

*(Convenience Translation of Consolidated Financial Statements and
Related Disclosures and Footnotes Originally Issued in Turkish)*

Alternatifbank A.Ş.

Consolidated Financial Statements and Notes as of and
For the Three-Month Period Ended 31 March 2025 With
Independent Auditor's Review Report



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**Convenience Translation of the Review Report Originally Prepared and Issued in
Turkish to English**

**Independent Auditor's Report on Review of consolidated Interim Financial
Statements**

To the Board of Directors of Alternatifbank A.Ş.

Introduction

We have reviewed the consolidated balance sheet of Alternatifbank A.Ş. ("the Bank") as at 31 March 2025 and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows for the three month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The Bank management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and 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 Board and circulars and interpretations published by BRSA and the requirements of Turkish Accounting Standard 34 "Interim Financial Reporting" for the matters not regulated by the aforementioned legislations (together referred as "BRSA Accounting and Financial Reporting Legislation"). Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial statements is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of Alternatifbank A.Ş. as at 31 March 2025 and its consolidated financial performance and its consolidated cash flows for the three month period then ended in accordance with the BRSA Accounting and Reporting Legislation.

Report on Other Legal and Regulatory Requirements

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information provided in the interim activity report included in section seven of the accompanying consolidated interim financial statements is not consistent, in all material respects, with the reviewed consolidated interim financial statements and explanatory notes.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi



Ebru Koçak, SMMM
Sorumlu Denetçi

30 April 2025
İstanbul, Türkiye

**THE CONSOLIDATED FINANCIAL REPORT OF
ALTERNATİFBANK A.Ş. AS OF AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

Headquarter Address : Ayazağa Mah. Azerbaycan Cad. No:3M/1 2D Blok Sarıyer/İstanbul
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The consolidated financial report as of and for the three-month period prepared in accordance with the communiqué of “Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks” as regulated by the Parent Banking Regulation and Supervision Agency, comprises the following sections.

- GENERAL INFORMATION ABOUT THE GROUP
- CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE CURRENT PERIOD
- INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP
- EXPLANATIONS AND DISCLOSURES ON THE CONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS AND DISCLOSURES
- EXPLANATIONS ON AUDITORS’ LIMITED REVIEW REPORT
- INTERIM ACTIVITY REPORT

Associates, subsidiaries and special purpose entities whose financial statements have been consolidated in the consolidated financial report are as follows:

Subsidiaries:

1. Alternatif Menkul Değerler A.Ş.
2. Alternatif Finansal Kiralama A.Ş.
3. Omurga Gayrimenkul ve Girişim Sermayesi Portföy Yönetimi A.Ş. İkinci Gayrimenkul Yatırım Fonu

The accompanying consolidated financial statements and notes to these financial statements for the three-month period ended which are expressed, unless otherwise stated, **in thousands of Turkish Lira (TL)** , have been prepared and presented based on the accounting books of the Parent Bank in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and related appendices and interpretations of these, and have been independently reviewed and presented as attached.

Omer Hussain I H Al-Fardan	Ozan Kırmızı	Hamdi İlkey Girgin	Ahmet Akın
Chairman of the Board of Directors	CEO	Financial Control and Planning Executive Vice President	International and Legal Reporting Manager
Halil Sedat Ergür	Muhammad Noman Ali	Antonio Francisco Gamez Munoz	
Member of the Board of Directors and Chairman of the Board Audit and Compliance Committee	Member of the Board of Directors and Member of the Board Audit and Compliance Committee	Member of the Board of Directors and Member of the Board Audit and Compliance Committee	

The authorised contact person for questions on this financial report:

Name-Surname/Title : Ahmet Akın / International and Legal Reporting Manager
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ALTERNATİFBANK A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL ") unless otherwise stated).

SECTION ONE

GENERAL INFORMATION ABOUT THE GROUP

I. Explanations on the Establishment Date and Initial Status of the Parent Bank, and History Including the Changes in the Former Status

Alternatifbank A.Ş. ("the Parent Bank" or "the Parent Bank"), was established in Istanbul on 6 November 1991 and started Banking activities on February 1992. The Parent Bank's ordinary shares started to be traded in Istanbul Stock Exchange on 3 July 1995. The Parent Bank is still a privately owned commercial bank status and provides banking services through 15 (31 December 2024: 19) branches.

The Parent Bank made an application to Capital Market Board and Borsa İstanbul A.Ş. about to leave the partnership and delisting the stock-exchange quotation in accordance with clauses of Capital Market Board "Squeeze-out and Sell-out Rights Communiqué" on 11 July 2014. "Capital Issue Document" prepared for the capital increase allocated to controlling shareholder Commercial Bank of Qatar in the context of the process of squeeze-out and sell-out rights from the minority in accordance with "Squeeze-out and Sell-out Rights Communiqué" has been approved by Capital Market Board on 23 July 2015. As of this date, Alternatifbank A.Ş. delisted from the stock-exchange.

II. Explanations on the Capital Structure, Shareholders who Directly or Indirectly, Solely or Jointly Undertake the Management and Control of the Parent Bank, any Changes in the Period, and Information on the Parent Bank's Risk Group

As of 31 March 2025, 100% of the shares of the Parent Bank are owned by The Commercial Bank (P.S.Q.C.). Shareholder's structure of the Parent Bank is as follows:

Name/Commercial Name	31 March 2025		31 December 2024	
	Share Amount	Share Ratio	Share Amount	Share Ratio
The Commercial Bank (P.S.Q.C)	2,213,740	100%	2,213,740	100%
Total	2,213,740	100%	2,213,740	100%

ALTERNATİFBANK A.Ş.**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025***(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated).***GENERAL INFORMATION ABOUT THE GROUP (Continued)****III. Explanation on the Board of Directors, Members of the Audit Committee, President and Executive Vice Presidents, Changes in These Matters (if any) and Shares in the Parent Bank**

<u>Title</u>	<u>Name</u>	<u>Responsibility</u>	<u>Indirect Share Capital (%)</u>
Chairman of the Board of Directors	Omer Hussain I H Al-Fardan	Chairman of the Board	-
Member of the Board of Directors ⁽¹⁾⁽²⁾	Joseph Abraham	Vice-Chairman of the Board of Directors, Chairman of the Executive Committee of the Board, Chairman of the Remuneration and Corporate Governance Committee of the Board, Alternate Member of the Board Credit Committee	-
	Mohd Ismail M Mandani Al-Emadi	Member of the Board of Directors, Chairman of the Board Risk Committee, and Member of the Board Credit Committee	-
	Salem Khalaf A A Al-Mannai	Member of the Board of Directors, Member of the Executive Committee of the Board	-
	Muhammad Noman Ali	Member of the Board of Directors, Member of the Executive Committee of the Board and Member of the Board Audit and Compliance Committee	-
	Fahad Abdulrahman Y A Badar	Member of the Board of Directors, Member of the Executive Committee of the Board and Member of the Board Remuneration and Corporate Governance Committee and Alternate Member of the Board Credit Committee	-
	Halil Sedat Ergür	Member of the Board of Directors, Chairman of the Board Audit and Compliance Committee, Member of the Board Risk Committee	-
	Zafer Kurtul	Member of the Board of Directors, Chairman of the Board Credit Committee, Member of the Executive Committee of the Board, and Member of the Board Remuneration and Corporate Governance Committee	-
	Antonio Francisco Gamez Munoz	Member of the Board of Directors, Member of the Board Audit and Compliance Committee, Member of the Board Risk Committee, and Alternate Member of the Board Credit Committee	-
	Shahnawaz Rashid	Member of the Board of Directors, Member of the Executive Committee of the Board, and Member of the Board Credit Committee	-
Member of the Board of Directors and CEO	Ozan Kırmızı	Member of the Board of Directors, Member of the Credit Committee, Member of the Executive Committee of the Board, and CEO	-
Executive Vice Presidents	Didem Şahin	Corporate & Business Banking	-
	Burcu Yangaz	Retail, Private & Digital Banking	-
	Zafer Vatansever	Information Technologies and Operation	-
	Ayşe Akbulut	Credit Allocation	-
	Bekir Seçkin Mutlubaş	Restructuring and Legal Follow-up	-
	Bike Tarakçı	Human Resources	-
	Hamdi İlkay Girgin	Financial Affairs and Planning	-
	Boğaç Levent Güven	Treasury and Financial Institutions	-
Head of Internal Audit	Ömer Faruk Gönener	Head of Internal Audit	-

(1) Leonie Ruth Lethbridge resigned with the decision of the Board of Directors as of 3 February 2025 and Muhammad Noman Ali was appointed as deputy.

(2) Fahad Abdulrahman Y A Badar was appointed as a Board Member at the Ordinary General Assembly meeting on 27 March 2025.

ALTERNATİFBANK A.Ş.**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated).

GENERAL INFORMATION ABOUT THE GROUP (Continued)**IV. Information on the Parent Bank's Qualified Shareholders**

According to the Parent Banking Act No: 5411 regarding definition of Qualified Shares and Bank Transactions that are subject to Permission and Indirect Shareholding Regulation's article 13, direct and indirect qualified shareholders of the Parent Bank's Capital is as follows.

Name/Commercial Title	Share Amounts (Nominal)	Share Rates	Paid-in Capital (Nominal)	Unpaid Portion
The Commercial Bank (P.Q.S.C.)	2,213,740	100.00%	2,213,740	-

V. Summary Information on the Parent Bank's Activities and Services

The Parent Bank's operations are extending TL and foreign currency cash and non cash loans, performing capital market transactions, opening deposit and making other banking transactions according to regulation principles given by the Parent Bank's Articles of Association.

As of 31 March 2025, the Parent Bank has 15 branches (31 December 2024: 19 branches).

As of 31 March 2025, the Parent Bank has 513 employees (31 December 2024: 714 employees).

Parent Bank and its subsidiaries that are consolidated with the Parent Bank are called "Group" as a whole. As of 31 March 2025, The Group has 579 employees (31 December 2024: 790 employees).

VI. Differences Between the Communique on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards and Short Explanation About the Institutions Subject to Line-by-Line Method or Proportional Consolidation and Institutions Which Are Deducted From Equity or Not Included in These Three Methods

None.

VII. Existing or Potential, Actual or Legal Obstacles to Immediate Transfer of Equity, or Repayment of Debt between the Parent Bank and Its Subsidiaries

None.

ALTERNATİFBANK A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated).

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Notes	Reviewed Current Period 31 March 2025			Audited Prior Period 31 December 2024		
		(Section Five)	TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (NET)		11,716,069	18,653,574	30,369,643	7,938,775	17,816,962	25,755,737
1.1	Cash and Cash Equivalents		7,719,887	13,498,896	21,218,783	3,737,840	13,259,696	16,997,536
1.1.1	Cash and Balances with Central Bank	I-a	7,453,246	9,313,438	16,766,684	3,641,741	8,509,462	12,151,203
1.1.2	Banks	I-d	269,053	4,185,458	4,454,511	97,884	4,750,234	4,848,118
1.1.3	Money Market Placements		-	-	-	-	-	-
1.1.4	Expected Credit Losses (-)		2,412	-	2,412	1,785	-	1,785
1.2	Financial Assets at Fair Value Through Profit or Loss		96,653	4,208	100,861	62,898	5,166	68,064
1.2.1	Government Debt Securities		71,793	4,208	76,001	19,961	5,166	25,127
1.2.2	Equity Instruments		-	-	-	-	-	-
1.2.3	Other Financial Assets		24,860	-	24,860	42,937	-	42,937
	Financial Assets at Fair Value Through Other Comprehensive							
1.3	Income	I-f	3,508,949	4,383,443	7,892,392	3,714,921	4,089,708	7,804,629
1.3.1	Government Debt Securities		3,010,999	4,383,443	7,394,442	3,697,657	4,089,708	7,787,365
1.3.2	Equity Instruments		17,264	-	17,264	17,264	-	17,264
1.3.3	Other Financial Assets		480,686	-	480,686	-	-	-
1.4	Derivative Financial Assets	I-c	390,580	767,027	1,157,607	423,116	462,392	885,508
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss		337,696	767,027	1,104,723	416,352	462,392	878,744
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive	I-m						
	Income		52,884	-	52,884	6,764	-	6,764
	FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)		29,247,756	33,993,978	63,241,734	25,047,543	30,588,128	55,635,671
2.1	Loans	I-g	24,334,915	22,499,005	46,833,920	21,113,829	19,443,660	40,557,489
2.2	Lease Receivables	I-l	1,660,269	3,684,413	5,344,682	1,632,930	3,050,973	4,683,903
2.3	Factoring Receivables		657,235	-	657,235	299,115	-	299,115
2.4	Other Financial Assets Measured at Amortized Cost	I-h	3,142,097	8,103,212	11,245,309	2,506,028	8,402,146	10,908,174
2.4.1	Government Debt Securities		1,815,624	8,103,212	9,918,836	1,742,450	8,402,146	10,144,596
2.4.2	Other Financial Assets		1,326,473	-	1,326,473	763,578	-	763,578
2.5	Expected Credit Losses (-)		546,760	292,652	839,412	504,359	308,651	813,010
III.	PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (NET)	I-r	1,009,826	-	1,009,826	1,041,271	-	1,041,271
3.1	Held for Sale Purpose		1,009,826	-	1,009,826	1,041,271	-	1,041,271
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		-	-	-	-	-	-
4.1	Investments in Associates (Net)	I-i	-	-	-	-	-	-
4.1.1	Accounted Under Equity Method		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		-	-	-	-	-	-
4.2	Subsidiaries (Net)	I-j	-	-	-	-	-	-
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3	Entities under Common Control (Joint Venture) (Net)	I-k	-	-	-	-	-	-
4.3.1	Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	TANGIBLE ASSETS (Net)	I-n	2,247,452	-	2,247,452	2,261,629	-	2,261,629
VI.	INTANGIBLE ASSETS (Net)	I-o	451,437	-	451,437	433,226	-	433,226
6.1	Goodwill		21,151	-	21,151	21,151	-	21,151
6.2	Other		430,286	-	430,286	412,075	-	412,075
VII.	INVESTMENT PROPERTY (Net)	I-p	-	-	-	-	-	-
VIII.	CURRENT TAX ASSET		18,744	-	18,744	230,891	-	230,891
IX.	DEFERRED TAX ASSET	I-q	1,061,944	-	1,061,944	823,216	-	823,216
X.	OTHER ASSETS	I-s	2,322,546	154,494	2,477,040	1,395,977	167,180	1,563,157
TOTAL ASSETS			48,075,774	52,802,046	100,877,820	39,172,528	48,572,270	87,744,798

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

ALTERNATİFBANK A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated).

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Reviewed Current Period 31 March 2025			Audited Prior Period 31 December 2024		
LIABILITIES	Notes (Section Five)	TL	FC	Total	TL	FC	Total
I. DEPOSITS	II-a	27,716,835	12,563,540	40,280,375	22,767,503	14,778,869	37,546,372
II. FUNDS BORROWED	II-c	591,753	25,537,759	26,129,512	791,336	17,372,602	18,163,938
III. MONEY MARKET BALANCES		4,027,340	10,537,723	14,565,063	805,868	10,909,069	11,714,937
IV. MARKETABLE SECURITIES ISSUED (Net)	II-c	762,182	-	762,182	303,946	-	303,946
4.1 Bills		762,182	-	762,182	303,946	-	303,946
4.2 Assets Backed Securities		-	-	-	-	-	-
4.3 Bonds		-	-	-	-	-	-
V. FUNDS		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES		220,117	697,960	918,077	89,423	498,340	587,763
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss	II-b	214,765	697,960	912,725	87,672	498,340	586,012
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	II-f	5,352	-	5,352	1,751	-	1,751
VIII. FACTORING LIABILITIES		-	-	-	-	-	-
IX. LEASE LIABILITIES	II-e	40,899	-	40,899	8,778	-	8,778
X. PROVISIONS	II-g	266,153	19,238	285,391	228,971	28,478	257,449
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reverse for Employee Benefits		46,707	-	46,707	50,155	-	50,155
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions		219,446	19,238	238,684	178,816	28,478	207,294
XI. CURRENT TAX LIABILITY	II-h	290,278	-	290,278	210,927	-	210,927
XII. DEFERRED TAX LIABILITY		29,988	-	29,988	-	-	-
XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	II-i	-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	II-j	-	7,951,805	7,951,805	-	9,891,747	9,891,747
14.1 Loans		-	-	-	-	2,646,729	2,646,729
14.2 Other Debt Instruments		-	7,951,805	7,951,805	-	7,245,018	7,245,018
XV. OTHER LIABILITIES	II-d	1,217,780	851,164	2,068,944	1,019,111	769,103	1,788,214
XVI. SHAREHOLDERS' EQUITY	II-k	7,676,860	(121,554)	7,555,306	7,372,840	(102,113)	7,270,727
16.1 Paid-in Capital		2,213,740	-	2,213,740	2,213,740	-	2,213,740
16.2 Capital Reserves		54	-	54	54	-	54
16.2.1 Share Premium		54	-	54	54	-	54
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		-	-	-	-	-	-
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		1,899,018	-	1,899,018	1,858,002	-	1,858,002
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(440,586)	(121,554)	(562,140)	(528,708)	(102,113)	(630,821)
16.5 Profit Reserves		3,462,057	-	3,462,057	3,346,667	-	3,346,667
16.5.1 Legal Reserves		225,019	-	225,019	220,554	-	220,554
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		3,237,038	-	3,237,038	3,126,113	-	3,126,113
16.5.4 Other Profit Reserves		-	-	-	-	-	-
16.6 Profit Or Loss		542,541	-	542,541	483,053	-	483,053
16.6.1 Prior Years' Profit/Loss		368,617	-	368,617	(12,808)	-	(12,808)
16.6.2 Current Year Profit/Loss		173,924	-	173,924	495,861	-	495,861
16.7 Non-Controlling Interests	II-l	36	-	36	32	-	32
TOTAL LIABILITIES		42,840,185	58,037,635	100,877,820	33,598,703	54,146,095	87,744,798

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

ALTERNATİFBANK A.Ş.
CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS
AS OF 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated).

