

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

**Alternatifbank A.Ş.**

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

KPMG Bağımsız Denetim ve  
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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 Unconsolidated Interim Financial  
Statements**

To the Board of Directors of Alternatifbank A.Ş.

*Introduction*

We have reviewed the unconsolidated balance sheet of Alternatifbank A.Ş. ("the Bank") as at 31 March 2025 and the unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows 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 unconsolidated 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 unconsolidated 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 unconsolidated interim financial statements do not present fairly, in all material respects, the unconsolidated financial position of Alternatifbank A.Ş. as at 31 March 2025 and its unconsolidated financial performance and its unconsolidated 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 unconsolidated interim financial statements is not consistent, in all material respects, with the reviewed unconsolidated interim financial statements and explanatory notes.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

A handwritten signature in blue ink, appearing to read "Ebru Koçak".

Ebru Koçak, SMMM  
Sorumlu Denetçi

30 April 2025  
İstanbul, Türkiye

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

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The unconsolidated 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 Banking Regulation and Supervision Agency, comprises the following sections.

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

The accompanying unconsolidated financial statements and notes to these financial statements for the three-month period which are expressed, unless otherwise stated, **in thousands of Turkish Lira (TL)**, have been prepared and presented based on the accounting books of the 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

Chairman of the Board  
of Directors

Ozan Kırmızı

CEO

Hamdi İlkay Girgin

Financial Control and  
Planning Executive

Ahmet Akın

International and Legal  
Reporting Manager

Vice President

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  
Telephone Number : 0 212 315 70 77  
Fax Number : 0 262 672 15 38

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**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).***SECTION ONE****GENERAL INFORMATION ABOUT THE BANK****I. Explanations on the Establishment Date and Initial Status of the Bank, and History Including the Changes in the Former Status**

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

The 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 Bank, any Changes in the Period, and Information on the Bank's Risk Group**

As of 31 March 2025, 100% of the shares of the Bank are owned by The Commercial Bank (P.S.Q.C.) Shareholder's structure of the 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%
<b>Total</b>	<b>2,213,740</b>	<b>100%</b>	<b>2,213,740</b>	<b>100%</b>

# 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 BANK (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 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 <sup>(1)(2)</sup>	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	-
	Bogaç 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).*

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**GENERAL INFORMATION ABOUT THE BANK (Continued)****IV. Explanation on the Bank's Qualified Shareholders**

According to the 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 Bank's Capital is explained below.

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

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

The 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 Bank's Articles of Association.

As of 31 March 2025, the Bank has 15 branches (31 December 2024: 19 branches) and has 513 employees (31 December 2024: 714 employees).

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

None.

**ALTERNATİFBANK A.Ş.**

**UNCONSOLIDATED 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 (Section Five)	Reviewed Current Period 31 March 2025			Audited Prior Period 31 December 2024		
			TL	FC	Total	TL	FC	Total
<b>ASSETS</b>								
<b>I. FINANCIAL ASSETS (NET)</b>			<b>11,717,392</b>	<b>18,656,124</b>	<b>30,373,516</b>	<b>7,899,335</b>	<b>17,721,045</b>	<b>25,620,380</b>
<b>1.1 Cash and Cash Equivalents</b>			<b>7,652,620</b>	<b>13,501,446</b>	<b>21,154,066</b>	<b>3,654,533</b>	<b>13,163,779</b>	<b>16,818,312</b>
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	201,785	4,188,008	4,389,793	14,576	4,654,317	4,668,893	
1.1.3 Money Market Placements		-	-	-	-	-	-	
1.1.4 Expected Credit Losses (-)		2,411	-	2,411	1,784	-	-	1,784
<b>1.2 Financial Assets at Fair Value Through Profit or Loss</b>		<b>49,278</b>	<b>4,208</b>	<b>53,486</b>	<b>375</b>	<b>5,166</b>	<b>5,541</b>	
1.2.1 Government Debt Securities		49,278	4,208	53,486	375	5,166	5,541	
1.2.2 Equity Instruments		-	-	-	-	-	-	
1.2.3 Other Financial Assets		-	-	-	-	-	-	
<b>1.3 Financial Assets at Fair Value Through Other Comprehensive Income</b>	I-f	<b>3,626,243</b>	<b>4,383,443</b>	<b>8,009,686</b>	<b>3,829,352</b>	<b>4,089,708</b>	<b>7,919,060</b>	
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		16,504	-	16,504	16,504	-	-	16,504
1.3.3 Other Financial Assets		598,740	-	598,740	115,191	-	-	115,191
<b>1.4 Derivative Financial Assets</b>		<b>389,251</b>	<b>767,027</b>	<b>1,156,278</b>	<b>415,075</b>	<b>462,392</b>	<b>877,467</b>	
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss	I-c	336,367	767,027	1,103,394	408,311	462,392	870,703	
Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-	
<b>1.4.2 Comprehensive Income</b>	I-m	52,884	-	52,884	6,764	-	-	6,764
<b>II. FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)</b>		<b>27,801,224</b>	<b>30,384,486</b>	<b>58,185,710</b>	<b>23,632,548</b>	<b>27,609,760</b>	<b>51,242,308</b>	
<b>2.1 Loans</b>	I-g	<b>24,513,588</b>	<b>22,499,005</b>	<b>47,012,593</b>	<b>21,303,327</b>	<b>19,443,660</b>	<b>40,746,987</b>	
<b>2.2 Lease Receivables</b>	I-i	-	-	-	-	-	-	
<b>2.3 Factoring Receivables</b>		<b>657,235</b>	-	<b>657,235</b>	<b>299,115</b>	-	<b>299,115</b>	
<b>2.4 Other Financial Assets Measured at Amortized Cost</b>	I-h	<b>3,142,097</b>	<b>8,103,212</b>	<b>11,245,309</b>	<b>2,506,028</b>	<b>8,402,146</b>	<b>10,908,174</b>	
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 (-)		<b>511,696</b>	<b>217,731</b>	<b>729,427</b>	<b>475,922</b>	<b>236,046</b>	<b>711,968</b>	
<b>III. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (NET)</b>	I-r	<b>952,598</b>	-	<b>952,598</b>	<b>963,253</b>	-	<b>963,253</b>	
3.1 Held for Sale Purpose		952,598	-	952,598	963,253	-	963,253	
3.2 Related to Discontinued Operations		-	-	-	-	-	-	
<b>IV. EQUITY INVESTMENTS</b>		<b>405,580</b>	-	<b>405,580</b>	<b>350,580</b>	-	<b>350,580</b>	
<b>4.1 Investments in Associates (Net)</b>		-	-	-	-	-	-	
4.1.1 Accounted Under Equity Method		-	-	-	-	-	-	
4.1.2 Unconsolidated Associates		-	-	-	-	-	-	
<b>4.2 Subsidiaries (Net)</b>	I-j	<b>405,580</b>	-	<b>405,580</b>	<b>350,580</b>	-	<b>350,580</b>	
4.2.1 Unconsolidated Financial Subsidiaries		405,580	-	405,580	350,580	-	350,580	
4.2.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-	
<b>4.3 Entities under Common Control (Joint Venture) (Net)</b>	I-k	-	-	-	-	-	-	
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-	
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-	
<b>V. TANGIBLE ASSETS (Net)</b>	I-n	<b>2,047,920</b>	-	<b>2,047,920</b>	<b>2,060,617</b>	-	<b>2,060,617</b>	
<b>VI. INTANGIBLE ASSETS (Net)</b>	I-o	<b>422,513</b>	-	<b>422,513</b>	<b>404,914</b>	-	<b>404,914</b>	
6.1 Goodwill		-	-	-	-	-	-	
6.2 Other		422,513	-	422,513	404,914	-	404,914	
<b>VII. INVESTMENT PROPERTY (Net)</b>	I-p	-	-	-	-	-	-	
<b>VIII. CURRENT TAX ASSET</b>		<b>18,744</b>	-	<b>18,744</b>	<b>230,891</b>	-	<b>230,891</b>	
<b>IX. DEFERRED TAX ASSET</b>	I-q	<b>1,054,701</b>	-	<b>1,054,701</b>	<b>816,111</b>	-	<b>816,111</b>	
<b>X. OTHER ASSETS</b>	I-s	<b>1,610,756</b>	<b>111,039</b>	<b>1,721,795</b>	<b>1,165,792</b>	<b>129,417</b>	<b>1,295,209</b>	
<b>TOTAL ASSETS</b>		<b>46,031,428</b>	<b>49,151,649</b>	<b>95,183,077</b>	<b>37,524,041</b>	<b>45,460,222</b>	<b>82,984,263</b>	

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

**ALTERNATİFBANK A.Ş.**
**UNCONSOLIDATED 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)	Note	Reviewed Current Period			Audited Prior Period		
			31 March 2025	TL	FC	Total	31 December 2024	
	LIABILITIES	(Section Five)						
I.	DEPOSITS	II-a	27,734,302	13,211,768	40,946,070	22,772,309	14,866,807	37,639,116
II.	FUNDS BORROWED	II-c	30,547	21,657,965	21,688,512	25,205	14,315,366	14,340,571
III.	MONEY MARKET BALANCES		4,021,109	10,537,723	14,558,832	752,998	10,909,069	11,662,067
IV.	MARKETABLE SECURITIES ISSUED (Net)	II-c	280,583	-	280,583	-	-	-
4.1	Bills		280,583	-	280,583	-	-	-
4.2	Assets Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	-	-	-	-	-
V.	FUNDS		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
<b>FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>								
VII.	DERIVATIVE FINANCIAL LIABILITIES		214,765	697,960	912,725	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	-	-	-	1,751	-	1,751
VIII.	FACTORING LIABILITIES		-	-	-	-	-	-
IX.	LEASE LIABILITIES (Net)	II-e	40,899	-	40,899	8,778	-	8,778
X.	PROVISIONS	II-g	237,985	19,238	257,223	218,777	28,478	247,255
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reverse for Employee Benefits		42,024	-	42,024	45,623	-	45,623
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		195,961	19,238	215,199	173,154	28,478	201,632
XI.	CURRENT TAX LIABILITY	II-h	263,333	-	263,333	203,900	-	203,900
XII.	DEFERRED TAX LIABILITY		-	-	-	-	-	-
<b>LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)</b>								
XIII.		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	558,557	524,937	1,083,494	782,975	665,497	1,448,472
XVI.	SHAREHOLDERS' EQUITY	II-k	7,321,155	(121,554)	7,199,601	7,056,707	(102,113)	6,954,594
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		1,787,524	-	1,787,524	1,746,545	-	1,746,545
16.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(436,132)	(121,554)	(557,686)	(523,197)	(102,113)	(625,310)
16.5	Profit Reserves		3,170,554	-	3,170,554	3,170,554	-	3,170,554
16.5.1	Legal Reserves		204,704	-	204,704	204,704	-	204,704
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		2,965,850	-	2,965,850	2,965,850	-	2,965,850
16.5.4	Other Profit Reserves		-	-	-	-	-	-
16.6	Profit Or Loss		585,415	-	585,415	449,011	-	449,011
16.6.1	Prior Years' Profit/Loss		449,011	-	449,011	380	-	380
16.6.2	Current Year Profit/Loss		136,404	-	136,404	448,631	-	448,631
<b>TOTAL LIABILITIES</b>			<b>40,703,235</b>	<b>54,479,842</b>	<b>95,183,077</b>	<b>31,911,072</b>	<b>51,073,191</b>	<b>82,984,263</b>

