Investor Presentation

Q3’25

Albaraka Türk Participation Bank

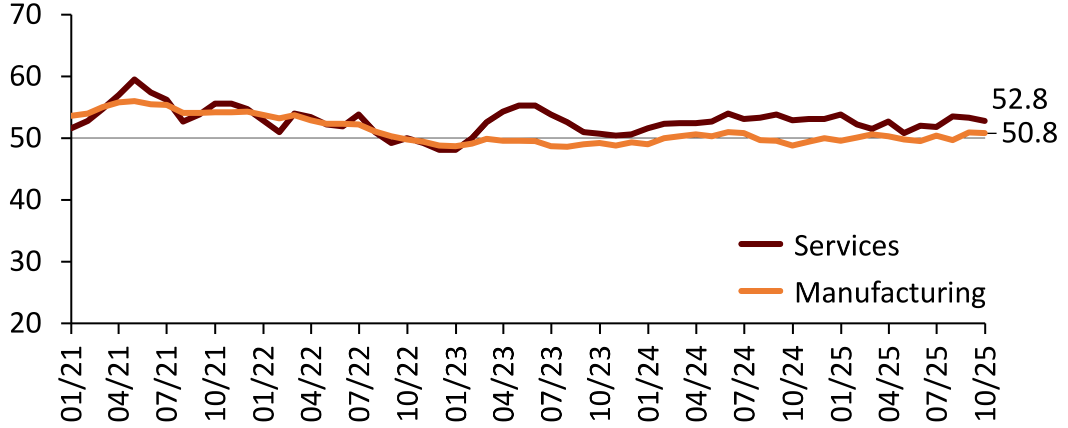
Macroeconomics / Banking Outlook

Macroeconomic Outlook: Challenges in disinflation path

With the increase in the underlying trend of inflation, the CBRT adopted a more cautious stance at its October meeting, reducing the policy rate by 100 bps to 39.50%.

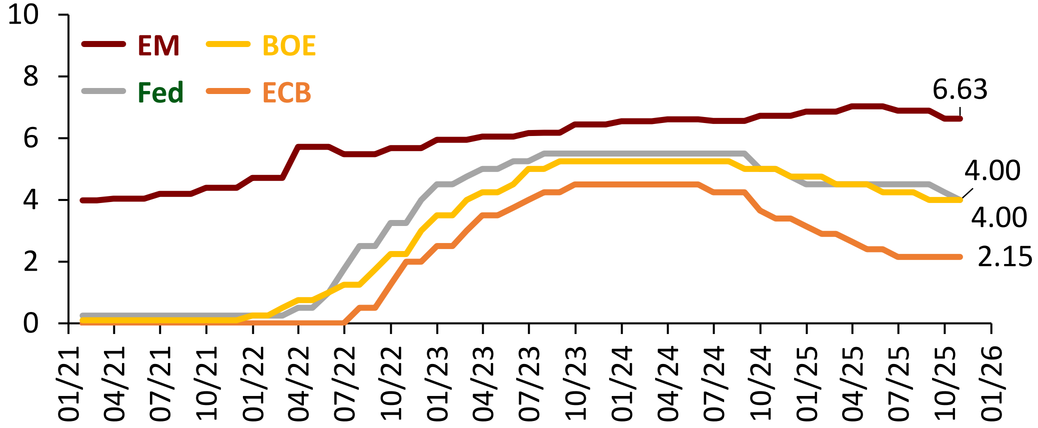
Global PMI

Index, 50 = no change, September 2025



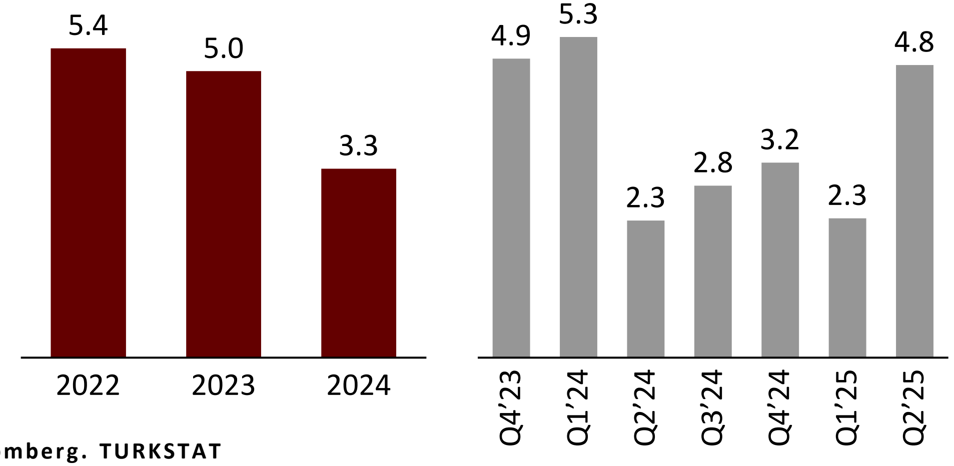
Central Banks Policy Rates

%, October 2025



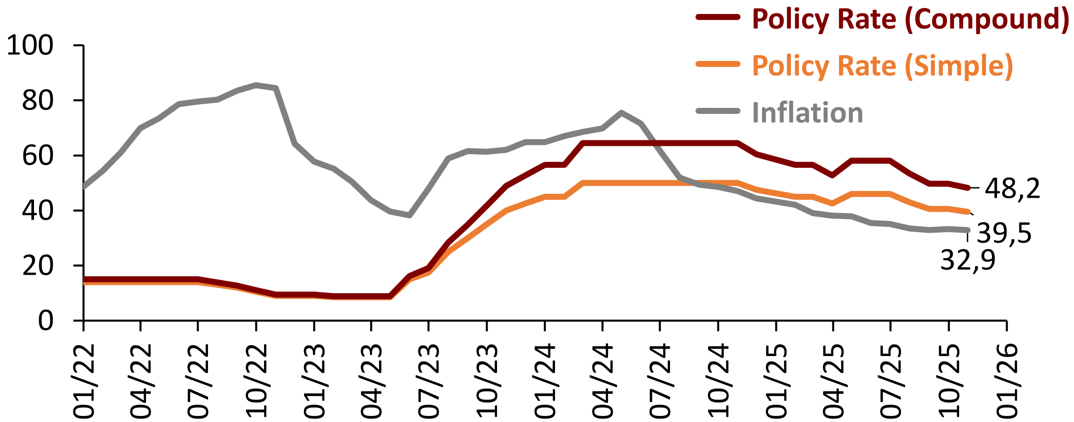
Türkiye: GDP Growth

Annual % Change



Türkiye: Inflation and Policy Rate

Annual % Change, October 2025



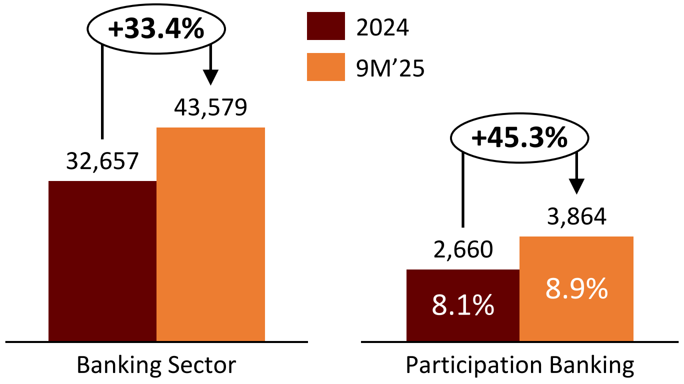
Source: Bloomberg. TURKSTAT

Banking Sector Overview: Profitability improved with restart of CBRT interest rate cuts

YoY net profit increased by 45.5% in the sector and 32.6% in participation banks; participation bank's asset share in the sector reached 8.9%.

