measured at fair value through other comprehensive income subject to repurchase transactions, given as collateral or blocked:

As of September 30, 2022, there is not any investment amount subject to repurchase agreements (December 31, 2021: None).

As of September 30, 2022, there is not any collateraled/blocked amount. (December 31, 2021: 99.011).

b. Detailed table of financial assets measured at fair value through other comprehensive income:

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt securities	619.722		733.943	
Quoted on a stock exchange	619.722		733.943	
Unquoted	-		-	
Investment Funds				
Quoted on a stock exchange	-		-	
Unquoted	-		-	
Share certificates	31.166		24.686	
Quoted on a stock exchange	-		-	
Unquoted	31.166		24.686	
Impairment provision (-)	9		6.271	
Total	650.879		752.358	

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I. Explanations and notes related to consolidated assets (continued):

4. Information on financial assets measured at amortised cost:

a. Information on financial assets measured at amortised cost subject to repurchase transactions, given as collateral or blocked:

As of September 30, 2022, there is not any amount subject to repurchase agreements (December 31, 2021: None)

As of September 30, 2022, the collateralized/blocked nominal amount is TL 3.985.480 (December 31, 2021: TL 539.107).

b. Information on related to government securities measured at amortised cost:

	Current Period	Prior Period
Government Bonds	-	-
Treasury Bills	-	-
Other Government Securities ^(*)	17.733.241	8.103.211
Total	17.733.241	8.103.211

^(*) Consists of Sukuk certificates issued by Ministry of Treasury and Finance of Türkiye.

c. Information related to financial assets measured at amortised cost:

	Current Period	Prior Period
Debt Securities	17.743.720	8.103.211
Quoted on a stock exchange	17.743.720	8.103.211
Unquoted	-	-
Impairment provision (-)	-	-
Total	17.743.720	8.103.211

ç. Movements of the financial investments measured at amortised cost:

	Current Period	Prior Period
Balance at beginning of period	8.103.211	3.224.800
Foreign currency differences on monetary assets	2.889.623	2.602.268
Purchases during period ^(*)	8.663.630	3.762.132
Disposals through sales and redemptions ^(*)	(2.219.004)	(1.510.652)
Impairment provision (-)	-	-
Reclassifications	-	-
Income accruals	306.260	24.663
Closing balance	17.743.720	8.103.211

^(*) Represented on nominal values

5. Information on derivative financial assets:

a. Table of positive differences related to derivative financial assets:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	6.647	-	32.030	-
Swap Transactions	9.091	-	56.455	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	15.738	-	88.485	-

The Parent Bank has not any derivative financial assets for hedging purposes (December 31, 2021: None).

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans:

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

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	57.624	5.235	102.174	5.591
Corporate shareholders	54.460	5.235	98.481	5.591
Real person shareholders	3.164	-	3.693	-
Indirect loans granted to shareholders	1.648.156	37.034	1.219.475	64.583
Loans granted to employees	47.693	37.800	20.765	39.800
Total	1.753.473	80.069	1.342.414	109.974

b. Information on standart loans and loans under close monitoring including restructured or rescheduled loans:

b1. Detailed table for standard loans and loans under close monitoring including restructured or rescheduled loans:

Current Period		Loans Under Close Monitoring		
		Not under the scope of restructuring or rescheduling	Restructured	
Cash Loans	Standard loans		Loans with revised contract terms	Refinancing
Loans				
Export loans	5.117.195	11.439	-	-
Import loans	4.166.944	140.004	-	-
Business loans	26.381.164	1.410.906	3.839.579	1.758.955
Consumer loans	4.654.191	91.574	2.499	-
Credit cards	1.081.147	15.579	56	-
Loans given to financial sector	2.487.677	155	-	-
Other ^(*)	16.797.283	314.258	240.442	-
Other receivables	-	-	-	-
Total	60.685.601	1.983.915	4.082.576	1.758.955

^(*) Details of other loans are provided below:

Commercial loans with installments	5.614.665
Other investment credits	3.069.452
Loans given to abroad	3.746.254
Profit and loss sharing investments ^(**)	4.221.011
Loans for purchase of marketable securities for customer	618.442
Other	82.159

Total	17.351.983
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^(**) As of September 30, 2022, the related balance represents profit and loss sharing investment projects (6 projects) which are real estate development projects in various regions of Istanbul and Ankara. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the Bank and the counterparty after the cost of the projects is clarified and net profit of projects is determined once the project/stages of the project are completed. In case the transaction subject to the profit and loss sharing investment project results in a loss, the Bank's share of loss is limited with the funds invested in the project by the Parent Bank. As of September 30, 2022, the profit and loss sharing investments are evaluated as financial assets measured at fair value through profit or loss based on December 31, 2021 valuation studies. Total cumulative valuation profit is TL 276.345 and valuation loss is TL 53.373 for profit and loss sharing investments.

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans (continued):

b. Information on standart loans and loans under close monitoring including restructured or rescheduled loans (continued):

b1. Detailed table for standard loans and loans under close monitoring including restructured or rescheduled loans (continued):

Prior Period		Loans Under Close Monitoring		
		Not Under the Scope of	Restructured	
		Restructuring or	Amendments to the	Refinancing
Cash Loans	Standard Loans	Rescheduling	Terms of Contracts	
Loans				
Export loans	3.692.880	16.226	-	-
Import loans	4.146.656	42.483	1.062	-
Business loans	21.053.122	1.684.456	1.503.531	1.722.322
Consumer loans	4.206.014	95.720	3.235	-
Credit cards	698.692	4.718	111	-
Loans given to financial sector	2.013.033	-	-	-
Other ^(*)	14.015.168	424.240	193.107	4.765
Other receivables	-	-	-	-
Total	49.825.565	2.267.843	1.701.046	1.727.087

^(*) Details of other loans are provided below:

Commercial loans with installments	3.625.314
Other investment credits	3.001.637
Loans given to abroad	3.570.730
Profit and loss sharing investments ^(**)	3.908.579
Loans for purchase of marketable securities for customer	470.413
Other	60.607
Total	14.637.280

^(*) As of December 31, 2021, the related balance represents profit and loss sharing investment projects (6 projects) which are real estate development projects in various regions of Istanbul and Ankara. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the Bank and the counterparty after the cost of the projects is clarified and net profit of projects is determined once the project/stages of the project are completed. In case the transaction subject to the profit and loss sharing investment project results in a loss, the Bank's share of loss is limited with the funds invested in the project by the Parent Bank. As of December 31, 2021, the profit and loss sharing investments are evaluated as financial assets measured at fair value through profit or loss, and net profit amounts to TL 37.360 for 2021 (TL 146.893 valuation profit, TL 109.533 valuation loss) between the total risk of the Parent Bank and independent valuation reports of the related projects is reflected to the profit and loss statement. Total cumulative valuation profit is TL 314.710 and valuation loss is TL 53.373 for profit and loss sharing investments.

b2. Information on expected credit losses for standard loans and loans under close monitoring:

Current Period	Standard Loans	Loans under close monitoring
12 Month Expected Credit Losses	221.188	-
Significant Increase in Credit Risk	-	1.381.299
Prior Period	Standard Loans	Loans under close monitoring
12 Month Expected Credit Losses	163.379	-
Significant Increase in Credit Risk	-	367.483

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans (continued):

c. Maturity analysis of cash loans:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks

ç. Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards:

Current Period	Short-term	Medium and long-term	Total
Consumer loans-TL	90.425	4.592.904	4.683.329
Housing loans	12.143	3.672.740	3.684.883
Vehicle loans	22.495	509.106	531.601
Consumer loans	55.787	411.058	466.845
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	27.185	27.185
Housing loans	-	12.901	12.901
Vehicle loans	-	-	-
Consumer loans	-	14.284	14.284
Other	-	-	-
Retail credit cards-TL	292.829	260	293.089
With installment	104.512	257	104.769
Without installment	188.317	3	188.320
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	31.946	5.804	37.750
Housing loans	-	319	319
Vehicle loans	-	3.428	3.428
Consumer loans	31.946	2.057	34.003
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TL	9.943	-	9.943
With installment	5.089	-	5.089
Without installment	4.854	-	4.854
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (real person)	-	-	-
Overdraft account-FC (real person)	-	-	-
Total	425.143	4.626.153	5.051.296

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I. Explanations and notes related to consolidated assets (continued):

ç. Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards (continued):

Prior Period	Short-term	Medium and long-term	Total
Consumer loans-TL	49.141	4.228.453	4.277.594
Housing loans	15.075	3.691.588	3.706.663
Vehicle loans	12.202	350.294	362.496
Consumer loans	21.864	186.571	208.435
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	13.812	13.812
Housing loans	-	1.756	1.756
Vehicle loans	-	-	-
Consumer loans	-	12.056	12.056
Other	-	-	-
Retail credit cards-TL	166.841	71	166.912
With installment	61.040	61	61.101
Without installment	105.801	10	105.811
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	11.590	1.973	13.563
Housing loans	-	781	781
Vehicle loans	38	1.068	1.106
Consumer loans	11.552	124	11.676
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TL	7.185	17	7.202
With installment	3.441	15	3.456
Without installment	3.744	2	3.746
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (Real Person)	-	-	-
Overdraft account-FC (Real Person)	-	-	-
Total	234.757	4.244.326	4.479.083

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I. Explanations and notes related to consolidated assets (continued):

d. Information on commercial loans with installments and corporate credit cards:

Current Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	945.778	3.626.920	4.572.698
Business loans	70.962	757.418	828.380
Vehicle loans	796.491	2.287.137	3.083.628
Consumer loans	78.325	582.365	660.690
Other	-	-	-
Commercial installment loans-FC indexed	-	27.991	27.991
Business loans	-	27.483	27.483
Vehicle loans	-	508	508
Consumer loans	-	-	-
Other	-	-	-
Commercial installment Loans-FC	25.739	988.237	1.013.976
Business loans	16.958	336.412	353.370
Vehicle loans	8.781	458.010	466.791
Consumer loans	-	193.815	193.815
Other	-	-	-
Corporate credit cards-TL	792.426	1.324	793.750
With installment	264.989	1.159	266.148
Without installment	527.437	165	527.602
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (legal entity)	-	-	-
Overdraft account-FC (legal entity)	-	-	-
Total	1.763.943	4.644.472	6.408.415

Prior Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	268.178	2.529.595	2.797.773
Business loans	14.249	504.203	518.452
Vehicle loans	223.941	1.615.073	1.839.014
Consumer loans	29.988	410.319	440.307
Other	-	-	-
Commercial installment loans-FC indexed	-	43.617	43.617
Business loans	-	37.760	37.760
Vehicle loans	-	3.068	3.068
Consumer loans	-	2.789	2.789
Other	-	-	-
Commercial installment Loans-FC	5.513	778.411	783.924
Business loans	-	177.360	177.360
Vehicle loans	5.513	413.436	418.949
Consumer loans	-	187.615	187.615
Other	-	-	-
Corporate credit cards-TL	526.903	2.393	529.296
With installment	178.587	2.105	180.692
Without installment	348.316	288	348.604
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	-	-	-
Overdraft account-FC (Legal Entity)	-	-	-
Total	800.594	3.354.016	4.154.610

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I. Explanations and notes related to consolidated assets (continued):

e. Allocation of loans by customers:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

f. Breakdown of domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	64.764.793	51.950.811
Foreign loans	3.746.254	3.570.730
Total	68.511.047	55.521.541

g. Loans granted to subsidiaries and associates:

	Current Period		Prior Period	
	TL	FC	TL	FC
Direct Loans Granted to Subsidiaries and Associates	-	-	-	-
Indirect Loans Granted to Subsidiaries and Associates	-	-	-	-
Total	-	-	-	-