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

**ALTERNATİFBANK A.Ş.**  
**UNCONSOLIDATED 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	(Section Five)	Reviewed			Audited		
			Current Period 31 March 2025			Prior Period 31 December 2024		
<b>A.</b>	<b>OFF-BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>48,121,329</b>	<b>108,471,593</b>	<b>156,592,922</b>	<b>42,564,260</b>	<b>82,601,158</b>	<b>125,165,418</b>
<b>I.</b>	<b>GUARANTEES AND WARRANTIES</b>	<b>III-a-3,i</b>	<b>21,700,041</b>	<b>17,717,356</b>	<b>39,417,397</b>	<b>22,099,608</b>	<b>16,378,022</b>	<b>38,477,630</b>
1.1	Letters of Guarantee	III-a-2,ii	16,808,511	7,298,480	24,106,991	16,255,434	7,458,604	23,714,038
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		16,771,790	7,290,526	24,062,316	16,227,846	7,442,029	23,669,875
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	7,539,710	7,543,290	1,074	7,221,198	7,222,272
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		-	-	-	-	-	-
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	III-a-2,i	-	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
<b>II.</b>	<b>COMMITMENTS</b>		<b>4,774,096</b>	<b>4,773,734</b>	<b>9,547,830</b>	<b>2,468,011</b>	<b>3,919,311</b>	<b>6,387,322</b>
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		-	-	-	-	-	-
2.2.1	Revocable Commitments for Loan Limits		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		-	-	-	-	-	-
<b>III.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>III-b</b>	<b>21,647,192</b>	<b>85,980,503</b>	<b>107,627,695</b>	<b>17,996,641</b>	<b>62,303,825</b>	<b>80,300,466</b>
3.1	Hedging Derivative Financial Instruments		2,500,000	-	2,500,000	1,300,000	-	1,300,000
3.1.1	Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2	Transactions for Cash Flow Hedge		2,500,000	-	2,500,000	1,300,000	-	1,300,000
3.1.3	Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments		19,147,192	85,980,503	105,127,695	16,696,641	62,303,825	79,000,466
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		2,810,329	31,311,368	34,121,697	6,022,871	25,822,649	31,845,520
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		400,000	7,897,375	8,297,375	600,000	7,130,300	7,730,300
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>B.</b>	<b>CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>	<b>129,532,575</b>	<b>221,507,461</b>	<b>351,040,036</b>	<b>121,250,634</b>	<b>205,635,037</b>	<b>326,885,671</b>	
<b>IV.</b>	<b>ITEMS HELD IN CUSTODY</b>	<b>6,005,682</b>	<b>12,269,368</b>	<b>18,275,050</b>	<b>4,618,804</b>	<b>12,564,178</b>	<b>17,182,982</b>	
4.1	Customer Fund and Portfolio Balances		2,743,142	-	2,743,142	2,603,011	-	2,603,011
4.2	Investment Securities Held in Custody		274,266	9,735,431	10,009,697	-	11,493,604	11,493,604
4.3	Cheques Received for Collection		2,198,269	129,688	2,327,957	1,185,702	106,034	1,291,736
4.4	Commercial Notes Received for Collection		42,224	3,588	45,812	82,260	3,352	85,612
4.5	Other Assets Received for Collection		-	-	-	-	-	-
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		747,781	2,400,661	3,148,442	747,831	961,188	1,709,019
4.8	Custodians		-	-	-	-	-	-
<b>V.</b>	<b>PLEDGES RECEIVED</b>	<b>123,494,977</b>	<b>208,660,662</b>	<b>332,155,639</b>	<b>116,596,117</b>	<b>192,531,709</b>	<b>309,127,826</b>	
5.1	Marketable Securities		1,420,699	-	1,420,699	1,424,468	-	1,424,468
5.2	Guarantee Notes		72,934,752	75,873,023	148,807,775	69,799,043	70,012,190	139,811,233
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		-	-	-	-	-	-
<b>VI.</b>	<b>ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>31,916</b>	<b>577,431</b>	<b>609,347</b>	<b>35,713</b>	<b>539,150</b>	<b>574,863</b>
	<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>		<b>177,653,904</b>	<b>329,979,054</b>	<b>507,632,958</b>	<b>163,814,894</b>	<b>288,236,195</b>	<b>452,051,089</b>

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

**ALTERNATİFBANK A.Ş.**  
**UNCONSOLIDATED 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	Note (Section Five)	Reviewed Current Period 1 January - 31 March 2025	Reviewed Prior Period 1 January - 31 March 2024
<b>I. INTEREST INCOME</b>	<b>IV-a</b>	<b>4,256,759</b>	<b>3,012,690</b>
1.1 Interest on Loans		2,984,888	2,258,603
1.2 Interest Received from Reserve Deposits		274,002	12,250
1.3 Interest Received from Banks		329,914	43,738
1.4 Interest Received from Money Market Placements		25,716	5,706
1.5 Interest Received from Marketable Securities Portfolio		609,517	678,723
1.5.1 Fair Value through Profit or Loss		2,773	1,196
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 Interest Income		-	-
1.7 Other Interest Income		32,722	13,670
<b>II. INTEREST EXPENSES (-)</b>	<b>IV-b</b>	<b>3,688,645</b>	<b>2,361,224</b>
2.1 Interest on Deposits		2,637,000	1,345,558
2.2 Interest on Funds Borrowed		495,729	695,803
2.3 Interest on Money Market Borrowings		518,242	234,719
2.4 Interest on Securities Issued		13,134	-
2.5 Leasing Interest Expense		5,609	2,472
2.6 Other Interest Expense		18,931	82,672
<b>III. NET INTEREST INCOME (I - II)</b>		<b>568,114</b>	<b>651,466</b>
<b>IV. NET FEES AND COMMISSIONS INCOME / EXPENSES</b>		<b>194,905</b>	<b>83,547</b>
4.1 Fees and Commissions Received		223,808	113,014
4.1.1 Non-cash Loans		80,189	69,454
4.1.2 Other	<b>IV-l</b>	143,619	43,560
4.2 Fees and Commissions Paid (-)		28,903	29,467
4.2.1 Non-cash Loans		62	59
4.2.2 Other	<b>IV-l</b>	28,841	29,408
<b>V. DIVIDEND INCOME</b>	<b>IV-c</b>	-	-
<b>VI. NET TRADING INCOME</b>	<b>IV-d</b>	<b>(346)</b>	<b>47,412</b>
6.1 Securities Trading Gains / (Losses)		(289)	1,425
6.2 Derivative Financial Instruments Gains / Losses		316,758	657,246
6.3 Foreign Exchange Gains / Losses		(316,815)	(611,259)
<b>VII. OTHER OPERATING INCOME</b>	<b>IV-e</b>	<b>246,292</b>	<b>592,524</b>
<b>VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>1,008,965</b>	<b>1,374,949</b>
<b>IX. EXPECTED CREDIT LOSSES (-)</b>	<b>IV-f</b>	<b>128,159</b>	<b>336,315</b>
<b>X. OTHER PROVISION EXPENSES (-)</b>	<b>IV-f</b>	<b>3,562</b>	<b>21,225</b>
<b>XI. PERSONNEL EXPENSES (-)</b>	<b>IV-g</b>	<b>390,384</b>	<b>272,191</b>
<b>XII. OTHER OPERATING EXPENSES (-)</b>	<b>IV-g</b>	<b>360,876</b>	<b>212,201</b>
<b>XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)</b>		<b>125,984</b>	<b>533,017</b>
<b>XIV. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER</b>		-	-
<b>XV. PROFIT / (LOSS) ON EQUITY METHOD</b>		-	-
<b>XVI. GAIN / (LOSS) ON NET MONETARY POSITION</b>		-	-
<b>XVII. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES ( XIII+...+XVI)</b>	<b>IV-h</b>	<b>125,984</b>	<b>533,017</b>
<b>XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	<b>IV-h</b>	<b>10,420</b>	<b>5,815</b>
18.1 Provision for Current Income Taxes		(212,147)	(41,161)
18.2 Deferred Tax Expense Effect (+)		-	-
18.3 Deferred Tax Income Effect (-)		222,567	46,976
<b>XIX. NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	<b>IV-j</b>	<b>136,404</b>	<b>538,832</b>
<b>XX. INCOME ON DISCONTINUED OPERATIONS</b>		-	-
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		-	-
<b>XXI. LOSS FROM DISCONTINUED OPERATIONS (-)</b>		-	-
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		-	-
<b>XXII. PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)</b>		-	-
<b>XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-
23.1 Provision for Current Income Taxes		-	-
23.2 Deferred Tax Expense Effect (+)		-	-
23.3 Deferred Tax Income Effect (-)		-	-
<b>XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)</b>		-	-
<b>XXV. NET PROFIT/LOSS (XIX+XXIV)</b>	<b>IV-k</b>	<b>136,404</b>	<b>538,832</b>
Earning / (loss) per share (Full TL)		0.0616	0.2434

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

**ALTERNATİFBANK A.Ş.****UNCONSOLIDATED 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).***IV. PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Reviewed Current Period 1 January- 31 March 2025	Reviewed Prior Period 1 January- 31 March 2024
<b>I. CURRENT PERIOD PROFIT / LOSS</b>	<b>136,404</b>	<b>538,832</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>108,603</b>	<b>233,749</b>
<b>2.1 Not Reclassified Through Profit or Loss</b>	<b>40,979</b>	<b>469,899</b>
2.1.1 Property and Equipment Revaluation Increase / Decrease	(1,426)	626,857
2.1.2 Intangible Assets Revaluation Increase / Decrease	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain / Loss	(2,096)	(11,227)
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	44,501	(145,731)
<b>2.2 Reclassified Through Profit or Loss</b>	<b>67,624</b>	<b>(236,150)</b>
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	52,272	(322,662)
2.2.3 Cash Flow Hedge Income / Loss	43,830	(15,204)
2.2.4 Income (Loss) Related with Hedges of Net Investments in Foreign Operations	-	-
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	(28,478)	101,716
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>245,007</b>	<b>772,581</b>

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

**ALTERNATİFBANK A.Ş.**

**UNCONSOLIDATED 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).*

	Notes (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			Prior Period Profit Reserves	Prior Period Profit/(Loss)	Current Period Profit/(Loss)	Total Shareholders Equity
						1	2	3	4	5	6				
Prior Period 1 January – 31 March 2024						744,269	(37,041)	-	-	(359,089)	10,644	1,404,660	380	1,885,431	5,863,048
I. Prior Period End Balance		2,213,740	54	-	-										
Corrections and Accounting Policy Changes Made		-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance (I+II)		2,213,740	54	-	-	744,269	(37,041)	-	-	(359,089)	10,644	1,404,660	380	1,885,431	5,863,048
IV. Total Comprehensive Income		-	-	-	-	477,758	(7,859)	-	-	(225,506)	(10,644)	-	-	538,832	772,581
V. Capital Increase by Cash	II-k	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Effect of Inflation on Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds to Share		-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase/Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	1,765,894	-	(1,885,431)	(119,537)
11.1 Dividends Distributed		-	-	-	-	-	-	-	-	-	-	-	-	(119,537)	(119,537)
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	1,765,894	-	(1,765,894)	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Period-End Balance (III+...+ X+XI)</b>		<b>2,213,740</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>1,222,027</b>	<b>(44,900)</b>	<b>-</b>	<b>-</b>	<b>(584,595)</b>	<b>-</b>	<b>3,170,554</b>	<b>380</b>	<b>538,832</b>	<b>6,516,092</b>

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 an integral part of these financial statements.

**ALTERNATİFBANK A.Ş.**

**UNCONSOLIDATED 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).

	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/(Loss)	Current Period Profit/(Loss)	Total Shareholders Equity
						1	2	3	4	5	6				
<b>I.</b>	<b>Prior Period End Balance</b>	<b>2,213,740</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>1,791,632</b>	<b>(47,809)</b>	<b>2,722</b>	<b>-</b>	<b>(622,529)</b>	<b>(2,781)</b>	<b>3,170,554</b>	<b>380</b>	<b>448,631</b>	<b>6,954,594</b>
<b>II.</b>	<b>Corrections and Accounting Policy Changes Made According to TAS 8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.1	Effects of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III.</b>	<b>Adjusted Beginning Balance (I+II)</b>	<b>2,213,740</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>1,791,632</b>	<b>(47,809)</b>	<b>2,722</b>	<b>-</b>	<b>(622,529)</b>	<b>(2,781)</b>	<b>3,170,554</b>	<b>380</b>	<b>448,631</b>	<b>6,954,594</b>
<b>IV.</b>	<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,446</b>	<b>(1,467)</b>	<b>-</b>	<b>-</b>	<b>36,943</b>	<b>30,681</b>	<b>-</b>	<b>-</b>	<b>136,404</b>	<b>245,007</b>
<b>V.</b>	<b>Capital Increase by Cash</b>	II-k	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI.</b>	<b>Capital Increase by Internal Sources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII.</b>	<b>Effect of Inflation on Paid-in Capital</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII.</b>	<b>Convertible Bonds to Share</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX.</b>	<b>Subordinated Debt Instruments</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X.</b>	<b>Increase/Decrease by Other Changes</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI.</b>	<b>Profit Distribution</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>448,631</b>	<b>(448,631)</b>	<b>-</b>
11.1	Dividends Distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-	448,631	(448,631)	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Period-End Balance (III+...+ X+XI)</b>		<b>2,213,740</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>1,834,078</b>	<b>(49,276)</b>	<b>2,722</b>	<b>-</b>	<b>(585,586)</b>	<b>27,900</b>	<b>3,170,554</b>	<b>449,011</b>	<b>136,404</b>	<b>7,199,601</b>

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 an integral part of these financial statements.

