



Q4'2021 Investor Presentation

Albaraka Türk Participation Bank
28 Feb 2022

Agenda

1 Financial Highlights

2 Market Comparison

3 Appendix



Balance Sheet

(Million TRL)	Q4'20	Q4'21	YoY(%)
Total Assets	69.316	108.955	57,2
Total Funded Credits (Net)	40.583	56.957	40,3
Total NPLs	2.045	3.783	85,0
Deposits (incl. Interbank)	51.613	91.237	76,8
Shareholder's Equity	4.044	4.627	14,4

Income Statement

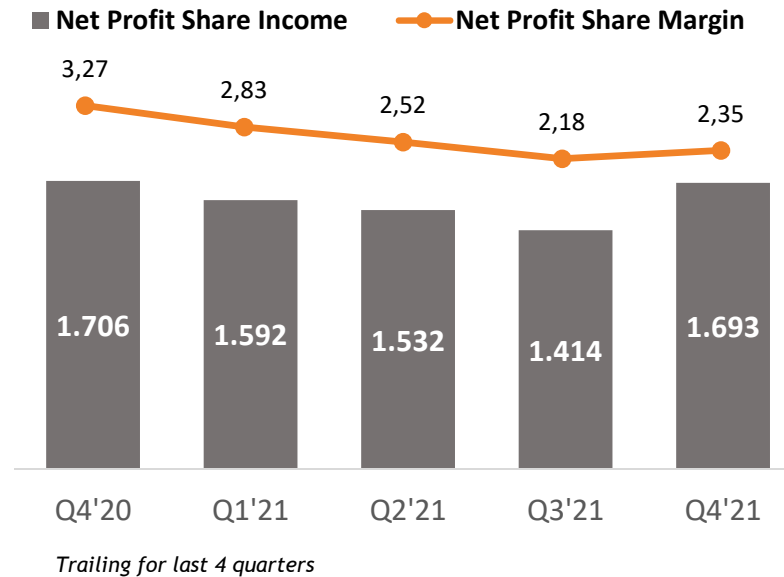
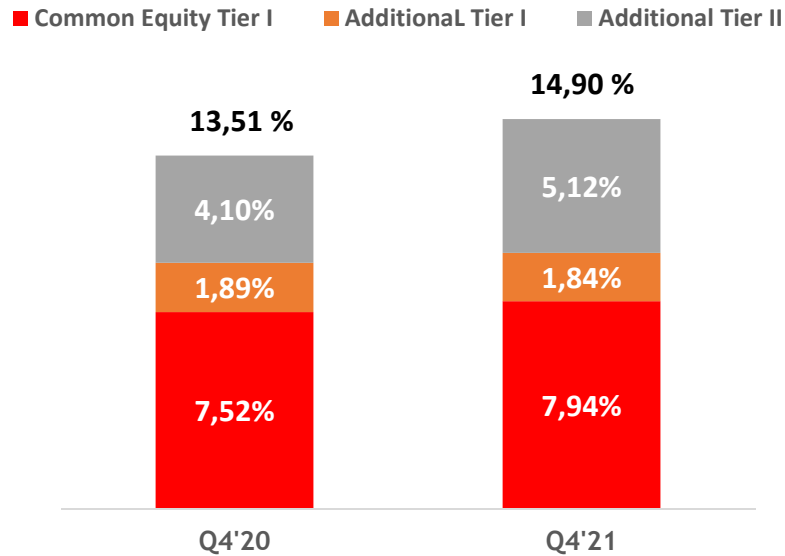
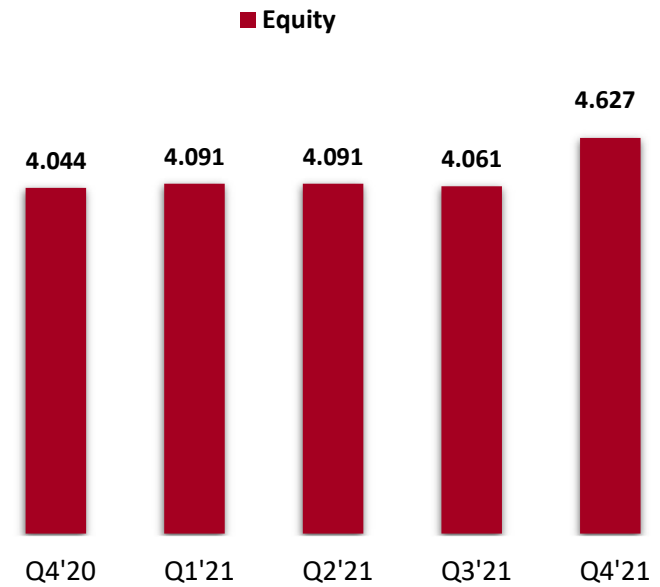
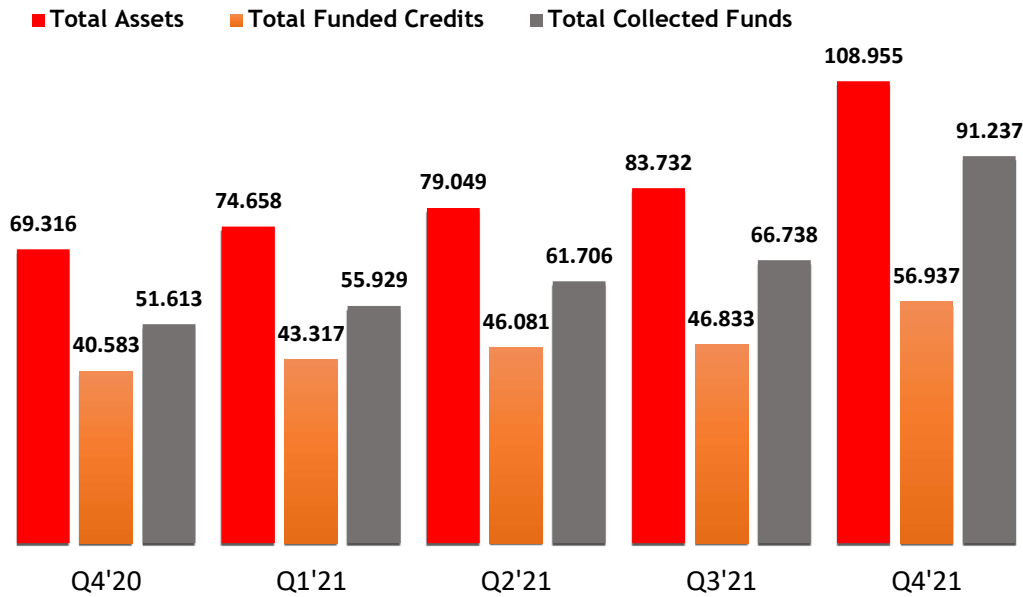
(Million TRL)	Q4'20	Q4'21	YoY(%)
Net Profit Share Income	1.706	1.693	-0,7
Net Fees & Commissions	234	406	73,7
Provisions	1.186	1.835	54,8
Personel Expenses	772	808	11,9
Operating Expenses	536	654	22,0
Net Profit	255	104	-59,0

