

Albaraka Türk Katılım Bankası Anonim Şirket

**Unconsolidated financial statements
and related disclosures at June 30, 2025
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 unconsolidated balance sheet of Albaraka Türk Katılım Bankası Anonim Şirketi ("the Bank") at 30 June 2025 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the six-month period then ended. The Bank 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 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. 5.b of the Explanations and Notes to the Unconsolidated Financial Statements, TL 7.300.000 thousand of the entire free provision amount is reversed in the current period which was allocated by the Bank management in prior years outside of the requirements of BRSA Accounting and Financial Reporting Legislation, the free provision of TL 745.000 thousand is reallocated in the current period. As of June 30, 2025, the accompanying unconsolidated financial statements include a free provision of TL 745.000 thousand under other provisions. If the mentioned free provision which was allocated in prior years had not been reversed and free provision had not been reallocated in the current period, the other provisions would have decreased by TL 745.000 thousand, net profit and shareholders' equity would have decreased by TL 6.555.000 thousand and increased by TL 745.000 thousand respectively as of 30 June 2025.



Qualified Conclusion

Based on our review, except for the effects of the matter on the interim unconsolidated 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 interim unconsolidated financial information do not present fairly in all material respects the unconsolidated financial position of Albaraka Türk Katılım Bankası Anonim Şirketi at 30 June 2025 and its unconsolidated financial performance and its unconsolidated cash flows for the six-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

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 unconsolidated 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 June 2025. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

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

Didem Demer Kaya, SMMM
Independent Auditor

Istanbul, 7 August 2025

**UNCONSOLIDATED FINANCIAL REPORT OF ALBARAKA TÜRK KATILIM BANKASI A.Ş.
AS OF AND FOR THE SIX-MONTH JUNE 30, 2025**

Bank's headquarter address : İnkılap Mah. Dr. Adnan Büyükdeniz Cad. No:6
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The unconsolidated the 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 BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING PRINCIPLES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- LIMITED REVIEW REPORT
- INTERIM ACTIVITY REPORT

The unconsolidated 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, 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	Malek Khodr TEMSAH	Umut ÇAKMAK	Yasin KAYNAR
Chairman of the Board of Directors	General Manager	Assistant General Manager	Manager of Financial Reports and Budget Management
Ahmet AKÇA	Mohamed Ali CHATTI	Khaled A. Mohamed ATEEQ	
Chairman of the Audit Committee	Member of the Audit Committee	Member of the Audit Committee	

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

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ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2025
(Thousand of Turkish Lira (TL) unless otherwise stated)

SECTION ONE

GENERAL INFORMATION

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

Albaraka Türk Katılım Bankası Anonim Şirketi (the 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 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 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 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 Bank's head office is located in İstanbul and is operating through 222 (December 31, 2024: 223) local branches and 2 (December 31, 2024: 2) foreign branches and with 2.784 (December 31, 2024: 2.761) staff as of June 30, 2025.

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

As of June 30, 2025, 43,37% (December 31, 2024: 43,37%) of the Bank's shares are owned by Albaraka Group, 8,30% (December 31, 2024: 8,30%) owned by Dallah Albaraka Group, 4,23% (December 31, 2024: 4,23%) owned by Islamic Development Bank, 42,04% (December 31, 2024: 42,03%) 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 UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2025

(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 Bank, if any:

Title	Name and Surname	Administrative Function and Responsibility	Educational Degree	Ownership Percentage (%)
Chairman of the Board of Directors (BOD):	Housseem BEN HAJ AMOR	Chairman of BOD	Bachelor	-
Members of BOD:	Dr. Bekir PAKDEMİRLİ	Deputy Independent Member of BOD	Doctorate	-
	Dr. Mohamed Ali CHATTI	Independent Member of BOD	Doctorate	-
	Ghassan Ahmed M. AMODI	Independent Member of BOD	Bachelor	-
	Dr. Khaled A. Mohamed ATEEQ	Independent Member of BOD	Doctorate	-
	Azhar Aziz DOGAR	Member of BOD	Master	-
	Akram YASSIN	Independent Member of BOD	Master	-
General Manager:	Malek Khodr TEMSAH	Member of BOD/ General Manager	Master	-
Assistant General Managers:	Turgut SİMİTÇİOĞLU	Chief Assistant General Manager	Master	-
	Dr. Muhammet Faruk TORLAK (*)	Assistant General Manager Responsible for Credits	Doctorate	-
	Mehmet Emin ÇONKAR	Assistant General Manager Responsible for Credit Monitoring and Legal Follow-Up	Bachelor	-
	Serhan YILDIRIM	Assistant General Manager Responsible for Treasury and International Banking	Bachelor	-
	Muzaffer ÇÖLMEK	Assistant General Manager Responsible for Operations	Bachelor	-
	Mehmet ULUDAĞ	Assistant General Manager Responsible for Individual and Private Banking	Master	-
	Serhan AKYILDIZ	Assistant General Manager Responsible for Corporate Banking	Bachelor	-
	Umut ÇAKMAK	Assistant General Manager Responsible for Finance and Human Values	Bachelor	-
	Dr. Ömer EMEÇ	Assistant General Manager Responsible for Strategy and Transformation	Doctorate	-
	Yasemin AYDIN	Assistant General Manager Responsible for Information Technologies and Digital Channels Development	Master	-
Audit Committee:	Ahmet AKÇA (*)	Chairman of Audit Committee	Master	-
	Dr. Mohamed Ali CHATTI	Independent Member of Audit Committee	Doctorate	-
	Dr. Khaled A.Mohamed ATEEQ	Independent Member of Audit Committee	Doctorate	-

* Mr. Mustafa Büyükbacı resigned from his positions as Chairman of the Audit Committee and Member of the Board of Directors on March 27, 2025. Mr. Ahmet Akça was appointed as Chairman of the Audit Committee of our Bank by the Board of Directors' decision No. 2733 dated May 8, 2025.

** Mr. Muhammet Faruk Torlak resigned from his position as Deputy General Manager in charge of Loans on July 3, 2025, and Önder Çınar, Corporate Loans Manager, was appointed as his replacement.

IV. Information on the Bank's qualified shareholders:

The 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 UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2025

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

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

The Bank operates in accordance with the principles of interest-free banking as a participation bank. The 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. 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 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, semiannual 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 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 Bank operates as an insurance agency on behalf of Bereket Sigorta, Anadolu Sigorta, Türkiye Katılım Sigorta, Neova Sigorta, Coface Sigorta, HDI Sigorta and HDI Katılım Sigorta, as a private pension insurance agency on behalf of Anadolu Hayat Emeklilik, Agesa Hayat ve Emeklilik and Hayat 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 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 Bank are not limited to the clauses listed above. If any activities other than those mentioned are considered as beneficial to the 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. The existing or potential, actual or legal obstacles on immediate transfer of equity or reimbursement of liabilities between the Bank and its subsidiaries:

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

SECTION TWO

The unconsolidated financial statements

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF JUNE 30, 2025
(Thousand of Turkish Lira (TL) unless otherwise stated)

ASSETS	Notes (Section Five-I)	CURRENT PERIOD June 30, 2025			PRIOR PERIOD December 31, 2024		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		59.850.689	91.328.179	151.178.868	55.669.525	66.846.332	122.515.857
1.1 Cash and Cash Equivalents	(1)	29.352.147	74.762.601	104.114.748	28.420.827	54.256.090	82.676.917
1.1.1 Cash and Balances with Central Bank		22.974.233	59.673.336	82.647.569	22.027.725	38.864.824	60.892.549
1.1.2 Banks		6.442.453	15.189.758	21.632.211	6.603.030	15.469.344	22.072.374
1.1.3 Money Market Placements		-	-	-	-	-	-
1.1.4. Expected Credit Losses (-)		64.539	100.493	165.032	209.928	78.078	288.006
1.2 Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	(2)	17.384.929	7.725.404	25.110.333	15.307.552	6.509.878	21.817.430
1.2.1 Government Securities		236.584	7.069.025	7.305.609	316.052	5.667.966	5.984.018
1.2.2 Equity Securities		-	160.424	160.424	-	126.498	126.498
1.2.3 Other Financial Assets		17.148.345	495.955	17.644.300	14.991.500	715.414	15.706.914
1.3 Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	(3)	12.927.245	8.818.127	21.745.372	11.895.869	5.983.238	17.879.107
1.3.1 Government Securities		12.730.869	4.654.954	17.385.823	11.673.678	3.668.942	15.342.620
1.3.2 Equity Securities		7.667	53.401	61.068	7.667	44.521	52.188
1.3.3 Other Financial Assets		188.709	4.109.772	4.298.481	214.524	2.269.775	2.484.299
1.4 Derivative Financial Assets	(5)	186.368	22.047	208.415	45.277	97.126	142.403
1.4.1 Derivative Financial Assets Measured at Fair Value through Profit/Loss		186.368	22.047	208.415	45.277	97.126	142.403
1.4.2 Derivative Financial Assets Measured at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET)		113.297.169	104.013.155	217.310.324	94.515.819	76.275.789	170.791.608
2.1 Loans	(6)	97.304.475	79.919.235	177.223.710	81.279.520	61.987.447	143.266.967
2.2 Lease Receivables	(7)	5.338.679	9.684.973	15.023.652	3.254.454	1.962.093	5.216.547
2.3 Financial Assets Measured at Amortised Cost	(4)	13.138.715	16.318.136	29.456.851	12.398.909	14.374.418	26.773.327
2.3.1 Government Securities		13.138.715	16.318.136	29.456.851	12.398.909	14.374.418	26.773.327
2.3.2 Other Financial Assets		-	-	-	-	-	-
2.4 Expected Credit Losses (-)	(6)	2.484.700	1.909.189	4.393.889	2.417.064	2.048.169	4.465.233
III. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(8)	385.951	118.173	504.124	4.127.302	118.173	4.245.475
3.1 Asset Held for Resale		385.951	-	385.951	4.127.302	-	4.127.302
3.2 Assets of Discontinued Operations		-	118.173	118.173	-	118.173	118.173
IV. OWNERSHIP INVESTMENTS (Net)	(9)	115.100	-	115.100	92.600	-	92.600
4.1 Associates (Net)		90.000	-	90.000	67.500	-	67.500
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		90.000	-	90.000	67.500	-	67.500
4.2 Subsidiaries (Net)		5.100	-	5.100	5.100	-	5.100
4.2.1 Unconsolidated Financial Investments in Subsidiaries		5.100	-	5.100	5.100	-	5.100
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)		20.000	-	20.000	20.000	-	20.000
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2 Unconsolidated Joint-Ventures		20.000	-	20.000	20.000	-	20.000
V. TANGIBLE ASSETS (Net)	(10)	4.819.876	97.066	4.916.942	4.725.026	81.936	4.806.962
VI. INTANGIBLE ASSETS (Net)	(11)	980.409	-	980.409	713.793	-	713.793
6.1 Goodwill		-	-	-	-	-	-
6.2 Others		980.409	-	980.409	713.793	-	713.793
VII. INVESTMENT PROPERTY (Net)	(12)	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		123.960	-	123.960	8.161	-	8.161
IX. DEFERRED TAX ASSET	(13)	2.471.142	-	2.471.142	1.785.466	-	1.785.466
X. OTHER ASSETS	(14)	9.280.106	1.868.130	11.148.236	3.908.440	1.679.599	5.588.039
TOTAL ASSETS		191.324.402	197.424.703	388.749.105	165.546.132	145.001.829	310.547.961

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF JUNE 30, 2025
(Thousand of Turkish Lira (TL) unless otherwise stated)

LIABILITIES		Notes (Section Five-II)	CURRENT PERIOD June 30, 2025			PRIOR PERIOD December 31, 2024		
			TL	FC	Total	TL	FC	Total
I.	FUNDS COLLECTED	(1)	127.322.416	118.896.863	246.219.279	107.915.855	96.850.726	204.766.581
II.	FUNDS BORROWED	(2)	20.774.621	50.389.013	71.163.634	17.187.212	33.049.580	50.236.792
III.	BORROWINGS FROM MONEY MARKETS		7.256.664	-	7.256.664	-	-	-
IV.	SECURITIES ISSUED (Net)		-	-	-	-	-	-
V.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS		-	-	-	-	-	-
VI.	DERIVATIVE FINANCIAL LIABILITIES	(3)	260.206	122.645	382.851	112.184	6.105	118.289
6.1	Derivative Financial Liabilities at Fair Value through Profit or Loss		260.206	122.645	382.851	112.184	6.105	118.289
6.2	Derivative Financial Liabilities at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
VII.	LEASE PAYABLES	(4)	1.284.138	80.785	1.364.923	1.107.778	73.257	1.181.035
VIII.	PROVISIONS	(5)	1.910.029	299.127	2.209.156	9.384.032	35.439	9.419.471
8.1	Restructuring Reserves		-	-	-	-	-	-
8.2	Reserve for Employee Benefits		984.844	-	984.844	1.954.693	-	1.954.693
8.3	Insurance Technical Reserves (Net)		-	-	-	-	-	-
8.4	Other Provisions		925.185	299.127	1.224.312	7.429.339	35.439	7.464.778
IX.	CURRENT TAX LIABILITY	(6)	940.485	858	941.343	553.652	132.055	685.707
X.	DEFERRED TAX LIABILITY		-	-	-	-	-	-
XI.	LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(7)	-	-	-	-	-	-
11.1	Assets Held for Sale		-	-	-	-	-	-
11.2	Assets of Discontinued Operations		-	-	-	-	-	-
XII.	SUBORDINATED LOANS	(8)	-	24.192.974	24.192.974	-	14.007.315	14.007.315
12.1	Loans		-	24.192.974	24.192.974	-	14.007.315	14.007.315
12.2	Other Debt Instruments		-	-	-	-	-	-
XIII.	OTHER LIABILITIES	(9)	10.939.092	4.201.638	15.140.730	8.000.501	3.703.326	11.703.827
XIV.	SHAREHOLDERS' EQUITY	(10)	19.747.603	129.948	19.877.551	18.320.659	108.285	18.428.944
14.1	Paid-In Capital		2.500.000	-	2.500.000	2.500.000	-	2.500.000
14.2	Capital Reserves		43.327	-	43.327	2.688.530	-	2.688.530
14.2.1	Share Premium		23.278	-	23.278	23.278	-	23.278
14.2.2	Share Cancellation Profits		-	-	-	-	-	-
14.2.3	Other Capital Reserves		20.049	-	20.049	2.665.252	-	2.665.252
14.3	Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss		2.110.996	-	2.110.996	2.110.996	-	2.110.996
14.4	Accumulated Other Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		2.078.834	129.948	2.208.782	1.593.637	108.285	1.701.922
14.5	Profit Reserves		10.545.464	-	10.545.464	6.679.763	-	6.679.763
14.5.1	Legal Reserves		610.184	-	610.184	464.809	-	464.809
14.5.2	Status Reserves		-	-	-	-	-	-
14.5.3	Extraordinary Reserves		9.215.280	-	9.215.280	5.494.954	-	5.494.954
14.5.4	Other Profit Reserves		720.000	-	720.000	720.000	-	720.000
14.6	Profit or Loss		2.468.982	-	2.468.982	2.747.733	-	2.747.733
14.6.1	Prior Years Profit/(Loss)		(6.633.015)	-	(6.633.015)	(1.562.715)	-	(1.562.715)
14.6.2	Current Year Profit/(Loss)		9.101.997	-	9.101.997	4.310.448	-	4.310.448
TOTAL LIABILITIES			190.435.254	198.313.851	388.749.105	162.581.873	147.966.088	310.547.961

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET
AS OF JUNE 30, 2025
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF OFF-BALANCE SHEET		Notes (Section Five-III)	CURRENT PERIOD June 30, 2025			PRIOR PERIOD December 31, 2024		
			TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)			64.773.387	93.581.047	158.354.434	40.565.170	46.534.249	87.099.419
I. GUARANTEES AND SURETIES	(1)		29.354.715	21.521.781	50.876.496	23.342.299	17.053.338	40.395.637
1.1. Letters of Guarantees			29.097.876	13.016.034	42.113.910	23.096.458	10.398.647	33.495.105
1.1.1. Guarantees Subject to State Tender Law			2.512.001	621.610	3.133.611	2.317.179	504.278	2.821.457
1.1.2. Guarantees Given for Foreign Trade Operations			20.382	3.904.804	3.925.186	390	3.415.338	3.415.728
1.1.3. Other Letters of Guarantee			26.565.493	8.489.620	35.055.113	20.778.889	6.479.031	27.257.920
1.2. Bank Loans			-	508.099	508.099	-	171.087	171.087
1.2.1. Import Letter of Acceptances			-	508.099	508.099	-	171.087	171.087
1.2.2. Other Bank Acceptances			-	-	-	-	-	-
1.3. Letter of Credits			14.373	7.934.702	7.949.075	67.629	6.434.310	6.501.939
1.3.1. Documentary Letter of Credits			-	-	-	-	-	-
1.3.2. Other Letter of Credits			14.373	7.934.702	7.949.075	67.629	6.434.310	6.501.939
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			-	62.946	62.946	-	49.294	49.294
1.7. Other Collaterals			242.466	-	242.466	178.212	-	178.212
II. COMMITMENTS	(1)		15.545.953	11.227.391	26.773.344	11.042.295	1.341.379	12.383.674
2.1. Irrevocable Commitments			15.501.453	11.227.391	26.728.844	10.997.795	1.341.379	12.339.174
2.1.1. Asset Purchase and Sale Commitments			1.671.294	11.227.391	12.898.685	848.079	1.341.379	2.189.458
2.1.2. Share Capital Commitment to Associates and Subsidiaries			-	-	-	22.500	-	22.500
2.1.3. Loan Granting Commitments			614.735	-	614.735	626.280	-	626.280
2.1.4. Securities Underwriting Commitments			-	-	-	-	-	-
2.1.5. Commitments for Reserve Deposit Requirements			-	-	-	-	-	-
2.1.6. Payment Commitment for Cheques			2.863.268	-	2.863.268	2.174.162	-	2.174.162
2.1.7. Tax And Fund Liabilities from Export Commitments			173.957	-	173.957	134.211	-	134.211
2.1.8. Commitments for Credit Card Expenditure Limits			10.177.626	-	10.177.626	7.191.304	-	7.191.304
2.1.9. Commitments for Promotions Related with Credit Cards and Banking Activities			14	-	14	698	-	698
2.1.10. Receivables From Short Sale Commitments of Marketable Securities			-	-	-	-	-	-
2.1.11. Payables for Short Sale Commitments of Marketable Securities			-	-	-	-	-	-
2.1.12. Other Irrevocable Commitments			559	-	559	561	-	561
2.2. Revocable Commitments			44.500	-	44.500	44.500	-	44.500
2.2.1. Revocable Loan Granting Commitments			-	-	-	-	-	-
2.2.2. Other Revocable Commitments			44.500	-	44.500	44.500	-	44.500
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)		19.872.719	60.831.875	80.704.594	6.180.576	28.139.532	34.320.108
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			19.872.719	60.831.875	80.704.594	6.180.576	28.139.532	34.320.108
3.2.1. Forward Foreign Currency Buy/Sell Transactions			2.179.847	6.769.721	8.949.568	306.312	755.364	1.061.676
3.2.1.1. Forward Foreign Currency Transactions-Buy			1.348.791	3.133.671	4.482.462	197.595	335.799	533.394
3.2.1.2. Forward Foreign Currency Transactions-Sell			831.056	3.636.050	4.467.106	108.717	419.565	528.282
3.2.2. Other Forward Buy/Sell Transactions			17.692.872	54.062.154	71.755.026	5.874.264	27.384.168	33.258.432
3.3. Other			-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)			776.897.313	258.260.942	1.035.158.255	593.395.337	185.847.893	779.243.230
IV. ITEMS HELD IN CUSTODY			33.915.552	164.826.308	198.741.860	30.840.723	111.112.171	141.952.894
4.1. Assets Under Management			17.499.983	-	17.499.983	14.371.807	-	14.371.807
4.2. Investment Securities Held in Custody			2.451	44.821.649	44.824.100	5.675	32.988.820	32.994.495
4.3. Cheques Received for Collection			12.441.155	579.461	13.020.616	13.003.919	335.290	13.339.209
4.4. Commercial Notes Received for Collection			3.627.281	1.150.886	4.778.167	3.090.972	1.132.703	4.223.675
4.5. Other Assets Received for Collection			103	-	103	103	-	103
4.6. Assets Received for Public Offering			-	-	-	-	-	-
4.7. Other Items Under Custody			218.626	5.629.367	5.847.993	264.794	4.224.585	4.489.379
4.8. Custodians			125.953	112.644.945	112.770.898	103.453	72.430.773	72.534.226
V. PLEDGED ITEMS			742.981.761	93.434.634	836.416.395	562.554.614	74.735.722	637.290.336
5.1. Marketable Securities			32.188.038	19.014.236	51.202.274	21.821.520	16.378.836	38.200.356
5.2. Guarantee Notes			13.010.930	610.560	13.621.490	9.259.361	259.091	9.518.452
5.3. Commodity			129.766.369	7.347.782	137.114.151	90.720.131	6.416.222	97.136.353
5.4. Warranty			-	-	-	-	-	-
5.5. Properties			547.206.670	58.240.884	605.447.554	421.629.326	45.388.628	467.017.954
5.6. Other Pledged Items			20.410.564	8.187.158	28.597.722	18.749.005	6.262.880	25.011.885
5.7. Pledged Items-Depository			399.190	34.014	433.204	375.271	30.065	405.336
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES			-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)			841.670.700	351.841.989	1.193.512.689	633.960.507	232.382.142	866.342.649