ğ. Specific provisions for loans or provisions for default loans (stage 3):

	Current Period	Prior Period
Loans with limited collectability	207.167	346.715
Loans with doubtful collectability	299.663	325.046
Uncollectible loans	702.074	1.986.282
Total	1.208.904	2.658.043

Specific provisions in the amount of TL 1.208.904 (December 31, 2021: TL 2.658.043) comprise TL 386.837 (December 31, 2021: TL 973.778) of participation account share of loans provided from participation accounts.

h. Information on non-performing loans (net):

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

	Group III Loans with limited collectability	Group IV Loans with doubtful collectability	Group V Uncollectable loans
Current period			
Gross amount before specific provisions	-	20.595	94.138
Restructured loans	-	20.595	94.138
Prior period			
Gross amount before specific provisions	-	414	132.728
Restructured loans	-	414	132.728

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I. Explanations and notes related to consolidated assets (continued):

h.2. Movements of total non-performing loans:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current Period			
Closing balance of prior period	523.543	365.483	2.894.211
Additions in the current period (+)	1.139.755	106.225	605.410
Transfers from other categories of non-performing loans (+)	-	739.790	381.313
Transfers to other categories of non-performing loans (-)	739.790	381.313	-
Collections in the current period (-)	102.191	86.540	333.038
Transfers to standard loans and write off (-)(*)	541.139	361.625	2.513.115
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	280.178	382.020	1.034.781
Provisions (-)	207.167	299.663	702.074
Net balance at the balance sheet	73.011	82.357	332.707

(*) According to "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated November 27, 2019 numbered 3096, the amount which has been carried to performing loans is TL 56.487. Since there is no reasonable expectation regarding its recovery, TL 3.359.392 has been deleted from the accounting records in the scope of the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" together with its 100% specific provision. The impact of the write-off under TFRS 9 on the NPL ratio is 441 basis points.

Non-performing loans in the amount of TL 1.696.979 comprise TL 667.248 of participation account share of loans provided from participation accounts.

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectable loans and receivables
Prior Period			
Closing balance of prior period	193.865	240.360	1.611.051
Additions in the current period (+)	604.783	291.007	1.562.727
Transfers from other categories of non-performing loans (+)	-	237.812	343.703
Transfers to other categories of non-performing loans (-)	237.812	343.703	-
Collections in the current period (-)	32.517	56.711	373.802
Transfers to standard loans and write off (-)(*)	4.776	3.282	249.468
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	523.543	365.483	2.894.211
Specific provisions (-)	346.715	325.046	1.986.282
Net balance at the balance sheet	176.828	40.437	907.929

(*) According to "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated November 27, 2019 numbered 3096, the amount which has been carried to performing loans is TL 8.341. Since there is no reasonable expectation regarding its recovery, TL 249.185 has been deleted from the accounting records in the scope of the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" together with its 100% specific provision. The impact of the write-off under TFRS 9 on the NPL ratio is 39 basis points.

Non-performing loans in the amount of TL 3.783.237 comprise TL 1.627.858 of participation account share of loans provided from participation accounts.

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I. Explanations and notes related to consolidated assets (continued):

h.3. Non-performing loans and other receivables in foreign currencies:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current period:			
Period end balance	41.937	1.865	110.275
Provision (-)	29.683	1.418	106.374
Net balance	12.254	447	3.901
Prior period:			
Period end balance	328.762	273.061	817.947
Provision (-)	187.531	264.025	696.048
Net balance	141.231	9.036	121.899

h.4. Gross and net amounts of non-performing loans according to user groups:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current period (net)			
Loans to individuals and corporates (gross)	280.178	382.020	1.034.781
Provision (-)	207.167	299.663	702.074
Loans to individuals and corporates (net)	73.011	82.357	332.707
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	-
Provision (-)	-	-	-
Other loans (net)	-	-	-
Prior period (net)			
Loans to individuals and corporates (gross)	523.543	365.483	2.894.211
Provision (-)	346.715	325.046	1.986.282
Loans to individuals and corporates (net)	176.828	40.437	907.929
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (net)	-	-	-
Other loans (gross)	-	-	-
Provision (-)	-	-	-
Other loans (net)	-	-	-

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I. Explanations and notes related to consolidated assets (continued):

h.5. Information on accruals, valuation differences and related provisions calculated for non-performing loans for Banks which are providing expected credit loss according to TFRS 9:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current Period (Net)	33.287	8.605	153.685
Profit Share Accruals and Valuation Differences	65.063	8.667	277.689
Provision (-)	31.776	62	124.004
Prior Period (Net)	5.330	21.043	357.066
Profit Share Accruals and Valuation Differences	9.367	21.469	942.724
Provision (-)	4.037	426	585.658

i. Liquidation policy for uncollectable loans:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

i. Information on “Write-off” policies:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

7. Information on lease receivables (net):

a. Presentation of remaining maturities of funds lent under finance lease method:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than a year	130.829	118.147	168.950	158.920
1 to 4 years	709.321	625.068	617.544	563.304
More than 4 years	136.941	124.695	106.525	98.450
Total	977.091	867.910	893.019	820.674

b. Information on net investments through finance lease:

	Current Period	Prior Period
Financial lease receivables (Gross)	977.091	893.019
Unearned financial lease receivable (-)	109.181	72.345
Net receivable from financial leases	867.910	820.674

c. General explanation on finance lease contracts:

Finance lease contracts are realized in accordance with the related articles of Finance Lease, Factoring and Financing Companies Act numbered 6361. There are no restrictions due to finance lease contracts, no renewals or contingent rent payments that materially affect the financial statements.

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I. Explanations and notes related to consolidated assets (continued):

c. General explanation on finance lease contracts (continued):

Information on leasing receivables:

	Standard Loans	Loans Under Close Monitoring			
		Not Under the Scope of Restructuring or Rescheduling	Restructured		
			Loans with Revised Contract Terms	Refinancing	
Current Period					
Financial lease receivables (Net)	852.238	6.982	8.690	-	
Prior Period					
Financial lease receivables (Net)	774.305	38.705	7.664	-	

8. Information on assets held for sale and assets of discontinued operations:

Assets held for sale consist of tangible assets, which have been acquired due to non-performing loans.

	Current Period	Prior Period
Opening Balance	118.978	131.050
Additions	321.163	222.019
Disposals	(76.778)	(87.111)
Transfers (*)	(106.856)	(104.641)
Impairment Provision (-)/Reversal of Impairment Provision(*)	38.901	(42.339)
Net closing balance	295.408	118.978

(*) The transfers and impairments related to the transfers (if any) have been moved to assets to be sold under tangible assets.

As of September 30, 2022, TL 295.408 (December 31, 2021: TL 118.517) of the assets held for sale is comprised of real estates. There is no other tangible assets (December 31, 2021: TL 461). The Parent Bank has not any discontinued operations and assets of discontinued operations.

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments:

a. Associates:

a.1. Information on unconsolidated associates:

None (December 31, 2021: None).

a.2. Information on consolidated associates:

None (December 31, 2021: None).

b. Information on subsidiaries (net):

b.1. Information on unconsolidated non-financial subsidiaries:

The subsidiaries Albaraka Teknoloji Bilişim Sistemleri A.Ş., İnsha Ventures Teknoloji Geliştirme ve Pazarlama A.Ş and Albaraka Kültür Sanat ve Yayımcılık A.Ş of Parent Bank controlled Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Fonu have not been consolidated since they are non-financial subsidiaries. The financial information related to those companies as of September 30, 2022 is as follows:

Title	Operation Center (City/Country)	Main Activities	Capital	Share Percentage of the Fund (%)	Fair value of the amount invested by the Fund (*)
Albaraka Teknoloji Bilişim Sistemleri A.Ş.	İstanbul / Türkiye	Information Technologies	33.000	100	54.854
İnsha Ventures Teknoloji Geliştirme ve Paz. A.Ş.	İstanbul / Türkiye	Information Technologies	10.000	100	10.144
Albaraka Kültür Sanat ve Yayımcılık A.Ş	İstanbul / Türkiye	Publication	7.000	100	1.055

(*) The fair values are represented as of December 31,2021

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I. Explanations and notes related to consolidated assets (continued):

b. Information on subsidiaries (net) (continued):

b.1. Information on march subsidiaries (continued):

Natura Gıda Sanayi ve Ticaret A.Ş., which is a subsidiary of “Değer Girişim Sermayesi Yatırım Fonu” controlled by the Parent Bank, has not been consolidated since it is a non-financial entity.

Name	Address (City/Country)	Parent Bank's share percentage- If different voting percentage (%)	(Fund) Share Rate (%)
Natura Gıda Sanayi ve Ticaret A.Ş.	Istanbul/Türkiye	-	81,90

The balances of Natura Gıda Sanayi ve Ticaret A.Ş. presented in the table below have been obtained from the audited financial statements as of December 31, 2021.

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss
614.522	(678.784)	349.583	-	-	(375.134)	(821.254)

b.2. Information on consolidated subsidiaries:

Bereket Varlık Kiralama A.Ş. and Değer Varlık Kiralama A.Ş. which are subject to consolidation by the Parent Bank, the purpose of which are to obtain rental income by taking over the assets of the source institution and leasing them back to the source institution, issue rent certificates based on said rental income and pass on the related assets to source institution by the end of the rental period. Bereket Varlık Kiralama A.Ş. and Değer Varlık Kiralama A.Ş. have been founded to operate according to rulings of Turkish Trade Law about foundations of incorporations and complying with Communiqué on “Principles Related to Rent Certificates and Asset Leasing Companies” dated April 1, 2010 and numbered 27539 serial: 3 no:43 published in Official Gazette by Capital Markets Board of Türkiye and other related regulations. The founding capital of each company is TL 50. As of September 30, 2022, the capital of each company is TL 50. Bereket Varlık Kiralama A.Ş. and Değer Varlık Kiralama A.Ş. are consolidated using full consolidation method as of September 30, 2022.

i). The balances of Bereket Varlık Kiralama A.Ş. presented in the table below have been obtained from unreviewed financial statements as of September 30, 2022.

Name	Address (City/Country)	Parent Bank's share percentage-If different voting percentage (%)	Risk share percentage of other shareholders (%)
Bereket Varlık Kiralama A.Ş.	Istanbul/Türkiye	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
2.353.318	181	2	-	-	1	120	-

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

b.2. Information on consolidated subsidiaries (continued):

ii) The balances of Değer Varlık Kiralama A.Ş. presented in the table below have been obtained from unreviewed financial statements as of September 30, 2022.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Değer Varlık Kiralama A.Ş.	İstanbul / Türkiye	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
79.501	470	-	-	-	420	-	-

iii) In the Board of Directors meeting dated February 25, 2015, the Parent Bank has taken a resolution on establishment a real estate portfolio management company with the name of "Albaraka Gayrimenkul Portföy Yönetimi A.Ş. whose capital is TL 5.000. The company is registered on June 3, 2015 and the foundation of the company is published on Trade Registry Gazette dated June 9, 2015 numbered 8837. The title of the company was changed to "Albaraka Portföy Yönetimi A.Ş." upon the decision of "2018 Extraordinary General Assembly" dated December 20, 2017. As of September 30, 2022, the capital of the company is TL 45.000. The balances of Albaraka Portföy Yönetimi A.Ş. presented in the table below have been obtained from unreviewed financial statements as of September 30, 2022.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Albaraka Portföy Yön. A.Ş.	İstanbul/Türkiye	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
168.718	164.175	1.884	1.413	-	84.430	27.079	-

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

b.2. Information on consolidated subsidiaries (continued):

iv) Insha GMBH has been established in Berlin (Germany) in 2018 in order to provide digital participation banking services through the banking license of Solarisbank AG to collect funds through mentioned license (mudaraba method) and to evaluate funds in accordance with the interest-free finance principles of the signed contract. As of September 30, 2022, the capital of the company is EUR 5.982.255 (full balance in original currency) equivalent to TL 64.221 as historical cost in the Balance Sheet.