II.	OFF-BALANCE SHEET ITEMS	Notes	Reviewed Current Period 31 March 2025			Audited Prior Period 31 December 2024			
			(Section Five)	TL	FC	Total	TL	FC	Total
A	OFF-BALANCE SHEET COMMITMENTS (I+II+III)			48,823,541	110,377,447	159,200,988	43,006,587	83,619,129	126,625,716
I.	GUARANTEES AND WARRANTIES	III-a-3,i		21,966,715	17,752,735	39,719,450	22,372,611	16,398,043	38,770,654
1.1	Letters of Guarantee	III-a-2,ii		17,075,185	7,298,480	24,373,665	16,528,437	7,458,604	23,987,041
1.1.1	Guarantees Subject to State Tender Law			36,721	7,954	44,675	27,588	16,575	44,163
1.1.2	Guarantees Given for Foreign Trade Operations			-	-	-	-	-	-
1.1.3	Other Letters of Guarantee			17,038,464	7,290,526	24,328,990	16,500,849	7,442,029	23,942,878
1.2	Bank Acceptances	III-a-2,i		-	1,357,126	1,357,126	-	624,838	624,838
1.2.1	Import Letter of Acceptance			-	624,492	624,492	-	624,838	624,838
1.2.2	Other Bank Acceptances			-	732,634	732,634	-	-	-
1.3	Letters of Credit	III-a-2,i		3,580	7,575,089	7,578,669	1,074	7,241,219	7,242,293
1.3.1	Documentary Letters of Credit			3,580	7,539,710	7,543,290	1,074	7,221,198	7,222,272
1.3.2	Other Letters of Credit			-	35,379	35,379	-	20,021	20,021
1.4	Prefinancing Given as Guarantee			-	-	-	-	-	-
1.5	Endorsements			-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of the Republic of Turkey			-	-	-	-	-	-
1.5.2	Other Endorsements			-	-	-	-	-	-
1.6	Securities Issue Purchase Guarantees			-	-	-	-	-	-
1.7	Factoring Guarantees			-	-	-	-	-	-
1.8	Other Guarantees			-	1,522,040	1,522,040	-	1,073,382	1,073,382
1.9	Other Warranties			4,887,950	-	4,887,950	5,843,100	-	5,843,100
II.	COMMITMENTS			4,887,080	5,993,770	10,880,850	2,637,335	4,433,018	7,070,353
2.1	Irrevocable Commitments			4,774,096	4,773,734	9,547,830	2,468,011	3,919,311	6,387,322
2.1.1	Asset Purchase and Sales Commitments			3,407,106	4,773,734	8,180,840	1,114,117	3,919,311	5,033,428
2.1.2	Deposit Purchase and Sales Commitments			-	-	-	-	-	-
2.1.3	Share Capital Commitments to Associates and Subsidiaries			-	-	-	-	-	-
2.1.4	Commitments for Loan Limits	III-a-1		752,398	-	752,398	803,626	-	803,626
2.1.5	Securities Issue Brokerage Commitments			-	-	-	-	-	-
2.1.6	Commitments for Reserve Deposit Requirements			-	-	-	-	-	-
2.1.7	Commitments for Cheques			163,469	-	163,469	139,663	-	139,663
2.1.8	Tax and Fund Liabilities from Export Commitments			3,738	-	3,738	3,738	-	3,738
2.1.9	Commitments for Credit Card Limits			210,135	-	210,135	172,087	-	172,087
2.1.10	Promotion Commitments for Credit Cards and Banking Services			-	-	-	-	-	-
2.1.11	Receivables from Short Sale Commitments of Marketable Securities			-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments of Marketable Securities			-	-	-	-	-	-
2.1.13	Other Irrevocable Commitments			237,250	-	237,250	234,780	-	234,780
2.2	Revocable Commitments			112,984	1,220,036	1,333,020	169,324	513,707	683,031
2.2.1	Revocable Commitments for Loan Limits			-	-	-	-	-	-
2.2.2	Other Revocable Commitments			112,984	1,220,036	1,333,020	169,324	513,707	683,031
III.	DERIVATIVE FINANCIAL INSTRUMENTS	III-b		21,969,746	86,630,942	108,600,688	17,996,641	62,788,068	80,784,709
3.1	Hedging Derivative Financial Instruments			2,661,277	-	2,661,277	1,300,000	-	1,300,000
3.1.1	Transactions for Fair Value Hedge			-	-	-	-	-	-
3.1.2	Transactions for Cash Flow Hedge			2,661,277	-	2,661,277	1,300,000	-	1,300,000
3.1.3	Transactions for Foreign Net Investment Hedge			-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments			19,308,469	86,630,942	105,939,411	16,696,641	62,788,068	79,484,709
3.2.1	Forward Foreign Currency Buy/Sell Transactions			5,863,781	8,408,011	14,271,792	1,423,370	3,625,912	5,049,282
3.2.1.1	Forward Foreign Currency Transactions-Buy			2,738,957	4,269,045	7,008,002	951,908	1,467,586	2,419,494
3.2.1.2	Forward Foreign Currency Transactions-Sell			3,124,824	4,138,966	7,263,790	471,462	2,158,326	2,629,788
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates			2,971,606	31,961,807	34,933,413	6,022,871	26,306,892	32,329,763
3.2.2.1	Foreign Currency Swap-Buy			-	8,772,878	8,772,878	-	8,093,054	8,093,054
3.2.2.2	Foreign Currency Swap-Sell			2,010,329	6,743,740	8,754,069	4,822,871	3,468,995	8,291,866
3.2.2.3	Interest Rate Swap-Buy			561,277	8,547,814	9,109,091	600,000	7,614,543	8,214,543
3.2.2.4	Interest Rate Swap-Sell			400,000	7,897,375	8,297,375	600,000	7,130,300	7,730,300
3.2.3	Foreign Currency, Interest rate and Securities Options			10,473,082	44,984,755	55,457,837	9,250,400	27,935,697	37,186,097
3.2.3.1	Foreign Currency Options-Buy			5,621,057	22,161,031	27,782,088	4,765,658	13,834,175	18,599,833
3.2.3.2	Foreign Currency Options-Sell			4,852,025	22,823,724	27,675,749	4,484,742	14,101,522	18,586,264
3.2.3.3	Interest Rate Options-Buy			-	-	-	-	-	-
3.2.3.4	Interest Rate Options-Sell			-	-	-	-	-	-
3.2.3.5	Securities Options-Buy			-	-	-	-	-	-
3.2.3.6	Securities Options-Sell			-	-	-	-	-	-
3.2.4	Foreign Currency Futures			-	-	-	-	-	-
3.2.4.1	Foreign Currency Futures-Buy			-	-	-	-	-	-
3.2.4.2	Foreign Currency Futures-Sell			-	-	-	-	-	-
3.2.5	Interest Rate Futures			-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy			-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sell			-	-	-	-	-	-
3.2.6	Other			-	1,276,369	1,276,369	-	4,919,567	4,919,567
B.	CUSTODY AND PLEDGES RECEIVED (IV+V+VI)			150,658,409	262,837,847	413,496,256	140,367,184	240,300,589	380,667,773
IV.	ITEMS HELD IN CUSTODY			20,674,598	40,109,119	60,783,717	17,475,867	35,169,887	52,645,754
4.1	Customer Fund and Portfolio Balances			3,956,801	-	3,956,801	2,845,029	-	2,845,029
4.2	Investment Securities Held in Custody			562,456	9,735,431	10,297,887	251,743	11,493,604	11,745,347
4.3	Cheques Received for Collection			2,200,136	140,067	2,340,203	1,190,569	115,403	1,305,972
4.4	Commercial Notes Received for Collection			42,520	4,771	47,291	82,556	4,435	86,991
4.5	Other Assets Received for Collection			-	-	-	-	-	-
4.6	Assets Received for Public Offering			-	-	-	-	-	-
4.7	Other Items Under Custody			13,912,685	30,228,850	44,141,535	13,105,970	23,556,445	36,662,415
4.8	Custodians			-	-	-	-	-	-
V.	PLEDGES RECEIVED			129,951,895	222,151,297	352,103,192	122,855,604	204,591,552	327,447,156
5.1	Marketable Securities			1,420,699	-	1,420,699	1,424,468	-	1,424,468
5.2	Guarantee Notes			79,391,670	89,363,658	168,755,328	76,058,530	82,072,033	158,130,563
5.3	Commodity			700,288	839,035	1,539,323	531,788	1,274,372	1,806,160
5.4	Warranty			-	-	-	-	-	-
5.5	Immovable			38,149,950	126,487,599	164,637,549	38,713,610	116,486,100	155,199,710
5.6	Other Pledged Items			10,289,288	5,461,005	15,750,293	6,127,208	4,759,047	10,886,255
5.7	Pledged Items-Depository			-	-	-	-	-	-
VI.	ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES			31,916	577,431	609,347	35,713	539,150	574,863
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)				199,481,950	373,215,294	572,697,244	183,373,771	323,919,718	507,293,489

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

ALTERNATİFBANK A.Ş.**CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2025***(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated).***III. STATEMENT OF PROFIT OR LOSS**

INCOME AND EXPENSE ITEMS			Reviewed Current Period 1 January - 31 March 2025	Reviewed Prior Period 1 January - 31 March 2024
	Note (Section Five)			
I. INTEREST INCOME	IV-a		4,496,248	3,173,988
1.1 Interest on Loans			2,958,219	2,177,543
1.2 Interest Received from Reserve Deposits			274,002	12,250
1.3 Interest Received from Banks			338,673	52,793
1.4 Interest Received from Money Market Placements			25,722	5,706
1.5 Interest Received from Marketable Securities Portfolio			608,829	686,594
1.5.1 Fair Value Through Profit or Loss			2,085	9,067
1.5.2 Fair Value Through other Comprehensive Income			297,287	452,474
1.5.3 Measured at Amortized Cost			309,457	225,053
1.6 Finance Lease Income			246,069	215,055
1.7 Other Interest Income			44,734	24,047
II. INTEREST EXPENSES (-)	IV-b		3,846,287	2,500,251
2.1 Interest on Deposits			2,635,892	1,345,501
2.2 Interest on Funds Borrowed			608,380	779,972
2.3 Interest on Money Market Borrowings			525,466	249,155
2.4 Interest on Securities Issued			52,009	40,479
2.5 Leasing Interest Expense			5,609	2,472
2.6 Other Interest Expense			18,931	82,672
III. NET INTEREST INCOME (I - II)			649,961	673,737
IV. NET FEES AND COMMISSIONS INCOME / EXPENSES			209,080	78,201
4.1 Fees and Commissions Received			242,131	120,188
4.1.1 Non-cash Loans			80,171	69,453
4.1.2 Other	IV-l		161,960	50,735
4.2 Fees and Commissions Paid (-)			33,051	41,987
4.2.1 Non-cash Loans			634	515
4.2.2 Other	IV-l		32,417	41,472
V. DIVIDEND INCOME	IV-c		-	-
VI. NET TRADING INCOME	IV-d		24,276	59,577
6.1 Securities Trading Gains / (Losses)			4,506	1,557
6.2 Derivative Financial Instruments Gains / Losses			304,892	661,087
6.3 Foreign Exchange Gains / Losses			(285,122)	(603,067)
VII. OTHER OPERATING INCOME	IV-e		246,679	602,442
VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII)			1,129,996	1,413,957
IX. EXPECTED CREDIT LOSSES (-)	IV-f		137,493	324,094
X. OTHER PROVISION EXPENSES (-)	IV-f		3,562	21,225
XI. PERSONNEL EXPENSES (-)	IV-g		424,647	294,405
XII. OTHER OPERATING EXPENSES (-)	IV-g		384,031	227,858
XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)			180,263	546,375
XIV. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER			-	-
XV. PROFIT / (LOSS) ON EQUITY METHOD			-	-
XVI. GAIN / (LOSS) ON NET MONETARY POSITION			-	-
PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	IV-h		180,263	546,375
XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)	IV-i		(6,335)	6,309
18.1 Provision for Current Income Taxes			(229,920)	(41,161)
18.2 Deferred Tax Expense Effect (+)			-	-
18.3 Deferred Tax Income Effect (-)			223,585	47,470
XIX. NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XVI±XVII)	IV-j		173,928	552,684
XX. INCOME ON DISCONTINUED OPERATIONS			-	-
20.1 Income on Assets Held for Sale			-	-
20.2 Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Venture)			-	-
20.3 Income on 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 Venture)			-	-
21.3 Loss from Other Discontinued Operations			-	-
PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)			-	-
XXII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)			-	-
23.1 Provision for Current Income 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)			173,928	552,684
25.1 Group's Profit / Loss	IV-k		173,924	552,682
25.2 Minority Shares (-)	IV-l		4	2
Earning / Loss per share (Full TL)			0.0786	0.2497

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

IV. PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

ALTERNATİFBANK A.Ş.**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2025***(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated).*

	Reviewed Current Period 1 January - 31 March 2025	Reviewed Prior Period 1 January - 31 March 2024
I. CURRENT PERIOD PROFIT/LOSS	173,928	552,684
II. OTHER COMPREHENSIVE INCOME	109,697	275,518
2.1 Not Reclassified Through Profit or Loss	41,016	510,257
2.1.1 Property and Equipment Revaluation Increase/Decrease	(1,014)	685,015
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss	(2,043)	(11,324)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	44,073	(163,434)
2.2 Reclassified Through Profit or Loss	68,681	(234,739)
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	53,781	(320,646)
2.2.3 Cash Flow Hedge Income/Loss	43,830	(15,204)
2.2.4 Foreign Net Investment Hedge Income/Loss	-	-
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit	(28,930)	101,111
III. TOTAL COMPREHENSIVE INCOME (I+II)	283,625	828,202

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

ALTERNATİFBANK A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2024
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated).

		Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss						Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss										
Prior Period 1 January – 31 March 2024		Note (Section Five)	Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except for Minority Shares	Minority shares	Total Shareholders' Equity
I.	Prior Period End Balance		2,213,740	54	-	-	789,748	(37,518)	-	-	(360,024)	9,524	1,562,908	(53,022)	1,935,510	6,060,920	23	6,060,943
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)		2,213,740	54	-	-	789,748	(37,518)	-	-	(360,024)	9,524	1,562,908	(53,022)	1,935,510	6,060,920	23	6,060,943
IV.	Total Comprehensive Income		-	-	-	-	518,184	(7,927)	-	-	(224,096)	(10,643)	-	-	552,682	828,200	2	828,202
V.	Capital Increase by Cash	II-k	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	-	4,689	-	4,689	-	4,689
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	1,768,056	47,917	(1,935,510)	(119,537)	-	(119,537)
11.1	Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	(119,537)	(119,537)	-	(119,537)
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	1,768,056	47,917	(1,815,973)	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period-End Balance (III+...+XVI+XVII+XVIII)			2,213,740	54	-	-	1,307,932	(45,445)	-	-	(584,120)	(1,119)	3,330,964	(416)	552,682	6,774,272	25	6,774,297

1. Accumulated revaluation increase/decrease of fixed asset,
2. Accumulated remeasurement gain/loss of defined benefit pension plan,
3. Other (shares of investments valued by equity method in other comprehensive income not classified through profit or loss and other accumulated amounts of other comprehensive income items not reclassified through other profit or loss),
4. Foreign currency translation differences,
5. Accumulated revaluation and/or remeasurement gain/loss of the financial assets at fair value through other comprehensive income,
6. Other (cash flow hedge gain/loss, shares of investments valued by equity method in other comprehensive income classified through profit or loss and other accumulated amounts of other comprehensive income items reclassified through other profit or loss)

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

ALTERNATİFBANK A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated).

Current Period 1 January - 31 March 2025		Note (Section Five)	Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except for Minority Shares	Minority shares	Total Shareholders' Equity
							1	2	3	4	5	6						
I.	Prior Period End Balance		2,213,740	54	-	-	1,903,509	(48,229)	2,722	-	(628,040)	(2,781)	3,346,667	(12,808)	495,861	7,270,695	32	7,270,727
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)		2,213,740	54	-	-	1,903,509	(48,229)	2,722	-	(628,040)	(2,781)	3,346,667	(12,808)	495,861	7,270,695	32	7,270,727
IV.	Total Comprehensive Income		-	-	-	-	42,446	(1,430)	-	-	38,000	30,681	-	-	173,924	283,621	4	283,625
V.	Capital Increase by Cash	II-k	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	-	954	-	954	-	954
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	115,390	380,471	(495,861)	-	-	-
11.1	Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	115,390	380,471	(495,861)	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period-End Balance (III+...+XVI+XVII+XVIII)			2,213,740	54	-	-	1,945,955	(49,659)	2,722	-	(590,040)	27,900	3,462,057	368,617	173,924	7,555,270	36	7,555,306

1. Accumulated revaluation increase/decrease of fixed asset,
2. Accumulated remeasurement gain/loss of defined benefit pension plan,
3. Other (shares of investments valued by equity method in other comprehensive income not classified through profit or loss and other accumulated amounts of other comprehensive income items not reclassified through other profit or loss),
4. Foreign currency translation differences,
5. Accumulated revaluation and/or remeasurement gain/loss of the financial assets at fair value through other comprehensive income,
6. Other (cash flow hedge gain/loss, shares of investments valued by equity method in other comprehensive income classified through profit or loss and other accumulated amounts of other comprehensive income items reclassified through other profit or loss)

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

ALTERNATİFBANK A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

VI. STATEMENT OF CASH FLOWS

	Notes (Section Five)	Reviewed Current Period 1 January - 31 March 2025	Reviewed Prior Period 1 January - 31 March 2024
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit/(Loss) Before Changes in Operating Assets and Liabilities		(1,336,410)	819,525
1.1.1 Interest Received		4,380,276	3,152,179
1.1.2 Interest Paid		(3,269,642)	(2,447,562)
1.1.3 Dividend Received		-	-
1.1.4 Fees and Commissions Received		331,904	178,540
1.1.5 Other Income		551,495	1,242,377
1.1.6 Collections from Previously Written-off Loans and Other Receivables		161,761	66,419
1.1.7 Payments to Personnel and Service Suppliers		(371,211)	(381,068)
1.1.8 Taxes Paid		(661,028)	(55,392)
1.1.9 Other		(2,459,965)	(935,968)
1.2 Changes in Operating Assets and Liabilities		5,895,945	(2,555,375)
1.2.1 Net (Increase)/Decrease in Financial Assets at Fair Value Through Profit or Loss		(26,205)	(15,718)
1.2.2 Net (Increase)/Decrease in Due from Banks and Other Financial Institutions		(667,198)	(1,243,159)
1.2.3 Net (Increase)/Decrease in Loans		(6,418,737)	(163,412)
1.2.4 Net (Increase)/Decrease in Other Assets		(458,227)	(286,474)
1.2.5 Net Increase/(Decrease) in Bank Deposits		(542,934)	(304,930)
1.2.6 Net Increase/(Decrease) in Other Deposits		3,260,065	225,193
1.2.7 Net Increase/Decrease in Financial Liabilities at Fair Value Through Profit or Loss		-	-
1.2.8 Net Increase/(Decrease) in Funds Borrowed		7,082,668	(405,724)
1.2.9 Net Increase/(Decrease) in Payables		-	-
1.2.10 Net Increase/(Decrease) in Other Liabilities		3,666,513	(361,151)
I. Net Cash Provided from Banking Operations		4,559,535	(1,735,850)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided from Investing Activities		(110,617)	685,378
2.1 Cash Paid for Acquisition of Investments, Associates and Subsidiaries		-	-
2.2 Cash Obtained from Disposal of Investments, Associates and Subsidiaries		-	-
2.3 Purchases of Property and Equipment		(96,967)	(35,804)
2.4 Disposals of Property and Equipment		36,501	65,920
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(479,823)	(7,652)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		40,690	(131,989)
2.7 Purchase of Financial Assets Measured at Amortised Cost		(558,740)	(25,000)
2.8 Sale of Financial Assets Measured at Amortised Cost		947,722	819,903
2.9 Other		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Provided from Financing Activities		(1,848,401)	(32,302)
3.1 Cash Obtained from Funds Borrowed and Securities Issued		806,599	173,352
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(2,646,023)	(197,091)
3.3 Issued Capital Instruments		-	-
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		(8,977)	(8,563)
3.6 Other		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		901,426	900,566
V. Net Increase/(Decrease) in Cash and Cash Equivalents (I+II+III+IV)		3,501,943	(182,208)
VI. Cash and Cash Equivalents at Beginning of the Period		11,996,715	9,651,722
VII. Cash and Cash Equivalents at End of the Period		15,498,658	9,469,514

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

ALTERNATİFBANK A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. Basis of Presentation

As prescribed in the Article 37 of the Parent Banking Act No. 5411, the Parent Bank prepares its financial statements and underlying documents in accordance with the "Regulation on the Procedures and Principles for Accounting Practices and Retention of Documents by Banks" and other regulations, explanations and circulars on accounting and financial reporting principles announced by the Parent Banking Regulation and Supervision Agency ("BRSA") and Turkish Accounting Standards ("TAS") published by Public Oversight Accounting and Auditing Standards Authority ("POA") except for BRSA regulations. TAS consists of Turkish Accounting Standards, Turkish Financial Reporting Standards and related appendices and interpretations.

The consolidated financial statements have been prepared in TL, under the historical cost basis as modified in accordance with inflation adjustments applied until 31 December 2004, except for the financial assets and liabilities carried at fair value. Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.

The preparation of consolidated financial statements in conformity with BRSA Accounting and Reporting Legislation requires the use of certain critical accounting estimates by the Parent Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement.

In the announcement dated 23 November 2023 made by the POA, it was stated that the financial statements of companies applying TFRS for the annual reporting period ending on or after 31 December 2023 must be presented adjusted for the inflation effect within the scope of Financial Reporting in High Inflation Economies ("TAS 29"), however authorities or organizations authorized to regulate and supervise their fields are given the freedom to determine different transition dates for the implementation of inflation accounting. In this context, BRSA, with its decision dated 5 December 2024 and numbered 11021, decided that the financial statements of banks, financial leasing, factoring, financing, savings financing and asset management companies will not be subject to the inflation adjustment required within the scope of TMS 29 until 1 January 2026. In this context, inflation adjustment required within the scope of TMS 29 is not implemented while preparing the financial statements as of 31 March 2025.

The accounting policies and valuation principles applied in the preparation of these financial statements and valuation principles are defined and applied in accordance with BRSA Accounting and Reporting Legislation. Those accounting policies and valuation principles are explained in Notes II to XXVIII below.

Additional paragraph for convenience translation to English:

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

II. Explanations Strategy of Using Financial Instruments and Foreign Currency Transactions

A major portion of the Parent Bank's funding has fixed interest rates; almost all TL placements consist of low-risk short-term transactions. Liquidity risk is monitored closely and the adequacies of available resources (which will be due within a certain period of fulfillment of obligations) are closely monitored. The maturity structure of placements is aimed to be in line with the maturities of resources of the country to the extent permitted by current conditions.

Risk bearing short term positions of currency, interest or price movements in money and capital markets is evaluated within the trading risk. The Parent Bank evaluated the required economic capital for trading risk and based on that risk limits are determined. This portfolio, being priced by the market on a daily basis and the limits are monitored on a daily basis. Risk limits are approved by Board of Directors once a year following the approval of the budget except a revision is required due to the economic conditions.

The Bank does not have any investment in foreign companies as of 31 March 2025 and 31 December 2024.

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

III. Consolidated Subsidiaries

The consolidated financial statements have been prepared in accordance with the procedures listed in the "Communiqués related to the Regulation on the Preparation of the Consolidated Financial Statements of Banks" and the "Turkish Accounting Standard for Consolidated and Separate Financial Statements" ("TFRS 10") published in the Official Gazette No. 26340 dated 8 November 2006.

The financial statements of the subsidiaries, which were prepared in accordance with the prevailing principles and rules regarding financial accounting and reporting standards according to the Turkish Commercial Code and/or Financial Leasing Law and/or communiqués of the Capital Market Board, are duly adjusted in order to present their financial statements in accordance with TAS and TFRS.

Accounting policy of the subsidiaries when different from the parent bank, differences are harmonized in the financial statements according with the principle of importance. Subsidiaries financial statements are prepared as of 31 March 2025.

Consolidation principles for subsidiaries:

Subsidiaries (including special purpose entity), in which Group has power to control the financial and operating policies for the benefit of the Parent Bank, either (a) through the power to exercise more than 50% of the voting rights relating to shares in the companies owned directly and indirectly by itself; or (b) although not having the power to exercise more than 50% of the using rights, otherwise having the power to exercise control over the financial and operating policies, have been fully consolidated.

Control is evident when the Parent Bank owns, either directly or indirectly, the majority of the share capital of the company or owns the privileged shares or owns the right of controlling the operations of the company in accordance with the agreements made with other shareholders or owns the right of appointment or the designation of the majority of the board of directors of the company.

Subsidiaries are consolidated with full consolidation method by considering the outcomes of their activities and the size of their assets and shareholders' equity in scope of the materiality principle. Financial statements of the related subsidiaries are included in the consolidated financial statements beginning from their acquisition date. If necessary, accounting policies of subsidiaries may have been changed in order to ensure consistency with the policies adopted by the Group.

In accordance with the full consolidation method, balance sheet, income statement and off balance sheet items of the subsidiaries have been consolidated line by line with the balance sheet, income statement and off balance sheet of the Parent Bank. The book value of the investments of the Group in each subsidiary has been netted off with the portion of each subsidiary's capital that belongs to the Group. Unrealized gains/losses and balances resulting from the transactions among the subsidiaries included in consolidation have been eliminated. In order to determine the net income of the Group, minority interest income of the consolidated subsidiaries have been identified and deducted from the net income of the subsidiary. In the consolidated balance sheet, minority interest has been presented separately from the liabilities and the shares of the Group shareholders. Also, in the income statement, minority interest has been presented separately.

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

Title	Activity center (City/Country)	Activity	Ownership rates (%)	Indirect Ownership rates (%)
Alternatif Menkul Değerler A.Ş.	İstanbul/Türkiye	Investment Management	100.00	100.00
Alternatif Finansal Kiralama A.Ş.	İstanbul/Türkiye	Leasing	99.99	99.99
Omurga Gayrimenkul ve Girişim Sermayesi Portföy Yönetimi A.Ş. İkinci Gayrimenkul Yatırım Fonu	İstanbul/Türkiye	Investment Fund	100.00	100.00

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

IV. Interest Income and Expense

Interest income and expenses are recognized in the income statement by using the "Effective interest rate method". Net book value of the non-performing loans (Gross Book Value - Expected Credit Loss) are rediscounted through effective interest rate and recognized through the gross book value of the non-performing loan.