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
AS OF JUNE 30, 2025

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

STATEMENT OF PROFIT OR LOSS	Notes (Section Five-IV)	CURRENT PERIOD January 1- June 30, 2025	PRIOR PERIOD January 1- June 30, 2024	CURRENT PERIOD (3 Months) April 1- June 30, 2025	PRIOR PERIOD (3 Months) April 1- June 30, 2024
I. PROFIT SHARE INCOME	(1)	27.024.369	18.264.577	14.360.887	10.195.812
1.1 Profit Share on Loans		19.188.723	12.968.611	10.242.736	7.013.568
1.2 Income Received from Reserve Deposits		2.673.995	992.637	1.422.866	989.903
1.3 Income Received from Banks		94	1.081	94	94
1.4 Income Received from Money Market Placements		24.450	40.455	13.527	18.250
1.5 Income Received from Marketable Securities Portfolio		4.098.375	3.292.657	2.076.058	1.722.006
1.5.1 Financial Assets at Fair Value Through Profit and Loss		184.078	261.349	62.022	137.400
1.5.2 Financial Assets at Fair Value through Other Comprehensive Income		2.072.234	1.052.693	1.080.874	592.376
1.5.3 Financial Assets Measured at Amortised Cost		1.842.063	1.978.615	933.162	992.230
1.6 Finance Lease Income		1.033.114	843.784	604.926	446.393
1.7 Other Profit Share Income		5.618	125.352	680	5.598
II. PROFIT SHARE EXPENSE	(2)	25.353.740	13.549.109	13.792.232	7.698.611
2.1 Expense on Profit Sharing Accounts		17.964.784	10.300.798	9.653.126	5.655.698
2.2 Profit Share Expense on Funds Borrowed		6.051.008	2.727.823	3.322.232	1.670.276
2.3 Profit Share Expense on Money Market Borrowings		1.231.521	444.443	762.806	332.419
2.4 Profit Share Expense on Securities Issued		-	-	-	-
2.5 Finance Lease Expense		101.658	69.327	52.990	36.328
2.6 Other Profit Share Expense		4.769	6.718	1.078	3.890
III. NET PROFIT SHARE INCOME (I – II)		1.670.629	4.715.468	568.655	2.497.201
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		2.230.622	1.564.889	1.186.175	830.907
4.1 Fees and Commissions Received		2.646.112	1.870.607	1.409.871	981.869
4.1.1 Non-Cash Loans		302.979	217.825	156.718	112.188
4.1.2 Other		2.343.133	1.652.782	1.253.153	869.681
4.2 Fees and Commissions Paid (-)		415.490	305.718	223.696	150.962
4.2.1 Non-Cash Loans		2.726	347	1.698	198
4.2.2 Other		412.764	305.371	221.998	150.764
V. DIVIDEND INCOME	(4)	412	356	216	205
VI. TRADING INCOME/LOSS(net)	(5)	1.747.073	(1.281.709)	1.108.659	(647.829)
6.1 Capital Market Transaction Income/(Loss)		1.809.103	1.479.670	1.208.084	517.651
6.2 Profit/(Loss) from Derivative Financial Instruments		(739.597)	(3.984.381)	(938.130)	(2.368.187)
6.3 Foreign Exchange Income/(Loss)		677.567	1.223.002	838.705	1.202.707
VII. OTHER OPERATING INCOME	(6)	11.479.349	1.887.031	2.080.646	661.936
VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)		17.128.085	6.886.035	4.944.351	3.342.420
IX. EXPECTED CREDIT LOSS (-)	(7)	914.801	445.102	657.737	130.818
X. OTHER PROVISION EXPENSES (-)	(7)	1.119.085	96.048	787.450	46.351
XI. PERSONNEL EXPENSES (-)		3.658.239	2.451.707	1.596.194	988.507
XII. OTHER OPERATING EXPENSES (-)	(8)	2.905.348	1.699.367	1.374.106	850.401
XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		8.530.612	2.193.811	528.864	1.326.343
XIV. EXCESS AMOUNT RECORDED AS GAIN AFTER MERGER		-	-	-	-
XV. PROFIT/(LOSS) ON EQUITY METHOD		-	-	-	-
XVI. PROFIT/(LOSS) ON NET MONETARY POSITION		-	-	-	-
XVII. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	(9)	8.530.612	2.193.811	528.864	1.326.343
XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)	(10)	(571.385)	323.331	(726.677)	69.869
18.1 Provision for Current Taxes		-	51.016	-	51.016
18.2 Deferred Tax Expense Effect (+)		1.100.476	1.581.169	402.320	708.510
18.3 Deferred Tax Income Effect (-)		1.671.861	1.308.854	1.128.997	689.657
XIX. NET INCOME/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)	(11)	9.101.997	1.870.480	1.255.541	1.256.474
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)	9.101.997	1.870.480	1.255.541	1.256.474
Earnings Per Share		3,64080	0,74819	0,50222	0,50259

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS OF JUNE 30, 2025

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

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		CURRENT PERIOD January 1- June 30, 2025	PRIOR PERIOD January 1- June 30, 2024
I.	CURRENT PERIOD PROFIT/LOSS	9.101.997	1.870.480
II.	OTHER COMPREHENSIVE INCOME	506.860	48.161
2.1	Other Income/Expense Items not to be Recycled to Profit or Loss	-	(23.726)
2.1.1	Revaluation Surplus on Tangible Assets	-	(23.726)
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	-	-
2.1.5	Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	-	-
2.2	Other Income/Expense Items to be Recycled to Profit or Loss	506.860	71.887
2.2.1	Exchange Rate Conversion Differences	683.002	142.990
2.2.2	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at Financial Assets Measured at Fair Value through Other Comprehensive Income	(251.632)	(101.576)
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	75.490	30.473
III.	TOTAL COMPREHENSIVE INCOME (I+II)	9.608.857	1.918.641

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF JUNE 30, 2025
(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 Shareholders' Equity
CURRENT PERIOD (January 1 – June 30, 2025)															
I. Closing balance		2.500.000	23.278	-	2.665.252	2.477.178	(366.182)	-	1.489.755	212.167	-	6.679.763	(1.562.715)	4.310.448	18.428.944
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)		2.500.000	23.278	-	2.665.252	2.477.178	(366.182)	-	1.489.755	212.167	-	6.679.763	(1.562.715)	4.310.448	18.428.944
IV. Total Comprehensive Income		-	-	-	-	-	-	-	683.002	(176.142)	-	-	-	9.101.997	9.608.857
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		-	-	-	(2.645.203)	-	-	-	-	-	-	-	(5.084.002)	-	(7.729.205)
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	3.865.701	13.702	(4.310.448)	(431.045)
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	(431.045)	(431.045)
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	3.865.701	-	(3.879.403)	(13.702)
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	13.702	-	13.702
Balances at end of the period (III+IV...+X+XI)		2.500.000	23.278	-	20.049	2.477.178	(366.182)	-	2.172.757	36.025	-	10.545.464	(6.633.015)	9.101.997	19.877.551

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 Rate Conversion Differences,
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.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF JUNE 30, 2025
(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 Shareholders' Equity
PRIOR PERIOD (January 1 – June 30, 2024)															
I. Closing balance		2.500.000	23.278	-	4.056.733	1.804.567	(224.944)	-	1.116.839	262.000	-	1.533.386	(1.112.998)	3.428.558	13.387.419
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)		2.500.000	23.278	-	4.056.733	1.804.567	(224.944)	-	1.116.839	262.000	-	1.533.386	(1.112.998)	3.428.558	13.387.419
IV. Total Comprehensive Income		-	-	-	-	(23.726)	-	-	142.990	(71.103)	-	-	-	1.870.480	1.918.641
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		-	-	-	(1.541.032)	-	-	-	-	-	-	135	(235.323) ^(**)	-	(1.776.220)
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	5.146.242	15.307	(3.428.558)	1.732.991
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	5.146.242	(5.146.242)	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	5.161.549	(3.428.558)	1.732.991
Balances at end of the period (III+IV...+X+XI)		2.500.000	23.278	-	2.515.701	1.780.841	(224.944)	-	1.259.829	190.897	-	6.679.763	(1.333.014)	1.870.480	15.262.831

^(*) The 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 Bank has paid TL 359.384 in February 2024, the coupon payment amount of undated additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 115.776 the 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 Rate Conversion Differences,
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.

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UNCONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS
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STATEMENT OF CASH FLOWS		Notes (Section Five-VI)	CURRENT PERIOD January 1- June 30, 2025	PRIOR PERIOD January 1- June 30, 2024
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes In Operating Assets And Liabilities		(984.871)	(585.166)
1.1.1	Profit Share Income Received		26.873.650	16.363.374
1.1.2	Profit Share Expense Paid		(25.166.894)	(13.247.388)
1.1.3	Dividend Received		412	356
1.1.4	Fees and Commissions Received		2.302.573	1.646.755
1.1.5	Other Income		834.755	694.895
1.1.6	Collections from Previously Written Off Loans	(V-I-6,h2)	181.289	93.197
1.1.7	Payments to Personnel and Service Suppliers		(4.113.756)	(2.748.488)
1.1.8	Taxes Paid		(666.083)	(293.170)
1.1.9	Others	(V-VI-3)	(1.230.817)	(3.094.697)
1.2	Changes In Operating Assets And Liabilities		(9.007.216)	(4.659.224)
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		(4.404.729)	3.382.139
1.2.2	Net (Increase) Decrease in Due From Banks and Other Financial Institutions		(15.086.680)	(6.781.256)
1.2.3	Net (Increase) Decrease in Loans		(40.389.762)	(7.615.714)
1.2.4	Net (Increase) Decrease in Other Assets		(9.808.126)	(3.169.710)
1.2.5	Net Increase (Decrease) in Bank Deposits		(1.995.416)	(660.578)
1.2.6	Net Increase (Decrease) in Other Deposits		39.285.452	14.255.447
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		1.054.450	-
1.2.9	Net Increase (Decrease) in Matured Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities	(V-VI-3)	22.337.595	(4.069.552)
I.	Net Cash Flow From Banking Operations		(9.992.087)	(5.244.390)
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash flow from investing activities		(4.433.329)	(2.167.363)
2.1	Cash Paid For Acquisition of Investments, Associates and Subsidiaries		(22.500)	(76.452)
2.2	Cash Obtained From Disposal of Investments, Associates and Subsidiaries		-	-
2.3	Purchases of Property and Equipment		(1.348.111)	(411.110)
2.4	Disposals of Property and Equipment		961.166	30.971
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(9.594.073)	(11.708.208)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		5.599.939	8.143.820
2.7	Purchase of Financial Assets Measured at Amortised Cost	(V-I-4)	(745.000)	(5.154.480)
2.8	Sale of Financial Assets Measured at Amortised Cost	(V-I-4)	715.250	8.029.287
2.9	Other		-	(1.021.191)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Flow From Financing Activities		10.420.094	15.405.364
3.1	Cash Obtained from Funds Borrowed and Securities Issued		486.610.540	91.913.273
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued		(475.602.645)	(76.048.306)
3.3	Issued Capital Instruments		-	-
3.4	Dividends Paid		(431.045)	-
3.5	Leases Paid		(156.756)	(100.219)
3.6	Other		-	(359.384)
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(V-VI-3)	1.660.024	264.198
V.	Net (Decrease) Increase in Cash and Cash Equivalents		(2.345.298)	8.257.809
VI.	Cash and Cash Equivalents at the Beginning of the Period	(V-VI-a)	39.569.653	31.859.321
VII.	Cash and Cash Equivalents at the End of the Period	(V-VI-b)	37.224.355	40.117.130

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
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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 Bank has prepared its financial statements in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Regulation which includes the regulation on "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette dated November 1, 2006 with No. 26333, and other regulations on accounting records of banks, circulars and pronouncements published by the BRSA and Turkish Accounting Standards 34 ("TAS 34") Interim Financial Reporting Standards and Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA").and the Related Explanations and Footnotes" and the "Communiqué on Disclosures to be Made to the Public by Banks on Risk Management" published in the Official Gazette dated June 28, 2012 and numbered 28337, as well as the communiqués supplementing and amending these, have been considered in the preparation of the financial statements."

The format and content of the publicly announced unconsolidated 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 Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

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

Public Oversight Accounting and Auditing Standards Authority ("POA"), with its announcement dated November 23, 2023, applied that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after December 31, 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies ("TAS 29"), however, institutions or organizations authorized to regulate and supervise in their own fields may determine different transition dates for the applying of TAS 29. Based on this announcement of POA, BRSA, with its decision dated December 12, 2023 and numbered 10744, decided that the financial statements dated December 31, 2023 of banks and financial leasing, factoring, financing, savings financing and asset management companies should not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA's decision dated January 11, 2024 and numbered 10825, it has been decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will be applied inflation accounting as of January 1, 2025. Finally, BRSA's decision dated December 5, 2024 and numbered 11021, it has been decided that banks and financial leasing, factoring, financing, savings financing and asset management companies would not apply inflation accounting in 2025. Accordingly, the Bank has not applied the inflation accounting required by TAS 29 in its unconsolidated financial statements for the year ended JUNE 30, 2025.

The TFRS 17 Insurance Contracts standard, published by the Public Oversight, Accounting and Auditing Standards Authority (KGK) on February 16, 2019, to be applied for financial periods starting after December 31, 2022, establishes the principles for the recognition, measurement, presentation, and disclosure of insurance contracts within its scope. The aim of TFRS 17 is to ensure that businesses present these contracts in a way that reflects their true nature. KGK has decided that TFRS 17 will be applied in the consolidated and individual financial statements of companies starting from January 1, 2024. However, according to KGK's letter dated February 15, 2024, and numbered 22667, the effective date of TFRS 17 has been postponed to January 1, 2025. With KGK's latest announcement, the mandatory effective date of the standard has been further postponed to financial periods beginning on or after January 1, 2026.

b. Accounting policies and valuation principles used in the preparation of financial statements:

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which unconsolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these unconsolidated financial statements. Accordingly, these unconsolidated 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.

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I. Explanations on basis of presentation (continued):

b. Accounting policies and valuation principles applied in the preparation of financial statements: (Continued)

The accounting policies and valuation principles applied in the preparation of unconsolidated 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 TFRS.

The preparation of the unconsolidated financial statements according to BRSA Reporting and Accounting Legislation requires the Bank'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, provisions for the lawsuits, deferred tax assets and liabilities, 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, 2024 financial statements

c. Comparative information and classifications:

The changes in accounting policies are applied retrospectively and previous period financial statements are restated. The Financial statements of the 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.

Assets held for sale (TL 1.427.724) have been reclassified from property, plant and equipment to other assets in the balance sheet to conform to the current period's presentation, on the other hand the gold account balance (TL 1.106.591) tracked under cash equivalents has been reclassified as other assets due to its collateral nature.

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

The Bank 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 Bank's most important funding sources are its equity and borrowings from foreign financial institutions. The Bank sustains its liquidity to cover matured liabilities by holding adequate level of cash and cash equivalents.

The 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 converted into Turkish Lira at the rate of exchange rates ruling at the balance sheet date announced by the Bank. Gains or losses arising from foreign currency transactions and conversion of foreign currency assets and liabilities are reflected in the income statement as foreign exchange gain or loss.

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.

Differences arising from the conversion of debt securities and monetary financial assets into Turkish Lira are included in the income statement.

The balance sheet items of the foreign branches of the Bank included in the financial statements are converted into Turkish lira at the exchange rate ruling at the balance sheet date announced by the Bank. Income statement items are converted into Turkish lira by exchange rate ruling at the transaction date and all exchange differences arising from conversion are accounted in other comprehensive income/expense Items to be recycled to profit or loss under equity according to TAS 21.

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

There are no foreign currency differences capitalized by the Bank.

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

The derivative financial instruments of the Bank, generally, consist of forward foreign currency, forward security and swap agreements. Derivative transactions portfolio may change as per market conditions in related terms. The Bank 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).

IV. 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 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 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.

V. 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 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 statement of profit or loss.

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 Bank records the related cash and non-cash loans commissions directly as income.

VI. 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 Bank, if the 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.

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VI. Explanations on financial assets (continued):

Assessment of business model:

As per TFRS 9, the 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 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 Bank's business models are divided into three categories. These categories are defined below:

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 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 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 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 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 investments are based on the valuation reports prepared by the valuation experts.

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 economical conjuncture, sectoral position and other market conditions.

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VI. Explanations on financial assets (continued):

Financial assets at the fair value through profit or loss (continued):

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 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.

Financial assets at fair value through other comprehensive income:

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 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 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 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.

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VII. Explanations on expected credit losses:

The 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 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.

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 in the note of significant estimates and assumptions in preparing financial statements, The Bank has reflected the estimations and judgments used in the calculation of credit losses as of June 30, 2025, using the best estimation method with the maximum effort principle.

