

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

Alternatifbank A.Ş.

**Consolidated Financial Statements and Notes
For the Year Ended 31 December 2025
With Independent Auditor's Report**



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Convenience Translation of the Independent Auditor's Report Originally Prepared and Issued in Turkish to English

To the Shareholders of Alternatifbank Anonim Şirketi

A) Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Alternatifbank Anonim Şirketi ("the Bank") and its subsidiaries (together will be referred as "the Group") which comprise the consolidated balance sheet as at 31 December 2025 and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Alternatifbank Anonim Şirketi and its subsidiaries as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the "Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Legislation" which includes the "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 and circulars and interpretations published by BRSA and requirements of Turkish Financial Reporting Standards ("TFRS") for the matters not regulated by the aforementioned legislations.

Basis for Opinion

We conducted our audit in accordance with the "Regulation on Independent Audit of the Banks" ("BRSA Auditing Regulation") published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") ("Standards on Auditing issued by POA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We declare that we are independent of the Group in accordance with the Code of Ethics for Auditors (*including Independence Standards*) issued by POA ("POA's Code of Ethics"), as applicable to audits of the consolidated financial statements of public interest entities, and the ethical requirements in other regulations that are relevant to audits of consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the POA's Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans measured at amortised cost

The details of accounting policies and significant estimates and assumptions for impairment of loans measured at amortised cost are presented Note VIII of Section Three to the consolidated financial statements.

Key audit matter	How the matter is addressed in our audit
<p>As of 31 December 2025, loans measured at amortised cost comprise 50% of the Group's total assets.</p> <p>The Group recognizes its loans measured at amortised cost in accordance with TFRS 9 Financial Instruments standard ("Standard").</p> <p>The Group applies the "expected credit loss model" in determining the impairment of financial assets in accordance with the Standard. The model which contains significant assumptions and estimates is reviewed by the Group management annually.</p> <p>The significant assumptions and estimates of the Group management are as follows:</p> <ul style="list-style-type: none"> • significant increase in credit risk, • incorporating the forward looking macroeconomic information into the calculation of credit risk, • design and implementation of expected credit loss model. <p>The determination of the impairment of loans measured at amortised cost depends on the credit default status, the model based on the changes in credit risk since initial recognition date and the classification of the loans measured at amortised cost according to the model.</p> <p>The Group calculates expected credit losses on both individual and collective basis. Individual provisions consider the estimated future cash flows of the asset and the market value of the collateral provided for credit transactions.</p> <p>The collective basis expected credit loss calculation is based on processes which are modelled by using current and past data sets and incorporating the future expectations. The completeness and accuracy of data sets in the model are also considered. The forward-looking expectations are reflected by macroeconomic models.</p>	<p>Our audit procedures for auditing the impairment of loans measured at amortised cost include below:</p> <ul style="list-style-type: none"> • We tested the design and operating effectiveness of the controls on lending, collateralization, collection, follow-up, classification and impairment procedures are tested with the involvement of information risk management specialists. • We evaluated the adequacy of the subjective and objective criteria that is defined in the Group's impairment accounting policy compared with the Standard. • We evaluated the Group's business model and methodology and the evaluation of the calculations carried out with the control testing and detail analysis with the involvement of specialists. • We performed loan reviews for selected loan samples which include a detailed examination of loan files and related information and evaluation of their classification. • For the expected credit loss calculations for individually assessed loans, we evaluated the accuracy of the loss allowances by including prospective cash flow information, collateral values and macroeconomic expectations. • We tested the accuracy and completeness of the data in calculation of the data in the calculation models for the loans which are assessed on collective basis. We recalculated the expected credit loss calculation. The models used for the calculation of the risk parameters were examined and recalculated. • We assessed the macroeconomic models that are used to reflect forward looking expectations and tested the effect of the risk parameters recalculation procedures. • We evaluated the qualitative and quantitative criteria, which are used in determining the significant increase in credit risk.



<p>Impairment on loans measured at amortised cost was considered to be a key audit matter, due to its complex structure, the level of judgments of management and significance of the estimates and assumptions as explained above.</p>	<ul style="list-style-type: none">• We evaluated the adequacy of the disclosures in the consolidated financial statements related to impairment provisions.
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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the BRSA Accounting and Reporting Legislation, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



B) Report on Other Legal and Regulatory Requirements

1) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code ("TCC") numbered 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities for the period 1 January - 31 December 2025 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.

2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Ebru Koçak, SMMM
Partner

18 February 2026
İstanbul, Turkey

ALTERNATİFBANK A.Ş. AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2025

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The consolidated financial report as of and for the year-end 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 GROUP
- CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE CURRENT PERIOD
- INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP
- EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS AND DISCLOSURES
- INDEPENDENT AUDITOR’S REPORT

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

Subsidiaries:

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

The accompanying consolidated financial statements and notes to these financial statements for the year-end 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 audited and presented as attached.

Omer Hussain I H Al-Fardan Chairman of the Board of Directors	Ozan Kırmızı Chief Executive Officer	Hamdi İlkey Girgin Financial Control and Planning Executive Vice President	Ahmet Akın International and Legal Reporting Manager
Belma Özmen Member of the Board of Directors and Chair of the Board Audit and Compliance Committee	Muhammad Noman Ali Member of the Board of Directors and Member of the Board Audit and Compliance Committee	Antonio Francisco Gamez Munoz 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
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SECTION ONE**GENERAL INFORMATION ABOUT THE GROUP****I. Explanations on the Establishment Date and Initial Status of the Parent Bank, and History Including the Changes in the Former Status**

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

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

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

GENERAL INFORMATION ABOUT THE GROUP (Continued)

III. Explanation on the Board of Directors, Members of the Audit Committee, President and Executive Vice Presidents, Changes in These Matters (if any) and Shares in the Parent Bank

Title	Name	Responsibility	Indirect Share Capital (%)
Chairman of the Board of Directors	Omer Hussain I H Al-Fardan	Chairman of the Board	-
Member of the Board of Directors ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	Stephen Colin Moss	Vice-Chairman of the Board of Directors, Chairman of the Executive Committee of the Board, Chairman of the Board Remuneration and Governance Committee, and 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, and 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	-
	Esin Aydınol	Member of the Board of Directors, Chair of the Board Credit Committee, Member of the Executive Committee of the Board, and Member of the Board Remuneration and Governance Committee	-
	Fahad Abdulrahman Y A Badar	Member of the Board of Directors, Member of the Executive Committee of the Board, Member of the Board Remuneration and Governance Committee, and Alternate Member of the Board Credit Committee	-
	Belma Özmen	Member of the Board of Directors, Chair of the Board Audit and Compliance Committee, and Member of the Board Risk 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 Member of the Board Credit Committee	-
	Shahnawaz Rashid	Member of the Board of Directors, 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 Underwriting	-
	Bekir Seçkin Mutlubaş	Restructuring and Legal Follow-up	-
	Bike Tarakçı	Human Resources	-
	Hamdi İlkay Girgin	Financial Affairs and Planning	-
	Boğaç Levent Güven	Treasury and Financial Institutions	-
Head of Internal Audit	Ömer Faruk Gönener	Head of Internal Audit	-

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

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

(3) Halil Sedat Ergür and Zafer Kurtul resigned from their positions as Board Members on 24 July 2025 and Esin Aydınol was appointed as a Board Member on the same date.

(4) Joseph Abraham resigned from his position as a Board Member on 18 September 2025 and Stephen Colin Moss was appointed as a Board Member on the same date.

(5) Belma Özmen was appointed as a Board Member as per Board resolution dated 20 November 2025.

ALTERNATİFBANK A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025**

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

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

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

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

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

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

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

As of 31 December 2025, the Parent Bank has 531 employees (31 December 2024: 714 employees).

Parent Bank and its subsidiaries that are consolidated with the Parent Bank are called "Group" as a whole. As of 31 December 2025, The Group has 604 employees (31 December 2024: 790 employees).

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

None.

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

None.

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

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

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)	Notes (Section Five)	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
		TL	FC	Total	TL	FC	Total
ASSETS							
I. FINANCIAL ASSETS (NET)		10,992,163	24,096,493	35,088,656	7,938,775	17,816,962	25,755,737
1.1 Cash and Cash Equivalents		8,202,306	19,189,645	27,391,951	3,737,840	13,259,696	16,997,536
1.1.1 Cash and Balances with Central Bank	I-a	8,109,688	12,076,710	20,186,398	3,641,741	8,509,462	12,151,203
1.1.2 Banks	I-d	95,305	6,255,971	6,351,276	97,884	4,750,234	4,848,118
1.1.3 Money Market Placements		-	856,964	856,964	-	-	-
1.1.4 Expected Credit Losses (-)		2,687	-	2,687	1,785	-	1,785
1.2 Financial Assets at Fair Value Through Profit or Loss		157,488	5,047	162,535	62,898	5,166	68,064
1.2.1 Government Debt Securities		2,135	5,047	7,182	19,961	5,166	25,127
1.2.2 Equity Instruments		-	-	-	-	-	-
1.2.3 Other Financial Assets		155,353	-	155,353	42,937	-	42,937
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	I-f	2,537,654	3,340,583	5,878,237	3,714,921	4,089,708	7,804,629
1.3.1 Government Debt Securities		2,517,626	3,340,583	5,858,209	3,697,657	4,089,708	7,787,365
1.3.2 Equity Instruments		20,028	-	20,028	17,264	-	17,264
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	I-c	94,715	1,561,218	1,655,933	423,116	462,392	885,508
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		93,055	1,561,218	1,654,273	416,352	462,392	878,744
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income	I-m	1,660	-	1,660	6,764	-	6,764
II. FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)		40,003,181	45,240,636	85,243,817	25,047,543	30,588,128	55,635,671
2.1 Loans	I-g	33,105,399	30,156,524	63,261,923	21,113,829	19,443,660	40,557,489
2.2 Lease Receivables	I-l	2,091,586	6,616,883	8,708,469	1,632,930	3,050,973	4,683,903
2.3 Factoring Receivables		1,493,828	-	1,493,828	299,115	-	299,115
2.4 Other Financial Assets Measured at Amortized Cost	I-h	3,908,683	8,889,654	12,798,337	2,506,028	8,402,146	10,908,174
2.4.1 Government Debt Securities		1,945,735	8,889,654	10,835,389	1,742,450	8,402,146	10,144,596
2.4.2 Other Financial Assets		1,962,948	-	1,962,948	763,578	-	763,578
2.5 Expected Credit Losses (-)		596,315	422,425	1,018,740	504,359	308,651	813,010
III. PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (NET)		526,537	-	526,537	1,041,271	-	1,041,271
3.1 Held for Sale Purpose	I-s	526,537	-	526,537	1,041,271	-	1,041,271
3.2 Related to Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		-	-	-	-	-	-
4.1 Investments in Associates (Net)	I-i	-	-	-	-	-	-
4.1.1 Accounted Under Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		-	-	-	-	-	-
4.2 Subsidiaries (Net)	I-j	-	-	-	-	-	-
4.2.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3 Entities under Common Control (Joint Venture) (Net)	I-k	-	-	-	-	-	-
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	I-n	1,018,519	-	1,018,519	2,261,629	-	2,261,629
VI. INTANGIBLE ASSETS (Net)	I-o	679,897	-	679,897	433,226	-	433,226
6.1 Goodwill		21,151	-	21,151	21,151	-	21,151
6.2 Other		658,746	-	658,746	412,075	-	412,075
VII. INVESTMENT PROPERTY (Net)	I-p	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		115,118	-	115,118	230,891	-	230,891
IX. DEFERRED TAX ASSET	I-r	482,515	-	482,515	823,216	-	823,216
X. OTHER ASSETS	I-t	4,200,458	102,824	4,303,282	1,395,977	167,180	1,563,157
TOTAL ASSETS		58,018,388	69,439,953	127,458,341	39,172,528	48,572,270	87,744,798