**ALTERNATİFBANK A.Ş.**  
**UNCONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2025**  
*(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated).*

**VI. STATEMENT OF CASH FLOWS**

	<b>Note (Section Five)</b>	<b>Reviewed Current Period 1 January - 31 March 2025</b>	<b>Reviewed Prior Period 1 January - 31 March 2024</b>
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
1.1 <b>Operating Profit/ (Loss) Before Changes in Operating Assets and Liabilities</b>		<b>(1,062,309)</b>	<b>290,300</b>
1.1.1 Interest Received		4,167,283	2,621,699
1.1.2 Interest Paid		(3,130,601)	(2,341,935)
1.1.3 Dividend Received		-	-
1.1.4 Fees and Commissions Received		313,581	171,366
1.1.5 Other Income		558,470	1,228,486
1.1.6 Collections from Previously Written-off Loans and Other Receivables		128,731	45,282
1.1.7 Payments to Personnel and Service Suppliers		(356,330)	(341,239)
1.1.8 Taxes Paid		(638,459)	(69,014)
1.1.9 Other		(2,104,984)	(1,024,345)
1.2 <b>Changes in Operating Assets and Liabilities</b>		<b>6,378,977</b>	<b>(2,267,968)</b>
1.2.1 Net (increase)/decrease in Financial Assets at Fair Value Through Profit or Loss		(48,065)	(24,588)
1.2.2 Net (increase)/decrease in Due from Banks and Other Financial Institutions		(694,702)	(1,243,141)
1.2.3 Net (increase)/decrease in Loans		(5,723,458)	894,927
1.2.4 Net (increase)/decrease in Other Assets		20,452	(215,759)
1.2.5 Net increase/(decrease) in Bank Deposits		(542,934)	(304,933)
1.2.6 Net increase/(decrease) in Other Deposits		3,833,016	256,578
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		6,465,035	(1,634,886)
1.2.9 Net increase/(decrease) in Payables		-	-
1.2.10 Net increase/(decrease) in Other Liabilities		3,069,633	3,834
<b>I. Net Cash Provided from Banking Operations</b>		<b>5,316,668</b>	<b>(1,977,668)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net Cash Provided from Investing Activities</b>		<b>(201,491)</b>	<b>801,203</b>
2.1 Cash Paid for Acquisition of Investments, Associates and Subsidiaries		(55,000)	-
2.2 Cash Obtained from Disposal of Investments, Associates and Subsidiaries		-	-
2.3 Purchases of Property and Equipment		(88,365)	(54,631)
2.4 Disposals of Property and Equipment		32,715	62,134
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		-	6,449
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		-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities</b>		<b>(2,375,124)</b>	<b>51,230</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued		279,876	256,884
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		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>901,625</b>	<b>901,409</b>
<b>V. Net Increase/ (Decrease) in Cash and Cash Equivalents (I+II+III+IV)</b>		<b>3,641,678</b>	<b>(223,826)</b>
<b>VI. Cash and Cash Equivalents at Beginning of the Period</b>		<b>11,842,996</b>	<b>9,614,631</b>
<b>VII. Cash and Cash Equivalents at End of the Period</b>		<b>15,484,674</b>	<b>9,390,805</b>

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

**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).*

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**SECTION THREE**

**EXPLANATIONS ON ACCOUNTING POLICIES**

**I. Basis of Presentation**

As prescribed in the Article 37 of the Banking Act No. 5411, the 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 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 unconsolidated 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 unconsolidated financial statements in conformity with BRSA Accounting and Reporting Legislation requires the use of certain critical accounting estimates by the 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 unconsolidated financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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

A major portion of the 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 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.

# 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).*

#### **EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

##### **III. Explanations on Associates, Subsidiaries and Joint Ventures**

The Bank has two subsidiaries resided in Turkey, which are Alternatif Finansal Kiralama A.Ş., Alternatif Menkul Değerler A.Ş. Non-public traded subsidiaries are Alternatif Finansal Kiralama A.Ş. and Alternatif Menkul Değerler A.Ş., they are accounted for cost value according to "Individual Financial Statements" ("TAS 27") and if they have provision for impairment, provision is deducted, after reflected to financial statements.

The Bank has not any recognize as foreign currency association and subsidiaries as of 31 March 2025 and 31 December 2024.

The Bank has not any joint ventures as of 31 March 2025 and 31 December 2024.

##### **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 rediscouned through effective interest rate and recognized through the gross book value of the non-performing loan.

##### **V. Fee and Commission Income and Expense**

Except for the 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 Bank 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 3 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 Bank 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 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 at fair value through profit/loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and 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.

# 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).*

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## EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

### VI. Financial Assets (Continued)

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

The major derivative instruments utilized by the 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.

**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).*

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VI. Financial Assets (Continued)**

**d. Derivative Financial Assets (Continued)**

The difference in fair values of derivative transactions used for fair value hedge is presented in the used for fair value hedge is presented in the "Trading Gains/Losses on derivative financial instruments" account. In the balance sheet, the 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 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 Bank continued to apply TAS 39 "Hedge accounting".

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 Bank 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 Bank recognizes provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. In this framework, as of 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.

# 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).*

## EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

### VII. Impairment of Financial Assets (Continued)

The Bank 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 Bank calculates the expected credit loss individually or by grouping the financial assets that bear the common credit risk characteristics according to the risk level determined by the bank.

Within the scope of internal policies, the Bank, evaluates the calculation of credit losses in accordance with TFRS 9, as an individual assessment based on expert opinion. In this context, the Bank 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.

The Bank 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 Bank 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 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 Bank, 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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**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 Bank 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 intent on 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 Bank from repurchase agreements ("repo") are accounted under "Money Market Balances" in liabilities.

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

A discontinued operation is a part of the Bank'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 Bank has no discontinued operations.

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XI. Goodwill and Other Intangible Assets**

There is no goodwill in unconsolidated financial statements as of balance sheet date.

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. Gain or loss resulting from disposals of the property and equipment is reflected to the income statement as the difference between the net proceeds and net book value. 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 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 BRSB is accounted in Investment Properties Revaluation Differences line under the Shareholders' Equity.

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XIII. Leasing Transactions**

The 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 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 Bank

When the 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 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 Bank measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Bank's average borrowing interest rates, if that rate can be easily determined. If this rate can not be easily determined, the Bank uses the 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 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. "TFRS 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 Bank applied TFRS 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 Commitments and Contingent Assets**

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 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 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 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 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-deductable 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. The accrued tax is paid until the end of the same month. 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 Bank 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 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.

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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 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 Bank accounts the difference between the issued value and nominal value as "share issue premium under shareholders" in equity, in the case where the issued value is higher than the nominal value. There is no decision of 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 and 31 December 2024, the Bank does not have any government incentives.

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**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 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.

**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.

	<b>31 March 2025</b>	<b>31 March 2024</b>
Profit/(Loss) Attributable to Shareholders	136,404	538,832
Weighted Average Number of Issued Ordinary Shares (Thousand)	2,213,740	2,213,740
<b>Earnings/(Losses) Per Share (Disclosed in full TL)</b>	<b>0.0616</b>	<b>0.2434</b>

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 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. Amendments Accounting Policies of the Current Period**

None.

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

None.

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XXVII. Explanations on Other Matters**

The Bank'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.

**XXVIII. Operating Segments**

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

- a) The 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) 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.
- e) The Bank's software requirements, possible software updates and additional software requirements to compete with other firms are provided by the Bank.
- f) According to the table provided, share of each Bank's operating segment in the Balance sheet is as follows; corporate/retail banking 49%, investment banking 44% and other 7%.

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XXVIII. Operating Segments (Continued)**

**Major balance sheet and income statement items based on operating segments**

<b>31 March 2025</b>	<b>Corporate / Retail Banking</b>	<b>Investment Banking</b>	<b>Other</b>	<b>Total Operations of the Bank</b>
Net Interest Income/(Expense)	572,571	(4,457)	-	568,114
Net Fees and Commissions Income and Other Operating Income	425,437	15,760	-	441,197
Trading Profit/(Loss)	(43,549)	43,203	-	(346)
Dividend Income	-	-	-	-
Impairment Provision for Loans and Other Receivables (-)(*)	(126,983)	(1,176)	(3,562)	(131,721)
Other Operating and Personnel Expenses (-)	(709,791)	(41,469)	-	(751,260)
Profit/(Loss) Before Taxes	117,685	11,861	(3,562)	125,984
Tax Provision				10,420
<b>Net Profit for the Period</b>				<b>136,404</b>
<b>31 March 2025</b>				
Segment Assets	46,273,382	41,568,352	6,935,763	94,777,497
Investments in Associates and Subsidiaries	-	-	405,580	405,580
<b>Total Assets</b>	<b>46,273,382</b>	<b>41,568,352</b>	<b>7,341,343</b>	<b>95,183,077</b>
Segment Liabilities	40,946,070	37,160,069	9,877,337	87,983,476
Shareholders' Equity	-	-	7,199,601	7,199,601
<b>Total Liabilities</b>	<b>40,946,070</b>	<b>37,160,069</b>	<b>17,076,938</b>	<b>95,183,077</b>

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

<b>31 March 2024</b>	<b>Corporate / Retail Banking</b>	<b>Investment Banking</b>	<b>Other</b>	<b>Total Operations of the Bank</b>
Net Interest Income/(Expense)	650,619	847	-	651,466
Net Fees and Commissions Income and Other Operating Income	651,161	24,910	-	676,071
Trading Profit/(Loss)	30,406	17,006	-	47,412
Dividend Income	-	-	-	-
Impairment Provision for Loans and Other Receivables (-)(*)	(335,126)	(1,189)	(21,225)	(357,540)
Other Operating and Personnel Expenses (-)	(442,069)	(42,323)	-	(484,392)
Profit/(Loss) Before Taxes	554,991	(749)	(21,225)	533,017
Tax Provision				5,815
<b>Net Profit for the Period</b>				<b>538,832</b>
<b>31 December 2024</b>				
Segment Assets	40,031,615	36,523,574	6,078,494	82,633,683
Investments in Associates and Subsidiaries	-	-	350,580	350,580
<b>Total Assets</b>	<b>40,031,615</b>	<b>36,523,574</b>	<b>6,429,074</b>	<b>82,984,263</b>
Segment Liabilities	37,639,116	26,588,650	11,801,903	76,029,671
Shareholders' Equity	-	-	6,954,594	6,954,592
<b>Total Liabilities</b>	<b>37,639,116</b>	<b>26,588,650</b>	<b>18,756,497</b>	<b>82,984,263</b>

(\*) 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 BANK**

**I. Explanations on Shareholders' Equity**

The standard rate of the capital adequacy of the 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 Shareholder's Equity**

	31 March 2025	31 December 2024
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	2,213,740	2,213,740
Share issue premiums	54	54
Reserves	3,170,554	3,170,554
Gains recognized in equity as per TAS	2,109,928	2,074,516
Profit	585,415	449,011
Current Period Profit	136,404	448,631
Prior Period Profit	449,011	380
Minority shares		
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period		
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>8,079,691</b>	<b>7,907,875</b>
<b>Deductions from Common Equity Tier 1 Capital</b>		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	21,381	50,592
Improvement costs for operating leasing (-)	28,309	35,092
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	422,513	404,914
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 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 Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank		
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank		
Portion of mortgage servicing rights exceeding 10% of the Common Equity		

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

**I. Explanations on Shareholders' Equity (Continued)**  
**a. Information on Shareholder's Equity (Continued)**

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 Bank owns 10% or more of the issued common share capital		
Excess amount arising from mortgage servicing rights		
Excess amount arising from deferred tax assets based on temporary differences		
Other items to be defined by the BRSA		
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital		
<b>Total Deductions From Common Equity Tier 1 Capital</b>	<b>472,203</b>	<b>490,598</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>7,607,488</b>	<b>7,417,277</b>
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity and the Related Share Premiums		
Debt instruments and premiums approved by BRSA	7,553,120	9,702,083
Debt instruments and premiums approved by BRSA(Temporary Article 4)		
<b>Additional Tier I Capital before Deductions</b>	<b>7,553,120</b>	<b>9,702,083</b>
<b>Deductions from Additional Tier I Capital</b>		
Direct and indirect investments of the Bank in its own Additional Tier I Capital		
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.		
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital		
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital		
Other items to be defined by the BRSA (-)		
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)		
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)		
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)		
<b>Total Deductions From Additional Tier I Capital</b>		
<b>Total Additional Tier I Capital</b>	<b>7,553,120</b>	<b>9,702,083</b>
<b>Total Tier I Capital (Tier I Capital=Common Equity Tier 1 Capital+Additional Tier I Capital)</b>	<b>15,160,608</b>	<b>17,119,360</b>
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA		
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)		
Provisions (Article 8 of the Regulation on the Equity of Banks)	388,863	372,301
<b>Tier II Capital Before Deductions</b>	<b>388,863</b>	<b>372,301</b>
<b>Deductions From Tier II Capital</b>		
Direct and indirect investments of the Bank on its own Tier II Capital (-)		
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions		
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)		
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank		
Other items to be defined by the BRSA (-)		
<b>Total Deductions from Tier II Capital</b>		
<b>Total Tier II Capital</b>	<b>388,863</b>	<b>372,301</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>15,549,471</b>	<b>17,491,661</b>
<b>Total Tier I Capital and Tier II Capital (Total Equity)</b>	<b>15,549,471</b>	<b>17,491,661</b>

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

**I. Explanations on Shareholders' Equity (Continued)**

**a. Information on Shareholder's Equity (Continued)**

Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	6,015	5,889
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Three Years	-	-
Other items to be defined by the BRSAs	-	-
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>	-	-
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
<b>TOTAL CAPITAL</b>		
Total Capital (The sum of Tier I Capital and Tier II Capital)	15,543,456	17,485,772
Total risk weighted amounts	74,190,872	62,579,813
<b>CAPITAL ADEQUACY RATIOS</b>		
Core Capital Adequacy Ratio (%)	10.25%	11.85%
Tier 1 Capital Adequacy Ratio (%)	20.43%	27.36%
Capital Adequacy Ratio (%)	20.95%	27.94%
<b>BUFFERS</b>		
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 (%)	5.75%	7.35%
<b>Amounts below the Excess Limits as per the Deduction Principles</b>		
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Remaining Mortgage Servicing Rights	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
<b>Limits related to provisions considered in Tier II calculation</b>		
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	-	-
<b>Debt instruments subjected to Article 4 (to be implemented between 1 January 2018 and 1 January 2022)</b>		
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	-	-

**ALTERNATİFBANK A.Ş.**  
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**INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)**

**I. Explanations on Shareholders' Equity (Continued)**

**b. Details on Subordinated Liabilities**

<b>Issuer</b>	<b>Alternatifbank A.Ş.</b>
Unique identifier (eg CUSIP, ISIN)	XS2327872524
Governing law(s) of the instrument	English Law / Turkish Law on Subordinate Law
<b>Regulatory treatment</b>	
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
<b>Coupons / dividends</b>	
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 No interest will be charged for the value reduced after the value decrement date
Existence of a dividend stopper	Discretionary
Fully discretionary, partially discretionary or mandatory	
Existence of step up or other incentive to redeem	
Non-cumulative or cumulative	Non-cumulative
<b>Convertible or non-convertible</b>	
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	-
<b>Write-down feature</b>	
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)	Before core capital, after all creditors
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	-

# 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).*

## INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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 Bank in line with the risk profile and risk appetite by considering the 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 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 Banking accounts, concentration risk, business risk, reputation risk, model risk, and exchange risk are also included.

