# Investor Presentation
## Q1’2026

**Based on Bank-only financials**

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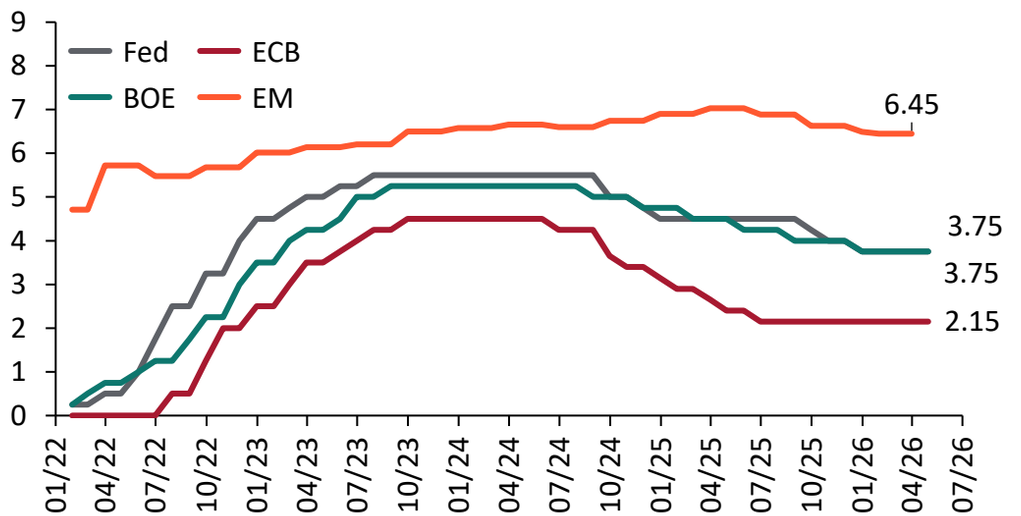
# Macroeconomic Outlook & Banking Overview

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# Macroeconomic Outlook: Slowdown in policy easing

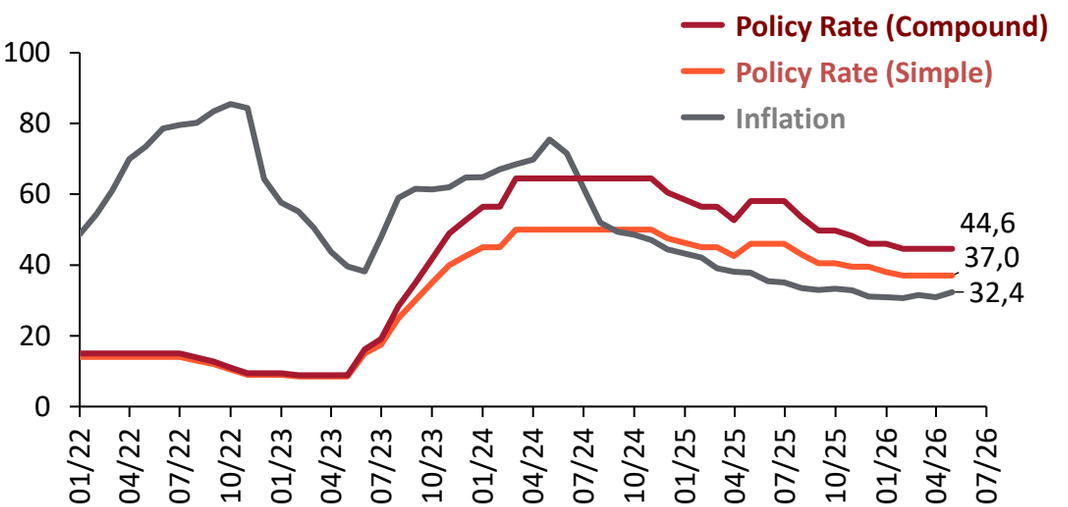
## Central Banks Policy Rates

%, April 2026, EM: March 2026




## Türkiye: Inflation and Policy Rate

Annual % Change, April 2026




- ✓ **Geopolitical tensions** and disruptions in energy supply have pushed oil prices to multi-year highs, **reviving global inflation pressures.**
- ✓ **Inflation outlook has deteriorated** across both advanced and emerging markets, leading central banks to **reassess prior disinflation progress** and growth outlooks.
- ✓ **Global policy rates** remain «higher for longer», with easing expectations scaled back as central banks respond **cautiously to renewed inflation risks** and **geopolitical shocks.**

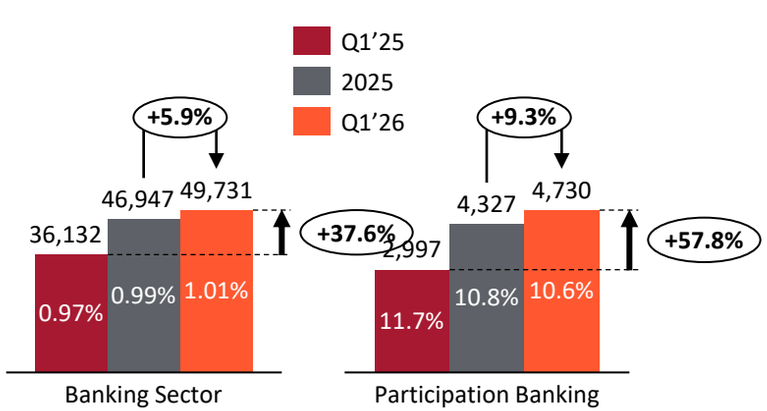
- ✓ In **Türkiye**, the CBRT has **shifted to a more cautious stance**, pausing easing and tightening liquidity conditions.
- ✓ Recent measures, including changes in the **funding mix**, have effectively resulted in a **de facto tightening (~300 bps).**
- ✓ **Inflation expectations remain elevated**, suggesting a **prolonged tight/neutral policy stance through most of 2026**, with potential easing towards year-end.
- ✓ **USD/TRY has shown a relatively stable path**, supported by CBRT interventions and liquidity measures.

Source: Bloomberg, TURKSTAT

# Banking Sector Overview: Participation banks lead growth, profitability moderates

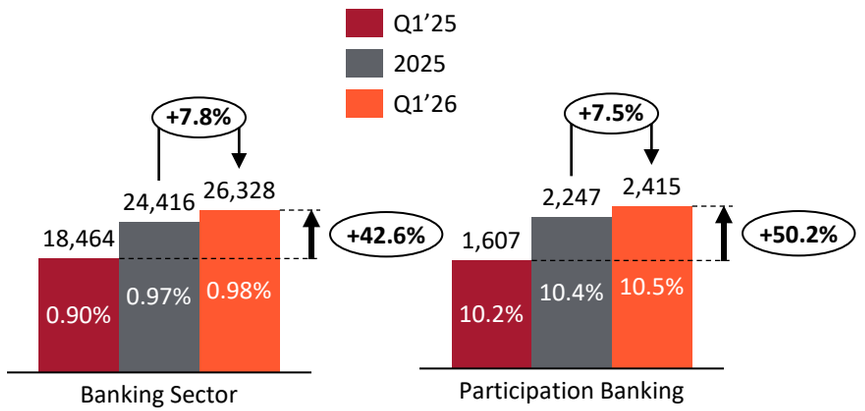
## Total Assets[1]

TL Billion



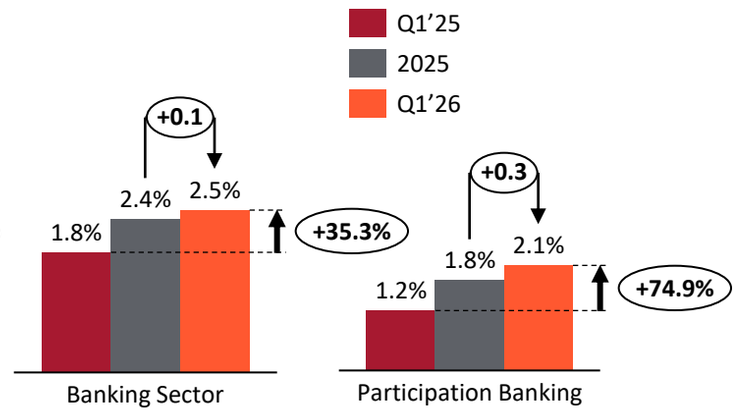

## Cash (Funded) Credits [1,2]

TL Billion




## NPL Ratio*

%

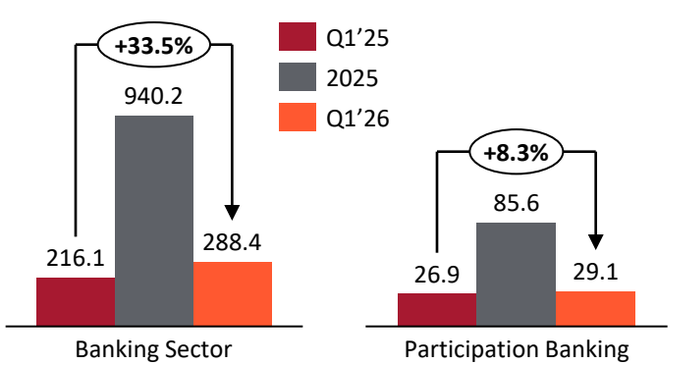



1) *Percentage figures within the bars indicate the share of Albaraka Türk*
2) *Cash (Funded) credits includes credits, f.leasing (net), net NPL. accruals and rediscounts. credits extended to banks.*