-Except for individual assessment 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 14 years of data from first quarter of 2010 to the year end of 2024. 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 gross national product have been found meaningful.

Under this context, the approach used through 2024 has been maintained and will be reviewed in the coming reporting periods by considering the changes in 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 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.

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VII. Explanations on expected credit losses (continued):

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.

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 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 bank will make in this case
- The Bank management's conclusion that there is significant increase in credit risk. At this point, the 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 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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VIII. Explanations on offsetting of financial instruments:

Financial instruments are offset when the Bank 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 certificates issued by the Bank which are repurchased has been offset in financial assets measured at fair value through other comprehensive income and subordinated loan accounts.

IX. 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 Bank 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.

X. 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 Bank has assets that are possessed due to receivables and debtors' obligations to the Bank and classified as assets held for sale. In the case that the Bank 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 other assets. The Bank transfers such assets from assets held for sale and discounted operations to other assets.

A discontinued operation is a part of the Bank'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. As stated in the Public Disclosure Platform (PDP) material event disclosure dated April 3, 2024, with the initiation of the liquidation process of Getinsha GMBH, a subsidiary of the Bank, the related subsidiary has been classified as discontinued operations.

XI. 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”. As of the balance sheet date, there is no goodwill in the financial statements of the Bank. The Bank's intangible assets consist of softwares, capitalized information technology services and intangible rights.

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 Bank over their estimated economic useful lives in equal amounts on a straight-line basis.

Useful lives of the Bank's software have been determined as 3 to 4 years and other intangible assets' useful lives have been determined as 15 years.

If there is objective evidence of 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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XII. 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 30, 2009, the 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 December 31, 2024, the Bank has revalued its immovables and reflected the results of appraisal reports prepared by an 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 Bank 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

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XIII. 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 Bank, as a participation bank, acts as a lessor in finance leasing transactions. The 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 continues almost the same.

The 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 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 Bank's average profit rate.

If the ratio cannot be easily determined, the 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 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 Bank is depreciating the right-to-use asset, it utilizes the provisions for depreciation in TAS 16 Tangible Assets Standard

The lease liabilities:

At the effective date of the lease, the 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 Bank's average profit rate. If the ratio cannot be easily determined, the 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.

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XIII. Explanations on leasing transactions (continued):

After the effective date of the lease, the 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.

XIV. 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 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 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.

XV. 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 Bank 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 Bank 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 Bank.

The Bank has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, The Bank recognizes all actuarial gains and losses immediately through other comprehensive income. As of June 30, 2025, there is a total actuarial loss of TL 523.117 before deferred tax under equity (December 31, 2025: TL 523.117 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 employees are members.

ii) *Defined contribution plans:*

The Bank pays defined contribution plans to publicly administered Social Security Funds for its employees. The Bank 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, Bank measures the expected costs of the cumulative annual leaves as additional amounts anticipate to pay accumulated and unused rights as of reporting period.

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XVI. Explanations on taxation:

Current tax:

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

In the financial statements as of June 30, 2025, the corporate tax rate is applied 30%. The corporate tax rate has been permanently increased to 25% 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 in accordance with the publication of the Law No. 7394 in the Official Gazette dated April 15, 2022. However, with the Law No. 7456 published on July 15, 2023, the rate has been increased to 30% in order to be applied to the cumulative bases included in the declarations to be submitted as of October 1, 2023; the corporate tax rate is applied as 30% as of this date.

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 15%. Appropriation of the retained earnings to capital is not considered as profit distribution and accordingly is not subject to withholding tax.

Corporations calculate advance tax with their current rate on quarterly profits and pay until the evening of the same day by declaring until the 17th day of the second month following that 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. However, with the Law No. 7456 published on July 15, 2023, this exception has been abolished for real estate to be acquired after the publication date of the decision; If the real estates acquired before this date are sold after the effective date of the decision, 25% of the real estate sales revenue will be exempt from corporate tax.

In accordance with the tax legislation, tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

In Türkiye, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns until the last day of the following fourth month after the closing of the accounting year 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 Bank. As of report date, there is no information or written report transmitted to the Bank.

Within the framework of the provision of Article 298/A of the Tax Procedure Law, the conditions required for inflation adjustment in the corporate tax calculation have been met as of the end of the 2021 calendar year. However, with the regulation made by Law No. 7352 dated January 20, 2022, the inflation adjustment application in the corporate tax calculation was postponed to 2023. Accordingly, The TPL financial statements for the 2021 and 2022 accounting periods have not been subject to inflation correction. Financial statements dated December 31, 2023, the profit/loss difference resulting from the inflation correction will be shown in the previous years' profit/loss account and will not be subject to tax.

With the law number 7491 published in the Official Gazette numbered 32413 dated December 28, 2023, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be subject to inflation adjustments in the 2024 and 2025 accounting periods. It is regulated that the resulting profits or losses will not be considered in determining the corporate tax base.

Within the scope of the temporary article 32 of the Tax Procedure Law Numbered 213, depreciable assets were revalued and additional tax amount of 2% is levied over the revaluation difference. Assets that are included in the scope pursuant to duplicate article 298 are valued with the revaluation rate announced in the relevant year and no tax is levied over this revaluation increase.

Domestic Minimum Corporate Tax Regulation

Türkiye has implemented the Domestic Minimum Corporate Tax through the laws published in the Official Gazette on August 2, 2024. This tax will be applied starting from the 2025 fiscal year. With the Law No. 7524, the Minimum Corporate Tax system has been introduced, and it stipulates that the calculated corporate tax, before deductions and exemptions, cannot be less than 10% of the corporate income. The regulation will come into effect on the publication date and will apply to corporate profits for the 2025 tax period. Additionally, the Corporate Tax General Communiqué No. 23 has been published on the subject.

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XVI. Explanations on taxation (continued):

Deferred tax:

The Bank 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 represented in the accompanying financial statements on a net basis. In the deferred tax calculation, the enacted tax rate is used as of the balance sheet date by estimating when the temporary differences will be taxable / deductible in accordance with the current tax legislation.

Deferred tax asset had not been provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004. However, deferred tax rate calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles from 1 January 2018. Deferred tax calculation is not made for free provisions.

As explained in detailed note under “XVII Additional explanations on borrowings”, deferred tax is calculated for exchange difference and coupon payment for Tier 1 under equity and deferred tax expenses. If loss occurs in the income statement prepared as per Turkish Tax Legislation, The Bank recognizes deferred tax. While making this calculation, The 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.

Law No. 7491 on the Amendment of Certain Laws and Decree Laws The profit / loss due to the inflation adjustment to be made in the differences of the 2024 and 2025 accounting periods will be excluded from the determination of earnings. In accordance with the TPL General Communiqué No. 560 published in the Official Gazette dated 30 April 2024 and numbered 32532, it has been declared that it is appropriate not to implement inflation adjustment in the temporary tax period of the first accounting period of 2024. In accordance with the temporary Article 33 of the Tax Procedure Law, in the financial statements dated June 30, 2025, tax effects arising from the inflation adjustment of corporate tax are included in the deferred tax calculation as of June 30, 2025. As of June 30, 2025, deferred tax calculation has been made for assets and liabilities at a rate of 30%.

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.

Global Minimum Corporate Tax

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

The exception regarding the non-recognition and non-disclosure of deferred taxes within this scope, as well as the provision that the exception has been applied, will be implemented with the publication of the change in the regulation.

With a Bill presented to the Grand National Assembly of Turkey (TBMM) on July 16, 2024, Turkey has started to adopt the OECD’s Global Minimum Tax for Multinational Enterprises regulations (Pillar two). These regulations came into effect with laws published in the Official Gazette on August 2, 2024. The implementation in Turkey is largely aligned with the OECD’s Pillar 2 Model Rules, showing similarities in areas such as scope, exemptions, consolidation, tax calculations, and filing deadlines. While secondary regulations regarding calculation details and implementation methods have not yet been published, preliminary assessments, considering the regulations published by the OECD, continue to evaluate the impact of these regulations on financials. Furthermore, legal changes in Turkey and in other countries where the Bank operates are being monitored.

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XVII. Additional explanations on borrowings:

The Bank 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 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 Bank. The Bank has issued borrowings through its subsidiary Bereket Varlık Kiralama A.Ş. and its structured entities Bereket One Ltd., Albaraka Sukuk Ltd., Albaraka CT One Ltd. and Albaraka Mtn Ltd.

The Bank has subordinated loans borrowed through sukuk issuance, which has unconvertible 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 Bank's structured entity “Bereket One Ltd”. Stated transaction evaluated as non-monetary item accordance with TAS 32.

XVIII. Explanations on issued share certificates:

Share issuance related to costs is recognized as expenses. Dividend income related with the equity shares are determined by the General Assembly of the Shareholders.

Weighted average number of shares outstanding is taken into account in the calculation of earnings per share. In case the number of shares increases by way of bonus issues as a result of the capital increases made by using the internal sources, the calculation of earnings per share is made by adjusting the weighted average number of shares, which were previously calculated as at the comparable periods. The adjustment means that the number of shares used in calculation is taken into consideration as if the bonus issue occurred at the beginning of the comparable period. In case such changes in the number of shares occur after the balance sheet date, but before the ratification of the financial statements to be published, the calculation of earnings per share are based on the number of new shares. The Bank's earnings per share calculations taking place in the income statements are as follows:

	Current Period	PRIOR PERIOD
Net profit/(loss) distributable to ordinary shareholders	9.101.997	1.870.480
Weighted average number of ordinary shares in issue (in thousands)	2.500.000	2.500.000
Earnings per share (full TL)	3,64080	0,74819

XIX. Explanations on acceptances and availed drafts:

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

XX. Explanations on government grants:

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

XXI. Explanations on segment reporting:

Business segment is a component of the Bank that engages in business activities from which the Bank may earn revenues and incur expenses, whose operating results are regularly reviewed by the 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.

XXII. Explanations on investments in associates, subsidiaries and joint ventures:

The subsidiaries and associates are accounted at cost less provisions for impairment losses (if any) in the unconsolidated financial statements accordance with TAS 27 “Turkish Accounting Standards for Individual Financial Statements”.

XXIII. Explanations on other matters:

None.

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SECTION FOUR

Information on Financial Structure and Risk Management

I. Explanations on 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 June 30, 2025, the Bank’s total capital has been calculated as TL 35.718.726 and capital adequacy standard ratio is 18,90%. As of December 31, 2024, Bank’s total capital amounted to TL 26.167.415 and capital adequacy ratio was 17,15 %. The Bank’s capital adequacy standard ratio is above the minimum ratio required by the legislation.

a. Information on 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	2.500.000
Share issue premiums	23.278	23.278
Reserves	3.912.448	5.117.048
Gains recognized in equity as per TAS	4.765.853	6.065.435
Profit	9.101.997	4.310.448
Current Period Profit	9.101.997	4.310.448
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	20.303.576	18.016.209
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st 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	407.047	366.182
Improvement costs for operating leasing	81.012	72.670
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	859.944	618.647
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	804.305	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	27.740	-
Shares obtained contrary to the 4th clause of the 56th 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	88.716	361.233
Amount exceeding 15% of the common equity as per the 2nd 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	2.268.764	1.418.732
Total Common Equity Tier 1 Capital	18.034.812	16.597.477

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

a. Information on capital (continued):

	Current Period	Prior Period
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	8.054.450	-
Debt instruments and premiums approved by BRSA	-	775.720
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	8.054.450	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	8.054.450	775.720
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	26.089.262	17.373.197
TIER II CAPITAL	-	-
Debt instruments and share issue premiums deemed suitable by the BRSA	8.643.800	7.657.100
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	987.173	1.139.978
Tier II Capital Before Deductions	9.630.973	8.797.078
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	18
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	-	18
Total Tier II Capital	9.630.973	8.797.060
Total Capital (The sum of Tier I Capital and Tier II Capital)	35.720.235	26.170.257
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	1.509	2.842

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

a. Information on 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 Tier1 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)	35.718.726	26.167.415
Total risk weighted amounts	189.008.288	152.596.337
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	9,54	10,88
Tier 1 Capital Adequacy Ratio (%)	13,80	11,39
Capital Adequacy Ratio (%)	18,90	17,15
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 (%)	-	-
c) Systemic significant bank buffer ratio (%)	-	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	5,04	6,38
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	1.812.353	1.695.871
Limits related to provisions considered in Tier II calculation	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	987.173	1.139.978
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	987.173	1.139.978
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	-	-

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

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

a. Information on capital (continued):

In calculating credit risk as per Regulation on Measurement and Evaluation of Capital Adequacy of Banks, it is possible that Central Bank buying exchange rates of June 28, 2024 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 December 31, 2024, the Bank has utilized this facility in calculating capital adequacy ratio.

b. Details on subordinated liabilities:

Issuer	Albaraka CT One Ltd.	Albaraka MTN Ltd.	Bereket One Ltd.
Unique Identifier (CUSIP, ISIN etc.)	XS2594992914	XS2930602409	XS17 72390628
Governing Law(s) of the Instrument	English Law	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	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Sukuk Wakala	Sukuk Wakala	Sukuk Mudaraba
Amount recognized in regulatory capital (as of most recent reporting date)	3.929.000 TL	4.714.800 TL	8.054.450 TL
Par Value of Instrument	3.929.000 TL	4.714.800 TL	8.054.450 TL
Accounting Classification	Subordinated Loan	Subordinated Loan	Equity
Original date of Issuance	February 28, 2023	October 30, 2024	February 20, 2018
Perpetual or dated	Dated	Dated	Undated
Maturity date	February 28, 2033	October 28, 2034	Undated
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date: February 28, 2033 Total Repayment Amount of Profit Share: USD 50.000.000 (first 5 years), USD 50.000.000 (second 5 years) Coupon Repayment Period: 6 months Principal Payment: USD 100.000.000	Last Payment Date: October 30, 2034 Total Repayment Amount of Profit Share: USD 42.000.000 (first 5 years), USD 42.000.000 (second 5 years) Coupon Repayment Period: 6 months Principal Payment: USD 120.000.000	Last Payment Date: None First refund option date February 20, 2023 Total Repayment Amount of Profit Share: USD 102.500.000 (First 5 year) USD 117.075.500 (Second 5 year) Coupon Repayment Period: 6 months Principal Payment: USD 205.000.000
Subsequent call dates	-	-	-
Profit Share/Dividends			
Fixed or floating profit share/dividend	Fixed	Fixed	Fixed
Profit share rate and any related index	10 %	7 %	11,42 % (first 5 years:10%)
Existence of a dividend stopper	As per BRSA regulations and Communiqués it is payable	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	Mandatory	Optional
Existence of step up or other incentive to redeem	-	-	-
Noncumulative or cumulative	Cumulative	Cumulative	Noncumulative
Convertible or Non-convertible			
If convertible, conversion trigger	Not Convertible	Not Convertible	Not Convertible
If convertible, fully or partially	Not Convertible	Not Convertible	Not Convertible
If convertible, conversion rate	Not Convertible	Not Convertible	Not Convertible
If convertible, mandatory or optional conversion	Not Convertible	Not Convertible	Not Convertible
If convertible, specify instrument type convertible into	-	-	-
If convertible, specify issuer of instrument it converts into	-	-	-
Write-down feature			
If write-down, write-down trigger(s)	Non-sustainability	Non-sustainability	Non-sustainability-The ratio of Core Capital to below 5,125%
If write-down, full or partial	Full or Partial	Full or Partial	At least to ensure that the core capital ratio exceeds 5,125%
If write down, permanent or temporary	Permanent	Permanent	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 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	No
Details of incompliance with article number 7 and 8 of "Own fund regulation"	No	No	No

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

c. Information on reconciliation of total capital and equity:

The difference between Total Capital and Equity in the unconsolidated 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 their related deferred tax liabilities and other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. Explanations on 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 currency risk:

Foreign currency risk arises from the Bank’s possible exposure to the changes in foreign currencies.

I. The 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 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.

II. The Bank 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 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 Bank are as follows:

	USD	EUR
As of June 30, 2025 - Balance sheet evaluation rate	39,290	46,114
As of June 27, 2025	39,384	46,150
As of June 26, 2025	39,267	45,973
As of June 25, 2025	39,247	45,605
As of June 24, 2025	39,106	45,421
As of June 23, 2025	39,229	45,234

d. The simple arithmetical average of the major foreign exchange buying rates of the Bank for the thirty days before the balance sheet date is TL 38,987 for 1 USD (December 2024: TL 34,453), TL 44,946 for 1 EUR (December 2024: TL 36,080). The Bank is mainly exposed to EUR and USD currency risks.

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III. Explanations on currency risk (continued):

Information on currency risk of the Bank:

Current Period	EUR	USD	Other FC ^(*)	Total
Assets				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	11.520.853	28.638.294	19.514.189	59.673.336
Banks	805.336	2.152.472	12.131.457	15.089.265
Financial assets at fair value through profit and loss ^(**)	5.569.654	2.172.014	5.783	7.747.451
Money market placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	100.967	8.694.689	22.471	8.818.127
Loans and financial lease receivables ^(***)	33.914.817	52.620.740	1.195.930	87.731.487
Subsidiaries, associates and joint ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	-	15.569.137	748.999	16.318.136
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	-	97.066	97.066
Intangible assets	-	-	-	-
Other assets ^(****)	489.425	242.511	1.260.803	1.992.739
Total assets	52.401.052	110.089.857	34.976.698	197.467.607
Liabilities				
Current account and funds collected from banks via participation accounts	514.509	1.398.586	173.936	2.087.031
Other current and profit sharing accounts	24.754.280	53.864.630	38.190.922	116.809.832
Money market borrowings	-	-	-	-
Funds provided from other financial institutions and subordinated loans	9.288.675	65.293.312	-	74.581.987
Marketable securities issued	-	-	-	-
Miscellaneous payables	416.583	2.550.501	1.234.554	4.201.638
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities	379.080	116.816	7.519	503.415
Total liabilities	35.353.127	123.223.845	39.606.931	198.183.903
Net balance sheet position	17.047.925	(13.133.988)	(4.630.233)	(716.296)
Net off balance sheet position	(16.271.856)	9.720.496	8.457.950	1.906.590
Derivative financial instruments assets ^(*****)	2.667.316	13.527.552	20.788.060	36.982.928
Derivative financial instruments liabilities ^(*****)	18.939.172	3.807.056	12.330.110	35.076.338
Non-cash loans ^(*****)	5.880.779	14.322.756	1.318.246	21.521.781
Prior Period				
Total assets	30.523.959	87.354.699	27.176.958	145.055.616
Total liabilities	23.039.983	93.771.114	31.046.706	147.857.803
Net balance sheet position	7.483.976	(6.416.415)	(3.869.748)	(2.802.187)
Net off balance sheet position	(7.423.686)	3.676.500	5.911.445	2.164.259
Derivative financial instruments assets	247.034	9.351.426	6.224.125	15.822.585
Derivative financial instruments liabilities	7.670.720	5.674.926	312.680	13.658.326
Non-cash loans ^(*****)	4.206.443	11.741.901	1.104.994	17.053.338

^(*) TL 19.013.590 (December 31, 2024: TL 8.188.589) 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 5.614.789 (December 31, 2024: TL 10.942.153) of the balance in Banks in other FC column represent precious metals accounts with banks, TL 32.296.453 (December 31, 2024: TL 22.525.860) of the balance in Other current and profit sharing accounts in other FC column represent precious metals deposits accounts.