V. Fee and Comission Income and Expense

Except for the Parent Banking services revenues are recognized as income at the time of collection, commission income related with the cash and non-cash loans are deferred and recognized as income by using with the effective interest rate method in accordance with TFRS 15 "Revenue from Contracts with Customers" standard. Depending on nature of fees and commission income derived from agreements and asset purchases for third parties are recognized as income when realized.

Fees and commission expenses paid to the other institutions are recognized as operation cost in the prepaid expense and recorded using the effective interest rate method and reflected to expense accounts in related period according to periodicity.

VI. Financial Assets

The Group categorizes its financial assets as "Fair Value Through Profit/Loss", "Fair Value Through Other Comprehensive Income" or "Measured at Amortized Cost". Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part three Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority. 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.

The Group recognizes a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Parent Bank's management is changed, all affected financial assets are reclassified and this reclassification is applied prospectively. In such cases, no adjustments are made to earnings, losses or interests that were previously recorded in the financial statements.

a. Financial Assets at Fair Value through Profit or Loss

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 interest at certain date; that are either acquired for generating a profit from shortterm 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.

b. Financial Assets at Fair Value through Other Comprehensive Income

A financial asset is measured at fair value through other comprehensive income when both of the following conditions are provided:

- 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 interest at certain dates.

Valuation of such assets is based on its fair value. "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 reflected 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.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VI. Financial Assets (Continued)

b. Financial Assets at Fair Value through Other Comprehensive Income (Continued)

In case of sales, the realized gain/(losses) are recognized directly in the income statement. During initial recognition an entity may irrevocably elect to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in the other comprehensive income.

c. Financial Assets Measured at Amortized Cost

A financial asset is measured at amortized cost when both of the following conditions are provided:

- Financial assets within a business model that aims to hold to collect contractual cash flows,
- Financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates.

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 Interest Rate Method". Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

d. Derivative Financial Assets

The Parent Bank uses derivative financial instruments to hedge its foreign currency and interest rate risk.

The major derivative instruments utilized by the Parent Bank are foreign currency swaps, interest rate swaps, currency forwards, currency futures and currency options.

Derivatives are initially recorded with their fair values and related transaction costs as of the contract date are recorded on gain or loss. The following periods of initial reporting, they are measured with their fair values. The result of this assessment, offsetting debit and credits stemming from each contract debit and credits are reflected to the financial statements as a contract-based single asset and liability. The recognition method of profit/loss is based on whether the related derivative is hedged or not, and the content of the hedged instrument.

The Bank notifies in written the relationship between hedging instrument and related account, risk management aims of hedge and strategies and the methods using to measure of the hedge effectiveness. The Bank evaluates the method of hedge whether to be effective on the expected changes in fair values in this process or not or each result of hedge effectiveness whether to be between the range of 80% and 125%.

Changes in fair values of derivative transactions determined as hedge for fair value are recorded in profit or loss together with changes in hedging asset or liability. The difference in current values of derivative transactions fair value hedge is shown in "Trading gains/losses on derivative financial instruments" account. In the balance sheet, change in fair value of hedge asset or liability during the hedge accounting to be effective is shown with the related asset or liability. In case of inferring hedge accounting, corrections made to the value of hedge account using straight-line amortization method within the days to maturity are reflected to "Trading gains/losses on derivative financial instruments" account in income statement.

Derivative financial instruments of the Parent Bank are classified under "TFRS 9 Financial Instruments" ("TFRS 9"), "Derivative Financial Assets Designated at Fair Value through Profit or (Loss)" or "Derivative Financial Assets Designated at Fair Value through Other Comprehensive Income". In accounting policy choice, TFRS 9 provides the option of postponing the acceptance of TFRS 9 hedge accounting and continuing with TAS 39 "Hedge accounting". In this context, the Group continued to apply TAS 39 "Hedge accounting".

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VI. Financial Assets (Continued)

d. Derivative Financial Assets (Continued)

The notional amounts of derivative transactions are recorded in off-balance sheet accounts based on their contractual amounts. "Financial instruments at fair value through profit or loss" are measured at fair value. If the fair value of derivative financial instruments is positive, it is disclosed under the main account "financial assets at fair value through profit or loss" in "derivative financial assets held for trading" and if the fair value difference is negative, it is disclosed under "derivative financial liabilities held for trading". Fair value changes are recorded under "Derivative Financial Transactions Gains/(Losses)" in the income statement. The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

e. Loans

Loans are financial assets which are created by providing money, goods or services to the debtor. Loans are recognized at acquisition cost which is reflecting the fair value after that measured at amortized cost using the effective interest rate method. Any fees and other similar charges paid for assets received as collateral are not considered as part of the transaction cost and reflected in the expense accounts.

Cash loans in personal and corporate loans, according to the Uniform Chart of Accounts ("UCA") and Prospectus are recognized in accordance with their original balances in the account specified.

The foreign exchange indexed commercial and individual loans are being monitored by the exchange rate of the opening date over Turkish Lira in the TL accounts. Repayments are calculated at the exchange rate at the date of payment, the resulting exchange differences are recognized in the income and expense account.

VII. Impairment of Financial Assets

The Group allocates impairment for expected loss on financial assets measured at amortized cost and measured at fair value through other comprehensive income.

As of 1 January 2018, the Group 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 31 December 2017, 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 Group estimates the expected credit losses for a financial lease based on the probabilities determined by taking into account the probable outcomes and estimates the fair value of the money and the estimates of past events, current conditions and future economic conditions at reasonable rates, and reflects supportable information during the reporting period.

The Group calculates the expected loss provisions collectively or individually according to the level of risk determined by the Group.

Within the scope of internal policies, the Group, evaluates the calculation of credit losses in accordance with TFRS 9, as an individual assessment based on expert opinion. In this context, the Group takes into account the weight of the estimating the probability of scenario of the occurrence or failure of the related loan losses and reduced expected cash flows to the reporting date with effective interest rate.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. Impairment of Financial Assets (Continued)

The Group uses three basic parameters in the calculation of expected credit loss as default rate, loss in default and default amount. The calculation is also based on these scenarios, time value of money, the historical observed data and the forecasting of the macroeconomic situation.

In the calculation of expected credit loss, the group includes the prospective macroeconomic information in to the credit risk parameters. In this context, economic models based on the relationship of credit risk parameters with macroeconomic variables are established based on multi-scenario, and the models mainly take into account the basic macroeconomic variables such as Gross Domestic Product (GDP) and Unemployment Rates. The efficiency and adequacy of the models used in the calculation of credit losses are reviewed at regular intervals. In the light of the said data, the Parent Bank has been revised the macroeconomic indicators for the future in the expected credit loss calculation.

Financial assets included in TFRS 9, is divided into three stages according to the change in loan quality after initial recognition and the expected credit loss is calculated according to the stage:

- Stage 1: For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded in the amount of 12-month expected credit losses.
- Stage 2: In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. For these assets, lifetime expected credit losses are recognized.
- Stage 3: Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognized.

- Definition of Default:

Default means, when the borrower's payment obligations which against to the Group, delays more than 90 days from the date of payment in part or in full, or he is not pay.

- Considered as a significant increase in credit risk;

- Overdue receivables of more than 30 days
- Receivables followed in close monitoring portfolio
- Restructured receivables due to payment difficulties
- Receivables from non-problematic consumer loans from individual customers with problematic consumer loans
- Receivables exceeding the established thresholds for the differences between the default probabilities measured at the time of the financial statements and the default probabilities observed at the reporting date.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognized amounts and to collect/pay related financial assets and liabilities on a net basis, or there is an intention to realize the asset and settle the liability simultaneously. Otherwise, any related financial assets and liabilities are not offset.

IX. Sales and Repurchase Agreements and Securities Lending Transactions

Funds obtained by the Parent Bank from repurchase agreements ("repo") are accounted under "Money Market Balances" in liabilities.

The Group's repurchase agreements are composed short-term government bonds and treasury bills. Financial assets subject to repurchase agreements, parallel to the classification of financial instruments, the fair value recognition in profit or loss, are classified as available for sale or held to maturity financial assets. Repo subjected financial assets' income recognized in interest income, while expenses paid under repurchase agreements are recognized in interest expenses.

Funds given against securities purchased under agreements to resell ("Reverse Repo") are accounted under "Money Market Placements" on the balance sheet.

X. Assets Held For Sale and Discontinued Operations

In accordance with TFRS 5 standard ("Non-current Assets Held for Sale and Discontinued Operations"), a tangible asset (or a group of assets to be disposed) classified as "asset held for resale" is measured at lower of carrying value and fair value less costs to sell. An asset (or a group of assets to be disposed) is regarded as "asset held for resale" only when the sale is highly probable and the asset (or a group of assets to be disposed) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively in the market at a price consistent with its fair value.

The Parent Bank classified assets that were acquired due to non-performing receivables, as assets held for sale.

A discontinued operation is a part of the Group's business classified as sold or held-for-sale. The operating results of the discontinued operations are disclosed separately in the income statement.

As of 31 March 2025 and 31 December 2024 The Group has no discontinued operations.

ALTERNATİFBANK A.Ş.
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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XI. Goodwill and Other Intangible Assets

Group has TL 21,151 goodwill in consolidated financial statements as of balance sheet date (31 December 2024: TL 21,151).

Goodwill is the amount that exceeds the cost of buying of fair value expressed as the amount of the group share in net identifiable assets of the Group's purchased subsidiaries. Annual impairment test is performed for goodwill every year and shown as deducting accumulated impairment from cost of goodwill. Provision for impairment on goodwill is not reversed.

As a result of the disposal of the business that gain or loss occurs includes the carrying amount goodwill related to disposed business.

Goodwill is distributed to cash generating units for impairment test. Distributions are made to benefit from the business combination in which the goodwill arose expected to cash-generating units or groups. The recoverable amount of the cash-generating unit is determined based on value in used calculations. These calculations require the use of estimates.

The intangible assets which are purchased before 1 January 2005 have been restated for the effects of inflation and the intangible assets after this date are presented with their purchase cost, accumulated depreciation and amortization and impairment. According to the regular amortization method, long term assets depreciate regarding to their useful lives. The amortization method and the period are reviewed in each year-end. The intangible assets are mainly consisted of software programs and rights and according to the straight line method of depreciation, they amortize in between 3 to 15 years.

XII. Property and Equipment

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. Subsequently, property and equipment are carried at cost less accumulated depreciation and provision for impairment, if any.

Properties and equipments are being depreciated by applying the straight-line method, in accordance with the Tax Procedure Law which estimates the useful lives.

The depreciation charge for items remaining in property and equipment for less than an accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment.

If properties and equipments' value, adjusted for inflation (until 31 December 2004) is higher than the current value, exceeding amount is being allocated for impairment and determined amounts are reflected in the financial statements. Expenditures for the repair and renewal of property and equipment are recognised as expense. There are no pledges, mortgages or other restrictions on the properties and equipments.

Tangible assets within the property's net book value by comparing the fair value determined as of the last year by a licensed real estate appraisal companies, In case of an indication of the presence related to the fair value impairment, the recoverable amount of the asset "Turkey Related to Impairment Accounting Standards" ("TAS 36 ") are estimated within the framework and the recoverable amount is below the asset's book value, a provision for impairment is separated and formed is recognized in "Other Operating Expenses" in the relevant period.

Gains or losses on disposals of property, plant and equipment are recognized in the statement of profit or loss as the difference between the net book value and the carrying amount of the property, plant and equipment.

The Parent Bank has started to account properties under the tangible assets with their revalued amount instead of cost values in accordance with "TAS 16 Plant and Equipment" on 31 December 2018. As of 31 March 2025, the revaluation difference arising from the valuations made by the appraisal firms authorized by Capital Markets Board ("CMB") and BRSA is accounted in Investment Properties Revaluation Differences line under the Shareholders' Equity.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIII. Leasing Transactions

Financial leasing transactions as a lessee

The Parent Bank assesses whether the contract has the quality of a lease or whether the lease includes the transaction at the beginning of a contract. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Parent Bank reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

Right of use assets:

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

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

When the Parent Bank 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.

The Parent Bank applies depreciation obligations in TAS 16 Property Tangible Assets while depreciating its right of use asset.

The lease obligations:

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

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease. After the effective date of the lease, the Parent Bank measures the leasing liability as follows:

- Increase the book value to reflect the interest on the lease obligation
- Reduces the book value to reflect the lease payments made and
- The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

The interest on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability. "IFRS 16 Leasing" Standard was promulgated in Official Gazette No. 29826, dated 16 April 2018 to be applied in the accounting period starting on 31 December 2018. The Parent Bank applied IFRS 16 "Leasing" standard, which replaced TAS 17 "Leasing", as of 1 January 2019, the date of first implementation.

As of 31 March 2025, net right of use assets are amounting to TL 37,402 and net lease liabilities are amounting to TL 40,899, respectively (31 December 2024: net right of use assets TL 33,258, net lease liabilities TL 8,778).

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIV. Provisions, Contingent Asset and Liabilities

Provisions and contingent liabilities except for the specific and general provisions recognized for loans and other receivables are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions are recognized when the Parent Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined by using the Parent Bank Management's best expectation of expenses in fulfilling the obligation, and discounted to present value if material. When the amount of the obligation cannot be estimated and there is no possibility of an outflow of resources from the Parent Bank, it is considered that a "Contingent" liability exists and it is disclosed in the related notes to the financial statements.

XV. Obligations Related To Employee Rights

Obligations related to employee termination and vacation rights are accounted in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19"). Under the Turkish Labor Law, the Parent Bank is required to pay a specific amount to the employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labor Law. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation arising from this liability. Actuarial gains and losses are accounted for under equity.

XVI. Taxation

a. Corporate tax

Article 32 of the Corporate Tax Law No. 5520, which regulates the corporate tax rate is amended with "Law on the Amendment of Additional Motor Vehicles Tax for Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amendments to Some Laws and the Decree Law No. 375", which includes the regulation on increase in corporate tax rate from 20% to 25% for the institutions other than banks and financial institutions and from 25% to 30% for banks and financial institutions, entered into force after being published in the Official Gazette dated 15 July 2023 and numbered 32249. This rate implemented tax base by adding non-deductible expenses and deducting other exemptions to business profit according to tax requirements. If the profit is not distributed, no other tax are paid.

With the "Law on Giving Tax Procedure Law and Corporate Tax Law", which was accepted on the agenda of the Turkish Grand National Assembly on 20 January 2022, the application of discount accounting was started from the record on 31 December 2023.

Dividends paid to non-resident corporations, which have a place of business in Turkey or to resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporate tax quarterly at a current rate on their corporate income. Advance tax is declared by the 15th and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

As stipulated in the Corporate Tax Law, 50% of gains derived from the sale of equity investments and immovable properties held for at least two years are tax exempt, if such gains are added to paid-in capital or held in a special account under shareholder's equity for five years. With the Law, No. 7456 promulgated in the Official Gazette, dated 15 July 2023, the exemption has been abolished for the properties to be acquired after the publication date of the decision, and if the properties acquired before this date are sold after the effective date of the decision, 25% of the sales gain will be exempt from corporate tax. Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

There is no practice of reconciling with the tax authority regarding taxes to be paid in Turkey. Tax returns are required to be filled and delivered to the related tax office until the evening of the last day of the fourth month following the balance sheet date. Tax returns are open for five years from the beginning of the year following the date of filing during which period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. Taxation (Continued)

a. Corporate tax (Continued)

The corporate tax effects related to transactions accounted for directly in equity are also shown in equity. As of 31 December 2021, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298 of the Tax Procedure Law. These conditions are both the exceed in the increase of Producer Price Index in the last 3 accounting periods including current period by 100% and the exceed in the increase in the current period by 10%. However, temporary article 33 has been added on the Tax Procedure Law No. 213 with the regulation made with the Tax Procedure Law and the Law on Change in Corporate Tax Law No. 7352 published in the Official Gazette No.31734 dated 29 January 2022, the financial statements for the 2021 and 2022 accounting periods (as of the accounting periods ending in 2022 and 2023 for those who are assigned a special accounting period), including the provisional tax periods, are not subject to inflation adjustment, and for the 2023 accounting period; are not subject to inflation adjustment as of the provisional tax periods, and the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met or not. Profit/loss difference arising from inflation adjustment in the financial statements are to be shown in previous years' profit/loss accounts and does not affect the corporate tax base.

According to Article 17 of the Law No. 7491 on Amendments to Certain Laws and Decree Laws published in the Official Gazette No. 32413 dated 28 December 2023, it has become law that profit/loss differences arising from the inflation adjustment to be made in the 2024 and 2025 accounting periods, including the provisional tax periods, do not be taken into account in determining the income of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361 dated 21 November 2012, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. Within the scope of this paragraph, the President is granted the authority to extend the periods determined herein, including interim tax periods, for a period equal to one accounting period.

With the Communiqué Amending the General Communiqué on Tax Procedure Law (line no. 547) published in the Official Gazette No. 32073 on 14 January 2023, the procedures and principles of the articles allowing the revaluation of real estates and depreciation units have been redrawn. Accordingly, economic assets subject to depreciation in the Bank's balance sheet are subject to revaluation provided that they meet the conditions in the Tax Procedure Law's Provisional Article 32 and Reiterated Article 298/ç. Corporate tax is calculated by taking into account the depreciation allocated on the revalued amounts of real estate and depreciable economic assets.

b. Deferred taxes

The Group calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the related decrees of the BRSA concerning income taxes. In the deferred tax calculation, the enacted tax rate, in accordance with the tax legislation, is used as of the balance sheet date.

Article 32 of the Corporate Tax Law No. 5520, which regulates the corporate tax rate is amended with "Law on the Amendment of Additional Motor Vehicles Tax for Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amendments to Some Laws and the Decree Law No. 375", which includes the regulation on increase in corporate tax rate from 20% to 25% for the institutions other than banks and financial institutions and from 25% to 30% for banks and financial institutions, entered into force after being published in the Official Gazette dated 15 July 2023 and numbered 32249. With the same article (article 21) of the aforementioned law, it is ensured that the corporate tax rate, which was applied with a reduction by 1% to the earnings of the exporting companies exclusively from exports, is applied with a reduction by 5% in order to promote export.

This amendment will be effective for the earnings of the corporations in 2023 and for the following tax periods, starting from the declarations that must be submitted after 1 October 2023. It will be effective in the tax calculation of the profits of the institutions subject to the special accounting period, obtained in the special accounting period starting in the 2023 calendar year and in the following taxation periods.

As of 31 March 2025, 30% deferred tax has been calculated for assets and liabilities by the Parent Bank.

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

The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements. Deferred tax assets and liabilities of consolidated entities are presented without offsetting.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. Taxation (Continued)

c. Transfer pricing

Transfer pricing is regulated through article 13 of Corporate Tax Law titled "Transfer Pricing through camouflage of earnings". Detailed information for the practice regarding the subject is found in the "General Communiqué on Disguised Profit Distribution via Transfer Pricing". According to the aforementioned regulations, in the case of making purchase or sales of goods or services with relevant persons/corporations at a price that is determined against "arm's length principle", the gain is considered to be distributed implicitly through transfer pricing and such distribution of gains is not subject to deductions in means of corporate tax.

XVII. Additional Explanations on Borrowings

Debt instruments with different characteristics such as syndicated borrowings and post-financing obtained from foreign financial institutions, marketable securities issued in domestic and foreign markets and money market borrowings are major funding source of the Parent Bank. Mentioned borrowings are carried initially at acquisition cost and subsequently recognized at the discounted value calculated using by "Effective interest rate method".

XVIII. Explanations on Share Certificates and Issuance of Share Certificates

At capital increases, the Parent Bank accounts the difference between the issued value and nominal value as share issue premium under shareholders' equity, in the case where the issued value is higher than the nominal value.

There is no decision of the Parent Bank for dividend distribution after the balance sheet date.

XIX. Explanations on Avalized Drafts And Acceptances

Guaranteed bills and acceptances shown as liabilities against assets are included in the "Off-balance sheet commitments".

XX. Explanations on Government Incentives

As of 31 March 2025, the Group has not investment allowance which has not used been.

XXI. Profit Reserves And Profit Distribution

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below. Under the Turkish Commercial Code ("TCC") the legal reserves are composed of first and second reserves. The TCC requires first reserves to be 5% of the profit until the total reserve is equal to 20% of issued and fully paid-in share capital. Second reserves are required to be 10% of all cash profit distributions that are in excess of 5% of the issued and fully paid-in share capital. However holding companies are exempt from this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

In accordance with the decision of the Ordinary General Assembly dated 27 March 2025, The Parent Bank has decided to allocate 5% of the legal reserve over the net distributable profit, the remaining amount will not be distributed and will be allocated as Legal Reserves.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXII. Earnings Per Share

Earnings per share disclosed in the income statement are calculated by dividing net profit/(loss) for the year to the weighted average number of shares outstanding during the period concerned.

	31 March 2025	31 March 2024
Group's Profit/(Loss)	173,924	552,682
Weighted Average Number of Issued Ordinary Shares (Thousand)	2,213,740	2,213,740
Earnings/(Losses) Per Share (Disclosed in full TL)	0.0786	0.2497

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period.

No bonus shares were issued in 2025 (31 December 2024: None).

XXIII. Related Parties

For the purpose of these financial statements, shareholders, key management personnel and board members together with their families and companies controlled by/affiliated with them, and associated companies are considered and referred to as related parties in accordance with "Turkish Accounting Standard for Related Parties" ("TAS 24").

The transactions with related parties are disclosed in detail in Note VII. of Section Five.

XXIV. Cash and Cash Equivalents

For the purposes of preparation of the cash flow statement, "Cash" includes cash, effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and "Cash equivalents" include interbank money market placements and time deposits at banks with original maturity periods of less than three months.

XXV. Changes in Accounting Policies of the Current Period

None.