* NPL/ **(**credits. f.leasing (net), net NPL. accruals and rediscounts.,credits extended to banks **)**

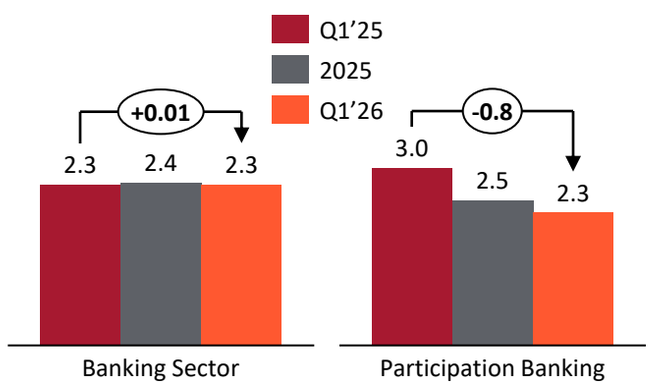
## Net Profit

TL Billion




## Return on Avg. Assets*

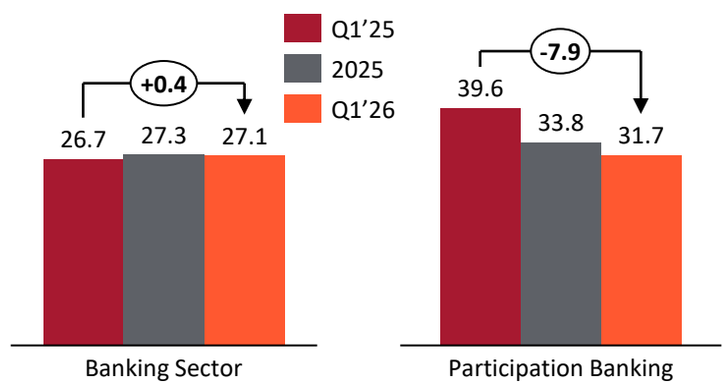
%




* Annualized net profit/5Q average assets

## Return on Avg. Equity*

%




* Annualized net profit/5Q average equity

**Source: BRSA**

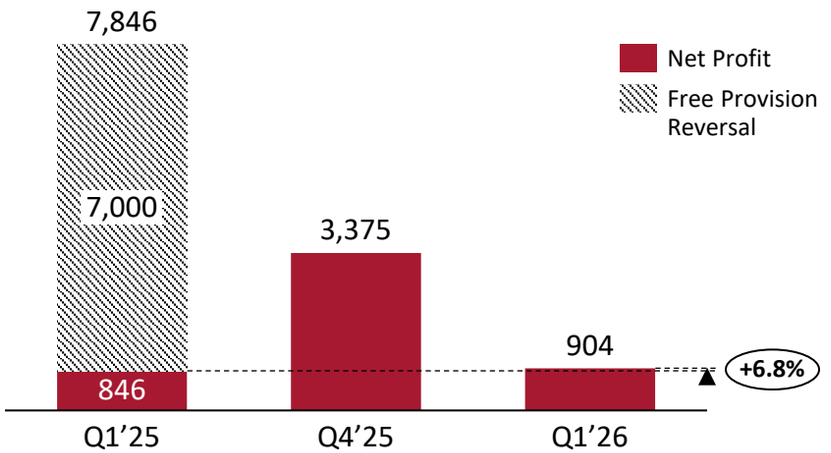
# Q1’2026 Financial Results

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# Core performance remains strong, with base effects impacting headline trends