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

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

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

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)	Notes (Section Five)	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
		TL	FC	Total	TL	FC	Total
LIABILITIES							
I. DEPOSITS	II-a	27,676,266	16,556,499	44,232,765	22,767,503	14,778,869	37,546,372
II. FUNDS BORROWED	II-c	674,582	42,670,234	43,344,816	791,336	17,372,602	18,163,938
III. MONEY MARKET BALANCES		2,748,084	11,524,949	14,273,033	805,868	10,909,069	11,714,937
IV. MARKETABLE SECURITIES ISSUED (Net)		1,042,866	-	1,042,866	303,946	-	303,946
4.1 Bills		1,042,866	-	1,042,866	303,946	-	303,946
4.2 Assets Backed Securities		-	-	-	-	-	-
4.3 Bonds		-	-	-	-	-	-
V. BORROWER FUNDS		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES		115,935	1,582,545	1,698,480	89,423	498,340	587,763
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss	II-b	59,682	1,582,545	1,642,227	87,672	498,340	586,012
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	II-f	56,253	-	56,253	1,751	-	1,751
VIII. FACTORING LIABILITIES		-	-	-	-	-	-
IX. LEASE LIABILITIES	II-e	49,704	773,230	822,934	8,778	-	8,778
X. PROVISIONS	II-g	332,788	101,253	434,041	228,971	28,478	257,449
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reverse for Employee Benefits		59,776	-	59,776	50,155	-	50,155
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions		273,012	101,253	374,265	178,816	28,478	207,294
XI. CURRENT TAX LIABILITY	II-h	534,688	-	534,688	210,927	-	210,927
XII. DEFERRED TAX LIABILITY		-	-	-	-	-	-
XIII. LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	II-i	-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	II-j	-	8,798,617	8,798,617	-	9,891,747	9,891,747
14.1 Loans		-	-	-	-	2,646,729	2,646,729
14.2 Other Debt Instruments		-	8,798,617	8,798,617	-	7,245,018	7,245,018
XV. OTHER LIABILITIES		2,364,821	947,306	3,312,127	1,019,111	769,103	1,788,214
XVI. SHAREHOLDERS' EQUITY	II-k	8,971,119	(7,145)	8,963,974	7,372,840	(102,113)	7,270,727
16.1 Paid-in Capital		2,213,740	-	2,213,740	2,213,740	-	2,213,740
16.2 Capital Reserves		54	-	54	54	-	54
16.2.1 Share Premium		54	-	54	54	-	54
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		-	-	-	-	-	-
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		(46,577)	-	(46,577)	1,858,002	-	1,858,002
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(590,278)	(7,145)	(597,423)	(528,708)	(102,113)	(630,821)
16.5 Profit Reserves		3,910,686	-	3,910,686	3,346,667	-	3,346,667
16.5.1 Legal Reserves		247,451	-	247,451	220,554	-	220,554
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		3,663,235	-	3,663,235	3,126,113	-	3,126,113
16.5.4 Other Profit Reserves		-	-	-	-	-	-
16.6 Profit Or Loss		3,483,419	-	3,483,419	483,053	-	483,053
16.6.1 Prior Years' Profit/Loss		1,666,718	-	1,666,718	(12,808)	-	(12,808)
16.6.2 Current Year Profit/Loss		1,816,701	-	1,816,701	495,861	-	495,861
16.7 Non-Controlling Interests	II-l	75	-	75	32	-	32
TOTAL LIABILITIES AND EQUITY		44,510,853	82,947,488	127,458,341	33,598,703	54,146,095	87,744,798

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

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

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

II. OFF-BALANCE SHEET ITEMS		Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024			
		Note (Section Five)	TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS (I+II+III)		61,681,038	142,554,812	204,235,850	43,006,587	83,619,129	126,625,716
I.	GUARANTEES AND WARRANTIES	III-a-3,i	25,725,157	20,632,497	46,357,654	22,372,611	16,398,043	38,770,654
1.1	Letters of Guarantee	III-a-2,ii	18,562,207	7,670,370	26,232,577	16,528,437	7,458,604	23,987,041
1.1.1	Guarantees Subject to State Tender Law		31,810	1,520	33,330	27,588	16,575	44,163
1.1.2	Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3	Other Letters of Guarantee		18,530,397	7,668,850	26,199,247	16,500,849	7,442,029	23,942,878
1.2	Bank Acceptances	III-a-2,i	-	3,692,866	3,692,866	-	624,838	624,838
1.2.1	Import Letter of Acceptance		-	273,425	273,425	-	624,838	624,838
1.2.2	Other Bank Acceptances		-	3,419,441	3,419,441	-	-	-
1.3	Letters of Credit	III-a-2,i	-	7,346,103	7,346,103	1,074	7,241,219	7,242,293
1.3.1	Documentary Letters of Credit		-	7,179,226	7,179,226	1,074	7,221,198	7,222,272
1.3.2	Other Letters of Credit		-	166,877	166,877	-	20,021	20,021
1.4	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7	Factoring Guarantees		-	-	-	-	-	-
1.8	Other Guarantees		-	1,923,158	1,923,158	-	1,073,382	1,073,382
1.9	Other Warranties		7,162,950	-	7,162,950	5,843,100	-	5,843,100
II.	COMMITMENTS		37,077,706	3,983,708	7,690,784	2,637,335	4,433,018	7,070,353
2.1	Irrevocable Commitments		3,384,628	2,419,941	5,804,569	2,468,011	3,919,311	6,387,222
2.1.1	Asset Purchase and Sales Commitments		2,067,960	2,419,941	4,487,901	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	798,760	-	798,760	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		127,143	-	127,143	139,663	-	139,663
2.1.8	Tax and Fund Liabilities from Export Commitments		-	-	-	3,738	-	3,738
2.1.9	Commitments for Credit Card Limits		160,094	-	160,094	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		226,933	-	226,933	234,780	-	234,780
2.2	Revocable Commitments		322,448	1,563,767	1,886,215	169,324	513,707	683,031
2.2.1	Revocable Commitments for Loan Limits		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		322,448	1,563,767	1,886,215	169,324	513,707	683,031
III.	DERIVATIVE FINANCIAL INSTRUMENTS	III-b	32,248,805	117,938,607	150,187,412	17,996,641	62,788,068	80,784,709
3.1	Hedging Derivative Financial Instruments		6,134,669	-	6,134,669	1,300,000	-	1,300,000
3.1.1	Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2	Transactions for Cash Flow Hedge		6,134,669	-	6,134,669	1,300,000	-	1,300,000
3.1.3	Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments		26,114,136	117,938,607	144,052,743	16,696,641	62,788,068	79,484,709
3.2.1	Forward Foreign Currency Buy/Sell Transactions		7,997,172	9,574,656	17,571,828	1,423,370	3,625,912	5,049,282
3.2.1.1	Forward Foreign Currency Transactions-Buy		443,950	7,847,575	8,291,525	951,908	1,467,586	2,419,494
3.2.1.2	Forward Foreign Currency Transactions-Sell		7,553,222	1,727,081	9,280,303	471,462	2,158,326	2,629,788
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		5,373,662	25,606,007	30,979,669	6,022,871	26,306,892	32,329,763
3.2.2.1	Foreign Currency Swap-Buy		-	6,660,722	6,660,722	-	8,093,054	8,093,054
3.2.2.2	Foreign Currency Swap-Sell		4,938,993	1,740,520	6,679,513	4,822,871	3,468,995	8,291,866
3.2.2.3	Interest Rate Swap-Buy		434,669	8,781,817	9,216,486	600,000	7,614,543	8,214,543
3.2.2.4	Interest Rate Swap-Sell		-	8,422,948	8,422,948	600,000	7,130,300	7,730,300
3.2.3	Foreign Currency, Interest Rate and Securities Options		12,743,302	67,943,892	80,687,194	9,250,400	27,935,697	37,186,097
3.2.3.1	Foreign Currency Options-Buy		6,687,627	33,717,018	40,404,645	4,765,658	13,834,175	18,599,833
3.2.3.2	Foreign Currency Options-Sell		6,055,675	34,226,874	40,282,549	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		-	14,814,052	14,814,052	-	4,919,567	4,919,567
B.	CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		188,366,885	292,331,878	480,698,763	140,367,184	240,300,589	380,667,773
IV.	ITEMS HELD IN CUSTODY		38,312,822	52,489,787	90,802,609	17,475,867	35,169,887	52,645,754
4.1	Customer Fund and Portfolio Balances		18,283,720	-	18,283,720	2,845,029	-	2,845,029
4.2	Investment Securities Held in Custody		1,748,458	9,934,304	11,682,762	251,743	11,493,604	11,745,347
4.3	Cheques Received for Collection		1,636,247	40,022	1,676,269	1,190,569	115,403	1,305,972
4.4	Commercial Notes Received for Collection		75,721	1,415	77,136	82,556	4,435	86,991
4.5	Other Assets Received for Collection		-	-	-	-	-	-
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		16,568,676	42,514,046	59,082,722	13,105,970	23,556,445	36,662,415
4.8	Custodians		-	-	-	-	-	-
V.	PLEDGES RECEIVED		150,023,038	239,186,088	389,209,126	122,855,604	204,591,552	327,447,156
5.1	Marketable Securities		1,567,575	-	1,567,575	1,424,468	-	1,424,468
5.2	Guarantee Notes		86,011,930	103,534,528	189,546,458	76,058,530	82,072,033	158,130,563
5.3	Commodity		916,288	1,119,948	2,036,236	531,788	1,274,372	1,806,160
5.4	Warranty		-	-	-	-	-	-
5.5	Immovable		39,320,586	127,497,679	166,818,265	38,713,610	116,486,100	155,199,710
5.6	Other Pledged Items		22,206,659	7,033,933	29,240,592	6,127,208	4,759,047	10,886,255
5.7	Pledged Items-Depository		-	-	-	-	-	-
VI.	ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		31,025	656,003	687,028	35,713	539,150	574,863
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)			250,047,923	434,886,690	684,934,613	183,373,771	323,919,718	507,293,489

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

ALTERNATİFBANK A.Ş.
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

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

III.	INCOME AND EXPENSE ITEMS	Notes (Section Five)	Audited	Audited
			Current Period 1 January - 31 December 2025	Prior Period 1 January - 31 December 2024
I.	INTEREST INCOME	IV-a	21,328,435	14,380,675
1.1	Interest on Loans		14,557,316	9,721,394
1.2	Interest Received from Reserve Deposits		1,439,173	466,818
1.3	Interest Received from Banks		937,325	727,638
1.4	Interest Received from Money Market Placements		229,704	40,463
1.5	Interest Received from Marketable Securities Portfolio		2,751,747	2,455,226
1.5.1	Fair Value Through Profit or Loss		46,713	19,087
1.5.2	Fair Value Through other Comprehensive Income		1,211,436	1,579,571
1.5.3	Measured at Amortized Cost		1,493,598	856,568
1.6	Finance Lease Income		1,161,955	897,356
1.7	Other Interest Income		251,215	71,780
II.	INTEREST EXPENSES (-)	IV-b	16,995,457	12,034,309
2.1	Interest on Deposits		11,810,119	7,456,118
2.2	Interest on Funds Borrowed		2,787,598	2,901,211
2.3	Interest on Money Market Borrowings		2,026,910	1,493,107
2.4	Interest on Securities Issued		304,777	68,456
2.5	Leasing Interest Expense		37,862	13,683
2.6	Other Interest Expense		28,191	101,734
III.	NET INTEREST INCOME (I - II)		4,332,978	2,346,366
IV.	NET FEES AND COMMISSIONS INCOME / EXPENSES		807,164	522,614
4.1	Fees and Commissions Received		1,010,674	646,283
4.1.1	Non-cash Loans		377,565	331,631
4.1.2	Other	IV-l	633,109	314,652
4.2	Fees and Commissions Paid (-)		203,510	123,669
4.2.1	Non-cash Loans		2,593	2,279
4.2.2	Other	IV-l	200,917	121,390
V.	DIVIDEND INCOME	IV-c	555	328
VI.	NET TRADING INCOME	IV-d	(912,253)	(1,009,325)
6.1	Securities Trading Gains / (Losses)		92,324	17,246
6.2	Derivative Financial Instruments Gains / Losses		1,149,584	11,199
6.3	Foreign Exchange Gains / Losses (Net)		(2,154,161)	(1,037,770)
VII.	OTHER OPERATING INCOME	IV-e	2,125,139	1,330,991
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII)		6,353,583	3,190,974
IX.	EXPECTED CREDIT LOSSES (-)	IV-f	507,569	396,067
X.	OTHER PROVISION EXPENSES (-)	IV-f	76,074	37,544
XI.	PERSONNEL EXPENSES (-)	IV-g	1,581,372	1,110,709
XII.	OTHER OPERATING EXPENSES (-)	IV-g	2,062,055	1,293,519
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		2,126,513	353,135
XIV.	AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		-	-
XV.	PROFIT / (LOSS) ON EQUITY METHOD		-	-
XVI.	GAIN / (LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	IV-h	2,126,513	353,135
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	IV-i	(309,785)	142,735
18.1	Provision for Current Income Taxes		(157,470)	(58,131)
18.2	Deferred Tax Expense Effect (+)		(152,315)	-
18.3	Deferred Tax Income Effect (-)		-	200,866
XIX.	NET PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)	IV-j	1,816,728	495,870
XX.	INCOME ON DISCONTINUED OPERATIONS		-	-
20.1	Income on Assets Held for Sale		-	-
20.2	Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Venture)		-	-
20.3	Income on Other Discontinued Operations		-	-
XXI.	LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
21.1	Loss from Assets Held for Sale		-	-
21.2	Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Venture)		-	-
21.3	Loss from Other Discontinued Operations		-	-
XXII.	PROFIT / (LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Provision for Current Income Taxes		-	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		-	-
XXIV.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)		1,816,728	495,870
25.1	Group's Profit / Loss		1,816,701	495,861
25.2	Minority Shares (-)	IV-l	27	9
	Earning / Loss per share		0.8206	0.2240

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

ALTERNATİFBANK A.Ş.**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS OF 31 DECEMBER 2025**