Total Assets*

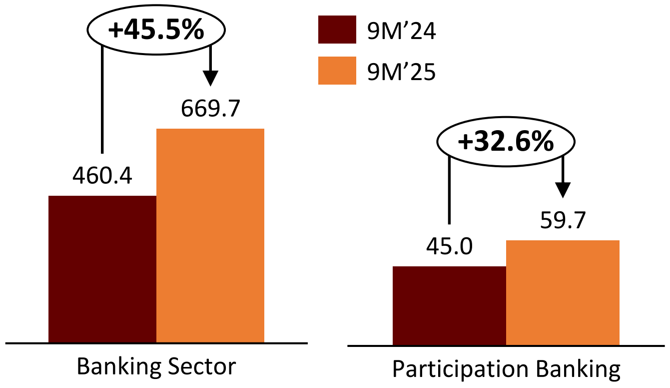
TL Billion



** Percentage figures indicate the share of participation banks in total banking sector*

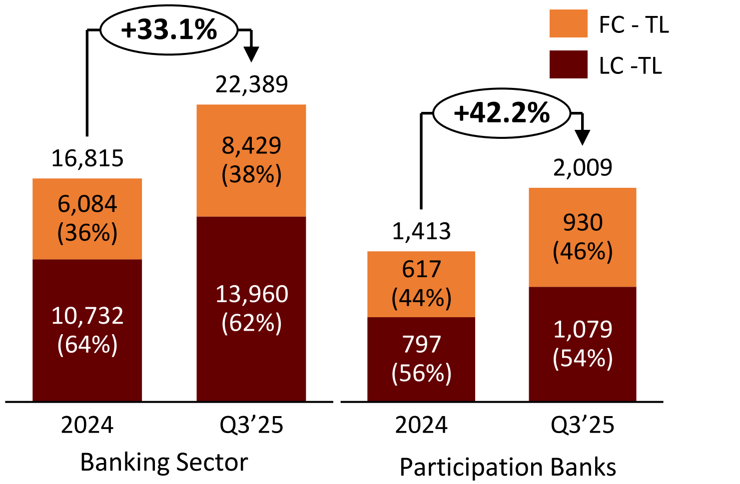
Net Profit

TL Billion



Funded Credits*

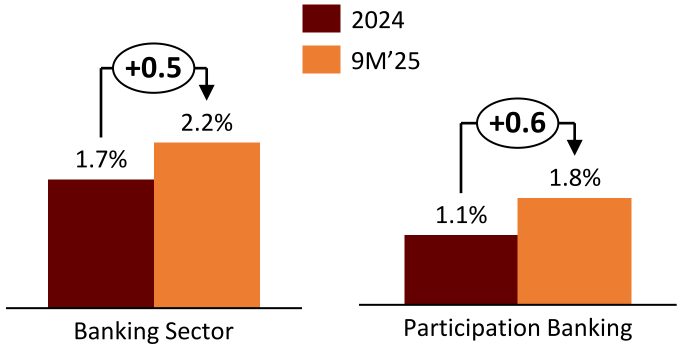
TL Billion



**Includes* credits. f.leasing (net). net NPL. accruals and rediscounts. credits extended to banks. expected credit loss

NPL Ratio*

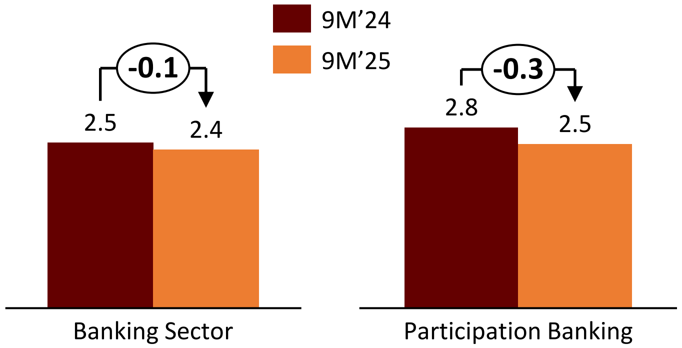
%



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

Return on Avg. Assets*

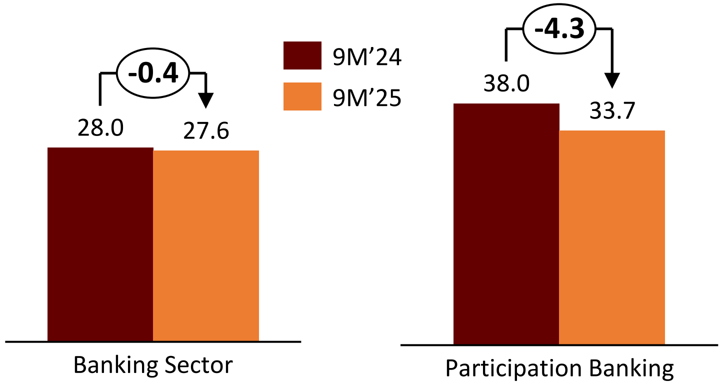
%



* Annualized net profit/5Q average assets

Return on Avg. Equity*

%



* Annualized net profit/5Q average equity

Source: BRSA

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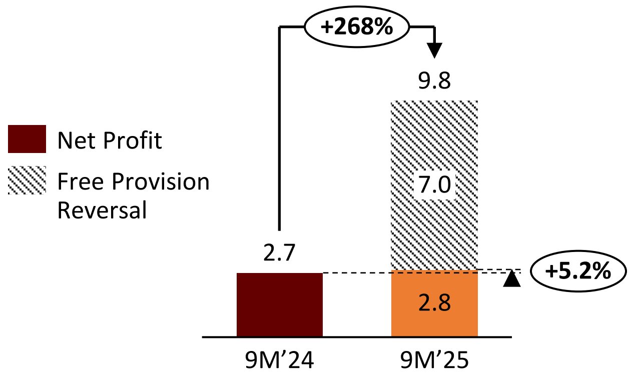
Q3’25 Financial Results

Maintained growth and profitability despite tight monetary conditions

Performing credits increased by 43% YtD, reflecting solid core banking performance and sound asset quality.