Key Ratios

%	Q4'20	Q4'21	YoY (bps)
CAR	13,51	14,90	139
Tier 1	9,41	9,78	37
NPL	4,82	6,29	147
Provisioning Stage III	61,02	70,26	924
Net Profit Share Margin	3,27	2,35	-92
Cost/Income	45,47	43,28	-219

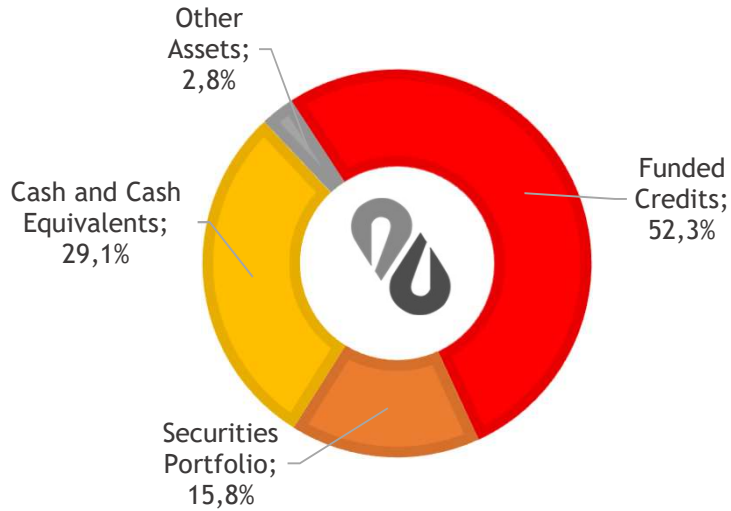
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Q4'21 Main Highlights (Million TRL)

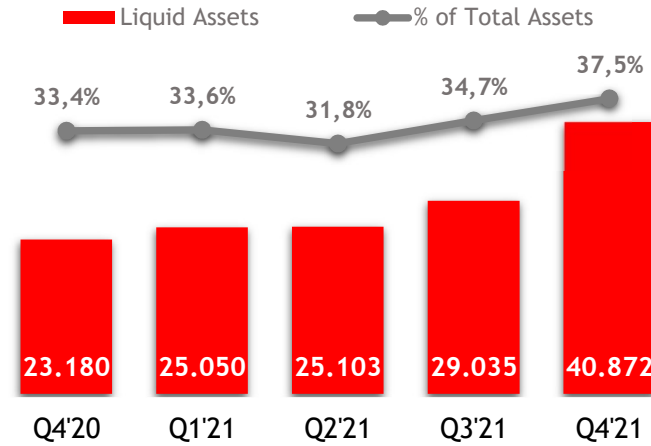




Composition of Total Assets (Q4'21)

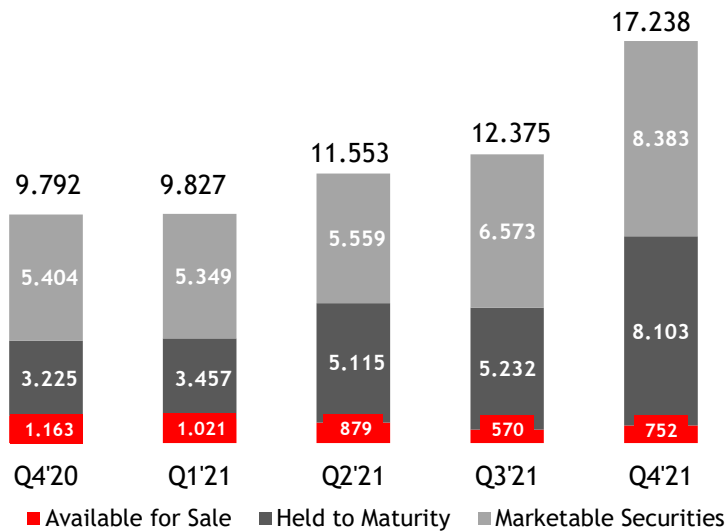


Liquid Assets (Million TRL)

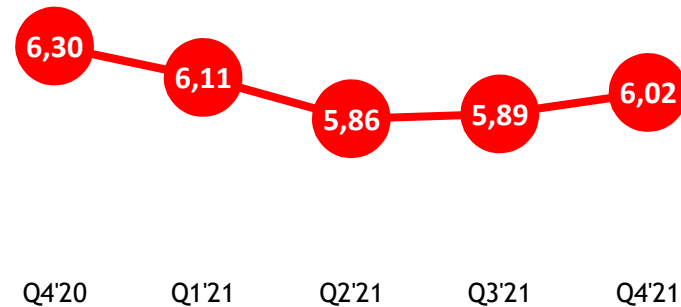


*Liquid Assets includes Cash and Cash Equivalents, Financial Assets Measured at Fair Value through Profit/Loss, Financial Assets Measured at Fair Value through Other Comprehensive Income.