As of September 30, 2022, unreviewed financial statements of Insha GMBH is as follows:

Name	Address (City/Country)	Parent Bank's share percentage-If different voting percentage (%)	Risk share percentage of other shareholders (%)
Insha GMBH	Berlin / Germany	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
€1.296.180	€ 683.119	€ 550.035	-	-	€ (2.240.838)	€ (3.058.298)	-

v) Movement and Sectoral Information on consolidated subsidiaries:

	Current Period	Prior Period
Amount at the beginning of the period	23.411	23.411
Movements inside the term	45.910	-
Purchases/new incorporations/capital increases	45.910	-
Bonus shares	-	-
Profit received from current year share	-	-
Sales	-	-
Revaluation increases	-	-
Impairments	-	-
Amount at the end of the period	69.321	23.411
Capital commitments	-	-
Share of the capital at the end of the period (%)	100	100

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	69.321	23.411

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

c. Information on investments in joint- ventures:

c.1. Information on unconsolidated investments in joint-ventures:

The Group does not have unconsolidated investments in joint-ventures as of the balance sheet date.

c.2. Information on consolidated investments in joint- ventures:

The Parent Bank founded Katılım Emeklilik ve Hayat A.Ş. ("Company") a private pension and insurance company through equal partnership with Kuveyt Turk Katılım Bankası A.Ş. in the form of joint venture in accordance with Board of Directors' decision dated May 10, 2013 numbered 1186, and permission of BRSA dated September 24, 2013 numbered 4389041421.91.11-24049. The Company was registered on December 17, 2013 and noticed in Trade registry gazette dated December 23, 2013 and numbered 8470. As of September 30, 2022, Katılım Emeklilik ve Hayat A.Ş. has been consolidated by the Parent Bank using equity method. The financial data from unreviewed financial statements as of September 30, 2022 are below:

Joint-Ventures	The Parent Bank's shareholding percentage (%)	Group's shareholding percentage (%)	Current Assets	Non-Current Assets	Long Term Debts	Income	Expense
Katılım Emeklilik ve Hayat A.Ş.	%50	%50	588.215	8.801.104	8.849.656	405.200	316.160

c.3. Information on consolidated investment funds:

The financial information of the investment funds consolidated by the Parent Bank using full consolidation method as of September 30, 2022 are as follows:

Investment Funds	Share of Parent Bank (%)	Share of Group (%)	Investment Amount of the Parent Bank(TL)	Income	Expenses	Net Profit /(Loss)
Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu ^(*)	46,27	46,27	618.431	304.432	15.530	288.902
Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu ^(*)	63,90	69,07	348.164	98.247	8.463	89.784
Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu ^(*)	10,70	19,59	93.392	60.231	7.219	53.012
Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu ^(*)	52,79	52,79	27.258	4.970	1.018	3.952
Albaraka Portföy Yönetimi A.Ş. Start-Up Girişim Sermayesi Yatırım Fonu ^(*)	13,65	54,76	6.672	5.348	462	4.886
Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu ^(*)	3,11	20,41	2.692	(1.110)	1.455	(2.565)
Albaraka Portföy Yönetimi A.Ş. Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu ^(*)	0,00	99,99	-	82.624	4.197	78.427

^(*) Relevant financial data have been obtained from unreviewed financial tables.

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I. Explanations and notes related to consolidated assets (continued):

10. Information on tangible assets:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

11. Information on intangible assets:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

12. Information on investment property:

	Current Period		Prior Period	
	TL	FC	TL	FC
Investment properties (*)	1.218.338	-	1.035.405	-
Total	1.218.338	-	1.035.405	-

(*) Includes investment properties of “Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu” and “Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu”

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I. Explanations and notes related to consolidated assets (continued):

13. Information related to deferred tax asset:

As of September 30, 2022, the Group calculated net deferred tax asset of TL 292.611 (December 31, 2021: TL 489.049) by netting off deferred tax asset of TL 693.838 (December 31, 2021: TL 631.449) and deferred tax liability of TL 401.227 (December 31, 2021: TL 142.400) on all tax deductible/taxable temporary differences arising between the carrying amounts and the tax base of assets and liabilities in the financial statements that will be considered in the calculation of taxable earnings in the future periods.

	Current Period	Prior Period
Rediscount on profit share and prepaid fees and commission income and unearned revenues	92.119	79.209
Provisions for retirement premium and vacation pay liabilities	39.327	30.142
Difference between carrying value and tax base of tangible assets (amortization differences)	75.784	46.991
Depreciation of tangible assets	53.447	45.110
Provisions for cases on trial	10.730	6.811
Provisions	363.782	70.461
Leasing profit share expenses	53.026	33.226
Other ^(*)	5.623	319.499 ^(*)
Deferred tax asset	693.838	631.449
Revaluation difference of property	106.114	41.415
Rediscount on profit share	142.767	9.577
Right of use assets	101.439	60.625
Derivative financial liabilities	3.934	17.697
Other ^(**)	46.973	13.086
Deferred tax liability	401.227	142.400
Deferred tax asset (net)	292.611	489.049

^(*) Includes tax assets of TL 289.473 calculated from prior period financial losses.

^(**) TL 41.828 includes the deferred tax liability of securities revaluation difference at fair value through other comprehensive income. (31 Aralık 2021: 6.133 TL)

14. Information on other assets:

As of the balance sheet date, the Group's other assets balance is TL 2.103.573 (December 31, 2021: TL 910.190) and does not exceed 10% of balance sheet total excluding off balance sheet commitments.

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II. Explanations and notes related to consolidated liabilities:

1. Information on funds collected:

a. Information on maturity structure of funds collected:

Current Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts Non-Trade TL	4.070.471	-	-	-	-	-	-	-	4.070.471
II. Real Persons Participation Accounts Non-Trade TL	-	2.535.734	15.633.048	1.125.674	-	18.084	3.715.870	12.888	23.041.298
III. Current Account other-TL	5.053.260	-	-	-	-	-	-	-	5.053.260
Public Sector	126.403	-	-	-	-	-	-	-	126.403
Commercial Institutions	4.685.029	-	-	-	-	-	-	-	4.685.029
Other Institutions	204.705	-	-	-	-	-	-	-	204.705
Commercial and Other Institutions	11.922	-	-	-	-	-	-	-	11.922
Banks and Participation Banks	25.201	-	-	-	-	-	-	-	25.201
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	25.178	-	-	-	-	-	-	-	25.178
Participation Banks	21	-	-	-	-	-	-	-	21
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	624.017	7.489.622	950.484	-	21.696	1.569.148	10	10.654.977
Public Sector	-	18	131	-	-	-	-	-	149
Commercial Institutions	-	580.027	7.056.510	909.599	-	21.674	1.564.944	10	10.132.764
Other Institutions	-	43.972	352.282	40.885	-	22	4.204	-	441.365
Commercial and Other Institutions	-	-	74.097	-	-	-	-	-	74.097
Banks and Participation Banks	-	-	6.602	-	-	-	-	-	6.602
V. Real Persons Current Accounts Non-Trade FC	21.609.210	-	-	-	-	-	-	-	21.609.210
VI. Real Persons Participation Accounts Non-Trade FC	-	9.025.865	11.234.538	1.140.632	-	82.648	3.579.036	17.895	25.080.614
VII. Other Current Accounts FC	17.277.059	-	-	-	-	-	-	-	17.277.059
Residents in Türkiye-Corporate	9.774.108	-	-	-	-	-	-	-	9.774.108
Residents Abroad-Corporate	6.286.681	-	-	-	-	-	-	-	6.286.681
Banks and Participation Banks	1.216.270	-	-	-	-	-	-	-	1.216.270
Central Bank of Türkiye	223.922	-	-	-	-	-	-	-	223.922
Domestic Banks	94	-	-	-	-	-	-	-	94
Foreign Banks	991.826	-	-	-	-	-	-	-	991.826
Participation Banks	428	-	-	-	-	-	-	-	428
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other- FC	-	1.020.090	1.660.616	43.464	-	28.024	80.126	711	2.833.031
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	710.805	1.204.597	31.656	-	227	42.756	711	1.990.752
Other institutions	-	88.815	18.461	224	-	-	-	-	107.500
Commercial and Other Institutions	-	220.470	437.558	11.584	-	-	37.370	-	706.982
Banks and Participation Banks	-	-	-	-	-	27.797	-	-	27.797
IX. Precious Metals Deposits	7.634.461	942.545	2.166.866	70.701	-	3.512	123.127	2.719	10.943.931
X. Participation Accounts Special Fund Pools TL	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+....+IX+X+XI)	55.644.461	14.148.251	38.184.690	3.330.955	-	153.964	9.067.307	34.223	120.563.851

Foreign exchange-protected participation account instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL participation accounts are valued with profit rates and are protected against changes in foreign exchange rates, is offered to the Parent Bank customers. Within this scope, as of September 30,2022, TL participation accounts include TL 21.759.919 foreign exchange-protected participation accounts.

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II. Explanations and notes related to consolidated liabilities (continued):

1. Information on funds collected (continued):

a. Information on maturity structure of funds collected (continued):

Prior Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts Non-Trade TL	4.001.458	-	-	-	-	-	-	-	4.001.458
II. Real Persons Participation Accounts Non-Trade TL	-	3.113.067	5.518.589	161.758	-	22.416	504.010	12.734	9.332.574
III. Current Account other-TL	3.712.855	-	-	-	-	-	-	-	3.712.855
Public Sector	84.792	-	-	-	-	-	-	-	84.792
Commercial Institutions	3.423.766	-	-	-	-	-	-	-	3.423.766
Other Institutions	155.487	-	-	-	-	-	-	-	155.487
Commercial and Other Institutions	31.794	-	-	-	-	-	-	-	31.794
Banks and Participation Banks	17.016	-	-	-	-	-	-	-	17.016
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	17.000	-	-	-	-	-	-	-	17.000
Participation Banks	14	-	-	-	-	-	-	-	14
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	821.395	1.994.941	137.709	-	12.031	167.947	120	3.134.143
Public Sector	-	10	110	-	-	-	-	-	120
Commercial Institutions	-	767.040	1.598.806	135.664	-	12.024	165.558	120	2.679.212
Other Institutions	-	54.344	321.138	2.045	-	7	2.389	-	379.923
Commercial and Other Institutions	-	1	24.445	-	-	-	-	-	24.446
Banks and Participation Banks	-	-	50.442	-	-	-	-	-	50.442
V. Real Persons Current Accounts Non- Trade FC	16.580.053	-	-	-	-	-	-	-	16.580.053
VI. Real Persons Participation Accounts Non-Trade FC	-	7.392.746	11.689.171	984.545	-	73.865	3.091.153	10.588	23.242.068
VII. Other Current Accounts FC	16.467.583	-	-	-	-	-	-	-	16.467.583
Residents in Türkiye-Corporate	10.655.873	-	-	-	-	-	-	-	10.655.873
Residents abroad-Corporate	4.369.003	-	-	-	-	-	-	-	4.369.003
Banks and Participation Banks	1.442.707	-	-	-	-	-	-	-	1.442.707
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	78	-	-	-	-	-	-	-	78
Foreign Banks	1.442.303	-	-	-	-	-	-	-	1.442.303
Participation Banks	326	-	-	-	-	-	-	-	326
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other-FC	-	1.246.953	4.051.953	28.420	-	29.869	34.009	2.014	5.393.218
Public Sector	-	-	-	-	-	-	-	-	-
Commercial Institutions	-	835.571	3.394.400	21.434	-	9.968	33.959	2.014	4.297.346
Other Institutions	-	22.336	33.812	14	-	-	-	-	56.162
Commercial and Other Institutions	-	389.046	425.304	6.972	-	-	50	-	821.372
Banks and Participation Banks	-	-	198.437	-	-	19.901	-	-	218.338
IX. Precious Metals Deposits	5.520.205	1.015.474	2.487.785	140.218	-	43.979	128.270	8.798	9.344.729
X. Participation Accounts Special Fund Pools TL	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	46.282.154	13.589.635	25.742.439	1.452.650	-	182.160	3.925.389	34.254	91.208.681

Foreign exchange-protected participation account instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL participation accounts are valued with profit rates and are protected against changes in foreign exchange rates, is offered to the Parent Bank customers. Within this scope, as of December 31,2021, TL participation accounts include TL 1.002.062 foreign exchange-protected participation accounts.