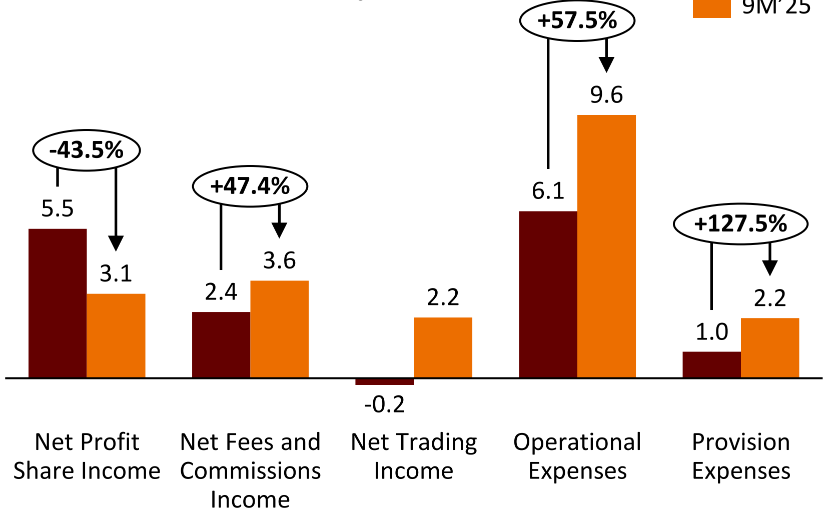
Net Profit

TL Billion



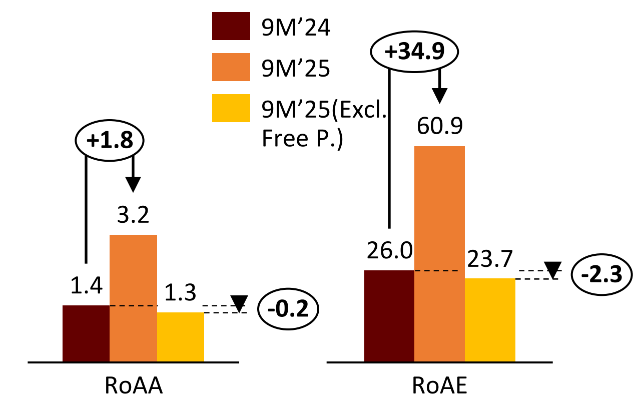
Income – Cost Dynamics

TL Billion



Return on Avg. Equity & Assets*

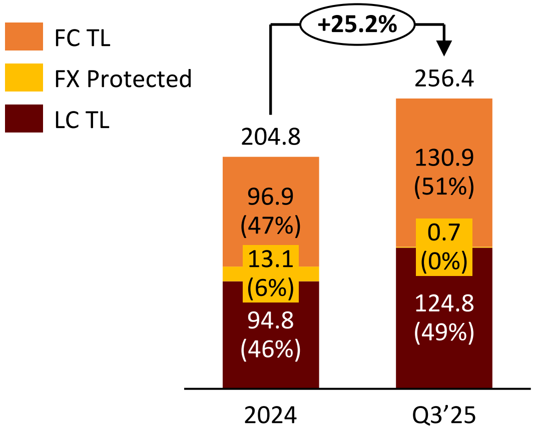
%



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

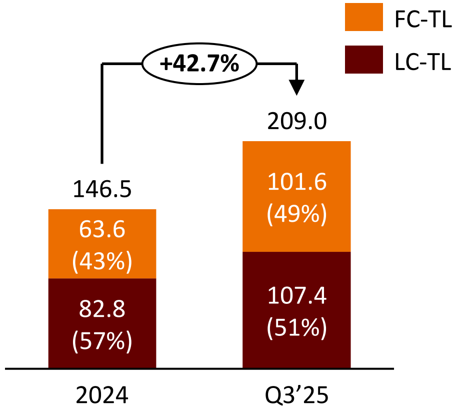
Collected Funds

TL Billion. %



Performing Funded Credits*

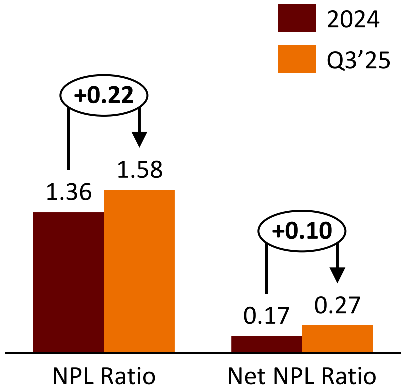
TL Billion. %



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

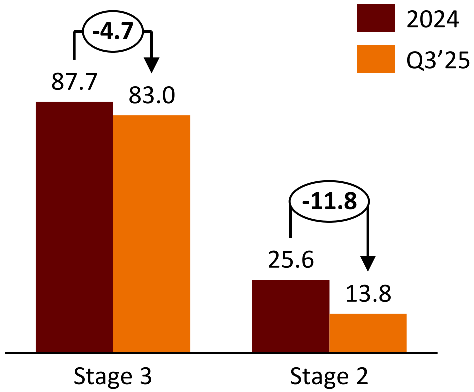
NPL Ratio

%



Provisioning Ratio

%



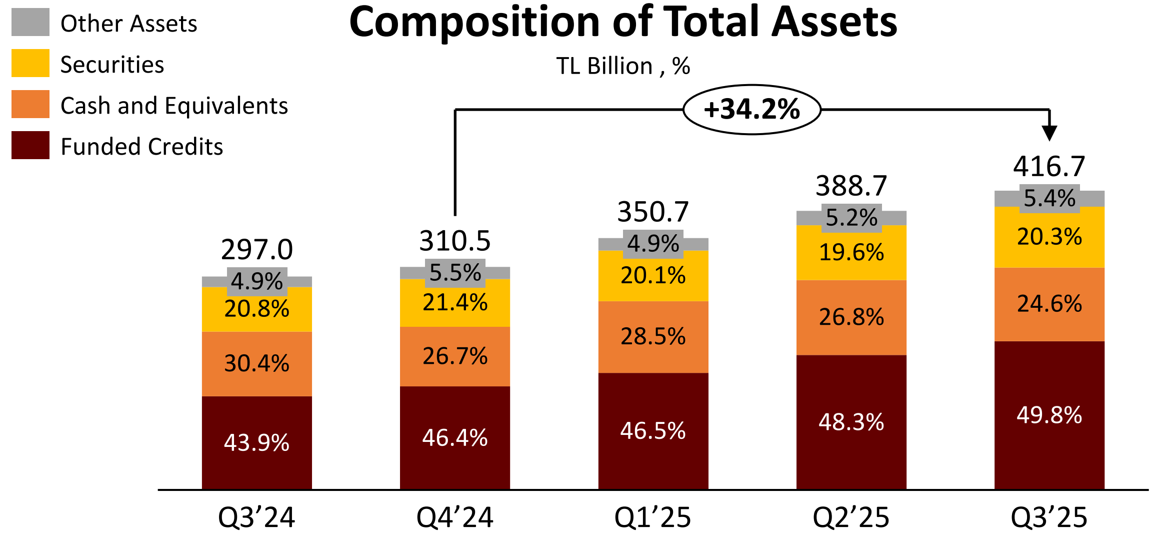
Source: Albaraka Turk Independent Audit Reports

Consistent growth in total assets, NPSM recovery underway

Total assets reached 34% YtD growth with NPSM showing a 50 bps QoQ imrovement.

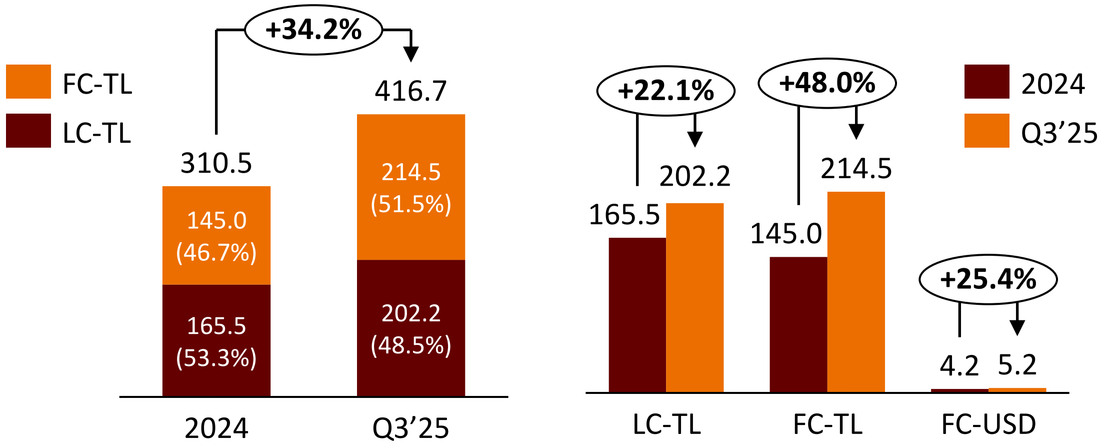
Composition of Total Assets

TL Billion , %

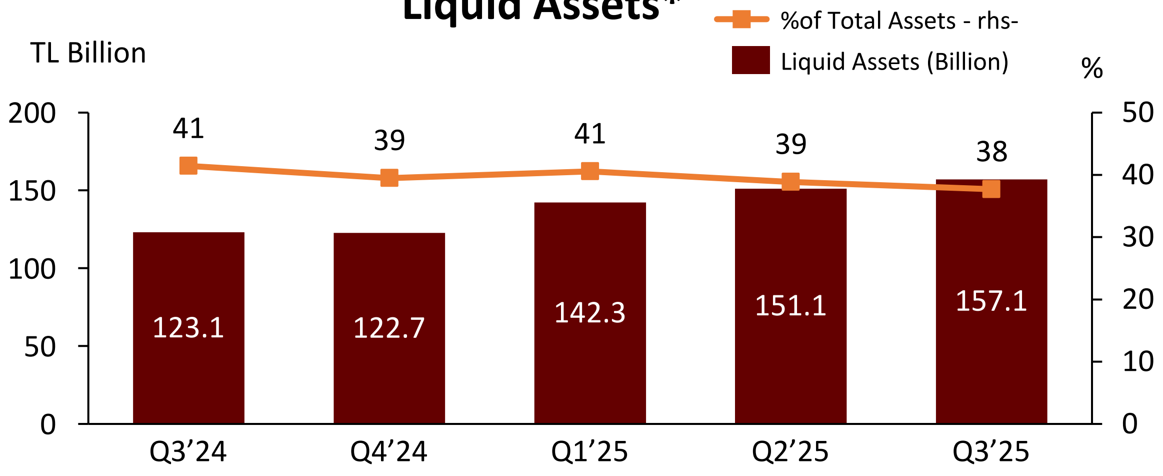


Currency Breakdown of Total Assets

TL/USD Billion, %



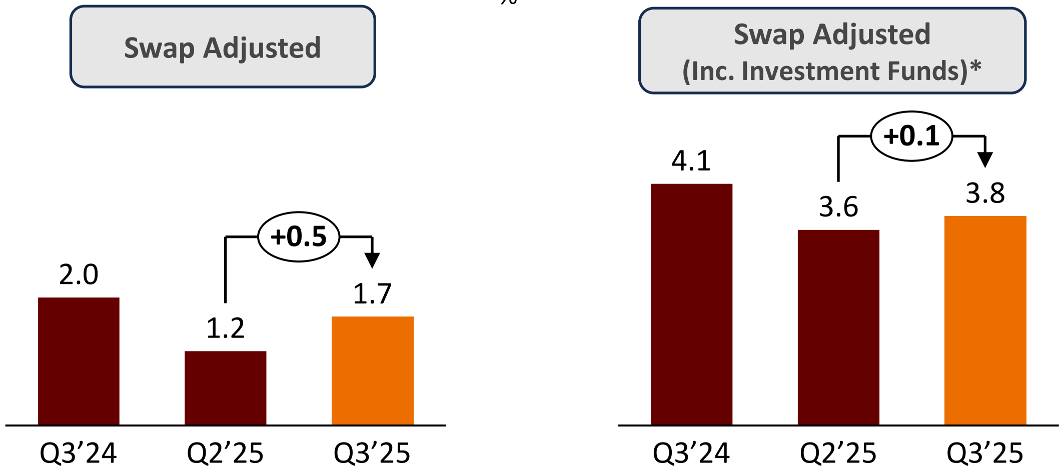
Liquid Assets*



Liquid Assets includes Cash and Cash Equivalents, Financial Assets Measured at Fair Value through Profit/Loss, Financial Assets Measured at Fair Value through Other Comprehensive Income.

Net Profit Share Margin

%



*4Q (net profit share income+income received from Bank’s own investment funds)/5Q average profit bearing assets

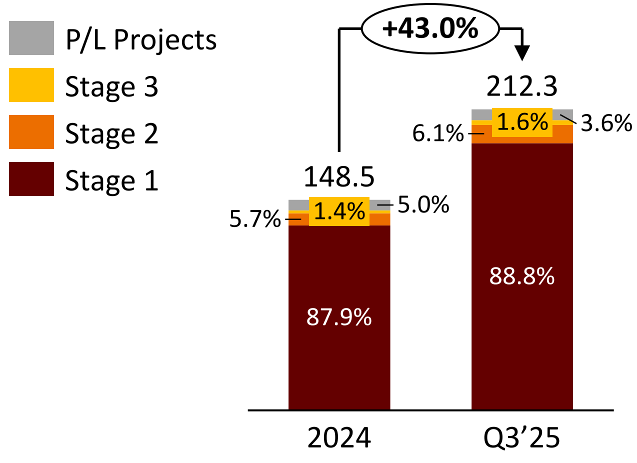
Source: Albaraka Turk Independent Audit Reports

Resilient credit growth in a challenging monetary environment

Total funded credits increased 43% YtD, with FC lending contributing notably, and retail credit risk under 10% of total funded credits.