The risks that the Bank can encounter due to its operations are being evaluated in budget works and the possible capital requirements according to The 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 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 communiqué "Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks".

### III. Explanations on Currency Risk

The difference between the 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 Bank keeps the amount at currency risk within the legal limits and monitors the foreign currency positions daily/momentarily. Even though the 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 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 Bank's foreign currency bid rates for the reporting date and average of 30 days before the reporting day is as follows:

USD: TL 37.0406

EUR: TL 39.9427

As of 31 March 2025;

**Rate used:** **USD** **EUR**

TL 37.7656 TL 40.7019

# ALTERNATİFBANK A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2025

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

### III. Explanations on Currency Risk (Continued)

#### a. Information on currency risk of the Bank

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

	EUR	USD	Other FC	Total
<b>31 March 2025</b>				
<b>Assets</b>				
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	1,414,524	2,425,672	347,812	4,188,008
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 (**)	8,057,373	14,343,473	-	22,400,846
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 (***)	2,962	108,076	1	111,039
<b>Total Assets</b>	<b>10,168,607</b>	<b>38,033,858</b>	<b>810,507</b>	<b>49,012,972</b>
<b>Liabilities</b>				
Bank Deposits	52,135	44,698	100,202	197,035
Foreign Currency Deposits	2,937,688	7,463,143	2,613,902	13,014,733
Money Market Balances	-	10,537,723	-	10,537,723
Funds Borrowed From Other Financial Institutions	11,126,935	18,482,835	-	29,609,770
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	48,342	96,242	3,701	148,285
Derivative Financial Liabilities For Hedging Purposes	-	-	-	-
Other Liabilities (****)	55,476	579,989	271,857	907,322
<b>Total Liabilities</b>	<b>14,220,576</b>	<b>37,204,630</b>	<b>2,989,662</b>	<b>54,414,868</b>
<b>Net Balance Sheet Position</b>	<b>(4,051,969)</b>	<b>829,228</b>	<b>(2,179,155)</b>	<b>(5,401,896)</b>
<b>Net Off-Balance Sheet Position</b>	<b>2,701,621</b>	<b>(2,934,598)</b>	<b>1,729,501</b>	<b>1,496,524</b>
Financial Derivative Assets	23,738,225	17,252,068	2,748,221	43,738,514
Financial Derivative Liabilities	21,036,604	20,186,666	1,018,720	42,241,990
Non-Cash Loans (*****)	7,997,371	7,909,843	1,810,142	17,717,356
<b>31 December 2024</b>				
<b>Total Assets</b>	<b>9,144,399</b>	<b>35,707,422</b>	<b>554,514</b>	<b>45,406,335</b>
<b>Total Liabilities</b>	<b>9,253,816</b>	<b>39,172,095</b>	<b>2,196,253</b>	<b>50,622,164</b>
<b>Net Balance Sheet Position</b>	<b>(109,417)</b>	<b>(3,464,673)</b>	<b>(1,641,739)</b>	<b>(5,215,829)</b>
<b>Net Off-Balance Sheet Position</b>	<b>234,787</b>	<b>1,944,162</b>	<b>1,487,022</b>	<b>3,665,971</b>
Financial Derivative Assets	16,413,239	14,358,776	2,212,883	32,984,898
Financial Derivative Liabilities	16,178,452	12,414,614	725,861	29,318,927
Non-Cash Loans	7,312,648	7,626,740	1,438,634	16,378,022

(\*) 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 have been deducted from other liabilities as of 31 March 2025 (31 December 2024: TL 451,027).

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

**ALTERNATİFBANK A.Ş.**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
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**INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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 bank 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 Bank has not encountered to any significant interest rate risk in 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
<b>Assets</b>							
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 (*)	1,235,388	-	-	-	-	3,151,994	4,387,382
Financial Assets at Fair Value Through Profit and Loss	470,332	107,018	572,508	1,601	5,421	-	1,156,880
Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	2,495,664	1,592,652	3,957,750	-	-	16,504	8,062,570
Loans (*)	7,724,568	6,830,760	21,703,302	9,941,911	937,812	(194,832)	46,943,521
Financial Assets Measured at Amortised Cost (*)	8,623,176	996,558	1,268,384	76,042	281,149	(3,120)	11,242,189
Other Assets (**)	-	-	-	-	-	6,623,851	6,623,851
<b>Total Assets</b>	<b>30,256,837</b>	<b>9,526,988</b>	<b>27,501,944</b>	<b>10,019,554</b>	<b>1,224,382</b>	<b>16,653,372</b>	<b>95,183,077</b>
<b>Liabilities</b>							
Bank Deposits (***)	222,218	15,498	-	-	-	68,650	306,366
Other Deposits	30,865,921	3,323,430	354,123	57	-	6,096,173	40,639,704
Money Market Balances	14,249,932	308,900	-	-	-	-	14,558,832
Miscellaneous Payables	-	-	-	-	-	437,508	437,508
Marketable Securities Issued	-	-	280,583	-	-	-	280,583
Funds Borrowed From Other Financial Institutions	1,111,776	7,163,507	21,365,034	-	-	-	29,640,317
Other Liabilities and Shareholders' Equity (****)	620,314	1,647	154,324	200,649	8,000	8,334,833	9,319,767
<b>Total Liabilities</b>	<b>47,070,161</b>	<b>10,812,982</b>	<b>22,154,064</b>	<b>200,706</b>	<b>8,000</b>	<b>14,937,164</b>	<b>95,183,077</b>
<b>Balance Sheet Long Position</b>	<b>-</b>	<b>-</b>	<b>5,347,880</b>	<b>9,818,848</b>	<b>1,216,382</b>	<b>1,716,208</b>	<b>18,099,318</b>
<b>Balance Sheet Short Position</b>	<b>(16,813,324)</b>	<b>(1,285,994)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,099,318)</b>
Off-Balance Sheet Long Position	-	-	-	-	-	-	-
Off-Balance Sheet Short Position	(497,365)	(41,263)	(326,237)	-	-	-	(864,865)
<b>Total Position</b>	<b>(17,310,689)</b>	<b>(1,327,257)</b>	<b>5,021,643</b>	<b>9,818,848</b>	<b>1,216,382</b>	<b>1,716,208</b>	<b>(864,865)</b>

(\*) Expected credit losses for financial assets is presented non-interest bearing on the table. Amounted to TL 2,411 were deducted from non-interest banks, amounted to TL 3,120 were deducted from non-interest financial assets measured as amortised.

(\*\*) Property and equipment held for sale purpose and related to discontinued operations, investments in associates and subsidiaries, tangible and intangible fixed assets, deferred tax assets and other assets are classified as non-interest bearing assets.

(\*\*\*) Precious metal bank account is presented under Bank Deposits.

(\*\*\*\*) Taxes payable, charges, duties and premiums, provisions and shareholders' equity are classified as non-interest bearing liabilities.

# 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).

#### INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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
<b>Assets</b>							
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 (*)	2,911,209	-	-	-	-	1,755,900	4,667,109
Financial Assets at Fair Value Through Profit and Loss	113,327	354,803	348,123	48,649	11,342	-	876,244
Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	4,883,969	575,866	2,449,485	-	-	16,504	7,925,824
Loans (*)	8,090,158	6,459,964	16,407,814	8,712,977	916,504	(251,218)	40,336,199
Financial Assets Measured at Amortised Cost (*)	180,179	2,427,021	8,039,534	-	261,440	(2,065)	10,906,109
Other Assets (**)	-	-	-	-	-	6,121,575	6,121,575
<b>Total Assets</b>	<b>24,633,265</b>	<b>9,817,654</b>	<b>27,244,956</b>	<b>8,761,626</b>	<b>1,189,286</b>	<b>11,337,476</b>	<b>82,984,263</b>
<b>Liabilities</b>							
Bank Deposits (***)	721,842	-	-	-	-	124,733	846,575
Other Deposits	25,868,438	4,138,121	1,226,159	60	-	5,559,763	36,792,541
Money Market Balances	8,826,648	268,744	2,566,675	-	-	-	11,662,067
Miscellaneous Payables	-	-	-	-	-	883,269	883,269
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Financial Institutions	2,488,165	4,597,257	6,395,548	8,104,618	2,646,730	-	24,232,318
Other Liabilities and Shareholders' Equity (****)	94,043	165,682	192,418	173,104	10,122	7,932,124	8,567,493
<b>Total Liabilities</b>	<b>37,999,136</b>	<b>9,169,804</b>	<b>10,380,800</b>	<b>8,277,782</b>	<b>2,656,852</b>	<b>14,499,889</b>	<b>82,984,263</b>
<b>Balance Sheet Long Position</b>	<b>-</b>	<b>647,850</b>	<b>16,864,156</b>	<b>483,844</b>	<b>-</b>	<b>-</b>	<b>17,995,850</b>
<b>Balance Sheet Short Position</b>	<b>(13,365,871)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,467,566)</b>	<b>(3,162,413)</b>	<b>(17,995,850)</b>
Off-Balance Sheet Long Position	-	355,660	-	-	-	-	355,660
Off-Balance Sheet Short Position	(627,444)	-	(369,613)	(317,818)	-	-	(1,314,875)
<b>Total Position</b>	<b>(13,993,315)</b>	<b>1,003,510</b>	<b>16,494,543</b>	<b>166,026</b>	<b>(1,467,566)</b>	<b>(3,162,413)</b>	<b>(959,215)</b>

(\*) Expected loss provision for financial assets is presented non-interest bearing on the table. Amounted to TL 1,784 were deducted from non-interest banks, amounted to TL 2,065 were deducted from non-interest financial assets measured at amortised cost.

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

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

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

# ALTERNATİFBANK A.Ş.

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#### INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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 (%)
<b>Assets</b>				
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
<b>Liabilities</b>				
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

31 December 2024	EUR (%)	USD (%)	Other FC (%)	TL (%)
<b>Assets</b>				
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
<b>Liabilities</b>				
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

# ALTERNATİFBANK A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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

### V. Explanation on Stock Position Risk

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 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 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 "Regulation on calculation of Bank's liquidity coverage ratio", published in Official Gazette no. 28948, dated 21 March 2014, as of 2019 the deposit banks are subject to set 100% and 80% liquidity ratios for Total and 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 Bank, liquidity risk, responsibility and structure of management, reporting of 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 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. 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 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 Bank and the 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 Bank and its shareholders are determined by Bank's Asset and Liability Management Committees and monitored by the Treasury Department.

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

For the 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 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 Bank. Non-deposit sources also preferred because they are more long-term resources.

# 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).*

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

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

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

Turkish Lira, US Dollars and Euros are the currencies that constitute the minimum five percentage of the Bank's liabilities. It is intended to have effective foreign currency and liquidity risk management analyzing 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 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 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 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 Bank "Emergency Funding Plan Policy". Definitions regarding the liquidity crisis and actions that the Bank may take against a liquidity crisis that may occur in the market are implemented the action plan outlined. The Bank's special liquidity crisis levels set out in alarm conditions and the parameters to be monitored as an indicator are detailed. Liquidity Crisis Committee members and the Committee's duties and responsibilities are determined for the Bank's stress scenarios specific to the market and the Bank.