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II. Explanations and notes related to consolidated liabilities (continued):

b. Information on participation fund under the guarantee of insurance:

b.1. Under the guarantee of Insurance and Exceeding the limit of insurance fund ^(*):

Information on real persons' current and participation accounts not subject to trading transactions under the guarantee of insurance and exceeding the limit of Insurance Fund:

	Under the guarantee of Insurance	Under the guarantee of Insurance	Exceeding the guarantee of Insurance	Exceeding the guarantee of Insurance
	Current Period	Prior Period	Current Period	Prior Period
Real persons' current and participation accounts not subject to trading transactions				
Turkish Lira accounts	8.396.421	6.207.822	18.715.345	7.126.212
Foreign currency accounts	10.948.764	8.600.262	45.461.312	38.238.727
Foreign branches' deposits subject to foreign authorities' insurance	-	-	-	-
Off-shore deposits under foreign authorities' insurance	-	-	-	-

(*) In accordance with the "Regulation on Amending the Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated August 27, 2022 and numbered 31936, official institutions in the presence of credit institutions, credit institutions and financial institutions other than those belonging to the credit institutions all deposit and participation funds have been insured. In this context, commercial current and participation accounts covered by the insurance amount to TL 10.962.846 and the said amount is not included in the footnote.

Funds collected by Participation Banks (except foreign branches) from current and participation accounts denominated in Turkish Lira or foreign currency up to a limit of maximum TL 200 (including both capital and profit shares) for each real person is under the guarantee of Saving Deposit Insurance Fund in accordance with the Banking Law numbered 5411.

b.2. Funds collected which are not under the guarantee of insurance fund:

Funds collected of real persons, which are not under the guarantee of insurance fund:

	Current Period	Prior Period
Foreign Branches' Profit Sharing Accounts and Other Accounts	334.557	312.319
Profit Sharing Accounts and Other Accounts of Controlling Shareholders and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	-	-
Profit Sharing Accounts and Other Accounts of Chairman and Members of Board Of Directors or Managers, General Manager and Assistant General Managers and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	42.002	39.825
Profit Sharing Accounts and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Profit Sharing Accounts in Participation Banks Established in Türkiye in order to engage solely in Off-Shore Banking Activities	-	-

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II. Explanations and notes related to consolidated liabilities (continued):

2. Information on borrowings:

a.1. Information on types of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Syndication Loans	-	-	-	-
Wakala Loans	-	3.013.081	-	1.249.451
Other	71.992	432.127	53.707	841.377
Total	71.992	3.445.208	53.707	2.090.828

a.2. Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from CBRT	-	-	-	-
Loans from domestic banks and institutions	71.992	9.769	53.707	465.339
Loans from foreign banks, institutions and funds	-	3.435.439	-	1.625.489
Total	71.992	3.445.208	53.707	2.090.828

a.3. Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	71.992	3.440.887	53.707	2.007.533
Medium and Long-Term	-	4.321	-	83.295
Total	71.992	3.445.208	53.707	2.090.828

b. Additional disclosures on concentration areas of The Parent Bank's liabilities:

The Parent Bank does not have concentration on customer or sector group providing funds (December 31, 2021: None).

3. Information on securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Sukuk issued	2.130.509	-	3.065.049	-
Total	2.130.509	-	3.065.049	-

4. Information on derivative financial liabilities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	17.729	-	20.861	-
Swap transactions	-	-	159.624	6.769
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	17.729	-	180.485	6.769

The Parent Bank has not any derivative financial liabilities for hedging purposes (December 31, 2021: None).

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II. Explanations and notes related to consolidated liabilities (continued):

5. Lease payables:

	Current Period		Prior Period	
	TL	FC	TL	FC
Less than a year	11.021	-	4.631	-
1 to 5 years	128.291	23.988	108.401	-
Over 5 years	261.099	210	214.808	21.774
Total	400.411	24.198	327.840	21.774

6. Information on provisions:

a. Information on provisions for employee rights:

The Group's provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 137.883 (December 31, 2021: TL 130.540), vacation pay liability amounting to TL 19.476 (December 31, 2021: TL 17.764), totaling to TL 157.359 (December 31, 2021: TL 148.304). Provisions for performance premium have not been allocated in the current period. (December 31, 2021: 1.250 TL). The Group has calculated the reserve for employee termination benefits using actuarial valuation methods as indicated in TAS 19. Accordingly, following actuarial assumptions were used in the calculation of the total liability.

	Current Period	Prior Period
Discount rate (%)	14,50	14,50
Estimated increase rate of salary ceiling (%)	10,00	10,00

Movement of the reserve for employment termination benefits in the balance sheet is as follows:

	Current Period	Prior Period
Prior period ending balance	130.540	121.163
Amount of provision during the period	7.343	25.327
Actuarial (gain)/loss	-	(15.950)
Balance at the end of the period	137.883	130.540

b. Other provisions:

	Current Period	Prior Period
Non-cash loans first and second stage expected loss provisions	23.021	16.435
Provisions allocated from profit shares to be distributed to profit sharing accounts	6.501	2.957
Third stage expected loss provision for unindemnified letter of guarantees	21.684	3.881
Third stage expected loss provision for cheques commitments	4.743	4.002
Provision for promotions related with credit cards and promotion of banking services	394	283
Provisions for cases on trial	42.921	34.057
Accrual for purchase and sale commitments	1.056	1.583
Free provisions allocated for possible losses ^(*)	800.000	100.000
Other	1.164	1.239
Total	901.484	164.437

^(*)Includes free provision amounting to TL 800.000, which is set aside by the Parent Bank's management apart from the requirements of the BRSA Accounting and Financial Reporting Legislation. (December 31, 2021: 100.000 TL).

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II. Explanations and notes related to consolidated liabilities (continued):

6. Information on provisions:

c. Information on provisions for foreign exchange losses on foreign currency indexed loans and financial lease receivables:

As of September 30, 2022, there is no provision for exchange losses in foreign currency indexed loans and financial lease receivables (December 31, 2021: None).

7. Information on taxes payable:

a. Explanations on current tax liability:

a.1. Explanations on tax provisions:

As of September 30, 2022, the Group's has remaining tax liability after offsetting prepaid corporate tax amount to TL 2.739 (December 31, 2021: TL 21.647).

a.2. Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	2.739	21.647
Banking insurance transaction tax	35.709	26.333
Taxation on securities income	13.856	18.094
Value added tax payable	3.190	9.343
Taxation on real estate income	1.813	1.371
Foreign exchange transaction tax	8.020	17.031
Income tax deducted from wages	19.757	14.717
Other	3.999	2.611
Total	89.083	111.147

a.3. Information on premiums:

	Current Period	Prior Period
Social security premiums-employee	11.222	6.766
Social security premiums-employer	12.560	7.447
Bank pension fund premium-employee	-	-
Bank pension fund premium-employer	-	-
Pension fund membership fees and provisions-employee	-	-
Pension fund membership fees and provisions-employer	-	-
Unemployment insurance-employee	799	482
Unemployment insurance-employer	1.599	963
Other	-	-
Total	26.180	15.658

8. Liabilities for assets held for sale and discontinued operations:

None (December 31, 2021: None).

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II. Explanations and notes related to consolidated liabilities (continued):

9. Detailed explanations on number, maturity, profit share rate, creditor and option to convert to share certificates; if any; of subordinated loans:

Information on subordinated loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments to be included in calculation of	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
Debt instruments to be included in calculation of Tier II	-	4.761.513	-	3.119.354
Subordinated loans	-	4.761.513	-	3.119.354
Subordinated debt instruments	-	-	-	-
Total	-	4.761.513	-	3.119.354

The Parent Bank has obtained subordinated loan on November 30, 2015 from the investors not resident in Türkiye through its structured entity Albaraka Sukuk Ltd. amounting to USD 250.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the subordinated loan with grace period of 5 years with 10 years total maturity was determined as 10,50 % for the first 5 years and 9,371% for the last 5 years (from May 2021). The Parent Bank has realized undated additional Tier 1 Capital amount to USD 205.000.000 on February 20, 2018.

10. Breakdown of items in other liabilities, which exceed 10% of the balance sheet total, and breakdown of items, which constitute at least 20% of grand total:

None (December 31, 2021: None).

11. Information on shareholders' equity:

a. Presentation of paid-in capital:

	Current Period	Prior Period
Common stock	2.500.000	1.350.000
Preferred stock	-	-

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

In the Board of Directors meeting dated February 28, 2013, the Parent Bank has taken a resolution on transition to registered capital system. The application dated January 22, 2021 for the extension of the Registered Capital Ceiling to the Capital Markets Board has been approved on January 28, 2021 and the registered capital ceiling was determined as TL 2.500.000 to be valid until December 31, 2025.

Share Capital System	Paid-in Capital	Ceiling
Registered Capital	2.500.000	2.500.000

c. Information on the share capital increases during the period and their sources; other information on increased capital in the current period:

Information on the capital increase in the current period is as follows:

Date of increase	Increased Amount	Cash	Profit Reserves subjected to Increase	Capital Reserves subjected to Increase
31.05.2022	1.150.000 TL	1.150.000 TL	-	-

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II. Explanations and notes related to consolidated liabilities (continued):

11. Information on shareholders' equity (continued):

ç. Information on share capital increases from capital reserves during the current period:

There is no share capital increase from capital reserves during the current period.

d. Capital commitments in the last fiscal year and by the end of the following interim period, general purpose of these commitments and projected resources required to meet these commitments:

There are no capital commitments until the end of the last fiscal year and following interim period.

e. Estimated effects on the shareholders equity of the Parent Bank, of predictions to be made by taking into account previous period indicators regarding the Parent Bank's income, profitability and liquidity, and uncertainties regarding such indicators:

The Parent Bank continues its operations in a profitable manner and majority of the profits are kept in shareholders' equity through transfer to reserves. Moreover, the Parent Bank's shareholders' equity is invested in liquid and earning assets.

f. Information on privileges given to stocks representing the capital:

There is no privilege given to stocks representing the capital.

g. Information on marketable securities valuation reserve:

	Current Period		Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	-	-	-	-
Valuation difference (*)	125.026	(34)	11.641	6.760
Foreign exchange difference	-	-	-	-
Total	125.026	(34)	11.641	6.760

(*) The amount represents the net balance after deferred tax calculation.