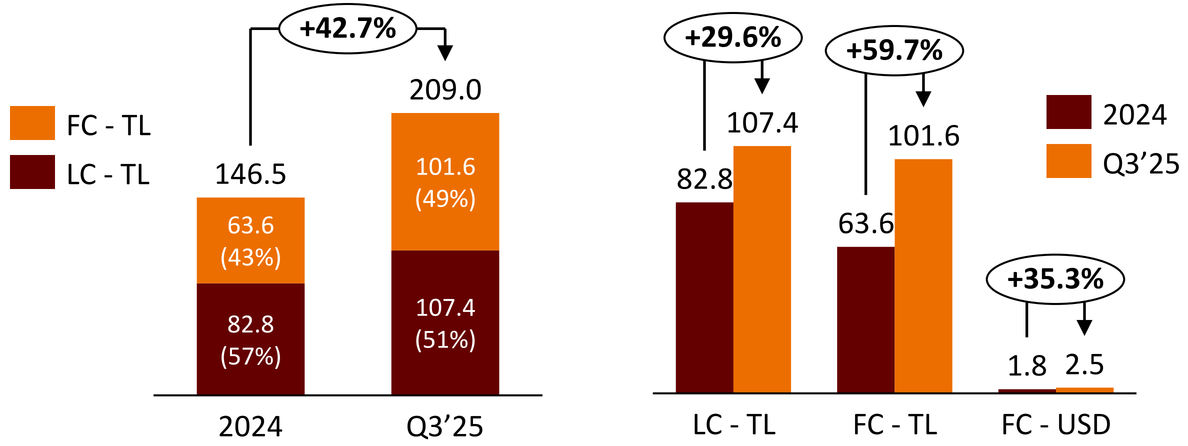
Total Funded Credits

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



Currency Breakdown of Performing Credits*

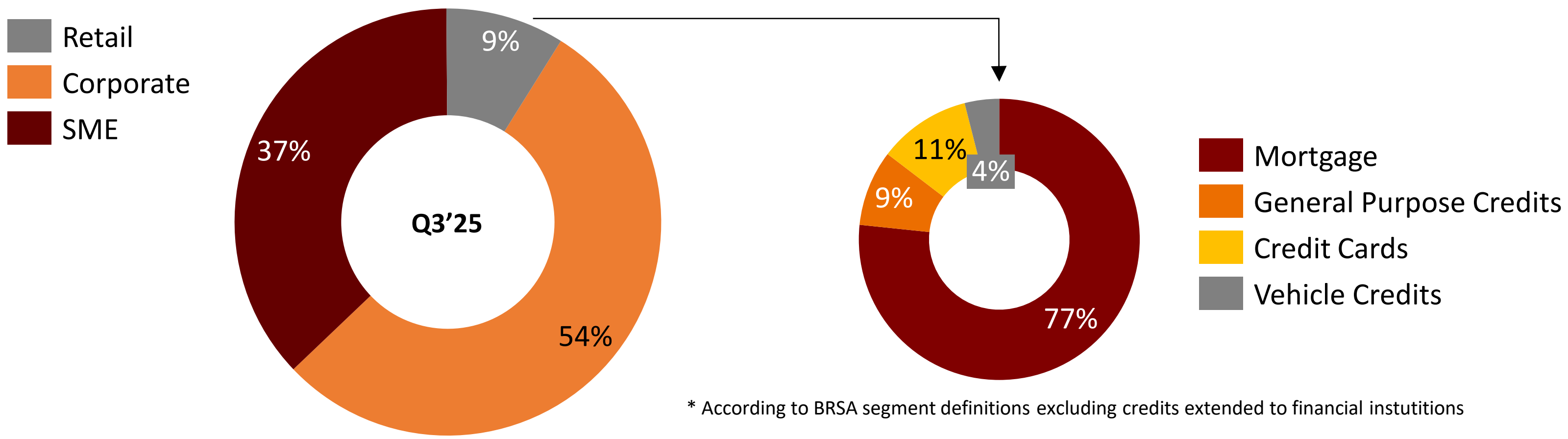
TL Billion. %



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

Segment Breakdown of Funded Credits*

%



* According to BRSA segment definitions excluding credits extended to financial instutitions

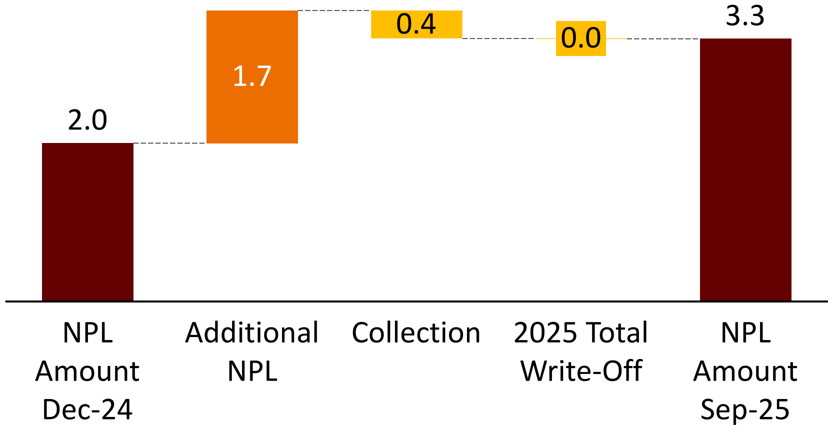
Source: Albaraka Turk Independent Audit Reports

Sound credit quality maintains low NPL ratio

Cost of risk declined, NPL ratio stood at 1.58%, in line with guidance.