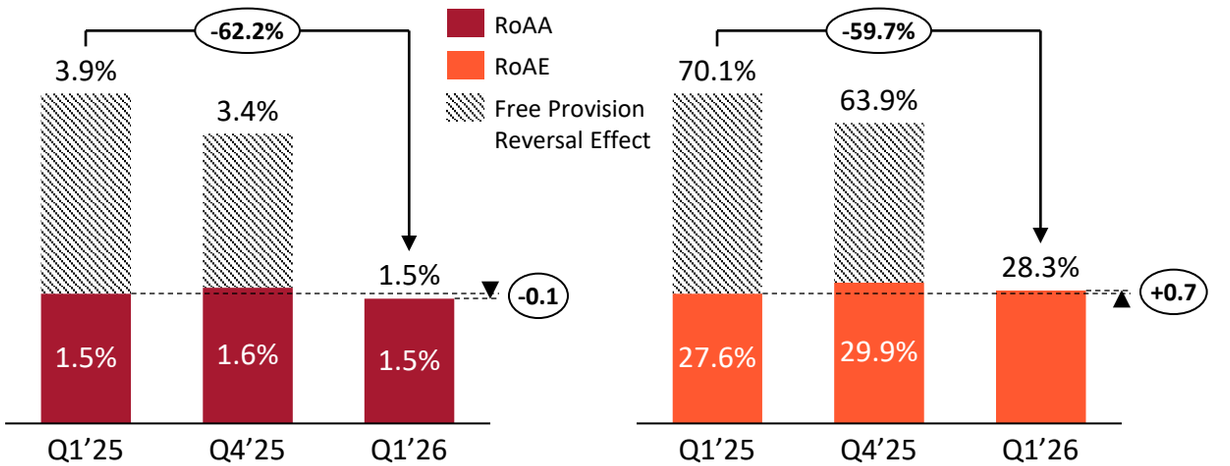
## Net Profit*

TL Million




## Return on Avg. Equity & Assets*

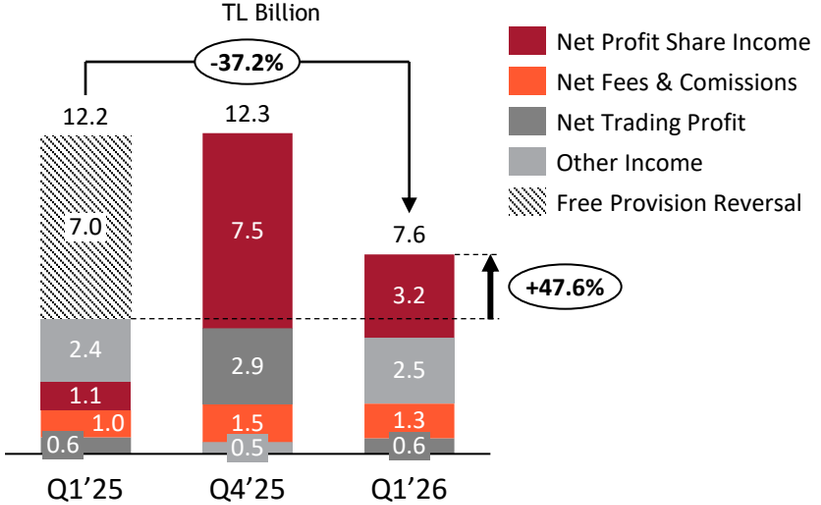
%




* 4Q net profit/5Q average assets or equity

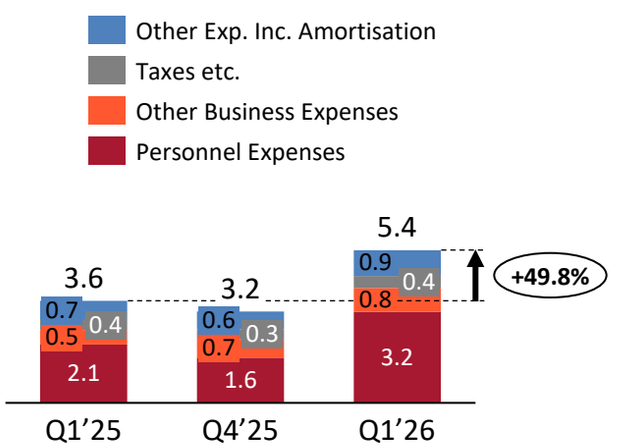
## Total Operating Income

TL Billion



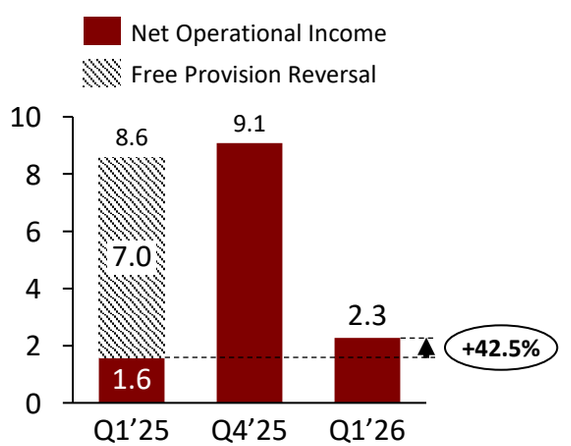

## Total Operational Expenses

TL Billion




## Net Operational Income

TL Billion

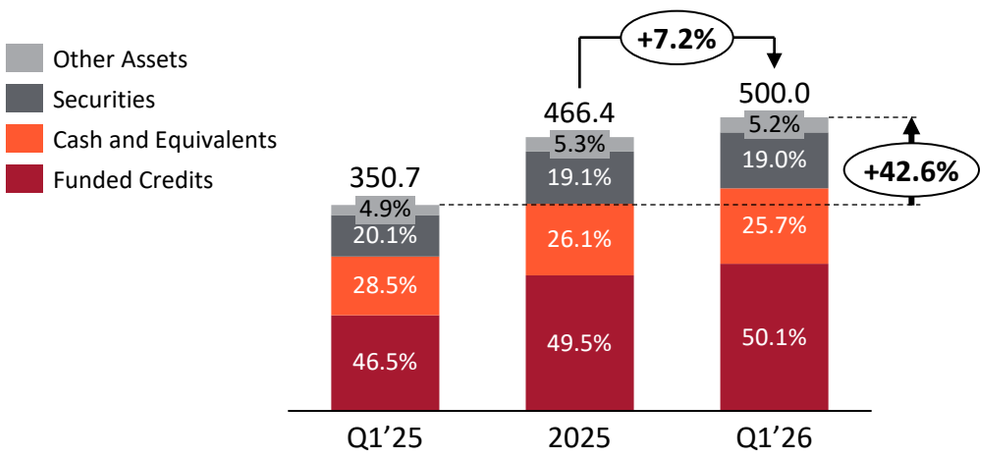



Source: Albaraka Turk Independent Audit Reports

# Moderate asset growth with NPSM normalizing in a challenging environment

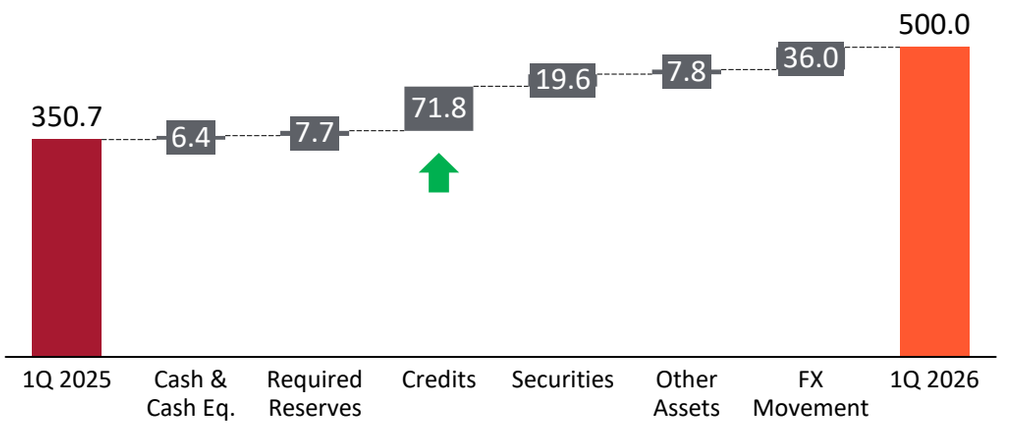
## Composition of Total Assets

TL Billion, %



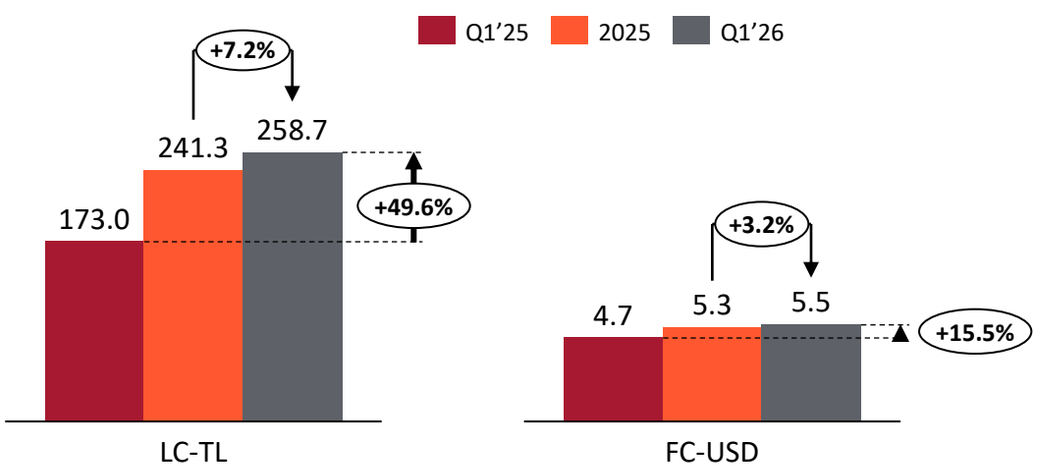

## Total Assets Movements

TL Billion , %



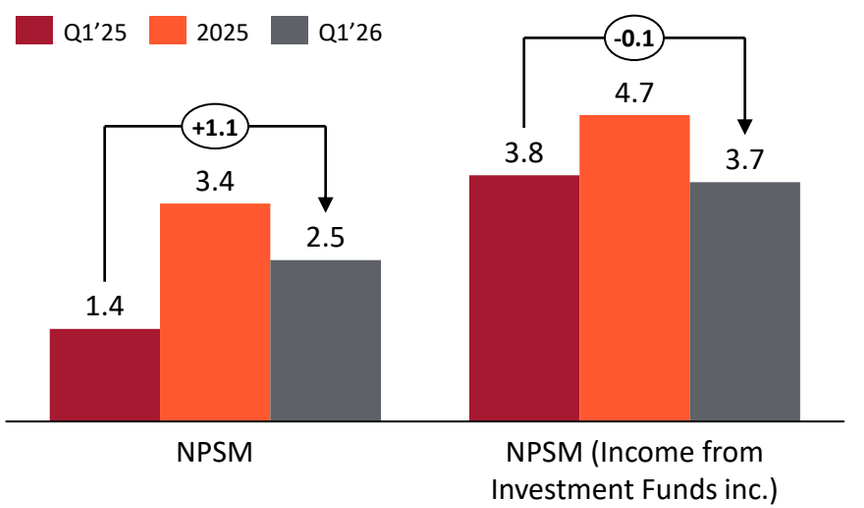

## Currency Breakdown of Total Assets

TL/USD Billion, %




## Net Profit Share Margin

Swap adj. %

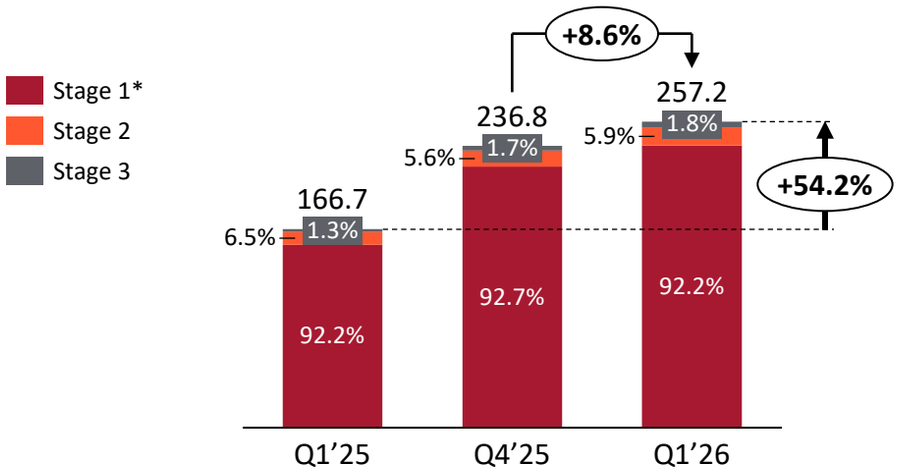



Source: Albaraka Turk Independent Audit Reports

# Sustained funded credit growth with stable portfolio composition

## Total Funded Credits

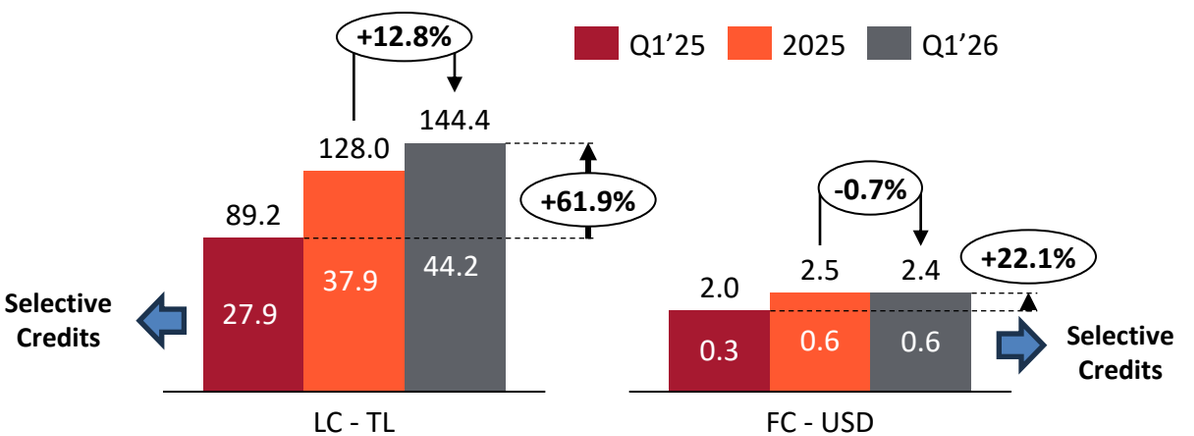
TL Billion - Inc. f.Leasing. TL million . excl. expected credit losses(provisions)




*The share of P/L Project credits in total funded credits is 4.6% in Q1'26.