^(**) Derivative financial instruments are included.

^(***) The balance includes foreign currency indexed loans and financial lease receivables of TL 36.468 (December 31, 2024: TL 48.041).

^(****) Foreign currency indexed receivables from commission and fees of non-cash loans amounting to TL 6.436 is included in other assets (December 31, 2024: TL 5.746). Includes the balance of Getinsha GMBH amounting to TL 118.173, which has ceased operations.

^(*****) In the current period, derivative financial instruments assets include foreign currency purchase commitment in the amount of TL 5.263.191 (December 31, 2024: TL 270.769) and derivative financial instruments liabilities include foreign currency sale commitment in the amount of TL 5.964.200 (December 31, 2024: TL 1.070.610).

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

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

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

The 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 167.138 100% risk weight is applied to related whole amount (December 31, 2024: TL 144.638).

V. Explanations on 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 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 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 Bank in liquidity risk management and 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 Bank is exposed to and considering the Bank's strategy and conditions of competition and pursues the implementations.

Risk Management Department defines the 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 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 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 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 taking into account the relevant currencies. Funding sources are monitored actively during identification of concentration risk related to funding. The 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 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 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 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 Bank monitors liquidity risk in terms of early warning indicators in each stress.

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V. Explanations on liquidity risk (continued):

Liquidity Coverage Ratio:

		Rate of "Percentage to be taken into account" not Implemented Total Value ^(*)		Rate of "Percentage to be taken into account" Implemented Total Value ^(*)	
		TL+FC	FC	TL+FC	FC
	Current Period				
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			95.380.282	56.969.355
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	119.205.595	78.898.020	11.007.226	7.889.802
3	Stable Funds Collected	18.266.669	-	913.333	-
4	Less stable Funds Collected	100.938.926	78.898.020	10.093.893	7.889.802
5	Unsecured Funding other than Retail and Small Business Customers Deposits	129.373.217	59.599.802	91.348.585	36.921.200
6	Operational Funds Collected	41.311.343	30.414.739	10.327.836	7.603.685
7	Non-Operational Funds Collected	45.239.935	1.599.770	40.042.527	707.543
8	Other Unsecured Funding	42.821.939	27.585.293	40.978.222	28.609.972
9	Secured funding			-	-
10	Other Cash Outflows	28.561.656	23.495.152	28.561.656	23.495.152
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	28.561.656	23.495.152	28.561.656	23.495.152
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	59.257.111	19.658.637	5.577.266	2.578.686
16	TOTAL CASH OUTFLOWS			136.494.733	70.884.840
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	50.272.410	29.638.682	41.014.760	26.770.993
19	Other contractual cash inflows	28.735.927	25.383.375	28.735.927	25.383.375
20	TOTAL CASH INFLOWS	79.008.337	55.022.057	69.750.687	52.154.368
				Upper limit applied amounts	
21	TOTAL HQLA			95.380.282	56.969.355
22	TOTAL NET CASH OUTFLOWS			66.744.046	18.730.472
23	Liquidity Coverage Ratio (%)			142,90	304,15

^(*) Average of the last three months of liquidity coverage ratios calculated considering weekly simple arithmetic averages.

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	110,82	190,99
Date	April 16, 2025	June 26, 2025
Highest	185,74	494,34
Date	May 23, 2025	June 9, 2025
Average	142,90	304,15

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V. Explanations on liquidity risk (continued):

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 ^(*)	
	Prior period	TL+FC	FC	TL+FC	FC
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			78.452.135	41.488.630
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	98.686.029	63.213.223	9.164.792	6.321.322
3	Stable Funds Collected	14.076.204	-	703.810	-
4	Less stable Funds Collected	84.609.825	63.213.223	8.460.982	6.321.322
5	Unsecured Funding other than Retail and Small Business Customers Deposits	109.788.291	53.518.717	82.819.547	35.919.382
6	Operational Funds Collected	30.328.781	21.748.466	7.582.195	5.437.116
7	Non-Operational Funds Collected	38.730.360	1.079.440	35.654.598	508.011
8	Other Unsecured Funding	40.729.150	30.690.811	39.582.754	29.974.255
9	Secured funding			-	-
10	Other Cash Outflows	8.054.703	5.650.490	8.054.703	5.650.490
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	8.054.703	5.650.490	8.054.703	5.650.490
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	45.528.203	16.705.358	4.081.905	2.027.002
16	TOTAL CASH OUTFLOWS			104.120.947	49.918.196
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	47.583.459	29.019.639	40.124.995	27.105.026
19	Other contractual cash inflows	7.942.436	6.569.762	7.942.436	6.569.762
20	TOTAL CASH INFLOWS	55.525.895	35.589.401	48.067.431	33.674.788
				Upper limit applied amounts	
21	TOTAL HQLA			78.452.135	41.488.630
22	TOTAL NET CASH OUTFLOWS			56.053.516	16.243.408
23	Liquidity Coverage Ratio (%)			139,96	255,42

^(*) Average of the last three months of liquidity coverage ratios calculated considering weekly simple arithmetic averages.

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 2024 are as follows:

Liquidity Coverage Ratio (%)	Prior Period	
	TL+FC	FC
Lowest	114,35	138,95
Date	November 4, 2024	December 27, 2024
Highest	200,73	458,87
Date	October 8, 2024	October 10, 2024
Average	139,96	255,42

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V. Explanations on liquidity risk (continued):

Liquidity Coverage Ratio (continued):

Liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the 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.

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. The Bank's high quality liquid assets are composed of 2,80% cash, 69,58% deposits in central banks and 27,62% securities considered as high quality liquid assets.

The Bank's main funding sources are funds collected, funds borrowed, borrowings from money market and subordinated loans. Funding source composition in report date is 70,58% funds collected, 29,42% funds borrowed, borrowings from money market and subordinated loans.

Cash flows of derivatives that will take place within 30 days are taken into account 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 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. Liquidity risk of the 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 Bank.

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V. Explanations on liquidity risk (continued):

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand ⁽ⁱ⁾	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated (****)(*****)	Total
Assets								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	31.254.747	51.392.000	-	-	-	-	-	82.646.747
Banks	14.422.681	6.342.967	702.353	-	-	-	-	21.468.001
Financial Assets at Fair Value Through Profit and Loss (**)	505.001	296.570	27.458	6.610.559	5.753.349	12.125.811	-	25.318.748
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	61.068	1.823.087	1.498.813	5.194.376	12.641.883	526.145	-	21.745.372
Loans(***)	413.655	31.096.214	31.763.357	78.458.559	44.266.744	1.474.727	380.217	187.853.473
Financial Assets Measured at Amortised Cost	-	984.966	215.234	9.820.855	14.684.854	3.750.942	-	29.456.851
Other Assets	-	-	17.443	71.502	818.937	730.360	18.621.671	20.259.913
Total Assets	46.657.152	91.935.804	34.224.658	100.155.851	78.165.767	18.607.985	19.001.888	388.749.105
Liabilities								
Current account and funds collected from banks via participation accounts	1.916.348	73	-	196.965	-	-	-	2.113.386
Other current and profit sharing accounts	112.456.803	91.197.158	23.988.607	16.388.336	74.989	-	-	244.105.893
Funds provided from other financial institutions and subordinated loans	-	30.091.264	31.763.458	10.671.450	22.830.436	-	-	95.356.608
Money Market Borrowings	-	7.256.664	-	-	-	-	-	7.256.664
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	2.133.586	116.604	4.474	-	-	12.886.066	15.140.730
Other liabilities	-	-	1.000	28.527	604.306	650.255	23.491.736	24.775.824
Total Liabilities	114.373.151	130.678.745	55.869.669	27.289.752	23.509.731	650.255	36.377.802	388.749.105
Net Liquidity Gap	(67.715.999)	(38.742.941)	(21.645.011)	72.866.099	54.656.036	17.957.730	(17.375.914)	-
Net Off-balance sheet Position								
Financial Derivative Assets	-	35.851.353	1.248.313	2.921.900	-	-	-	40.021.566
Financial Derivative Liabilities	-	35.987.493	1.337.225	3.358.310	-	-	-	40.683.028
Non-cash Loans	45.289.383	194.845	911.283	3.221.084	1.259.901	-	-	50.876.496
Prior period								
Total Assets	47.354.585	74.951.736	25.518.614	64.827.720	76.428.776	6.489.157	14.977.373	310.547.961
Total Liabilities	102.376.675	109.948.018	24.966.288	21.588.222	13.637.579	658.975	37.372.204	310.547.961
Net Liquidity Gap	(55.022.090)	(34.996.282)	552.326	43.239.498	62.791.197	5.830.182	(22.394.831)	-
Net Off-balance sheet Position								
Financial Derivative Assets	-	12.669.945	1.740.250	2.555.896	-	-	-	16.966.091
Financial Derivative Liabilities	-	12.576.894	1.895.625	2.881.498	-	-	-	17.354.017
Non-cash Loans	35.740.812	215.435	570.635	3.465.533	402.931	291	-	40.395.637

⁽ⁱ⁾ 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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V. Explanations on liquidity risk (continued):

Net Stable Funding Ratio:

Net stable funding ratio (NSFR) is calculated by dividing the available stable funding amount by the required stable funding amount. Available stable funding includes the portion of banks' liabilities and capital that are expected to be permanent; and required stable funding refers to the portion of banks' on balance sheet assets and off-balance sheet liabilities that are expected to be refunded.

Available stable funding amount is calculated by summing the amounts to be found after applying the relevant consideration rates determined within the scope of the legislation to the amounts of banks' liabilities and capital items valued in accordance with IFRS. Required stable funding amount will be found after applying the relevant consideration rates determined within the scope of the legislation to the value calculated by deducting the special provisions set aside in accordance with the Regulation on the Procedures and Principles on the Classification of Loans and the Provisions from the amounts of the banks' on-balance sheet assets and off-balance sheet liabilities valued in accordance with IFRS.

The three-month simple arithmetic average of the consolidated and unconsolidated NSFR calculated monthly as of capital calculation periods as of March, June, September and December cannot be less than one hundred percent.

As of June 30, 2025, NSFR is calculated as 145,66 % (previous period: 154,72%). Considering the amounts to which the consideration rate is applied, Capital items correspond to 22,01% of Available Stable Funding amount (previous period: 16,75%) and Real Person and Retail Customer Deposits corresponds to 50,41% of Available Stable Funding amount (previous period: 53,81%), where those two refers to items to which the highest consideration rates are applied within the scope of the legislation. Performing Receivables, which have the largest share in Required Stable Funding, constitute 56,29% (previous period: 52,18%) of Required Stable Fund amount. Factors such as the development of major balance sheet items such as Loans and Deposits, the change in balance sheet maturity structure and asset encumbrance are effective in the development of the ratio between the periods.

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V. Explanations on liquidity risk (continued):

Net Stable Funding Ratio (continued):

Current Period		a	b	c	ç	d
		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
Available stable funding						
1	Capital Instruments	52.930.631	-	-	-	52.930.631
2	Tier 1 Capital and Tier 2 Capital	52.930.631	-	-	-	52.930.631
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	74.385.315	-	59.121.102	79.372	121.207.361
5	Stable Deposits	6.122.521	-	13.452.061	28.422	18.622.854
6	Less Stable Deposits	68.262.794	-	45.669.041	50.950	102.584.507
7	Other Obligations	-	-	115.856.048	-	57.928.024
8	Operational deposits	-	-	43.629.380	-	21.814.690
9	Other Obligations	-	-	72.226.668	-	36.113.334
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	6.319.138	190.569	4.093.968	-	8.366.122
12	Derivative liabilities				190.569	
13	All other equity not included in the above categories	6.319.138	-	4.093.968	-	8.366.122
14	Available stable funding					240.432.138
Required stable funding						
15	High Quality Liquid Assets					-
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	176.327.427	45.517.079	-	12.372.456	92.918.219
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	25.558.373	-	2.364.331	6.198.087
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	175.979.096	19.958.706	-	-	79.918.770
21	Loans with a risk weight of less than or equal to 35%	3.478.088	-	-	-	2.260.757
22	Residential mortgages	-	-	-	10.008.125	6.505.281
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	10.008.125	6.505.281
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	348.331	-	-	-	296.081
25	Assets equivalent to interconnected liabilities					
26	Other Assets	66.818.679	4.068.303	-	-	68.907.837
27	Physical traded commodities, including gold	10.964.278				9.319.636
28	Initial margin posted or given guarantee fund to central counterparty				-	-
29	Derivative Assets				-	-
30	Derivative Liabilities before the deduction of the variation margin				4.068.303	4.068.303
31	Other Assets not included above	55.854.401	-	-	-	55.519.898
32	Off-balance sheet commitments		64.751.160	-	-	3.237.558
33	Total Required stable funding					165.063.614
34	Net Stable Funding Ratio (%)					145,66

NSFR ratio development in the second 3 months of 2025 is shown in the table below:

Current Period	Ratio
April 30, 2025	158,19
May 31, 2025	165,39
June 30, 2025	145,66
3 Month Average	156,41

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V. Explanations on liquidity risk (continued):

Net Stable Funding Ratio (continued):

Prior Period		a	b	c	ç	d
		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
Available stable funding						
1	Capital Instruments	33.714.583	-	-	-	33.714.583
2	Tier 1 Capital and Tier 2 Capital	33.714.583	-	-	-	33.714.583
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	61.343.595	-	57.897.801	124.164	108.319.462
5	Stable Deposits	4.881.303	-	12.887.241	40.617	16.918.703
6	Less Stable Deposits	56.462.292	-	45.010.560	83.547	91.400.759
7	Other Obligations	-	-	89.163.556	-	44.581.778
8	Operational deposits	-	-	44.246.670	-	22.123.335
9	Other Obligations	-	-	44.916.886	-	22.458.443
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	6.821.356	-	15.762.036	-	14.702.374
12	Derivative liabilities					
13	All other equity not included in the above categories	6.821.356	-	15.762.036	-	14.702.374
14	Available stable funding					201.318.197
Required stable funding						
15	High Quality Liquid Assets					-
16	Deposits held at financial institutions for operational Purposes	-	-	-	-	-
17	Performing Loans	128.255.024	49.770.672	-	9.976.012	67.891.008
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	25.634.820	-	2.254.407	6.099.630
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	127.891.944	24.135.852	-	-	56.463.717
21	Loans with a risk weight of less than or equal to 35%	2.816.865	-	-	-	1.830.962
22	Residential mortgages	-	-	-	7.721.605	5.019.043
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	7.721.605	5.019.043
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	363.080	-	-	-	308.618
25	Assets equivalent to interconnected liabilities					
26	Other Assets	59.978.927	1.743.148	-	-	59.693.655
27	Physical traded commodities, including gold	2.579.789				2.192.821
28	Initial margin posted or given guarantee fund to central Counterparty			-		-
29	Derivative Assets			7.746		7.746
30	Derivative Liabilities before the deduction of the variation margin			1.735.402		1.735.402
31	Other Assets not included above	57.399.138	-	-	-	55.757.686
32	Off-balance sheet commitments		50.589.860	-	-	2.529.493
33	Total Required stable funding					130.114.156
34	Net Stable Funding Ratio (%)					154,72

NSFR ratio development in the last 3 months of 2024 is shown in the table below.

Prior Period	Ratio
October 31, 2024	181,44
November 30, 2024	163,68
December 31, 2024	154,72
3 Month Average	166,61

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VI. Explanations on leverage ratio:

As of June 30, 2025, leverage ratio of the Bank calculated from the arithmetic average of the last three months is 5,60% (December 31, 2024: 4,38%). 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)	378.770.027	301.352.868
2 (Assets deducted from Core capital)	(1.514.395)	(835.763)
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	377.255.632	300.517.105
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	259.429	65.045
5 Potential credit risk amount of derivative financial assets and credit derivatives	307.836	115.642
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	567.265	180.687
Financing transactions secured by marketable security or commodity		
7 Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	4.860.252	14.159.912
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)	4.860.252	14.159.912
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	73.352.022	52.103.643
11 (Correction amount due to multiplication with credit conversion rates)	(40.050)	(40.050)
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	73.311.972	52.063.593
Capital and total risk		
13 Core Capital	25.489.032	16.094.192
14 Total risk amount (sum of lines 3, 6, 9 and 12)	455.995.121	366.921.297
Leverage ratio		
15 Leverage ratio (%)	5,60	4,38

^(*) The average amounts for the last three months.

VII. Explanations on presentation of 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 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. Due to usage of standard approach for the calculation of capital adequacy ratio by the Bank, tables which have to be prepared within the scope of Internal rating-based (IRB) approach have not been presented.