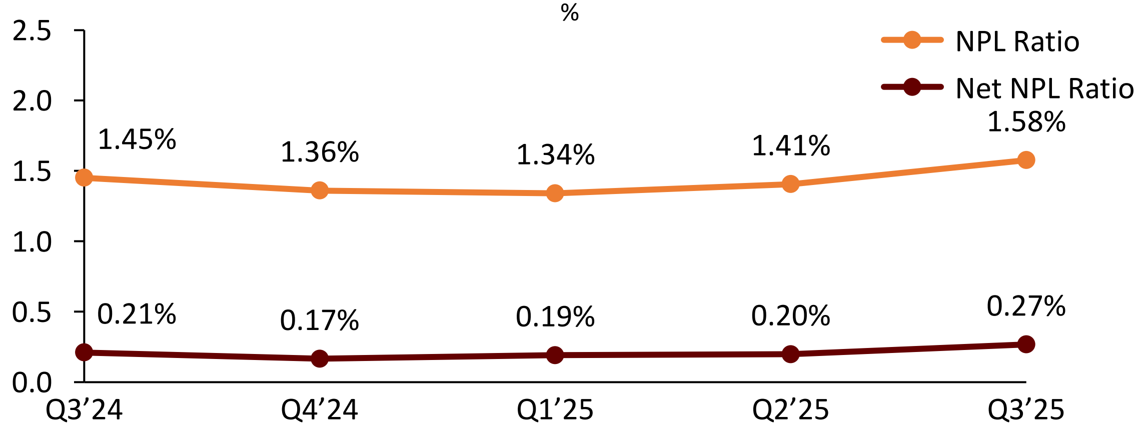
Non Performing Credits Development

TL Billion



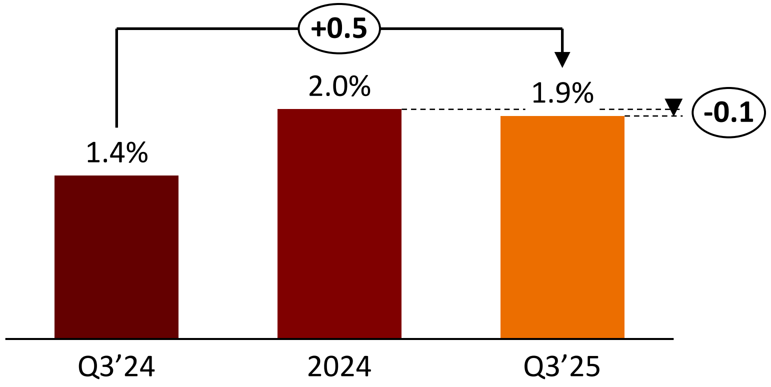
NPL Ratio

%



Cost of Risk*

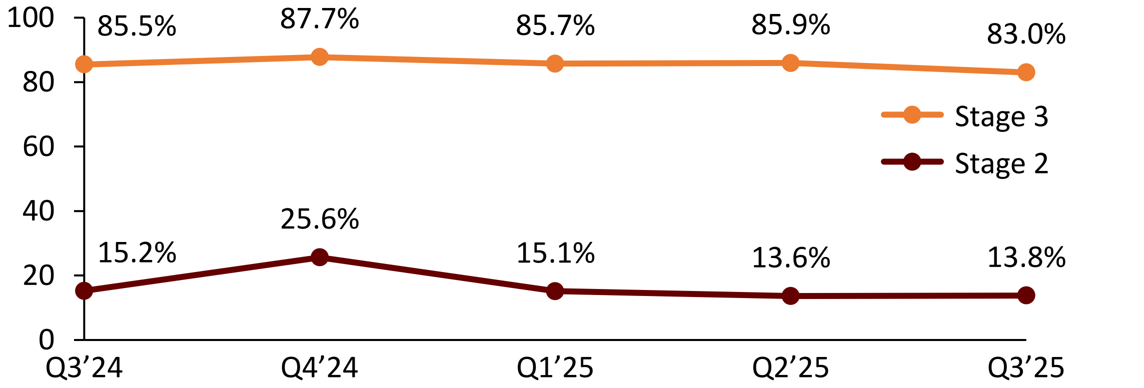
%



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

Provisioning Ratios

%



Source: Albaraka Turk Independent Audit Reports

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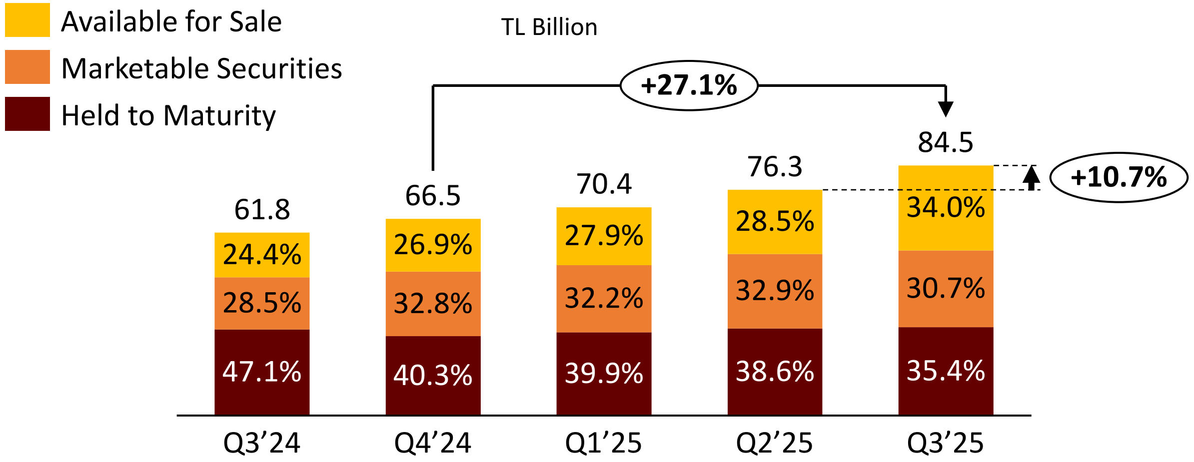
Securities portfolio optimization aligned with market dynamics

Securities portfolio increased ~11% QoQ, with slightly higher FC securities share supporting growth and profitability.

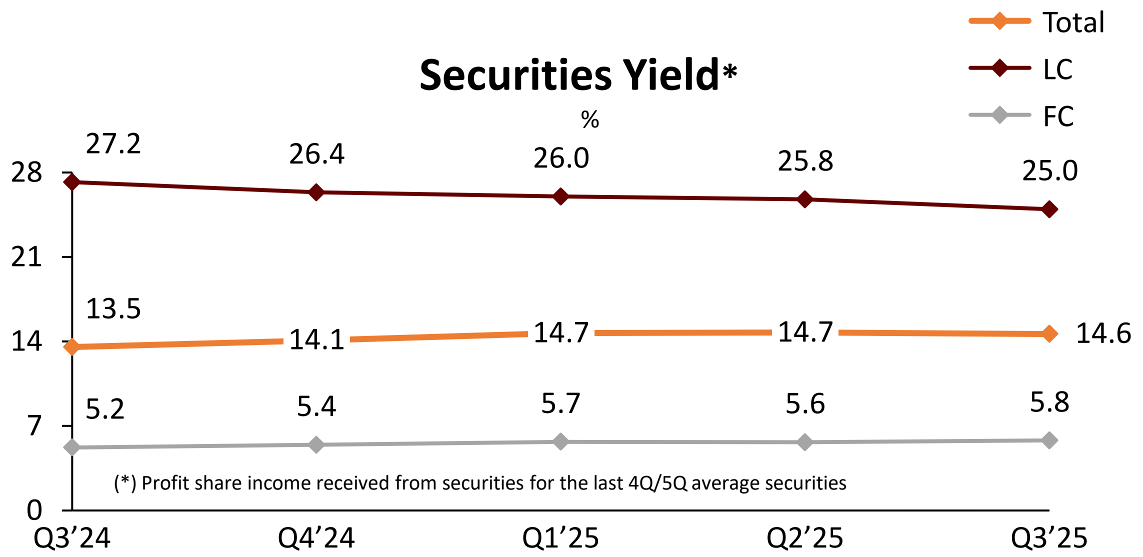
Total Securities Portfolio

TL Billion



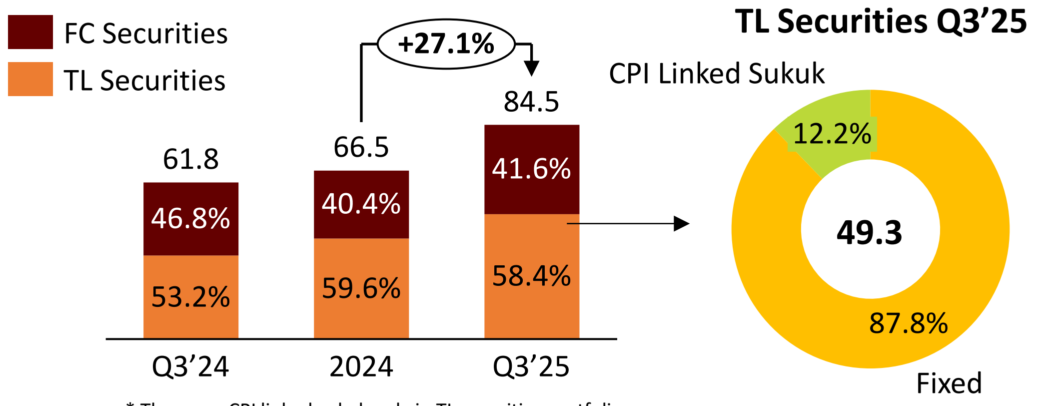
Securities Yield*

%



Currency Breakdown of Securities

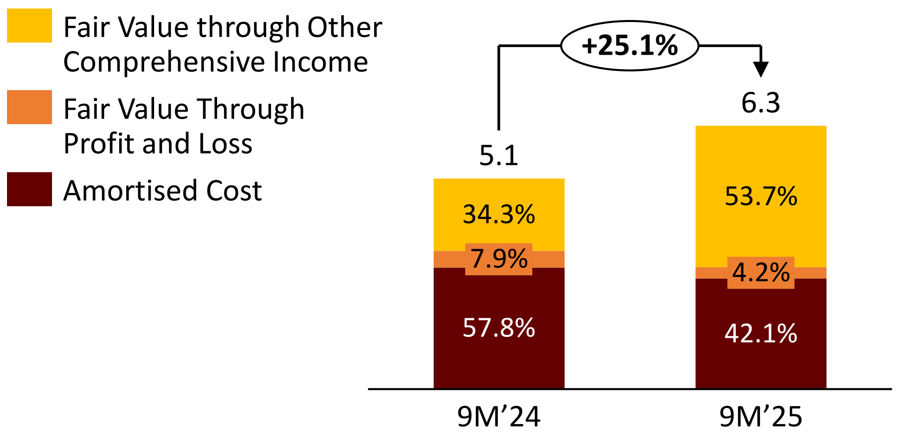
TL Billion . % Share in Total Securities