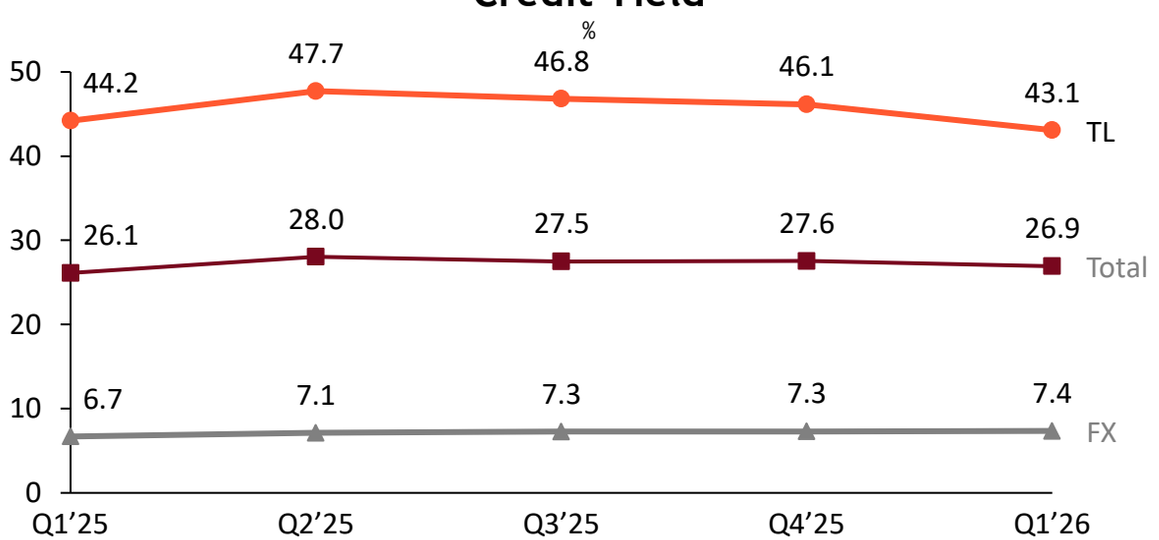
## Currency Breakdown of Performing Credits*

TL Billion. %

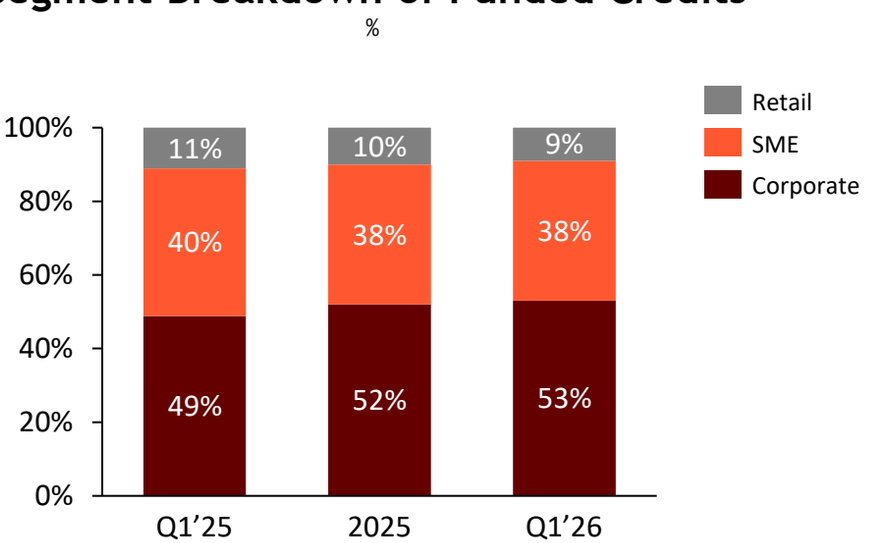



*Includes P/L projects and f.leasing (net)

## Credit Yield




## Segment Breakdown of Funded Credits




Source: Albaraka Turk Independent Audit Reports

# Asset quality remains strong with NPL ratio still at low levels

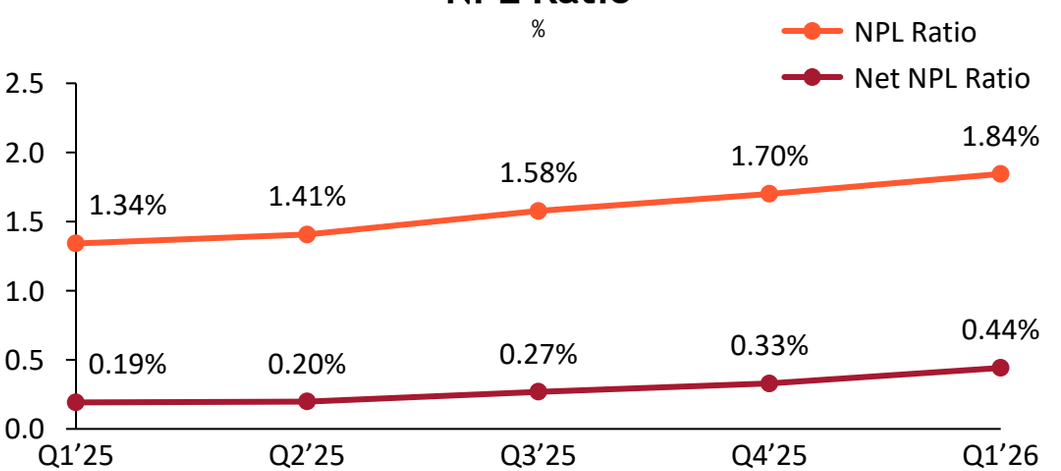
## Non Performing Credits Development

TL Billion



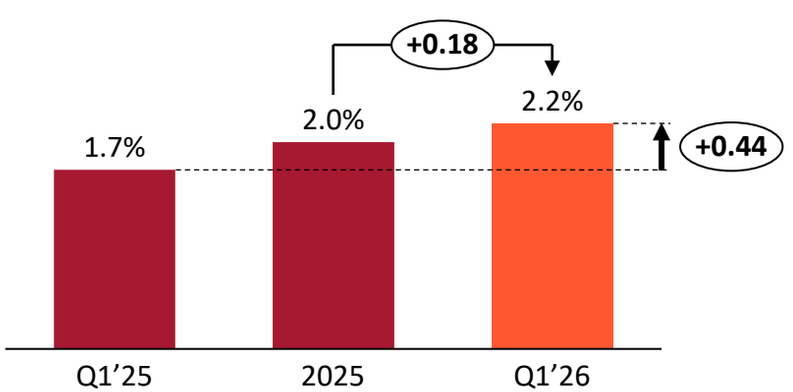

## NPL Ratio

%




## Cost of Risk (Net)*

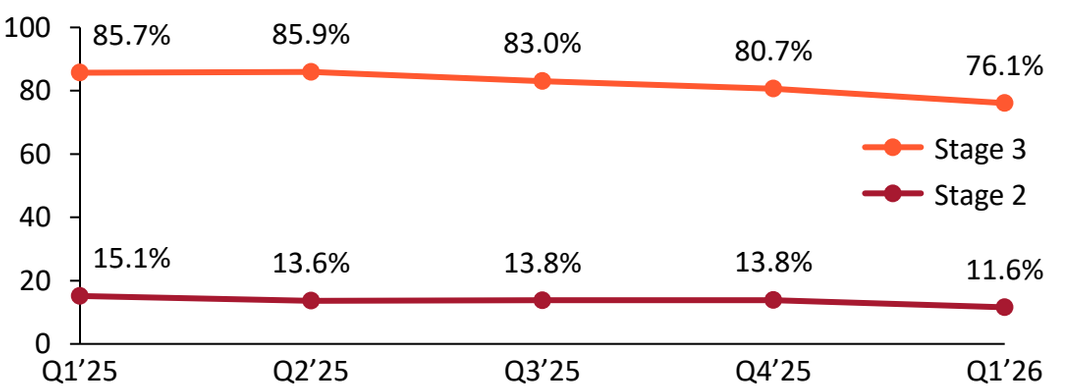
%




*Cost of risk: Annualized Expected Credits Loss Provisions-Collections/5Q Average Funded Credits