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## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2025

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

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

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

###### 2. Liquidity Coverage Ratio

The 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 unconsolidated foreign currency and total liquidity coverage ratios are as follows:

31 March 2025	Consideration Ratio		Consideration Ratio	
	Unapplied to Total Value (*)	Applied to Total Value (*)	Unapplied to Total Value (*)	Applied to Total Value (*)
TL+FC	FC	TL+FC	FC	
<b>HIGH QUALITY LIQUID ASSETS</b>				
1 High Quality Liquid Assets			15,825,069	9,419,753
<b>CASH OUTFLOWS</b>				
2 Retail and Small Business Customers	22,719,559	5,394,375	1,873,695	539,438
3 Stable Deposits	7,965,218	-	398,261	-
4 Less Stable Deposit	14,754,341	5,394,375	1,475,434	539,438
5 Unsecured Wholesale Funding	21,732,076	13,645,151	13,443,440	8,606,251
6 Operational Deposits	-	-	-	-
7 Non-operational Deposits	14,334,499	8,796,656	6,312,338	3,940,683
8 Other Unsecured Funding's	7,397,577	4,848,495	7,131,102	4,665,568
9 Secured Funding				
10 Other Cash Outflows	621,053	559,771	621,053	559,771
Derivative cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	621,053	559,771	621,053	559,771
12 Obligations related to structured financial products	-	-	-	-
13 Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
14 Other revocable off-balance sheet commitments and contractual obligations	798,950	798,950	39,947	39,947
15 Other irrevocable or conditionally revocable off-balance sheet obligations	38,933,319	15,880,034	6,592,245	1,616,785
<b>16 TOTAL CASH OUTFLOWS</b>			<b>22,570,380</b>	<b>11,362,192</b>
<b>CASH INFLOWS</b>				
17 Secured lending	-	-	-	-
18 Unsecured lending	12,901,216	8,852,075	10,809,456	7,964,596
19 Other cash inflows	444,596	343,473	444,596	343,473
<b>20 TOTAL CASH INFLOWS</b>	<b>13,345,812</b>	<b>9,195,548</b>	<b>11,254,052</b>	<b>8,308,069</b>
			<b>Total Adjusted Value</b>	
<b>21 TOTAL HIGH QUALITY ASSETS STOCKS</b>			<b>15,825,069</b>	<b>9,419,753</b>
<b>22 TOTAL CASH OUTFLOWS</b>			<b>11,316,328</b>	<b>3,600,870</b>
<b>23 LIQUIDITY COVERAGE RATIO (%)</b>			<b>142.02%</b>	<b>283.26%</b>

(\*) 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 last three months period of 2025 are given in the table below.

31 March 2025	Highest	Date	Lowest	Date	Average
TL+FC	171.62%	28.03.2025	121.60%	07.03.2025	142.02%
FC	377.57%	28.02.2025	194.62%	14.02.2025	283.26%

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## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2025

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#### INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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
<b>HIGH QUALITY LIQUID ASSETS</b>				
1 High Quality Liquid Assets			14,822,763	8,089,159
<b>CASH OUTFLOWS</b>				
2 Retail and Small Business Customers	21,462,146	4,982,953	1,746,300	498,295
3 Stable Deposits	7,998,293	-	399,915	-
4 Less Stable Deposit	13,463,853	4,982,953	1,346,385	498,295
5 Unsecured Wholesale Funding	18,043,826	11,685,534	11,570,681	7,242,925
6 Operational Deposits	-	-	-	-
7 Non-operational Deposits	11,728,139	7,733,759	5,403,250	3,437,320
8 Other Unsecured Fundings	6,315,687	3,951,775	6,167,431	3,805,605
9 Secured Funding			-	-
10 Other Cash Outflows	543,352	516,884	543,352	516,884
Derivative cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	543,352	516,884	543,352	516,884
12 Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
14 Other revocable off-balance sheet commitments and contractual obligations	594,907	594,907	29,745	29,745
15 Other irrevocable or conditionally revocable off-balance sheet obligations	36,837,585	15,148,117	6,070,086	1,566,750
<b>16 TOTAL CASH OUTFLOWS</b>			<b>19,960,164</b>	<b>9,854,599</b>
<b>CASH INFLOWS</b>				
17 Secured lending	3,310	-	-	-
18 Unsecured lending	10,414,926	8,074,797	8,956,718	7,378,134
19 Other cash inflows	146,104	109,068	146,104	109,068
<b>20 TOTAL CASH INFLOWS</b>	<b>10,564,340</b>	<b>8,183,865</b>	<b>9,102,822</b>	<b>7,487,202</b>
			<b>Total Adjusted Value</b>	
<b>21 TOTAL HIGH QUALITY ASSETS STOCKS</b>			<b>14,822,763</b>	<b>8,089,159</b>
<b>22 TOTAL CAH OUTFLOWS</b>			<b>10,857,342</b>	<b>2,836,008</b>
<b>23 LIQUIDITY COVERAGE RATIO (%)</b>			<b>137.70%</b>	<b>295.99%</b>

(\*) 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 last three months period of 2024 are given in the table below.

31 December 2024	Highest	Date	Lowest	Date	Average
TL+FC	175.73%	27.12.2024	126.10%	11.10.2024	137.70%
FC	355.60%	27.12.2024	223.38%	29.11.2024	295.99%

# ALTERNATİFBANK A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2025

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#### INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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 Üin 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 Bank's funding balances. As of 31 March 2025, the proportion of total liabilities to all deposits of the bank is 43% and borrowings constitutes 23% portion whereas subordinate debt is 8%. Secured borrowings such as repo transactions has lower portion (15%).

###### 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 156,920 (31 December 2024: 153,000). 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, 62% of the Bank's 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 (99%).

###### 3.f The liquidity risk for the potential funding needs for the 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 Bank and its consolidated subsidiaries, there are no such risks drawing attention.

###### 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.

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

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

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

**Breakdown of assets and liabilities according to their outstanding maturities**

	<b>Demand</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-12 Months</b>	<b>1-5 Year</b>	<b>5 Year and Over</b>	<b>Unclassified</b>	<b>Total</b>
<b>31 March 2025</b>								
<b>Assets</b>								
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 (****)	3,154,405	1,235,388	-	-	-	-	(2,411)	4,387,382
Financial Assets at Fair Value Through Profit and Loss	-	448,998	186,643	496,250	19,411	5,578	-	1,156,880
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income (****)	-	598,727	1,253,439	1,380,186	2,427,501	2,386,213	16,504	8,062,570
Loans(*****)	-	4,072,419	8,361,171	18,919,733	12,016,563	3,767,596	(193,961)	46,943,521
Financial Assets Measured at Amortised Cost (****)	-	54,115	283,567	1,170,581	8,398,113	1,338,933	(3,120)	11,242,189
Other Assets (*) (****)	298,773	92,991	18,866	37,059	771	29,521	6,145,870	6,623,851
<b>Total Assets</b>	<b>10,512,153</b>	<b>16,210,347</b>	<b>10,103,686</b>	<b>22,003,809</b>	<b>22,862,359</b>	<b>7,527,841</b>	<b>5,962,882</b>	<b>95,183,077</b>
<b>Liabilities</b>								
Bank Deposits	68,650	222,218	15,498	-	-	-	-	306,366
Other Deposits (***)	6,096,173	30,865,917	3,323,434	354,123	57	-	-	40,639,704
Funds Borrowed From Other Financial Institutions (**)	-	1,153,029	4,392,661	16,539,361	-	7,555,266	-	29,640,317
Money Market Balances	-	14,249,932	308,900	-	-	-	-	14,558,832
Marketable Securities Issued	-	-	-	280,583	-	-	-	280,583
Miscellaneous Payables	-	-	-	-	-	-	437,508	437,508
Other Liabilities	-	1,461,616	1,649	355,130	(61,231)	8,000	7,554,603	9,319,767
<b>Total Liabilities</b>	<b>6,164,823</b>	<b>47,952,712</b>	<b>8,042,142</b>	<b>17,529,197</b>	<b>(61,174)</b>	<b>7,563,266</b>	<b>7,992,111</b>	<b>95,183,077</b>
<b>Liquidity Gap</b>	<b>4,347,330</b>	<b>(31,742,365)</b>	<b>2,061,544</b>	<b>4,474,612</b>	<b>22,923,533</b>	<b>(35,425)</b>	<b>(2,029,229)</b>	<b>-</b>
<b>31 December 2024</b>								
<b>Total Assets</b>	<b>5,741,106</b>	<b>17,451,219</b>	<b>9,010,043</b>	<b>17,024,124</b>	<b>21,754,340</b>	<b>6,930,873</b>	<b>5,072,558</b>	<b>82,984,263</b>
<b>Total Liabilities</b>	<b>5,684,496</b>	<b>38,299,341</b>	<b>7,832,097</b>	<b>12,110,726</b>	<b>1,091,850</b>	<b>9,822,140</b>	<b>8,143,613</b>	<b>82,984,263</b>
<b>Liquidity Gap</b>	<b>56,610</b>	<b>(20,848,122)</b>	<b>1,177,946</b>	<b>4,913,398</b>	<b>20,662,490</b>	<b>(2,891,267)</b>	<b>(3,071,055)</b>	<b>-</b>

(\*) 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 Deposit".

(\*\*\*\*) Expected loss provision for financial assets is presented non-interest bearing on the table. Amounted to TL 2,411 were deducted from unclassified banks, amounted to TL 3,120 were deducted from unclassified financial assets measured at amortised cost.

(\*\*\*\*\*) Non-performing loans are shown in the "Unclassified" column after netting out with expected loss provisions.

**Contractual maturity analysis of the Bank'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".

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## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2025

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

## INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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	
<b>Available stable funding</b>					
1	Capital Instruments	-	-	-	16,021,674
2	Tier 1 Capital and Tier 2 Capital	-	-	-	16,021,674
3	Other Capital Instruments	-	-	-	-
4	Real-person and Retail Customer Deposits	2,264,042	21,491,283	29,463	57
5	Stable Deposits	608,939	7,928,355	10,145	57
6	Less Stable Deposits	1,655,102	13,562,928	19,318	-
7	Other Obligations	3,901,305	41,868,354	17,993,161	-
8	Operational deposits	-	-	-	-
9	Other Obligations	3,901,305	41,868,354	17,993,161	-
10	Liabilities equivalent to interconnected assets				
11	Other Liabilities	2,098,084	4,089,212	-	-
12	Derivative liabilities			782,108	
13	All other equity not included in the above categories	1,315,976	4,089,212	-	-
14	<b>Available stable funding</b>				<b>55,697,356</b>
<b>Required stable funding</b>					
15	Required stable funding				964,066
16	Deposits held at financial institutions for operational purposes	-	-	-	-
17	Performing Loans	6,720,949	22,413,932	12,173,569	10,826,152
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	2,740,903	5,840,565	285,765	144,599
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	3,832,519	16,305,217	11,682,911	10,556,924
21	<i>Loans with a risk weight of less than or equal to 35%</i>	377,539	1,822,471	917,045	1,211,626
22	Residential mortgages	147,527	47,794	35,718	47,382
23	<i>Residential mortgages with a risk weight of less than or equal to 35%</i>	147,527	47,794	35,718	47,382
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities		220,356	169,175	77,247
25	Assets equivalent to interconnected liabilities				
26	Other Assets	8,647,757	4,061,815	780,978	-
27	Physical traded commodities, including gold				-
28	Initial margin posted or given guarantee fund to central counterparty				187,362
29	Derivative Assets				1,033,787
30	Derivative Liabilities before the deduction of the variation margin				909,926
31	Other Assets not included above	6,516,682	4,061,815	780,978	-
32	Off-balance sheet commitments		40,567,654	-	-
33	<b>Total Required stable funding</b>				<b>41,037,911</b>
34	<b>Net Stable Funding Ratio (%)</b>				<b>135.72%</b>

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## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2025

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## INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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				
<b>Available stable funding</b>								
1 Capital Instruments	-	-	-	17,981,881	17,981,881			
2 Tier 1 Capital and Tier 2 Capital	-	-	-	17,981,881	17,981,881			
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	3,617,527	36,272,024	7,410,723	962,308	12,603,872			
8 Operational deposits	-	-	-	-	-			
9 Other Obligations	3,617,527	36,272,024	7,410,723	962,308	12,603,872			
10 Liabilities equivalent to interconnected assets								
11 Other Liabilities	2,122,117	2,494,622	-	-	-			
12 Derivative liabilities					460,779			
13 All other equity not included in the above categories	1,661,337	2,494,622	-	-	-			
14 Available stable funding					<b>51,113,285</b>			
<b>Required stable funding</b>								
15 Required stable funding								
16 Deposits held at financial institutions for operational purposes	-	-	-	-	-			
17 Performing Loans	5,928,203	21,779,950	8,103,039	9,761,826	26,078,658			
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	1,622,719	6,428,067	492,336	177,364	3,010,461			
20 Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	4,145,684	15,187,600	7,574,533	9,491,683	22,792,031			
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	7,488,378	2,561,246	669,422	-	7,301,689			
27 Physical traded commodities, including gold	--				-			
28 Initial margin posted or given guarantee fund to central counterparty					258,016			
29 Derivative Assets					760,538			
30 Derivative Liabilities before the deduction of the variation margin					469,380			
31 Other Assets not included above	6,000,444	2,561,246	669,422	-	6,735,678			
32 Off-balance sheet commitments				39,608,613	-			
33 Total Required stable funding					<b>36,325,394</b>			
34 Net Stable Funding Ratio (%)								

# 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).

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

##### VII. Explanations on Leverage Ratio

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

The Bank's unconsolidated leverage ratio is 11.20% and calculated in compliance with "Regulation on Measurement and Evaluation of Leverage Levels of Banks" (31 December 2024: 13.13%). Increase in the leverage ratio is mainly due to the decrease in total risk. Regulation has been arrived at a decision of the minimum leverage ratio of 3%.