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

Profit Share Income From Securities Portfolio

TL Billion



Source: Albaraka Turk Independent Audit Reports

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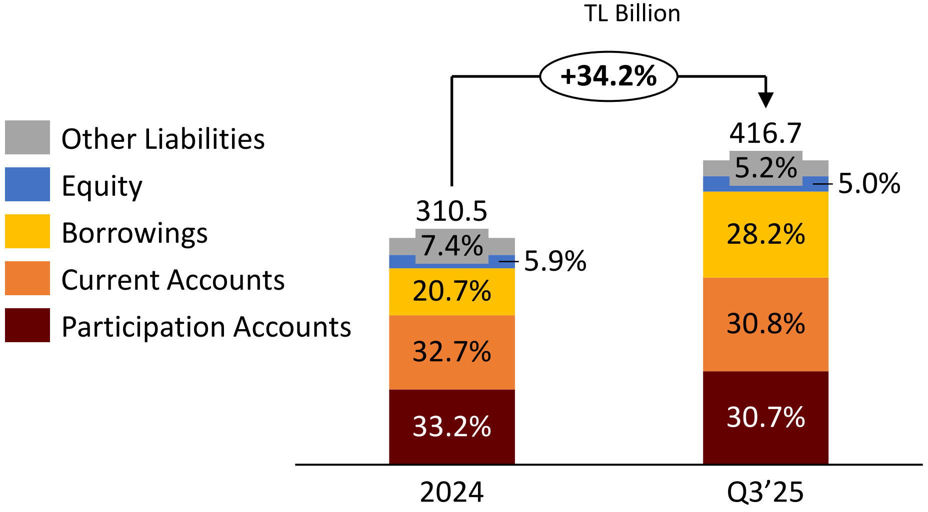
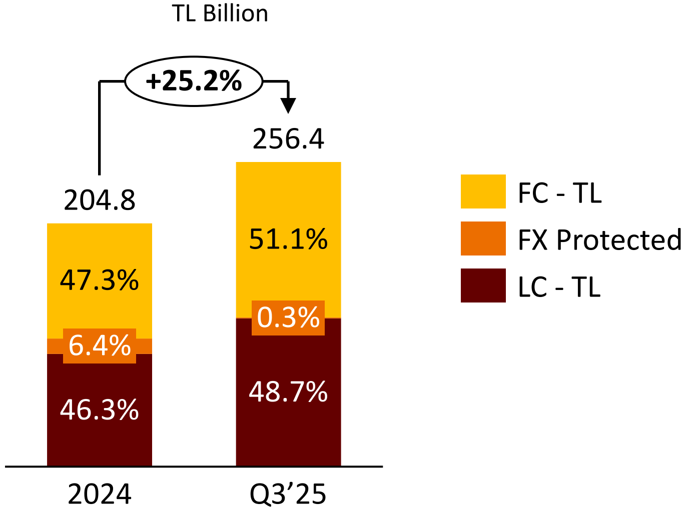
Well-diversified funding sources support flexibility and resilience

Total liabilities composition reflects increasing role of alternative funding sources.