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

	Audited Current Period	Audited Prior Period
	1 January - 31 December 2025	1 January - 31 December 2024
IV. STATEMENT OF PROFIT OR (LOSS) AND OTHER COMPREHENSIVE INCOME		
I. CURRENT PERIOD INCOME/(LOSS)	1,816,728	495,870
II. OTHER COMPREHENSIVE INCOME	(1,871,181)	825,451
2.1 Not Reclassified Through Profit or (Loss)	(1,904,579)	1,105,772
2.1.1 Property and Equipment Revaluation Increase/(Decrease)	(1,726,933)	1,078,738
2.1.2 Intangible Assets Revaluation Increase/(Decrease)	-	-
2.1.3 Defined Benefit Pension Plan Remeasurement Gain/Loss	(5,476)	(15,301)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	2,763	2,722
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	(174,933)	39,613
2.2 Reclassified Through Profit or (Loss)	33,398	(280,321)
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	99,064	(383,762)
2.2.3 Cash Flow Hedge Income/(Loss)	(52,213)	(17,578)
2.2.4 Foreign Net Investment Hedge Income/(Loss)	-	-
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or (Loss)	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or (Loss)	(13,453)	121,019
III. TOTAL COMPREHENSIVE INCOME (I+II)	(54,453)	1,321,321

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

ALTERNATİFBANK A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

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

Prior Period 1 January - 31 December 2024	Note (Section Five)	Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except for Minority Shares	Minority shares	Total Shareholders' Equity
						1	2	3	4	5	6						
I. Prior Period End Balance		2,213,740	54	-	-	789,748	(37,518)	-	-	(360,024)	9,524	1,562,908	(53,022)	1,935,510	6,060,920	23	6,060,943
II. Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance (I+II)		2,213,740	54	-	-	789,748	(37,518)	-	-	(360,024)	9,524	1,562,908	(53,022)	1,935,510	6,060,920	23	6,060,943
IV. Total Comprehensive Income		-	-	-	-	1,113,761	(10,711)	2,722	-	(268,016)	(12,305)	-	-	495,861	1,321,312	9	1,321,321
V. Capital Increase by Cash	II-k	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase/Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	-	8,000	-	8,000	-	8,000
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	1,783,759	32,214	(1,935,510)	(119,537)	-	(119,537)
11.1 Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	(119,537)	(119,537)	-	(119,537)
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	1,783,759	32,214	(1,815,973)	-	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period-End Balance (III+.....+X+XI)		2,213,740	54	-	-	1,903,509	(48,229)	2,722	-	(628,040)	(2,781)	3,346,667	(12,808)	495,861	7,270,695	32	7,270,727

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 notes are an integral part of these financial statements.

ALTERNATİFBANK A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

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

Current Period 1 January - 31 December 2025	Note (Section Five)	Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except for Minority Shares		Total Shareholders' Equity
						1	2	3	4	5	6				Minority shares	Minority shares	
I.	Prior Period End Balance	2,213,740	54	-	-	1,903,509	(48,229)	2,722	-	(628,040)	(2,781)	3,346,667	(12,808)	495,861	7,270,695	32	7,270,727
II.	Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)	2,213,740	54	-	-	1,903,509	(48,229)	2,722	-	(628,040)	(2,781)	3,346,667	(12,808)	495,861	7,270,695	32	7,270,727
IV.	Total Comprehensive Income	-	-	-	-	(1,903,509)	(3,833)	2,763	-	69,947	(36,549)	-	-	1,816,701	(54,480)	27	(54,453)
V.	Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes (*)	-	-	-	-	-	-	-	-	-	-	-	1,747,684	-	1,747,684	16	1,747,700
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	564,019	(68,158)	(495,861)	-	-	-
11.1	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	564,019	(68,158)	(495,861)	-	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period-End Balance (III+.....+X+XI)		2,213,740	54	-	-	-	(52,062)	5,485	-	(558,093)	(39,330)	3,910,686	1,666,718	1,816,701	8,963,899	75	8,963,974

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 notes are an integral part of these financial statements.

ALTERNATİFBANK A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

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

VI. STATEMENT OF CASH FLOWS		Audited Current Period	Audited Prior Period
A.	Notes (Section Five)	1 January - 31 December 2025	1 January - 31 December 2024
A.	CASH FLOWS FROM BANKING OPERATIONS		
1.1	Operating Profit/(Loss) Before Changes in Operating Assets and Liabilities	(6,040,550)	(3,225,679)
1.1.1	Interest Received	20,697,824	12,782,592
1.1.2	Interest Paid	(16,357,663)	(12,390,422)
1.1.3	Dividend Received	555	328
1.1.4	Fees and Commissions Received	1,133,585	744,922
1.1.5	Other Income	1,817,606	625,189
1.1.6	Collections from Previously Written-off Loans and Other Receivables	273,493	728,345
1.1.7	Payments to Personnel and Service Suppliers	(1,352,439)	(1,138,313)
1.1.8	Taxes Paid	(482,867)	(735,146)
1.1.9	Other	(11,770,644)	(3,843,174)
	VI-c		
1.2	Changes in Operating Assets and Liabilities	10,478,956	3,224,464
1.2.1	Net (Increase)/Decrease in Financial Assets at Fair Value Through Profit or Loss	(19,205)	20,796
1.2.2	Net (Increase)/Decrease in Due from Banks and Other Financial Institutions	(1,852,039)	(1,653,552)
1.2.3	Net (Increase)/Decrease in Loans	(24,476,770)	(9,664,916)
1.2.4	Net (Increase)/Decrease in Other Assets	(483,602)	(1,471,083)
1.2.5	Net Increase/(Decrease) in Bank Deposits	(305,140)	166,478
1.2.6	Net Increase/(Decrease) in Other Deposits	7,958,593	11,952,455
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	24,272,692	(1,812,730)
1.2.9	Net Increase/(Decrease) in Payables	-	-
1.2.10	Net Increase/(Decrease) in Other Liabilities	5,384,427	5,687,016
	VI-c		
I.	Net Cash Provided from Banking Operations	4,438,406	(1,215)
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
II.	Net Cash Provided from Investing Activities	2,812,267	72,655
2.1	Cash Paid for Acquisition of Investments, Associates and Subsidiaries	-	-
2.2	Cash Obtained from Disposal of Investments, Associates and Subsidiaries	-	-
2.3	Purchases of Property and Equipment	(1,391,173)	(429,771)
2.4	Disposals of Property and Equipment	3,715,835	109,394
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income	(1,756,662)	(7,652)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income	2,250,743	6,449
2.7	Purchase of Financial Assets Measured at Amortised Cost	(1,837,261)	(756,278)
2.8	Sale of Financial Assets Measured at Amortised Cost	1,830,785	1,150,513
2.9	Other	-	-
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
III.	Net Cash Provided from Financing Activities	(2,142,541)	264,973
3.1	Cash Obtained from Funds Borrowed and Securities Issued	738,920	303,946
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued	(2,646,730)	-
3.3	Issued Capital Instruments	-	-
3.4	Dividends Paid	-	-
3.5	Payments for Finance Leases	(234,731)	(38,973)
3.6	Other	-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	3,265,670	2,008,579
	VI-c		
V.	Net Increase/(Decrease) in Cash and Cash Equivalents (I+II+III+IV)	8,373,802	2,344,992
VI.	Cash and Cash Equivalents at Beginning of the Period	11,996,715	9,651,723
	VI-a-3, i		
VII.	Cash and Cash Equivalents at End of the Period	20,370,517	11,996,715
	VI-a-3, i		

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

ALTERNATİFBANK A.Ş.
STATEMENT OF PROFIT DISTRIBUTION
FOR THE YEAR ENDED 31 DECEMBER 2025

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

VII. STATEMENT OF PROFIT DISTRIBUTION	31 December 2025 (*)	31 December 2024 (**)
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1. CURRENT YEAR INCOME	2,025,349	277,598
1.2. TAXES AND DUTIES PAYABLE (-)	(190,719)	171,033
1.2.1. Corporate Tax (Income tax)	(27,187)	(57,951)
1.2.2. Income withholding tax	-	-
1.2.3. Other taxes and duties (***)	(163,532)	228,984
A. NET INCOME FOR THE YEAR (1.1-1.2)	1,834,630	448,631
1.3. PRIOR YEAR LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVES (-)	-	22,432
1.5. OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5)](*)	1,834,630	426,199
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1. To Owners of Ordinary Shares	-	-
1.6.2. To Owners of Privileged Shares	-	-
1.6.3. To Owners of Preferred Shares	-	-
1.6.4. To Profit Sharing Bonds	-	-
1.6.5. To Holders of Profit and Loss Sharing Certificates	-	-
1.7. DIVIDENDS TO PERSONNEL (-)	-	-
1.8. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9. SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1. To Owners of Ordinary Shares	-	-
1.9.2. To Owners of Privileged Share	-	-
1.9.3. To Owners of Preferred Shares	-	-
1.9.4. To Profit Sharing Bonds	-	-
1.9.5. To Holders of Profit and Loss Sharing Certificates	-	-
1.10. SECOND LEGAL RESERVES (-)	-	-
1.11. STATUTORY RESERVES (-)	-	-
1.12. EXTRAORDINARY RESERVES	-	426,199
1.13. OTHER RESERVES	-	-
1.14. SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES		
2.1. APPROPRIATED RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1. To owners of ordinary shares	-	-
2.3.2. To owners of privileged shares	-	-
2.3.3. To owners of preferred shares	-	-
2.3.4. To profit sharing bonds	-	-
2.3.5. To holders of profit and loss sharing certificates	-	-
2.4. DIVIDENDS TO PERSONNEL (-)	-	-
2.5. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. EARNINGS PER SHARE (****)		
3.1. TO OWNERS OF ORDINARY SHARES	0.8287	0.2027
3.2. TO OWNERS OF ORDINARY SHARES (%)	82.87	20.27
3.3. TO OWNERS OF PRIVILEGED SHARES	-	-
3.4. TO OWNERS OF PRIVILEGED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1. TO OWNERS OF ORDINARY SHARES	-	-
4.2. TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3. TO OWNERS OF PRIVILEGED SHARES	-	-
4.4. TO OWNERS OF PRIVILEGED SHARES (%)	-	-

(*) Profit distribution is decided by the Board of Directors of the Parent Bank. Annual General Meeting has not been held as of reporting date.

(**) Statement of profit distribution related to prior period has been approved in accordance with General Assembly Decision as of 27 March 2025, and restated after issuance of audited financial statements of 31 December 2024. The amounts published in the profit distribution table have been kept consistent with the decision of the general assembly.

(***) According to BRSA's circular, the amount related to the current period is deferred tax income, the amount related to the previous period is deferred tax expense.

(****) Full TL amount has been stated for each nominal amount of 1.000 and amounts represent the statement of profit distribution of the Parent Bank.

ALTERNATİFBANK A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. Basis of Presentation

As prescribed in the Article 37 of the 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 consolidated financial statements have been prepared in TL, under the historical cost basis as modified in accordance with inflation adjustments applied until 31 December 2004, except for the financial assets and liabilities and properties carried at fair value. Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.

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

In the announcement dated 23 November 2023 made by the POA, it was stated that the financial statements of companies applying TFRS for the annual reporting period ending on or after 31 December 2023 must be presented adjusted for the inflation effect within the scope of Financial Reporting in High Inflation Economies ("TAS 29"), however authorities or organizations authorized to regulate and supervise their fields are given the freedom to determine different transition dates for the implementation of inflation accounting. In this context, BRSA, with its decision dated 18 December 2025 and numbered 11340, 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 TAS 29. In this context, inflation adjustment required within the scope of TAS 29 is not implemented while preparing the financial statements as of 31 December 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.

II. Strategy of Using Financial Instruments and Foreign Currency Transactions

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

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

As of 31 December 2025 and 31 December 2024, the Group does not have any investment in foreign companies.

ALTERNATİFBANK A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

III. Consolidated Subsidiaries

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

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

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

Consolidation principles for subsidiaries:

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

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

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

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

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

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

ALTERNATİFBANK A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

IV. Interest Income and Expense

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

V. Fee and 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

Initial Measurement of Financial Instruments

Initial measurement of financial instruments at the initial recognition of financial instruments, their classification depends on the contractual terms and the related business model. Financial assets or liabilities, other than those assessed under TFRS 15 Revenue from Customer Contracts, are measured at fair value when first recognized in the financial statements. At the initial measurement of financial assets and liabilities, other than those whose fair value changes are reflected in profit or loss, transaction costs directly attributable to their acquisition or issuance are added to or deducted from fair value.

Classification of Financial Instruments

The classification of financial instruments at initial recognition depends on the relevant business model used for management and the characteristics of the contractual cash flows.

Business Model Assessment

According to TFRS 9, the business model is defined at a level that shows how groups of financial assets are managed together to achieve a specific management objective. The business model is not dependent on management's intentions regarding an individual financial instrument; therefore, this is not a classification approach based on individual financial instruments, but rather an assessment formed by aggregating financial assets.

When evaluating the business model used for the management of financial assets, all relevant evidence available at the time of the assessment is considered. Such evidence includes:

- How the performance of the business model and the financial assets held under the business model is reported to key management personnel,
- The risks affecting the performance of the business model (and the financial assets held under the business model) and, in particular, how these risks are managed, and
- How additional payments to managers are determined (e.g., whether additional payments are determined based on the fair value of the assets under management or based on the contractual cash flows received).

Business model assessments are not based on scenarios that the business does not reasonably expect to occur, such as “worst-case” or “stress scenarios.”