Total Securities Portfolio (Million TRL)



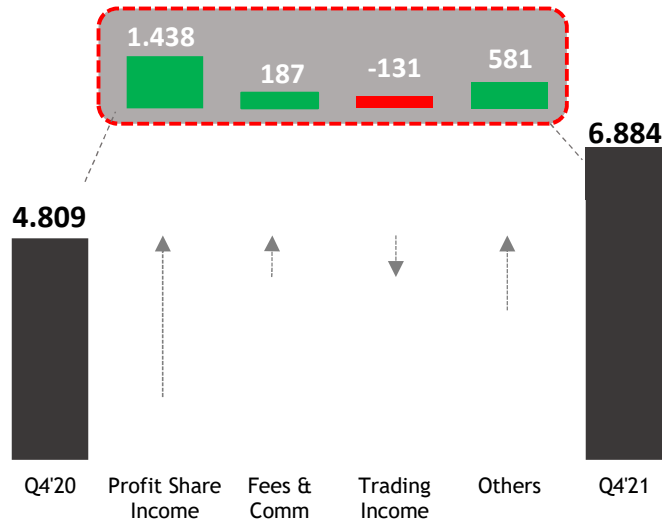
Securities Yield (%)



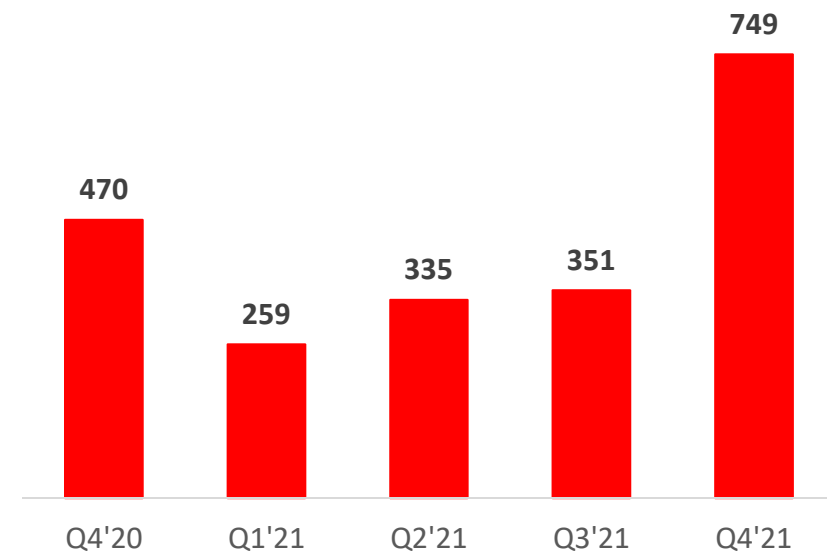
(*) Profit share income received from securities for the last 4Q/5Q average securities



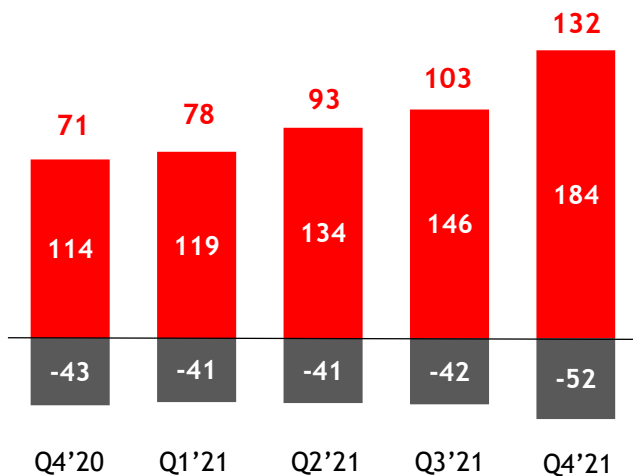
Key Movements in Income (Million TRL)



Net Profit Share Income (Quarterly, Million)

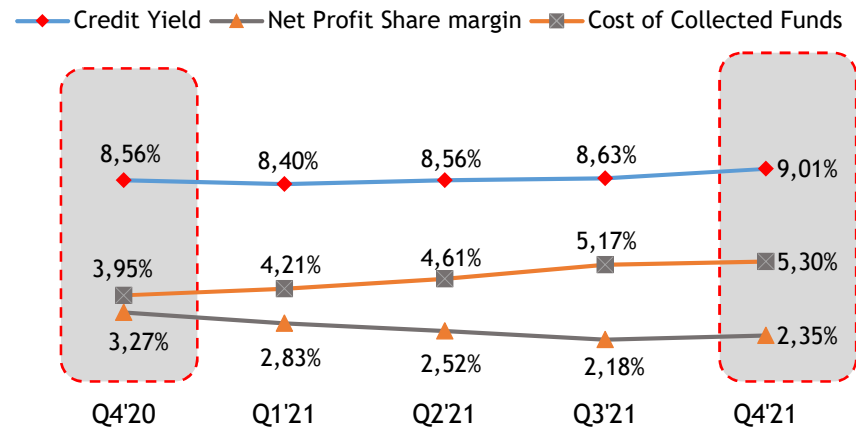


Net Fees and Commission Income (Quarterly, Million)



■ Fees and Commissions Received ■ Fees and Commissions Paid

Cost & Yield Movement (%)



7 Funded Credits Portfolio



Total Funded Credits (including financial leasing, million)

	Q4'20	Q3'21	Q4'21	QoQ	YoY
TL Credits, TL	21.231	22.539	23.062	2,3%	8,6%
FC Credits, \$*	2.465	2.676	2.483	-7,2%	0,7%
FC Indexed, \$*	167	72	39	-45,8%	-76,7%
Total Credits, TL	40.583	46.833	56.937	21,6%	40,3%

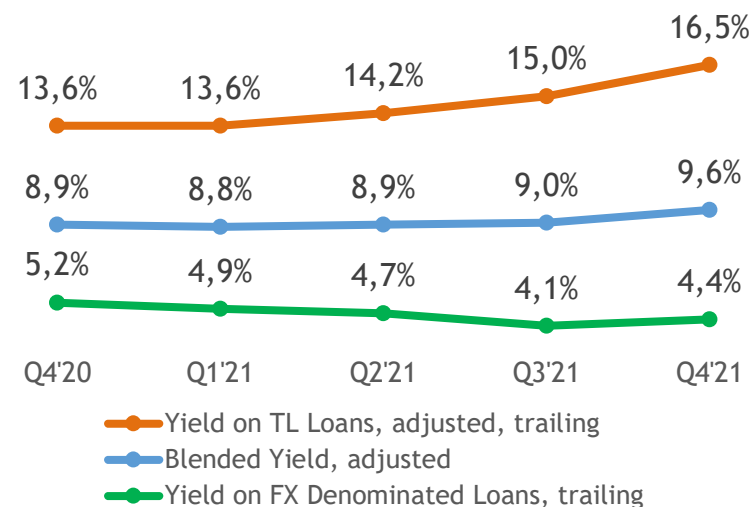
*USD equivalent

Composition of Total Funded Credits* (%)