XXVI. Explanations on Accounting Policies, Changes in Accounting Estimates and Errors Standard

In addition to the restatement above, comparative information is reclassified, where necessary, reconciliation to the presentation of the current period financial statements or to ensure the reporting integrity.

XXVII. Explanations on Other Matters

Group's current period unconsolidated financial statements are prepared comparatively with the prior period. In order to maintain consistency with the presentation of the current period unconsolidated financial statements, comparative information may be reclassified if necessary. The following comparative information has been reclassified to conform to the presentation of the current period financial statements.

Reclassifications:

Prior year provision reversals amounting to TL 530,522 presented under "Expense for Expected Losses" in the statement of profit or loss in prior periods have been reclassified under "Other Operating Income" in the comparative financial statements.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXVIII. Operating Segments

Information about operating segments which are determined in line with organizational and internal reporting structure of the Group, are disclosed.

- a) The Parent Bank provides basic banking services in corporate/commercial banking and treasury.
- b) Corporate banking services consists of automatic money transfers, current accounts, deposits, open loan transactions as well as option and other derivative instruments that are used for banking operations.
- c) Investment banking services consists of trading of financial instruments and fund management.
- d) The Parent Bank's one of the subsidiary Alternatif Menkul Değerler A.Ş. provides capital market activities in accordance with Capital Market Law and relevant legislations. In accordance with the law and within the authorization and permits given, the Company operates in the company brokerage, portfolio management, margin trading, Short Selling and Lending and Borrowing of Securities, investment advisory, the securities exchange with buy-back sell-back commitment, intermediation for public offering, intermediation for the derivative instruments exchange.

According to the Law, the Company received an authority certificate from the Capital Market Board to create the company's portfolio, to managing and to make changes in the portfolio when it is necessary. Parent Bank's another subsidiary Alternatif Finansal Kiralama A.Ş., established in 1997 to operate in Turkey, within the framework of 3226 Financial Leasing Law, with following permission from Undersecretariat of Treasury. Company has been operating its activities within the framework of BRSA's 'Regulations on the Establishment and Procedures of the Financial Leasing, Factoring and Financing Company', published in the Official Gazette No. 28627 in 24 April 2013.
- e) Other operations consist of subsidiaries and joint ventures, tangible assets, intangible assets, deferred tax asset and equity amounts and other income/loss accounts associated with these accounts.
- f) The Group's software requirements, possible software updates and additional software requirements to compete with other firms are provided by the Parent Bank.
- g) According to the table provided, share of each Group's operating segment in the Balance sheet is as follows; corporate/retail banking 51%, investment banking 42% and other 7%.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXVIII. Operating Segments (Continued)

Major balance sheet and income statement items according to operating segments

31 March 2025	Corporate / Retail Banking	Investment Banking	Other	Total Operations of the Group
Net Interest Income / (Expense)	644,966	4,995	-	649,961
Net Fees and Commissions Income and Other Operating Income	424,042	31,717	-	455,759
Trading Profit / (Loss)	(24,568)	48,844	-	24,276
Dividend Income	-	-	-	-
Impairment Provision for Loans and Other Receivables (-) (*)	(135,920)	(1,573)	(3,562)	(141,055)
Other Operating Expenses (-)	(735,325)	(73,353)	-	(808,678)
Profit / (Losses) Before Taxes	173,195	10,631	(3,562)	180,263
Tax Provision				(6,335)
Minority Shares				4
Net Profit for the Period				173,928
31 March 2025				
Segment Assets	51,613,220	42,328,834	6,935,766	100,877,820
Investments in Associates and Subsidiaries	-	-	-	-
Total Assets	51,613,220	42,328,834	6,935,766	100,877,820
Segment Liabilities	45,670,456	37,774,710	9,877,348	93,322,514
Shareholders' Equity	-	-	7,555,306	7,555,306
Total Liabilities	45,670,456	37,774,710	17,432,654	100,877,820

(*) Impairment provision for loans and other receivables indicates expected credit losses and other provision expenses.

31 March 2024	Corporate / Retail Banking	Investment Banking	Other	Total Operations of the Group
Net Interest Income / (Expense)	662,304	11,433	-	673,737
Net Fees and Commissions Income and Other Operating Income	642,399	38,244	-	680,643
Trading Profit / (Loss)	39,967	19,610	-	59,577
Dividend Income	-	-	-	-
Impairment Provision for Loans and Other Receivables (-) (*)	(322,833)	(1,261)	(21,225)	(345,319)
Other Operating Expenses (-)	(458,474)	(63,789)	-	(522,263)
Profit / (Losses) Before Taxes	563,362	4,237	(21,225)	546,375
Tax Provision				6,309
Minority Shares	-	-	2	2
Net Profit for the Period				552,684
31 December 2024				
Segment Assets	44,845,006	36,821,291	6,078,501	87,744,798
Investments in Associates and Subsidiaries	-	-	-	-
Total Assets	44,845,006	36,821,291	6,078,501	87,744,798
Segment Liabilities	41,879,985	26,792,173	11,801,913	80,474,071
Shareholders' Equity	-	-	7,270,727	7,270,727
Total Liabilities	41,879,985	26,792,173	19,072,640	87,744,798

(*) Impairment provision for loans and other receivables indicates expected credit losses and other provision expenses.

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SECTION FOUR

INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK

I. Explanations on Shareholders' Equity

The standard rate of the capital adequacy of the Group is 20.14% (31 December 2024: 26.56%). The standard rate of the capital adequacy of the Parent Bank is 20.95% (31 December 2024: 27.94%).

The calculation of the standard rate of the Capital adequacy is made within framework of the "Regulation on the Measurement and Assessment of the Capital Adequacy of Banks (Regulation)", which was published in Official Gazette No.29111 dated 6 September 2014.

a. Information on Shareholders' Equity

	31 March 2025	31 December 2024
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Parent Bank	2,213,740	2,213,740
Share issue premiums	54	54
Reserves	3,462,057	3,346,667
Gains recognized in equity as per TAS	2,189,980	2,123,507
Profit	622,933	496,239
Current Period Profit	173,924	495,861
Prior Period Profit	449,009	378
Minority Shares	36	32
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	8,488,800	8,180,239
Deductions from Common Equity Tier 1 Capital		
Valuation adjustments calculated as per the 1 st clause of article 9.(i) of the Regulation on Bank Capital		
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	106,607	69,708
Improvement costs for operating leasing (-)	28,339	35,123
Goodwill (net of related tax liability)	21,151	21,151
Other intangibles other than mortgage-servicing rights (net of related tax liability)	430,286	412,075
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
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 Parent Bank in its own Common Equity	-	-
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 Parent Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Parent 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 Parent Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Parent 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	-	-
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 Parent 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	-	-

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

I. Explanations on Shareholders' Equity (Continued)

a. Information on Shareholders' Equity (Continued)

Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions From Common Equity Tier I Capital	586,383	538,057
Total Common Equity Tier I Capital	7,902,417	7,642,182
ADDITIONAL TIER I CAPITAL	-	-
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and the related issuance premiums defined by the BRSA(***)	7,553,120	9,702,083
Debt instruments and the related issuance premiums defined by the BRSA (Covered by Temporary Article 4)	-	-
Third parties' share in the Tier II Capital	-	-
Third parties' share in the Tier II Capital (Temporary Article 3)	-	-
Additional Tier I Capital before Deductions	7,553,120	9,702,083
Deductions from Additional Tier I Capital	-	-
Direct and indirect investments of the Parent 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 Parent 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 Parent 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 Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (-)	-	-
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (-)	-	-
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	7,553,120	9,702,083
Total Tier I Capital (Tier I Capital=Common Equity Tier I Capital+Additional Tier I Capital)	15,455,537	17,344,265
TIER II CAPITAL	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Third parties' share in the Tier II Capital	-	-
Third parties' share in the Tier II Capital (Temporary Article 3)	-	-
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital) (*)	388,863	372,301
Tier II Capital Before Deductions	388,863	372,301
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Parent Bank on its own Tier II Capital (-)	-	-
Investments in Equity Instruments Issued by Banks and Financial Institutions Invested in Bank's Tier II Capital and Having Conditions Stated in the Article 8 of the Regulation	-	-
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Parent Bank does not own 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 Core Capital and Tier II Capital of Consolidated Banks and Financial Institutions where the Parent Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	388,863	372,301
Total Capital (The sum of Tier I Capital and Tier II Capital)	15,844,400	17,716,566
Total Tier I Capital and Tier II Capital (Total Equity)	15,844,400	17,716,566

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

I. Explanations on Shareholders' Equity (Continued)

a. Information on Shareholders' Equity (Continued)

Loans granted against the articles 50 and 51 of the Parent Banking law	6,015	5,889
Net book values of movables and immovables exceeding the limit defined in the Article 57, clause 1 of the Parent Banking Law and the assets acquired against overdue receivables and held for sale but retained more than three years	-	-
Other items to be defined by the BRSA	-	-
Items to be Deducted from sum of Tier I and Tier II (Capital) during the Transition Period	-	-
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 Parent 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 Parent 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 Parent Bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
TOTAL CAPITAL	-	-
Total Capital (The sum of Tier I Capital and Tier II Capital)	15,838,385	17,710,677
Total risk weighted amounts	78,653,443	66,683,549
CAPITAL ADEQUACY RATIOS	-	-
Core Capital Adequacy Ratio (%)	10.05%	11.46%
Tier I Capital Adequacy Ratio (%)	19.65%	26.01%
Capital Adequacy Ratio (%)	20.14%	26.56%
BUFFERS	-	-
Total Additional CET1 Capital Requirement Ratio (%)	2.50%	2.50%
Capital conservation buffer requirement (%)	2.50%	2.50%
Bank specific counter-cyclical buffer requirement (%)	0.00%	0.00%
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	5.55%	6.96%
Amounts below the Excess Limits as per the Deduction Principles	-	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the Parent Bank owns 10% or less of the issued share capital	-	-
Total of net long positions of the investments in Tier I capital of unconsolidated banks and financial institutions where the Parent Bank owns more than 10% or less of the issued share capital	-	-
Remaining Mortgage Servicing Rights	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	388,863	372,301
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	388,863	372,301
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 1 January 2018 and 1 January 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	-	-

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

I. Explanations on Shareholders' Equity (Continued)

b. Details on Subordinated Liabilities

Issuer	Alternatifbank A.Ş.
Unique identifier (eg CUSIP, ISIN)	XS2327872524
Governing law(s) of the instrument	English Law / Turkish Law on Subordinate Law
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on Unconsolidated/ consolidated / both unconsolidated and consolidated	Valid on Consolidated and Unconsolidated Basis
Instrument type	Eurobond
Amount recognised in regulatory capital (Currency in million TL, as of most recent reporting date)	7,553,120
Par value of instrument (Million TL)	7,553,120
Accounting classification	347
Original date of issuance	31.03.2021
Demand or time	Demand
Original maturity date	-
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Once every 5 years
Subsequent call dates, if applicable	Once every 5 years
Coupons / dividends	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	First 5 year 10.50% Fixed, following 5 year MS+9.546% Fixed
Existence of a dividend stopper	No interest will be charged for the value reduced after the value decrement date
Fully discretionary, partially discretionary or mandatory	Discretionary
Existence of step up or other incentive to redeem	-
Non-cumulative or cumulative	Non-cumulative
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
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)	When unsustainable situation is realized, value decrement is realized and less than 5.125%
If write-down, full or partial	Partial or completely value decrement is should be realized.
If write-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism	When unsustainable situation is realized, value decrement is realized and higher than 5.125%
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After depositors, other creditors and debt instruments included in Tier II capital calculation
Whether conditions which stands in article of 7 and 8 of Banks' shareholder equity law are possessed or not	Possess
According to article 7 and 8 of Banks' shareholders equity law that are not possessed	-

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGAMENT OF THE PARENT BANK
(Continued)

I. Explanations on Shareholders' Equity (Continued)

The Internal Assessment Process of Internal Capital Adequacy Regarding the Current and Future Operations

The ultimate objective of the internal assessment process of capital requirement is to sustain considering assess the capital adequacy of the Parent Bank in line with the risk profile and risk appetite by considering the Parent Bank's strategies, credit growth prospects, structure of assets and liabilities, future funding sources and liquidity, and dividend distribution policy and possible fluctuations in the capital due to the economic cycle.

Within this scope, legal and internal capital requirements are assessed prospectively, along with the annual targets of the Parent Bank, in parallel to the preparation of 5 year strategic plans. In the process of assessing internal capital requirements, the credit risk, market risk, and operational risks, in the first pillar, and the interest rate risk resulting from the Parent Banking accounts, concentration risk, business risk, reputation risk, model risk, and exchange risk are also included.

The risks that the Parent Bank can encounter due to its operations are being evaluated in budget works and the possible capital requirements according to The Parent Bank's goal and strategies are evaluated.

The evaluation of legal and internal capital ratio requirements considers normal conditions as well as the stress conditions. The stress scenarios are designed after estimation of post macroeconomic variables, the effects of these variables on the loan costs and market risk factors (exchange rate, interest rates etc.). The effects of stress scenarios on capital, income, risk weighted assets and capital requirement are calculated.

Internal assessment of internal capital requirement is considered by the Parent Bank as an improving process and further upgrades to this method is planned for the future.

II. Explanations on Credit Risk

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

III. Explanations on Currency Risk

The difference between the Parent Bank's foreign currency denominated and foreign currency indexed on and off-balance sheet assets and liabilities is defined as the "Net Foreign Currency Position" and it is the basis of currency risk. Another important dimension of the currency risk is the change in the exchange rates of different foreign currencies in "Net Foreign Currency Position" (cross currency risk).

The Parent Bank keeps the amount at currency risk within the legal limits and monitors the foreign currency positions daily/momentarily. Even though the Parent Bank's determined foreign currency limit is minimal compared to the legal limit, the positions throughout the year did not exceed the limits. Term option contracts such as swap and forward are used for hedging the currency risk. Stress tests are performed to mitigate the fluctuations of the exchange rates.

The Parent Bank's publicly announced foreign exchange bid rates as of the date of the financial statements and for the last five days prior to that date

Rate used:	USD	EUR
28.03.2025	37.7656	40.7019
27.03.2025	37.9323	40.8740
26.03.2025	37.9287	40.9326
25.03.2025	37.9086	40.9489
24.03.2025	37.8600	41.0400

The Parent Bank's foreign currency bid rates for the reporting date and average of 30 days before the reporting day is as presents:

USD: TL 37.0406

EUR: TL 39.9427

As of 31 March 2025;

	USD	EUR
Rate Used:	TL 37.7656	TL 40.7019

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

III. Explanations on Currency Risk (Continued)

a. Information on currency risk of the Group

The Group's real foreign currency position, both in financial and economic terms, is presented in the table below:

	EUR	USD	Other FC	Total
31 March 2025				
Assets				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	686,802	8,164,097	462,539	9,313,438
Banks	1,415,717	2,420,859	348,882	4,185,458
Financial Assets at Fair Value Through Profit and Loss (*)	6,946	505,885	155	512,986
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	4,383,443	-	4,383,443
Loans (**)	11,492,530	14,517,808	-	26,010,338
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	-	8,103,212	-	8,103,212
Hedging Derivative Financial Assets	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets (***)	41,923	112,570	1	154,494
Total Assets	13,643,918	38,207,874	811,577	52,663,369
Liabilities				
Bank Deposits	52,136	44,698	100,202	197,036
Foreign Currency Deposits	2,350,489	7,402,207	2,613,808	12,366,504
Money Market Balances	-	10,537,723	-	10,537,723
Funds Borrowed From Other Financial Institutions	14,504,926	18,984,638	-	33,489,564
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	146,972	103,100	3,701	253,773
Derivative Financial Liabilities For Hedging Purposes	-	-	-	-
Other Liabilities (****)	192,556	663,648	271,857	1,128,061
Total Liabilities	17,247,079	37,736,014	2,989,568	57,972,661
Net Balance Sheet Position	(3,603,161)	471,860	(2,177,991)	(5,309,292)
Net Off Balance Sheet Position	2,316,205	(2,669,575)	1,729,501	1,376,131
Financial Derivative Assets	23,738,225	17,517,091	2,748,221	44,003,537
Financial Derivative Liabilities	21,422,020	20,186,666	1,018,720	42,627,406
Non-Cash Loans (*****)	7,997,371	7,909,843	1,845,521	17,752,735
31 December 2024				
Total Assets	12,011,917	35,950,075	556,391	48,518,383
Total Liabilities	11,865,364	39,633,535	2,196,169	53,695,068
Net Balance Sheet Position	146,553	(3,683,460)	(1,639,778)	(5,176,685)
Net Off balance Sheet Position	(2,274)	2,191,344	1,487,022	3,676,092
Financial Derivative Assets	16,413,239	14,605,958	2,212,883	33,232,080
Financial Derivative Liabilities	16,415,513	12,414,614	725,861	29,555,988
Non-Cash Loans	7,329,852	7,626,740	1,441,451	16,398,043

(*) Accruals of derivative assets held for trading amounting to TL 258,249 (31 December 2024: TL 186,751) have been deducted from fair value through profit and loss.

(**) FC indexed loans and accruals amounting to TL 119,572 (31 December 2024: TL 132,864) are presented in loans.

(***) There is no accrual of spot transaction as of 31 March 2025. (31 December 2024: None.)

(****) Accruals of derivative liabilities held for trading amounting to TL 64,974 as of 31 March 2025 have been deducted from other liabilities (31 December 2024: TL 451,027).

(*****) No effect on net off-balance sheet position.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

IV. Explanations on Interest Rate Risk

Assets, liabilities and off-balance sheet items' interest rate sensitivity are measured.

The expected impact on the financial position and on the cash flow of the Group due to the fluctuations in the market interest rates are being followed within the framework of Asset-Liability management principles and also interest rate risk limits restricted on balance sheet by the Board of Directors. These limits also impose restriction to indirect profit centers can carry on maturity mismatches.

The Group has not encountered to any significant interest rate risk in the last period.

Average interest rates applied to monetary financial instruments reflect market rates.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates)

31 March 2025	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic Turkey	9,707,709	-	-	-	-	7,058,975	16,766,684
Banks (**) (****)	1,310,436	-	-	-	-	3,141,663	4,452,099
Financial Assets at Fair Value Through Profit and Loss	476,554	107,018	613,661	1,601	5,421	1,329	1,205,584
Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income (****)	2,495,664	1,592,652	3,839,696	-	-	17,264	7,945,276
Loans (*****)	8,031,791	7,907,466	23,413,665	11,879,926	937,906	(171,209)	51,999,545
Financial Assets Measured at Amortised Cost (****)	8,623,176	996,652	1,268,384	76,042	281,055	(3,120)	11,242,189
Other Assets (*)	633,456	-	-	-	-	6,632,987	7,266,443
Total Assets	31,278,786	10,603,788	29,135,406	11,957,569	1,224,382	16,677,889	100,877,820
Liabilities							
Bank Deposits	222,218	15,498	-	-	-	68,650	306,366
Other Deposits (**)	30,210,556	3,323,430	354,123	57	-	6,085,843	39,974,009
Money Market Balances	14,256,163	308,900	-	-	-	-	14,565,063
Miscellaneous Payables	3,391	-	-	-	-	1,134,991	1,138,382
Marketable Securities Issued	-	110,670	546,707	104,805	-	-	762,182
Funds Borrowed From Other Financial Institutions	1,378,671	8,498,144	23,729,972	474,530	-	-	34,081,317
Other Liabilities and Shareholders' Equity (***)	620,314	1,647	154,324	200,649	8,000	9,065,567	10,050,501
Total Liabilities	46,691,313	12,258,289	24,785,126	780,041	8,000	16,355,051	100,877,820
Balance Sheet Long Position	-	-	4,350,280	11,177,528	1,216,382	322,838	17,067,028
Balance Sheet Short Position	(15,412,527)	(1,654,501)	-	-	-	-	(17,067,028)
Off-Balance Sheet Long Position	-	-	811,684	-	-	-	811,684
Off-Balance Sheet Short Position	(497,365)	(41,263)	(326,237)	-	-	-	(864,865)
Total Position	(15,909,892)	(1,695,764)	4,835,727	11,177,528	1,216,382	322,838	(53,181)

(*) Investments in associates and subsidiaries, tangible and intangible fixed assets, miscellaneous receivables, deferred tax assets and other assets are classified as non-interest bearing assets.

(**) Precious metal bank account is presented under "Other deposits".

(***) Tax payables, levies, charges and premiums, provisions and shareholders equity are classified as non-interest bearing other liabilities.

(****) Expected loss provision for financial assets is presented non-interest bearing on the table. Amounted to TL 2,412 were deducted from non-interest banks, amounted to TL 3,120 were deducted from non-interest financial assets measured at amortised.

(*****) Receivables from leasing transactions are included. In addition, non-performing receivables are shown in the "Non-interest" bearing column after netting out with expected loss provisions.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

IV. Explanations on Interest Rate Risk (Continued)

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates)
(Continued)

31 December 2024	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic Turkey	8,454,423	-	-	-	-	3,696,780	12,151,203
Banks (****)	3,110,274	-	-	-	-	1,736,059	4,846,333
Financial Assets at Fair Value Through Profit and Loss	139,789	354,803	384,184	48,649	11,342	8,041	946,808
Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	4,883,969	575,866	2,334,294	-	-	17,264	7,811,393
Loans and Receivables (*****)	8,380,880	7,238,039	18,063,995	10,338,206	916,504	(208,062)	44,729,562
Financial Assets Measured at Amortised Cost (****)	180,179	2,427,021	8,039,534	-	261,440	(2,065)	10,906,109
Other Assets (*)	171,790	-	-	-	-	6,181,600	6,353,390
Total Assets	25,321,304	10,595,729	28,822,007	10,386,855	1,189,286	11,429,617	87,744,798
Liabilities							
Bank Deposits (**)	721,842	-	-	-	-	124,733	846,575
Other Deposits	25,795,534	4,138,121	1,226,159	60	-	5,539,923	36,699,797
Money Market Balances	8,879,518	268,744	2,566,675	-	-	-	11,714,937
Miscellaneous Payables	4,600	-	-	-	-	1,070,310	1,074,910
Marketable Securities Issued	-	-	199,183	104,763	-	-	303,946
Funds Borrowed From Other Financial Institutions	2,645,781	6,651,558	7,886,825	8,224,791	2,646,730	-	28,055,685
Other Liabilities and Shareholders' Equity (***)	94,043	165,682	192,418	173,104	10,122	8,413,579	9,048,948
Total Liabilities	38,141,318	11,224,105	12,071,260	8,502,718	2,656,852	15,148,545	87,744,798
Balance Sheet Long Position	-	-	16,750,747	1,884,137	-	-	18,634,884
Balance Sheet Short Position	(12,820,014)	(628,376)	-	-	(1,467,566)	(3,718,928)	(18,634,884)
Off-Balance Sheet Long Position	-	355,660	484,211	-	-	-	839,871
Off-Balance Sheet Short Position	(627,444)	-	(369,613)	(317,818)	-	-	(1,314,875)
Total Position	(13,447,458)	(272,716)	16,865,345	1,566,319	(1,467,566)	(3,718,928)	(475,004)

(*) Investments in associates and subsidiaries, tangible and intangible fixed assets, miscellaneous receivables, deferred tax assets and other assets are classified as non-interest bearing assets.