If cash flows deviate from expectations at the time of business model assessment, this does not necessitate error correction in the financial statements or a change in the classification of other financial assets using the same business model, provided that all relevant information available at the time of business model assessment is taken into account. However, when assessing the business model for newly created or acquired financial assets, information on how cash flows have occurred in the past is considered along with other relevant information.

ALTERNATİFBANK A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VI. Financial Assets (Continued)

Business Model Assessment (Continued)

The aforementioned business models fall into three categories. These categories are listed below:

- Business Model Aimed at Holding Financial Assets to Collect Contractual Cash Flows: This is a business model where financial assets are held to collect contractual cash flows that will occur throughout their lifespan.
- Business Model for Collecting and Selling Contractual Cash Flows: This business model involves holding financial assets for both collecting contractual cash flows and selling the financial asset. Under this business model, financial assets are measured at amortized cost if the contractual terms of the financial asset pass the cash flow test, which includes only principal and interest payments on the principal balance on specific dates.
- Other Business Models: These are business models where financial assets are not held for the purpose of collecting contractual cash flows or for both collecting contractual cash flows and selling the financial asset, and the change in fair value is measured by reflecting it in profit or loss.

Contractual cash flows that include only principal and interest payments on the principal balance

According to TFRS 9, if a financial asset is held under a business model aimed at collecting contractual cash flows or under a business model aimed at collecting contractual cash flows and selling the financial asset, that financial asset is classified based on the characteristics of contractual cash flows. In an underlying lending agreement, the time value of money and the cost of credit risk are generally the most significant elements of interest. A judgment is used to assess whether that element only covers the cost of the passage of time, and relevant factors such as the currency in which the financial asset is expressed and the period in which the interest rate is applicable are taken into account. Where the terms of the contract begin to expose the financial asset to risks or volatility of cash flows that are inconsistent with an underlying lending agreement, the change in fair value of the relevant financial asset is measured by reflecting it in profit or loss.

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 short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

b. Financial Assets at Fair Value through Other Comprehensive Income

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

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

Valuation of such assets is based on its fair value. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income reflected and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity.

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.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VI. Financial Assets (Continued)

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

The major derivative instruments utilized by the Group 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 Group 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 Group evaluates the method of hedge whether to be effective on the expected changes in fair values in this process or not or each result of hedge effectiveness whether to be between the range of 80% and 125%.

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

Derivative financial instruments of the Group are classified under "IFRS 9 Financial Instruments" ("IFRS 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, IFRS 9 provides the option of postponing the acceptance of IFRS 9 hedge accounting and continuing with TAS 39 "Hedge accounting". In this context, the Group 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.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VI. Financial Assets (Continued)

e. Loans (Continued)

When a loan cannot be repaid or a potential default occurs, the original loan terms (maturity, repayment structure, collateral, and guarantees) previously signed may be modified according to the borrower's new financial capacity and structure. Restructuring is the modification of the financial terms of existing loans to facilitate repayment. Resfinancing, on the other hand, is the process of subjecting one or more existing loans to a new loan that will fully or partially cover the principal or interest payments of a customer or group due to current or anticipated future financial difficulties. Changes to the original terms of a credit risk can be made in the existing contract or in a new contract.

Restructured and refinanced corporate and commercial firms can be removed from close monitoring if the conditions in the Provisions Regulation are met.

For restructured corporate and commercial loans to be moved from the non-performing loans to the close monitoring category and removed from the scope of restructuring, the conditions specified in the Provisions Regulation must be met.

Performing and non-performing individual loans that are subject to restructuring can only be removed from the scope of close monitoring if the entire debt is repaid.

VII. Impairment of Financial Assets

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

As of 1 January 2018, the 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.

Expected credit loss estimates are unbiased, probability-weighted, and contain supportable information regarding past events, current conditions, and future economic conditions. The Bank accounts for expected loss provisions for all loans measured at amortized cost, financial assets, and non-cash loans, including financial assets measured at fair value and other comprehensive income. Financial assets measured at fair value are not subject to impairment. In accordance with TFRS 9, the Bank assesses all financial instruments in which credit risk has increased significantly since their initial recognition in the financial statements, taking into account all supporting information, including reasonable and prospective information. If, at the reporting date, there has been no significant increase in credit risk in a financial instrument since its initial recognition, the Bank measures the provision for losses related to that instrument at an amount equal to the 12-month expected credit loss. However, if a significant increase in credit risk in the financial instrument is observed since initial recognition, the Bank recognizes the provision for losses related to that instrument at an amount equal to the lifetime expected credit loss. The Bank calculates and recognizes expected credit loss provisions aggregately or individually for instruments with similar credit risk characteristics. The Bank has established a policy to assess whether there has been a significant increase in credit risk in a financial asset since its initial recognition, taking into account the risk of default occurring over the remaining life of the asset.

Expected Credit Loss Calculation

Credit loss is the present value, calculated at the initial effective interest rate, of the difference between the total cash flows the Bank is expected to receive as it matures under the contract and the total cash flows the Bank expects to collect. The Bank estimates cash flows over the expected life of the financial instrument, taking into account all contractual terms, and considers the weighted average of credit losses based on the probabilities of the relevant default risks as expected credit loss. TFRS 9 Financial Instruments allows for the calculation of expected credit loss provisions collectively or individually by grouping financial assets that share common credit risk characteristics. When the Bank calculates expected credit loss individually for financial instruments, it determines the risk of credit loss by considering the possible outcomes of the credit loss and the probability of these outcomes occurring. In this context, estimated expected credit losses are calculated to reflect an unbiased and probability-weighted amount, taking into account the possible outcome range, and expected cash flows are discounted to the reporting date using the effective interest rate.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. Impairment of Financial Assets (Continued)

Expected Credit Loss Calculation (Continued)

In the calculation of expected credit loss within the scope of aggregate assessment, financial assets are grouped according to their common credit risk characteristics, and expected credit loss is calculated based on the relevant risk parameters. Expected credit loss is calculated on a 12-month or lifetime basis, depending on whether there is a significant increase in credit risk after the initial recognition date or whether an asset is considered a credit loss. Expected credit loss is calculated using the components of Probability of Default, Loss Given Default, and Exposure at Default.

Macroeconomic indicators are considered in determining the default rate component in the expected credit loss calculation. Forward-looking macroeconomic forecasts are reflected in expected credit loss using multiple scenarios.

Forward-looking macroeconomic information is included in the risk parameters used in TFRS 9 calculations. When including macroeconomic information, econometric models and forecasts reflecting the relationships between model risk parameters and macroeconomic variables are considered. The main macroeconomic indicators forming these forecasting models are the Turkish Real Economic Growth Rate, the Seasonally and Calendar Adjusted Unemployment Rate, and the Republic of Turkey 5-Year Term Loan Default Swap Premium for the Probability of Default parameter; and the Consumer Price Index Excluding Seasonal Products, the Turkish Real Economic Growth Rate, and the Seasonally and Calendar Adjusted Unemployment Rate for the Loss in Case of Default parameter. The macroeconomic forecasting models include three scenarios, and these scenarios are considered in the expected loan loss calculations. A 10-year forecast horizon is used for forward-looking estimates. The Bank updates the macroeconomic variables used in the expected loan loss calculation once a year and applies them to its models. There is no management adjustment to the Bank's TFRS 9 model.

The expected loan loss calculation is made considering two independent macroeconomic scenarios: adverse and base. Final provisions are calculated by weighting the scenario probabilities (Base: 70%, Adverse: 30%).

Under TFRS 9, models have been developed to segment loans with similar characteristics in order to aggregate present expected credit losses in the financial statements. The segmentation structure within the Probability of Default model considers customer type (individual or corporate/commercial) and credit rating. TFRS 9 models have been calibrated with recent data as part of annual reviews. Loss Given Default (LGD) ratios modeled by collateral type and Credit Conversion Factor (CCF) and Probability of Default (PD) models modeled by product type have been calibrated during the year.

The basic parameters used in provision calculations are defined below:

Probability of Default (PD)

It is defined as the probability that the borrower will fail to meet its obligations to the bank, or in other words, will not repay its debts to the bank. This ratio is used to generate forward-looking Probability of Default estimates through the degree-based calibration of default rates occurring on a segment basis and the modeling of transitions between credit ratings using the Markov Chain approach. According to TFRS 9, two types of default probabilities are considered in the calculations:

- 12-Month Probability of Default: This represents the probability of the loan defaulting within 12 months after the reporting date.
- Lifetime Probability of Default: This represents the probability of defaulting throughout the life of the loan.

The bank generates rating notes for corporate and commercial customers through its internal rating system, and 12-month or lifetime probabilities of default are estimated based on these ratings. These forecasts are made taking macroeconomic expectations into account, and the weighted average of the probabilities of default calculated across three different scenarios is considered as the final probability of default.

Loss Given Default (LGD)

Loss given default represents the economic loss that may be incurred, taking into account the collection period and the time value of money. The bank determines Loss Given Default (LGD) using a statistically developed model. Macroeconomic expectations are integrated into the LGD rates calculated within the scope of the model. In this context, gross domestic product, unemployment rate, and consumer price index base estimates are used in the LGD macroeconomic model.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. Impairment of Financial Assets (Continued)

Loss Given Default (LGD) (Continued)

This parameter indicates the economic loss the Bank will incur in the event of a loan default, expressed as a ratio. LGD is determined based on historical cash flows related to post-default collections, collateral recoveries, and costs incurred during the collection process. LGD rates are established on a segment basis and reviewed regularly, taking into account collateral information and default amounts assessed within the scope of portfolio risk determinants, along with past occurrences that best reflect current conditions. LGD calculations incorporate the “time value of money” effect by discounting collection and collateral cash flows at the effective interest rate, taking into account the timing of collections. In calculating expected credit losses for Stage 3 loans, increasing Loss Given Default (LGD) rates reflecting the post-default collection cycle are used, taking into account the time in default and historical collection performance. If the time in default exceeds a certain level and the additional period does not cause a significant change in the expected loss, the LGD rate for the relevant loans is assumed to be 100% and it is accepted that there is no collection expectation. The Bank monitors changes in post-default collection performance and collateral valuation assumptions in its LGD estimates; parameters are updated when deemed necessary.

Exposure at Default (EAD)

It is the parameter that shows the amount of a loan that would default. For spot or installment loans, the default amount is the amount shown on the payment schedule on the default date. However, for credit cards, unused portion of overdraft account limits, and non-cash loans, the Exposure at Default is calculated using a parameter called the Credit Conversion Factor (CCF). Since overdraft accounts and credit cards are linked to the limit committed by the bank, the risk amount in the event of future default cannot be known at the time the loan is granted and is therefore estimated by multiplying it by the credit conversion factor calculated using statistical methods.

The bank includes forward-looking macroeconomic information in its probability of default calculations when calculating expected credit losses. In this context, default rate estimates for future periods are made based on Turkey's annual real Gross Domestic Product (GDP) growth rate. Forecasts for macroeconomic variables are determined according to three different scenarios: negative, base, and positive, to be used in calculating expected credit losses. Final values are reached based on the weighted average of the expected credit losses generated in the relevant scenarios.

Financial assets falling within the scope of TFRS 9 are divided into three stages according to changes in credit quality after initial recognition, and expected credit losses are calculated according to the stage they are in:

Stage 1:

These are financial assets that do not experience a significant increase in credit risk at the time they are first recognized in the financial statements or after they are first recognized in the financial statements. For these financial assets, the impairment allowance is recognized in the amount of the 12-month expected credit losses.

Accordingly, the 12-month expected credit loss is calculated based on the 12-month probability of default (PD) for default events expected to occur within 12 months following the reporting date; it is determined by multiplying the Loss Given Default (LGD) with the Exposure at Default (EAD). In this calculation, 12-month probability of default (PD) created under positive, negative, and base scenarios reflecting forward-looking macroeconomic expectations are weighted based on the probabilities assigned to the scenarios to obtain a single weighted PD; the 12-month expected credit loss calculation is performed using this weighted PD. If classified under Group 1 Standard Quality Loans (Stage 1), the 12-month expected credit loss is calculated based on 365 days for the loan, even if the maturity of the loans used is longer than 1 year. If the loan maturity falls below 1 year, the number of days remaining until maturity (excluding revolving loans and credit cards) is used in the calculations.

Stage 2:

If there is a significant increase in credit risk after the financial statements are initial recognized, the relevant financial asset is transferred to Stage 2, and impairment allowance is recognized at the amount of the expected lifetime credit loss for the relevant financial asset. The allowance to be set aside for credit is calculated, as stated above, by considering the maturity and cash flow of the credit for three macroeconomic scenarios. For this purpose, not only the 12-month probability of default and loss given default, but also the probability of default and loss given default for the entire life of the credit are estimated, and the credit allowance is determined using the present value set calculated based on the cash flow.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. Impairment of Financial Assets (Continued)

Exposure at Default (EAD) (Continued)

Stage 3:

This stage includes financial assets for which there is objective evidence of impairment as of the reporting date. For these assets, lifetime expected credit losses are recognized. The methodology is similar to that applied to Stage 2 loans, but the probability of default is assumed to be 100% in these calculations. The Bank generally follows the definition of default set out in the legislation (objective definition of default, e.g., number of days past due).

On the other hand, if it is concluded that the debt will not be repaid, the receivable is classified as Stage 3 even if default has not yet occurred according to the objective definition.