ğ. Information on other capital reserves:

The Parent Bank has evaluated its undated sukuk transaction as non-monetary item as per TAS 32 which is issued by "Bereket One Ltd" quoted at Ireland Stock Exchange amount to USD 205.000.000 (Historical cost is TL 775.720) and compatible with Basel III criteria. In addition to this evaluation, considering BRSA's approval to add it to additional Tier 1 capital dated February 20, 2018, the Parent Bank recognized it in shareholders' equity under "other capital reserves" on historical cost. The settlement date of the sukuk transaction is February 20, 2023 and its yearly cost is 10% with every six-month payment. The Parent Bank has option to cancel the expense amounts. If the Parent Bank uses this option, it is not obligatory to pay the amount it has not paid in the following periods.

The total coupon payment for the related transaction amounting to TL 792.205 (December 31, 2021: TL 468.589) has been recognized under prior years profit / loss.

h. Information on minority shares:

As of September 30, 2022, minority shares calculated for full-consolidated uncontrolled shares amount to TL 1.778.520 (December 31, 2021: TL 1.943.910).

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III. Explanations and notes related to consolidated off-balance sheet:

1. Explanations on consolidated off-balance sheet:

a. Type and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card limits	1.657.771	1.059.919
Payment commitments for cheques	1.060.408	834.732
Asset purchase and sale commitments	697.303	927.624
Loan granting commitments	599.482	655.296
Tax and funds liabilities arising from export commitments	24.133	17.234
Commitments for promotions related with credit cards and banking activities	1.013	555
Other irrevocable commitments	562	552
Other revocable commitments	35.500	39.500
Total	4.076.172	3.535.412

b. Type and amount of possible losses and commitments arising from off-balance sheet items:

b.1. Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letters of credit:

	Current Period	Prior Period
Letters of guarantees	16.149.878	12.371.236
Bank loans	51.078	99.278
Letters of credit	4.740.612	4.898.399
Other guaranties and sureties	63.244	34.387
Total	21.004.812	17.403.300

b.2. Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period	Prior Period
Letters of guarantees	16.149.878	12.371.236
Long standing letters of guarantees	11.633.169	8.421.227
Temporary letters of guarantees	420.275	294.638
Advance letters of guarantees	923.001	803.105
Letters of guarantees given to customs	899.642	654.451
Letters of guarantees given for obtaining cash loans	2.273.791	2.197.815
Sureties and similar transactions	63.244	34.387
Total	16.213.122	12.405.623

c. Within the non-cash loans:

c.1. Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	2.273.791	2.197.815
With original maturity of 1 year or less	753.414	662.573
With original maturity of more than 1 year	1.520.377	1.535.242
Other non-cash loans	18.731.021	15.205.485
Total	21.004.812	17.403.300

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III. Explanations and notes related to consolidated off-balance sheet (continued):

1. Explanations on consolidated off-balance sheet (continued):

c.2. Sectoral risk concentration of non-cash loans:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

c.3. Information on the non-cash loans classified in Group I and Group II:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

2. Explanations on derivative transactions:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

3. Explanations on contingent assets and liabilities:

Not prepared in compliance with the Article 25 of the Communiqué “Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks”.

4. Explanations on services rendered on behalf of third parties:

The Group has not any operations like money placements on behalf of real persons or legal entities, charitable foundations, retirement insurance funds and other institutions.

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IV. Explanations and notes related to the consolidated statement of profit or loss:

1. Information on profit share income:

a. Information on profit share income received from loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share received from loans^(*)				
Short Term Loans	1.654.474	208.457	643.602	133.380
Medium and Long-Term Loans	2.438.000	775.610	1.444.583	528.771
Profit Share on Non-Performing Loans	66.198	3.714	87.971	3.279
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	4.158.672	987.781	2.176.156	665.430

^(*) Includes fees and commission income on cash loans.

b. Information on profit share income received from banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
CBRT	47.503	-	92.845	-
Domestic Banks	161	-	256	-
Foreign Banks	-	-	-	-
Head Offices and Branches Abroad	-	-	-	-
Total	47.664	-	93.101	-

c. Information on profit share income received from marketable securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss	782.057	163.159	107.761	67.777
Financial Assets Measured at Fair Value through Other				
Comprehensive Income	146.605	18.564	80.844	19.006
Financial Assets Measured at Amortised Cost	357.538	408.751	88.548	102.118
Total	1.286.200	590.474	277.153	188.901

ç. Information on profit share income received from associates and subsidiaries:

None (September 30, 2021: None).

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

2. Explanations on profit share expenses:

a. Distribution of profit share expense on funds collected based on maturity of funds collected:

Current Period		Profit sharing accounts						Accumulated profit sharing account	Total
Account name	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	More than 1 year			
TL									
Funds collected from banks through current and profit-sharing accounts	-	25.994	-	-	-	-	-	25.994	
Real persons' non-trading profit sharing accounts	289.975	1.345.978	101.639	-	2.490	209.274	1.291	1.950.647	
Public sector profit-sharing accounts	2	12	-	-	-	-	-	14	
Commercial sector profit sharing accounts	64.298	342.869	315.862	-	51.012	18.531	1	792.573	
Other institutions profit sharing accounts	6.423	52.277	7.679	-	3	311	-	66.693	
Total	360.698	1.767.130	425.180	-	53.505	228.116	1.292	2.835.921	
FC									
Funds collected from banks through current and profit-sharing accounts	-	846	-	-	381	-	-	1.227	
Real persons' non-trading profit sharing accounts	46.351	66.126	8.090	-	489	27.566	173	148.795	
Public sector profit-sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	4.871	15.090	201	-	40	325	6	20.533	
Other institutions profit sharing accounts	1.416	4.657	50	-	-	411	-	6.534	
Precious metals deposits	1.226	4.312	189	-	19	570	8	6.324	
Total	53.864	91.031	8.530	-	929	28.872	187	183.413	
Grand total	414.562	1.858.161	433.710	-	54.434	256.988	1.479	3.019.334	
Prior Period		Profit sharing accounts						Accumulated profit sharing account	Total
Account name	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	More than 1 year			
TL									
Funds collected from banks through current and profit sharing accounts	-	67	417	-	-	-	-	484	
Real persons' non-trading profit sharing accounts	250.982	401.420	13.287	-	2.526	47.385	1.119	716.719	
Public sector profit sharing accounts	2	1	-	-	-	-	-	3	
Commercial sector profit sharing accounts	54.668	321.782	17.638	-	24.025	4.385	-	422.498	
Other institutions profit sharing accounts	6.163	39.520	408	-	55	1.013	-	47.159	
Total	311.815	762.790	31.750	-	26.606	52.783	1.119	1.186.863	
FC									
Funds collected from banks through current and profit sharing accounts	389	2.829	-	-	125	49	-	3.392	
Real persons' non-trading profit sharing accounts	39.542	69.016	6.503	-	466	20.286	40	135.853	
Public sector profit sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	6.168	40.156	2.603	-	1.924	234	12	51.097	
Other institutions profit sharing accounts	1.163	1.801	74	-	-	-	-	3.038	
Precious metals deposits	1.268	4.093	210	-	91	297	9	5.968	
Total	48.530	117.895	9.390	-	2.606	20.866	61	199.348	
Grand total	360.345	880.685	41.140	-	29.212	73.649	1.180	1.386.211	

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

b. Information on profit share expense paid to funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	38	41.691	157	36.843
CBRT	-	-	-	-
Domestic banks	-	678	-	1.304
Foreign banks	38	41.013	157	35.539
Head offices and branches abroad	-	-	-	-
Other institutions	8.152	319.045	6.819	153.430
Total	8.190	360.736	6.976	190.273

c. Profit share expense paid to associates and subsidiaries:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share paid to investments in associates and subsidiaries	370	-	620	-
Total	370	-	620	-

ç. Profit share expenses paid to marketable securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share expenses paid to marketable securities issued	350.111	-	619.176	-
Total	350.111	-	619.176	-

3. The Other Items in Net Fees and Commission Income / Expenses, which constitute at least 20% of the total of other items, if the total of other items in income statement exceed 10% of the total of income statement:

Other Fees and Commissions Received	Current Period	Prior Period
Member firm-POS fees and commissions	89.594	49.966
Clearing room fees and commissions	93.564	51.041
Commissions on money orders	80.900	37.396
Appraisal fees	18.202	10.490
Insurance and brokerage commissions	36.616	18.893
Checks and bills commissions	5.028	3.614
Safe deposit box commissions	3.038	2.411
Advocacy service commissions and counsel fee	6.894	1.221
Service pack commissions	18.380	9.048
Enquiry fees received	2.280	1.624
Fees and commissions from correspondent banks	4.126	3.258
Export credit commissions	18.184	6.651
Prepaid import commissions	60.696	33.063
Pledge Put and Mortgage Release Fees	2.294	2.044
Loan Limit Allocation Fees	31.818	16.203
Other	65.631	37.199
Total	537.245	284.122
Other Fees and Commissions Paid	Current Period	Prior Period
Funds borrowed fees and commissions	5.432	7.407
Credit cards fees and commissions	40.128	26.224
Member firm-POS fees and commissions	47.542	26.486
Fees and commissions for Swift, EFT and money orders	64.180	49.940
Required Reserves Commissions for CBRT in Foreign currency	1.006	1.225
Other	9.955	13.065
Total	168.243	124.347

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

4. Information on dividend income:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	497	204	52	-
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	774	-	-	-
Other	-	-	-	-
Total	1.271	204	52	-

5. Explanations on trading income/loss (net):

	Current Period	Prior Period
Income	41.136.655	22.121.860
Income from capital market transactions (*)	1.467.669	38.680
Income from derivative financial instruments	185.965	122.513
Foreign exchange income	39.483.021	21.960.667
Loss (-)	39.238.615	22.315.627
Loss on capital market transactions	293.635	148.258
Loss on derivative financial instruments	122.358	207.106
Foreign exchange losses	38.822.622	21.960.263
Trading Income/Loss (net)	1.898.040	(193.767)

6. Explanations related to other operating income:

	Current Period	Prior Period
Reversal of prior year provisions	880.345	696.211
Income from sale of assets	120.792	94.106
Communication income	30.654	15.232
Cheque book charges	2.978	2.155
Operating Lease Income	20.136	2.484
Real estate revaluation income(*)	316.138	51.228
Real estate rental income(*)	5.290	4.448
Real estate sales income(*)	86.070	35.943
Other income	95.721	10.785
Total	1.558.124	912.592

(*) Represents the income from real estates' portfolio under real estate investment funds.

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

7. Informations on Expected Credit Losses and Other Provision Expenses:

	Current Period	Prior Period
Expected Credit Loss	2.957.102	724.636
12 month expected credit loss (stage 1)	68.984	18.609
Significant increase in credit risk (stage 2)	1.113.059	19.451
Non-performing loans (stage 3)	1.775.059	686.576
Marketable Securities Impairment Expense	-	-
Financial Assets Measured at Fair Value through Profit/Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Impairment Provision for Associates, Subsidiaries and Joint Ventures	-	-
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Miscellaneous Provisions	173.843	452
Expected credit losses for 1st and 2nd group non-cash loans	7.169	195
Third stage expected loss provision for unindemnified non cash loans	34.088	-
Expected credit losses (stage 1) for banks	132.317	-
Profit and loss sharing investments' fair value provision.	-	-
Expected credit losses (stage 1) for other financial assets.	-	218
Expected credit losses for financial assets measured at amortized cost	269	39
Total	3.130.945	725.088

Expected credit losses amount to TL 3.130.945 (September 30, 2021: TL 725.088) includes TL 766.827 (September 30, 2021: TL 342.215) representing participation account share of expected credit losses of loans provided from participation accounts.