	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Corporate Credits	60,4	65,2	65,3	66,3	68,1
SME Credits	29,9	25,3	26,1	24,4	23,7
Retail Credits	9,7	9,5	8,6	9,3	8,2

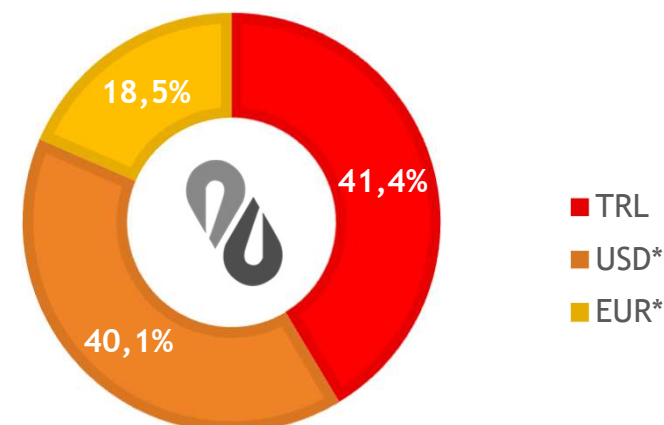
*According to BRSA definition

Yield on Performing Credits (%)



Profit share income received from credits for the last 4Q/5Q average credits.
Excluding JV Projects

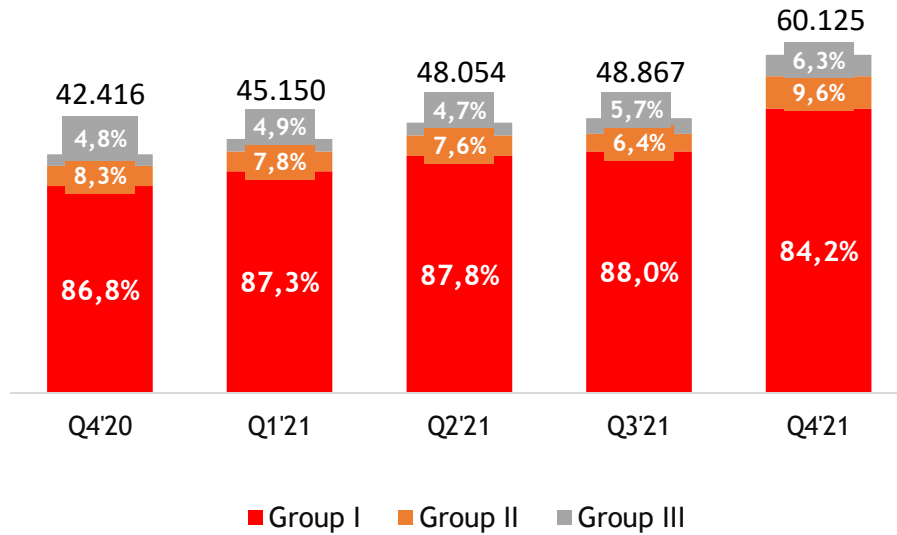
Currency Composition of Total Funded Credits (Q4'21)



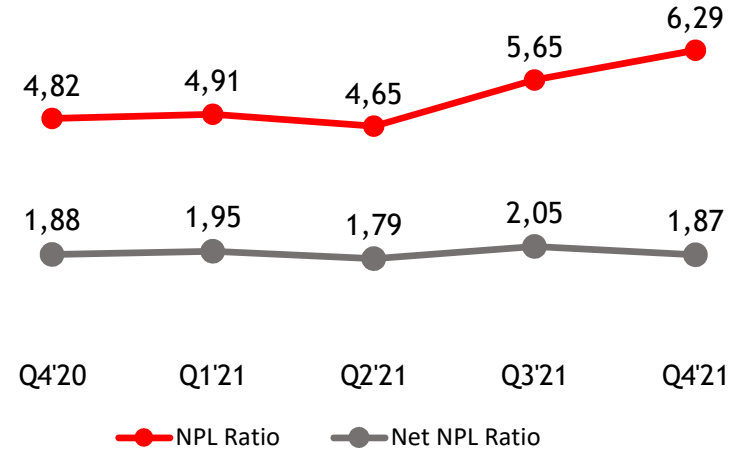
*Including USD & EUR indexed credits



Gross Funded Credits by Groups (including financial leasing, million)

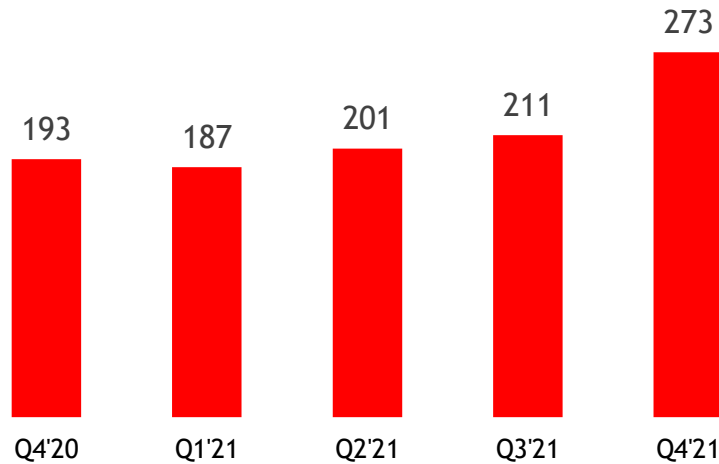


NPL Ratio (%)