Lifetime Expected Credit Loss

Expected credit losses arising from all possible default scenarios that may occur over the expected life of the financial instrument. TFRS 9 states that "if the credit risk on a financial instrument has increased significantly since initial recognition in the financial statements, at each reporting date, the entity measures the loss allowance for that financial instrument at an amount equal to the lifetime expected credit losses."

If a customer or loan is classified under Loans Under Close Monitoring (Stage 2) or Non-Performing Loans (Stage 3), the lifetime expected credit loss allowance is calculated based on the probability of default events that may occur throughout the entire life of the loans used. Accordingly, the lifetime expected credit loss is determined based on the Probability of Default (PD) for the relevant period, by multiplying it by the Loss Given Default (LGD) and the Exposure at Default (EAD) components. In this calculation, PD created under positive, negative, and base scenarios reflecting forward-looking macroeconomic expectations are weighted based on the probabilities assigned to the scenarios to obtain a single weighted PD; the lifetime expected credit loss calculation is performed using this weighted PD.

The methods for calculating the expected credit loss allowance for Stage 2 and Stage 3 loans are similar; however, the probability of default for Stage 3 loans is assumed to be 100%. Furthermore, in calculating expected credit losses for Stage 3 loans, increasing LGD rates reflecting the post-default collection cycle are used, taking into account the time in default and historical collection performance. If the time in default exceeds a certain level and the additional period does not cause a significant change in the expected loss, the LGD rate for the relevant loans is assumed to be 100% and it is accepted that there is no collection expectation.

Definition of Default

Although TFRS 9 does not provide a direct definition of default, it requires a definition of default consistent with that used in credit risk management. The bank uses a definition of default consistent with the definition used for internal credit risk management purposes for the relevant financial instrument when defining default for the purpose of determining the entity's credit risk under TFRS 9, and considers qualitative indicators (e.g., financial commitments) where appropriate. However, unless the entity has reasonable and supportable evidence that a longer delay would result in default, there is a rebuttable presumption that default will not occur until the financial instrument is past due by 90 days.

The default definition used for these purposes shall be applied consistently to all financial instruments unless information is available demonstrating that another default definition is more appropriate for a specific financial instrument. In accordance with this provision, a 90-day delay period shall be taken into account. Communiqué on the Calculation of Risk-Weighted Assets for Credit Risk under the Internal Ratings-Based Approaches considers the debt to be in default if at least one of the two situations specified below occurs within the framework of the default definition.

a) The Bank's determination that the debtor will be unable to repay its debts to the Bank or one of its consolidated financial institution subsidiaries in full without recourse to collateral. b) The debtor is more than 90 days past due in fulfilling its significant obligations to the Bank or one of its consolidated financial institution subsidiaries. For loans classified as non-performing (Stage 3), the expected credit loss is calculated using the estimated Loss Given Default (LGD). This estimation is made on a segment basis based on historical data and is determined by the principle of writing off the amount remaining after the collection amount made during the period after the date each segment became delinquent.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. Impairment of Financial Assets (Continued)

Portfolios with Low Credit Risk

The TFRS 9 Standard states that when historical default data is unavailable for certain portfolios, the expected credit loss can be calculated using a low default rate, as reliable results cannot be produced for these portfolios. This provision is explained in the standard as follows: "If it is determined that the financial instrument has low credit risk at the reporting date, the entity may assume that the credit risk on the financial instrument has not increased significantly since initial recognition in the financial statements." At the Bank, these transactions are: a) CBRT Transactions (Funds held at the CBRT and Required Reserves) b) Securities (Financial Assets at Fair Value Through Other Comprehensive Income and Financial Assets Measured at Amortized Cost) c) Treasury Loans d) Treasury-Guaranteed Transactions.

Significant Increase in Credit Risk

A significant increase in credit risk requires the Bank to account for its expected credit loss based on Lifetime Expected Credit Losses instead of 12-Month Expected Credit Losses. In this context, if there is a significant increase in credit risk after the date of initial recognition in the financial statements, the related financial asset is transferred to stage 2.

Situations considered as criteria for a significant increase in credit risk

- Receivables that are past due for more than 30 days
- Receivables monitored in the close monitoring portfolio
- Receivables restructured due to payment difficulties
- Receivables from individual customers with existing non-performing consumer loans, if any, under non-performing consumer loans
- Receivables where the difference between the probability of default measured at the date of initial recognition in the financial statements and the probability of default observed at the reporting date exceeds the specified threshold values

Statements regarding the write-off policy

Within the scope of the amendments made to the Banking Law, amendments were also made to the Regulation on the Classification of Loans and Procedures and Principles Regarding Provisions to be Set Aside for Them;

- Loans classified under the Fifth Group - Uncollectible Loans,
- The portion of loans for which a lifetime expected credit loss or specific allowance has been set aside due to the borrower's default and for which there are no reasonable expectations of recovery,
- May be written off from the records under TFRS 9, starting from the first reporting period (interim or year-end reporting period) following their classification in the group. Loans with no possibility of collection are written off from the records in this manner and tracked in memorandum accounts. This process is an accounting practice that allows the transfer of the legal collection balance with no possibility of collection from the balance sheet's asset accounts to memorandum accounts and does not result in the Bank waiving its right to receivables. It is not mandatory for the entire receivable to be uncollectible in order to write it off; it is possible to remove only the partially uncollectible portion from assets. For any legal collection receivable to be written off:
- It must be classified under Group Five (Uncollectible Loans).
- A 100% provision must be set aside for the portion to be written off.
- Legal collection proceedings must be ongoing or about to commence. Amounts written off are considered "expenses" for tax purposes. The write-off is solely an accounting transaction, and the Bank will continue with legal collection procedures to recover the receivable. After the write-off, if an agreement is reached with the debtor and the written-off debt is collected in full or in part and settled, and the debtor is discharged, the balance in the nominal accounts is collected for the portion collected.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. Offsetting Financial Instruments

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

IX. Sales and Repurchase Agreements and Securities Lending Transactions

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

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

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

X. Assets Held For Sale and Discontinued Operations

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

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

A discontinued operation is a part of the Parent 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 December 2025 and 31 December 2024 The Group has no discontinued operations.

XI. Goodwill and Other Intangible Assets

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

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

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

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

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

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XII. Property and Equipment

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

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

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

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

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

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

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIII. Leasing Transactions

Financial leasing transactions as lessee

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

Right of use assets:

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

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

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

The Lease Obligations:

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

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

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

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

As of 31 December 2025, net right of use assets is amounting to TL 883,548 and net lease liabilities is amounting to TL 822,934 (31 December 2024: net right of use assets is TL 33,258, net lease liabilities is TL 8,778). The entire net right-of-use asset covers headquarters and branch rental expenses.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIV. Provisions, Contingent Asset and Liabilities

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

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

XV. Obligations Related To Employee Rights

Obligations related to employee termination and vacation rights are accounted in accordance with “Turkish Accounting Standard for Employee Rights” (“TAS 19”). Under the Turkish Labor Law, the 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

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

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

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

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. Taxation (Continued)

a. Corporate taxes (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.

The procedures and principles of the law provisions enabling the revaluation of immovable property and depreciable economic assets have been reorganized with the Circular on Amendments to General Circular No. 547 of the Tax Procedure Law (serial no. 537) published in the Official Gazette dated January 14, 2023 and numbered 32073. Accordingly, the Bank has revalued the real estate and depreciable economic assets on its balance sheet until the period ending September 30, 2023, provided that the conditions set forth in Provisional Article 32 and Repeated Article 298/c of the Tax Procedure Law are met. As of December 31, 2023, real estate and depreciable economic assets were not revalued due to the inflation adjustment of the financial statements as of December 31, 2023. Due to the fulfillment of inflation accounting conditions, revaluation was not performed after September 30, 2023, and inflation valuation was adopted. As a result of these transactions, corporate tax is calculated based on the current amounts of Tax Procedures Law depreciation adjusted for inflation.

Pursuant to the provision of the temporary Article 33 added to the Tax Procedure Law by Law No. 7571 published in the Official Gazette on December 25, 2025; It has been decided that financial statements shall not be subject to inflation adjustment for the 2025 accounting period, including provisional tax periods, as well as for the 2026 and 2027 accounting periods, regardless of whether the conditions for inflation adjustment are met. Since 2025 is considered a period in which the conditions for inflation adjustment were not met, revaluation ("Revaluation") may be applied to depreciable economic assets included in the balance sheet in accordance with Article 298/c of the Tax Procedure Law. Pursuant to the Tax Procedure Law, inflation adjustment was not applied as of December 31, 2025, and Revaluation was applied to depreciable economic assets included in the financial statements dated December 31, 2025, in accordance with Article 298/c of the Tax Procedure Law, and the tax effects arising from depreciation calculated on the revalued amounts were included in the current tax calculation.

b. Deferred taxes

The Parent 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.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. Taxation (Continued)

b. Deferred taxes (Continued)

Pursuant to Article 33 of the Tax Procedure Law, inflation accounting has not been applied in the financial statements dated December 31, 2025, and the tax effects arising from the depreciation calculated on the revalued amounts of depreciable assets, in accordance with Repeated Article 298/c of the Tax Procedure Law, have been included in the deferred tax calculation.

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 December 2025, 30% deferred tax has been calculated for assets and liabilities by the Parent Bank.

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

The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements. The deferred tax assets and liabilities of companies subject to consolidation are presented without netting.

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

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

XIX. Explanations on Avalized Drafts And Acceptances

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

XX. Explanations on Government Incentives

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

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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, 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.

	31 December 2025	31 December 2024
Group’s Profit/(Loss)	1,816,701	495,861
Weighted Average Number of Issued Ordinary Shares (Thousand)	2,213,740	2,213,740
Earnings/(Losses) Per Share (Disclosed in full TL) (*)	0.8206	0.2240

(*) Diluted and undiluted earnings per share/(loss) are the same for the respective periods.

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 as of 31 December 2025 (31 December 2024: None).

XXIII. Related Parties

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

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

XXIV. Cash and Cash Equivalents

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

XXV. Explanations on the Accounting Policies of the Current Period

None.

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

In addition to the restatements described above, comparative information is reclassified when necessary to conform to the presentation of the current period financial statements or to maintain consistency of reporting.

XXVII. Explanations on Other Matters

Group's current period consolidated financial statements are prepared comparatively with the prior period. In order to maintain consistency with the presentation of the current period consolidated 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 1,123,675 presented under “Expense for Expected Losses” in the statement of profit or loss in prior periods have been reclassified under “Other Operating Income” in the comparative financial statements.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXVIII. Operating Segments

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

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

According to the Law, the Company received an authority certificate from the Capital Market Board to create the company's portfolio, to managing and to make changes in the portfolio when it is necessary. Parent Bank's another subsidiary Alternatif Finansal Kiralama A.Ş., established in 1997 to operate in Turkey, within the framework of 3226 Financial Leasing Law, with following permission from Undersecretariat of Treasury. Company has been operating its activities within the framework of BRSA's 'Regulations on the Establishment and Procedures of the Financial Leasing, Factoring and Financing Company', published in the Official Gazette No. 28627 in 24 April 2013.

- e) Other operations consist of subsidiaries and joint ventures, tangible assets, intangible assets, deferred tax asset and equity amounts and other income/loss accounts associated with these accounts.
- f) The Group's software requirements, possible software updates and additional software requirements to compete with other firms are provided by the Parent Bank.
- g) According to the table provided, share of each Group's operating segment in the Balance sheet is as follows; corporate/retail banking 56%, treasury/investment banking 39% and other 5%.

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EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXVIII. Operating Segments (Continued)

Major balance sheet and income statement items according to operating segments

	Corporate / Retail Banking	Treasury/ Investment Banking	Other	Total Operations of the Group
31 December 2025				
Net Interest Income / (Expense)	3,875,904	457,074	-	4,332,978
Net Fees and Commissions Income and Other Operating Income	3,068,821	(136,518)	-	2,932,303
Trading Profit / (Loss)	295,315	(1,207,568)	-	(912,253)
Dividend Income	-	555	-	555
Impairment Provision for Loans and Other Receivables (-) (*)	(496,533)	(11,036)	(76,074)	(583,643)
Other Operating and Personnel Expenses (-)	(3,091,899)	(551,528)	-	(3,643,427)
Profit/(Loss) from Ventures Using the Equity Method	-	-	-	-
Profit / (Losses) Before Taxes	3,651,608	(1,449,021)	(76,074)	2,126,513
Tax Provision	-	-	-	(309,785)
Minority Shares	-	-	-	27
Net Profit for the Period				1,816,728
31 December 2025				
Segment Assets	71,329,098	49,345,279	6,783,964	127,458,341
Investments in Associates and Subsidiaries	-	-	-	-
Total Assets	71,329,098	49,345,279	6,783,964	127,458,341
Segment Liabilities	52,042,209	54,274,220	12,177,938	118,494,367
Shareholders' Equity	-	-	8,963,974	8,963,974
Total Liabilities	52,042,209	54,274,220	21,141,912	127,458,341

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

	Corporate / Retail Banking	Treasury/ Investment Banking	Other	Total Operations of the Group
31 December 2024				
Net Interest Income / (Expense)	2,291,725	54,641	-	2,346,366
Net Fees and Commissions Income and Other Operating Income	1,714,171	139,434	-	1,853,605
Trading Profit / (Loss)	(1,276,272)	266,947	-	(1,009,325)
Dividend Income	-	328	-	328
Impairment Provision for Loans and Other Receivables (-) (*)	(391,348)	(4,720)	(37,543)	(433,611)
Other Operating and Personnel Expenses (-)	(2,139,584)	(264,644)	-	(2,404,228)
Profit/(Loss) from Ventures Using the Equity Method	-	-	-	-
Profit / (Losses) Before Taxes	198,692	191,986	(37,543)	353,135
Tax Provision	-	-	-	142,735
Minority Shares	-	-	9	9
Net Profit for the Period				495,870
31 December 2024				
Segment Assets	44,845,006	36,821,291	6,078,501	87,744,798
Investments in Associates and Subsidiaries	-	-	-	-
Total Assets	44,845,006	36,821,291	6,078,501	87,744,798
Segment Liabilities	41,879,985	26,792,173	11,801,913	80,474,071
Shareholders' Equity	-	-	7,270,727	7,270,727
Total Liabilities	41,879,985	26,792,173	19,072,640	87,744,798

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

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SECTION FOUR

INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

I. Explanations on Shareholders’ Equity

The standard rate of the capital adequacy of the Group is 20.76% (31 December 2024: 26.56%). The standard rate of the capital adequacy of the Parent Bank is 22.57% (31 December 2024: 27.94%).