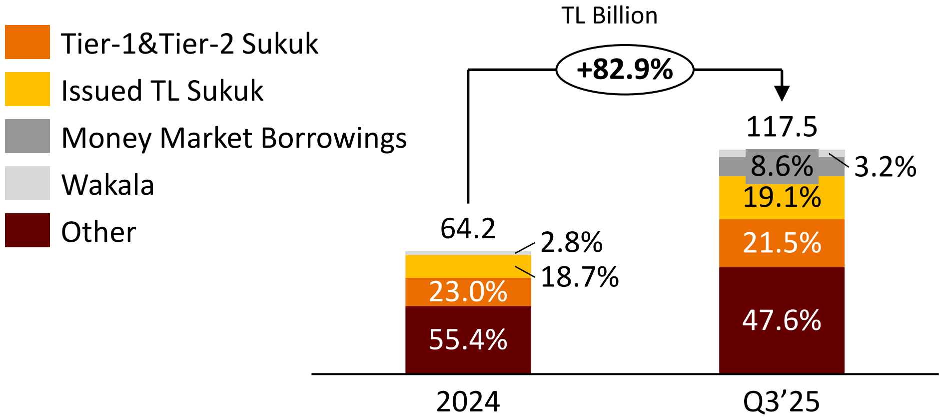
Composition of Total Liabilities



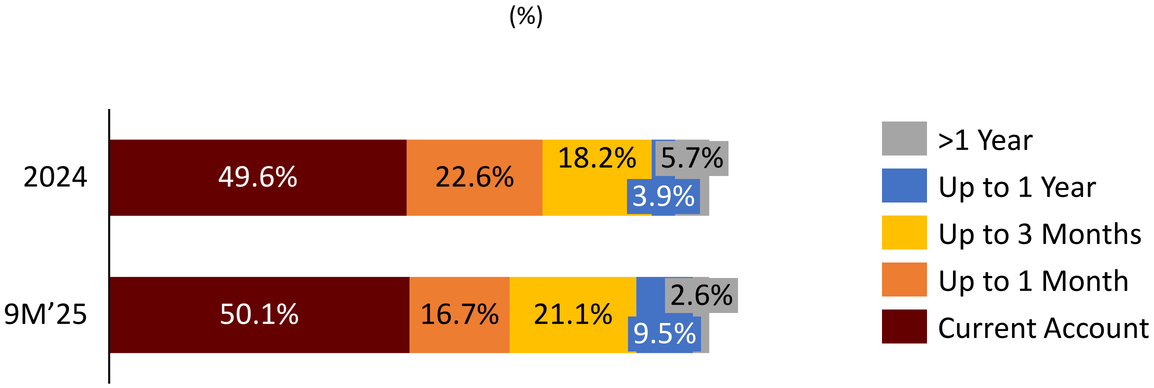
Currency Breakdown of Collected Funds



Composition of Borrowings

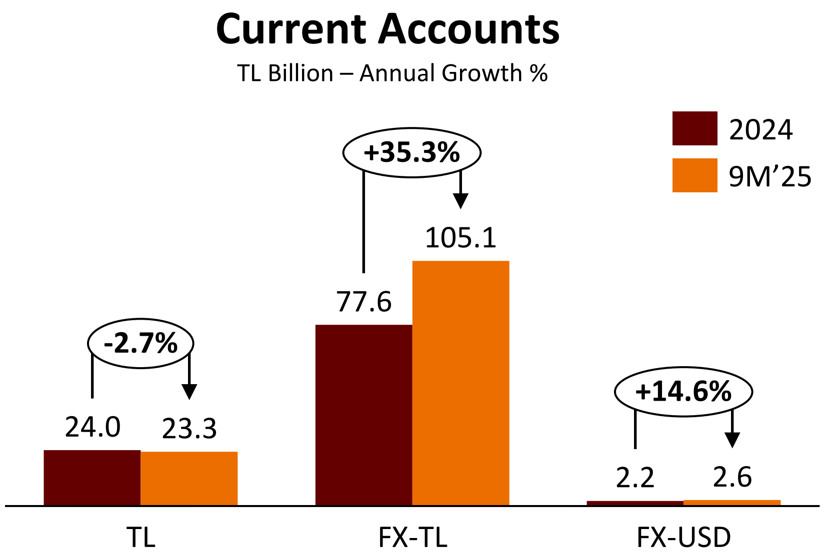


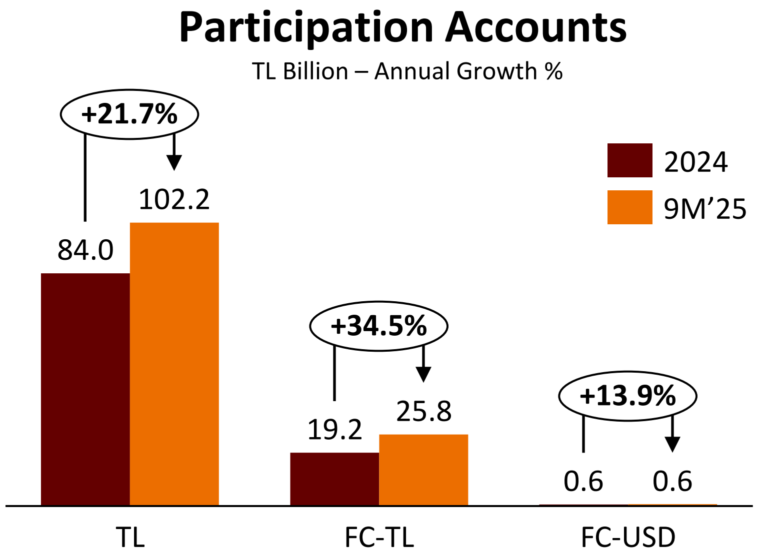
Maturity Composition of Funds Collected

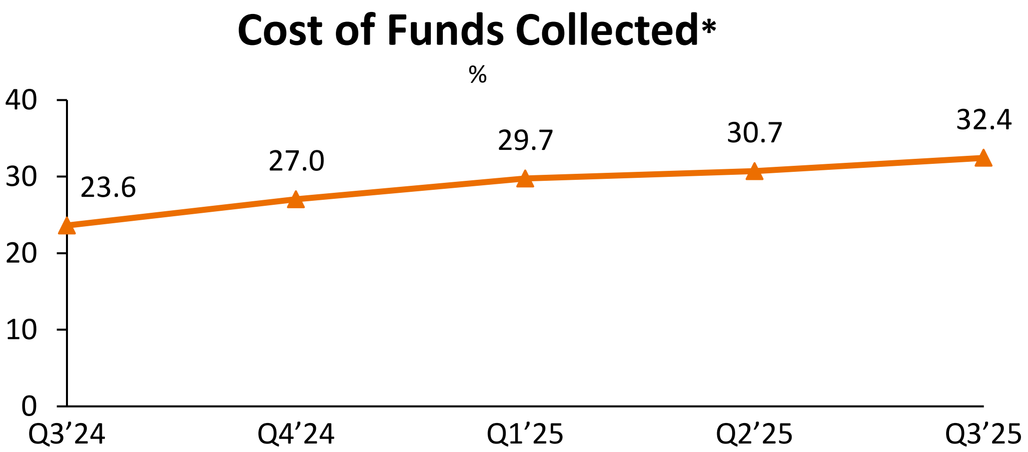


Solid growth in collected funds, led by participation accounts

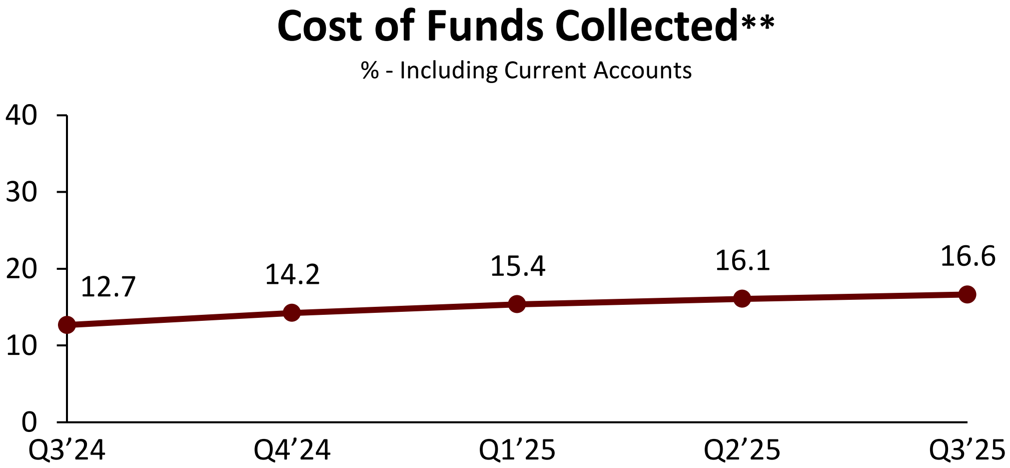
Participation accounts led growth, alongside solid FC momentum and a stable 50% current account share.







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

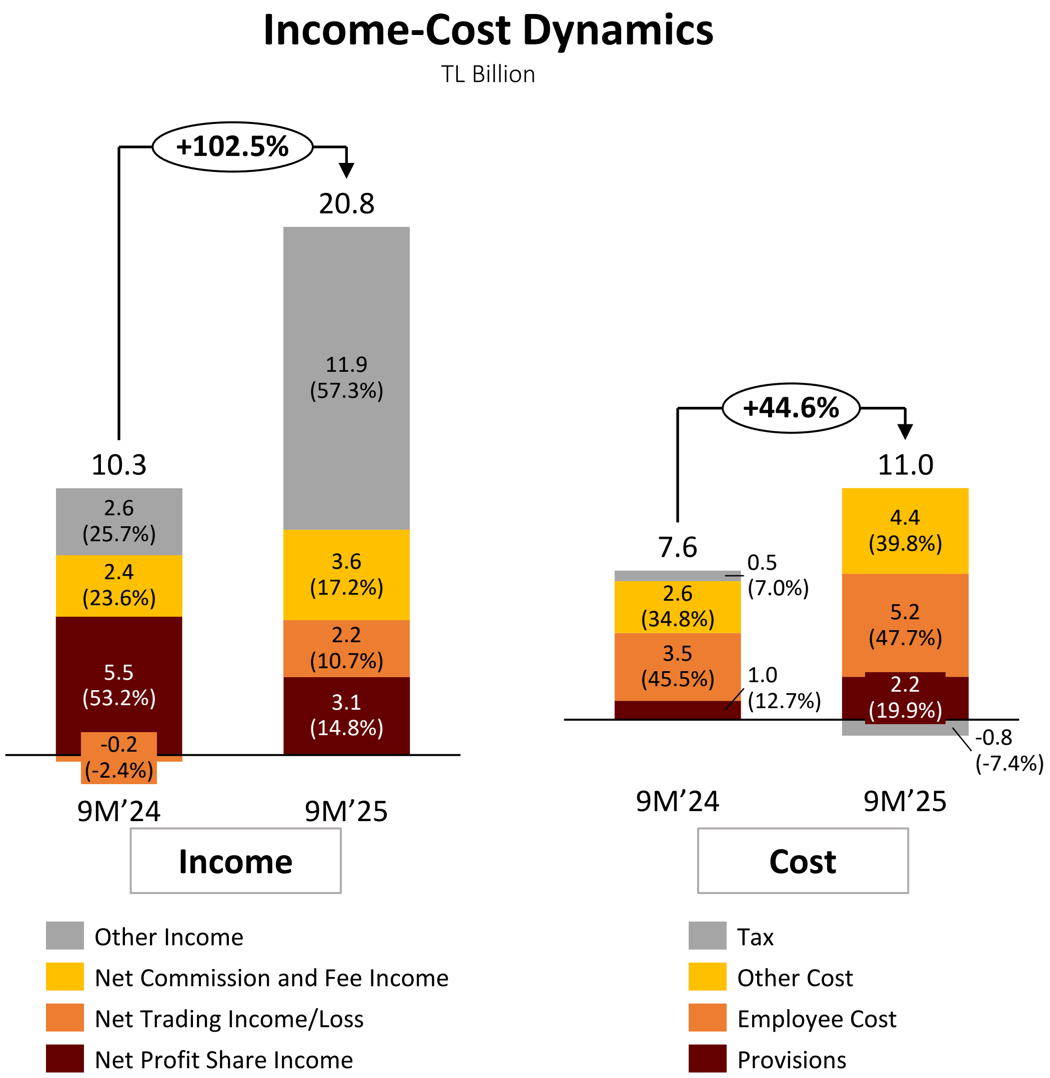


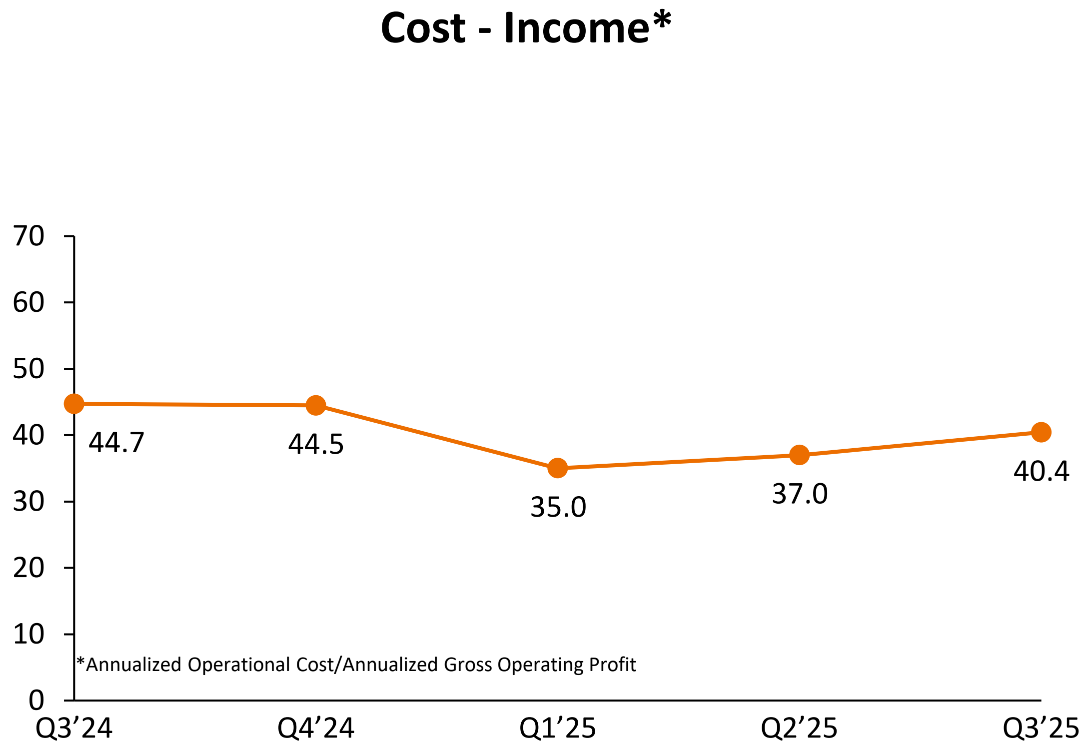
**Annualized profit share expense by extending the relevant quarter to the year / average collected funds

Source: Albaraka Turk Independent Audit Reports

Effective cost management supports balanced operational performance

Core banking income moderated by high funding costs, while expenses we contained through effective cost management





Source: Albaraka Turk Independent Audit Reports

Navigating challenges of operational environment with sustained profitability

(TL Million)	9M'24	YoY 9M'25	%	Q2'25	QoQ Q3'25	%	Notes
Net Profit Share Income	5,460	3,085	-43%	569	1,415	149%	Net profit share income improved sharply QoQ, increasing by 149% last quarter. Despite 43% YoY contraction, further improvement is expected as CBRT continues its rate cut cycle.
Net Fees & Commission Income	2,421	3,568	47%	1,186	1,337	13%	Fee and commission income remained resilient, supported by POS revenues, card transaction commissions, and clearing room fees and commissions.
Net Trading Income	-247	2,221	NA	1,109	474	-57%	Net trading income reached TL 2.2 billion at the end of Q3'25, showing a strong turnaround from last year's loss. The quarterly decline reflects the high base from Q2, driven by the investment fund valuations.
Other Income	2,634	11,921	353%	2,081	441	-79%	Other income increased 353% YoY, mainly driven by the TL 7 billion free provision reversal and asset sale gains. The quarterly decline reflects the base effect from large asset sales in Q2.
Provisioning (inc. free provisions)	963	2,191	127%	1,445	157	-89%	In Q3'25, approximately 700 million TL of ECL provisions were made. The 89% QoQ decrease in provisions is due to the reversal of free provisions.
Personnel Expenses	3,463	5,239	51%	1,596	1,581	-1%	Personnel expenses are parallel to the previous quarter, up by 51% YoY.
Other Costs	2,643	4,377	66%	1,374	1,472	7%	Operational expenses increased by 66% YoY, due to the high inflationary environment.
Net Profit	2,664	9,803	268%	1,256	701	-44%	