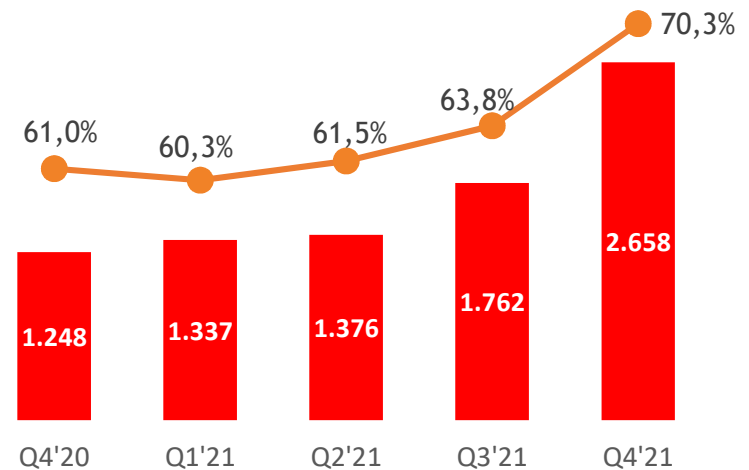


Including financial leasing & accruals and discounts

Cost of Risk (bps)



Provisioning (Stage III)

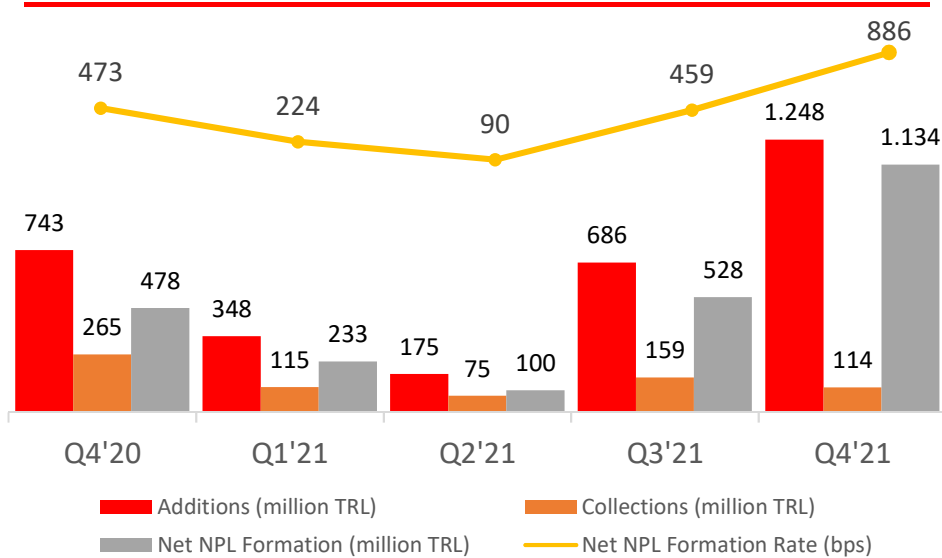


Specific provisions for credits for last 4Q/ 5Q average credits

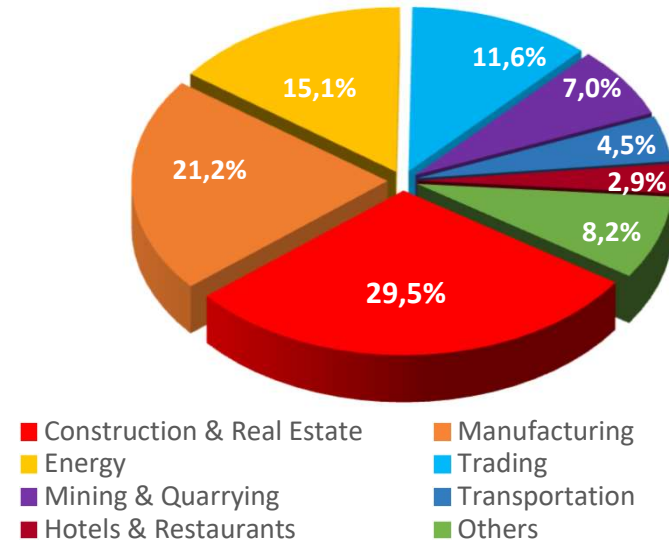
■ Lifetime ECL Impaired Credits (Stage 3) (Million TRL) ● Provisioning Ratio (%)



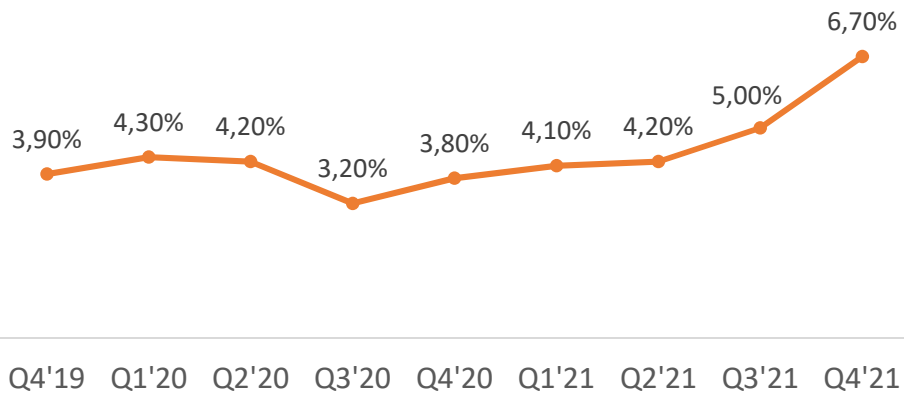
NPL Formation Trend (Quarterly)



NPL Sector Distribution (Q4'21)

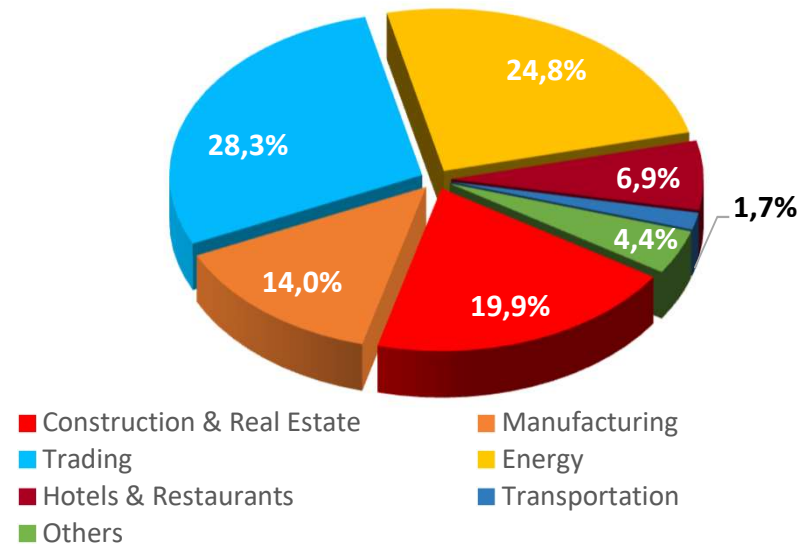


Bank's share in our customers' NPL to banking industry.