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

a. Information on Shareholders’ Equity

	31 December 2025	31 December 2024
COMMON EQUITY TIER 1 CAPITAL		
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	3,910,686	3,346,667
Gains recognized in equity as per TAS	292,809	2,123,507
Profit	3,483,419	496,239
Current Period Profit	1,816,701	495,861
Prior Period Profit	1,666,718	378
Minority Shares	75	32
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period		-
Common Equity Tier 1 Capital Before Deductions	9,900,783	8,180,239
Deductions from Common Equity Tier 1 Capital		
Valuation adjustments calculated as per the 1 st clause of article 9.(i) of the Regulation on Bank Capital		-
Portion of the current and prior periods’ losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	100,413	69,708
Improvement costs for operating leasing (-)	26,469	35,123
Goodwill (net of related tax liability)	21,151	21,151
Other intangibles other than mortgage-servicing rights (net of related tax liability)	658,746	412,075
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk		-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision		-
Gains arising from securitization transactions		-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities		-
Defined-benefit pension fund net assets		-
Direct and indirect investments of the 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 GROUP (Continued)

I. Explanations on Shareholders' Equity (Continued)

a. Information on Shareholders' 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		-
Total Deductions From Common Equity Tier I Capital	806,779	538,057
Total Common Equity Tier I Capital	9,094,004	7,642,182
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums		-
Debt instruments and the related issuance premiums defined by the BRSA	8,569,140	9,702,083
Debt instruments and the related issuance premiums defined by the BRSA (Covered by Temporary Article 4)		-
Third parties' share in the Tier II Capital		-
Third parties' share in the Tier II Capital (Temporary Article 3)		-
Additional Tier I Capital before Deductions	8,569,140	9,702,083
Deductions from Additional Tier I Capital		
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 (-)		-
Transition from the Core Capital to Continue to deduce Components		
Goodwill and Other Intangible Assets and Related Deferred Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (-)		-
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (-)		-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)		-
Total Deductions From Additional Tier I Capital		
Total Additional Tier I Capital	8,569,140	9,702,083
Total Tier I Capital (Tier I Capital=Common Equity Tier I Capital+Additional Tier I Capital)	17,663,144	17,344,265
TIER II CAPITAL		
Debt Instruments and the Related Issuance Premiums Defined by the BRSA		-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)		-
Third parties' share in the Tier II Capital		-
Third parties' share in the Tier II Capital (Temporary Article 3)		-
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital)	353,890	372,301
Tier II Capital Before Deductions	353,890	372,301
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)		-
Investments in Equity Instruments Issued by Banks and Financial Institutions Invested in Bank's Tier II Capital and Having Conditions Stated in the Article 8 of the Regulation		-
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank does not own 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)		-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier II Capital of Consolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)		-
Other items to be defined by the BRSA (-)		-
Total Deductions from Tier II Capital		
Total Tier II Capital	353,890	372,301
Total Capital (The sum of Tier I Capital and Tier II Capital)	18,017,034	17,716,566
The sum of Tier I Capital and Tier II Capital (Total Capital)	18,017,034	17,716,566

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

I. Explanations on Shareholders' Equity (Continued)

a. Information on Shareholders' Equity (Continued)

Loans granted against the articles 50 and 51 of the banking law	5,569	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 BRSA	-	-
Items to be Deducted from sum of Tier I and Tier II (Capital) during the Transition Period	-	-
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 be 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 be deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
TOTAL CAPITAL	-	-
Total Capital (The sum of Tier I Capital and Tier II Capital)	18,011,465	17,710,677
Total risk weighted amounts	86,754,889	66,683,549
CAPITAL ADEQUACY RATIOS		
Core Capital Adequacy Ratio (%)	10.48%	11.46%
Tier I Capital Adequacy Ratio (%)	20.36%	26.01%
Capital Adequacy Ratio (%)	20.76%	26.56%
BUFFERS		
Bank specific total Common Equity Tier 1 Capital requirement (%)	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 (%)	5.98%	6.96%
Amounts below the Excess Limits as per the Deduction Principles	-	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital	-	-
Total of net long positions of the investments in Tier I capital of unconsolidated banks and financial institutions where the bank owns more than 10% or less of the issued share capital	-	-
Remaining Mortgage Servicing Rights	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	353,890	372,301
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	353,890	372,301
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between 1 January 2018 and 1 January 2022)	-	-
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

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

I. Explanations on Shareholders’ Equity (Continued)

b. Details on Subordinated Liabilities

Issuer	Alternatif Bank A.Ş.
Unique identifier (eg CUSIP, ISIN)	ISIN: XS2327872524
Governing law(s) of the instrument	English Law/Turkish Law on subordination
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on Unconsolidated/ consolidated / both unconsolidated and consolidated	Valid on Consolidated and Unconsolidated Basis
Instrument type	Bond
Amount recognised in regulatory capital (Currency in million TRL, as of most recent reporting date)	8,569,140
Par value of instrument (Million TRL)	8,569,140
Accounting classification	347
Original date of issuance	31.03.2021
Demand or time	Demand
Original maturity date	-
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Once every 5 years
Subsequent call dates, if applicable	Once every 5 years
Coupons / dividends	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	First 5 year 10.50% Fixed, following 5 year MS+9.546% Fixed 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
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts int	-
Write-down feature	
If write-down, write-down trigger (s)	When unsustainable situation is realized, value decrement is realized and less than 5.125%
If write-down, full or partial	Partial or completely value decrement is should be realized.
If write-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism	When unsustainable situation is realized, value decrement is realized and higher than 5.125%
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After depositors, other creditors and debt instruments included in Tier II capital calculation
Whether conditions which stands in article of 7 and 8 of Banks’ shareholder equity law are possessed or not	Possess
According to article 7 and 8 of Banks' shareholders equity law that are not possessed	-

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

I. Explanations on Shareholders' Equity (Continued)

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

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

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

The risks that the Parent Bank can encounter due to its operations are being evaluated in 2025 budget works and the possible capital requirements according to The Parent Bank's goal and strategies are evaluated.

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

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

II. Explanations on Credit Risk

The total amount of risks exposed after offsetting transactions, regardless of the effects of credit risk mitigation and the average amount for the risks separated by the different risk classes and types

The sectoral concentrations for loans are monitored closely in accordance with the Bank's loan policy. During the Management of Risk Committee meetings held every month, overall Bank's risk is monitored by analyzing sectoral concentration.

All transactions are within the limits determined by the Board of Directors and being monitored on a regular basis.

All loans are revised at least once a year according to the regulations. Following the revision performed according to the Group's rating methodology, the credit limits are revised or additional guarantees are requested. In the same process, risk based loan loss provisions are calculated and loan pricing policies are updated according to the results. As the expected loan losses are considered as a standard cost, they are considered in the pricing process. In case of unexpected losses, economical capital values are calculated and Group's current capital is held within the required economical capital requirements. Incomes that are reevaluated according to the risk are monitored as a performance criteria and equity sharing with the profit centers are expected to be beneficial.

Derivatives, options and other similar contracts does not have specific provisions with specific control limits and the risk arising from these contracts are limited with the Group's global risk framework. Group's current policy indicates that such items should be fully collateralized to eliminate possible risks.

Indemnified non-cash loans are subject to the same risk weight as outstanding loans matured but not yet paid.

Rescheduled loans are monitored like other loans within the Group's internal rating application. Risk ratings of the borrowers are used for credit maturities.

Group's international banking operations and loans are with the OECD countries and when the economic conditions of these operations are found to be unimportant of a part for the credit risk.

Group is not active in international banking market.

The share of receivables of the Parent Bank from its top 100 cash loan customers are 78.47% in the total cash loans (31 December 2024: 61.54%).

The share of receivables of the Parent Bank from its top 100 non-cash loan customers are 81.73% in the total non-cash loans (31 December 2024: 65.85%).

The share of cash and non-cash receivables of the Parent Bank top 100 loan customers are 10.39% (31 December 2024: 9.28%) in the overall balance sheet and off-balance sheet items.

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

II. Explanations on Credit Risk (Continued)

Risk Group	Current Period Risk Amount (*)	Average Risk Amount (**)
Contingent and Non-Contingent Receivables from Central Governments or Central Banks	36,308,432	34,962,049
Contingent and Non-Contingent Receivables from Regional Governments or Local Authorities	10,045,882	5,425,806
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	4,712	21,246
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-
Contingent and Non-Contingent Receivables from International organizations	-	-
Contingent and Non-Contingent Receivables from banks and Intermediaries	12,666,759	12,472,430
Contingent and Non-Contingent Corporate Receivables	85,119,573	78,380,539
Contingent and Non-Contingent Retail Receivables	2,490,754	1,972,275
Contingent and Non-Contingent Receivables Secured by Residential Property	706,301	1,108,978
Non-Performing Receivables	327,141	324,660
Receivables Identified as High Risk by the Board	-	156,008
Secured by Mortgages	-	-
Securitization Positions	-	-
Short-term Receivables from Banks, Brokerage Houses and Corporates	-	-
Investments Similar to Collective Investment Funds	-	-
Other Receivables	4,733,850	5,256,808
Total	152,403,404	140,080,799

(*) Represents the risk amounts after credit conversion factors.

(**) Average risk amounts are calculated by the arithmetic average year of the 2025’s risk amounts.

Risk Group	Current Period Risk Amount (*)	Average Risk Amount (**)
Contingent and Non-Contingent Receivables from Central Governments or Central Banks	28,888,008	27,265,423
Contingent and Non-Contingent Receivables from Regional Governments or Local Authorities	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	2,750	2,949
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-
Contingent and Non-Contingent Receivables from International organizations	-	-
Contingent and Non-Contingent Receivables from banks and Intermediaries	9,722,437	8,557,465
Contingent and Non-Contingent Corporate Receivables	63,240,106	52,270,923
Contingent and Non-Contingent Retail Receivables	997,618	390,449
Contingent and Non-Contingent Receivables Secured by Residential Property	783,377	869,605
Non-Performing Receivables	224,500	136,207
Receivables Identified as High Risk by the Board	1,756,786	6,007,262
Secured by Mortgages	-	-
Securitization Positions	-	-
Short-term Receivables from Banks, Brokerage Houses and Corporates	-	-
Investments Similar to Collective Investment Funds	-	-
Other Receivables	5,059,121	4,129,842
Total	110,674,703	99,630,125

(*) Represents the risk amounts after credit conversion factors.

(**) Average risk amounts are calculated by the arithmetic average year of the 2024’s risk amounts.

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

II. Explanations on Credit Risk (Continued)

a. Information on types of loans and specific provisions:

31 December 2025 (**)	Corporate/ Commercial	SME	Consumer	Credit Cards	Total
Standard Loans	62,696,000	2,009,640	1,841,183	43,537	66,590,360
Loans under Close Monitoring	2,225,544	4,246,432	34,825	941	6,507,742
Non-performing Loans	784,849	72,854	1,098	35	858,836
Expected credit losses (-) (*)	684,666	325,333	7,904	841	1,018,744
Total	64,704,833	6,003,593	1,867,518	43,672	72,619,616

(*) Explanations about impairment of financial assets are explained in Section Third Footnote number VII.

(**) Includes factoring receivables.

31 December 2024 (**)	Corporate/ Commercial	SME	Consumer	Credit Cards	Total
Standard Loans	36,109,951	4,433,637	796,750	57,022	41,397,360
Loans under Close Monitoring	3,057,694	469,044	8,426	5,100	3,540,264
Non-performing Loans	542,530	58,823	1,390	140	602,883
Expected credit losses (-) (*)	532,245	274,895	4,146	1,724	813,010
Total	39,177,930	4,686,609	802,420	60,538	44,727,497

(*) Explanations about impairment of financial assets are explained in Section Third Footnote number VII.