		31 March 2025 (*)	31 December 2024 (*)
<b>Assets in Balance Sheet</b>			
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	90,865,513	82,033,447
2	Assets deducted in determining Tier 1 capital	(443,096)	(402,775)
3	<b>Total on-balance sheet risks (sum of lines 1 and 2) Derivative financial instruments and credit derivatives</b>	<b>90,422,417</b>	<b>81,630,672</b>
<b>Derivative financial instruments and credit derivatives</b>			
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	<b>Total risks of derivative financial instruments and credit derivatives (sum of lines 4 to 5 (SCFT))</b>	<b>1,396,989</b>	<b>1,184,415</b>
<b>Securities or commodity financing transactions</b>			
7	Risks from SCFT assets of off-balance sheet	-	-
8	Risks from brokerage activities related exposures	-	-
9	<b>Total risks related with securities or commodity financing transactions (sum of lines 7 to 8)</b>	<b>-</b>	<b>-</b>
<b>Off-balance sheet transactions</b>			
10	Gross notional amounts of off-balance sheet transactions	58,554,377	54,090,233
11	(Adjustments for conversion to credit equivalent amounts)	(10,207,545)	(9,426,056)
12	<b>Total risks of off-balance sheet items (sum of lines 10 and 11)</b>	<b>48,346,832</b>	<b>44,664,177</b>
<b>Capital and Total Risk</b>			
13	Tier 1 capital	15,692,836	16,738,100
14	<b>Total risks (sum of lines 3, 6, 9 and 12)</b>	<b>140,166,238</b>	<b>127,479,264</b>
<b>Leverage ratio</b>			
15	<b>Leverage ratio (%)</b>	<b>11.20%</b>	<b>13.13%</b>

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

##### VIII. Explanations on Fair Values of Financial Assets and Liabilities

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

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

None (31 December 2024: None).

**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).*

**INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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 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 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 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 Bank. The Board manages risk through the Audit and Compliance; Risk; Executive Committees.

While the risk appetite at the Bank is linked to the overall risk management framework and business strategy of the Bank, the update of Risk Appetite statement approved by the Board and monitoring of the 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 Bank and its affiliates are performed.

The 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 Bank in particular, and reports related results to the Top Management. The Bank also monitors the compliance of credit facilities and treasury operations etc. with the Bank's risk policies administer internal reporting and monitor the results on a regular basis.

The 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 Bank's solvency and liquidity.

**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).*

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

**X. Explanations on the Risk Management (Continued)**

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

**1. The 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 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 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**

		<b>Risk Weighted Amount</b>		<b>Minimum capital requirement</b>
		<b>31 March 2025</b>	<b>31 December 2024</b>	
1	Credit risk (excluding counterparty credit risk) (CCR)	65,376,876	55,341,903	5,230,150
2	Standardised approach (SA)	65,376,876	55,341,903	5,230,150
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	3,148,421	2,168,215	251,874
5	Standardised approach for counterparty credit risk (SA-CCR)	3,148,421	2,168,215	251,874
6	Internal model method (IMM)	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-
8	Investments made in collective investment companies – look-through approach	-	-	-
9	Investments made in collective investment companies – mandate-based approach	-	-	-
10	Investments made in collective investment companies - 1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	973,963	958,838	77,917
17	Standardised approach (SA)	973,963	958,838	77,917
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	4,691,612	4,110,857	375,329
20	Basic Indicator Approach	4,691,612	4,110,857	375,329
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	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>74,190,872</b>	<b>62,579,813</b>	<b>5,935,270</b>

# 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).*

#### INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE 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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks".

**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).***INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)****X. Explanations on the Risk Management (Continued)****e. Explanations on securitisations**

None.

**f. Explanations on market risk**

		RWA Current Period	RWA Prior Period
<b>Outright products</b>			
1	Interest rate risk (general and specific)	128,413	97,275
2	Equity risk (general and specific)	-	-
3	Foreign exchange risk	718,125	727,350
4	Commodity risk	-	-
<b>Options</b>			
5	Simplified approach	-	-
6	Delta-plus method	127,425	134,213
7	Scenario approach	-	-
8	Securitisation	-	-
9	<b>Total</b>	<b>973,963</b>	<b>958,838</b>

**g. Explanations on operational risk**

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

**h. Explanations on banking book interest rate risk**

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

**i. Explanations on -credit risk mitigation techniques**

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. Explanations on risk management objectives and policies**

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

**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).***INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)****XI. Explanation on Hedge Accounting**

At the beginning of the association and throughout the ongoing process, the 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 Bank has no derivative transactions determined as fair value hedging.

The Bank applies cash flow hedge accounting using interest rate swaps to hedge its TL and FC deposits with short term cyclical basis. The 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. 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
<b>Derivative financial instruments</b>						
Interest rate swaps	2,500,000	52,884	-	1,300,000	6,764	1,751
<b>Total</b>	<b>2,500,000</b>	<b>52,884</b>	<b>-</b>	<b>1,300,000</b>	<b>6,764</b>	<b>1,751</b>

(\*) 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.

**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).***SECTION FIVE****EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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
<b>Total</b>	<b>7,453,246</b>	<b>9,313,438</b>	<b>3,641,741</b>	<b>8,509,462</b>

## 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 Restricted Amount	-	-	-	-
Reserve Requirement	194,982	5,457,187	22,141	4,953,576
<b>Total</b>	<b>7,420,100</b>	<b>8,900,147</b>	<b>3,598,537</b>	<b>7,956,790</b>

(\*) 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 communiqué 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 "Communiqué on Required Reserves" at the CBRT. According to the Communiqué 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%).

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****I. Explanations and Notes on Assets (Continued)****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 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).

**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	-	351,327	248,335	331,153
Options	237,999	330,727	99,250	117,350
<b>Total</b>	<b>336,367</b>	<b>767,027</b>	<b>408,311</b>	<b>462,392</b>

(\*) 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	201,785	92,767	14,576	2,960,225
Foreign	-	4,095,241	-	1,694,092
<b>Total</b>	<b>201,785</b>	<b>4,188,008</b>	<b>14,576</b>	<b>4,654,317</b>

**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). Real estate investment fund amounting to TL 118,054 (31 December 2024: TL 115,191). As of 31 March 2025, the share certificates amounting to TL 16,504 (31 December 2024: TL 16,504).

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

	31 March 2025	31 December 2024
Debt Securities	8,160,844	8,182,536
Quoted on Stock Exchange	8,042,790	8,067,345
Not Quoted (*)	118,054	115,191
Share Certificates	16,504	16,504
Quoted on Stock Exchange	1	1
Not Quoted	16,503	16,503
Impairment Provision (-)	167,662	279,980
<b>Total</b>	<b>8,009,686</b>	<b>7,919,060</b>

(\*) Omurga Gayrimenkul ve Girişim Sermayesi Portföy Yönetimi which is 100% owned by Alternatifbank A.Ş. also includes the second real estate investment fund.

**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).

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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 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	-
<b>Total</b>	<b>28,926</b>	<b>4,810</b>	<b>24,751</b>	<b>5,611</b>

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	Standard Loans	Loans Under Close Monitoring		
		Restructured Loans		Refinance
		Loans Not Subject to Restructuring	Loans with Revised Contract Terms	
Non-specialized Loans	43,807,771	533,988	2,796,595	-
Loans given to	-	-	-	-
Export Loans	9,081,325	142,318	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	1,927,367	-	-	-
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	-	-	-	-
<b>Total</b>	<b>43,807,771</b>	<b>533,988</b>	<b>2,796,595</b>	<b>-</b>

(\*) Factoring receivables are included.

Prior Period	Standard Loans	Loans Under Close Monitoring		
		Restructured Loans		Refinance
		Loans Not Subject to Restructuring	Loans with Revised Contract Terms	
Non-specialized Loans	37,246,018	568,855	2,772,547	-
Loans given to	-	-	-	-
Export Loans	9,257,797	74,298	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	2,629,076	-	-	-
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	-	-	-	-
<b>Total</b>	<b>37,246,018</b>	<b>568,855</b>	<b>2,772,547</b>	<b>-</b>

(\*) Factoring receivables are included.

**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).***EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED 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 (\*)

	<b>Standard Loans</b>	<b>Loans Under Close Monitoring</b>
12 Month Expected Credit Losses	206,859	-
Significant Increase in Credit Risk	-	312,485

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

Prior Period (\*)

	<b>Standard Loans</b>	<b>Loans Under Close Monitoring</b>
12 Month Expected Credit Losses	183,912	-
Significant Increase in Credit Risk	-	318,097

(\*) 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".

**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).*

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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

	<b>Short-term</b>	<b>Medium and Long-term</b>	<b>Total</b>
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)	-	-	-
<b>Total</b>	<b>535,748</b>	<b>635,600</b>	<b>1,171,348</b>

(\*) TL 142 of the credit deposit account consist of personnel loans.

**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).*

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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

	<b>Short-term</b>	<b>Medium and long-term</b>	<b>Total</b>
Commercial Installments Loans-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 Installments Loans-FC Indexed	-	8,798	8,798
Real Estate Loans	-	8,798	8,798
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installments Loans-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
Credit Deposit Account-TL (Legal Person)	94,615	-	94,615
Credit Deposit Account-FC (Legal Person)	-	-	-
<b>Total</b>	<b>448,812</b>	<b>11,777,356</b>	<b>12,226,168</b>

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.

	<b>31 March 2025</b>	<b>31 December 2024</b>
Domestic Loans	47,137,502	40,586,635
Foreign Loans	852	785
<b>Total</b>	<b>47,138,354</b>	<b>40,587,420</b>

8. Loans given to investments in associates and subsidiaries

As of 31 March 2025, there are loans granted to associates and subsidiaries amount to TL 178,673 (31 December 2024: TL 189,498).

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

	<b>31 March 2025</b>	<b>31 December 2024</b>
Loans with Limited Collectability	20,115	24,580
Loans with Doubtful Collectability	63,712	53,898
Uncollectible Loans	123,136	129,410
<b>Total</b>	<b>206,963</b>	<b>207,888</b>

**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).*

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Notes on Assets (Continued)**

**g. Explanations on loans (Continued)**

10. Information on non-performing loans (Net)

(i). Information on non-performing loans restructured or rescheduled and other receivables:

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

(ii). Information on total non-performing loans:

	<b>III. Group</b> <b>Loans and other receivables with limited collectability</b>	<b>IV. Group</b> <b>Loans and other receivables with doubtful collectability</b>	<b>V. Group</b> <b>Uncollectible loans and other receivables</b>
<b>31 December 2024</b>	<b>103,885</b>	<b>209,960</b>	<b>144,837</b>
Addition (+)	198,727	607	2,232
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 (-)	(120,739)	(5,596)	(2,396)
Write-offs (-)	(19)	(2)	(22)
Sold Portfolio (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
<b>31 March 2025</b>	<b>93,961</b>	<b>273,496</b>	<b>164,017</b>
Specific Provisions (-)	20,115	63,712	123,136
<b>Net Balance on Balance Sheet</b>	<b>73,846</b>	<b>209,784</b>	<b>40,881</b>

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

As at the balance sheet date there are no non-performing loans denominated in foreign currencies (31 December 2024: None).

# 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).

#### EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

##### I. Explanations and Notes on Assets (Continued)

###### g. Explanations on loans (Continued)

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

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

	III. Group Loans and other receivables with limited collectability	IV. Group Loans and other receivables with doubtful collectability	V. Group Uncollectible loans and other receivables
<b>31 March 2025 (Net)</b>	<b>73,846</b>	<b>209,784</b>	<b>40,881</b>
Loans to Real Persons and Legal Entities (Gross)	93,961	273,496	164,017
Specific Provision Amount (-)	(20,115)	(63,712)	(123,136)
Loans to Real Persons and Legal Entities (Net)	73,846	209,784	40,881
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
<b>31 December 2024 (Net)</b>	<b>79,305</b>	<b>156,062</b>	<b>15,427</b>
Loans to Real Persons and Legal Entities (Gross)	103,885	209,960	144,837
Specific Provision Amount (-)	(24,580)	(53,898)	(129,410)
Loans to Real Persons and Legal Entities (Net)	79,305	156,062	15,427
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, rediscounts, valuation differences and their equivalents calculated for non-performing loans in accordance with TFRS 9:

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

11. Explanation on liquidation policy for uncollectible loan and receivable

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".

12. Explanations on write-off policy

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".

**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).*

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Notes on Assets (Continued)**

**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
<b>Total</b>	<b>3,142,097</b>	<b>8,103,212</b>	<b>2,506,028</b>	<b>8,402,146</b>

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	-	-
<b>Total</b>	<b>9,918,836</b>	<b>10,144,596</b>

3. Financial assets measured at amortised cost

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

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
Effect of Reclassifications and Measurements in accordance with IFRS 9	726,117	1,700,744
Transfers from Investment Securities Available for Sale (*)	558,740	756,278
Disposals Through Sales and Redemptions	(947,722)	(1,150,513)
Impairment Provision (-)	-	-
<b>Balance at the End of the Period</b>	<b>11,245,309</b>	<b>10,908,174</b>

(\*) The amount consist immaterial sale of financial asset.

**i. Information on investments in associates (Net)**

The Bank has no investments in associates as of 31 March 2025 (31 December 2024: None).