source: KKB

Stage II Credits Sector Distribution (Q4'21)

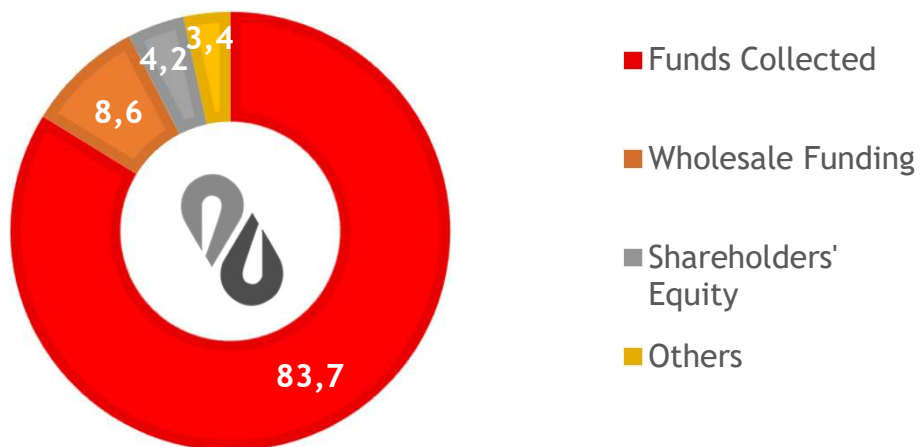


10

Funding Profile

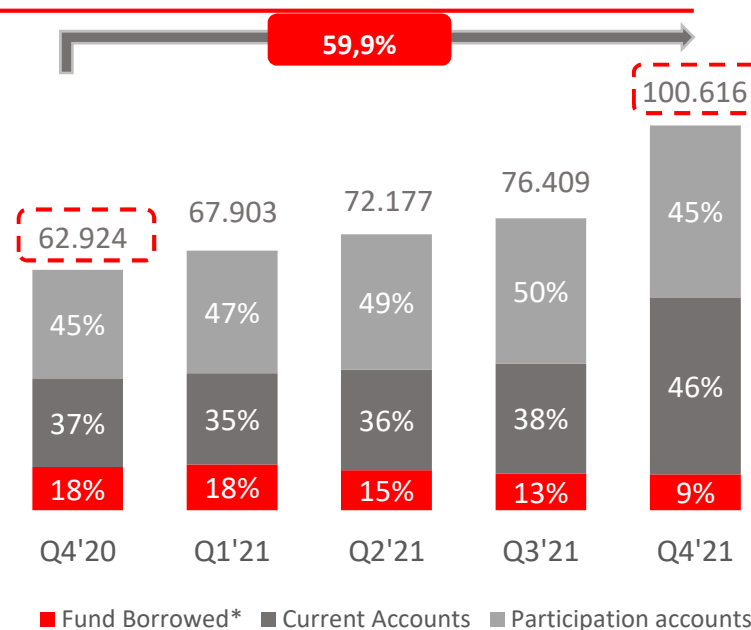


Composition of Total Liabilities (Q4'21,%)



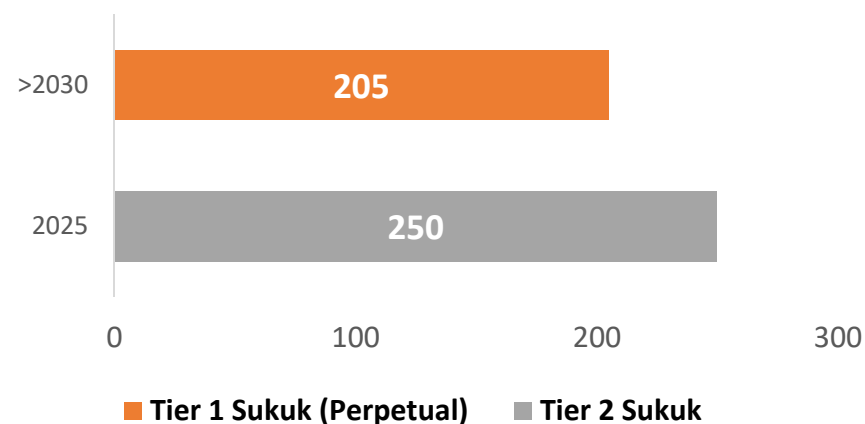
(Million TRL)	Q4'20	Q4'21	YoY Growth %
Funds Collected (incl. Bank deposits)	51.613	91.237	76,8
Wholesale Funding	11.311	9.380	-17,1
Funds Borrowed	7.302	6.259	-14,3
Syndicated Loans	-	-	-
Wakala	2.211	1.249	-43,5
Issued Lease Certificates & Sukuk	4.243	4.110	-3,1
Other	848	900	6,1
Sub-Ordinated Debt (Tier 2)	1.733	3.119	80,0
Borrowings From Money Market	2.276	1	-99,9
Shareholders' Equity	4.044	4.627	14,4
Paid in Capital	1.350	1.350	0,0
Other Liabilities	2.348	3.711	58,1
Total Liabilities	69.316	108.955	57,2

Composition of Funding Base (Million TRL)



*Fund Borrowed includes Funds Borrowed, Borrowings from Money Market and Subordinated Loans

Maturity Profile of Liabilities (Million USD)