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)	125.101.878	107.816.690	10.008.150
2	Standardised approach (SA)	125.101.878	107.816.690	10.008.150
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	895.070	353.803	71.606
5	Standardised approach for counterparty credit risk (SA-CCR)	895.070	353.803	71.606
6	Internal model method (IMM)	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-
8	Investments made in collective investment companies – look-through approach	-	-	-
9	Investments made in collective investment companies – mandate-based approach	-	-	-
10	Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	37.460.177	27.372.478	2.996.814
17	Standardised approach (SA)	37.460.177	27.372.478	2.996.814
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	25.551.163	17.053.366	2.044.093
20	Basic Indicator Approach	25.551.163	17.053.366	2.044.093
21	Standard Approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	189.008.288	152.596.337	15.120.663

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IX. Explanations on risk management (continued):

c. Credit risk:

c.1. General information on credit risk:

c.1.1. General qualitative information on credit risk:

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

c.1.2. Credit quality of assets:

Current Period	Gross carrying value in financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/ amortisation and impairments	Net values
	Defaulted	Non-defaulted		
1 Loans	2.702.327	189.545.035	4.393.889	187.853.473
2 Debt securities	-	58.789.600	91.513	58.698.087
3 Off-balance sheet exposures	35.977	77.613.863	403.334	77.246.506
4 Total	2.738.304	325.948.498	4.888.736	323.798.066

Prior Period	Gross carrying value in financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/ amortisation and impairments	Net values
	Defaulted	Non-defaulted		
1 Loans	2.019.669	146.463.845	4.465.233	144.018.281
2 Debt securities	-	50.968.932	12.001	50.956.931
3 Off-balance sheet exposures	28.832	52.750.479	80.730	52.698.581
4 Total	2.048.501	250.183.256	4.557.964	247.673.793

c.1.3. Changes in stock of default loans and debt securities:

	Current Period	Prior Period
1 Defaulted loans and debt securities at end of the previous reporting period	2.048.501	1.830.536
2 Loans and debt securities that have defaulted since the last reporting period	869.542	1.014.361
3 Receivables back to non-defaulted status	(1.553)	(12.695)
4 Amounts written off	(4.042)	(488.359)
5 Other changes	(174.144)	(295.342)
6 Defaulted loans and debt securities at end of the reporting period	2.738.304	2.048.501

c.1.4. Additional information on credit quality of assets:

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

c.2. Credit risk mitigation

c.2.1 Qualitative disclosure on credit risk mitigation techniques:

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

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IX. Explanations on risk management (continued):

c.2.2 Credit risk mitigation techniques:

Current Period		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	110.251.124	77.602.349	32.820.835	9.303.512	1.414.036	-	-
2	Debt securities	58.698.087	-	-	-	-	-	-
3	Total	168.949.211	77.602.349	32.820.835	9.303.512	1.414.036	-	-
4	Of which defaulted	(38.563)	418.780	229.459	-	-	-	-

Prior Period		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	79.417.518	64.600.763	27.473.663	7.317.022	969.896	-	-
2	Debt securities	50.956.931	-	-	-	-	-	-
3	Total	130.374.449	64.600.763	27.473.663	7.317.022	969.896	-	-
4	Of which defaulted	(14.178)	261.664	154.747	-	-	-	-

c.3. Credit risk under standardised approach:

c.3.1. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk:

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

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IX. Explanations on risk management (continued):

c.3.2. Credit risk exposure and credit risk mitigation techniques:

Current Period		Exposures before Credit Conversion Rate and Credit Risk Mitigation		Credit Risk Mitigation and Exposures post-Credit Conversion Rate		Risk Weighted Average and Risk Weighted Average Density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Risk classes							
1	Receivables from central governments or central banks	78.994.622	-	78.994.622	-	-	0,00%
2	Receivables from regional or local governments	24.614	1.087	24.614	294	12.454	50,00%
3	Receivables from administrative units and non-commercial enterprises	9.280	49.621	9.280	16.487	16.379	63,57%
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	23.235.881	2.506.802	23.235.881	2.072.136	7.403.382	29,25%
7	Receivables from corporates	89.434.799	27.187.107	89.434.799	13.234.276	71.389.102	69,53%
8	Retail receivables	17.856.933	22.623.407	17.856.933	6.103.565	17.109.650	71,41%
9	Receivables secured by mortgages on property	10.700.418	1.574.924	10.700.418	584.876	3.963.885	35,12%
10	Receivables secured by mortgages on commercial property	17.879.570	6.808.282	17.879.570	3.136.796	10.515.359	50,03%
11	Past due receivables	145.503	-	145.503	-	95.438	65,59%
12	Receivables defined in high risk category by BRSA	-	-	-	-	-	-
13	Collateralized Securities	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-
16	Other receivables	26.796.682	-	26.796.682	-	14.429.091	53,85%
17	Equity share investments	167.138	-	167.138	-	167.138	100,00%
18	Total	265.245.440	60.751.230	265.245.440	25.148.430	125.101.878	43,08%

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IX. Explanations on risk management (continued):

c.3.2. Credit risk exposure and credit risk mitigation techniques (continued):

Prior Period	Risk classes	Exposures before Credit Conversion Rate and Credit Risk Mitigation		Credit Risk Mitigation and Exposures post-Credit Conversion Rate		Risk Weighted Average and Risk Weighted Average Density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Receivables from central governments or central banks	69.343.976	-	69.343.976	-	-	0,00%
2	Receivables from regional or local governments	48.936	687	48.936	294	24.615	50,00%
3	Receivables from administrative units and non-commercial enterprises	18.883	41.771	18.883	17.232	20.992	58,13%
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	29.784.014	1.863.884	29.784.014	1.420.275	9.736.475	31,20%
7	Receivables from corporates	75.020.692	21.864.250	75.020.692	10.544.304	57.287.503	66,95%
8	Retail receivables	15.444.424	18.621.106	15.444.424	5.539.126	14.823.073	70,64%
9	Receivables secured by mortgages on property	9.055.974	1.402.133	9.055.974	576.722	3.386.010	35,15%
10	Receivables secured by mortgages on commercial property	15.609.109	5.935.876	15.609.109	2.760.830	9.190.198	50,03%
11	Past due receivables	95.814	-	95.814	-	62.588	65,32%
12	Receivables defined in high risk category by BRSA	-	-	-	-	-	-
13	Securities collateralized by mortgages	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-
16	Other receivables	22.530.151	-	22.530.151	-	13.140.598	58,32%
17	Equity share investments	144.638	-	144.638	-	144.638	100%
18	Total	237.096.611	49.729.707	237.096.612	20.858.783	107.816.690	41,80%

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IX. Explanations on risk management (continued):

c.3.3 Exposures by asset classes and risk weights:

Current Period		35% secured by Property mortgage									Total risk amount (post-CCF and CRM)
Risk Classes/Risk Weighted		0%	10%	20%	50%	75%	100%	150%	250%	Others ^(*)	
1 Receivables from central governments or central banks	78.994.622	-	-	-	-	-	-	-	-	-	78.994.622
2 Receivables from regional or local governments	-	-	-	-	24.908	-	-	-	-	-	24.908
3 Receivables from administrative units and non-commercial enterprises	6.810	-	3.222	-	-	-	15.735	-	-	-	25.767
4 Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5 Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6 Receivables from banks and brokerage houses	3.318.692	-	16.832.247	-	2.240.289	-	2.916.789	-	-	-	25.308.017
7 Receivables from corporates	24.796.874	-	3.473.876	-	7.576.691	-	66.652.939	168.695	-	-	102.669.075
8 Retail receivables	700.298	-	609.297	-	1.545	22.649.358	-	-	-	-	23.960.498
9 Receivables secured by mortgages on property	-	-	24	11.245.306	23.882	-	16.082	-	-	-	11.285.294
10 Receivables secured by mortgages on commercial property	-	-	3	-	21.002.008	-	14.355	-	-	-	21.016.366
11 Past due receivables	3.054	-	436	-	114.432	-	6.473	21.108	-	-	145.503
12 Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-
13 Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-
14 Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15 Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16 Other receivables	10.725.132	-	2.053.074	-	-	-	14.018.476	-	-	-	26.796.682
17 Equity share investments	-	-	-	-	-	-	167.138	-	-	-	167.138
18 Total	118.545.482	-	22.972.179	11.245.306	30.983.755	22.649.358	83.807.987	189.803	-	-	290.393.870

^(*) Represents 500% risk weight.

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IX. Explanations on risk management (continued):

c.3.3 Exposures by asset classes and risk weights:

Prior Period		35% secured by Property mortgage										Total risk amount (post-CCF and CRM)
	Risk Classes/Risk Weighted	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others ^(*)	
1	Receivables from central governments or central banks	69.343.976	-	-	-	-	-	-	-	-	-	69.343.976
2	Receivables from regional or local governments	-	-	-	-	49.230	-	-	-	-	-	49.230
3	Receivables from administrative units and non-commercial enterprises	12.468	-	3.318	-	-	-	20.329	-	-	-	36.115
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	3.484.441	-	19.427.341	-	4.883.007	-	3.409.500	-	-	-	31.204.289
7	Receivables from corporates	22.445.423	-	4.080.060	-	5.336.429	-	53.639.424	44.127	-	19.533	85.564.996
8	Retail receivables	766.833	-	611.179	-	13.270	19.592.268	-	-	-	-	20.983.550
9	Receivables secured by mortgages on property	-	-	-	9.601.473	11.457	-	19.766	-	-	-	9.632.696
10	Receivables secured by mortgages on commercial property	-	-	-	-	18.359.482	-	10.457	-	-	-	18.369.939
11	Past due receivables	2.936	-	1.682	-	70.566	-	7.952	12.678	-	-	95.814
12	Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-
13	Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Other receivables	7.646.337	-	2.179.020	-	-	-	12.704.794	-	-	-	22.530.151
17	Equity share investments	-	-	-	-	-	-	144.638	-	-	-	144.638
18	Total	103.702.414	-	26.302.600	9.601.473	28.723.441	19.592.268	69.956.860	56.805	-	19.533	257.955.394

^(*) Represents 500% risk weight.

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IX. Explanations on risk management (continued):

ç. Counterparty credit risk:

ç.1. Qualitative disclosure on counterparty credit risk:

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

ç.2. Counterparty credit risk (CCR) approach analysis:

Current Period		Replacement cost	Potential Future exposure	EEPE ^(*)	Alpha used for computing regulatory exposure at default	EAD post-CRM	RWA
1	Standardised Approach - CCR (for derivatives)	262.178	632.892		-	895.070	595.083
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6	Total						595.083

(*) Effective Expected Positive Exposure

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IX. Explanations on risk management (continued):

ç. Counterparty credit risk (continued):

ç.2. Counterparty credit risk (CCR) approach analysis (continued):

Prior Period	Replacement cost	Potential Future exposure	EEPE ^(*)	Alpha used for computing regulatory exposure at default	EAD post-CRM	RWA
1 Standardised Approach - CCR (for derivatives)	142.403	211.400		-	353.803	296.800
2 Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3 Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4 Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
5 Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
6 Total						296.800

(*) Effective Expected Positive Exposure

ç.3. Capital requirement for credit valuation adjustment (CVA):

	Current Period		Prior Period	
	EAD post-CRM	RWA	EAD post-CRM	RWA
Total portfolios subject to the Advanced CVA capital obligation	-	-	-	-
1 (i) VaR component (including the 3×multiplier)		-		-
2 (ii) Stressed VaR component (including the 3×multiplier)		-		-
3 All portfolios subject to the Standardised CVA capital obligation	895.070	299.987	353.803	57.003
4 Total subject to the CVA capital obligation	895.070	299.987	353.803	57.003

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IX. Explanations on risk management (continued):

ç.4. CCR exposures by risk class and risk weights:

Current Period												
Risk Classes	Risk Weighted											Total credit exposure ⁽¹⁾
	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other	
Receivables from central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from regional or local governments	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and brokerage houses	299.987	-	-	-	-	-	-	188.350	-	-	-	488.337
Receivables from corporates	-	-	-	-	-	-	-	406.733	-	-	-	406.733
Retail receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables secured by mortgages on property	-	-	-	-	-	-	-	-	-	-	-	-
Past due receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-
Total	299.987	-	-	-	-	-	-	595.083	-	-	-	895.070

Prior Period												
Risk Classes	Risk Weighted											Total credit exposure ⁽¹⁾
	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other	
Receivables from central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from regional or local governments	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and brokerage houses	57.003	-	-	-	-	-	-	37.197	-	-	-	94.200
Receivables from corporates	-	-	-	-	-	-	-	259.603	-	-	-	259.603
Retail receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables secured by mortgages on property	-	-	-	-	-	-	-	-	-	-	-	-
Past due receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-
Total	57.003	-	-	-	-	-	-	296.800	-	-	-	353.803

⁽¹⁾ Total credit risk represents the amount relating to CAR calculation after application of counterparty risk measurement techniques.

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IX. Explanations on risk management (continued):

ç.5. Collaterals for CCR

Current Period	Collateral for derivative transactions				Collateral for other transactions	
	Collaterals received		Collaterals granted		Collaterals received	Collaterals granted
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	-	-
Cash-foreign currency	-	-	-	-	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	-	-

Prior Period	Collateral for derivative transactions				Collateral for other transactions	
	Collaterals received		Collaterals granted		Collaterals received	Collaterals granted
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	-	-
Cash-foreign currency	-	-	-	-	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	-	-

ç.6. Information on the risks of the Bank arising from purchased or sold credit derivatives

The Bank does not have any risks arising from purchased or sold credit derivatives (December 31, 2024: None).

ç.7. Information on risks of the Bank arising from central counterparty

The Bank does not have any risks arising from central counterparty (December 31, 2024: None).

d. Information to be announced to public on Securitization:

There is not any information to be announced to public on securitization (December 31, 2024: None).

e. Information to be announced to public on Market Risk:

e.1. Qualitative disclosure to be announced to public on market risk:

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

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IX. Explanations on risk management (continued):

e.2 Market risk under standardised approach:

		Current Period	Prior Period
		RWA	RWA
Outright products			
1	Profit rate risk (general and specific)	8.498.169	6.914.065
2	Equity risk (general and specific)	17.614.468	15.512.931
3	Foreign exchange risk	9.733.096	2.380.920
4	Commodity risk	1.614.444	2.564.562
Options			
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitisation	-	-
9 Total		37.460.177	27.372.478

f. Operational risk:

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

X. Explanations on business segments:

The 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	4.887.165	18.973.553	10.225.829	10.518.054	44.604.601
Operating Expenses	(7.034.534)	(18.360.732)	(9.152.528)	(1.526.195)	(36.073.989)
Operating Income/Expenses	(2.147.369)	612.821	1.073.301	8.991.859	8.530.612
Profit/(Loss) Before Tax	(2.147.369)	612.821	1.073.301	8.991.859	8.530.612
Tax Income (Expense)	-	-	-	571.385	571.385
Current Year Profit/(Loss)	(2.147.369)	612.821	1.073.301	9.563.244	9.101.997
Total Assets	15.315.796	187.175.604	170.585.024	15.672.681	388.749.105
Total Liabilities	131.002.471	128.028.503	101.346.802	28.371.329	388.749.105

Prior Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income	2.573.587	13.072.076	7.538.327	1.772.201	24.956.191
Operating Expenses	(7.325.540)	(7.072.853)	(7.537.761)	(826.226)	(22.762.380)
Operating Income/Expenses	(4.751.953)	5.999.223	566	945.975	2.193.811
Profit/(Loss) Before Tax	(4.751.953)	5.999.223	566	945.975	2.193.811
Tax Income (Expense)	-	-	-	(323.331)	(323.331)
Current Year Profit/(Loss)	(4.751.953)	5.999.223	566	622.644	1.870.480
Total Assets	12.802.607	136.566.681	144.038.270	17.140.403	310.547.961
Total Liabilities	115.843.272	106.824.165	63.667.213	24.213.311	310.547.961

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SECTION FIVE

Explanations and notes on the unconsolidated financial statements

I. Explanations and notes related to 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	488.224	2.644.154	394.690	3.396.107
CBRT	22.158.359	45.525.868	21.120.027	31.528.203
Other(*)	327.650	11.503.314	513.008	3.940.514
Total	22.974.233	59.673.336	22.027.725	38.864.824

(*) Includes precious metals amounting to TL 9.319.636 (December 31, 2024: TL 2.192.821) and cash in transit amounting to TL 2.511.328 (December 31, 2024: TL 2.260.701) as of June 30, 2025.

b. Information related to CBRT:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	10.808.033	5.483.372	13.427.038	4.114.453
Unrestricted time deposit	-	-	-	-
Restricted time deposit ^(*)	11.350.326	40.042.496	7.692.989	27.413.750
Total	22.158.359	45.525.868	21.120.027	31.528.203

(*) As of June 30, 2025, the reserve requirement held in standard gold is TL 9.693.956 (December 31, 2024: TL 5.995.768).

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 of June 30, 2025, the Bank's applicable rates for Turkish lira required reserves are between 3% and 33%, depending on the maturity structure for participation funds and other liabilities and the applicable rates for FX required reserves are between 5% and 32%, depending on the maturity structure of participation funds and other liabilities.

c.1. Information on Banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic ^(*)	6.442.413	513.018	6.474.356	3.667.873
Abroad	40	14.676.740	128.674	11.801.471
Foreign head offices and branches	-	-	-	-
Total	6.442.453	15.189.758	6.603.030	15.469.344

(*) Includes blockaged amount TL 6.342.967 (December 31, 2024: TL 6.464.574) booked under TL accounts arising from POS transactions.

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

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. Financial assets measured at fair value through profit or 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 June 30, 2025, the Bank does not have any investments subject to repurchase agreements. (December 31, 2024: None).

As of June 30, 2025, the collateralized /blocked nominal investment amount is TL 879.121 (December 31, 2024: TL 8.225.509).

b. Financial assets measured at fair value through profit/loss

	Current Period		Prior Period	
	TL	FC	TL	FC
Investment fund participation certificates (Net)	17.142.989	471.480	14.816.830	696.100
Sukuk	241.940	7.069.025	490.722	5.667.982
Equity Securities	-	160.424	-	126.498
Other	-	24.475	-	19.298
Total	17.384.929	7.725.404	15.307.552	6.509.878

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 a collateral or blocked:

As of June 30, 2025, the Bank has a nominal investment amount subject to repurchase agreements is TL 5.353.224 (December 31, 2024: None).

As of June 30, 2025, the collateralized /blocked nominal investment amount is TL 5.551.524 (December 31, 2024: TL 2.892.136).

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

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

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

	Current Period	Prior Period
Debt Securities	21.774.866	17.828.064
Quoted on a stock exchange	21.774.866	17.828.064
Unquoted	-	-
Investment Funds	-	-
Quoted on a stock exchange	-	-
Unquoted	-	-
Share Certificates	61.068	52.188
Quoted on a stock exchange	-	-
Unquoted	61.068	52.188
Impairment Provision (-)	90.562	1.145
Total	21.745.372	17.879.107

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 June 30, 2025, the nominal investment amount subject to repurchase agreements is TL 2.189.690 (December 31, 2024: None).

As of June 30, 2025, the collateralized/blocked nominal investment amount is TL 15.713.903 (December 31, 2024: TL 15.017.532).

b) Information on debt securities measured at amortised cost:

	Current Period	Prior Period
Government Bonds	-	-
Treasury Bills	-	-
Other Government Securities ^(*)	29.456.851	26.773.327
Other Debt Securities	-	-
Total	29.456.851	26.773.327

^(*) 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	29.456.851	26.773.327
Quoted on a stock exchange	29.456.851	26.773.327
Unquoted	-	-
Impairment provision (-)	-	-
Total	29.456.851	26.773.327

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

4. Information on financial assets measured at amortised cost (continued):

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

	Current Period	Prior Period
Balance at beginning of period	26.773.327	28.852.543
Foreign currency differences on monetary assets	1.975.980	2.162.058
Purchases during period ^(*)	745.000	6.171.172
Disposals through sales and redemptions ^(*)	(715.250)	(11.671.492)
Impairment provision (-)	-	-
Reclassifications	-	-
Increases (decreases) in income accruals	677.794	1.259.046
Closing balance	29.456.851	26.773.327

^(*) 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	23.802	4.052	7.752	5.687
Swap Transactions	147.053	17.374	22.511	90.085
Futures Transactions	-	-	-	-
Options	-	-	-	-
Others ^(*)	15.513	621	15.014	1.354
Total	186.368	22.047	45.277	97.126

^(*) Represented spot rediscounts.

The Bank has not any derivative financial assets for hedging purposes (December 31, 2024: None).

6. Information on loans:

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

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	3.301.869	55.281	3.136.891	40.502
Corporate shareholders	3.301.153	55.281	3.134.942	40.152
Real person shareholders	716	-	1.949	350
Indirect loans granted to shareholders	245	102	203	102
Loans granted to employees	335.007	135	240.868	135
Total	3.637.121	55.518	3.377.962	40.739

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

6. Information on loans (continued):

a. Information on standard 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	Restructured	
Cash Loans	Standard Loans	Restructuring or Rescheduling	Amendments to the Terms of Contracts	Refinancing
Loans				
Export loans	19.518.175	588.046	8.117	-
Import loans	17.385.549	38.111	-	-
Business loans(**)	65.237.098	3.827.286	1.589.377	4.311.824
Consumer loans	13.831.742	276.775	10.217	-
Credit cards	3.650.317	70.552	293	-
Loans given to financial sector	2.929.211	-	-	-
Other(*)	39.730.984	925.219	530.064	62.426
Other receivables	-	-	-	-
Total	162.283.076	5.725.989	2.138.068	4.374.250

(*) Details of other loans are provided below:

Commercial loans with installments	18.235.547
Other investment credits	5.443.519
Loans given to abroad	9.145.495
Profit and loss sharing investments(**)	7.537.360
Loans for purchase of marketable securities for customer	688.002
Other	198.770

Total **41.248.693**

(**) As of June 30, 2025, the related balance consists of funds provided through three (3) profit and loss sharing investment projects. All of these projects are real estate development initiatives located in various regions of Istanbul. Income sharing of the profit and loss sharing projects is made at the end of the project or at the end of the stage/section, after netting the related cost accounts and calculating the net profit, within the framework of the profit and loss sharing agreement signed between the parties. Profit and loss partnership investments are treated as financial assets at fair value through profit or loss, and the net valuation gain amounting to TL 1.008.187 for 2024 (TL 1.042.603 valuation gain, TL 34.416 valuation gain reversal) between the project-based bank's risk and the assets based on independent valuation reports for that project is reflected in the statement of profit or loss. Total cumulative increase in value of investments in profit and loss partnerships amounting to TL 3.689.033.