(**) Includes factoring receivables.

b. Information on loans and receivables past due but not impaired:

31 December 2025	Corporate/ Commercial	SME	Consumer	Credit Cards	Total
Past due up to 30 Days	923,619	144	51,020	494	975,277
Past due 30-60 Days	462	-	19,141	85	19,688
Past due 60-90 Days	258	543	9,808	153	10,762
Total	924,339	687	79,969	732	1,005,727

31 December 2024	Corporate/ Commercial	SME	Consumer	Credit Cards	Total
Past due up to 30 Days	101,038	26,582	23,000	624	151,244
Past due 30-60 Days	59,286	2,600	4,701	124	66,711
Past due 60-90 Days	24,581	-	2,195	18	26,794
Total	184,905	29,182	29,896	766	244,749

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

II. Explanations on Credit Risk (Continued)

c. Information on debt securities, treasury bills and other bills:

31 December 2025		Financial Assets at Fair Value through OCI (Net)	Financial Assets at Amortised Cost (Net)	Total
Japan JCR's Rating	Financial Assets at Fair Value through P/L (Net)			
BB (*)	7,182	5,858,209	10,835,389	16,700,780
Total	7,182	5,858,209	10,835,389	16,700,780

(*) Consists of Turkish Republic government bonds, private sector bonds and treasury bills.

31 December 2024		Financial Assets at Fair Value through OCI (Net)	Financial Assets at Amortised Cost (Net)	Total
Japan JCR's Rating	Financial Assets at Fair Value through P/L (Net)			
BB(+) (*)	25,127	7,787,365	10,144,596	17,957,088
Total	25,127	7,787,365	10,144,596	17,957,088

(*) Consists of Turkish Republic government bonds, private sector bonds and treasury bills.

d. Information on rating concentration:

The credit risk is evaluated according to the Parent Bank's internal rating system. The loans rated according to probability of default, from the best rating (high standard), to the lowest rate (substandard) are presented in the below table and at the bottom of the table there is past due loans (impaired).

“High standard” category means that the debtor has a strong financial structure, “standard” category means that debtor has a good and sufficient financial structure, “substandard” category means that the debtor's financial structure under risk in the short and medium term.

	31 December 2025	31 December 2024
High Standard (A,B)	98.93%	98.65%
Standard (C)	0.03%	0.03%
Substandard (D)	0.02%	0.01%
Impaired (E)	1.03%	1.31%
Not rated	-	-

e. Fair value of collaterals (loans and advances to customers):

31 December 2025	Corporate/ Commercial	SME	Consumer	Credit Cards	Total
Loans under Close Monitoring	1,216,489	4,743,875	5,492	3,845	5,969,701
Non-performing Loans	34,887	56,015	11	-	90,913
Total	1,251,376	4,799,890	5,503	3,845	6,060,614

31 December 2024	Corporate/ Commercial	SME	Consumer	Credit Cards	Total
Loans under Close Monitoring	5,034,117	3,158,275	128,721	3,585	8,324,698
Non-performing Loans	150,813	198,703	14,208	22	363,746
Total	5,184,930	3,356,978	142,929	3,607	8,688,444

Type of Collaterals	31 December 2025	31 December 2024
Real-estate Mortgage	1,823,763	3,347,470
Cash and Cash Equivalents	23,009	1,209,486
Vehicle Pledge	555,128	949,654
Other	3,658,714	3,181,834
Total	6,060,614	8,688,444

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

II. Explanations on Credit Risk (Continued)

f. Risk profile according to the geographical concentration:

	Risk Categories (*)										Total
	Contingent and Non-Contingent Receivables from Central Governments or Central Banks	Contingent and Non-Contingent Receivables from Regional Governments or Local Governments	Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises	Contingent and Non-Contingent Receivables from Banks and Intermediaries	Contingent and Non-Contingent Corporate Receivables	Contingent and Non-Contingent Retail Receivables	Contingent and Non-Contingent Receivables Secured by Residential Property	Non-Performing Receivables	Receivables Identified as High Risk by the Board	Other Receivables	
31 December 2025											
Domestic	36,308,432	10,045,882	4,712	3,279,492	85,119,573	2,488,860	706,301	327,141	-	-	138,280,393
EU Countries	-	-	-	7,267,606	-	1,647	-	-	-	-	7,269,253
OECD Countries (**)	-	-	-	15,374	-	32	-	-	-	-	15,406
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	-	1,989,205	-	4	-	-	-	-	1,989,209
Other Countries	-	-	-	115,082	-	211	-	-	-	-	115,293
Associates, Subsidiaries and Joint –Ventures	-	-	-	-	-	-	-	-	-	440,580	440,580
Unallocated Assets Liabilities (***)	-	-	-	-	-	-	-	-	-	4,293,270	4,293,270
Total	36,308,432	10,045,882	4,712	12,666,759	85,119,573	2,490,754	706,301	327,141	-	4,733,850	152,403,404

(*) Risk categories in the Communiqué on Measurement and Assessment of Capital Adequacy of Banks.

(**) OECD countries other than EU countries, USA and Canada.

(***) Assets and liabilities are not allocated on a consistent basis.

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

II. Explanations on Credit Risk (Continued)

f. Risk profile according to the geographical concentration (Continued)

	Risk Categories (*)										Total
	Contingent and Non-Contingent Receivables from Central Governments or Central Banks	Contingent and Non-Contingent Receivables from Regional Governments or Local Governments	Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises	Contingent and Non-Contingent Receivables from Banks and Intermediaries	Contingent and Non-Contingent Corporate Receivables	Contingent and Non-Contingent Retail Receivables	Contingent and Non-Contingent Receivables Secured by Residential Property	Non-Performing Receivables	Receivables Identified as High Risk by the Board	Other Receivables	
31 December 2024											
Domestic	28,888,008	-	2,750	5,067,729	63,240,106	996,828	783,377	1,756,786	224,500	-	100,960,084
EU Countries	-	-	-	3,362,274	-	28	-	-	-	-	3,362,302
OECD Countries (**)	-	-	-	44,898	-	22	-	-	-	-	44,920
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	-	770,023	-	-	-	-	-	-	770,023
Other Countries	-	-	-	477,513	-	740	-	-	-	-	478,253
Associates, Subsidiaries and Joint –Ventures	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets Liabilities (***)	-	-	-	-	-	-	-	-	-	-	-
Total	28,888,008	-	2,750	9,722,437	63,240,106	997,618	783,377	1,756,786	224,500	5,059,121	110,674,703

(*) Risk categories in the Communiqué on Measurement and Assessment of Capital Adequacy of Banks.

(**) OECD countries other than EU countries, USA and Canada.

(***) Assets and liabilities are not allocated on a consistent basis.

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

II. Explanations on Credit Risk (Continued)

g. Risk profile by Sectors or Counterparties:

Current Period Sectors/Counterparties	Risk Categories (*)									TL	FC	Total
	1	2	3	4	5	6	7	8	9			
Agriculture	-	-	-	-	385,583	6,089	-	4	-	328,479	63,197	391,676
Farming and Stockbreeding	-	-	-	-	255,725	6,081	-	4	-	198,613	63,197	261,810
Forestry	-	-	-	-	68,809	-	-	-	-	68,809	-	68,809
Fishery	-	-	-	-	61,049	8	-	-	-	61,057	-	61,057
Manufacturing	-	-	-	-	30,008,755	352,426	42,790	95,322	-	15,552,107	14,947,186	30,499,293
Mining and Quarrying	-	-	-	-	1,578,253	13,781	-	2,867	-	1,061,159	533,742	1,594,901
Production	-	-	-	-	26,862,312	333,782	42,790	92,411	-	14,350,772	12,980,523	27,331,295
Electricity, Gas and Water	-	-	-	-	1,568,190	4,863	-	44	-	140,176	1,432,921	1,573,097
Construction	-	-	-	-	7,215,709	96,626	272,569	30,114	-	3,854,394	3,760,624	7,615,018
Services	-	10,045,882	3,237	12,666,759	33,299,294	83,259	291,294	102,961	-	36,574,240	19,918,446	56,492,686
Wholesale and Retail Trade	-	-	-	-	8,884,241	40,413	198,471	90,503	-	6,104,663	3,108,965	9,213,628
Hotel, Food and Beverage Services	-	-	-	-	449,784	1,726	4,606	342	-	338,497	117,961	456,458
Transportation and Telecom	-	-	-	-	3,459,526	5,702	51,042	133	-	2,240,233	1,276,170	3,516,403
Financial Institutions	-	-	-	12,666,759	13,900,747	3,757	-	-	-	13,815,765	12,755,498	26,571,263
Real Estate and Rental Services	-	-	-	-	2,340,336	13,253	35,555	-	-	1,460,433	928,711	2,389,144
Self-employment Services	-	-	-	-	3,823,953	12,851	1,620	11,694	-	2,122,199	1,727,919	3,850,118
Educational Services	-	-	-	-	47	365	-	-	-	412	-	412
Health and Social Services	-	10,045,882	3,237	-	440,660	5,192	-	289	-	10,492,038	3,222	10,495,260
Other	36,308,432	-	1,475	-	14,210,232	1,952,354	99,648	98,740	4,733,850	39,726,360	17,678,371	57,404,731
TOTAL	36,308,432	10,045,882	4,712	12,666,759	85,119,573	2,490,754	706,301	327,141	4,733,850	96,035,580	56,367,824	152,403,404

(*) Risk categories in the Communiqué on Measurement and Assessment of Capital Adequacy of Banks.

- 1- Contingent and Non-Contingent Receivables from Central Governments or Central Banks
- 2- Contingent and Non-Contingent Receivables from Regional Governments or Local Governments
- 3- Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises
- 4- Contingent and Non-Contingent Receivables from Banks and Intermediaries
- 5- Contingent and Non-Contingent Corporate Receivables
- 6- Contingent and Non-Contingent Retail Receivables
- 7- Contingent and Non-Contingent Receivables Secured by Residential Property
- 8- Non-Performing Receivables
- 9- Other

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

II. Explanations on Credit Risk (Continued)

g. Risk profile by Sectors or Counterparties (Continued):

Prior Period Sectors/Counterparties	Risk Categories (*)									TL	FC	Total
	1	2	3	4	5	6	7	8	9			
Agriculture	-	-	-	265,234	1,700	-	4	-	-	177,654	89,284	266,938
Farming and Stockbreeding	-	-	-	265,177	868	-	4	-	-	176,765	89,284	266,049
Forestry	-	-	-	52	646	-	-	-	-	698	-	698
Fishery	-	-	-	5	186	-	-	-	-	191	-	191
Manufacturing	-	-	-	21,061,845	186,750	56,817	82,283	865,251	-	14,044,362	8,208,584	22,252,946
Mining and Quarrying	-	-	-	569,167	7,197	2	378	-	-	470,024	106,720	576,744
Production	-	-	-	19,165,011	176,881	56,815	81,905	865,251	-	13,217,627	7,128,236	20,345,863
Electricity, Gas and Water	-	-	-	1,327,667	2,672	-	-	-	-	356,711	973,628	1,330,339
Construction	-	-	-	4,455,035	34,657	367,924	1,381	801,309	-	2,443,929	3,216,377	5,660,306
Services	-	2,549	9,462,355	25,474,946	67,172	227,904	106,444	17,012	-	21,270,734	14,087,648	35,358,382
Wholesale and Retail Trade	-	-	-	6,000,341	38,422	113,947	89,830	17,010	-	3,891,877	2,367,673	6,259,550
Hotel, Food and Beverage Services	-	-	-	137,720	974	-	337	-	-	106,282	32,749	139,031
Transportation and Telecom	-	-	-	2,507,241	11,599	59,552	133	-	-	1,387,662	1,190,863	2,578,525
Financial Institutions	-	-	9,462,355	10,534,752	140	-	-	-	-	11,596,321	8,400,926	19,997,247
Real Estate and Rental Services	-	-	-	1,932,369	3,543	-	-	-	-	1,196,378	739,534	1,935,912
Self-employment Services	-	-	-	3,082,300	8,967	54,405	16,144	2	-	1,808,450	1,353,368	3,161,818
Educational Services	-	-	-	43	354	-	-	-	-	397	-	397
Health and Social Services	-	2,549	-	1,280,180	3,173	-	-	-	-	1,283,367	2,535	1,285,902
Other	28,888,008	201	260,082	11,983,046	707,339	130,732	34,388	73,214	5,059,121	33,672,764	13,463,367	47,136,131
TOTAL	28,888,008	2,750	9,722,437	63,240,106	997,618	783,377	224,500	1,756,786	5,059,121	71,609,443	39,065,260	110,674,703

(*) Risk categories in the Communiqué on Measurement and Assessment of Capital Adequacy of Banks.