## Provisioning Ratios

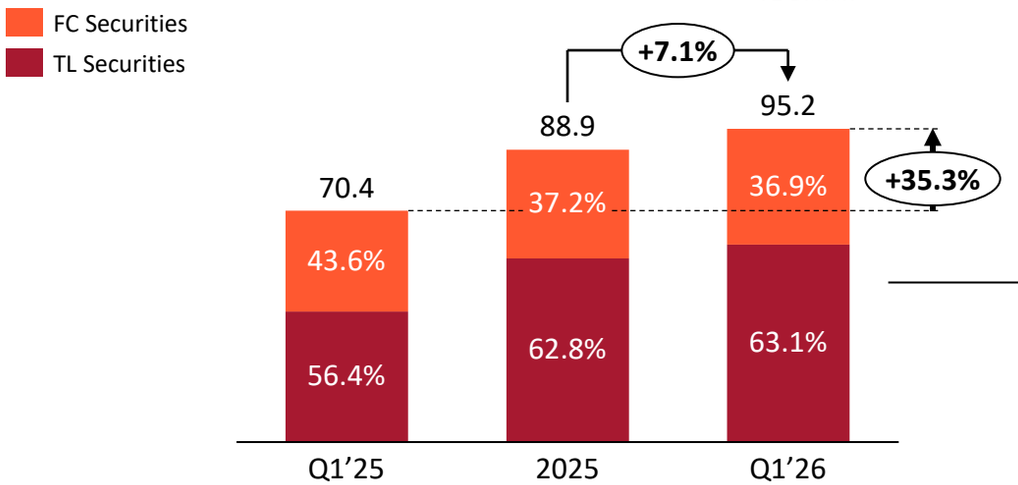
%



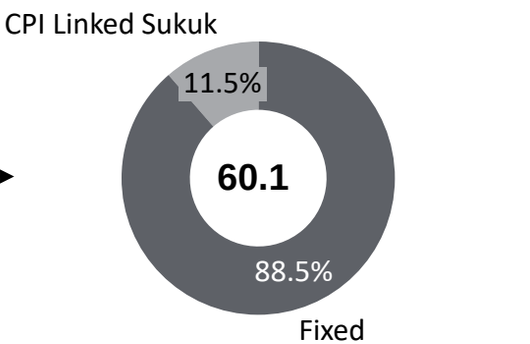

Source: Albaraka Turk Independent Audit Reports

# Securities portfolio aligned with market Dynamics, yield contribution improving

## Total Securities Portfolio

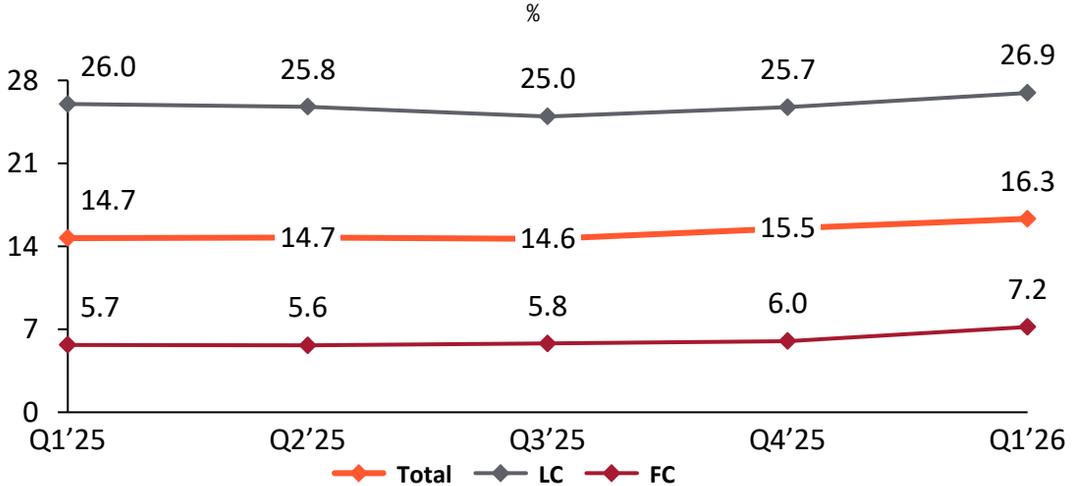



## TL Securities Q1'26



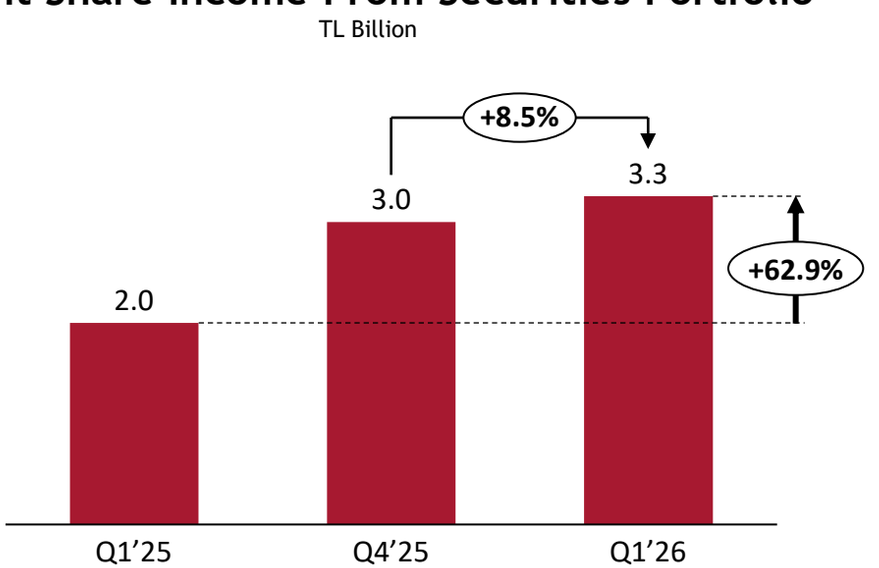

* There are CPI linked sukuk only in TL securities portfolio.

## Securities Yield*




(*) Profit share income received from securities for the last 4Q/5Q average securities

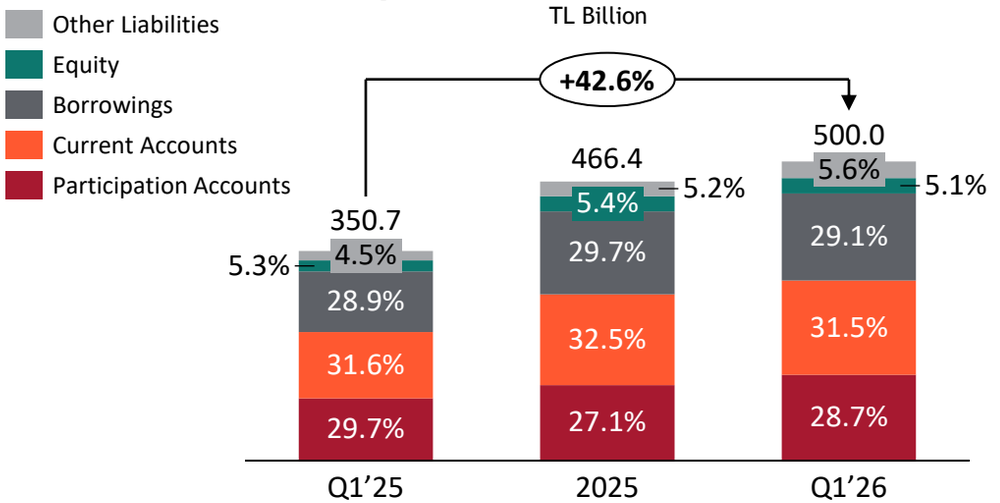
## Profit Share Income From Securities Portfolio