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- I. Explanations and notes related to assets (continued):
- b. Information on standard 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	
Cash Loans	Standard Loans	Restructuring or Rescheduling	Amendments to the Terms of Contracts	Refinancing
Loans				
Export loans	16.614.567	180.619	-	-
Import loans	10.185.675	59.472	-	-
Business loans ^(**)	52.563.946	2.302.842	2.537.368	1.655.923
Consumer loans	11.789.486	236.908	1.796	-
Credit cards	2.707.656	56.594	1.070	-
Loans given to financial sector	3.526.282	-	-	-
Other ^(*)	35.559.966	858.061	400.403	8.664
Other receivables	-	-	-	-
Total	132.947.578	3.694.496	2.940.637	1.664.587

(*) Details of other loans are provided below:

Commercial loans with installments	12.633.054
Other investment credits	4.780.184
Loans given to abroad	11.230.056
Profit and loss sharing investments ^(**)	7.477.789
Loans for purchase of marketable securities for customer	665.321
Other	40.690
Total	36.827.094

(**) As of December 31, 2024, the related balance consists of funds provided through three (3) profit and loss sharing investment projects. All of these projects are real estate development initiatives located in various regions of Istanbul. Income sharing of the profit and loss sharing projects is made at the end of the project or at the end of the stage/section, after netting the related cost accounts and calculating the net profit, within the framework of the profit and loss sharing agreement signed between the parties. As of December 31, 2024, profit and loss partnership investments are treated as financial assets at fair value through profit or loss, and the net valuation gain amounting to TL 1.008.187 for 2024 (TL 1.042.603 valuation gain, TL 34.416 valuation gain reversal) between the project-based bank's risk and the assets based on independent valuation reports for that project is reflected in the statement of profit or loss. Total cumulative increase in value of investments in profit and loss partnerships amounting to TL 3.689.033.

- 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	359.397	-
Significant Increase in Credit Risk	-	1.712.382
Prior Period	Standard Loans	Loans under close monitoring
12 Month Expected Credit Losses	509.140	-
Significant Increase in Credit Risk	-	2.183.910

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

b. 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	311.085	13.497.676	13.808.761
Housing loans	36.051	11.808.203	11.844.254
Vehicle loans	34.703	684.101	718.804
Consumer loans	240.331	1.005.372	1.245.703
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	16.708	16.708
Housing loans	-	7.850	7.850
Vehicle loans	-	-	-
Consumer loans	-	8.858	8.858
Other	-	-	-
Retail credit cards-TL	1.250.575	-	1.250.575
With installment	183.387	-	183.387
Without installment	1.067.188	-	1.067.188
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	208.559	84.706	293.265
Housing loans	-	29.650	29.650
Vehicle loans	114	3.677	3.791
Consumer loans	208.445	51.379	259.824
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	41.742	-	41.742
With installment	8.566	-	8.566
Without installment	33.176	-	33.176
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (Real Person)	-	-	-
Overdraft account-FC (Real Person)	-	-	-
Total	1.811.961	13.599.090	15.411.051

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I. Explanations and notes related to 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	311.210	11.486.006	11.797.216
Housing loans	42.593	9.305.985	9.348.578
Vehicle loans	52.939	1.011.171	1.064.110
Consumer loans	215.678	1.168.850	1.384.528
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	21.035	21.035
Housing loans	-	9.451	9.451
Vehicle loans	-	-	-
Consumer loans	-	11.584	11.584
Other	-	-	-
Retail credit cards-TL	888.873	-	888.873
With installment	106.304	-	106.304
Without installment	782.569	-	782.569
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	79.832	130.107	209.939
Housing loans	-	15.014	15.014
Vehicle loans	213	4.436	4.649
Consumer loans	79.619	110.657	190.276
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	30.929	-	30.929
With installment	4.148	-	4.148
Without installment	26.781	-	26.781
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (Real Person)	-	-	-
Overdraft account-FC (Real Person)	-	-	-
Total	1.310.844	11.637.148	12.947.992

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I. Explanations and notes related to 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	2.994.963	11.230.801	14.225.764
Business loans	177.601	1.365.693	1.543.294
Vehicle loans	2.636.318	9.009.268	11.645.586
Consumer loans	181.044	855.840	1.036.884
Other	-	-	-
Commercial installment loans-FC indexed	-	1.729	1.729
Business loans	-	246	246
Vehicle loans	-	1.483	1.483
Consumer loans	-	-	-
Other	-	-	-
Commercial installment Loans-FC	175.285	3.832.769	4.008.054
Business loans	46.354	1.057.643	1.103.997
Vehicle loans	128.931	2.379.434	2.508.365
Consumer loans	-	395.692	395.692
Other	-	-	-
Corporate credit cards-TL	2.428.845	-	2.428.845
With installment	30.268	-	30.268
Without installment	2.398.577	-	2.398.577
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	-	-	-
Overdraft account-FC (Legal Entity)	-	-	-
Total	5.599.093	15.065.299	20.664.392

Prior Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	2.392.871	7.740.807	10.133.678
Business loans	87.473	837.534	925.007
Vehicle loans	2.189.486	6.022.235	8.211.721
Consumer loans	115.912	881.038	996.950
Other	-	-	-
Commercial installment loans-FC indexed	-	255	255
Business loans	-	251	251
Vehicle loans	-	4	4
Consumer loans	-	-	-
Other	-	-	-
Commercial installment Loans-FC	123.978	2.375.143	2.499.121
Business loans	34.469	897.600	932.069
Vehicle loans	89.509	1.290.805	1.380.314
Consumer loans	-	186.738	186.738
Other	-	-	-
Corporate credit cards-TL	1.845.312	206	1.845.518
With installment	28.622	149	28.771
Without installment	1.816.690	57	1.816.747
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	-	-	-
Overdraft account-FC (Legal Entity)	-	-	-
Total	4.362.161	10.116.411	14.478.572

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I. Explanations and notes related to 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	165.375.888	130.017.242
Foreign loans	9.145.495	11.230.056
Total	174.521.383	141.247.298

g. Loans granted to subsidiaries and associates:

	Current Period		Prior Period	
	TL	FC	TL	FC
Direct Loans Granted to Subsidiaries and Associates	15.984	-	8	-
Indirect Loans Granted to Subsidiaries and Associates	-	-	-	-
Total	15.984	-	8	-

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

	Current Period	Prior Period
Loans with limited collectability	326.933	297.271
Loans with doubtful collectability	548.192	235.529
Uncollectible loans	1.446.985	1.239.383
Total	2.322.110	1.772.183

Specific provisions in the amount of TL 2.322.110 (December 31, 2024: TL 1.772.183) comprise TL 1.143.655 (December 31, 2024: TL 722.761) 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	3.535	5.110	41.036
Restructured loans	3.535	5.110	41.036
Prior Period			
Gross amount before specific provisions	-	1.505	33.439
Restructured loans	-	1.505	33.439

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

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

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

	Group III	Group IV	Group V
Current Period	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Closing balance of prior period	479.357	269.843	1.270.469
Additions in the current period (+)	785.257	29.984	54.301
Transfers from other categories of non-performing loans (+)	-	636.083	253.622
Transfers to other categories of non-performing loans (-)	636.083	253.622	-
Collections in the current period (-)	62.592	55.465	63.232
Transfers to standard loans and write off(-)(*)	1.565	-	4.030
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	564.374	626.823	1.511.130
Provisions (-)	326.933	548.192	1.446.985
Net balance at the balance sheet	237.441	78.631	64.145

(*) 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 30961, the amount which has been carried to performing loans is TL 1.553. Since there is no reasonable expectation regarding its recovery, TL 4.042 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 0 basis points.

Non-performing loans in the amount of TL 2.702.327 comprise TL 1.420.984 of participation account share of loans provided from participation accounts.

	Group III	Group IV	Group V
Prior Period	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectable loans and receivables
Closing balance of prior period	420.050	161.098	1.224.426
Additions in the current period (+)	931.706	26.390	56.265
Transfers from other categories of non-performing loans (+)	-	782.638	434.868
Transfers to other categories of non-performing loans (-)	782.638	434.868	-
Collections in the current period (-)	84.351	75.919	138.942
Transfers to standard loans and write off (-)(*)	5.410	189.496	306.148
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	479.357	269.843	1.270.469
Specific provisions (-)	297.271	235.529	1.239.383
Net balance at the balance sheet	182.086	34.314	31.086

(*) 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 30961, the amount which has been carried to performing loans is TL 12.695. Since there is no reasonable expectation regarding its recovery, TL 488.359 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 33 basis points

Non-performing loans in the amount of TL 2.019.669 comprise TL 914.488 of participation account share of loans provided from participation accounts.

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

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

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	48.898	46.747	300.137
Provision (-)	39.268	39.892	286.636
Net balance	9.630	6.855	13.501
Prior period:			
Period end balance	47.120	20.020	249.127
Provision (-)	27.864	16.258	238.820
Net balance	19.256	3.762	10.307

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)	237.441	78.631	64.145
Loans to individuals and corporates (gross)	564.374	626.823	1.511.130
Provision (-)	326.933	548.192	1.446.985
Loans to individuals and corporates (net)	237.441	78.631	64.145
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	-
Provision (-)	-	-	-
Other loans (net)	-	-	-
Prior period (net)	182.086	34.314	31.086
Loans to individuals and corporates (gross)	479.357	269.843	1.270.469
Provision (-)	297.271	235.529	1.239.383
Loans to individuals and corporates (net)	182.086	34.314	31.086
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (net)	-	-	-
Other loans (gross)	-	-	-
Provision (-)	-	-	-
Other loans (net)	-	-	-

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

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

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 collectibility	Loans with doubtful collectibility	Uncollectible loans
Current Period (Net)	18.327	22.010	17.924
Profit Share Accruals and Valuation Differences	45.237	105.551	97.545
Provision (-)	26.910	83.541	79.621
Prior Period (Net)	17.595	11.519	9.388
Profit Share Accruals and Valuation Differences	55.957	43.171	54.441
Provision (-)	38.362	31.652	45.053

i. Liquidation policy for uncollectible loans:

Loans determined as uncollectible are liquidated through starting legal follow up and by converting the guarantees into cash.

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	4.716.965	4.419.850	1.761.526	1.567.512
1 to 4 years	12.080.446	9.160.518	4.731.752	3.588.803
More than 4 years	1.769.215	1.443.284	64.654	60.232
Total	18.566.626	15.023.652	6.557.932	5.216.547

b. Information on net investments through finance lease:

	Current Period	Prior Period
Financial lease receivables (Gross)	18.566.626	6.557.932
Unearned financial lease receivable (-)	3.542.974	1.341.385
Net receivable from financial leases	15.023.652	5.216.547

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

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.

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)	14.705.687	317.965	-	-
Prior Period				
Financial lease receivables (Net)	4.988.129	222.474	5.944	-

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	4.245.475	641.631
Additions	192.958	4.264.619
Real Estate Acquired	192.958	4.146.446
Discontinued Operations	-	118.173
Disposals	(1.139)	(31.546)
Transfers ^(*)	(3.933.170)	(640.891)
Impairment Provision(-)/Reversal of Impairment Provision	-	11.662
Net closing balance	504.124	4.245.475

^(*) The transfers and impairments related to the transfers (if any) have been moved to assets held for sale under other assets.

As of June 30, 2025, assets held for sale consist of tangible assets amounting to TL 385.951 (December 31, 2024: TL 4.126.952) consist of real estates acquired due to receivables.

As stated in the Public Disclosure Platform(PDP) material event disclosure dated April 3, 2024, with the initiation of the liquidation process of Getinsha GMBH, a subsidiary of the Bank, the related subsidiary has been classified as discontinued operations. Getinsha 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 June 30, 2025, the capital of the company is EUR 7.551.715 (full balance in original currency) equivalent to TL 118.173 as historical cost in the Balance Sheet.

As of June 30, 2025, unaudited limited financial statements of Getinsha GmbH is as follows:

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Getinsha 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
332.584 €	-	-	-	(19.541) €	(19.541) €	(7.209.735) €	-

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

9. Ownership investments:

a. Associates:

a.1. Information on unconsolidated associates:

On April 30, 2023, the Bank became a shareholder in Katılım Finans Kefalet A.Ş., which was established to establish a surety system in accordance with the principles and principles of Participation Banking. The total capital of the company is TL 600.000 and the Bank's total participation amount is TL 90.000 corresponding to 15%. There is a board member representing the Bank's shares in the company.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Katılım Finans Kefalet A.Ş.	İstanbul/Türkiye	15%	85%

a.2. Information on consolidated associates:

None (December 31,2024: None).

b. Information on subsidiaries (net):

b1. Information on unconsolidated non financial subsidiaries:

As of balance sheet date, the Bank does not have any non financial subsidiaries (December31,2024: None).

b2. Information on subsidiaries:

Bereket Varlık Kiralama A.Ş and Değer Varlık Kiralama A.Ş., 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 June 30, 2025, the capital of each company is TL 50.

i. The balances of Bereket Varlık Kiralama A.Ş. presented in the table below have been obtained from unreviewed and TAS29 not applied limited financial statements as of June 30, 2025.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Bereket 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
12.450.715	670	-	-	-	366	244	-

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

b2. Information on subsidiaries (continued):

ii. The balances of Değer Varlık Kiralama A.Ş. presented in the table below have been obtained from unreviewed and TAS29 not applied limited financial statements as of June 30, 2025.

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
1.484.184	22.466	-	-	-	8.830	13.576	-

iii. In the Board of Directors meeting dated February 25, 2015, the 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 June 30, 2025, the capital of the company is TL 400.000. The balances of Albaraka Portföy Yönetimi A.Ş. presented in the table below have been obtained from unreviewed and TAS29 not applied limited financial statements as of June 30, 2025.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Albaraka Portföy Yönetimi 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
1.520.383	1.405.936	5.705	34.198	-	421.611	476.348	-

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

c. Movement and sectoral information on consolidated subsidiaries:

	Current Period	Prior Period
Amount at the beginning of the period	5.100	69.321
Movements inside the term	-	(64.221)
Purchases/new incorporations/capital increases/capital decreases(-)	-	53.952
Bonus shares	-	-
Profit received from current year share	-	-
Sales / Capital deductions (-)(*)	-	(118.173)
Revaluation increases	-	-
Impairments	-	-
Amount at the end of the period	5.100	5.100
Capital commitments	-	-
Share of the capital at the end of the period (%)	100	100

(*)As stated in the Public Disclosure Platform (PDP) material event disclosure dated April 3, 2024, with the initiation of the liquidation process of Getinsha GMBH, a subsidiary of the Bank, the related subsidiary has been classified as discontinued operations.

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	5.100	5.100

d. Information on investments in joint-ventures:

The 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. The financial data from unreviewed and TAS29 not applied limited financial statements as of June 30,2025 is as follows:

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%	4.356.050	43.742.010	43.603.307	2.547.496	2.271.148

Investment in joint venture in the unconsolidated financial statements is carried at cost amounts to TL 20.000.

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I. Explanations and notes related to 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:

None (December 31, 2024: None).

13. Information related to deferred tax asset:

As of June 30, 2025, the Bank calculated net deferred tax asset of TL 3.641.842 (December 31, 2024: TL 1.785.466 by netting off deferred tax asset of TL 1.170.700 (December 31, 2024: TL 2.895.923) and deferred tax liability of TL 2.471.142 (December 31, 2024: TL 1.110.457) 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	385.991	296.054
Provisions for retirement premium and vacation pay liabilities	483.387	743.045
Difference between carrying value and tax base of tangible assets (amortisation differences)	142.052	153.080
Provisions for cases on trial	20.012	24.132
Provisions	458.975	571.583
Leasing profit share expenses	175.554	145.448
Other ^(*)	1.975.871	962.581
Deferred tax asset	3.641.842	2.895.923
Revaluation difference of property	435.619	450.024
Rediscount on profit share	297.758	218.804
Right of use assets	341.473	279.951
Derivative financial liabilities	57.685	37.810
Investment funds	-	17.148
Other ^(**)	38.165	106.720
Deferred tax liability	1.170.700	1.110.457
Deferred tax asset (net)	2.471.142	1.785.466

(*) Includes TL 1.056.933 arising from the inflation indexation of non-monetary assets in accordance with the Tax Procedure Law and tax asset calculated from net financial loss amounting to TL 804.305 (December 31, 2024: TL 933.964).

(**) Includes TL 15.649, the deferred tax liability of securities revaluation at fair value through other comprehensive income (December 31, 2024: 91.139 TL).

14. Information on other assets:

As of the balance sheet date, the Bank's other assets balance is TL 11.148.236 (December 31, 2024: TL 5.588.039) and does not exceed 10% of total assets.