Information on Other Provision Expenses

	Current Period	Prior Period
Vacation pay provision expenses	1.712	1.425
Impairment on financial assets measured at fair value through profit/loss	137	3.528
Provisions for cases on trial	8.865	6.093
Free provisions allocated for possible losses	700.000	-
Provisions allocated from profit shares to be distributed to profit sharing accounts	4.439	1.973
Provisions for Profit Share to be Distributed	3.383	-
Total	718.536	13.019

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

8. Information on other operating expenses:

	Current Period	Prior Period
Provision for retirement pay liability	7.343	20.700
Deficit provision for pension fund	-	-
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	116.255	83.978
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	41.200	23.950
Impairment provision for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	-	-
Depreciation expenses of assets to be disposed	-	-
Impairment expenses of assets held for sale and assets of discontinued operations	6.505	46.481
Other business expenses	269.387	132.556
Leasing Expenses on TFRS 16 Exceptions	1.646	4.316
Maintenance and repair expenses	37.646	25.421
Advertisement expenses	12.820	3.106
Other expenses ^(*)	217.275	99.713
Loss on sale of assets	1.549	1.040
Other ^(**)	360.747	239.000
Total	802.986	547.705

^(*) Other expenses under "other business expenses" are provided as below:

	Current Period	Prior Period
Communication Expenses	45.419	27.090
Donations	6.513	6.637
Cleaning expenses	29.666	17.066
Heating, lighting and water expenses	33.809	11.292
Representation and Hosting expenses	9.304	5.858
Vehicle expenses	12.843	4.608
Lawsuit and court expenses	5.210	2.468
Movables Insurance Expenses	5.476	3.700
Stationery Expenses	5.275	2.126
Expense Share for Common Expenses	2.604	1.725
Subcontractor security service expenses	28.572	-
Cash and banknote group transportation service expenses	16.061	6.607
Other	16.523	10.536
Total	217.275	99.713

^(**) Details of "other" balance are provided as below:

	Current Period	Prior Period
Saving Deposit Insurance Fund	137.301	86.237
Taxes, Duties, Charges and Funds	106.041	62.889
Expertise and Information Expenses	20.458	14.548
Audit and Consultancy Fees	26.876	10.067
Institution and Union Participation Share Expense	15.357	11.438
Residence Expenses ^(*)	6.777	26.251
Shopping Mall expenses ^(*)	-	6.913
Real estate sales losses ^(*)	-	-
Other	47.937	20.657
Total	360.747	239.000

^(*) Represents the expenses from real estates' portfolio under real estate investment funds.

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

9. Explanations on income/loss from continued operations before taxes:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

10. Explanations on tax provision for continued and discontinued operations:

Since the Parent Bank has no discontinued operations, there is no tax provision for this purpose.

As of September 30, 2022, the Parent Bank has deferred tax income of TL 621.576 (September 30, 2021: TL 286.851) and deferred tax expense of TL 1.110.500 (September 30, 2021: TL 260.890). The current tax provision is TL 8.074 (September 30, 2021: TL 6.811).

11. Explanations on net income/loss from continued and discontinued operations:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

12. Explanations on net income/loss:

a. The nature and amount of certain income and expense items from ordinary operations; if the disclosure for nature, amount and repetition rate of such items is required for a complete understanding of the Parent Bank's performance for the period:

None.

b. The effect of the change in accounting estimates to the net income/loss; including the effects on the future period:

None.

c. Income/loss of minority shares:

	Current Period	Prior Period
Net profit/(loss) of minority shares	227.674	101.910

V. Explanations and notes related to the consolidated statement of changes in shareholders' equity:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

VI. Explanations and notes related to the consolidated statement of cash flows:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

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VII. Explanations related to the risk group of the Group:

1. Information on the volume of transactions relating to the Group's risk group, outstanding loans and funds collected and income and expenses related to the period:

a. Current period:

Risk Group of the Group ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect shareholders of the Group		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-Cash
Loans						
Balance at the beginning of the period	90	62	1.219.475	64.583	52	-
Balance at the end of the period	113	1.696	1.648.156	37.034	165	-
Profit share and commission income received	-	6	53.555	328	-	-

b. Prior period:

Risk Group of the Group ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect shareholders of the Group		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of period	6	53	818.807	34.537	187	-
Balance at end of period	90	62	1.219.475	64.583	52	-
Profit share and commission income received	-	-	33.733	73	-	-

^(*) Defined under Banking Law numbered 5411 in article 49 and "Communiqué Related to Credit Operations of Banks" in article 4 published on November 1, 2006.

c.1. Information on current and profit sharing accounts of the Group's risk group:

Risk Group of the Group ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect Shareholders of the Group		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Current and profit sharing accounts						
Balance at the beginning of period	15.321	35.342	688.843	271.125	28.403	12.518
Balance at the end of period	31.177	15.321	658.659	688.843	28.966	28.403
Profit share expense	16	3	-	3	197	125

^(*) As of September 30, 2022, wakala borrowings obtained from risk group of the Parent Bank through investment purpose wakala contracts amount to USD 36.129.455 and EUR 3.600.000 (December 31, 2021: USD 42.837.711 and EUR 21.600.000). The profit share expense relating to such borrowings for the period between January 1, 2022- September 30, 2022 is TL 13.231 (September 30, 2021: TL 18.497).

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VII. Explanations related to the risk group of the Parent Bank (continued):

c.1. Information on current and profit-sharing accounts of the Parent Bank's risk group (continued):

USD 155 million of the additional Tier I capital amounting to USD 205 million, which was realized on February 20, 2018, belongs to Albaraka Group, the main shareholder of the Parent Bank. The related amount is accounted under other capital reserves in the financial statements.

c.2. Information on forward, option agreements, and other similar agreements with related parties:

The Group does not have forward and option agreements with the risk group of the Parent Bank.

As of September 30, 2022, the Group has paid TL 14.682 (September 30, 2021: TL 13.322) to top management.

VIII. Explanations related to consolidated domestic, foreign and offshore branches or investments and foreign representative offices:

Not prepared in compliance with the Article 25 of the Communiqué "Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks".

IX. Explanations related to subsequent events:

None.

X. Other Explanations

Other issues that have significant effect on the balance sheet or that are ambiguous and/or open to interpretation and require clarification:

None.

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SECTION SIX

Limited review report

I. Explanations on limited review report:

The Group's consolidated financial statements as of and for the period ended September 30, 2022 have been reviewed by PwC Bağımsız Denetim ve SMMM A.. and the reviewed report dated November 16, 2022 is presented at the beginning of the financial statements and related notes.

II. Other notes and explanations prepared by the independent auditors:

None.

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SECTION SEVEN

Information on Interim Report

I. General Information

1. Summary Information about Albaraka Türk Katılım Bankası A.Ş.:

Albaraka Türk Participation Bank, the first and the leading financial institution in interest free banking field in Türkiye, has completed its establishment in 1984 and entered into service as of the beginning of the year of 1985. Having founded under the guidance of the strong capital groups in the Middle East, Al Baraka Group B.S.C., Islamic Development Bank (IDB) and another industry group serving the Turkish economy for more than a half century, we continue operating in Türkiye in compliance with the 5411 Banking Law. In the shareholding structure, the share of Al baraka Group B.S.C. is %43,37, of Dallah Albaraka Holding is %8,30 and the share of Islamic Development Bank is %7,84. The share of publicly trade share in total capital is %38,41 and rest of the shares belong to other real and legal persons.

Albaraka Türk, which collects funds through current accounts and participation accounts and brings the funds back to the country's economy with products such as individual financing, corporate finance, financial leasing and project-based profit-loss sharing, is authorized to offer various financing and banking services with the interest-free banking principle.

Albaraka Türk has always aimed to achieve sustainable growth with the strategy of "adding value to your values" for all its stakeholders with its "reliable", "understandable", "responsible" and "transparent" approach to all customers, including individual, corporate and SME segments in order to offer services and improve customer experience in all-inclusive participation banking system. With its competent and dynamic human resources and interest-free banking infrastructure, Albaraka Türk is a leader in its products and services without compromising on its quality and value.

Albaraka Türk, started with the vision of being the best regional bank in offering financial products and services in Gulf, Middle East and North Africa geographies where its main partner ABG is carrying out business, is rendering fast, qualified and safe foreign trade (import, export and foreign exchange) services to its customers in more than 100 countries from Singapore to England, South Africa to Morocco, Australia to Kazakhstan, by the wide correspondent net it has established with over the 1000 banks. Albaraka Türk, is an international Participation Bank adopted the mission of adding value to its customers, partners, employees and Türkiye.

2. Capital and Shareholders' Structure:

Albaraka Türk's paid-up capital is TL 2.500.000 as of September 30, 2022.

Shareholders' Structure of Albaraka Türk as of September 30, 2022		
	Share amount (TL)	Ratio (%)
Albaraka Group	1.084.167	43,37
Dallah Albaraka Holding	207.585	8,30
İslamic Development Bank	196.038	7,84
Others	51.910	2,08
Publicly Listed	960.300	38,41
Total	2.500.000	100,00

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Information on Interim Report (continued) :

3. The amendments in the articles of association during period of January 1, 2022 – September 30, 2022

Amendments to the Articles of Association has been approved by the Capital Markets Board regarding the increase of the paid-in capital of our Bank from 1.350.000.000 TL to 2.500.000.000 TL through right issues. The new version of the article 7 titled 'Bank Capital' has been registered on 16 June 2022 by İstanbul Trade Registry Directorate and announced in the Turkish Registry Gazette numbered 10600.

The old and new text of the related Articles of Association are presented below.

Old Text Bank' s Capital Article 7:	New Text Bank' s Capital Article 7:
<p>(1) The Bank has accepted the registered capital system pursuant to the provisions of the Capital Market Law, and switched to the registered capital system with the permission of the Capital Markets Board dated 06/03/2013 and numbered 7/259.</p> <p>(2) The upper limit of the registered capital of the Bank is TL 2.500.000.000 TL (two billion and five hundred million Turkish Liras), divided into 2.500.000.000 registered nominative shares with a value of TL 1 (One) Turkish Lira each.</p> <p>(3) The permission given by the Capital Markets Board in relation to the upper limit of the registered capital shall be in effect for a 5-year period between 2021-2025. Even if the upper limit of the registered capital is not reached until the end of 2025, in order to make a decision by the Board of Directors to increase the share capital after 2025, it is obligatory to obtain authorization for a new time period not to exceed 5 (five) years from the General Assembly for the previously permitted or a newly determined upper limit of the registered capital, after having been received the permission of Capital Markets Board. In case of failure in obtaining the said authorization, the Bank shall be deemed to be logged off from the registered capital system.</p> <p>(4) The Bank's issued share capital is 1.350.000.000 TL, and this amount has been fully paid in cash being free of collusion.</p> <p>(5) The shares representing the Bank's Capital shall be traced on the basis of the records within the framework of the principles of dematerialization (registration).</p>	<p>(1) The Bank has accepted the registered capital system pursuant to the provisions of the Capital Market Law, and switched to the registered capital system with the permission of the Capital Markets Board dated 06/03/2013 and numbered 7/259</p> <p>(2) The upper limit of the registered capital of the Bank is TL 2.500.000.000 TL (two billion and five hundred million Turkish Liras), divided into 2.500.000.000 registered nominative shares with a value of TL 1 (One) Turkish Lira each.</p> <p>(3) The permission given by the Capital Markets Board in relation to the upper limit of the registered capital shall be in effect for a 5-year period between 2021-2025. Even if the upper limit of the registered capital is not reached until the end of 2025, in order to make a decision by the Board of Directors to increase the share capital after 2025, it is obligatory to obtain authorization for a new time period not to exceed 5 (five) years from the General Assembly for the previously permitted or a newly determined upper limit of the registered capital, after having been received the permission of Capital Markets Board. In case of failure in obtaining the said authorization, the Bank shall be deemed to be logged off from the registered capital system.</p> <p>(4) The Bank's issued share capital is 2.500.000.000 TL, and this amount has been fully paid in cash being free of collusion.</p> <p>(5) The shares representing the Bank's Capital shall be traced on the basis of the records within the framework of the principles of dematerialization (registration).</p>