# 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).

#### EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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 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/Turkey	100.00	100.00
2	Alternatif Finansal Kiralama A.Ş.	İstanbul/Turkey	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 31 March 2024 data.

###### 3. The movement of the subsidiaries

	31 March 2025	31 December 2024
<b>Balance at the Beginning of the Period</b>	<b>350,580</b>	<b>340,580</b>
<b>Movements During the Period</b>	<b>55,000</b>	<b>10,000</b>
Purchases (*)	55,000	10,000
Transfers	-	-
Bonus Shares Obtained	-	-
Share in Current Year Income	-	-
Sales	-	-
Revaluation (Decrease) / Increase	-	-
Provision for Impairment	-	-
<b>Balance at the End of the Period</b>	<b>405,580</b>	<b>350,580</b>
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.

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****I. Explanations and Notes on Assets (Continued)****j. Information on subsidiaries (Net) (Continued)**

4. 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

5. Subsidiaries quoted on stock exchange

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

**k. Information on joint ventures**

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

**l. Information on lease receivables (net)**

There are no receivables from lease transactions (31 December 2024: None).

**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	-	-	-	-
<b>Fair Value Hedge</b>	<b>52,884</b>	-	<b>6,764</b>	-

(\*) Explained in Section Four Footnote Number XI.

**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 (31 December 2024: None).

**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).*

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Notes on Assets (Continued)**

**q. Explanations about deferred tax asset**

As of 31 March 2025, the Bank has deferred tax asset amounting to TL 1,054,701 (31 December 2024: TL 816,111 defered 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/(Liability)				
Tangible Assets Base Differences	1,739,207	521,762	1,461,916	438,575
Provisions	713,093	213,928	757,150	227,145
Valuation of Financial Assets	904,900	271,470	383,789	115,137
Commission Deferral	158,470	47,541	117,513	35,254
Financial Losses	-	-	-	-
Other	-	-	-	-
<b>Net Deferred Tax Assets</b>		<b>1,054,701</b>		<b>816,111</b>

	1 January 2025 – 31 March 2025	1 January 2024 – 31 March 2024
1 January Net Deferred Tax Asset/(Liability)	816,111	427,288
Deferred Tax (Expense)/Income	222,567	46,976
Deferred tax recognized in other comprehensive income	16,023	(44,015)
<b>31 March Net Deferred Tax Asset/(Liability)</b>	<b>1,054,701</b>	<b>430,249</b>

**r. Movement of assets held for resale and discontinued operations**

	31 March 2025	31 December 2024
Beginning of the period	963,253	405,658
Disposals (-)	(10,655)	(16,105)
Additions	-	573,700
Current period depreciation (-)	-	-
Impairment provision addition/ return	-	-
<b>End of the Period</b>	<b>952,598</b>	<b>963,253</b>

**s. Information on other 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."

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**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**

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

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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
<b>Saving Deposits</b>	<b>1,255,933</b>	-	<b>9,575,064</b>	<b>5,926,507</b>	<b>1,077,156</b>	<b>88,794</b>	<b>128,400</b>	-	<b>18,051,854</b>
<b>Foreign Currency Deposits</b>	<b>4,168,978</b>	-	<b>2,908,102</b>	<b>4,620,455</b>	<b>67,411</b>	<b>25,233</b>	<b>754</b>	-	<b>11,790,933</b>
Residents in Turkey	3,981,464	-	2,906,081	4,255,345	59,991	9,370	754	-	11,213,005
Residents Abroad	187,514	-	2,021	365,110	7,420	15,863	-	-	577,928
<b>Public Sector Deposits</b>	<b>36,928</b>	-	-	-	-	-	-	-	<b>36,928</b>
<b>Commercial Deposits</b>	<b>325,691</b>	-	<b>1,809,443</b>	<b>5,846,117</b>	<b>1,522,854</b>	<b>1,084</b>	<b>26,179</b>	-	<b>9,531,368</b>
<b>Other Institutions Deposits</b>	<b>3,547</b>	-	<b>5,117</b>	<b>40,292</b>	<b>115</b>	-	-	-	<b>49,071</b>
<b>Precious Metal Deposits</b>	<b>305,096</b>	-	<b>256,410</b>	<b>525,914</b>	<b>82,214</b>	<b>9,916</b>	-	-	<b>1,179,550</b>
<b>Bank Deposits</b>	<b>68,650</b>	-	<b>164,689</b>	<b>73,027</b>	-	-	-	-	<b>306,366</b>
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	93	-	-	-	-	-	-	-	93
Foreign Banks	68,557	-	164,689	73,027	-	-	-	-	306,273
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,164,823</b>	-	<b>14,718,825</b>	<b>17,032,312</b>	<b>2,749,750</b>	<b>125,027</b>	<b>155,333</b>	-	<b>40,946,070</b>

(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
<b>Saving Deposits</b>	<b>1,193,091</b>	-	<b>9,235,825</b>	<b>5,153,639</b>	<b>1,069,043</b>	<b>115,555</b>	<b>127,007</b>	-	<b>16,894,160</b>
<b>Foreign Currency Deposits</b>	<b>3,509,756</b>	-	<b>2,645,289</b>	<b>7,429,099</b>	<b>117,857</b>	<b>24,978</b>	<b>703</b>	-	<b>13,727,682</b>
Residents in Turkey	3,400,419	-	2,608,084	7,086,156	95,909	10,303	703	-	13,201,574
Residents Abroad	109,337	-	37,205	342,943	21,948	14,675	-	-	526,108
<b>Public Sector Deposits</b>	<b>250,234</b>	-	-	-	-	-	-	-	<b>250,234</b>
<b>Commercial Deposits</b>	<b>374,611</b>	-	<b>1,338,359</b>	<b>2,767,696</b>	<b>381,754</b>	<b>14,406</b>	<b>23,928</b>	-	<b>4,900,754</b>
<b>Other Institutions Deposits</b>	<b>5,578</b>	-	<b>3,514</b>	<b>40,892</b>	<b>105</b>	-	-	-	<b>50,089</b>
<b>Precious Metal Deposits</b>	<b>226,493</b>	-	<b>197,103</b>	<b>470,872</b>	<b>69,932</b>	<b>5,222</b>	-	-	<b>969,622</b>
<b>Bank Deposits</b>	<b>124,733</b>	-	<b>721,842</b>	-	-	-	-	-	<b>846,575</b>
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	115	-	176,226	-	-	-	-	-	176,341
Foreign Banks	124,618	-	545,616	-	-	-	-	-	670,234
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,684,496</b>	-	<b>14,141,932</b>	<b>15,862,198</b>	<b>1,638,691</b>	<b>160,161</b>	<b>151,638</b>	-	<b>37,639,116</b>

**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).*

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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

<b>Saving Deposits</b>	<b>Under the Guarantee of Deposit Insurance</b>		<b>Exceeding Limit of the Deposit Insurance</b>	
	<b>31 March 2025</b>	<b>31 December 2024</b>	<b>31 March 2025</b>	<b>31 December 2024</b>
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 communiqué "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

	<b>31 March 2025</b>	<b>31 December 2024</b>
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

	<b>31 March 2025 (*)</b>		<b>31 December 2024 (*)</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Forward Transactions	402	31,627	13	33,851
Swap Transactions	250	367,707	-	399,964
Futures Transactions	-	-	-	-
Options	214,113	298,626	87,659	64,525
<b>Total</b>	<b>214,765</b>	<b>697,960</b>	<b>87,672</b>	<b>498,340</b>

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

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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	-	138,052	-	126,393
From Domestic Banks and Institutions	30,547	509	18,031	932
From Foreign Banks, Institutions and Funds	-	21,519,404	7,174	14,188,041
<b>Total</b>	<b>30,547</b>	<b>21,657,965</b>	<b>25,205</b>	<b>14,315,366</b>

## 2. Information on maturity profile of borrowings

	31 March 2025		31 December 2024	
	TL	FC	TL	FC
Short-term	30,547	2,544,618	25,205	1,324,122
Medium and Long-term	-	19,113,347	-	12,991,244
<b>Total</b>	<b>30,547</b>	<b>21,657,965</b>	<b>25,205</b>	<b>14,315,366</b>

## 3. Disclosures for concentration areas of bank's liabilities

As of 31 March 2025, the Bank has securities issued amounting to TL 280,583 (31 December 2024: None).

**d. Information on other liabilities**

Other foreign liabilities amounting to TL 645,992 are included in "Other Liabilities" (31 December 2024: TL 565,202) and do not exceed 10% of the total balance sheet.

**e. Information on financial lease agreements**

## i). Information of financial lease liabilities

	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
<b>Total</b>	<b>67,325</b>	<b>40,899</b>	<b>24,548</b>	<b>8,778</b>

**f. Information on hedging derivative financial liabilities**

None (31 December 2024: TL 1,751).

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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.

In accordance with the revised TAS 19 Standard, Actuarial losses has recognized under the equity, amount of after deferred tax TL 1,467 as of 31 March 2025 (31 March 2024: TL 7,859 Actuarial Loss).

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

	<b>31 March 2025</b>	<b>31 December 2024</b>
Discount Rate(%)	2.81	2.81
Ratio Used for Probability of Pension (%)	86.67	86.67

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation.

As of 31 March 2025, The Bank has provision for employee benefits amount of TL 29,664 (31 December 2024: TL 31,202) provision of unused vacation amount of TL 12,360 (31 December 2024: TL 14,421).

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

	<b>31 March 2025</b>	<b>31 December 2024</b>
Provisions for Unindemnified Non-cash Loan	105,010	109,682
Provision for Litigation and Claims	54,554	77,767
Bonus Provision	54,588	13,453
Provision for Miscellaneous Receivables	1,047	730
<b>Total</b>	<b>215,199</b>	<b>201,632</b>

**h. Information on taxes payable****1. Information on current tax liability**

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

**(i) Explanations on Tax Liabilities**

	<b>31 March 2025</b>	<b>31 December 2024</b>
Corporate Tax Payable	-	-
Taxation of Marketable Securities	143,237	99,213
Banking Insurance Transaction Tax (BITT)	53,936	58,744
Value Added Tax Payable	232	5,774
Property Tax	388	373
Foreign Exchange Transaction Tax	1,605	665
Other	18,039	19,861
<b>Total</b>	<b>217,437</b>	<b>184,630</b>

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****II. Explanations and Notes on Liabilities (Continued)****h. Information on taxes payable (Continued)****1. Information on current tax liability (Continued)****(ii) Information on premium payables**

	<b>31 March 2025</b>	<b>31 December 2024</b>
Social Security Premiums - Employee	15,200	6,458
Social Security Premiums - Employer	18,086	7,228
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	1,086	461
Unemployment Insurance - Employer	2,171	923
Other	9,353	4,200
<b>Total</b>	<b>45,896</b>	<b>19,270</b>

**2. Deferred tax liability**

None (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 communique "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 communique "Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks".

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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)

	<b>31 March 2025</b>	<b>31 December 2024</b>
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 Bank applies registered share capital system. The 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 (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 commitments up until the end of the fiscal year and the subsequent interim period: None.
6. Information on prior period's indicators on the Bank's income, profitability and liquidity, and possible effects of these future assumptions on the Bank'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 Bank within several risk limits and legal limits.

7. There is no privileges given to shares representing the capital
8. Information on marketable securities valuation reserve

	<b>31 March 2025</b>		<b>31 December 2024</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
From Investments in Associates, Subsidiaries, and Joint Ventures	2,722	-	2,722	-
Valuation Difference	(464,032)	(121,554)	(520,415)	(102,113)
Foreign Currency Difference	-	-	-	-
<b>Total</b>	<b>(461,310)</b>	<b>(121,554)</b>	<b>(517,693)</b>	<b>(102,113)</b>

9. Information on other capital reserves

None.

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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, bank availed and acceptance loans, collaterals that are accepted as financial guarantees and other letters of credit**

	<b>31 March 2025</b>	<b>31 December 2024</b>
Letter of Credits	7,543,290	7,222,272
Bank Acceptance Loans	1,357,126	624,838
Guarantees and Collaterals	1,522,040	1,073,382
<b>Total</b>	<b>10,422,456</b>	<b>8,920,492</b>

**(ii). Guarantees, sureties and other similar guarantees**

	<b>31 March 2025</b>	<b>31 December 2024</b>
Definite Letter of Guarantees	23,302,106	22,597,796
Advance Letter of Guarantee	357,706	632,686
Letter of Guarantees Given to Customs	29,061	400,808
Temporary Letter of Guarantees	418,118	82,748
<b>Total</b>	<b>24,106,991</b>	<b>23,714,038</b>

**3. Non-cash loans****(i). Total amount of non-cash loans**

	<b>31 March 2025</b>	<b>31 December 2024</b>
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	24,749,021	24,514,396
<b>Total</b>	<b>39,417,397</b>	<b>38,477,630</b>

**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).*

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**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "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 communiqué "Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks".