11 Funding Profile (Collected Funds)

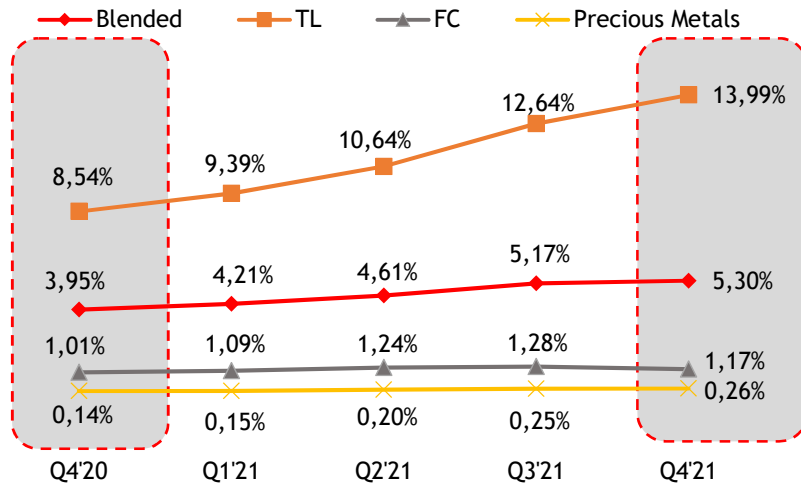


Total Funds Collected (Million TRL)

	Q4'20	Q4'21	YoY
Funds Collected	51.613	91.237	76,8%
Current Accounts	23.159	46.282	99,8%
Current Accounts TL	4.635	7.715	66,5%
Current Accounts, FC, \$	2.520	2.917	15,8%
Participation Accounts	28.454	44.954	58,0%
Participation Accounts TL	10.830	12.485	15,3%
Participation Accounts FC, \$	2.397	2.456	2,5%

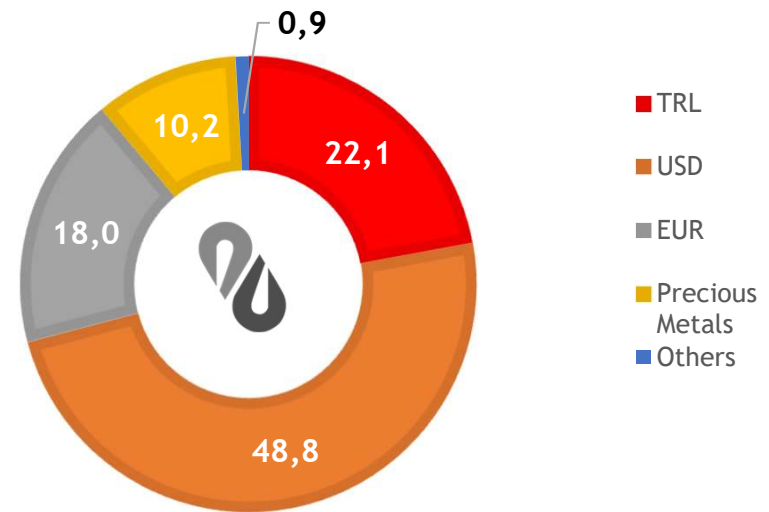
*USD equivalent of FC accounts

Cost of Funds Collected*

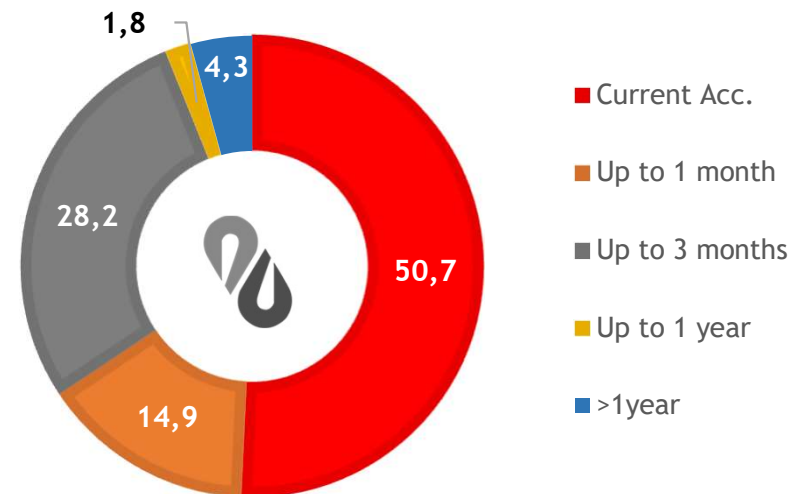


*Profit share expense to depositors for the last 4Q/5Q average participation accounts

Currency Composition of Funds Collected (Q4'21,%)



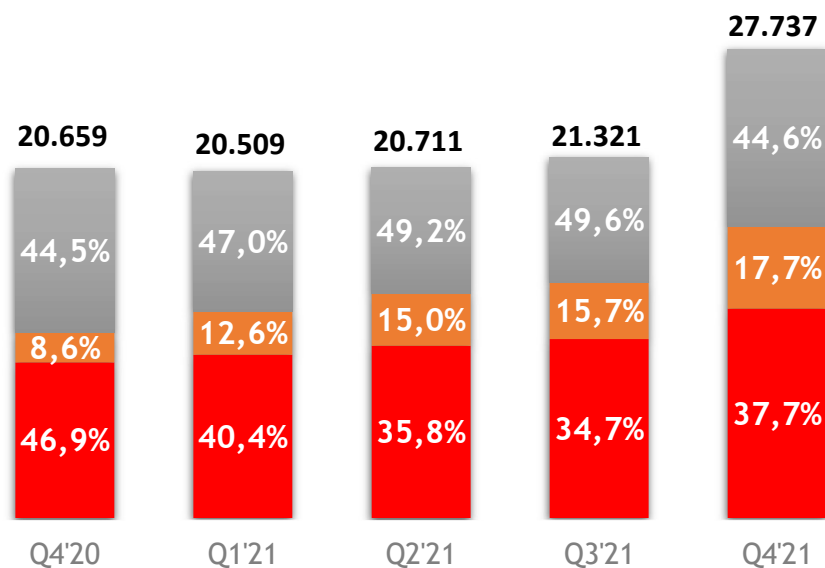
Maturity Composition of Funds Collected (Q4'21,%)