(**) Precious metal bank account is presented under "Other deposits".

(***) Tax payables, levies, charges and premiums, provisions and shareholders equity are classified as non-interest bearing other liabilities.

(****) Expected loss provision for financial assets is presented non-interest bearing on the table. Amounted to TL 1,785 were deducted from non-interest banks, amounted to TL 2,065 were deducted from non-interest financial assets measured at amortised.

(*****) Receivables from leasing transactions are included. In addition, non-performing receivables are shown in "Non-interest" bearing column after netting out with expected loss provisions.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

IV. Explanations on Interest Rate Risk (Continued)

b. Interest rate risk arising from banking 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".

c. Average interest rates applied to monetary financial instruments

The following average interest rates have been calculated by weighting the rates with their principal amounts as of the balance sheet date.

31 March 2025 (*)	EUR	USD	OTHER FC	TL
Assets	(%)	(%)	(%)	(%)
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	-	-	-	35.70
Banks	-	-	-	43.36
Financial Assets at Fair Value Through Profit and Loss	-	8.06	-	54.16
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	5.34	-	64.81
Loans and Receivables	6.70	7.08	-	45.19
Financial Assets Measured at Amortised Cost	-	5.06	-	49.32
Liabilities				
Bank Deposits	-	0.12	-	37.99
Other Deposits	1.66	3.45	-	44.21
Money Market Balances	-	5.92	-	46.00
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	45.99
Funds Borrowed From Other Financial Institutions	3.37	7.73	-	38.78

(*) Represents Parent Bank's interest rates.

31 December 2024 (*)	EUR	USD	OTHER FC	TL
Assets	(%)	(%)	(%)	(%)
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	-	-	-	42.00
Banks	-	4.70	-	-
Financial Assets at Fair Value Through Profit and Loss	-	7.79	-	13.36
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	5.34	-	29.59
Loans and Receivables	7.02	7.68	-	46.58
Financial Assets Measured at Amortised Cost	-	4.98	-	40.56
Liabilities				
Bank Deposits	-	0.02	-	45.91
Other Deposits	2.43	3.29	-	49.69
Money Market Balances	-	6.61	-	48.00
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed From Other Financial Institutions	4.11	8.52	-	44.96

(*) Represents Parent Bank's interest rates.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

V. Explanation on share certificates

None.

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio

There is a liquidity limit approved and monitored on a weekly basis by the Parent Bank Risk Committee. This limit is used by the Assets-Liability Management Committee for deciding to funding sources composition and pricing policy.

Maturity and interest rate mismatches impact on profitability and capital is measured using scenario analysis.

The Parent Bank's most important source of liquidity is deposits denominated in TL and foreign exchange deposit accounts. In addition, there are also borrowing opportunities available from Borsa İstanbul repo market, Takas Bank and Interbank market.

In accordance with the framework of BRSA's "Regulation on calculation of Bank's liquidity coverage ratio", published in Official Gazette no. 28948 as of 2019, dated 21 March 2014, as of 2019 the deposit banks are subject to set 100% and 80% liquidity ratios for Foreign Currency accordingly. The liquidity ratio is calculated by dividing the high quality liquid assets by net cash outflows.

1.a. Information on liquidity risk management regarding how to provide communication with the Board of Directors and lines of business for risk capacity of the Parent Bank, liquidity risk, responsibility and structure of management, reporting of Parent Bank's liquidity risk, liquidity risk strategy, policies and practices.

Liquidity risk management aims to take necessary measures in a timely manner and correct way with respect to potential liquidity shortage caused by cash flow mismatches of Parent Bank's balance sheet structure and/or market conditions. It is on ground of the meeting the liquidity needs cash and disposable borrowing resources at specified level and time of held deposits and other liabilities creating liquidity. The Parent Bank monitors liquidity position both in terms of foreign currency and total liquidity basis.

According to the liquidity risk management about the liquidity position, necessary guidance to the line of businesses and pricing are performed by the Asset and Liability Management Department by taking into account the cash flow of the Parent Bank with maturities. Liquidity risk informations are reported regularly to the such Asset and Liability Committee and Management Risk Committees. The liquidity risk parameters determined within the frame of liquidity risk parameters are monitored and reported to the business units by Risk Management consistently. The actions need to be taken in conditions such as convergence and excess of limits are decided by Asset-Liability Committee.

1.b. Information on the centralization degree of liquidity management and funding strategy and the operation between the Parent Bank and the Parent Bank's shareholders:

The responsibility of liquidity risk management in accordance with the risk appetite determined by the Board of Directors belongs to the Treasury Asset-Liability Management Department. Risk Management Department is responsible for determining the level of bank-wide liquidity risk and its measurement, monitoring and reporting. Liquidity management and funding strategies of Parent Bank and its shareholders are determined by Parent Bank's Asset and Liability Management Committees and monitored by the Treasury Department.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGAMENT OF THE PARENT BANK
(Continued)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

1.c. Information on the Parent Bank's funding strategy including policies on diversity of fund terms and resources

For the Parent Bank's effective, correct and sustainable liquidity risk management, it is provided to be followed by the relevant committees with the approval of Liquidity Management Policy Board. The Parent Bank's core funding source has been targeted as a deposit. Non-deposit funding sources are used to provide a variety of core sources and maturities. These resources are mainly syndicated loans, subordinated loans and bond issuances. Despite term of deposits are determined by market conditions and generally on short term basis, it is aimed to collect the deposits of customers who have high stickiness to the Parent Bank. Non-deposit sources also preferred because they are more long-term resources.

1.d. Information on liquidity management on the basis of currencies constitute the minimum five percentage of the Parent Bank's total liabilities

Turkish Lira, US Dollars and Euros are the currencies that constitute the minimum five percentage of the Parent Bank's liabilities. It is intended to have effective foreign currency and liquidity risk management analysing these currencies on foreign exchange and total liquidity management basis. Liquidity gap analysis are measured and managed with the same way. Deposits and other long term sources should be preferred, performing liquidity management on currency basis, in order to avoid the increase of market risk fluctuations on foreign currency positions.

1.e. Information on current liquidity risk mitigation techniques

Liquid assets as defined under Basel III are held with the intention of liquidity risk management managing the Parent Bank's liquidity risk. Market liquidity and maturity of liquid assets are considered as risk reduction for liquidity management. In this context, the range of liquid assets is important in the management of liquidity risk. Potential risks are minimized by avoiding concentration of liquid assets during the potential liquidity needs and the Parent Bank's ability to fulfill its obligations.

1.f. Information on the use of stress testing

Within legal framework stress tests on the basis of the liquidity risk are performed at the beginning of the each year. The test results are presented with the details of the stress test and ICAAP report annually. The Board of Directors approve the stress test results and they are shared with the BRSA during the process. In addition to these stress tests, cash flow and liquidity position analyzes are maintained according to the Parent Bank's internal needs. In addition, the liquidity risk stress tests are conducted regularly on a monthly basis and reported to the senior management together with the results.

1.g. General information about the emergency and contingency liquidity plan

Information on emergency and contingency liquidity plan is detailed in the Parent Bank "Emergency Funding Plan Policy". Definitions regarding the liquidity crisis and actions that the Parent Bank may take against a liquidity crisis that may occur in the market are implemented the action plan outlined. The Parent Bank's special liquidity crisis levels set out in alarm conditions and the parameters to be monitored as an indicator are detailed. Crisis Committee members and the Committee's duties and responsibilities are determined for the Parent Bank's stress scenarios specific to the market and the Parent Bank.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

2. Liquidity Coverage Ratio

The Parent Bank's calculated liquidity coverage ratios are presented as below pursuant to "Measurement and Assessment of the Liquidity Coverage Ratios of Banks" published in the Official Gazette on 21 March 2014 and numbered 28948. The highest and lowest values of the average of last three months consolidated foreign currency and total liquidity coverage ratios are as follows:

31 March 2025	Consideration Ratio Unapplied to Total Value (*)		Consideration Ratio Applied to Total Value (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			15,875,416	9,444,164
CASH OUTFLOWS				
Retail and Small Business Customers	22,714,998	5,398,234	1,873,447	539,823
Stable Deposits	7,961,801	-	398,090	-
Less Stable Deposit	14,753,197	5,398,234	1,475,357	539,823
Unsecured Wholesale Funding	22,347,308	13,926,916	14,018,230	8,898,949
Operational Deposits	-	-	-	-
Non-operational Deposits	13,915,070	8,617,564	6,089,393	3,768,110
Other Unsecured Fundings	8,432,238	5,309,352	7,928,837	5,130,839
Secured Funding				-
Other Cash Outflows	603,546	561,025	603,546	561,025
Derivative cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	603,546	561,025	603,546	561,025
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
Other revocable off-balance sheet commitments and contractual obligations	628,271	628,271	31,414	31,414
Other irrevocable or conditionally revocable off-balance sheet obligations	38,949,273	15,889,870	6,592,606	1,618,169
TOTAL CASH OUTFLOWS			23,119,243	11,649,380
CASH INFLOWS				
Secured lending	-	-	-	-
Unsecured lending	13,404,596	9,111,246	9,616,147	6,038,822
Other cash inflows	455,594	354,445	394,760	363,452
TOTAL CASH INFLOWS	13,860,190	9,465,691	10,010,907	6,402,274
			Total Adjusted Values	
TOTAL HIGH QUALITY ASSETS STOCKS			15,875,416	9,444,164
TOTAL CAH OUTFLOWS			11,521,207	3,464,537
LIQUIDITY COVERAGE RATIO (%)			140.70%	272.79%

(*) The average of the consolidated liquidity coverage ratio calculated by taking the monthly simple arithmetic average for the last three months, the average of the liquidity coverage ratio calculated by taking the weekly simple arithmetic average for the last three months.

The lowest, highest and average Liquidity Coverage Ratios in three months period of 2025 are given in the table below.

31 March 2025	Highest	Date	Lowest	Date	Average
TL+FC	150.62%	28.03.2025	129.56%	28.02.2025	140.70%
FC	318.19%	28.03.2025	241.61%	31.01.2025	272.79%

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

2. Liquidity Coverage Ratio (Continued)

31 December 2024	Consideration Ratio Unapplied to Total Value (*)		Consideration Ratio Applied to Total Value (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			14,874,793	8,104,112
CASH OUTFLOWS				
Retail and Small Business Customers	21,523,327	4,990,851	1,751,744	499,085
Stable Deposits	8,011,779	-	400,589	-
Less Stable Deposit	13,511,548	4,990,851	1,351,155	499,085
Unsecured Wholesale Funding	18,183,994	11,662,292	11,669,345	7,181,666
Operational Deposits	-	-	-	-
Non-operational Deposits	11,589,187	7,596,385	5,226,664	3,265,817
Other Unsecured Fundings	6,594,807	4,065,907	6,442,681	3,915,849
Secured Funding			-	-
Other Cash Outflows	510,923	515,178	510,923	515,178
Derivative cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	510,923	515,178	510,923	515,178
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
Other revocable off-balance sheet commitments and contractual obligations	595,571	595,571	29,779	29,779
Other irrevocable or conditionally revocable off-balance sheet obligations	36,877,675	15,170,728	5,761,000	1,544,927
TOTAL CASH OUTFLOWS			19,722,791	9,770,635
CASH INFLOWS				
Secured lending	3,239	-	-	-
Unsecured lending	10,995,078	8,458,174	9,371,881	7,676,775
Other cash inflows	143,779	105,457	143,779	105,457
TOTAL CASH INFLOWS	11,142,096	8,563,631	9,515,660	7,782,232
			Total Adjusted Values	
TOTAL HIGH QUALITY ASSETS STOCKS			14,874,793	8,104,112
TOTAL CAH OUTFLOWS			10,527,929	2,520,762
LIQUIDITY COVERAGE RATIO (%)			142.49%	311.95%

(*) The average of the consolidated liquidity coverage ratio calculated by taking the monthly simple arithmetic average for the last three months, the average of the liquidity coverage ratio calculated by taking the weekly simple arithmetic average for the last three months.

The lowest, highest and average Liquidity Coverage Ratios in the last three months of 2024 are given in the table below.

31 December 2024	Highest	Date	Lowest	Date	Average
TL+FC	155.43%	31.12.2024	132.54%	31.10.2024	142.49%
FC	339.03%	31.12.2024	292.37%	30.11.2024	311.95%

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

3. Banks explanations as a minimum regarding the liquidity ratio:

3.a Important factors affected by the results of Liquidity Coverage Ratio and the change of the items taken into account in the ratio calculation over time

Despite all components have significant role, bond and reverse repurchase amounts cash outflows/unsecured debts of due to banks line, cash outflows/irrevocable commitments or revocable contingent commitments of off balance sheet liabilities, cash inflows/unsecured receivables of due from financial institutions are high volatile assets. Related items have an effective role on variability of ratio.

3.b Explanations on the components of high-quality liquid assets:

High-quality assets is generated by cash balances and Central Bank and issued debt securities by those with 0% risk weightings of credit quality level risk. The changes in the reverse repo balance at the period effects high-quality asset stock value.

3.c Funding source components and the intensity of them in all funds

Basically deposits, loans and subordinated loans as unsecured debt items have the most significant portion in Parent Bank's funding balances. As of 31 March 2025, the proportion of total liabilities to all deposits of the Parent Bank is 40% and borrowings constitutes 26% portion whereas subordinate debt is 8%. Secured borrowings such as repo transactions has lower portion (14%).

3.d Information about the outflows arising from derivative transactions and the possible completing collateral transactions

Cash outflows arising from derivative product balances are occurred when the derivative products liabilities are higher than the receivables. Net cash outflows increases when derivative liabilities exceed cash inflows originating from derivative instruments. As of 31 March 2025, derivative liabilities are amounting to TL 271,718.

In addition, cash outflow balances are reported with calculation against the change of derivatives fair value. This calculation is performed by checking the output margin within last 24 months of the counterparty balance. As of the reporting date, net margin balances for the past 24 months are calculated in 30-day periods and the maximum value calculated in the cash outflow direction is considered as cash outflow. In this context, according to calculations as of 31 March 2025, the liability balance is computed as TL 600,535 in case of a change in fair value of derivatives products (31 December 2024: TL 372,770).

3.e Counterparty and fund resources on the basis of products and concentration limits on collaterals

As of 31 March 2025, approximately 62% of time deposit cap arised from retail banking. The remaining time deposits are constituted from legal entities. Another significant funding resource of borrowings generated from foreign banks (98%).

3.f The liquidity risk for the potential funding needs for the Parent Bank itself , the branches in foreign countries and its consolidated partnerships with considering the operational and legal factors inhibiting the liquidity transfer

In the current position of the Parent Bank and its consolidated subsidiaries, there are no such risks drawing attention.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

3. Banks explanations as a minimum regarding the liquidity ratio: (Continued)

3.g The information about the other cash inflows and outflows located in the liquidity leverage ratio calculation but not located in the second paragraph of disclosure template and considered as related with liquidity profile

In this context, there is no excluded cash inflow and outflow in statements on the current situation.

Breakdown of assets and liabilities according to their outstanding maturities

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Year	5 Year and Over	Unclassified	Total
31 March 2025								
Assets								
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	7,058,975	9,707,709	-	-	-	-	-	16,766,684
Due From Banks(****)	3,144,075	1,310,436	-	-	-	-	(2,412)	4,452,099
Financial Assets at Fair Value Through Profit and Loss	-	482,935	186,643	511,017	19,411	5,578	-	1,205,584
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income (****)	1,329	598,727	1,253,439	1,380,186	2,308,118	2,386,213	17,264	7,945,276
Loans(*****)	-	4,375,768	9,441,751	20,630,096	13,954,578	3,768,552	(171,200)	51,999,545
Financial Assets Measured at Amortised Cost (****)	-	54,115	283,567	1,170,675	8,398,113	1,338,839	(3,120)	11,242,189
Other Assets (*) (****)	298,775	780,573	19,613	38,061	771	28,659	6,099,991	7,266,443
Total Assets	10,503,154	17,310,263	11,185,013	23,730,035	24,680,991	7,527,841	5,940,523	100,877,820
Liabilities								
Bank Deposits	68,650	222,218	15,498	-	-	-	-	306,366
Other Deposits (***)	6,085,843	30,210,553	3,323,433	354,123	57	-	-	39,974,009
Funds Borrowed From Other Financial Institutions (**)	-	1,419,924	6,604,953	18,026,644	474,530	7,555,266	-	34,081,317
Money Market Balances	-	14,256,163	273,578	35,322	-	-	-	14,565,063
Marketable Securities Issued	-	-	110,670	546,707	104,805	-	-	762,182
Miscellaneous Payables	-	113,315	-	-	-	-	1,025,067	1,138,382
Other Liabilities	25,497	1,763,690	(18,243)	355,130	(61,231)	8,000	7,977,658	10,050,501
Total Liabilities	6,179,990	47,985,863	10,309,889	19,317,926	518,161	7,563,266	9,002,725	100,877,820
Liquidity Gap	4,323,164	(30,675,600)	875,124	4,412,109	24,162,830	(35,425)	(3,062,202)	-
31 December 2024								
Total Assets	5,729,309	18,220,583	9,792,875	18,695,199	23,256,337	6,930,873	5,119,622	87,744,798
Total Liabilities	5,673,083	38,608,561	9,527,238	14,140,454	1,316,784	9,822,140	8,656,538	87,744,798
Liquidity Gap	56,226	(20,387,978)	265,637	4,554,745	21,939,553	(2,891,267)	(3,536,916)	-

(*) It consists of other asset and liabilities accounts that do not convert to cash in a short time such as fixed assets, associates and subsidiaries, goods, deferred tax assets and non-performing loans, which constitute the balance sheet.

(**) As explained in Section Three Footnote Number XXVI, primary subordinated loan amounting to TL 7,553,120 is shown in the column "Over 5 years" in "Funds borrowed from other financial institutions".

(***) Precious metal bank account is presented under "Other Deposits".

(****) Expected loss provision for financial assets is presented non-interest bearing on the table. Amounted to TL 2,412 were deducted from non-interest banks, amounted to TL 3,120 were deducted from non-interest financial assets measured at amortised cost.

(*****) Lease receivables are included. In addition, non-performing loans are shown in the "Unclassified" column after netting out with expected loss provisions.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

Net Stable Funding Ratio

Current Period		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	-	-	-	16,430,783	16,430,783
2	Tier 1 Capital and Tier 2 Capital	-	-	-	16,430,783	16,430,783
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	2,264,042	21,491,283	29,463	57	21,833,735
5	Stable Deposits	608,939	7,928,355	10,145	57	8,120,121
6	Less Stable Deposits	1,655,102	13,562,928	19,318	-	13,713,614
7	Other Obligations	3,898,007	43,603,958	19,575,143	857,055	19,489,993
8	Operational deposits	-	-	-	-	-
9	Other Obligations	3,898,007	43,603,958	19,575,143	857,055	19,489,993
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	2,187,111	4,089,212	-	-	-
12	Derivative liabilities				782,108	
13	All other equity not included in the above categories	1,405,002	4,089,212	-	-	-
14	Available stable funding					57,754,511
Required stable funding						
15	Required stable funding					964,066
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	7,184,407	23,868,135	13,352,358	13,163,025	33,999,081
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	3,204,361	5,811,772	255,171	25,314	4,229,027
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	3,832,519	17,788,213	12,892,294	13,013,082	29,341,182
21	Loans with a risk weight of less than or equal to 35%	377,539	1,822,471	917,045	1,211,626	2,402,715
22	Residential mortgages	147,527	47,794	35,718	47,382	168,447
23	Residential mortgages with a risk weight of less than or equal to 35%	147,527	47,794	35,718	47,382	168,447
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities		220,356	169,175	77,247	260,425
25	Assets equivalent to interconnected liabilities					
26	Other Assets	9,146,940	4,061,815	820,376	-	8,343,443
27	Physical traded commodities, including gold	-				-
28	Initial margin posted or given guarantee fund to central counterparty				187,362	159,258
29	Derivative Assets				1,033,787	251,679
30	Derivative Liabilities before the deduction of the variation margin				909,926	90,993
31	Other Assets not included above	7,015,865	4,061,815	820,376	-	7,841,514
32	Off-balance sheet commitments		39,834,828	-	-	1,991,741
33	Total Required stable funding					45,298,332
34	Net Stable Funding Ratio (%)					127.50%

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE INTERIM PERIOD 1
JANUARY – 31 MARCH 2025

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGAMENT OF THE PARENT BANK
(Continued)

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio (Continued)

Net Stable Funding Ratio (Continued)

Prior Period		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	-	-	-	18,254,623	18,254,623
2	Tier 1 Capital and Tier 2 Capital	-	-	-	18,254,623	18,254,623
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	2,066,969	20,218,903	69,294	46	20,527,532
5	Stable Deposits	521,572	7,620,588	14,605	46	7,748,970
6	Less Stable Deposits	1,545,398	12,598,315	54,689	-	12,778,561
7	Other Obligations	3,601,957	38,742,740	8,506,472	1,174,190	13,363,629
8	Operational deposits	-	-	-	-	-
9	Other Obligations	3,601,957	38,742,740	8,506,472	1,174,190	13,363,629
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	2,139,837	2,494,622	-	-	-
12	Derivative liabilities		460,779			
13	All other equity not included in the above categories	1,679,057	2,494,622	-	-	-
14	Available stable funding					52,145,783
Required stable funding						
15	Required stable funding					964,617
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	5,992,651	23,214,279	9,176,273	11,647,442	28,956,542
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	1,687,166	6,493,300	464,696	42,116	2,935,625
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	4,145,684	16,556,697	8,675,406	11,512,548	25,744,750
21	Loans with a risk weight of less than or equal to 35%	135,956	2,114,391	732,943	768,031	2,011,259
22	Residential mortgages	159,801	76,742	36,171	33,965	182,404
23	Residential mortgages with a risk weight of less than or equal to 35%	159,801	76,742	36,171	33,965	182,404
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	87,541	-	58,814	93,762
25	Assets equivalent to interconnected liabilities					
26	Other Assets	7,938,777	2,561,246	725,398	-	7,808,063
27	Physical traded commodities, including gold	-				-
28	Initial margin posted or given guarantee fund to central counterparty				258,016	219,314
29	Derivative Assets				760,538	299,759
30	Derivative Liabilities before the deduction of the variation margin				469,380	46,938
31	Other Assets not included above	6,450,842	2,561,246	725,398	-	7,242,052
32	Off-balance sheet commitments		39,608,421	-	-	1,980,421
33	Total Required stable funding					39,709,642
34	Net Stable Funding Ratio (%)					131.32%

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

VII. Explanations on Leverage Ratio

Contractual maturity analysis of the Group's derivative instruments:

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".