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NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
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II. Explanations and notes related to 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	8.479.681	-	-	-	-	-	-	-	8.479.681
II. Real Persons Participation Accounts Non-Trade TL	-	7.047.649	25.379.673	679.734	-	95.972	2.020.601	26.110	35.249.739
III. Current Account other-TL	12.418.400	-	-	-	-	-	-	-	12.418.400
Public Sector	739.359	-	-	-	-	-	-	-	739.359
Commercial Institutions	10.802.848	-	-	-	-	-	-	-	10.802.848
Other Institutions	834.486	-	-	-	-	-	-	-	834.486
Commercial and Other Institutions	15.425	-	-	-	-	-	-	-	15.425
Banks and Participation Banks	26.282	-	-	-	-	-	-	-	26.282
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	4	-	-	-	-	-	-	-	4
Foreign Banks	26.268	-	-	-	-	-	-	-	26.268
Participation Banks	10	-	-	-	-	-	-	-	10
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	27.889.958	11.775.219	30.157.544	-	781.781	544.402	363	71.149.267
Public Sector	-	-	1.529	-	-	-	-	-	1.529
Commercial Institutions	-	27.598.135	10.865.347	29.382.979	-	70.435	537.036	363	68.454.295
Other Institutions	-	291.780	906.676	774.564	-	711.346	7.366	-	2.691.732
Commercial and Other Institutions	-	43	1.594	1	-	-	-	-	1.638
Banks and Participation Banks	-	-	73	-	-	-	-	-	73
V. Real Persons Current Accounts Non- Trade FC	35.330.488	-	-	-	-	-	-	-	35.330.488
VI. Real Persons Participation Accounts Non-Trade FC	-	9.341.810	7.758.109	1.505.494	-	54.638	1.457.290	23.326	20.140.667
VII. Other Current Accounts FC	28.309.464	-	-	-	-	-	-	-	28.309.464
Residents in Türkiye-Corporate	17.698.586	-	-	-	-	-	-	-	17.698.586
Residents Abroad-Corporate	8.720.812	-	-	-	-	-	-	-	8.720.812
Banks and Participation Banks	1.890.066	-	-	-	-	-	-	-	1.890.066
Central Bank of Türkiye	337.956	-	-	-	-	-	-	-	337.956
Domestic Banks	239	-	-	-	-	-	-	-	239
Foreign Banks	1.551.184	-	-	-	-	-	-	-	1.551.184
Participation Banks	687	-	-	-	-	-	-	-	687
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other-FC	-	1.494.477	749.976	568.118	-	159	4.203	2.858	2.819.791
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	1.438.902	685.860	367.518	-	159	4.203	2.858	2.499.500
Other institutions	-	38.239	55.040	1.784	-	-	-	-	95.063
Commercial and Other Institutions	-	17.336	9.076	1.851	-	-	-	-	28.263
Banks and Participation Banks	-	-	-	196.965	-	-	-	-	196.965
IX. Precious Metals Deposits	29.835.118	538.712	753.039	830.519	-	128.571	206.606	3.888	32.296.453
X. Participation Accounts Special Fund Pools TL	-	-	-	25.329	-	-	-	-	25.329
Residents in Türkiye	-	-	-	25.329	-	-	-	-	25.329
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	114.373.151	46.312.606	46.416.016	33.766.738	-	1.061.121	4.233.102	56.545	246.219.279

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 bank customers. Within this scope, as of June 30, 2025, TL participation accounts include TL 1.982.088 foreign exchange-protected participation accounts.

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II. Explanations and notes related to liabilities (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	7.737.481	-	-	-	-	-	-	-	7.737.481
II. Real Persons Participation Accounts Non-Trade TL	-	5.797.298	23.086.762	856.921	-	23.817	8.398.159	23.156	38.186.113
III. Current Account other-TL	16.218.649	-	-	-	-	-	-	-	16.218.649
Public Sector	361.239	-	-	-	-	-	-	-	361.239
Commercial Institutions	15.186.452	-	-	-	-	-	-	-	15.186.452
Other Institutions	624.445	-	-	-	-	-	-	-	624.445
Commercial and Other Institutions	22.966	-	-	-	-	-	-	-	22.966
Banks and Participation Banks	23.547	-	-	-	-	-	-	-	23.547
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	23.537	-	-	-	-	-	-	-	23.537
Participation Banks	8	-	-	-	-	-	-	-	8
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	32.409.323	6.889.212	2.078.969	-	3.006.724	1.389.042	342	45.773.612
Public Sector	-	-	614	-	-	-	-	-	614
Commercial Institutions	-	32.151.773	6.088.666	1.756.701	-	3.006.507	1.326.952	342	44.330.941
Other Institutions	-	233.728	799.543	315.720	-	217	62.090	-	1.411.298
Commercial and Other Institutions	-	23.822	326	6.548	-	-	-	-	30.696
Banks and Participation Banks	-	-	63	-	-	-	-	-	63
V. Real Persons Current Accounts Non- Trade FC	30.564.326	-	-	-	-	-	-	-	30.564.326
VI. Real Persons Participation Accounts Non-Trade FC	-	7.094.623	6.070.691	1.324.752	-	46.995	1.640.654	18.507	16.196.222
VII. Other Current Accounts FC	26.423.787	-	-	-	-	-	-	-	26.423.787
Residents in Türkiye- Corporate	14.939.959	-	-	-	-	-	-	-	14.939.959
Residents abroad- Corporate	7.530.809	-	-	-	-	-	-	-	7.530.809
Banks and Participation Banks	3.953.019	-	-	-	-	-	-	-	3.953.019
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	187	-	-	-	-	-	-	-	187
Foreign Banks	3.951.953	-	-	-	-	-	-	-	3.951.953
Participation Banks	879	-	-	-	-	-	-	-	879
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other- FC	-	577.392	540.370	6.006	-	7.527	3.383	5.854	1.140.532
Public Sector	-	-	-	-	-	-	-	-	-
Commercial Institutions	-	491.801	515.692	3.237	-	7.527	3.383	5.854	1.027.494
Other Institutions	-	26.654	22.010	1.319	-	-	-	-	49.983
Commercial and Other Institutions	-	5.688	2.668	1.450	-	-	-	-	9.806
Banks and Participation Banks	-	53.249	-	-	-	-	-	-	53.249
IX. Precious Metals Deposits	20.656.712	447.212	617.370	526.592	-	84.005	188.101	5.867	22.525.859
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)	101.600.955	46.325.848	37.204.405	4.793.240	-	3.169.068	11.619.339	53.726	204.766.581

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 bank customers. Within this scope, as of December 31, 2024, TL participation accounts include TL 13.066.157 foreign exchange-protected participation accounts.

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II. Explanations and notes related to 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	19.590.335	16.212.537	24.164.413	29.711.060
Foreign currency accounts	31.060.883	23.142.357	53.895.353	44.778.237
Foreign branches' deposits subject to foreign authorities' insurance	67.250	55.241	260.435	172.618
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, all deposit and participation funds have been insured except official institutions in the presence of credit institutions, credit institutions and financial institutions. In this context, commercial current and participation accounts covered by the insurance amount to TL 10.095.461 (December 31, 2024: TL 8.171.496), amounts exceeding the insurance limit is TL 47.893.932 (December 31, 2024: TL 39.370.564) and the mentioned amount is not included in the footnote.

Funds collected by Participation Banks (except belonging to official institutions, credit institutions and financial institutions) from current and participation accounts denominated in Turkish Lira or foreign currency up to a limit of maximum TL 950 (December 31, 2024: TL 650) (including both principal and profit shares) for each real person or legal 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	-	-
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	19.832	12.733
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 liabilities (continued):

2. Information on borrowings:

a.1. Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from CBRT	-	-	-	-
Loans from domestic banks and institutions	13.232.482	37.411.991	14.565.230	25.419.723
Loans from foreign banks, institutions and funds	7.542.139	12.977.022	2.621.982	7.629.857
Total	20.774.621	50.389.013	17.187.212	33.049.580

a.2. Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	18.729.192	42.220.550	13.166.145	27.174.616
Medium and Long-Term	2.045.429	8.168.463	4.021.067	5.874.964
Total	20.774.621	50.389.013	17.187.212	33.049.580

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

The Bank does not have concentration on customer or sector group providing funds (December 31, 2024: None).

3. Information on derivative financial liabilities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	13.388	-	2.866	5.691
Swap transactions	246.818	122.645	109.318	414
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	260.206	122.645	112.184	6.105

The Bank has not any derivative financial liabilities for hedging purposes (December 31, 2024: None).

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

4. Lease payables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than a year	35.798	29.526	12.503	11.968
1 to 4 years	510.732	399.099	459.797	353.317
Over 4 years	1.510.052	936.298	1.366.911	815.750
Total	2.056.582	1.364.923	1.839.211	1.181.035

5. Information on provisions:

a. Information on provisions for employee rights:

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 836.940 (December 31, 2024: TL 692.940), vacation pay liability amounting to TL 147.904 (December 31, 2024: TL 61.753) totaling to TL 984.844 (December 31, 2024: TL 1.954.693). The Bank 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 (%)	25,00	25,00
Estimated increase rate of salary ceiling (%)	22,00	22,00

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

	Current Period	Prior Period
Prior period ending balance	692.940	412.474
Allocation the in period	144.000	78.697
Actuarial (gain)/loss	-	201.769
Balance at the end of the period	836.940	692.940

b. Other provisions:

	Current Period	Prior Period
Non-cash loans first and second stage expected loss provisions	51.630	45.633
Provisions allocated from profit shares to be distributed to profit sharing accounts	307.780	54
Third stage expected loss provisions for unindemnified letter of guarantees	36.102	28.948
Third stage expected loss provisions for cheques commitments	7.822	6.095
Provisions for promotions related with credit cards and promotion of banking services	-	1.237
Provisions for cases on trial	66.707	80.440
Accrual for purchase and sale commitments	8.522	1.785
Free provisions allocated for possible losses ^(*)	745.000	7.300.000
Other	749	586
Total	1.224.312	7.464.778

(*) Includes free provisions amounting to TL 745.000 (December 31, 2024: TL 7.300.000), which was provided by the Bank management in prior years outside of the requirements of BRSA Accounting and Financial Reporting Legislation.

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

5. Information on provisions (continued):

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

As of June 30, 2025, there is no provision for exchange losses in foreign currency indexed loans and financial lease receivables (December 31, 2024: None).

6. Information on taxes payable:

a. Explanations on current tax liability

a.1. Explanations on tax provisions:

As of June 30, 2025, the Bank's does not have remaining tax liability after deducting the temporary taxes paid from corporate tax (December 31, 2024: TL 122.521).

a.2. Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	-	122.521
Banking insurance transaction tax	292.465	170.611
Taxation on securities income	291.329	206.793
Value added tax payable	16.395	22.817
Taxation on real estate income	6.116	4.821
Foreign exchange transaction tax	10.381	5.997
Income tax deducted from wages	83.905	61.190
Other	3.359	7.041
Total	703.950	601.791

a.3. Information on premiums:

	Current Period	Prior Period
Social security premiums-employee	45.668	31.310
Social security premiums-employer	58.474	38.079
Bank pension fund premium-employees	-	-
Bank pension fund premium-employer	-	-
Pension fund membership fees and provisions-employees	-	-
Pension fund membership fees and provisions-employer	-	-
Unemployment insurance-employee	3.097	2.122
Unemployment insurance-employer	6.194	4.244
Other	-	-
Total	113.433	75.755

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

None (December 31, 2024: None).

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

8. 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 additional Tier I Capital	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
Debt instruments to be included in calculation of Tier II Capital	-	24.192.974	-	14.007.315
Subordinated loans	-	24.192.974	-	14.007.315
Subordinated debt instruments	-	-	-	-
Total	-	24.192.974	-	14.007.315

The Bank has obtained subordinated loan on November 30, 2015 from the investors not resident in Türkiye through its structured entity Albaraka Sukuk Limited amounting to USD 250.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the Subordinated Loan has been determined as 10,50% for the first 5 years and 9,371% for the last 5 years (starting from May 2021). The Bank has paid the amount of USD 22.928.000, the remaining issued amount is USD 175.997.000.

The Bank has obtained subordinated loan on February 28, 2023 from the investors not resident in Türkiye through its structured entity Albaraka CT One Ltd amounting to USD 100.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the Subordinated Loan is 10 %.

On October 30, 2024, the Bank has completed the issuance of USD 120.000.000 Tier 2 Sukuk (Tier 2) in Tier 2 format from international markets through its structured entity Albaraka MTN Ltd. The total maturity of the issuance is 10 years with a call option at the end of 5 years and the coupon dividend rate is set at 7%.

The Bank, through its structured entity "Bereket One Ltd.", issued a non-maturity sukuk transaction amounting to USD 205,000,000 in accordance with the Basel III criteria listed on the Irish Stock Exchange, which was evaluated as a non-monetary item within the framework of TAS 32 and approved by the BRSA to be included in the additional tier 1 capital account as of February 20, 2018. The total maturity of the issuance is 10 years, the first call date of the sukuk transaction is February 20, 2023, with an annual dividend payment of 11,42% (10% per annum for the first 5 years, payable semi-annually). As of December 31, 2024, the Bank has started to monitor the Tier 1 sukuk transaction at historical cost under "other capital reserves" in equity, but after February 24, 2025, based on the BRSA's letter dated February 10, 2025 and numbered 9196, the Bank started to monitor the Tier 1 sukuk transaction in foreign currency under the Subordinated Loan item under liabilities.

9. 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:

As of the balance sheet date, the Bank's other liabilities balance is TL 15.140.730 (December 31, 2024: TL 11.703.827) and does not exceed 10% of total liabilities.

10. Information on shareholders' equity:

a. Presentation of paid-in capital:

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

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

In the Boards of Directors dated November 30, 2022, it has been decided that authorized share capital is TL 5.000.000 between 2023 and 2027 (5 years). Following the applications to legal authorities and their approval, The Bank's text of amendment to the main contract has been approved in the General Assembly dated March 27, 2023.

Share Capital System	Paid-in Capital	Ceiling
Registered Capital	2.500.000	5.000.000

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

There is no share capital increase during the current period.

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

10. 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 Bank, of predictions to be made by taking into account previous period indicators regarding the Bank's income, profitability and liquidity, and uncertainties regarding such indicators:

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

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

There are no privileges 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 ^(*)	(93.923)	129.948	103.882	108.285
Foreign exchange difference	-	-	-	-
Total	(93.923)	129.948	103.882	108.285

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

ğ) Information on other capital reserves:

As of December 31, 2024, the Bank has been monitoring the Tier 1 sukuk transaction amounting to USD 205.000.000 under "other capital reserves" in equity at historical cost, but after February 24, 2025, based on the approval of the BRSA, the Bank started to monitor it in foreign currency under the Subordinated Loan item under liabilities.

h) Information on profit distribution:

At the Ordinary General Assembly meeting held on March 26, 2025, the Bank decided to set aside TL 119.553 as first tier I. reserves and TL 30.604 as tier II legal reserves from the net profit for the period in accordance with Article 519/1 of the Turkish Commercial Code No. 6102, to distribute gross TL 125.000 and TL 306.045 to the shareholders as the first and second cash dividends, respectively, and the remaining net profit amounting to TL 3.715.543 to be transferred to the Extraordinary Reserves account in order to support capital adequacy, and the dividend distribution was realized on April 15, 2025.

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

1. Explanations on off balance sheet:

a. Type and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card limits	10.177.626	7.191.304
Payment commitments for cheques	2.863.268	2.174.162
Asset purchase and sale commitments	12.898.685	2.189.458
Loan granting commitments	614.735	626.280
Subsidiaries and Associates Commitments	-	22.500
Tax and funds liabilities arising from export commitments	173.957	134.211
Commitments for promotions related with credit cards and banking activities	14	698
Other irrevocable commitments	559	561
Other revocable commitments	44.500	44.500
Total	26.773.344	12.383.674

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	42.113.910	33.495.105
Bank loans	508.099	171.087
Letters of credit	7.949.075	6.501.939
Other guaranties and sureties	305.412	227.506
Total	50.876.496	40.395.637

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

	Current Period	Prior Period
Letters of guarantees	42.113.910	33.495.105
Long standing letters of guarantees	31.779.839	25.284.845
Temporary letters of guarantees	2.895.866	2.179.427
Advance letters of guarantees	2.143.269	1.488.266
Letters of guarantees given to customs	2.471.684	2.135.075
Letters of guarantees given for obtaining cash loans	2.823.252	2.407.492
Sureties and similar transactions	305.412	227.506
Total	42.419.322	33.722.611

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	2.823.252	2.407.492
With original maturity of 1 year or less	856.004	746.019
With original maturity of more than 1 year	1.967.248	1.661.473
Other non-cash loans	48.053.244	37.988.145
Total	50.876.496	40.395.637

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III. Explanations and notes related to 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:

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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IV. Explanations and notes related to the 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	7.377.537	1.064.779	6.045.696	667.721
Medium and Long Term Loans ^(**)	8.802.631	1.780.301	5.489.162	725.805
Profit Share on Non-Performing Loans	161.467	2.008	38.201	2.026
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	16.341.635	2.847.088	11.573.059	1.395.552

(*) 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	2.673.995	-	992.637	-
Domestic Banks	94	-	1.081	-
Foreign Banks	-	-	-	-
Head Offices and Branches Abroad	-	-	-	-
Total	2.674.089	-	993.718	-

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	53.977	130.101	124.635	136.714
Financial assets measured at fair value through other comprehensive income	1.859.503	212.731	930.561	122.132
Financial assets measured at amortised cost	1.337.507	504.556	1.446.740	531.875
Total	3.250.987	847.388	2.501.936	790.721

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit shares income received from associates and subsidiaries	4.818	-	100.121	-
Total	4.818	-	100.121	-

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IV. Explanations and notes related to the 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	-	11	-	-	-	-	-	-	11
Real persons' non-trading profit sharing accounts	1.017.986	4.139.662	117.117	-	13.195	1.109.698	3.542	6.401.200	
Public sector profit sharing accounts	-	132	-	-	-	-	-	132	
Commercial sector profit sharing accounts	7.263.273	1.887.116	1.161.203	-	734.082	81.841	52	11.127.567	
Other institutions profit sharing accounts	41.264	123.438	128.567	-	11.375	5.103	-	309.747	
Total	8.322.523	6.150.359	1.406.887	-	758.652	1.196.642	3.594	17.838.657	
FC									
Funds collected from banks through current and profit sharing accounts	72	-	521	-	-	-	-	593	
Real persons' non-trading profit sharing accounts	55.987	43.216	6.665	-	317	7.951	155	114.291	
Public sector profit sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	4.188	2.834	3.640	-	1	34	19	10.716	
Other institutions profit sharing accounts	261	241	25	-	-	-	-	527	
Precious metals deposits	-	-	-	-	-	-	-	-	
Total	60.508	46.291	10.851	-	318	7.985	174	126.127	
Grand total	8.383.031	6.196.650	1.417.738	-	758.970	1.204.627	3.768	17.964.784	
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	-	8	-	-	-	-	-	-	8
Real persons' non-trading profit sharing accounts	682.939	3.564.872	333.642	-	11.661	2.341.715	2.569	6.937.398	
Public sector profit sharing accounts	-	86	-	-	-	-	-	86	
Commercial sector profit sharing accounts	1.805.821	1.009.328	126.392	-	6.959	124.279	13	3.072.792	
Other institutions profit sharing accounts	14.496	84.288	38.796	-	38.361	5.716	-	181.657	
Total	2.503.256	4.658.582	498.830	-	56.981	2.471.710	2.582	10.191.941	
FC									
Funds collected from banks through current and profit sharing accounts	-	-	27	-	457	-	-	484	
Real persons' non-trading profit sharing accounts	44.171	36.471	3.247	-	346	13.556	383	98.174	
Public sector profit sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	2.458	2.240	5.035	-	2	69	10	9.814	
Other institutions profit sharing accounts	119	250	7	-	-	9	-	385	
Precious metals deposits	-	-	-	-	-	-	-	-	
Total	46.748	38.961	8.316	-	805	13.634	393	108.857	
Grand total	2.550.004	4.697.543	507.146	-	57.786	2.485.344	2.975	10.300.798	

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
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IV. Explanations and notes related to the statement of profit or loss (continued):

2. Explanations on profit share expenses (continued):

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	1.303.318	186.164	239.550	845.348
CBRT	-	-	-	-
Domestic banks	-	3.374	-	419
Foreign banks	1.303.318	182.790	239.550	844.929
Head offices and branches abroad	-	-	-	-
Other institutions	2.837.029	1.724.497	1.010.582	632.343
Total	4.140.347	1.910.661	1.250.132	1.477.691

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	2.505.376	-	1.074.351	-
Total	2.505.376	-	1.074.351	-

ç. Profit share expenses paid to marketable securities issued:

None (December 31, 2024: None).