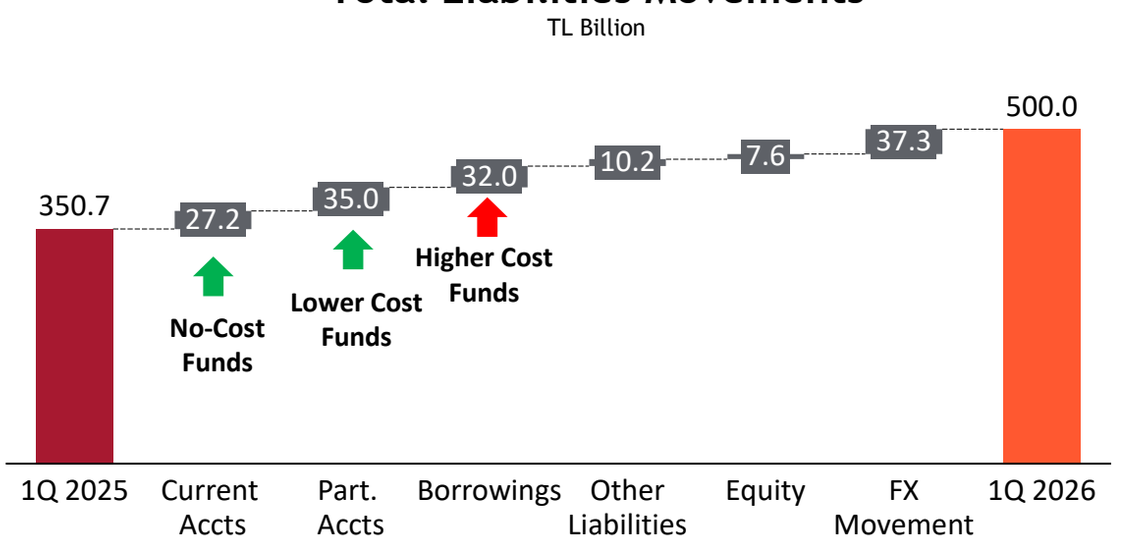

Source: Albaraka Turk Independent Audit Reports

# Well-diversified funding base with stable and resilient structure

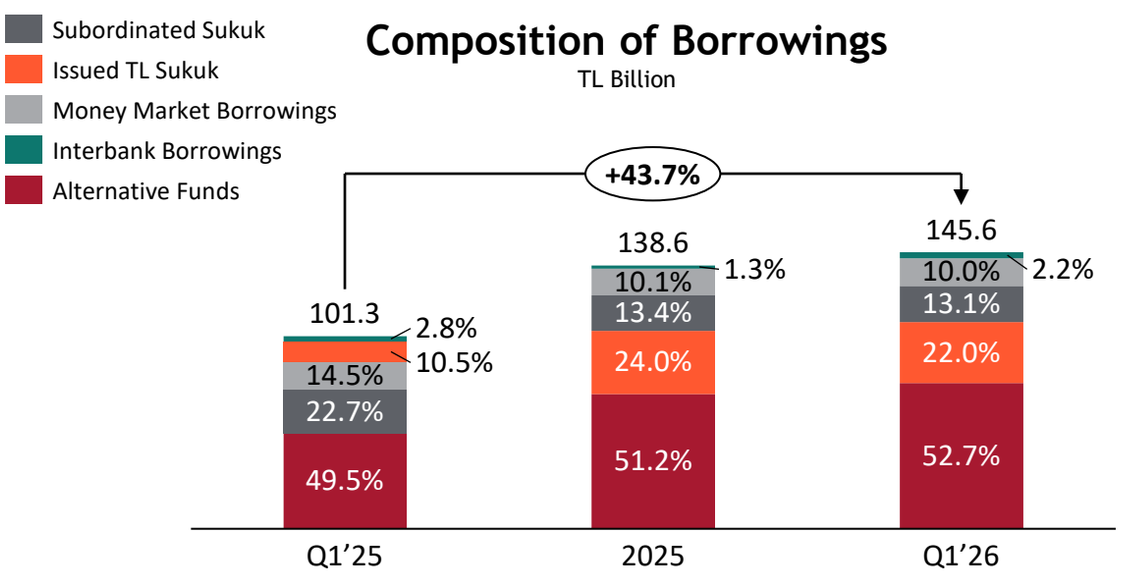
## Composition of Total Liabilities



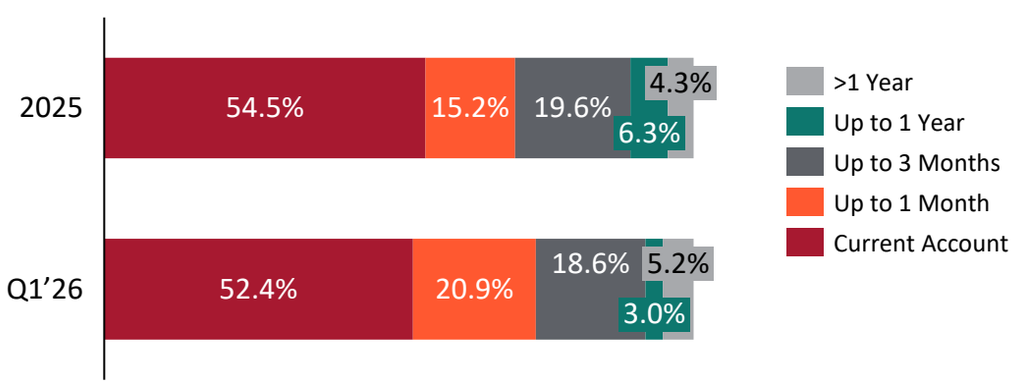

## Total Liabilities Movements




## Composition of Borrowings




## Maturity Composition of Funds Collected

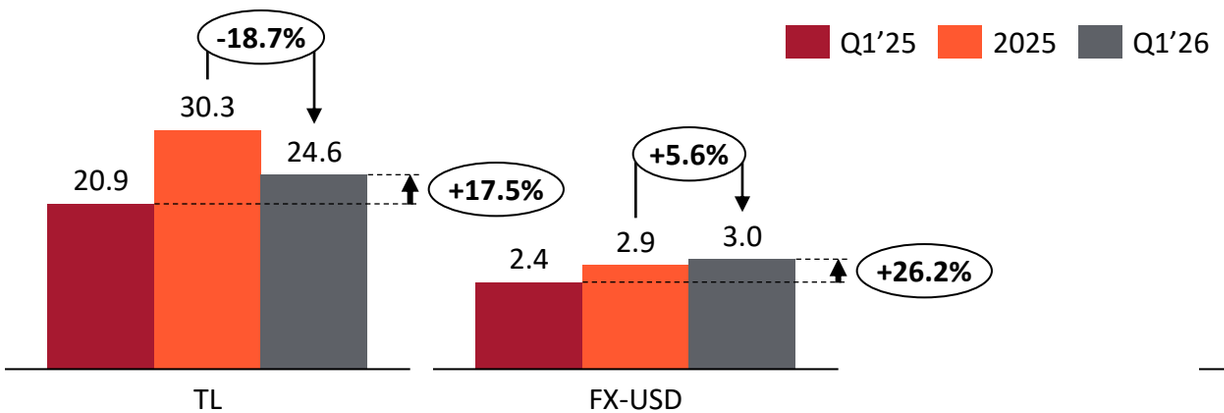



Source: Albaraka Turk Independent Audit Reports

# Improved cost of funds collected supported by deposit trends

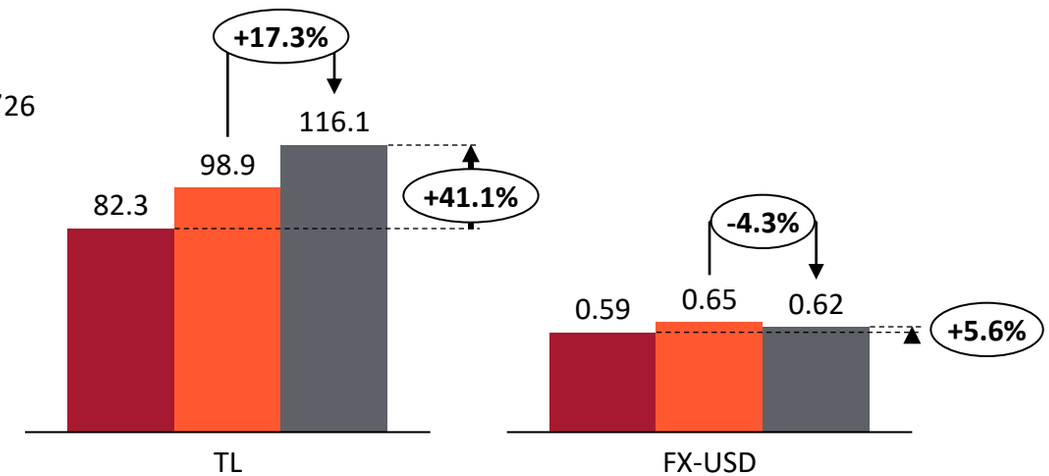
## Current Accounts

TL Billion - Annual Growth %



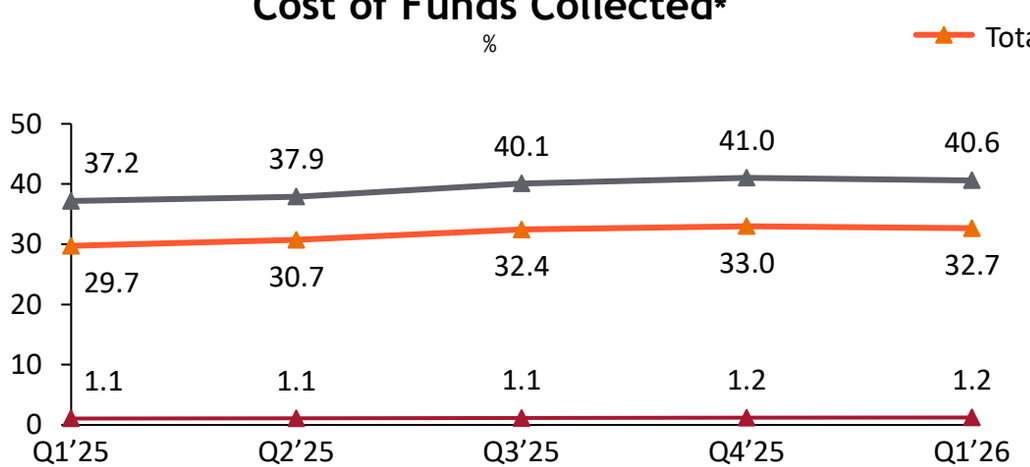

## Participation Accounts

TL Billion - Annual Growth %




## Cost of Funds Collected*

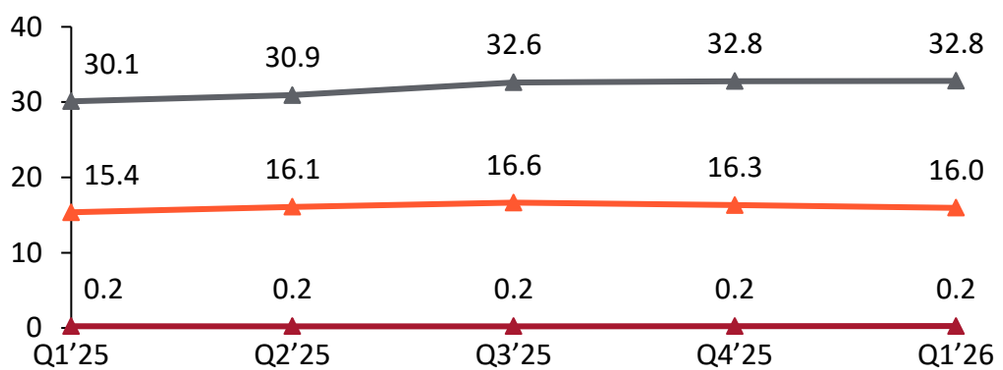
%




*Annualized profit share expense by extending the relevant quarter to the year / average participation accounts