Comparison Summary Table of Total Risk and Total Assets Amounts in the Consolidated Financial Statements prepared in accordance with Turkish Accounting Standards.

		31 March 2025 (*)	31 December 2024 (*)
1	Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards	95,968,256	86,382,643
2	The difference between total assets prepared in accordance with Turkish Accounting Standards (*) and total assets in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements"	-	-
3	The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	480,131	455,244
4	The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	-	-
5	The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	(11,300,808)	(10,225,929)
6	Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	61,372,445	56,156,638
7	Total risk amount	146,520,024	132,768,596

(*) Amounts in the table are three-month average amounts.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

VII. Explanations on Leverage Ratio (Continued)

Comparison Summary Table of Total Risk and Total Assets Amounts in the Consolidated Financial Statements prepared in accordance with Turkish Accounting Standards (Continued)

Explanations about the aspects that cause the difference between the leverage ratios of current and prior years

The Group's consolidated leverage ratio is 10.89% calculated in compliance with "Regulation on Measurement and Evaluation of Leverage Levels of Banks" (31 December 2024: 12.77%). Regulation has been arrived at a decision of the minimum leverage ratio of 3%.

		31 March 2025 (*)	31 December 2024 (*)
	Assets in Balance Sheet		
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	95,968,256	86,382,643
2	Assets deducted in determining Tier 1 capital	(477,678)	(436,997)
3	Total on-balance sheet risks (sum of lines 1 and 2) Derivative financial instruments and credit derivatives	95,490,578	85,945,646
	Derivative financial instruments and credit derivatives		
4	Replacement cost associated with all derivative financial instruments and credit derivatives	916,858	729,171
5	Add-on amounts for PFE associated with all derivative financial instruments and credit derivatives	480,131	455,244
6	Total risks of derivative financial instruments and credit derivatives (sum of lines 4 to 5 Securities or commodity financing transactions (SCFT))	1,396,989	1,184,415
	Securities or commodity financing transactions		
7	Risks from SCFT assets of off-balance sheet	-	-
8	Risks from brokerage activities related exposures	-	-
9	Total risks related with securities or commodity financing transactions (sum of lines 7 to 8) Other off-balance sheet transactions	-	-
	Off-balance sheet transactions		
10	Gross notional amounts of off-balance sheet transactions	60,933,265	55,864,464
11	(Adjustments for conversion to credit equivalent amounts)	(11,300,808)	(10,225,929)
12	Total risks of off-balance sheet items (sum of lines 10 and 11) Capital and total risks	49,632,457	45,638,535
	Capital and Total Risk		
13	Tier 1 capital	15,951,132	16,959,855
14	Total risks (sum of lines 3, 6, 9 and 12) Leverage ratio	146,520,024	132,768,596
	Leverage ratio		
15	Leverage ratio (%)	10.89%	12.77%

(*) Amounts in the table are three-month average amounts.

VIII. Fair values of financial assets and liabilities

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

IX. Transactions carried out on behalf of customers and items held in trust

None (31 December 2024: None).

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

X. Explanations on the Risk Management

a. Risk Management and General Information on Risk Weighted Amount

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 no. 29511 on 23 October 2015 and became effective as of 31 March 2016. According to the Communiqué these notes have to be presented on a quarterly basis. Due to usage of standard approach for the calculation of capital adequacy by the Parent Bank, the following tables have not been presented as of 31 March 2025.

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

1. The Parent Bank's risk management approach

Bank's risk management approach is defined as creating added value for shareholders, customers and employees in parallel with the Parent Bank general business strategy by increasing the efficiency of Bank activities within the framework of risk-return relationship in accordance with the best practices and legal requirements.

The Risk Strategy and its governance are set by the Board of Directors (the Board). The Board has the ultimate responsibility for the management of all risks assumed and faced by the Parent Bank. The Board manages risk through the Audit and Compliance; Risk; Executive Committees.

While the risk appetite at the Parent Bank is linked to the overall risk management framework and business strategy of the Parent Bank, the update of Risk Appetite statement approved by the Board and monitoring of the Parent Bank's risk profile management are provided within Risk Management Department general responsibility.

Banking risks include in general credit risk, market risk, operational risk, liquidity risk, interest rate risk in banking accounts, concentration risk, country risk, strategic risk and reputation risk and Bank risk appetite is a statement of the limits of these risks.

Risk Appetite monitoring activities are reported to the Board Risk Committee and Audit Committee. In case of any Risk Appetite threshold breach occurs, it is ensured that the risk management treatment and business controls are implemented to bring the exposure levels for each metric back within an acceptable range as approved by the Board of Directors. Issues related to Bank's work programs and business objectives are discussed in the Board Risk Committee, and necessary acknowledgment, monitoring and approval processes are performed herein.

Practices of defining, measuring with analytical methods, analyzing, reporting risks and regularly monitoring the general risk levels in order to ensure systematical management of incurred consolidated and unconsolidated-based risks of the Parent Bank and its affiliates are performed.

The Parent Bank identifies, measures, assesses, monitors the risks it is exposed to by way of using internationally recognised quantitative and analytical techniques found suitable for the Parent Bank in particular, and reports related results to the Top Management. The Parent Bank also monitors the compliance of credit facilities and treasury operations etc. with the Parent Bank's risk policies, administers internal reporting and monitors the results on a regular basis.

The Parent Bank adopts an integrated approach to stress-testing and conduct stress tests on a bank-wide basis and on a consolidated basis where applicable, providing a spectrum of perspectives at portfolio and risk-specific levels.

Stress tests are conducted for key risk factors within Market Risk, Credit Risk, Operational Risk, Structural Interest Rate Risk, Concentration Risk and Liquidity Risk areas and other risks if deem material level and the impact of stress is measured on the Parent Bank's solvency and liquidity.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

X. Explanations on the Risk Management (Continued)

a. Risk Management and General Information on Risk Weighted Amount (Continued)

1. The Parent Bank's risk management approach (Continued)

Risk management model has 3 level protection strategy designed with the purpose of efficient management of the risks:

1. Protection Level (Risk-taking departments): All business units of the Parent Bank which are directly responsible from controlling and reducing to minimum levels the risks resulting from the activities conducted by each one of the units as per the Parent Bank standards and policies.
2. Protection Level (Risk Management): Risk Management Department which is responsible from developing risk management methodologies, instruments and guidances to be used in managing risks and the principal responsible of presenting such documents to the usage of related people. Risk Management Department is supported by specialized departments in terms of risk management such as Internal Control, Compliance, Legal, Human Resources, Information Technologies, and Financial Control. Furthermore, risk watching does also belong to this protection level in addition to provide assistance to determine the risk reducing actions.
3. Protection Level (Internal Audit), Responsibility of assessment for effectiveness and compliance of risk management framework and application of it in the whole organization belongs to Internal Audit.

2. Overview of Risk Weighted Amount

		Risk Weighted Amount		Minimum capital requirement
		31 March 2025	31 December 2024	31 March 2025
1	Credit risk (excluding counterparty credit risk) (CCR)	69,483,699	59,114,195	5,558,696
2	Standardised approach (SA)	69,483,699	59,114,195	5,558,696
3	Internal rating-based (IRB) approach		-	-
4	Counterparty credit risk	3,148,420	2,168,216	251,873
	Standardised approach for counterparty credit risk (SA-CCR)	3,148,420	2,168,216	251,873
6	Internal model method (IMM)	-	-	-
7	Basic risk weight approach to internal models equity position in the Parent 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	986,063	989,575	78,885
17	Standardised approach (SA)	986,063	989,575	78,885
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	5,035,261	4,411,563	402,821
20	Basic Indicator Approach	5,035,261	4,411,563	402,821
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)	78,653,443	66,683,549	6,292,275

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

X. Explanations on the Risk Management (Continued)

b. Explanations on linkages between financial statements and risk amounts

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

c. Explanations on credit risk

1. Credit Quality of Assets

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

2. Changes In Stock of Defaulted Loans And Debt Securities

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

3. Credit Risk Mitigation Techniques

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

4. Consolidated Credit Risk Exposure and Credit Risk Mitigation Techniques

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

5. Consolidated Exposures by Asset Classes and Risk Weights

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

d. Explanations on counterparty credit risk

1. Consolidated Counterparty Credit Risk (CCR) Approach Analysis

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

2. Consolidated Capital Requirement for Credit Valuation Adjustment (CVA)

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

3. CCR Exposures by Risk Class and Risk Weights

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

4. Collaterals for Consolidated CCR

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

5. Credit Derivatives

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

6. Central counterparty risks (CCR):

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

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
(Continued)

X. Explanations on the Risk Management (Continued)

e. Explanations on market risk

1. Consolidated Market Risk -Standard Approach

		RWA (current period)	RWA (prior period)
	Outright products		
1	Interest rate risk (general and specific)	128,413	97,275
2	Equity risk (general and specific)	-	-
3	Foreign exchange risk	730,225	758,088
4	Commodity risk	-	-
	Options		
5	Simplified approach	-	-
6	Delta-plus method	127,425	134,212
7	Scenario approach	-	-
8	Securitisation	-	-
9	Total	986,063	989,575

f. Explanations on operational risk

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

g. Explanations on banking book interest rate risk

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

h. Explanations on -credit risk mitigation techniques

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

i. Explanations on risk management objectives and policies

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

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE PARENT BANK
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XI. Explanation on Hedge Accounting

At the beginning of the association and throughout the ongoing process, the Parent Bank evaluates whether the hedging method is effective on the changes in the expected fair values of the relevant instruments in the period in which the method is applied, or whether the effectiveness of each hedge on the actual results is between 80% and 125%.

Changes in fair values of derivative transactions determined as hedge for fair value are recorded in profit or loss together with changes in hedging asset or liability. The difference in current values of derivative transactions fair value hedge is shown in "Trading Gains/Losses on derivative financial instruments" account. In the balance sheet, change in fair value of hedge asset or liability during the hedge accounting to be effective is shown with the related asset or liability. If the underlying hedge does not conform to the hedge accounting requirements, according to the adjustments made to the carrying value (amortised cost) of the hedged item, for which the risk is hedged by a portfolio hedge, are amortized with the straight line method within the time to maturity and recognized under the "Trading Gains/Losses on derivative financial instruments" account.

As of 31 March 2025, the Group has no derivative transactions determined as fair value hedging.

The Parent Bank applies cash flow hedge accounting using interest rate swaps to hedge its TL and FC deposits with short term cyclical basis. The Parent Bank implements effectiveness tests at the balance sheet dates for hedge accounting; the effective parts are accounted as defined in TAS 39, in financial statements under equity "Hedging reserves", whereas the amount concerning ineffective part is associated with income statement.

Alternative Financial Lease applies cash flow hedge accounting in accordance with TAS 39 through currency swap transactions in the derivatives portfolio in order to hedge their foreign currency finance lease receivables from the cash flow risk arising from changes in the exchange rate. Finance lease receivables in foreign currency in the company's current portfolio are designated as "hedging items" and currency swap transactions are designated as "hedging instruments". The Company applies effectiveness tests for cash flow hedge accounting at each balance sheet date, the active parts are accounted under equity in the financial statements as "Accumulated Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss" as defined in TAS 39, and the amount related to the ineffective part is accounted for associated with the income statement.

Derivative financial instruments which used as hedging instruments in Cash Flow Hedge accounting are swap interest transactions. Those derivative financial instruments are summarized in the following table:

	31 March 2025			31 December 2024		
	Principal Amount (*)	Asset	Liability	Principal Amount (*)	Asset	Liability
Derivative financial instruments						
Interest rate swaps	2,661,277	52,884	5,352	1,300,000	6,764	1,751
Total	2,661,277	52,884	5,352	1,300,000	6,764	1,751

(*) The sum of purchase and sale legs of the transactions.

In cash flow hedge accounting, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked; the hedging gains and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged items are realized.

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SECTION FIVE

EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Notes on Assets

a. Information on Cash and Balances with the Central Bank of Republic of Turkey ("CBRT")

1. Information on cash and the account of the CBRT

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Cash/Foreign Currency	31,951	413,169	42,468	552,562
CBRT	7,420,100	8,900,147	3,598,537	7,956,790
Other	1,195	122	736	110
Total	7,453,246	9,313,438	3,641,741	8,509,462

2. Information on the account of the CBRT

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Demand Unrestricted Amount (*)	7,225,118	3,442,960	3,576,396	3,003,214
Time Unrestricted Amount	-	-	-	-
Reserve Requirement	194,982	5,457,187	22,141	4,953,576
Total	7,420,100	8,900,147	3,598,537	7,956,790

(*) The reserve requirement hold as average has been classified under "Central Bank Demand Unrestricted Account" pursuant to the correspondence with BRSA as of 3 January 2008.

3. Information on reserve requirements

According to the CBRT's communique No. 2013/15 on Required Reserves, required reserves are established at the CBRT for Turkish currency and foreign currency liabilities. Required Reserves can be kept in Turkish Lira, USD, EUR and standard gold in accordance with the "Communique on Required Reserves" at the CBRT. According to the Communique on Required Reserves published in the Official Gazette dated 31 December 2022 and numbered 32060, the possibility of establishing Turkish Lira required reserves in gold was terminated as of 1 October 2021.

As of 31 March 2025, the Turkish lira required reserve ratios are determined to be within the range of 3% - 33% depending on the maturity structure of deposits denominated in Turkish Lira (31 December 2024: 3% - 33%), and other foreign currency liabilities within the range of 5% - 30% (31 December 2024: 5% - 30%).

b. Information about financial assets at fair value through profit or loss subject to repurchase agreements and given as collateral/blocked

As of 31 March 2025, the Parent Bank have no financial assets at fair value through profit/loss subject to repo transactions (31 December 2024: None) and have no financial assets at fair value through profit and loss given as collateral/blocked amount (31 December 2024: None).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

c. Positive differences related to derivative financial assets

	31 March 2025 (*)		31 December 2024 (*)	
	TL	FC	TL	FC
Forward Transactions	98,368	84,973	60,726	13,889
Swap Transactions	1,329	351,327	256,376	331,153
Options	237,999	330,727	99,250	117,350
Total	337,696	767,027	416,352	462,392

(*) Hedging derivative financial assets are excluded.

d. Information on banks

1. Information on banks

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Banks				
Domestic	269,053	90,217	97,884	3,056,142
Foreign	-	4,095,241	-	1,694,092
Total	269,053	4,185,458	97,884	4,750,234

2. Information on foreign banks:

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".

e. Information on financial assets at fair value through other comprehensive income given as collateral/blocked

As of 31 March 2025, financial assets at fair value through other comprehensive income given as collateral/blocked are amounting to TL 13,237 (31 December 2024: TL 560,563). As of 31 March 2025, financial assets at fair value through other comprehensive income those subject to repurchase agreements TL 7,656,720 (31 December 2024: TL 5,321,958). As of 31 March 2025, the share certificates amounted to TL 17,264 (31 December 2024: TL 17,264).

f. Information on financial assets at fair value through other comprehensive income

	31 March 2025	31 December 2024
Debt Securities	8,042,790	8,067,345
Quoted on Stock Exchange	8,042,790	8,067,345
Not Quoted	-	-
Share Certificates	17,264	17,264
Quoted on Stock Exchange	1	1
Not Quoted	17,263	17,263
Impairment Provision (-)	167,662	279,980
Total	7,892,392	7,804,629

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans

1. Information on all types of loan or advance balances given to shareholders and employees of the Parent Bank

	31 March 2025		31 December 2024	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	4,668	-	4,254
Corporate Shareholders	-	4,668	-	4,254
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	510	142	650	1,357
Loans Granted To Employees	28,416	-	24,101	-
Total	28,926	4,810	24,751	5,611

2. Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled and other receivables

Current Period		Loans Under Close Monitoring		
		Loans Not Subject to restructuring	Restructured Loans	
			Amendments on Conditions of Contract	Refinancing
Cash Loans (*)	Standard Loans			
Non-Specialized Loans	43,629,098	533,988	2,796,595	-
Corporate Loans	-	-	-	-
Export Loans	9,081,325	142,318	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	1,748,694	-	-	-
Consumer Loans	1,144,626	8,418	243	-
Credit Cards	50,219	6,426	-	-
Other	31,604,234	376,826	2,796,352	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	43,629,098	533,988	2,796,595	-

(*) Standard and closely monitored leasing receivables amounting to TL 5,013,590 and TL 197,481 are not included.

Prior Period		Loans Under Close Monitoring		
		Loans Not Subject to restructuring	Restructured Loans	
			Amendments on Conditions of Contract	Refinancing
Cash Loans (*)	Standard Loans			
Non-Specialized Loans	37,056,520	568,855	2,772,547	-
Corporate Loans	-	-	-	-
Export Loans	9,257,797	74,298	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	2,439,578	-	-	-
Consumer Loans	722,250	5,341	278	-
Credit Cards	57,022	5,100	-	-
Other	24,579,873	484,116	2,772,269	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	37,056,520	568,855	2,772,547	-

(*) Standard and closely monitored leasing receivables amounting to TL 4,340,839 and TL 198,862 are not included.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

2. Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled and other receivables (Continued)

Current Period (*)

	Standard Loans	Loans Under Close Monitoring
12 Month Expected Credit Losses	218,793	-
Significant Increase in Credit Risk	-	316,326

(*) Expected loss provision amounting to TL 3,120 calculated for financial assets measured at amortized cost is not included.

Prior Period (*)

	Standard Loans	Loans Under Close Monitoring
12 Month Expected Credit Losses	195,047	-
Significant Increase in Credit Risk	-	319,785

(*) Expected loss provision amounting to TL 2,065 calculated for financial assets measured at amortized cost is not included.

3. Loans according to their maturity structure

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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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

4. Information on consumer loans, individual credit cards, personnel loans and personnel credit cards

	Short-term	Medium and Long-term	Total
Consumer Loans-TL	492,134	620,832	1,112,966
Real Estate Loans	-	50,454	50,454
Automotive Loans	-	601	601
Consumer Loans	492,134	569,777	1,061,911
Other	-	-	-
Consumer Loans-FC Indexed	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	17,131	-	17,131
With Installments	1,641	-	1,641
Without Installments	15,490	-	15,490
Individual Credit Cards- FC	168	-	168
With Installments	-	-	-
Without Installments	168	-	168
Personnel Loans-TL	12,744	14,768	27,512
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	12,744	14,768	27,512
Other	-	-	-
Personnel Loans-FC Indexed	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	762	-	762
With Installments	81	-	81
Without Installments	681	-	681
Personnel Credit Cards-FC	-	-	-
With Installments	-	-	-
Without Installments	-	-	-
Credit Deposit Account-TL (Individuals) (*)	12,809	-	12,809
Credit Deposit Account-FC (Individuals)	-	-	-
Total	535,748	635,600	1,171,348

(*) TL 142 of the credit deposit account consists of loans extended to personnel.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

5. Information on commercial installment loans and corporate credit cards

	Short-term	Medium and long-term	Total
Commercial Loans With Installments-TL	315,613	7,503,292	7,818,905
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	315,613	7,503,292	7,818,905
Other	-	-	-
Commercial Loans With Installment-FC Indexed	-	8,798	8,798
Real Estate Loans	-	8,798	8,798
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Loans With Installment-FC	-	4,265,266	4,265,266
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	4,265,266	4,265,266
Other	-	-	-
Corporate Credit Cards-TL	37,997	-	37,997
With Installment	109	-	109
Without Installment	37,888	-	37,888
Corporate Credit Cards-FC	587	-	587
With Installment	-	-	-
Without Installment	587	-	587
Overdraft Accounts – TL(Corporate)	94,615	-	94,615
Overdraft Accounts – FC (Corporate)	-	-	-
Total	448,812	11,777,356	12,226,168

6. Loans according to types of borrowers

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. Distribution of domestic and foreign loans

Related loans are classified according to the location of the customers.

	31 March 2025	31 December 2024
Domestic Loans	46,958,829	40,397,137
Foreign Loans	852	785
Total	46,959,681	40,397,922

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

8. Loans given to investments in associates and subsidiaries

As of 31 March 2025, there are no loans granted to associates and subsidiaries amount (31 December 2024: None).