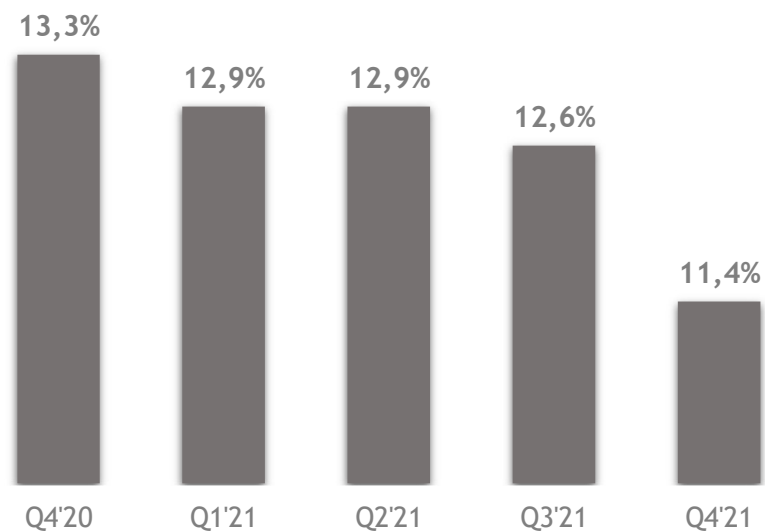


Off Balance Sheet Composition (%)

■ LG ■ LC ■ Others



LGs-to-Total Assets



Guarantees & Sureties (TRL million)

	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Growth (%)	
						QoQ	YoY
Letter of Guarantee	9.203	9.645	10.184	10.582	12.371	16,9	34,4
Letter of Credit	1.771	2.577	3.111	3.344	4.898	46,5	176,6
Others*	148	114	163	159	137	-13,8	-7,4
Total:	11.122	12.336	13.457	14.084	17.403	23,6	56,5

*Revocable credit limits not included.

13 Income- Cost Dynamics



(Million TRL)	Yearly			Notes
	Q4'20	Q4'21	%	
Net Profit Share Income	1.706	1.693	-0,7	Profit Share income increased by 40,1 % while Expenses on Profit Sharing Accounts jumped 77,2 % and Expenses on Funds Borrowed more than doubled with 118,8 %. Upward cost of funding led to weaker Net Profit Share Income.
Net Fee Income	234	406	73,7	The suspension of CBRT commissions on required reserves had a positive impact on Net Fee Income.
Net Trading Income	267	136	-49,0	Due to sales of investment fund participation certificates and swap transactions.
Other Income	562	1.143	103,3	With the support of strong collections performance from Stage III loans, reversal of prior year provisions raised by 105%, and income from sales of assets increased this item.
Provisioning	1.186	1.835	54,8	Stage 3 Coverage Ratio has been remained above 70%
Personnel Expenses	722	808	11,9	Below CPI which is 36,08 % in December
Other Costs	536	654	22,0	Despite the inflationary pressures we managed to keep operational expenses below CPI
Net Profit	255	104	-59,0	

Agenda

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Percent (%)	Q4'20			Q4'21		
	Albaraka Türk	Participation Banks	Banking Sector	Albaraka Türk	Participation Banks	Banking Sector
CAR	13,51	17,79	18,73	14,90	18,91	18,34
NPL Ratio	4,82	3,51	4,04	6,29	2,93	3,09
Provisioning Ratio (Stage 3)	61,02	82,91	74,94	70,26	87,90	79,66
Loan/Deposits	78,63	75,56	104,04	62,41	67,73	93,33
Asset Yield	6,87	7,31	8,64	6,97	7,98	10,13
Asset Spread	3,44	3,81	4,12	2,59	2,99	3,87
Net Profit Share Margin	3,27	4,14	4,46	2,35	3,34	4,28
Op Costs / Avg. Assets	2,07	1,80	1,78	1,76	1,54	1,64
Cost/Income*	45,47	34,56	34,22	43,28	31,31	30,25
Credits / Branches (Million TRL)	176	198	337	248	292	466
Staff / Branches	14,74	13,43	18,16	12,69	13,08	18,21
CA / Deposits	44,87	45,22	32,60	50,73	46,83	38,67

*Cost: Operating Costs, Income: NPSI, Net Fees and Commissions Income, Other Income Net Trading Income

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(Million TRL)	Q4'20	Q4'21	Growth (%)
Cash and Balances with Central Bank	13.235	26.499	100,2
Banks	3.413	5.296	55,2
Financial Assets	9.792	17.238	76,0
Funded Credits	40.583	56.937	40,3
<i>Cash Credits</i>	40.011	55.522	38,8
<i>NPL</i>	2.045	3.783	85,0
<i>Provisions (Stage III)</i>	1.248	2.658	113,0
<i>Net Financial Leasing Receivables</i>	360	821	127,9
Associates	43	43	0,0
Fixed Assets	1.429	1.592	11,4
Assets Held For Sale and Investment	131	119	-9,2
Other Assets (inc. Tax Assets)	710	1.200	69,0
Total Assets	69.316	108.955	57,2
Funds Collected	51.613	91.237	76,8
Funds Borrowed	7.302	6.259	-14,3
Debts	4.423	3.401	-23,1
Provisions (inc. Taxes)	201	312	55,1
Tier II Sukuk	1.733	3.119	80,0
Shareholders' Equity	4.044	4.627	14,4
<i>Capital</i>	1.350	1.350	0,0
<i>Capital Reserves (inc. Premium)</i>	961	1.209	25,8
<i>Profit Reserves</i>	1.493	1.744	16,8
Total Liabilities	69.316	108.955	57,2

18 Summary Income Statement



(Million TRL)	Q4'20	Q4'21	Growth (%)
Profit Share Income	3.585	5.023	40,1
Profit Share Expense	1.879	3.330	77,2
Net Profit Share Income	1.706	1.693	-0,7
Net Fees and Commissions Income	234	406	73,7
<i>Fees and Commissions Received</i>	395	582	47,4
<i>Fees and Commissions Paid</i>	161	176	9,3
Net Trading Income	267	136	-49,0
Other Operating Income	562	1.143	103,3
Total Operating Profit	2.046	2.571	25,7
Provisions for Loan Losses and Other Receivables	1.186	1.835	54,8
Personnel Expenses	722	808	11,9
Other Operating Expenses	536	654	22,0
Operating Profit Before Tax	324	81	-74,8
Tax Provision	69	-23	-133,3
Net Profit	255	103	-59,0

THANK YOU

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