## Cost of Funds Collected**

% - Including Current Accounts



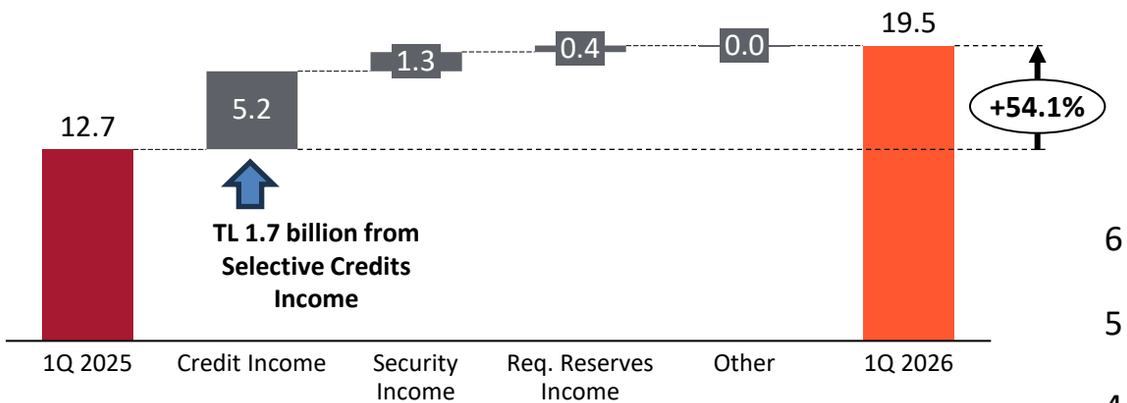

**Annualized profit share expense by extending the relevant quarter to the year / average collected funds

Source: Albaraka Turk Independent Audit Reports

# Robust expansion in NPSI fueled by selective financing strategies

## Profit Share Income Movement

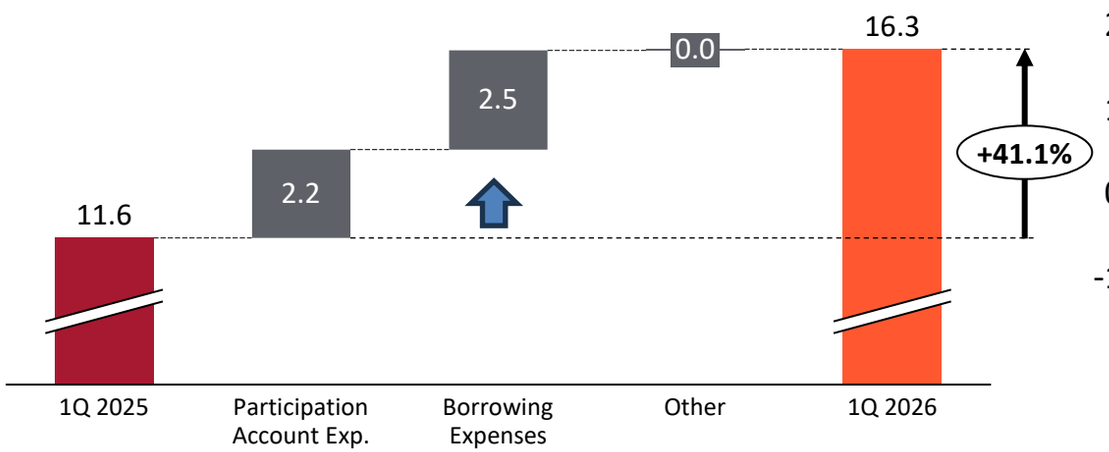
TL Billion




**The majority of our profit share income increase over the last 1 year was driven by credit income with income from selective credits providing a significant boost.*

## Profit Share Expense Movement

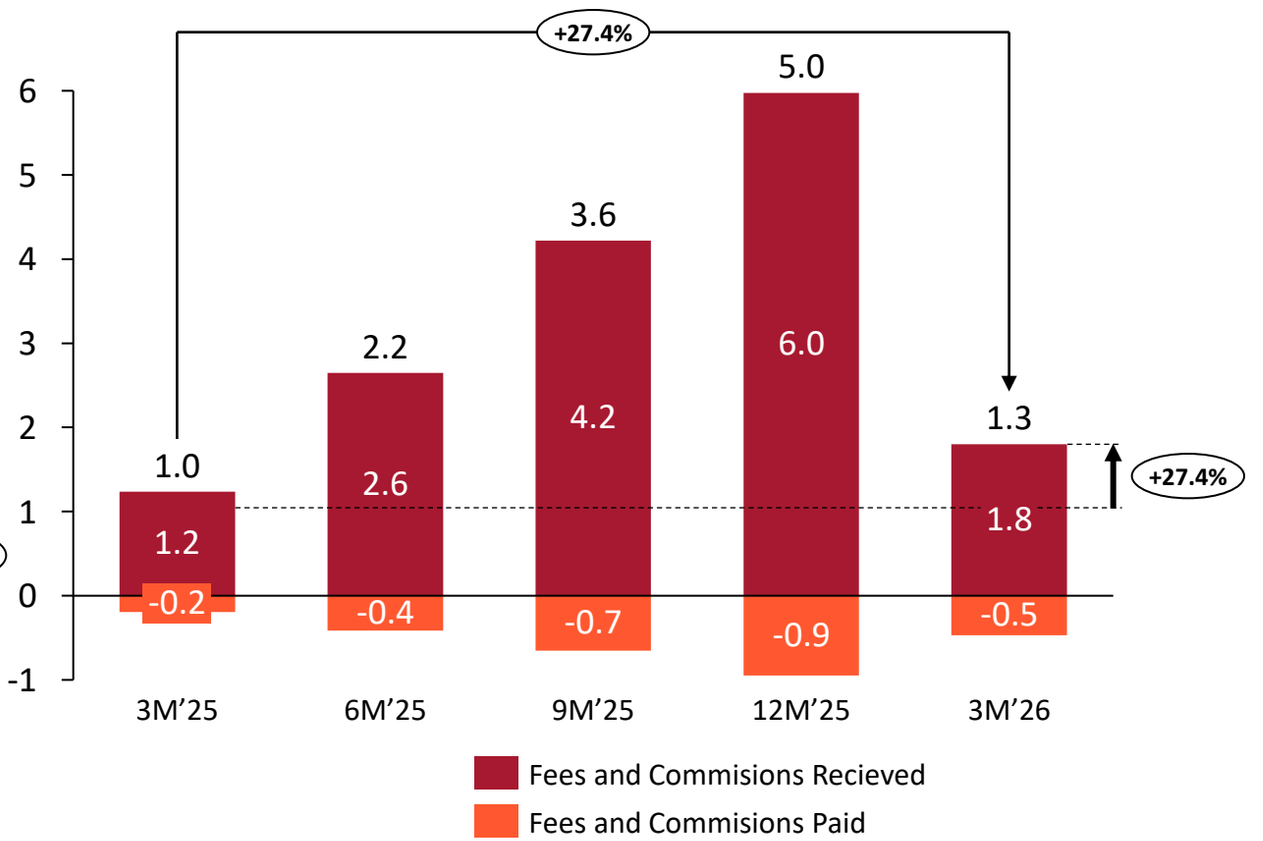
TL Billion




**The additional profit share expenses incurred (cost of funding) over the last year has been primarily driven by the wakala participation accounts and borrowing expenses (considering borrowing represents a high share of liabilities).*