# 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).

#### EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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	864,899	92,938	457,787	75,287
Interest on Loans Under Follow-up	16,723	-	20,762	-
Premiums Received from Resource Utilisation Support Fund	-	-	-	-
<b>Total (*)</b>	<b>2,503,069</b>	<b>481,819</b>	<b>1,927,905</b>	<b>330,698</b>

(\*) Includes fee and commission income received for 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	15,201	12,886	4,760	9,852
From Foreign Banks	-	23,144	-	27,023
Headquarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>567,884</b>	<b>36,032</b>	<b>6,863</b>	<b>49,125</b>

(\*) 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	201,526	107,931	113,264	111,789
From Financial Assets At Fair Value Through Profit or Loss	2,620	153	601	595
<b>Total</b>	<b>441,678</b>	<b>167,839</b>	<b>512,216</b>	<b>166,507</b>

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

	31 March 2025	31 March 2024
Interest Received from Associates and Subsidiaries	26,669	81,060

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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	3,289	327,962	4,169	410,819
CBRT	-	-	-	-
Domestic Banks	2,657	93	3,644	1,434
Foreign Banks	632	327,869	525	409,385
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	164,478	-	280,815
<b>Total (*)</b>	<b>3,289</b>	<b>492,440</b>	<b>4,169</b>	<b>691,634</b>

*(\*) Includes fee and commission income received for cash loans.*

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

	31 March 2025	31 March 2024
Interest Paid to Associates and Subsidiaries	1,108	57

## 3. Information on interest expense to marketable securities issued

	31 March 2025	31 March 2024
Interest Expense to Marketable Securities Issued	13,134	-

**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).

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED 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 Months	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year	Accumulated Deposit	
<b>Turkish Lira</b>								
Bank Deposits	-	27,096	-	-	-	-	-	<b>27,096</b>
Savings Deposits	-	1,020,649	609,074	133,412	10,017	11,907	-	<b>1,785,059</b>
Public Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	243,087	401,028	94,853	167	2,582	-	<b>741,717</b>
Other Deposits	-	2,038	4,941	10	-	2	-	<b>6,991</b>
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,292,870</b>	<b>1,015,043</b>	<b>228,275</b>	<b>10,184</b>	<b>14,491</b>	-	<b>2,560,863</b>
<b>Foreign Currency</b>								
Foreign Currency Account	-	21,160	52,451	416	208	2	-	<b>74,237</b>
Bank Deposits	-	767	-	-	-	-	-	<b>767</b>
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	112	809	198	14	-	-	<b>1,133</b>
<b>Total</b>	-	<b>22,039</b>	<b>53,260</b>	<b>614</b>	<b>222</b>	<b>2</b>	-	<b>76,137</b>
<b>Grand Total</b>	-	<b>1,314,909</b>	<b>1,068,303</b>	<b>228,889</b>	<b>10,406</b>	<b>14,493</b>	-	<b>2,637,000</b>

31 March 2024	Demand Deposit	Time Deposit						Total
		Up to 1 Months	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year	Accumulated Deposit	
<b>Turkish Lira</b>								
Bank Deposits	-	32,567	-	-	-	-	-	<b>32,567</b>
Savings Deposits	-	594,507	223,120	143,157	26,419	1,127	-	<b>988,330</b>
Public Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	91,278	146,163	43,880	-	10,508	-	<b>291,829</b>
Other Deposits	-	794	1,213	3	-	2	-	<b>2,012</b>
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>719,146</b>	<b>370,496</b>	<b>187,040</b>	<b>26,419</b>	<b>11,637</b>	-	<b>1,314,738</b>
<b>Foreign Currency</b>								
Foreign Currency Account	-	5,962	22,534	322	85	646	-	<b>29,549</b>
Bank Deposits	-	514	-	-	-	-	-	<b>514</b>
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	70	521	84	16	66	-	<b>757</b>
<b>Total</b>	-	<b>6,546</b>	<b>23,055</b>	<b>406</b>	<b>101</b>	<b>712</b>	-	<b>30,820</b>
<b>Grand Total</b>	-	<b>725,692</b>	<b>393,551</b>	<b>187,446</b>	<b>26,520</b>	<b>12,349</b>	-	<b>1,345,558</b>

**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).*

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**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**IV. Explanations And Notes on Income Statement (Continued)**

**b. Information on interest expense (Continued)**

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. Information's 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”.

7. Information on given interest for factoring transaction

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”.

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****IV. Explanations And Notes on Income Statement (Continued)****c. Justify 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)**

	<b>31 March 2025</b>	<b>31 March 2024</b>
<b>Income</b>	<b>80,953,168</b>	<b>53,756,264</b>
Income from Capital Market Transactions	3,008	1,713
Derivative Financial Transactions	1,150,185	963,886
Foreign Exchange Gains	79,799,975	52,790,665
<b>Loss (-)</b>	<b>80,953,514</b>	<b>53,708,852</b>
Loss from Capital Market Transactions	3,297	288
Derivative Financial Transactions	833,427	306,640
Foreign Exchange Loss	80,116,790	53,401,924
<b>Net Income/Loss</b>	<b>(346)</b>	<b>47,412</b>

**e. Explanations about other operating income**

For the period ended 31 March 2025, other operating income includes income from assets to be disposed of 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 246,292 (31 March 2024: TL 592,524).

**f. Expected provision losses and other provision losses**

	<b>31 March 2025</b>	<b>31 March 2024</b>
Expected Credit Loss	128,159	336,315
12 month expected credit loss (stage 1)	53,298	104,363
Significant increase in credit risk (stage 2)	36,836	211,441
Non-performing loans (stage 3)	38,025	20,511
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	-	-
Joint Ventures	-	-
Other	2,386	20,036
<b>Total</b>	<b>131,721</b>	<b>357,540</b>

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****IV. Explanations And Notes on Income Statement (Continued)****g. Information related to personnel expenses and other operating expenses**

	<b>31 March 2025</b>	<b>31 March 2024</b>
Personnel Expenses	388,451	265,833
Reserve for Employee Termination Benefits	1,740	1,200
Unused Vacation	193	5,158
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	45,445	14,186
Impairment Expenses of Intangible Assets	-	-
Impairment Expense of Goodwill	-	-
Amortisation Expenses of Intangible Assets	49,636	25,040
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	192,066	137,555
Other Expenses	578	702
Advertising Expenses	2,503	1,998
Maintenance Expenses	4,253	4,900
Operational Lease Expenses	184,732	129,955
Loss on Sales of Assets	6,289	156
Other (*)	67,440	35,264
<b>Total</b>	<b>751,260</b>	<b>484,392</b>

(\*) Other operating charges is TL 5,307 except premium of The Savings Deposit Insurance Fund and tax amounting to TL 62,133 (31 March 2024: Other operating charges is TL 4,943 except Premium of The Savings Deposit Insurance Fund and tax amounting to TL 30,321).

**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).*

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**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****IV. Explanations And Notes on Income Statement (Continued)****h. Justify on profit and loss from continuing operations before tax**

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”.

**i. Explanations on for taxes on income from continuing operations**

For the period ended 31 March 2025, the Bank has current tax expense amounting to TL 212,147 (31 March 2024: TL 41,161 current tax expense), and deferred tax income amounting to TL 222,567 (31 March 2024: TL 46,976 deferred tax expense).

**j. Explanations on operating profit/loss after taxes including net profit/loss from 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”.

**k. Explanations on on net income/loss for the period**

1) Interest income from ordinary banking transactions is TL 4,256,759 (31 March 2024: TL 3,012,690), interest expense is TL 3,688,645 (31 March 2024: TL 2,361,224).

2) Information on any change in the accounting estimates has no profit/loss effect on current period or consequent periods.

**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).***EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****IV. Explanations And Notes on Income Statement (Continued)**

**I. 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:**

<b>Fees and Commissions Received - Other</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Credit Card Pos Commissions	2,050	2,319
Banking Service Income	-	-
Insurance Commissions	37,377	27,662
Account Management Fee Commission	13,496	564
Credit Early Termination Compensation	7,981	98
Transfer Commissions	117	143
Expertise Commissions	1,249	846
Export Letters of Credit Commissions	49,788	1,838
Other	31,561	10,090
<b>Total</b>	<b>143,619</b>	<b>43,560</b>
<b> </b>		
<b>Fees and Commissions Paid - Other</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Clearing Commissions	225	1,865
Debit Card Fees and Commissions	13,025	8,407
Commissions Granted to Correspondent Banks	1,028	1,410
Bonds Commissions	766	-
Fees and Commissions on Foreign Currency Transactions	17	17
Transfer Commissions	894	739
Commissions for Effective and Future Transactions	382	1,108
CBRT Interbank Money Market	307	403
Other	12,197	15,459
<b>Total</b>	<b>28,841</b>	<b>29,408</b>

**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".

**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).*

**EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**VII. Explanations and Notes on Bank's Risk Group**

a. The volume of transactions relating to the Bank'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 Bank		Other real and legal persons that have been included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Bank's Risk Group (*) (**)</b>						
Loans and Other Receivables						
Balance at the Beginning of the Period	189,498	3,255	-	4,254	650	1,357
Balance at the End of the Period	178,673	741,889	-	4,668	510	142
Interest and Commission Income Received	26,669	-	-	104	-	13

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

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

**31 December 2024**

	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Bank's Risk Group (*) (**)</b>						
Loans and Other Receivables						
Balance at the Beginning of the Period	1,249,882	256	-	3,742	771	1,607
Balance at the End of the Period	189,498	3,255	-	4,254	650	1,357
Interest and Commission Income Received (***)	81,060	-	-	123	1,343	1,351

(\*) Defined in the 49th article of subsection 2 of the 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.

Information on deposits of the Bank's risk group

<b>Bank's Risk Group (*)</b>	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the 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
<b>Deposit</b>						
Beginning of the Period	92,744	126,805	-	-	143,589	90,557
End of the Period	665,695	92,744	-	-	165,262	143,589
Interest Expense on Deposits (**)	1,108	57	-	-	-	-

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

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

# 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).

#### EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

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

Bank's Risk Group (*)	Associates , subsidiaries and joint ventures		Direct and indirect shareholders of the 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
<b>Transactions for trading purposes</b>						
Beginning of the Period (**)	-	-	-	-	-	-
End of the Period (**)	-	-	-	-	-	-
<b>Total Profit / Loss (***)</b>	<b>-</b>	<b>11,275</b>	<b>-</b>	<b>4,491</b>	<b>-</b>	<b>-</b>
<b>Transactions for hedging purposes</b>						
Beginning of the Period (**)	-	-	-	-	-	-
End of the Period (**)	-	-	-	-	-	-
<b>Total Profit / Loss (***)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) Defined in the 49th article of subsection 2 of the 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.

(\*\*\*) 31 March 2024 balances used for income / expense accounts

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

1. The relations with entities that are included in the Bank's risk group and controlled by the Bank irrespective of the relationship between the parties

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

2. 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 (%)
Deposits	830,957	2.03%
Non-cash Loans	746,699	1.89%
Loans	179,183	0.38%
Subordinated Loan	-	-

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

3. Equity accounted transactions

None.

# **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).*

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#### **EXPLANATIONS AND NOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

##### **VII. Explanations and Notes on Bank's Risk Group (Continued)**

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

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 Bank and Alternatif Finansal Kiralama A.Ş. The Bank has also cost sharing agreements with Alternatif Finansal Kiralama A.Ş. and Alternatif Menkul Değerler A.Ş.

The Bank allocates cash and non-cash loans to the risk group of the Bank within limits of Banking Laws and that amount is 1.07% of total cash and non-cash loan amount (31 December 2024: 0.25%).

5. Information on Other Liabilities

None.

###### **c. Information regarding benefits provided to the Bank's key management**

Benefits provided to the Bank's key management amount to TL 32,946 as of 31 March 2025 (31 March 2024: TL 31,047).

##### **VIII. Explanations and Notes on The Domestic, Foreign, Off-Shore Branches and Foreign Representatives of The Bank**

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

##### **IX. Explanations and Notes on Subsequent Events**

None.

**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).*

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**SECTION SIX**  
**OTHER EXPLANATIONS**

**I. Other Explanations Related to Bank's Operations**

**Summary information about the Bank's rates from international credit rating agencies**

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

<b>Moody's: July 2024</b>	
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

**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).*

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**SECTION SEVEN**

**EXPLANATIONS ON THE AUDITOR'S REVIEW REPORT**

**I. Explanations on the Independent Auditor's Review Report**

The Bank's unconsolidated financial statements and footnotes to be disclosed to public as of 31 March 2025 have been reviewed by KMPG 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.

**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).***SECTION EIGHT****I. Interim Period Activity Report Consisting Bank Chairman and CEO's Evaluation in Reference to Interim Period Activities****Abstract Financial Information About the Term Activity Results**

The unconsolidated 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 Communiqué which has been regulated by Council of Bank Audit and Regulation regarding to the bank's 1 January – 31 March 2025 activity period is below.

<b>Actual Figures</b>	<b>31 March 2025</b>	<b>31 December 2024</b>	<b>31 March 2024</b>
Loans	46,943,521	40,336,205	30,821,379
Marketable securities	19,308,481	18,832,775	17,110,487
Deposits	40,946,070	37,639,116	25,043,379
Total Assets	95,183,077	82,984,263	67,085,969
Equity	7,199,601	6,954,594	6,516,092
Profit /(Loss) Before Taxes	125,984	277,598	533,017
Profit /(Loss)	136,404	448,631	538,832

**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

**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).*

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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**

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.

**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).*

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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 Kirmizi,  
CEO