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
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Information on Interim Report (continued) :

4. Branch and Personnel Information:

As of September 30, 2022, total number of branches of the Bank is 226 and the total number of personnel is 2.669. Albaraka Türk carries out its activities with 224 domestic branches extended throughout the country and 2 branches abroad in Erbil and Baghdad

Board of Directors Chairman and Members (*):

Name and Surname	Administrative Function	Educational Degree	Start Date	Banking Experience
Houssein BEN HAJ AMOR (*)	Chairman of BOD	Bachelor	2020	17
Prof. Dr. Kemal VAROL	Member of BOD	Doctorate	2013	11
Mustafa BÜYÜKABACI	Member of BOD	Master	2017	6
Dr. Mohamed Ali CHATTI	Member of BOD	Doctorate	2020	12
Dr. Bekir PAKDEMİRLİ (**)	Member of BOD	Doctorate	2022	7
Melikşah UTKU	Member of BOD	Master	2016	18
Ghassan AMODI	Member of BOD	Bachelor	2020	28
Tawfig MUFTİ	Member of BOD	Bachelor	2020	29
Azhar Aziz DOGAR	Member of BOD	Master	2022	28
Akram YASSIN (***)	Member of BOD	Master	2022	35
Malek Khodr TEMSAH	Member of BOD and General Manager	Master	2017	19

(*) Mazin Khairy Shaker MANNA, Chairman and Member of the Board of Directors of the Bank, resigned from his duties on 25 July 2022. Houssein BEN HAJ AMOR, one of the members of the Board of Directors, has been appointed as the Chairman of the Board of Directors on the same date.

(**) Pursuant to Articles 363/1 of the Turkish Commercial Code and Article 22/1 of our Bank's Articles of Association, with the resolution of our bank's board of directors dated 24 August 2022 and session number 2384, it was decided to elect Dr. Bekir Pakdemirli for the membership of the board of directors vacant with the resignation of Mehmet Ali Gökçe dated 23.08.2022.

(***) Akram YASSIN was elected as a member of the board of directors on August 16, 2022.

5. Top Management:

Name and Surname	Administrative Function	Educational Degree	Start Date	Banking Experience
Malek Khodr TEMSAH	Member of Board of Directors and General Manager	Master	2017	19
Turgut SİMİTCİOĞLU	Senior Assistant General Manager	Master	2017	32
Süleyman ÇELİK	Assistant General Manager	Bachelor	2017	33
Fatih BOZ	Assistant General Manager	Master	2017	24
Hasan ALTUNDAĞ	Assistant General Manager	Bachelor	2017	35
Mustafa ÇETİN	Assistant General Manager	Bachelor	2018	25
Volkan EVCİL	Assistant General Manager	Bachelor	2019	31
Mehmet Fatih YORULMAZ	Assistant General Manager	Master	2020	8
Serhan YILDIRIM (*)	Assistant General Manager	Master	2022	13
Ömer EMEÇ (**)	Assistant General Manager	Doctorate	2022	9
Yasemin AYDIN	Director	Master	2020	26
Mehmet ULUDAĞ	Director	Master	2020	18

(*) On September 16, 2022, Serhan Yıldırım was appointed as the Assistant General Manager responsible for Financial Institutions and Investment Banking at our Bank.

(**) On October 24, 2022, Ömer Emeç was appointed as the Assistant General Manager responsible for Strategy and Transformation at our Bank.

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Information on Interim Report (continued) :

6. Managers of Departments Within Internal Systems

Name and Surname	Professional Experience (Years)	Duration of Services at Albaraka Türk (Years)	Length of Services in His Area (Years)	Education	Education
Ahmet UYSAL	16	16	13	Master	Internal Audit
Umut ÇAKMAK	15	15	15	Bachelor	Risk Management
Ahmet Faruk DEĞİRMENCİ	14	14	5	Bachelor	Internal Control
Ahmet KOÇ	24	24	11	Bachelor	Legislation and Compliance

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Information on Interim Report (continued)

7. Committee Information After Distribution of Roles Among Board of Directors

AUDIT COMMITTEE:

Chairman: Mustafa BÜYÜKABACI

Member: Housseem BEN HAJ AMOR

CREDIT COMMITTEE:

Member: Prof. Dr. Kemal VAROL

Member: Malek Khodr TEMSAH

Member: Azhar Aziz DOGAR

Reserve Member: Mohamed Ali CHATTI

Reserve Member: Housseem BEN HAJ AMOR

CORPORATE GOVERNANCE COMMITTEE:

Chairman: Mohamed Ali CHATTI

Member: Melikşah UTKU

Member: Seyfullah DEMİRLEK

REMUNERATION COMMITTEE:

Chairman: Housseem BEN HAJ AMOR

Member: Mustafa BÜYÜKABACI

Member: Mohamed Ali CHATTI

SUSTAINABILITY COMMITTEE:

Member: Mohamed Ali CHATTI

EXECUTIVE COMMITTEE:

Chairman: Housseem BEN HAJ AMOR

Member: Melikşah UTKU

Member: Malek Khodr TEMSAH

INFORMATION TECHNOLOGIES GOVERNANCE COMMITTEE

Chairman: Melikşah UTKU

Member: Malek Khodr TEMSAH

Technical Member: Hood Hashem Ahmed HASHEM

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8. Information on Interim Report (continued):

II. Financial Informations and Evaluations About the Bank:

1. Main Financial Figures:

ASSETS	Current Period	Prior Period
Cash and Balances with The Central Bank	34.233.244	26.498.611
Banks	9.238.604	5.334.061
Government Debt Securities	28.375.722	16.389.230
Loans and Receivables	70.208.026	59.304.778
Financial Leasing Receivables	867.910	820.674
Others	4.423.197	1.677.094
TOTAL ASSETS	147.346.703	110.024.448
LIABILITIES	Cari Dönem	Önceki Dönem
Funds Collected	120.563.851	91.208.681
Funds Borrowed	3.517.200	2.144.535
Subordinated Loans	2.130.509	3.065.049
Shareholders' Equity	4.761.513	3.119.354
Others	9.589.795	6.699.180
TOTAL LIABILITIES	147.346.703	110.024.448
INCOME AND EXPENSE ITEMS	Current Period	Prior Period
Profit Share Income	7.134.878	3.427.134
Profit Share Expense	3.855.789	2.354.585
Net Profit Share Income/Expenses	3.279.089	1.072.549
Net Fees and Commissions Income/Expenses	547.562	273.875
Trading Income/Loss (Net)	1.898.040	(193.767)
Other Operating Income	1.558.124	912.592
Net Operating Income/ (Losses)	1.817.415	195.040
Tax Provisions for continuing Operations (-+)	496.998	(19.150)
NET PROFIT/LOSSES	1.362.802	238.094
Earnings Per Share (Full TL)	0,45405	0,10088

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
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Information on Interim Report (continued):

2. Message from the Chairman of the Board:

Dear stakeholders,

The global economy is going through 2022 in the shadow of the negative effects of the Russia-Ukraine war. Disruptions in supply chains, rises in commodity prices and diplomatic tensions, as well as the slowdown in global economic activity, were the factors that suppressed global economic growth this year. In particular, supply disruptions and high prices in the energy market increased inflationary pressure on Europe, while macroeconomic expectations were also negatively affected. Under a high inflationary environment, many countries raised interest rates in line with monetary tightening policies. Under this atmosphere of tight monetary policy and high inflation, expectations regarding macroeconomic indicators were revised, especially due to the impact of the energy crisis, one of the main agenda items in Europe. While a slowdown in global economic activity was expected, the risk of recession in Europe began to be discussed. In parallel with these developments, exchange rates and stock markets fluctuated in the third quarter.

Under these global economic conditions, Türkiye became the second fastest growing country among the G20 countries in the second quarter. Displaying a strong growth performance in 2021, Türkiye recorded 7.6% growth in the second quarter. Especially the increase in exports and domestic demand contributed positively to the country's economy. Although a slowdown in economic activity is expected for the rest of the year, it is thought that there will be a yearly positive growth in 2022. On the other hand, the pressure in global markets, rising commodity prices and exchange rate developments increased the expectations that the high inflation in Türkiye will maintain its trend for a while. In this environment, the CBRT supports the economy's stance against inflation through macroprudential measures. In this context, the Currency Protected Deposit scheme contributed significantly to increasing banks' available TL liquidity. The revenues thus generated also helped banks strengthen their balance sheets. Inflation-indexed bonds and lease certificates also have been a factor for Bank's stronger balance sheet outlook.

In this period, Albaraka Türk continued to meet the financing needs of the real sector in a way that contributes to the path of sustainable economic growth. While we strengthened our asset quality with the steps we took during this period, we increased our investments. With the support we received from the paid capital increase that we completed in the second quarter, we continued to take steps that strengthened our balance sheet in the third quarter. We believe that Türkiye, with its strong dynamics, will successfully demonstrate its economic potential despite the negative trend in global markets. At this point, we believe that Albaraka Türk will be a pioneer in the sector by diligently maintaining the digitalization trend and will provide important services in sustainable growth and development. I would like to take this opportunity to extend my sincere thanks to my colleagues, our customers, shareholders and all other stakeholders.

With regards,

Housseem BEN HAJ AMOR
Chairman of the Board

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Explanations on the interim activity report (continued):

3. Message from the General Manager

Dear Shareholders,

In the second half of the year, the effects of the Russia-Ukraine war on global economic activity continue to be visible. The world economies, which could not find the opportunity to fully recover after the pandemic, faced the problem of high inflation. With the supply shortages in the commodity market, prices in the energy market have increased significantly. This situation brought along economic and political risks. As we approach the winter, supply and price developments in important energy groups such as natural gas and electricity are closely monitored. On the other hand, growth expectations have been revised downwards due to high inflation and tightening fiscal policies. The slowdown in global economic activity supports recession forecasts.

In the second half of the year, the effects of the Russia-Ukraine war on global economic activity remained visible. World economies, which did not have the opportunity to fully recover after the pandemic, faced the problem of high inflation. Supply constraints in the commodity market led to a significant increase in prices, especially in the energy market.

The main focus of Türkiye's agenda is inflation developments. As of the third quarter, consumer prices increased by 83.5% year-on-year, while the annual increase in producer prices reached 151.5%. We observe the reflections of global commodity pricing on inflation in our country as well. Inflation is expected to remain at this level for the rest of the year and a downward trend is expected to begin as of the last quarter of the year, with the contribution of the base effect. On the economic growth side, in the second quarter of 2022, an annual growth of 7.6% was recorded, slightly above the expectations, thanks to the support from household expenditures and exports. Although a slowdown in economic activity is expected in the rest of the year, the strong course in the first half of the year is expected to positively support economic growth.

In this context, in the third quarter, the Central Bank of the Republic of Türkiye gradually reduced the policy rate from 14% to 13% and then to 12%. Finally, while the interest rate was reduced to 10.5% in October, the CBRT also communicated a final interest rate cut planned for November. On the other hand, macroprudential measures taken by both the CBRT and the BRSA also play an important role in the economic outlook.