## Fees & Commisions

TL Billion




Source: Albaraka Turk Independent Audit Reports

# Profitability remains sustainable, driven by solid financial performance

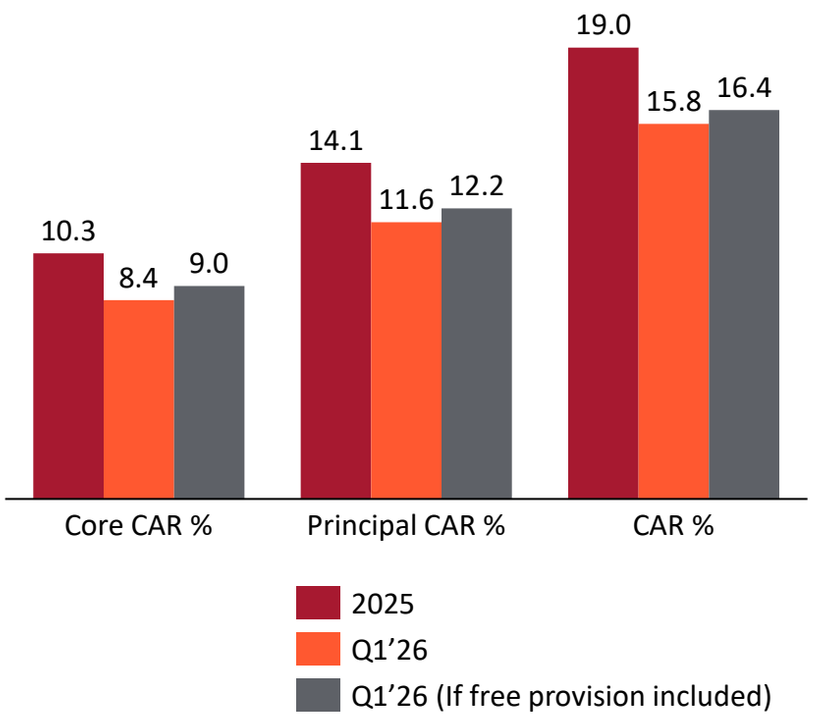
| (TL Million) | YoY Q1'25 | YoY Q1'26 | YoY % | QoQ Q4'25 | QoQ Q1'26 | QoQ % | Notes |
|---|---|---|---|---|---|---|---|
| **Net Profit Share Income** | 1,102 | 3,198 | 190% | 7,484 | 3,198 | -57% | YoY growth reached 190%, though QoQ performance reflected the absence of prior-quarter P/L project-related gains. On an underlying basis, core margins improved modestly year-on-year. |
| **Net Fees & Commission Income** | 1,044 | 1,331 | 27% | 1,458 | 1,331 | -9% | Strong 27% YoY growth driven by sustained core fee generation, while quarterly decline reflects seasonally softer activity in the first quarter. |
| **Net Trading Income** | 638 | 601 | -6% | 2,907 | 601 | -79% | Limited gains from capital market transactions, broadly in line with the same period of last year. |
| **Other Income** | 9,399 | 2,520 | -73% | 454 | 2,520 | 454% | Driven by bonus provision and limited free provision reversals, with a high base from last year's free provision reversal. |
| **Provisioning (inc. free provisions)** | 589 | 1,160 | 97% | 4,887 | 1,160 | -76% | Reflecting elevated provisioning in the previous quarter, while remaining higher compared to the same period of last year. |
| **Personnel Expenses** | 2,062 | 3,209 | 56% | 1,587 | 3,209 | 102% | Driven by annual salary adjustments and related compensation payments. |
| **Non-personnel Expenses** | 1,531 | 2,174 | 42% | 1,631 | 2,174 | 33% | Driven by inflationary pressures across operating expenses. |
| **Net Profit** | 7,846 | 904 | -88% | 3,375 | 904 | -73% | |

Source: Albaraka Turk Independent Audit Reports

# CAR remains robust despite regulatory adjustments

## Capital Adequacy Ratio

%

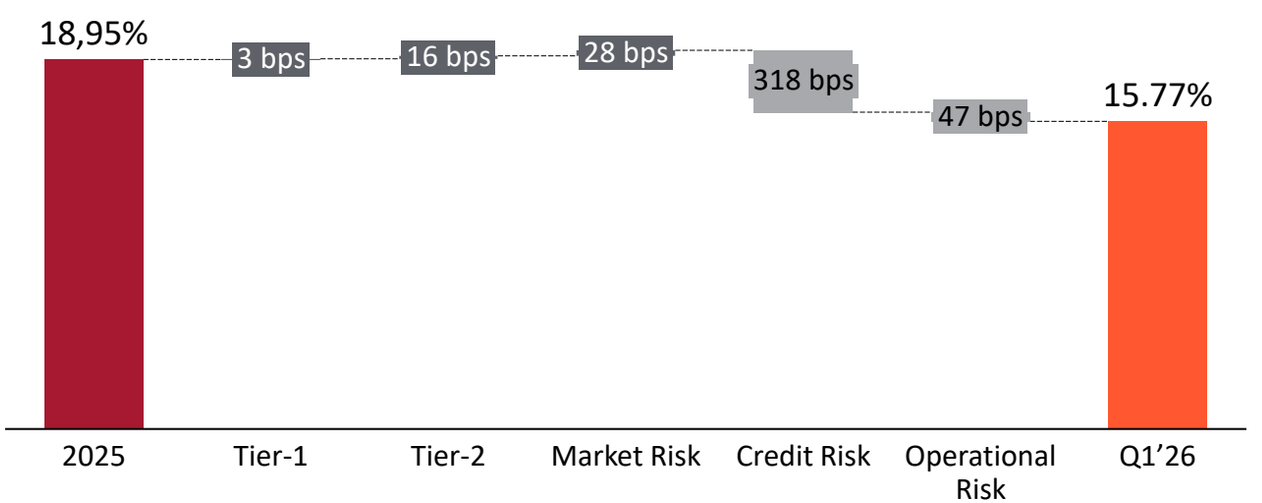



## Capital Breakdown

%




## CAR Development*




*Due to the expiration of the BDDK's regulated exchange rate system, there was a negative impact of 312 bps.

Source: Albaraka Turk Independent Audit Reports

# Appendix

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# Summary Balance Sheet

| (TL Million) | 2025 | Q1'26 | Growth (%) |
|---|---|---|---|
| **Cash and Balances with Central Bank** | **87,152** | **86,532** | **-1%** |
| **Banks** | **34,715** | **41,831** | **20%** |
| **Money Market Placements** | **-** | **-** | **NA** |
| **Financial Assets** | **88,678** | **95,043** | **7%** |
| **Funded Credits (net)** | **230,758** | **250,620** | **9%** |
| *Cash Credits* | 208,684 | 226,380 | 8% |
| *Net Financial Leasing Receivables* | 24,107 | 26,038 | 8% |
| *NPL* | 4,025 | 4,743 | 18% |
| *Expected Credit Losses* | 6,058 | 6,541 | 8% |
| **Associates** | **115** | **115** | **0%** |
| **Fixed Assets** | **7,493** | **7,898** | **5%** |
| **Assets Held For Sale and Investment** | **895** | **966** | **8%** |
| **Other Assets (inc. Tax Assets)** | **16,584** | **16,972** | **2%** |
| **Total Assets** | **466,389** | **499,977** | **7%** |

| (TL Million) | 2025 | Q1'26 | Growth (%) |
|---|---|---|---|
| **Funds Collected** | **278,044** | **301,081** | **8%** |
| **Funds Borrowed** | **105,972** | **111,892** | **6%** |
| **Borrowings from Money Markets** | **14,021** | **14,626** | **4%** |
| **Debts (inc. Taxes)** | **19,648** | **23,814** | **21%** |
| **Provisions** | **4,760** | **3,288** | **-31%** |
| **Tier II Sukuk** | **18,624** | **19,043** | **2%** |
| **Shareholders' Equity** | **25,319** | **26,233** | **4%** |
| *Capital* | 2,500 | 2,500 | 0% |
| *Capital Reserves (inc. Premium)* | 899 | 917 | 2% |
| *Profit Reserves* | 9,687 | 10,272 | 6% |
| *Profit/Loss* | 6,545 | 6,858 | 5% |
| **Total Liabilities** | **466,389** | **499,977** | **7%** |

Source: Albaraka Turk Independent Audit Reports

# Summary Income Statement

| (TL Million) | Q1'25 | Q1'26 | Growth (%) |
|---|---|---|---|
| **Profit Share Income** | **12,663** | **19,514** | **54%** |
| **Profit Share Expense** | **11,562** | **16,317** | **41%** |
| **Net Profit Share Income** | **1,102** | **3,198** | **190%** |
| **Net Fees and Commissions Income** | **1,044** | **1,331** | **27%** |
| *Fees and Commissions Received* | 1,236 | 1,801 | 46% |
| *Fees and Commissions Paid (-)* | 192 | 471 | 145% |
| **Net Trading Income** | **638** | **601** | **-6%** |
| **Other Operating Income** | **9,399** | **2,520** | **-73%** |
| **Total Operating Profit** | **10,122** | **4,440** | **-56%** |
| **Provisions (including free provisions)** | **589** | **1,160** | **97%** |
| **Personnel Expenses** | **2,062** | **3,209** | **56%** |
| **Other Operating Expenses** | **1,531** | **2,174** | **42%** |
| **Operating Profit Before Tax** | **8,002** | **1,107** | **-86%** |
| **Tax Provision** | **155** | **203** | **31%** |
| **Net Profit** | **7,846** | **904** | **-88%** |

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