9. Information on specific provisions provided against loans or provisions for default (Stage 3)

	31 March 2025	31 December 2024
Loans with Limited Collectability	48,206	50,500
Loans with Doubtful Collectability	67,036	57,188
Uncollectible Loans	185,934	188,425
Total	301,176	296,113

10. Information on non-performing loans (Net)

(i). Information on non-performing loans restructured or rescheduled

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
31 March 2025			
Gross Amounts Before Provisions	66,711	2,208	2,560
Restructured Loans	66,711	2,208	2,560
31 December 2024			
Gross Amounts Before Provisions	-	-	5,129
Restructured Loans	-	-	5,129

(ii). Information on the movement of total non-performing loans

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
31 December 2024	150,701	249,917	202,265
Addition (+)	216,356	821	6,829
Transfers from Other Categories of Non-performing Loans (+)	-	87,893	19,366
Transfers to Other Categories of Non-performing Loans (-)	(87,893)	(19,366)	-
Collections (-)	(143,239)	(12,623)	(5,899)
Write-offs (-)	(19)	(2)	(22)
Sold Portfolio (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
31 March 2025 (*)	135,906	306,640	222,539
Specific Provision (-)	48,206	67,036	185,934
Net Balance on Balance Sheet	87,700	239,604	36,605

(*) Financial lease receivables amounting to TL 133,611 are included.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

10. Information on non-performing loans (Net) (Continued)

(iii). Information on non-performing loans granted as foreign currency loans

The Group has no non-performing loans denominated in foreign currency loans as at the balance sheet date (31 December 2024: None).

(iv). Information on gross and net amounts of non-performing loans based on types of borrowers

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
31 March 2025 (Net)	87,700	239,604	36,605
Loans to Real Persons and Legal Entities (Gross)	135,906	306,640	222,539
Specific Provision Amount (-)	48,206	67,036	185,934
Loans to Real Persons and Legal Entities (Net)	87,700	239,604	36,605
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
31 December 2024 (Net)	100,201	192,729	13,840
Loans to Real Persons and Legal Entities (Gross)	150,701	249,917	202,265
Specific Provision Amount (-)	50,500	57,188	188,425
Loans to Real Persons and Legal Entities (Net)	100,201	192,729	13,840
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

(v). Information on interest accruals, discounts, valuation differences and their equivalents calculated for non-performing loans in accordance with TFRS 9:

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
Current Period (Net)	-	-	-
Interest accruals and valuation differences	-	-	79,196
Provision (-)	-	-	(79,196)
Prior Period(Net)	-	-	-
Interest accruals and valuation differences	-	-	71,022
Provision (-)	-	-	(71,022)

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

11. Explanation on liquidation policy for uncollectible loan and receivable

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 write-off policy

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".

h. Information on financial assets measured at amortised cost

1. Information on financial assets subject to repurchase agreements and those given as collateral/blocked

(i) Financial assets measured at amortised cost

As of 31 March 2025 there are financial assets measured at amortised cost given as collateral amounting to TL 11,245,309 (31 December 2024: TL 10,908,174).

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Given as collateral/blocked	25,121	-	231,286	-
Subject to repurchase agreements	1,455,626	8,087,088	-	8,355,365
Other	1,661,350	16,124	2,274,742	46,781
Total	3,142,097	8,103,212	2,506,028	8,402,146

2. Information on debt securities measured at amortised cost

	31 March 2025	31 December 2024
Government Bonds	8,103,212	8,402,146
Treasury Bills	1,815,624	1,742,450
Other Government Debt Securities	-	-
Total	9,918,836	10,144,596

3. Information on financial assets measured at amortised cost

	31 March 2025	31 December 2024
Debt Securities	11,245,309	10,908,174
Quoted to Stock Exchange	11,245,309	10,908,174
Not Quoted to Stock Exchange	-	-
Impairment Provision (-)	-	-
Total	11,245,309	10,908,174

4. Movement of financial assets measured at amortised cost

	31 March 2025	31 December 2024
Balance at the Beginning of the Period	10,908,174	9,601,665
Foreign Currency Differences on Monetary Assets	726,117	1,700,744
Purchases	558,740	756,278
Disposals Through Sales and Redemptions(*)	(947,722)	(1,150,513)
Impairment Provision (-)	-	-
Balance at the End of the Period	11,245,309	10,908,174

(*) Includes nondecisive financial asset sales.

i. Information on investments in associates (Net)

Group has no associates as of 31 March 2025 (31 December 2024: None).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

j. Information on subsidiaries (Net)

1. Information on shareholders' equity of the significant subsidiaries

There is no deficit of regulatory limits on capital structure of the subsidiaries which are included in the consolidated capital adequacy ratio calculation in accordance with the capital adequacy ratio limits.

2. Information on unconsolidated subsidiaries

There is no unconsolidated subsidiary (31 December 2024: None).

3. Information on consolidated subsidiaries

No	Title	Address (City/ Country)	Bank's share percentage, if different voting percentage (%)	Bank's Risk Group Share (%)
1	Alternatif Menkul Değerler A.Ş.	İstanbul/Türkiye	100.00	100.00
2	Alternatif Finansal Kiralama A.Ş.	İstanbul/Türkiye	99.99	99.99

Main financial figures of the consolidated subsidiaries in the order of the above table

No	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit / Loss	Prior Period Profit / Loss (**)	Fair Value
1 (*)	761,241	146,601	13,819	13,244	(688)	(5,407)	(90)	-
2 (*)	6,189,359	620,601	191,730	250,586	-	38,591	8,687	-

(*) The above mentioned subsidiaries' financial data are taken from the financial statements prepared for the BRSA consolidation as of 31 March 2025.

(**) These balances represents data of 31 March 2024.

Information about equity component of the consolidated subsidiaries:

	Alternatif Finansal Kiralama A.Ş.	Alternatif Menkul Değerler A.Ş.
TIER I Capital	520,200	148,025
Paid-in Capital	200,000	132,000
Capital Reserves	270,999	26,438
Current and Prior Period Net Profit	51,805	(5,407)
Current and Prior Period Net Loss	-	(1,593)
Intangible Assets (-)	2,604	3,413
TIER II Capital	-	-
Deduction from Capital	-	-
Net Usable Capital	520,200	148,025

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

j. Information on subsidiaries (Net) (Continued)

4. The movement of the subsidiaries

	31 March 2025	31 December 2024
Balance at the beginning of the period	350,580	340,580
Movements during the period	55,000	10,000
Purchases (*)	55,000	10,000
Transfers	-	-
Bonus Shares Obtained	-	-
Share in Current Year Income	-	-
Sales	-	-
Revaluation (Decrease) / Increase	-	-
Provision for Impairment	-	-
Balance at the End of the Period	405,580	350,580
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) The paid capital of Alternatif Menkul Değerler A.Ş was increased by TL 55,000 in cash with extraordinary General Assembly decision dated 5 March 2025.

5. Sectoral information on financial subsidiaries and the related carrying amounts

Subsidiaries	31 March 2025	31 December 2024
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	292,165	292,165
Finance Companies	-	-
Other Financial Subsidiaries	113,415	58,415

6. Quoted subsidiaries

There are no subsidiaries listed on the stock exchange (31 December 2024: None).

k. Information on joint ventures

There are no joint ventures (31 December 2024: None).

l. Information on finance lease receivables (Net)

Finance lease receivable of the Group is amounting to TL 5,344,682 (31 December 2024: TL 4,683,903).

m. Information on hedging derivative financial assets

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Fair Value Hedge	-	-	-	-
Cash Flow Hedge	52,884	-	6,764	-
Net Investment Hedge in a foreign operation	-	-	-	-
Total	52,884	-	6,764	-

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

n. 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".

o. 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".

p. Information on investment property

There is no investment property as of 31 March 2025 (31 December 2024: None).

q. Explanations about deferred tax asset

As of 31 March 2025, the Group has deferred tax asset amounting to TL 1,061,944 (31 December 2024: TL 823,216 deferred tax asset) in the financial statements.

As of 31 March 2025 and 31 December 2024, the details of temporary differences and deferred tax assets and liabilities are presented below:

	31 March 2025		31 December 2024	
	Tax Base	Deferred Tax Amount	Tax Base	Deferred Tax Amount
Deferred Tax Asset				
Tangible Assets Base Differences	1,737,807	521,342	1,462,017	438,605
Provisions	741,963	222,589	785,683	235,705
Valuation of Financial Assets	919,320	275,796	398,210	119,463
Commission Deferral	158,470	47,541	117,513	35,254
Financial Losses	-	-	-	-
Other	(17,747)	(5,324)	(19,370)	(5,811)
Net Deferred Tax Assets		1,061,944		823,216

	1 January -31 March 2025	1 January -31 March 2024
1 January Net Deferred Tax Asset/(Liability)	823,216	461,718
Deferred Tax (Expense)/Income	223,585	47,470
Deferred tax recognized in other comprehensive income	15,143	(62,323)
Net Deferred Tax Asset/(Liability)	1,061,944	446,865

r. Movement of assets held for resale and discontinued operations

	31 March 2025	31 December 2024
Beginning of the period	1,041,271	525,885
Disposals (-)	(31,445)	(58,314)
Additions	-	573,700
Current period depreciation (-)	-	-
Impairment provision addition/ return (-)	-	-
End of the period	1,009,826	1,041,271

s. Information on other 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".

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities

a. Information on deposits

1. Information on maturity structure of deposits/the funds collected

(i) 31 March 2025:

	Demand	With 7 days notifications	Up to 1 month	1-3 months	3-6 months	6 months -1 year	1 year and over	Accumulated Deposits	Total
Saving Deposits	1,255,933	-	9,575,064	5,926,507	1,077,156	88,794	128,400	-	18,051,854
Foreign Currency Deposits	4,159,786	-	2,269,066	4,620,455	67,411	25,233	754	-	11,142,705
Residents in Turkey	3,972,272	-	2,267,045	4,255,345	59,991	9,370	754	-	10,564,777
Residents Abroad	187,514	-	2,021	365,110	7,420	15,863	-	-	577,928
Public Sector Deposits	36,928	-	-	-	-	-	-	-	36,928
Commercial Deposits	324,553	-	1,793,110	5,846,117	1,522,854	1,084	26,179	-	9,513,897
Other Institutions Deposits	3,547	-	5,117	40,296	115	-	-	-	49,075
Precious Metal Deposits	305,096	-	256,410	525,914	82,214	9,916	-	-	1,179,550
Bank Deposits	68,650	-	164,689	73,027	-	-	-	-	306,366
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	93	-	-	-	-	-	-	-	93
Foreign Banks	68,557	-	164,689	73,027	-	-	-	-	306,273
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	6,154,493	-	14,063,456	17,032,316	2,749,750	125,027	155,333	-	40,280,375

(ii) 31 December 2024:

	Demand	With 7 days notifications	Up to 1 month	1-3 months	3-6 months	6 months -1 year	1 year and over	Accumulated Deposits	Total
Saving Deposits	1,193,091	-	9,235,825	5,153,639	1,069,043	115,555	127,007	-	16,894,160
Foreign Currency Deposits	3,491,618	-	2,575,489	7,429,099	117,857	24,978	703	-	13,639,744
Residents in Turkey	3,382,281	-	2,538,284	7,086,156	95,909	10,303	703	-	13,113,636
Residents Abroad	109,337	-	37,205	342,943	21,948	14,675	-	-	526,108
Public Sector Deposits	250,234	-	-	-	-	-	-	-	250,234
Commercial Deposits	372,909	-	1,335,252	2,767,696	381,754	14,406	23,928	-	4,895,945
Other Institutions Deposits	5,577	-	3,514	40,896	105	-	-	-	50,092
Precious Metal Deposits	226,493	-	197,103	470,872	69,932	5,222	-	-	969,622
Bank Deposits	124,733	-	721,842	-	-	-	-	-	846,575
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	115	-	176,226	-	-	-	-	-	176,341
Foreign Banks	124,618	-	545,616	-	-	-	-	-	670,234
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	5,664,655	-	14,069,025	15,862,202	1,638,691	160,161	151,638	-	37,546,372

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

a. Information on deposits (Continued)

2. Information on saving deposits insurance

- (i). Information on saving deposits under the guarantee of the saving deposits insurance fund and exceeding the limit of deposit insurance fund

	Under the Guarantee of Deposit Insurance		Exceeding Limit of the Deposit Insurance	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Saving Deposits				
Saving Deposits	7,337,431	6,965,410	10,698,646	9,913,214
Foreign Currency Savings Deposit	1,096,454	1,107,839	4,504,080	4,199,594
Other Deposits in the Form of Savings Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits Under Foreign Authorities' Insurance	-	-	-	-

3. The explanation of if the centrally located bank's savings deposits held at its branch in Turkey and the special current accounts of individuals that are not subject to commercial transactions are covered by insurance in the country where the headquarters is located, this should be disclosed

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

4. Saving deposits which are not under the guarantee of saving deposit insurance fund

	31 March 2025	31 December 2024
Deposits and Other Accounts in Foreign Branches	-	-
Deposits and Other Accounts of Main Shareholders and their Families	-	-
Deposits and Other Accounts of President of Board of Directors, Members of Board of Directors, Vice General Managers and Their Families	152,924	117,800
Deposits and Other Accounts of Property Assets Value due to Crime which is in the Scope of Article 282 of Numbered 5237 "TCL" Dated 26/9/2004	-	-
Deposits in Banks Incorporated in Turkey Exclusively for Off-shore Banking Operations	-	-

b. Table of negative differences for trading derivative financial liabilities

1. Information on derivative financial liabilities

	31 March 2025 (*)		31 December 2024 (*)	
	TL	FC	TL	FC
Forward Transactions	402	31,627	13	33,852
Swap Transactions	250	367,707	-	399,964
Futures Transactions	-	-	-	-
Options	214,113	298,626	87,659	64,524
Total	214,765	697,960	87,672	498,340

(*) Derivative financial liabilities for hedging purpose are excluded.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

c. Information on banks and other financial institutions

1. General information on banks and other financial institutions

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
The CBRT Borrowings	-	138,053	-	126,393
From Domestic Banks and Institutions	591,753	2,496,437	784,162	2,543,767
From Foreign Banks, Institutions and Funds	-	22,903,269	7,174	14,702,442
Total	591,753	25,537,759	791,336	17,372,602

2. Information on maturity profile of borrowings

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Short-term	471,313	6,098,797	517,948	4,381,358
Medium and Long-term	120,440	19,438,962	273,388	12,991,244
Total	591,753	25,537,759	791,336	17,372,602

3. Disclosures for concentration areas of bank's liabilities

As of 31 March 2025, the Group has securities issued amounting to TL 762,182 (31 December 2024: TL 303,946).

d. Information on other foreign liabilities

Other foreign liabilities amounting to TL 960,545 are included in "Other Liabilities" (31 December 2024: TL 713,294) and do not exceed 10% of the total balance sheet.

e. Information on financial lease agreements

i) Explanations on liabilities arising from financial leasing transactions:

	31 March 2025		31 December 2024	
	Gross	Net	Gross	Net
Less than 1 year	20,479	10,363	4,046	1,447
1-4 year	37,340	23,713	17,925	6,410
More than 4 year	9,506	6,823	2,577	921
Total	67,325	40,899	24,548	8,778

f. Information on hedging derivative financial liabilities

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Fair Value Hedges	-	-	-	-
Cash Flow Hedges (*)	5,352	-	1,751	-
Foreign Currency Investment Hedges	-	-	-	-
Total	5,352	-	1,751	-

(*) Explained in Section Four Footnote Number XI.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

g. Information on provisions

1. Provisions for employee benefits

In accordance with Turkish Labor Law, the reserve for employment termination benefits is calculated as the present value of the probable future obligation in case of the retirement of employees. TAS 19 necessitates actuarial validation methods to calculate the liabilities of enterprises.

As of 31 March 2025, in accordance with the revised TAS 19 Standard, actuarial loss has recognized under the equity, amount of after deferred tax TL 1,430 (31 March 2024: TL 7,927 loss).

The following actuarial assumptions were used in the calculation of total liabilities.

	31 March 2025	31 December 2024
Discount Rate (%)	2.81	2.81
Possible Retirement Rate (%)	86.67	86.67

The principal actuarial assumption is that the maximum liability will increase in line with inflation.

As of 31 March 2025, The Group has provision for employee termination benefits amount of TL 32,143 (31 December 2024: TL 33,455), provision of unused vacation amount of TL 14,564 (31 December 2024: TL 16,700).

2. Information on Provisions Related with the Foreign Currency Difference of Foreign Currency Indexed Loans

As of 31 March 2025, there is no provision related to the foreign currency difference of foreign currency indexed loans (31 December 2024: None). When the provision related to the foreign currency difference of foreign currency indexed loans occurs, these amounts are netted with loans in the financial statements.

3. Other Provisions

	31 March 2025	31 December 2024
Provisions for Unindemnified Non-cash Loan	105,010	109,682
Bonus Provision	57,384	17,643
Provision for Litigation and Claims	55,834	79,466
Other	20,456	503
Total	238,684	207,294

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

h. Explanations on Tax Liabilities

1. Information on current tax liability

As of 31 March 2025, there is no corporate tax liability (31 December 2024: None).

(i) Information on taxes payable

	31 March 2025	31 December 2024
Corporate Tax Payable	-	-
Tax on Securities Income	153,935	102,244
Banking Insurance Transaction Tax (BITT)	53,936	58,744
Tax on Real Estate	1,078	736
Value Added Tax Payable	349	5,944
Other	30,097	22,155
Total	239,395	189,823

(ii) Information on premium payables

	31 March 2025	31 December 2024
Social Security Premiums - Employee	16,547	6,839
Social Security Premiums - Employer	20,361	8,271
Bank Pension Fund Premiums - Employee	-	-
Bank Pension Fund Premiums - Employer	-	-
Pension Fund Deposit and Provisions - Employee	-	-
Pension Fund Deposit and Provisions - Employer	-	-
Unemployment Insurance - Employee	1,230	500
Unemployment Insurance - Employer	3,391	1,294
Other	9,354	4,200
Total	50,883	21,104

2. Deferred tax liability

As of 31 March 2025, there is a deferred tax liability amounting to TL 29,988 arising from the financial leasing company within the scope of consolidation (31 December 2024: None).

i. Liabilities for assets held for sale and assets of 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".

j. Subordinated debts

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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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

k. Information on shareholders' equity

1. Presentation of paid-in capital (As of nominal; non-adjusted amounts according to inflation)

	31 March 2025	31 December 2024
Common Stock (*)	2,213,740	2,213,740
Preferred Stock	-	-

(*) It refers to the nominal capital.

2. Paid-in capital amount, explanation as to whether the registered share capital system is applied and if so, amount of registered share capital ceiling (As of nominal; non-adjusted amounts according to inflation):

The Parent Bank applies registered share capital system. The Parent Bank's registered capital is TL 8,000,000,000 (Eight billion Turkish Liras) and all are divided into 8.000.000.000 shares in the name of the holder with a nominal value of TL 1,00 (one Turkish Lira).

3. Information about the share capital increases and their sources in the current period: None.

4. Information on additions from revaluation reserves to capital in the current period: None.

5. Information on capital increases from capital reserves during the current period: None.

6. Information on prior period's indicators on the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Group's equity due to uncertainties of these indicators

The interest, liquidity, and foreign exchange risk on on-balance sheet and off-balance sheet assets and liabilities are managed by the Parent Bank within several risk limits and legal limits.

7. Information on privileges given to shares representing the capital: None.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

k. Information on shareholders' equity (Continued)

8. Information on marketable securities valuation reserve

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	2,722	-	2,722	-
Valuation Difference	(468,486)	(121,554)	(525,927)	(102,113)
Foreign Currency Difference	-	-	-	-
Total	(465,764)	(121,554)	(523,205)	(102,113)

9. Information on other capital reserves

None.

l. Information on minority interests

	31 March 2025	31 December 2024
Balance at the Beginning of the Period	32	23
Current Year Income	4	9
Dividends Paid	-	-
Purchase from Minority Interests	-	-
Other	-	-
Balance at the End of the Period	36	32

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. Explanations and Notes on Off-Balance Sheet Accounts

a. Information on off balance sheet commitments

1. The amount and type of irrevocable commitments

According to Direct Debiting System, there is TL 752,398 irrevocable loan commitments as of 31 March 2025 (31 December 2024: TL 803,626).

2. Type and amount of probable losses and obligations arising from off-balance sheet items

There are no probable losses and obligations arising from off-balance sheet items. Obligations arising from off-balance sheet are disclosed in "Off-Balance Sheet Commitments".

(i). Non-cash loans including guarantees, the Parent Bank avalized and acceptance loans, collaterals that are accepted as financial guarantees and other letters of credit

	31 March 2025	31 December 2024
Letter of Credits	7,578,669	7,242,293
Bank Acceptance Loans	1,357,126	624,838
Guarantees and Collaterals	1,522,040	1,073,382
Total	10,457,835	8,940,513

(ii). Guarantees, sureties and other similar guarantees

	31 March 2025	31 December 2024
Definite Letter of Guarantees	23,292,849	82,748
Advance Letter of Guarantees	633,637	22,594,539
Temporary Letter of Guarantee	29,061	908,946
Letter of Guarantees Given to Customs	418,118	400,808
Total	24,373,665	23,987,041

3. Non-cash loans

(i). Total amount of non-cash loans

	31 March 2025	31 December 2024
Non-Cash Loans against Cash Risks	14,668,376	13,963,234
With Original Maturity of 1 Year or Less	14,668,376	5,262,076
With Original Maturity of More Than 1 Year	-	8,701,158
Other Non-Cash Loans	25,051,074	24,807,420
Total	39,719,450	38,770,654

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. Explanations and Notes on Off-Balance Sheet Accounts (Continued)

a. Information on off balance sheet commitments(Continued)

3. Non-cash loans (Continued)

(ii). Other information on non-cash loans

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

(iii). Non-cash loans classified under Group I and II:

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

b. Information on derivative financial instruments

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

c. Explanations on credit derivatives and risk exposures on credit derivatives

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

d. Explanations on contingent liabilities and assets

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

e. Explanations on services rendered on behalf of third parties

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement

a. Information on interest income

1. Information on interest income on loans

	31 March 2025		31 March 2024	
	TL	FC	TL	FC
Short-term Loans	1,621,447	388,881	1,449,356	255,411
Medium/Long-term Loans	838,230	92,938	411,493	40,521
Interest on Loans Under Follow-up	16,723	-	20,762	-
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total (*)	2,476,400	481,819	1,881,611	295,932

(*) Includes fee and commission income related with cash loans.

2. Information on interest income on banks

	31 March 2025		31 March 2024	
	TL	FC	TL	FC
From the CBRT (*)	552,683	2	2,103	12,250
From Domestic Banks	19,827	12,502	11,486	9,843
From Foreign Banks	3,765	23,896	2,330	27,031
Headquarters and Branches Abroad	-	-	-	-
Total	576,275	36,400	15,919	49,124

(*) Interest incomes from Turkish Lira and Foreign Currency reserves, unrestricted accounts and reserve options which provided by CBRT has shown in "From the CBRT" line.