In this environment, the improvement in the balance sheet and profitability outlook of banks continued in the third quarter of the year. While the banking sector significantly increased its asset quality, it increased its capital adequacy ratio to 20%. In this period, NPL ratios decreased to 2.4% and provision ratios reached approximately 85%. The banking sector, which contributed significantly to growth with the support it gave to the real sector, increased its loan volume by 40% in the first three quarters of the year. With the Currency Protected Deposit scheme, TL weight in banks' balance sheets was increased, while the profitability outlook of the sector was strengthened. As Albaraka Türk, we increased our three-quarter net profit by 17 times compared to the same period of the previous year, to 906.7 million TL. In the same period, our profit-share income increased by 111% to reach TL 7.2 billion, while our gross operating profit increased by 269% to TL 6.8 billion. Seeing our success in profitability as an opportunity to strengthen our balance sheet, which we strengthened with our capital increase, and to strengthen our loan portfolio, we allocate 700 million TL free provision in the first 9 months of 2022. In addition to the increase in our provision ratios, the decrease in our NPL ratio, which was 6.6% at the beginning of the year, to 2.4% indicates the positive development in our asset quality.

On the other hand, we attach importance to digital transformation in banking and we are meticulously carrying out our efforts in this regard. By combining technology and innovation, we aim to increase our service quality and further improve the customer experience, especially in the retail segment. We also prioritize our sensitivity to sustainability in all of our operations.

As Albaraka Türk, we will continue our digitalization efforts in the coming period. We will also improve our sustainability efforts, which we are currently carrying out meticulously, and will do our best to maintain the customer trust we have earned. I would like to take this opportunity to thank all my colleagues and stakeholders, with whom we have stepped together towards our goals, and wish you a peaceful day.

With regards,

Malek Khodr TEMSAH
General Manager and Member of the Board

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Information on Interim Report (continued):

4. Activities in the Third Quarter of 2022

- Our total assets have actualized as TL 147.346.703 TL in the third quarter of 2022.
- In the third quarter of 2022, the total funds our Bank collected through "Special Current Accounts" and "Participation to Profit and Loss Accounts" has been TL 120.563.851. Participation accounts was realized as 64.919.390 TL and current accounts was 55.644.461 TL in the third quarter of 2022.
- Our Bank's Fund Collecting Activities are carried out through our branches, our bank's branches throughout the country and correspondent banks abroad.

TL and USD Equivalent	Current Period		Prior Period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
TL Funds	42.820.006	2.322.000	20.181.030	1.526.322	112,18	52,13
Current Accounts	9.123.731	494.752	7.714.313	583.445	18,27	(15,20)
Participation Accounts	33.696.275	1.827.248	12.466.717	942.877	170,29	93,79
FC Funds	77.743.845	4.215.815	71.027.651	5.371.929	9,46	(21,52)
Current Accounts	46.520.730	2.522.679	38.567.841	2.916.944	20,62	(13,52)
Participation Accounts	31.223.115	1.693.136	32.459.810	2.454.985	(3,81)	(31,03)
TOTAL	120.563.851	6.537.815	91.208.681	6.898.251	32,18	(5,23)

TL and USD Equivalent	Current Period		Prior Period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
Credits (*)	69.378.957	3.762.212	56.342.215	4.261.248	23,14	(11,71)
Non-performing Loans	1.696.979	92.022	3.783.237	286.132	(55,14)	(67,84)
Provisions	(1.208.904)	(65.555)	(2.658.043)	(201.032)	(54,52)	(67,39)
TOTAL	69.867.032	3.788.679	57.467.409	4.346.348	21,58	(12,83)

(*) Financial Leasing Receivables included.

The currency used in the preparation of the tables are as follows;

Balance Sheet Period	USD/ TL
As of September 30, 2022	18,441
As of December 31, 2021	13,222

5. Evaluation on Financial Status, Profitability and Solvency

- Total operating income increased by %252 compared to the same period of the previous year and reached 7.284.290 TL
- Our net profit share incomes were realized as TL 3.279.089, our net fees commission income increased to TL 547.562.
- Our net profit has been TL 1.362.802 in the third quarter of the year.

As of September 30, 2022, our capital adequacy ratio is actualized as 17,54 %, over the minimum legal requirement.

ALBARAKA TRK KATILIM BANKASI A..
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
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Information on Interim Report (continued):

6. Announcements Regarding Important Developments During January 1, 2022 – September 30, 2022 Period:

- On 18.01.2022, Azhar Aziz DOGAR is elected as member to the Board of Directors of the Bank. Membership of Azhar Aziz DOGAR shall be submitted for the approval at the upcoming General Assembly of Shareholders meeting and if approved, Azhar Aziz DOGAR shall complete the office term of his predecessor.
- Our Bank's Investor Relations Administrator and Corporate Governance Committee member Mr. İbrahim Öz resigned from his duty as of 31.01.2022.
- As of 16.02.2022, Standard & Poor's, the international credit rating agency, has revised our Bank's long-term credit rating at "B-", short term credit rating at "B" and the outlook as negative, long-term national scale credit rating at "trBB+" and short-term national scale credit rating at "trB".
- Referring to Article 11, paragraph 2 of the Corporate Governance Communiqué Serial II no:17.1 published in the Official Gazette on 3rd January 2014, it was decided to appoint Cihat KESKİN who possesses "Advanced License of Capital Markets Activities", "Corporate Governance Rating Expertise License" and is working full time in our Bank, shall be appointed as the Administrator of the Investor Relations and as a member of the Corporate Governance Committee as of 22.02.2022.
- At the General Assembly Meeting held on 30.03.2022, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.. has been selected as the Audit Firm.
- On 17 May 2022, DRC Rating Services has rated the Bank's CMB Corporate Governance Principles Compliance score as 9,14.
- The Articles of Association Amendment Text has been approved by the Capital Markets Board regarding the increase of the paid-in capital of our Bank from 1.350.000.000 TL to 2.500.000.000 TL, through right issues. The new version of the article 7 titled 'Bank Capital' has been registered on 16 June 2022 by İstanbul Trade Registry Directorate and announced in the Turkish Registry Gazette numbered 10600.
- On 20 June 2022, Standard & Poor's, the international credit rating agency, has affirmed that the Bank's long-term credit rating: B-, short-term credit rating: B Outlook: Negative
- Mazin Khairy Shaker MANNA, Chairman and Member of the Board of Directors of the Bank, resigned from his duties on 25 July 2022. Housseem BEN HAJ AMOR, one of the members of the Board of Directors, has been appointed as the Chairman of the Board of Directors on the same date.
- On 29.07.2022, our shareholder Al Baraka Banking Group (B.S.C) who is resident in Bahrain transformed its "Wholesale Islamic Bank" license into "Investment Firm Category 1 (Islamic Principles)" license and changed its title to "Al Baraka Banking Group (B.S.C)". Al Baraka Group B.S.C.
- On 08.08.2022, it was decided to appoint our Bank's Deputy General Manager, Mr. Malek Khodr TEMSAH, as the General Manager with the Board Decision dated 07.08.2022 and numbered 2376.
- Our Bank's Investor Relations Manager and Corporate Governance Committee Member Mr. Cihat Keskin resigned from his position as of 05.08.2022. Pursuant to the decision of the Board of Directors dated 07.08.2022, Mr. Seyfullah Demirek has been appointed as the Bank's Investor Relations Manager and Corporate Governance Committee Member.
- Pursuant to Articles 363/(1) of the Turkish Commercial Code and Article 22/(1) of our Bank's Articles of Association, Akram YASSIN was elected with the board decision dated 15.08.2022 numbered 2379 for the member of the board of directors vacant with the resignation of Mazin Khairy Shaker dated on 24.07.2022. It was decided that Akram YASSIN's membership be submitted for approval at the first General Assembly meeting and, if approved, to complete his predecessor's term.
- Pursuant to Articles 363/1 of the Turkish Commercial Code and Article 22/1 of our Bank's Articles of Association, with the resolution of our bank's board of directors dated 24 August 2022 and session number 2384, it was decided to elect Dr. Bekir Pakdemirli for the membership of the board of directors vacant with the resignation of Mehmet Ali Gökce dated 23.08.2022.

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Information on Interim Report (continued):

6. Announcements Regarding Important Developments During January 1, 2022 – September 30, 2022 Period:

- With the decision of the Board of Directors of our Bank, dated 05.09.2022, session number 2385, Mr. Serhan Yıldırım was appointed as the Assistant General Manager Responsible for Treasury, Financial Institutions and Investment Banking. The Banking Regulation and Supervision Agency did not give a negative opinion on our application within the period stipulated in the relevant legislation.
- With the decision of the Board of Directors of our Bank, dated 24.10.2022 and session number 2395, Mr. Ömer Emeç has been appointed as the Assistant General Manager responsible for Strategy and Transformation. The Banking Regulation and Supervision Agency did not give a negative opinion on our application within the period stipulated in the relevant legislation.

The issues that took place during the period **January 1, 2022 – September 30, 2022** were announced to the public and uploaded to the Public Disclosure Platform as notifications. All of these announcements are shared in the Investor Relations section of the Albaraka Türk website.

<https://www.albaraka.com.tr/ozel-durum-aciklamalari.aspx>

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Information on Interim Report (continued):

- As announced in public disclosure platform on February 22, 2022, our Bank's ordinary general meeting of shareholders was held on March 30, 2022 with the following agenda:

AGENDA:

1. Inauguration and formation of the Presiding Council.
2. Authorizing the Presiding Council to sign the minutes of the General Assembly meeting.
3. Reading and discussing the Annual Report of the Board of Directors (BoD) on the fiscal year 2021.
4. Reading and discussing the Auditor's reports.
5. Reading, discussing and approving the Financial Statements.
6. Acquittal the Members of the BoD.
7. Deciding on utilization and distribution of profit and dividend sharing through discussing the BoD's proposal on the utilization and distribution of the annual profit and dividends,
8. Discussing the fiscal rights and benefits of the Board members such as salary & wages, per diems, bonus & premiums and alike.
9. Election of the Auditor.
10. Submitting the BoD members, who have been elected by the BoD to the vacant membership positions to complete the remaining term of their predecessors, to the approval of the General Assembly.
11. Authorizing the BoD to be able to distribute profit to participation fund owners in loss occurring periods, in line with Article 6/10 of the "Regulation on Procedures and Principles regarding Acceptance and Withdrawal of Deposits and Participation Funds and Any Deposit, Participation Fund, The Bailed Goods and Receivable That Have Been Subjected to Prescription".
12. Approval of reflecting those provisions set aside by our Bank for the participation accounts, on expense accounts in line with Article 19/2 of the "Regulation on Procedures and Principles for Classification of Loans and Provisions to be Set Aside".
13. Permitting Members of the BoD with respect to articles 395 and 396 of Turkish Commercial Code
14. Presenting information to the shareholders pursuant to Principle no. 1.3.6. of the Capital Markets Board's Corporate Governance Communiqué.
15. Presenting information to the General Assembly about operations effected in scope of the buy-back Program for our Bank's own shares in 2021.
16. Presenting information to the General Assembly about donations made by our Bank in 2021.
17. Remarks and requests.

The general assembly meeting dated 30.03.2022, in which General Assembly Meeting Minutes and List of Attendees were attached, has been postponed due to the negotiation of the financial statements and the request for the postponement of the related matters. Due to the postponement of the general assembly, the discussion of the agenda items 3, 4, 5, 6, 7, 8, 10, 12, 13, 15 and 16 was postponed in accordance with Article 420 of the Turkish Commercial Code. Information regarding the postponed general assembly meeting will be made in the next date. The postponed General Assembly was held on May 16, 2022 and the process was completed.