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
Clearing room fees and commissions	607.489	342.495
Member firm-POS fees and commissions	535.259	356.272
Commissions on money orders	149.263	143.437
Prepaid import commissions	78.388	186.045
Loan Limit Allocation Fees	75.952	59.483
Insurance and brokerage commissions	227.374	165.862
Service pack commissions	300.297	223.378
Appraisal fees	146.821	57.123
Export credit commissions	12.842	10.296
Advocacy service commissions and counsel fees	9.569	6.925
Checks and bills commissions	10.681	8.087
Fees and commissions from correspondent banks	3.179	2.011
Safe deposit box commissions	8.777	5.111
Pledge Put and Mortgage Release Fees	4.854	5.315
Enquiry fees received	3.209	1.189
Collection and Payment Commissions	8.260	17.871
Export Price Acceptance Certificate Transaction Fees	8.088	7.045
Commissions Received from Cash against Draft Export Transactions	5.019	4.432
Other	147.812	50.405
Total	2.343.133	1.652.782
Other Fees and Commissions Paid	Current Period	Prior Period
Required Reserves Commissions for CBRT in Foreign currency	-	-
Fees and commissions for Swift, EFT and money orders	111.901	75.027
Member firm-POS fees and commissions	101.713	90.723
Credit cards fees and commissions	108.561	84.544
Funds borrowed fees and commissions	12.414	5.887
Other	78.175	49.190
Total	412.764	305.371

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IV. Explanations and notes related to the 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)	-	412	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	-	-	52	304
Other	-	-	-	-
Total	-	412	52	304

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

	Current Period	Prior Period
Income	25.774.468	20.202.808
Income from capital market transactions ^(*)	1.855.809	1.521.105
Income from derivative financial instruments	920.983	189.513
Foreign exchange income	22.997.676	18.492.190
Loss (-)	24.027.395	21.484.517
Loss on capital market transactions	46.706	41.435
Loss on derivative financial instruments	1.660.580	4.173.894
Foreign exchange losses	22.320.109	17.269.188
Trading Income/Loss (net)	1.747.073	(1.281.709)

(*) The amount of TL 1.654.710 includes gain on sales and valuation income from investment funds.

6. Explanations related to other operating income:

	Current Period	Prior Period
Reversal of prior year provisions (*)	9.931.344	1.513.730
Income from sale of assets	970.460	58.787
Communication revenue	44.209	37.179
Cheque book charges	6.545	3.712
Operating Lease Income	101.955	79.909
Fund Management Fees	371.307	146.868
Other income	53.529	46.846
Total	11.479.349	1.887.031

(*) The relevant amount of TL 7,300,000 is due to the cancellation of free reserves set aside for potential risks in previous periods in the current period (June 30, 2024: None).

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

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

	Current Period	Prior Period
Expected Credit Loss	870.493	432.307
12 month expected credit loss (stage 1)	102.117	94.994
Significant increase in credit risk (stage 2)	133.143	47.912
Non-performing loans (stage 3)	635.233	289.401
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	44.308	12.795
Expected credit losses for 1st and 2nd group non-cash loans	7.449	6.829
Third stage expected loss provision for unindemnified non cash loans	8.880	3.032
Expected credit losses (stage 1) for banks	-	-
Profit and loss sharing investments' fair value provision.	-	-
Expected credit losses (stage 1) for other financial assets.	25.457	2.934
Expected credit losses for financial assets measured at amortized cost	2.522	-
Total	914.801	445.102

Expected credit losses amount to TL 914.801 (June 30, 2024: 445.102 TL) includes TL 450.803 (June 30, 2024: 193.750 TL) 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	86.151	57.537
Impairment on financial assets measured at fair value through profit/loss	7.902	-
Provisions for cases on trial	1.175	9.040
Free provisions allocated for possible losses	745.000	-
Provisions allocated from profit shares to be distributed to profit sharing accounts	278.857	29.471
Total	1.119.085	96.048

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

8. Information on other operating expenses:

	Current Period	Prior Period
Provision for retirement pay liability	144.000	72.000
Deficit provision for pension fund	-	-
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	293.361	206.946
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	225.524	114.871
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	-	-
Other business expenses	978.655	655.996
Leasing Expenses on TFRS 16 Exceptions	2.793	2.190
Maintenance and repair expenses	76.020	52.903
Advertisement expenses	96.653	74.310
Other expenses ^(*)	803.189	526.593
Loss on sale of assets	2.795	647
Other ^(**)	1.261.013	648.907
Total	2.905.348	1.699.367

^(*) The details of the "Other Expenses" balance under Other Operating Expenses are as follows:

	Current Period	Prior Period
Communication Expenses	111.990	54.627
Donations	29.774	21.185
Cleaning expenses	140.807	88.301
Heating, lighting and water expenses	44.752	35.868
Representation and Hosting expenses	52.689	21.664
Vehicle expenses	28.077	23.260
Lawsuit and court expenses	8.556	6.884
Movables Insurance Expenses	37.751	30.483
Stationery Expenses	5.871	6.992
Expense Share for Common Expenses	9.703	6.672
Subcontractor security service expenses	134.424	84.985
Cash and banknote group transportation service expenses	40.403	29.255
Credit Cards and Banking Services Promotion Expenses	58.395	42.402
Computer Usage Expenses	42.468	9.860
Other	57.529	64.155
Total	803.189	526.593

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

	Current Period	Prior Period
Taxes, Duties, Charges and Funds	666.083	293.170
Saving Deposit Insurance Fund	230.080	218.105
Expertise and Information Expenses	164.867	61.698
Audit and Consultancy Fees	56.733	26.787
Institution and Union participation share	45.405	25.543
Other	97.845	23.604
Total	1.261.013	648.907

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

9. Explanations on income/loss from continued and discontinued 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 Bank has no discontinued operations, there is no related tax provision.

As of June 30, 2025, the Bank has deferred tax income amounting to TL 1.671.861 (June 30, 2024: TL 1.308.854). TL 1.100.476 deferred tax expense (June 30, 2024: TL 1.581.169). The Bank has no current tax provision (June 30, 2024: TL 51.016).

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 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.

V. Explanations and notes related to the 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 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 Bank:

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

a. Current period:

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		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	22	13.437	2.435.037	20.985	3.808	88.660
Balance at the end of the period	16.005	11.124	2.554.095	37.428	1.310.880	857.590
Profit share and commission income received	-	148	127.821	128	67.782	1.372

b. Prior period:

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		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	19	5.701	379.644	125.181	1.297	74
Balance at end of period	22	13.437	2.435.037	20.985	3.808	88.660
Profit share and commission income received	-	32	9.466	97	-	-

^(*) 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 Bank's risk group:

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		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	32.351	15.586	242.780	316.055	17.711	6.077
Balance at the end of period	39.887	32.351	354.537	242.780	40.646	17.711
Profit share expense	-	-	1	76	5.573	-

^(*) As of June 30, 2025, wakala borrowings obtained from risk group of the Bank through investment purpose wakala contracts amount to USD 29.289.784 and EUR 5.713.668 (December 31, 2024: USD 31.607.054 and EUR 5.691.146). The profit share expense relating to such borrowings for the period between January 1, 2025 – June 30, 2025 is TL 15.787 (June 30, 2024: TL 20.728).

USD 155 million of the additional Tier 1 capital Tier 1 loan amounting to USD 205 million that the Bank has realized on February 20, 2018 belongs to Albaraka Group, the main shareholder of the Bank. The related loan amount is recognized under subordinated debt instruments account in the financial statements.

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

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

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

As of June 30, 2025, the Bank has paid gross TL 133.610 (June 30, 2024: TL: 90.046) to top management.

VIII. Explanations related to 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:

Mr. Muhammet Faruk Torlak resigned from his position as Deputy General Manager in charge of Loans on July 3, 2025, and Önder Çınar, Corporate Loans Manager, was appointed as his replacement.

X. 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

Other explanations

I. Explanations on limited review report:

The Bank's unconsolidated financial statements as of and for the period ended June 30, 2025 have been reviewed by "PWC Baęımsız Denetim ve Serbest Muhasebeci Mali Mavirlik Anonim irketi" and the reviewed report dated 7 August, 2025 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. January 1, 2025 - June 30, 2025 amendments to the articles of association:

There has not been any change in the Articles of Association of the Bank on the relevant dates.

2. Committee and committee members formed after the distribution of duties among the members of the Board of Directors:

Details of the Board Committees can be found in the Investor Relations section of the Albaraka Türk website.

<https://www.albaraka.com.tr/en/investor-relations/committees>

II. Financial information and evaluations about the bank:

1. Major financial indicators:

ASSETS	Current Period	Previous Period
Cash and Balances with Central Bank	82.647.569	60.892.549
Banks	21.632.211	22.072.374
Government Debt Securities	54.148.283	48.099.965
Credits	177.223.710	143.266.967
Financial Leasing Receivables	15.023.652	5.216.547
Other	38.073.680	30.999.559
TOTAL ASSETS	388.749.105	310.547.961
LIABILITIES	Current Period	Previous Period
Funds Collected	246.219.279	204.766.581
Funds Borrowed	71.163.634	50.236.792
Subordinated Debt Instruments	24.192.974	14.007.315
Equities	19.877.551	18.428.944
Other	27.295.667	23.108.329
TOTAL LIABILITIES	388.749.105	310.547.961
INCOME AND EXPENSE ITEMS	Current Period	Previous Period
Profit Share Income	27.024.369	18.264.577
Profit Share Expense	25.353.740	13.549.109
Net Profit Share Income / Expenses	1.670.629	4.715.468
Net Fee and Commission Income / Expenses	2.230.622	1.564.889
Trading Income /Loss (Net)	1.747.073	(1.281.709)
Other Operating Income	11.479.349	1.887.031
Net Operating Income / Loss	8.530.612	2.193.811
Tax Provisions for Continuing Operations (-+)	(571.385)	323.331
NET PROFIT/LOSS FOR THE PERIOD	9.101.997	1.870.480
Earnings/Loss per Share	3,64080	0,74819

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Explanations on the interim activity report (continued):

2. Message from the Chairman of the Board:

Dear Stakeholders,

While the disinflationary process continued at a steady pace in the global economy over the past period, inflation figures in many countries converged with central bank target levels. In the second quarter of the year, global central banks took significant steps toward achieving their inflation targets. While the Fed (US Federal Reserve) has not yet cut interest rates in 2025, the ECB (European Central Bank) cut interest rates in June to maintain inflation expectations and prevent excessive tightening of financial conditions.

Along with these developments, import tariffs that came to the agenda after the US presidential election continued to create uncertainty in the global economy in the second quarter of the year. The tension caused by the increase in import tariffs perpetuated the negative outlook for global trade. In addition, tensions in the Middle East pushed oil prices higher in the second quarter and caused gold prices, considered a safe haven, to rise to historic levels. Toward the end of the second quarter, oil prices declined due to the more moderate geopolitical developments, while the dollar index and stock markets continued their upward trend.

In the US, while inflationary pressures rose again in the second quarter of the year due to the impact of import tariffs and political uncertainty, fragilities in the employment and growth outlook attracted attention. Fed officials emphasized the upward effect of import tariffs on prices and adopted a cautious stance in the interest rate reduction process. With core inflation rising in June, the easing process expected by the markets has been delayed. In this context, as signs of a slowdown in economic activity persist, the Fed is expected to continue its “wait-and-see” approach and clarify its monetary policy following the release of data in the third quarter.

Weakening global demand, tight financial conditions, and rising trade tensions led to downward revisions in growth expectations for the Eurozone in the second quarter. The convergence of energy and core inflation items toward the 2% target, the relative appreciation of the euro, and the stagnation in external demand are limiting price pressures. In light of these developments, the ECB is expected to continue its interest rate reduction process cautiously.

In Turkey, annual inflation continued to decline in the second quarter of the year. In June, annual consumer inflation fell to 35.05%, the lowest level since December 2021. Although there was an increase in the services sector due to seasonal and cyclical effects, the slowdown in inflation in core goods pointed to an improvement in the main trend. Thus, inflation remained within the inflation path projected by the CBRT, presenting a positive outlook for the disinflation process.

The banking sector, one of the key drivers of growth in the Turkish economy, continues to support the economy in 2025. Participation banking, an important contributor to this support, accounted for 8.5% of the Turkish banking sector's total assets in the second quarter of 2025.

Our bank is taking the necessary steps to maintain high asset quality and profitability during this period, while also continuing its investments in digitalization, whose importance is growing day by day. As Albaraka Türk, with the awareness and responsibility of being Turkey's first and leading participation bank, we will continue to meet the financial needs of our customers in all areas, as we have always done. With our vision of “being the reliable, innovative, and digital pioneer of participation finance,” we will continue to take solid steps toward further growth.

Albaraka Türk, as Turkey's leading participation bank, will continue to serve sustainable growth and development in the coming periods. On this occasion, I would like to sincerely thank my colleagues, shareholders, and all other stakeholders for their contributions to our success.

Kind regards,

Housseem BEN HAJ AMOR

Chairman of Board Member

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Explanations on the interim activity report (continued):

3. Message from the General Manager:

Dear Stakeholders,

When evaluated in the context of global monetary policy, it is seen that central banks generally continued their interest rate reduction paths in the first six months of 2025. The European Central Bank (ECB), which pursued a monetary policy in line with weak growth expectations and declining inflationary pressures in the Eurozone, continued to reduce interest rates in the second quarter of the year. The ECB reduced its policy interest rate from 2.9% at the beginning of the year to 2.15%. On the other hand, the US Federal Reserve (Fed) kept its policy interest rate constant since the beginning of the year. Both the limited improvement in inflation and the cooling signals in the labor market support forecasts that the Fed may begin cutting interest rates in the second half of the year. This process of change in monetary policy at the global level is reshaping the course of economic activity and playing a decisive role in the outlook for 2025. Along with these developments, increasing geopolitical risks, uncertainties in global trade, and ongoing tariff measures continue to pose downside risks to growth.

In the first half of 2025, economic activity followed a more moderate course as domestic demand moved toward a more balanced outlook in Turkey. Indicators such as industrial production and the Purchasing Managers' Index (PMI) pointed to a continuing process of stabilization on the production side. While the trade deficit narrowed thanks to exports, strong service revenues also supported the current account balance. On the other hand, energy prices and import trends driven by domestic demand continued to put pressure on the external balance. However, the recent decline in energy prices following geopolitical tensions emerged as a balancing factor for the current account deficit. In terms of price developments, the disinflationary trend continues to prevail in Turkey. Due to the main trend of inflation remaining flat in June and leading indicators suggesting that monthly inflation will temporarily increase in July due to month-specific factors, the CBRT resumed its interest rate cuts in July, rate to 43%. The CBRT is expected to continue lowering interest rates in line with the inflation path in the second half of the year.

The Turkish banking sector, which is the largest contributor to the economy, continued to show higher growth rates in 2025 compared to the previous year, following moderate growth in 2024. In June 2025, total assets in the sector reached 40 trillion TL, an increase of 21.5% compared to the end of last year, while net profit for the first two quarters of the year was 422 billion TL. The non-performing credit ratio rose slightly due to the impact of tight monetary policy and a more moderate economic outlook, increasing by 34 basis points compared to the end of 2024 to reach 2.12% as of June 2025.

Our bank's total assets increased by 25.2% compared to the end of the year, reaching 388.7 billion TL in the second quarter of 2025. During the same period, the total of our credits and financial leasing receivables increased by 29.5% to 192.2 billion TL. The funds we collected through participation accounts and special current accounts reached 246 billion TL. As of June 2025, our bank's net profit increased by 387% compared to the same period last year, reaching 9.1 billion TL. We continued to reflect the success we achieved in profitability figures in the first half of the year in our asset quality and capital ratios. Our non-performing credit ratio stood at 1.41% in June 2025, positively diverging from the banking sector average (2.09%), while our capital adequacy ratio, which was 17.2% in December 2024, reached 18.9%.

In line with our bank's vision and mission, we are continuing our activities without slowing down in 2025. In accordance with the principles and values of participation finance, we are strengthening our customer-centric approach to best meet the needs of our customers. On this journey, we are taking important steps in digitalization and continuing our determination to make our financial services more accessible and innovative. By increasing our sustainability-focused projects, we continue to fulfill our responsibility to society and the environment. In this process of building our successes together, I would like to express my gratitude to all my team members and valued stakeholders, and extend my warmest regards.

Kind regards,

Malek Khodr TEMSAH

General Manager and Board Member

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Explanations on the interim activity report (continued):

4. Activities in the First Half of 2025:

- In the first half of 2025, our Total Assets amounted to TL 388.749.105.
- In the first half of 2025, the funds collected by our Bank through "Special Current Accounts" and "Profit and Loss Participation Accounts" amounted to TL 246.219.279. As of the first three quarters, participation accounts are realized as TL 131.846.128 and current accounts are TL 114.373.151.
- Our Bank's fund collection activities are carried out through its branches throughout the country and correspondent banks abroad.

TL and USD Equivalent	Current period		Previous period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
TL Funds	127.322.416	3.240.581	107.915.855	3.100.585	17,98	4,52
Current accounts	20.898.081	531.893	23.956.130	688.296	(12,77)	(22,72)
Participation Accounts	106.424.335	2.708.688	83.959.725	2.412.289	26,76	12,29
FC Funds	118.896.863	3.026.136	96.850.726	2.782.667	22,76	8,8
Current accounts	93.475.070	2.379.106	77.644.825	2.230.853	20,39	6,65
Participation Accounts	25.421.793	647.030	19.205.901	551.814	32,36	17,26
TOTAL	246.219.279	6.266.717	204.766.581	5.883.252	20,24	6,52

TL and USD Equivalent	Current period		Previous period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
Credits (*)	189.545.036	4.824.256	146.463.845	4.208.127	29,41	14,64
Non-performing Loans	2.702.326	68.779	2.019.669	58.028	33,80	18,53
Provisions	(4.393.889)	(111.832)	(4.465.233)	(128.293)	(1,60)	(12,83)
TOTAL	187.853.473	4.781.203	144.018.281	4.137.862	30,44	15,55

(*)Including financial leasing and joint venture projects.

The rates in the preparation of the tables are as follows:

Balance Sheet Period	USD/TL
As of June 30, 2025	39,290
As of December 31, 2024	34,805

5. Evaluation of Financial Status, Profitability and Solvency:

- Our Net Fee Commission income increased by 43% compared to the same period of the previous year and reached to TL 2.230.622.
- Gross operating profit increased by 249% year-on-year to TL 17.128.085.
- Our net profit increased by %387 compared to the same period of the previous year and reached to TL 9.101.997 in the first half of the year.
- As of June 30, 2025, our capital adequacy ratio was 18,90% above the legal obligation level.

ALBARAKA TRK KATILIM BANKASI A..
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2025
(Thousand of Turkish Lira (TL) unless otherwise stated)

Explanations on the interim activity report (continued):

6. Explanations on Significant Developments in the Period 1 January 2025 – 30 June 2025:

Matters occurring between January 1, 2025 and June 30, 2025 have been disclosed to the public and uploaded to the Public Disclosure Platform as a notification. All of these announcements are posted on the Investor Relations section of the Albaraka Trk website.

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