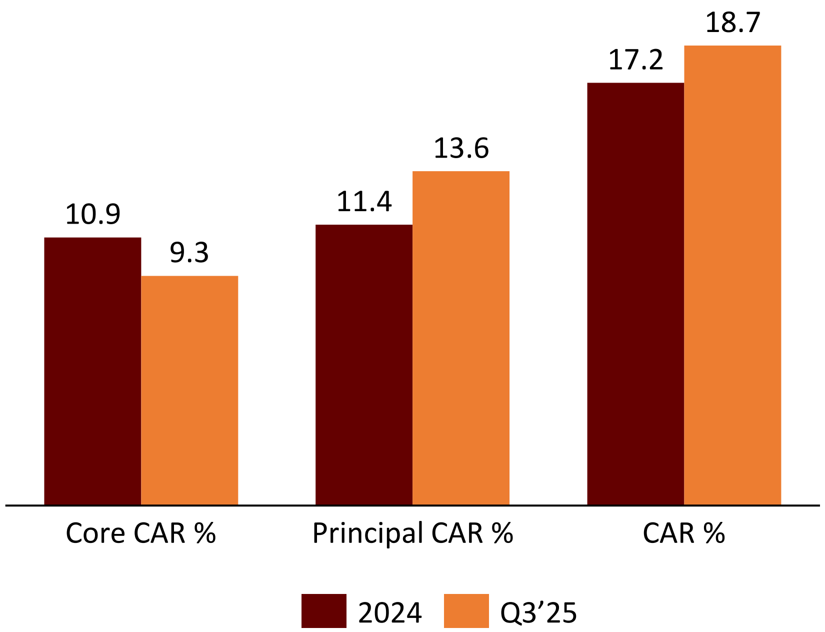
Source: Albaraka Turk Independent Audit Reports

Capital adequacy ratio remains robust and sufficient to support growth

CAR improved with support from Tier 1 and Tier 2 capital, increasing by 150 bps YoY.

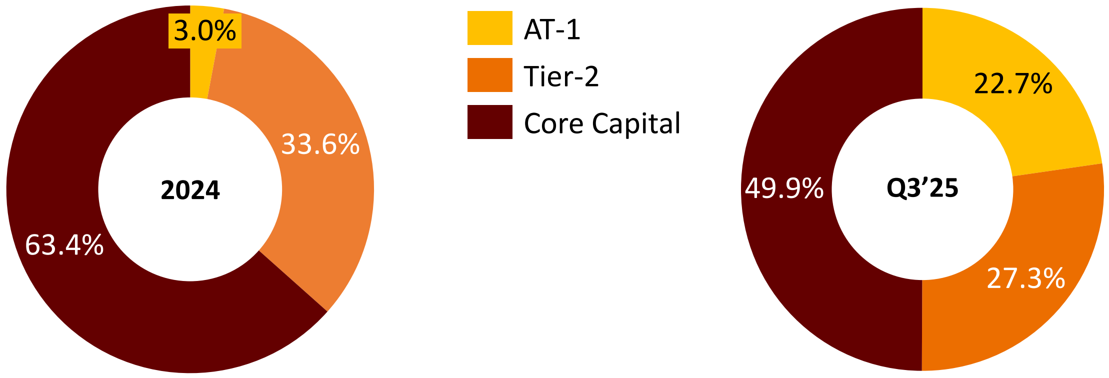
Capital Adequacy Ratio

%

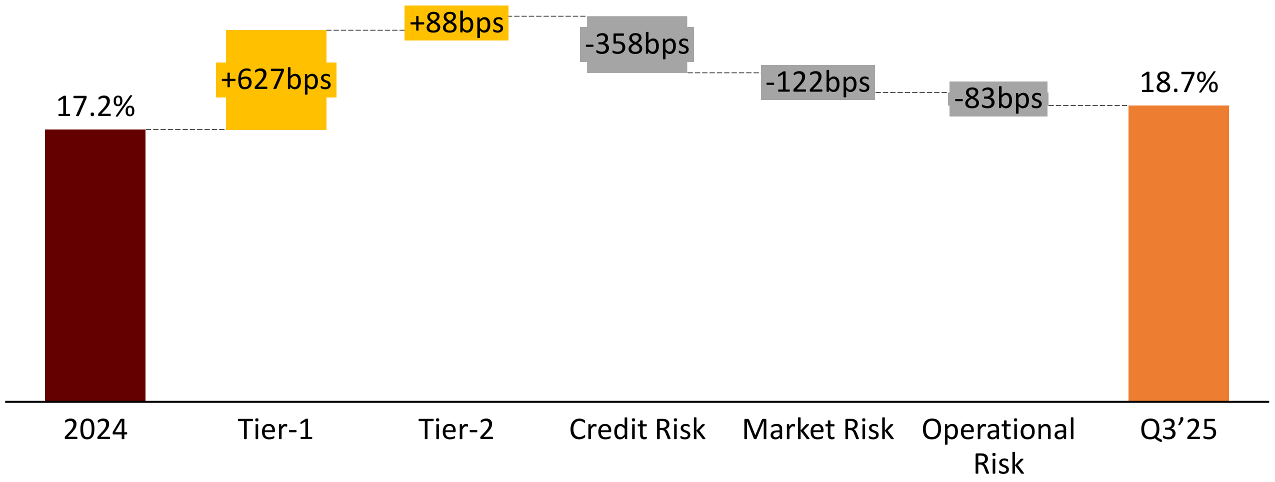


Capital Breakdown

%



CAR Development



2025 Guidance: On track to meet year-end targets

We are not changing our year-end guidance, some upside potential remains.

Indicators	9M'25	2025E
Credit Growth	44%	~50%
Non-Performing Credits Ratio	1.6%	<2%
Special Provisioning Ratio	83%	~85%
Net Profit Share Margin (Inc.swap costs)	1.7%	2.5%
Return on Equity	23.7% *60.9%	25-30%

*Including free provisions reversal.

Appendix

Summary Balance Sheet

(TL Million)	2024	Q3'25	Growth (%)
Cash and Balances with Central Bank	**60,893**	**78,144**	**28%**
Banks	**22,072**	**24,392**	**11%**
Money Market Placements	**-**	**-**	
Financial Assets	**66,182**	**84,270**	**27%**
Funded Credits (net)	**144,019**	**207,329**	**44%**
Cash Credits	141,248	188,786	34%
Net Financial Leasing Receivables	5,217	20,199	287%
NPL	2,020	3,347	66%
Expected Credit Losses	4,465	5,003	12%
Associates	**93**	**115**	**24%**
Fixed Assets	**6,948**	**6,181**	**-11%**
Assets Held For Sale and Investment	**4,245**	**848**	**-80%**
Other Assets (inc. Tax Assets)	**4,990**	**15,462**	**210%**
Total Assets	**310,548**	**416,741**	**34%**

(TL Million)	2024	Q3'25	Growth (%)
Funds Collected	**204,767**	**256,381**	**25%**
Funds Borrowed	**50,237**	**82,212**	**64%**
Borrowings from Money Markets	**-**	**10,077**	**N/A**
Debts (inc. Taxes)	**13,689**	**20,088**	**47%**
Provisions	**9,419**	**1,787**	**-81%**
Tier II Sukuk	**14,007**	**25,217**	**80%**
Shareholders' Equity	**18,429**	**20,979**	**14%**
Capital	2,500	2,500	**0%**
Capital Reserves (inc. Premium)	4,422	42	**-99%**
Profit Reserves	4,947	10,545	**113%**
Profit/Loss	2,748	3,170	**15%**
Total Liabilities	**310,548**	**416,741**	**34%**

Source: Albaraka Turk Independent Audit Reports

Summary Income Statement

(TL Million)	Q3'24	Q3'25	Growth (%)
Profit Share Income	28,879	43,779	52%
Profit Share Expense	23,419	40,693	74%
Net Profit Share Income	5,460	3,085	-43%
Net Fees and Commissions Income	2,421	3,568	47%
Fees and Commissions Received	2,883	4,219	46%
Fees and Commissions Paid (-)	463	651	41%
Net Trading Income	-247	2,221	N/A
Other Operating Income	2,634	11,921	353%
Total Operating Profit	6,804	15,557	129%
Provisions (including free provisions)	963	2,191	127%
Personnel Expenses	3,463	5,239	51%
Other Operating Expenses	2,643	4,377	66%
Operating Profit Before Tax	3,199	8,988	181%
Tax Provision	534	-815	N/A
Net Profit	2,664	9,803	268%

Source: Albaraka Turk Independent Audit Reports

THANK YOU…

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