3. Information on interest income on marketable securities

	31 March 2025		31 March 2024	
	TL	FC	TL	FC
From Financial Assets At Fair Value Through Other Comprehensive Income	237,532	59,755	398,351	54,123
From Financial Assets Measured at Amortised Cost at Fair Value Through Profit or Loss	201,526	107,931	113,264	111,789
From Financial Assets at Fair Value Through Profit or Loss	1,932	153	8,472	595
Total	440,990	167,839	520,087	166,507

4. Information on interest income received from investments in associates and subsidiaries:

None (31 March 2024: None).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

b. Information on interest expense

1. Information on interest expense on borrowings

	31 March 2025		31 March 2024	
	TL	FC	TL	FC
Banks	54,856	389,042	31,016	468,141
CBRT	-	-	-	-
Domestic Banks	54,224	93	30,491	1,434
Foreign Banks	632	388,949	525	466,707
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	164,482	-	280,815
Total (*)	54,856	553,524	31,016	748,956

(*) Includes fee and commission expense related with cash loans.

2. Information on interest expense given to investments in associates and subsidiaries

None (31 March 2024: None).

3. Information on interest expense to marketable securities issued

	31 March 2025	31 March 2024
Interest Expense to Marketable Securities Issued	52,009	40,479

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

b. Information on interest expense (Continued)

4. Information on interest rate and maturity structure of deposits

31 March 2025	Demand Deposit	Time Deposit						Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year	Accumulated Deposit	
Turkish Lira								
Bank Deposits	-	27,096	-	-	-	-	-	27,096
Savings Deposits	-	1,020,649	609,074	133,412	10,017	11,907	-	1,785,059
Public Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	242,363	401,028	94,853	167	2,582	-	740,993
Other Deposits	-	2,038	4,941	10	-	2	-	6,991
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Total	-	1,292,146	1,015,043	228,275	10,184	14,491	-	2,560,139
Foreign Currency								
Foreign Currency Account	-	20,776	52,451	416	208	2	-	73,853
Bank Deposits	-	767	-	-	-	-	-	767
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	112	809	198	14	-	-	1,133
Total	-	21,655	53,260	614	222	2	-	75,753
Grand Total	-	1,313,801	1,068,303	228,889	10,406	14,493	-	2,635,892

31 March 2024	Demand Deposit	Time Deposit						Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year	Accumulated Deposit	
Turkish Lira								
Bank Deposits	-	32,567	-	-	-	-	-	32,567
Savings Deposits	-	594,507	223,120	143,157	26,419	1,127	-	988,330
Public Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	91,230	146,163	43,880	-	10,508	-	291,781
Other Deposits	-	794	1,213	3	-	2	-	2,012
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Total	-	719,098	370,496	187,040	26,419	11,637	-	1,314,690
Foreign Currency								
Foreign Currency Account	-	5,953	22,534	322	85	646	-	29,540
Bank Deposits	-	514	-	-	-	-	-	514
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	70	521	84	16	66	-	757
Total	-	6,537	23,055	406	101	712	-	30,811
Grand Total	-	725,635	393,551	187,446	26,520	12,349	-	1,345,501

5. Given interest amount on repurchase agreement

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”.

6. Informations on leasing expense

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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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

b. Information on interest expense (Continued)

7. Information on given interest for factoring transaction

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

c. Information on dividend income

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

d. Information on trading income/loss (Net)

	31 March 2025	31 March 2024
Income	81,353,975	53,981,058
Income from Capital Market Transactions	8,478	1,845
Derivative Financial Transactions	1,139,187	973,729
Foreign Exchange Gains	80,206,310	53,005,484
Loss (-)	81,329,699	53,921,481
Loss from Capital Market Transactions	3,972	288
Derivative Financial Transactions	834,295	312,642
Foreign Exchange Loss	80,491,432	53,608,551
Net Income/(Loss)	24,276	59,577

e. Explanations about other operating income

For the period ended 31 March 2025, other operating income includes income from assets to be disposed, adjustment to previous years's expenses and income from other operations. The amount of the banks other operating income in the current period is TL 246,679 (31 March 2024: TL 602,442).

f. Expected provision losses and other provision losses

	31 March 2025	31 March 2024
Expected Credit Loss	137,493	324,094
12 month expected credit loss (stage 1)	54,495	105,396
Significant increase in credit risk (stage 2)	38,988	205,907
Non-performing loans (stage 3)	44,010	12,791
Marketable Securities Impairment Expense	1,176	1,189
Financial Assets at Fair Value Through Profit or Loss	1,176	1,189
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Investments in Associates, Subsidiaries and Joint Ventures Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other	2,386	20,036
Total	141,055	345,319

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

g. Information related to personnel expenses and other operating expenses

	31 March 2025	31 March 2024
Personnel Expenses	422,211	286,720
Reserve For Employee Termination Benefits	1,974	1,257
Unused Vacation	462	6,428
Bank Welfare Fund Provision For Asset Deficits	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	46,598	15,273
Impairment Expenses of Intangible Assets	-	-
Impairment Expense of Goodwill	-	-
Amortisation Expenses of Intangible Assets	50,333	25,604
Impairment Expenses of Equity Participations Accounted for under Equity Method	-	-
Impairment Expenses of Assets Held For Sale	-	-
Depreciation Expenses of Assets Held for Sale	-	-
Impairment Expenses of Tangible Assets Held for Sale	-	-
Other Operating Expenses	204,653	147,211
Operational Lease Expenses	1,502	1,390
Maintenance Expenses	3,067	2,518
Advertising Expenses	4,253	4,900
Other Expenses	195,831	138,403
Loss on Sales of Assets	6,289	156
Other (*)	76,158	39,614
Total	808,678	522,263

(*) Other operating charges is TL 14,025 except premium of The Savings Deposit Insurance Fund and tax amounting to TL 62,133 (31 March 2024: Other operating charges is TL 30,321 except premium of SDIF and tax amounting to TL 9,293).

h. Explanations on profit and loss from continuing operations before tax

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

i. Provision for taxes on income from continuing operations

For the period ended 31 March 2025, the Group has TL 229,920 tax expense (31 March 2024: TL 41,161), and deferred tax income amounting to TL 223,585 (31 March 2024: TL 47,470 deferred tax expense).

j. Net operating profit/loss after taxes including net profit/loss from discontinued operations

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

k. Information on net income/loss for the period

- 1) Interest income from ordinary banking transactions is TL 4,496,248 (31 March 2024: TL 3,173,988), interest expense is TL 3,845,564 (31 March 2024: TL 2,500,251).
 - 2) Information on any change in the accounting estimates has no profit/loss effect on current period or consequent periods.
- l. If the other items in the income statement exceed 10% of the income statement total, accounts amounting to at least 20% of these items are shown below:**

Fees and Commissions Received - Other	31 March 2025	31 March 2024
Credit Card Pos Commissions	2,050	2,319
Banking Service Income	-	-
Insurance Commissions	37,377	27,262
Credit Early Termination Compensation	7,981	98
Account Management Fee Commission	13,496	564
Transfer Commissions	117	143
Brokerage Commissions	9,130	6,567
Expertise Commissions	1,249	846
Export Letters of Credit Commissions	49,788	1,838
Other	40,772	11,098
Total	161,960	50,735
Fees and Commissions Paid - Other	31 March 2025	31 March 2024
Clearing Commissions	225	8,407
Debit Card Fees and Commissions	13,025	17
Commissions Granted to Correspondent Banks	1,028	1,865
Fees and Commissions on Foreign Currency Transactions	17	1,410
Transfer Commissions	894	739
Commissions for Effective and Future	382	1,108
CBRT Interbank Money Market	307	403
Other	16,539	27,523
Total	32,417	41,472

	31 March 2025	31 March 2024
Minority Shares (-)	4	2

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

V. Explanations and Notes on 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 on 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".

VII. Explanations and Notes on the Parent Bank's Risk Group

a. The volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit and loss of the period

31 March 2025

	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Parent Bank		Other real and legal persons that have been included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-cash
Group's Risk Group (*) (**)						
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	-	4,254	650	1,357
Balance at the End of the Period	-	-	-	4,668	510	142
Interest and Commission Income Received	-	-	-	104	-	13

(*) Defined in the 49th article of paragraph 2 of the Parent Banking Act No. 5411.

(**) The information in table above includes banks as well as loans and receivables.

31 December 2024

	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Parent Bank		Other real and legal persons that have been included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-cash
Group's Risk Group (*) (**)						
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	-	3,742	771	1,607
Balance at the End of the Period	-	-	-	4,254	650	1,357
Interest and Commission Income Received (***)	-	-	-	123	1,343	1,351

(*) Defined in the 49th article of paragraph 2 of the Parent Banking Act No. 5411.

(**) The information in table above includes banks as well as loans and receivables.

(***) 31 March 2024 balances used for income accounts.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VII. Explanations and Notes on the Parent Bank's Risk Group (Continued)

a. The volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit and loss of the period (Continued)

Information on deposits of the Group's risk group

Bank's Risk Group (*)	Associates , subsidiaries and joint ventures		Direct and indirect shareholders of the Parent Bank		Other real and legal persons that have been included in the risk group	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Deposit						
Beginning of the Period (**)	-	-	-	-	143,589	90,557
End of the Period (**)	-	-	-	-	165,262	143,589
Interest Expense on Deposits (***)	-	-	-	-	-	-

(*) Defined in the 49th article of paragraph 2 of the Parent Banking Act No. 5411.

(**) The information in table above includes banks as well as loans and receivables.

(***) 31 March 2024 balances used for expense accounts.

Information on forward and option agreements and other derivative instruments with the Parent Bank's risk group

Bank's Risk Group (*)	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Parent Bank		Other real and legal persons that have been included in the risk group	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Transactions for Trading Purposes						
Beginning of the Period (**)	-	-	-	-	-	-
End of the Period (**)	-	-	-	-	-	-
Total Profit/Loss (***)	-	-	-	4,491	-	-
Transactions for Hedging Purposes						
Beginning of the Period (**)	-	-	-	-	-	-
End of the Period (**)	-	-	-	-	-	-
Total Profit/Loss (***)	-	-	-	-	-	-

(*) Defined in the 49th article of paragraph 2 of the Parent Banking Act No. 5411.

(**) The balances at the beginning and end of the periods are disclosed as the total of purchase and sell amounts of derivative financial instruments.

(***) Represents 31 March 2024 balances.

b. With respect to the Parent Bank's risk group

- The relations with entities that are included in the Group's risk group and controlled by the Parent Bank irrespective of the relationship between the parties:

The Parent Bank performs various transactions with group companies during its banking activities. These are commercial transactions realised with market prices.

- The type of transaction, the amount and its ratio to total transaction volume, the amount of significant items and their ratios to total items, pricing policy and other issues

	Total Risk Group	Share in Financial Statements (%)
Deposit	165,262	0.41%
Non-cash Loans	4,810	0.01%
Loans	510	-
Subordinated Loans	-	-

These transactions are priced according to the Parent Bank's pricing policy and they are in line with the market prices.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VII. Explanations and Notes on the Parent Bank's Risk Group (Continued)

b. With respect to the Parent Bank's risk group (Continued)

3. Equity accounted transactions:

None.

4. Information on transactions such as purchase-sale of immovable and other assets, purchase-sale of service, agent agreements, financial lease agreements, transfer of the information gained as a result of research and development, license agreements, financing (including loans and cash or in kind capital), guarantees, collaterals and management contracts:

As of 31 March 2025, there is no financial leasing agreement between the Parent Bank and Alternatif Finansal Kiralama A.Ş. The Parent Bank also has cost sharing agreements with Alternatif Finansal Kiralama A.Ş. and Alternatif Menkul Değerler A.Ş.

The Parent Bank allocate cash and non-cash loans to risk group of the Parent Bank in limit of Bank Law and that amount is 0.01% of total cash and non-cash loan amount (31 December 2024: 0.01%).

5. Information on Other Liabilities

None (31 December 2024: Nones).

c. Information regarding benefits provided to the Group's key management

Benefits provided to the Group's key management amount to TL 36,330 as of 31 March 2025 (31 March 2024: TL 36,862).

VIII. Explanations on the domestic, foreign and off-shore branches or affiliates and foreign representative offices of the Parent Bank

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

IX. Explanations and Notes on Subsequent Events

None.

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SECTION SIX

OTHER EXPLANATIONS AND NOTES

I. Other Explanations Related To The Parent Bank's Operations

Summaries about the Parent Bank's rates from international credit rating agencies

Fitch Ratings: September 2024	
Foreign Currency	
Long Term	BB-
Short Term	B
Local Currency	
Long Term	BB-
Short Term	B
National Note	AA(tur)
Shareholder Support Note	bb-
Financial Capacity Note	b
Outlook	Stable

Moody's: July 2024	
Foreign Currency	
Long Term	Ba3
Short Term	NP
Local Currency	
Long Term	Ba2
Short Term	NP
National Long Term	Aaa.tr
National Short Term	TR-1
Outlook	Positive

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SECTION SEVEN

EXPLANATIONS ON AUDITORS’ LIMITED REVIEW REPORT

I. Explanations on Independent Auditors’ Report

Group’s consolidated financial statements and footnotes to be disclosed to public as of 31 March 2025 have been reviewed by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the independent auditor’s review report dated 30 April 2025 has been presented at the beginning of this report.

II. Explanations and Footnotes Prepared by Independent Auditor

None.

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SECTION EIGHT

INTERIM ACTIVITY REPORT

I. Interim Activity Report Consisting Bank Chairman and CEO's Evaluation in Reference to Interim Activities
Abstract Financial Information about the Term Activity Results

The consolidated financial statements with explanations related to these and financial data compatible to footnotes that prepared according to Financial Tables that will be Announced to Public by Banks with Explanations Related to these and Footnotes Communique which has been regulated by Council of Bank Audit and Regulation regarding to the Parent Bank's 1 January – 31 March 2025 activity period is below.

	31 March 2025	31 December 2024	31 March 2024
Loans(net)	51,996,425	44,727,497	34,579,600
Securities	19,238,562	18,780,867	17,001,816
Total Assets	40,280,375	37,546,372	24,885,192
Deposits	100,877,820	87,744,798	71,404,062
Equity	7,555,306	7,270,727	6,774,297
Profit / (Loss) Before Taxes	180,263	353,135	546,375
Profit / (Loss)	173,928	495,870	552,684

Message from the Chairman

Dear Stakeholders,

We have left behind the first quarter of 2025, a period marked by heightened uncertainties in the global economy and increasing geopolitical risks. The new customs tariffs implemented in the United States and the pressures on the Federal Reserve's monetary policy have led to heightened volatility in global markets. These developments have contributed to a weakening of the US dollar and a growing preference for safe-haven assets, which in turn has played a role in gold prices reaching historic levels. Meanwhile, the rise in energy and commodity prices has continued to influence pricing behaviours on a global scale.

The International Monetary Fund (IMF) had announced its global growth forecast for 2025 at 3.3%. However, the rising trend of protectionism in trade policies has raised questions regarding the sustainability of this growth. During this period, we anticipate that the growth momentum in developed economies will remain limited, while emerging markets are expected to demonstrate a stronger performance.

When looking at the Turkey economy, we observe that in the first quarter of 2025, significant steps have been taken in the fight against high prices, driven by tight monetary policies and structural reforms. The Central Bank of the Republic of Turkey's commitment to maintaining a tight stance, along with the discipline demonstrated in public finance, has provided a solid foundation for medium-term economic balances. As a result of these policies, we expect a gradual slowdown in the rate of price increases and anticipate that market expectations will align accordingly.

Turkey's determination to improve its investment climate was also among the noteworthy developments in the first quarter. Expectations for an increase in international direct investments are particularly focused on the areas of digitalisation and green transformation. In this context, we are honoured to see that Alternatif Bank continues its steady growth with its strong capital structure, effective risk management, and customer-oriented goal. With the long-term support of Commercial Bank, Alternatif Bank continues to progress steadily towards these goals. The Bank's performance in the first quarter of 2025 is a concrete reflection of this strategic approach.

Alternatif Bank has made remarkable progress in recent years through the successful implementation of its transformation programme. The Bank's strategy focused on digitalisation, sustainability, and customer experience has been clearly reflected in the financial results of the first quarter of 2025, once again demonstrating its steady progress towards its corporate objectives. We are confident that Alternatif Bank will continue to create value for all its stakeholders in the upcoming period and further strengthen its structure that contributes to the national economy. On this occasion, I would like to congratulate the Bank's senior management and employees who have contributed to this success, and express my gratitude for their dedicated efforts.

Yours faithfully,

Omar Hussain Alfardan
Chairman of the Board

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INTERIM ACTIVITY REPORT (Continued)

I. Interim Activity Report Consisting Bank Chairman and CEO's Evaluation in Reference to Interim Activities (Continued)

Message from the CEO

Dear Stakeholders,

In the first quarter of 2025, the global economy followed a volatile course, shaped by geopolitical tensions and regional risks. The additional tariffs introduced by the US administration, particularly targeting China and certain other countries, have heightened concerns over protectionism in global trade and triggered new disruptions across supply chains. Inflationary pressures remained more persistent than anticipated, especially in advanced economies. This resilience led central banks such as the Federal Reserve and the European Central Bank to maintain their tight monetary policy stance. Elevated interest rates, in turn, continued to exert pressure on financial markets.

Despite the challenging global environment, the Turkish economy demonstrated notable resilience and maintained a balanced performance in the first quarter of 2025. Economic stability was preserved thanks to strong domestic demand, diversification in export markets, and the implementation of tight monetary policy. The decisive actions of the Central Bank of the Republic of Turkey (CBRT), coupled with fiscal discipline policy, contributed significantly to strengthening macroeconomic stability. Following a growth rate of approximately 3.2% in 2024, we are progressing through 2025 with a more balanced and selective growth outlook. The transition process towards Turkey's export- and investment-based growth model has started to become visible in the first quarter data. The increase in the contribution of net external demand to growth and the balancing in credit growth stand out as concrete outcomes of this transformation. The Central Bank of the Republic of Turkey (CBRT), which kept the policy rate steady at 42.5% in the first quarter of the year, emphasises that the tight monetary policy stance will be maintained until a permanent improvement is achieved in the general price level and the price stability target is firmly established.

The Turkish banking sector is also rapidly adapting to these new equilibriums. Having made a strong start to 2025, the banking sector is enhancing its operational efficiency while preparing for the transition out of the high interest rate and inflation environment. We anticipate that the expected decline in interest rates and the improvement in price stability in the upcoming period will have a positive impact on the sector's funding costs.

As Alternatif Bank, we also made a focused start to 2025 with a strategy that correctly reads the changing macroeconomic dynamics and adopts a proactive approach. Despite challenging external conditions, we continued to progress towards our targets with strong performance. Our consolidated results for the first quarter of 2025 became a concrete indicator of this stable growth. Our total asset size reached TL 101 billion with a 15% increase compared to 2024. The 16% growth in total loans played an important role in this increase. In addition, the strategic growth in retail loans since the first half of 2024 contributed to this increase. As of the end of March 2025, our retail loan volume exceeded TL 1 billion, marking a 266% growth compared to March 2024. While the banking sector's commission income grew by 50% in the first two months of 2025 compared to the same period of the previous year, our Bank's commission income recorded a 183% increase in the first quarter of 2025 compared to the first quarter of 2024, driven by the growth in loan volume. During this period, the support our Bank provided to the national economy through cash (including financial leasing receivables) and non-cash loans reached TL 92 billion. While we carried our shareholders' equity above TL 7.5 billion, we reinforced our strong position in the sector with a capital adequacy ratio of 20.14%. With the performance we demonstrated in the first quarter of 2025, the consolidated net profit of Alternatif Bank stood at TL 174 million. I believe these figures are a fundamental reflection of our strong financial structure and our effective risk management approach.

However, at Alternatif Bank, we do not measure growth solely by financial results. With the organisational change we implemented in the first quarter of 2025, we have already started preparing for the banking of the future by transitioning to a more agile, more effective, and customer-oriented structure. By strengthening our business models, we established a structure that will enhance our innovation capability. This step reinforced our Bank's transformation towards becoming an organisation that adapts more rapidly to dynamic market conditions and responds to customer expectations in a more agile and effective manner.

One of the strategic steps we took during this period was the strong collaboration we established in the field of insurance. With the long-term strategic agreement we signed with Zurich Insurance Group Turkey, we started to offer our customers a broader range of integrated financial solutions. I believe that this collaboration will both reinforce Alternatif Bank's vision of offering 360-degree service to its retail and corporate customers, and contribute to the Bank's sustainable growth by increasing its service diversity.

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I. Interim Period Activity Report Consisting Bank Chairman and CEO's Evaluation in Reference to Interim Period Activities (Continued)

Message from the CEO (Continued)

Our customer-oriented innovation culture continues to receive recognition internationally. Our innovative product, the VOV Account, was awarded the bronze prize in the "Marketing Solution" category at the globally prestigious Stevie Awards for Sales & Customer Service. This achievement once again demonstrated the accuracy of our strategy focused on digitalisation and customer experience.

Particularly through our investments in digital banking, we expanded our customer base while also providing strong momentum to our sustainable growth objective in retail banking. With the loan campaigns we launched in the first quarter, the advantages we offered to our retail customers, and our efforts focused on delivering a superior customer experience, we achieved significant growth. In the upcoming period, we aim to develop sector-leading solutions in retail and digital banking by responding to rapidly changing customer expectations with innovative approaches, and to deliver sustainable added value to our customers.

Behind all these achievements lie our strong capital structure, the trust placed in us by our shareholder, Commercial Bank, our corporate governance approach, and our competent human resources. As Alternatif Bank, as always, we will continue to create sustainable value for our customers, employees and all stakeholders with our stable growth strategy. On this occasion, I would like to sincerely thank my colleagues who, with their devoted efforts, move our Bank forward each day, our customers who place their trust in us, our shareholder Commercial Bank, our esteemed Board of Directors, and our valued business partners.

King regards,

Ozan Kırmızı,
CEO