- 1- Contingent and Non-Contingent Receivables from Central Governments or Central Banks
- 2- Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises
- 3- Contingent and Non-Contingent Receivables from Banks and Intermediaries
- 4- Contingent and Non-Contingent Corporate Receivables
- 5- Contingent and Non-Contingent Retail Receivables
- 6- Contingent and Non-Contingent Receivables Secured by Residential Property
- 7- Non-Performing Receivables
- 8- Receivables identified as high risk by the Board
- 9- Other

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

II. Explanations on Credit Risk (Continued)

h. Analysis of maturity-bearing exposures according to remaining maturities:

Current Period:

Risk classifications	Term To Maturity (*)				
	1 Month	1-3 Month	3-6 Month	6-12 Month	Over 1 year
Contingent and Non-Contingent Receivables from Central Governments or Central Banks	5,117,864	-	-	-	31,190,568
Contingent and Non-Contingent Receivables from Regional Governments or Local Governments	-	262,108	81,693	150,409	9,551,672
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	3,237	-	1,175	-	300
Contingent and Non-Contingent Receivables from Banks and Intermediaries	6,794,799	657,986	724,214	995,000	3,494,760
Contingent and Non-Contingent Corporate	8,764,852	18,172,735	16,881,04	17,705,35	23,595,586
Contingent and Non-Contingent Retail Receivables	168,772	92,828	154,557	731,614	1,342,983
Contingent and Non-Contingent Receivables Secured by Residential Property	13,596	8,590	267,886	47,842	368,387
Non-Performing Receivables	-	-	-	-	327,141
Receivables Identified as High Risk by the Board	-	-	-	-	-
Other Receivables	-	-	-	-	-
TOTAL	20,863,12	19,194,247	18,110,56	19,630,22	69,871,397

(*) Risk amounting to TL 4,733,850 without maturity, is not taken into consideration in the table above.

Prior Peiod:

Risk classifications	Term To Maturity (*)				
	1 Month	1-3 Month	3-6 Month	6-12 Month	Over 1 year
Contingent and Non-Contingent Receivables from Central Governments or Central Banks	3,580,392	-	-	-	25,307,616
Contingent and Non-Contingent Receivables from Regional Governments or Local Governments	-	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	2,549	-	-	-	201
Contingent and Non-Contingent Receivables from Banks and Intermediaries	5,119,595	1,277,592	2,133,269	145,626	1,046,355
Contingent and Non-Contingent Corporate	5,763,623	10,994,460	11,437,10	13,817,08	21,227,829
Contingent and Non-Contingent Retail Receivables	70,662	33,221	63,264	399,756	430,715
Contingent and Non-Contingent Receivables Secured by Residential Property	37,776	155,322	64,347	106,626	419,306
Non-Performing Receivables	-	-	-	-	224,500
Receivables Identified as High Risk by the Board	3	-	-	13,463	1,743,320
Other Receivables	-	-	-	-	-
TOTAL	14,574,60	12,460,595	13,697,98	14,482,55	50,399,842

(*) Risk amounting to TL 5,059,121 without maturity, is not taken into consideration in the table above.

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

II. Explanations on Credit Risk (Continued)

i. Credit Risk by Risk Weights - Standard Approach

Current Period:

	Risk Weights	0%	10%	20%	35%	50%	75%	100%	150%	200%	500%	Deductions from Equity
1	Amount before Credit Risk Mitigation											
	Risk Mitigation	37,175,655	-15,851,589	463,070	40,448,652	2,490,786	54,890,605	1,083,047				5,569
2	Amount after Credit Risk Mitigation	44,065,698	-15,784,184	461,005	33,352,726	2,424,544	54,752,333	1,077,595				5,569

Prior Period:

	Risk Weights	0%	10%	20%	35%	50%	75%	100%	150%	200%	500%	Deductions from Equity
1	Amount before Credit Risk Mitigation											
	Risk Mitigation	29,926,001	-11,356,846	346,816	21,798,140	997,604	44,374,093	1,782,100			93,102	5,889
2	Amount after Credit Risk Mitigation	29,945,203	-11,343,927	334,208	21,776,591	924,017	44,089,522	1,775,510			93,102	5,889

j. Information of major sectors or type of counterparties

Current Period:

	Major Sectors / Counterparties	Loans		Value Adjustments	Provisions
		Impaired Loans	Past Due Loans		
1	Agriculture	6,646	7,118	7,117	5,584
1.1	Farming and Stockbreeding	6,646	7,118	7,117	5,584
1.2	Forestry	-	-	-	-
1.3	Fishery	-	-	-	-
2	Manufacturing	304,070	289,156	44,786	183,990
2.1	Mining and Quarrying	8,350	3,464	815	3,464
2.2	Production	294,598	285,596	43,466	180,430
2.3	Electricity, Gas and Water	1,122	97	505	97
3	Construction	5,030,144	99,124	297,749	71,843
4	Services	1,045,856	213,420	8,335	109,871
4.1	Wholesale and Retail Trade	806,887	162,265	4,706	71,684
4.2	Accommodation and Dining	3	240	1,474	228
4.3	Transportation and Telecom	4,073	(903)	815	1,315
4.4	Financial Institutions	9	551	1	551
4.5	Real Estate and Rental Services	862	15,684	-	709
4.6	Professional Services	234,022	35,049	1,116	34,934
4.7	Educational Services	-	-	-	-
4.8	Health and Social Services	-	534	224	449
5	Other	121,026	250,018	9,199	154,773
	Total	6,507,742	858,836	367,186	526,061

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

II. Explanations on Credit Risk (Continued)

j. Information of major sectors or type of counterparties (Continued)

Prior Period:

	Major Sectors / Counterparties	Loans		Value Adjustments	Provisions
		Impaired Loans	Past Due Loans		
1	Agriculture	-	3,694	-	3,694
1.1	Farming and Stockbreeding	-	3,690	-	3,690
1.2	Forestry	-	-	-	-
1.3	Fishery	-	4	-	4
2	Manufacturing	1,249,430	190,759	153,989	105,084
2.1	Mining and Quarrying	-	3,308	-	2,930
2.2	Production	1,136,133	186,852	145,660	101,555
2.3	Electricity, Gas and Water	113,297	599	8,329	599
3	Construction	1,063,310	57,855	61,566	57,010
4	Services	1,052,676	190,619	107,006	77,261
4.1	Wholesale and Retail Trade	755,188	157,645	103,163	62,847
4.2	Accommodation and Dining	91	2,361	240	2,360
4.3	Transportation and Telecom	1,070	802	1,432	2,418
4.4	Financial Institutions	81	209	9	209
4.5	Real Estate and Rental Services	4,268	18,561	26	692
4.6	Professional Services	291,978	10,639	2,136	8,333
4.7	Educational Services	-	-	-	-
4.8	Health and Social Services	-	402	-	402
5	Other	174,848	159,956	8,190	53,064
	Total	3,540,264	602,883	330,920	296,113

k. Information on Movements in Value Adjustments and Provisions Related with Value Adjustments and Change in Provisions:

		Opening Balance	Charge of the Period	Provision Cancellations	Value Adjustments	Closing Balance
1	Expected credit losses for stage 3	296,113	290,250	(75,003)	11,379	522,739
2	Expected credit losses for stage 1 and stage 2	514,832	170,908	(274,005)	76,354	488,089

III. Explanations on Currency Risk

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

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

Rate used:	USD	EUR
31.12.2025	42.8457	50.2859
30.12.2025	42.8623	50.4532
29.12.2025	42.8542	50.4519
26.12.2025	42.7656	50.3547
25.12.2025	42.7641	50.3896

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

USD: TL 42.6000

EUR: TL 49.9015

As of 31 December 2025;

Rate Used: USD TL 42.8457 EUR TL 50.2859

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

III. Explanations on Currency Risk (Continued)

a. Information on currency risk of the Group

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

	Euro	Usd	Other FC	Total
31 December 2025				
Assets				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	1,413,593	9,925,605	737,512	12,076,710
Banks	1,109,661	4,718,735	427,575	6,255,971
Financial Assets at Fair Value Through Profit and Loss (**)	10,205	906,766	33	917,004
Money Market Placements	-	856,964	-	856,964
Financial Assets at Fair Value Through Other Comprehensive Income	-	3,340,583	-	3,340,583
Loans (***)	17,646,812	18,774,594	-	36,421,406
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	-	8,889,654	-	8,889,654
Hedging Derivative Financial Assets	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets (****)	80,090	22,682	52	102,824
Total Assets	20,260,361	47,435,583	1,165,172	68,861,116
Liabilities				
Bank Deposits	115,826	132,978	71,818	320,622
Foreign Currency Deposits	2,495,642	13,051,024	689,211	16,235,877
Money Market Funds	-	11,524,949	-	11,524,949
Funds Borrowed From Other Financial Institutions	17,223,526	34,245,325	-	51,468,851
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	173,259	128,008	3,166	304,433
Derivative Financial Liabilities For Hedging Purposes	-	-	-	-
Other Liabilities (*****)	445,290	1,370,691	76,184	1,892,165
Total Liabilities	20,453,543	60,452,975	840,379	81,746,897
Net Balance Sheet Position	(193,182)	(13,017,392)	324,793	(12,885,781)
Net Off Balance Sheet Position	(625,442)	11,032,518	(235,105)	10,171,971
Financial Derivative Assets	26,992,522	36,340,326	722,441	64,055,289
Financial Derivative Liabilities	27,617,964	25,307,808	957,546	53,883,318
Non-Cash Loans (*****)	11,863,385	6,422,593	2,346,519	20,632,497
31 December 2024				
Total Assets	12,011,917	35,950,075	556,391	48,518,383
Total Liabilities	11,865,364	39,633,535	2,196,169	53,695,068
Net Balance Sheet Position	146,553	(3,683,460)	(1,639,778)	(5,176,685)
Net Off balance Sheet Position	(2,274)	2,191,344	1,487,022	3,676,092
Financial Derivative Assets	16,413,239	14,605,958	2,212,883	33,232,080
Financial Derivative Liabilities	16,415,513	12,414,614	725,861	29,555,988
Non-Cash Loans	7,329,852	7,626,740	1,441,451	16,398,043

(*) Accruals of derivative assets held for trading amounting to TL 649,261 (31 December 2024: TL 186,751) have been deducted from fair value through profit and loss.

(**) FC indexed loans and accruals amounting to TL 70,424 (31 December 2024: TL 132,864).

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

(****) Accruals of derivative liabilities held for trading amounting to TL 1,200,591 (31 December 2024: TL 451,027) have been deducted from other liabilities.

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

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

III. Explanations on Currency Risk (Continued)

b. Currency Risk Sensitivity

The following table details the Bank's sensitivity (excluded tax effects) to a 10% decrease in USD and EUR and other currencies to profit or loss and equity at 31 December 2025 and 31 December 2024.

At this analysis based that other variables particularly interests rates are assumed to be unchanged.

	31 December 2025		31 December 2024	
	Effect on Profit or (Loss)	Effect on Equity	Effect on Profit or (Loss)	Effect on Equity
USD	(197,773)	(198,487)	(139,001)	(149,212)
EUR	(81,862)	(81,862)	14,428	14,428
Other currency	8,968	8,968	(15,276)	(15,276)
Total, Net	(270,667)	(271,381)	(139,849)	(150,060)

The effect of 10 percent appreciation of TL against the following currencies in the financial statements (excluded tax effects) for the years ended 31 December 2025 and 31 December 2024 is shown in the table below:

	31 December 2025		31 December 2024	
	Effect on Profit or (Loss)	Effect on Equity	Effect on Profit or (Loss)	Effect on Equity
USD	197,773	198,487	139,001	149,212
EUR	81,862	81,862	(14,428)	(14,428)
Other currency	(8,968)	(8,968)	15,276	15,276
Total, Net	270,667	271,381	139,849	150,060

At this analysis based that other variables particularly interests rates are assumed to be unchanged.

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

IV. Explanations on Interest Rate Risk

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

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

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

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

a. Interest Rate Sensitivity of Assets, Liabilities and Off-Balance Sheet Items (Based On Re-Pricing Dates)

31 December 2025	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic Turkey	12,648,165	-	-	-	-	7,538,233	20,186,398
Banks (**)(****)	108,383	-	-	-	-	6,240,206	6,348,589
Financial Assets at Fair Value Through Profit and Loss	431,315	691,164	451,170	223,250	4,764	15,145	1,816,808
Money Market Placements	856,964	-	-	-	-	-	856,964
Financial Assets at Fair Value Through Other Comprehensive Income	4,549,050	778,715	22,885	509,219	-	20,028	5,879,897
Loans (****)	13,306,208	14,770,186	24,155,231	19,422,033	951,729	(151,995)	72,453,392
Financial Assets Measured at Amortised Cost (****)	396,685	2,075,027	9,819,384	171,382	335,859	(7,912)	12,790,425
Other Assets (*)	1,238,242	-	-	-	-	5,887,626	7,125,868
Total Assets	33,535,012	18,315,092	34,448,670	20,325,884	1,292,352	19,541,331	127,458,341
Liabilities							
Bank Deposits (**)	471,244	-	-	-	-	69,718	540,962
Other Deposits	33,174,197	3,572,083	381,879	71	-	6,563,573	43,691,803
Money Market Funds	14,108,192	164,841	-	-	-	-	14,273,033
Miscellaneous Payables	25,960	-	-	-	-	1,928,060	1,954,020
Marketable Securities Issued	-	109,328	933,538	-	-	-	1,042,866
Funds Borrowed From Other Financial Institutions	4,559,891	26,831,395	20,321,201	430,946	-	-	52,143,433
Other Liabilities and Shareholders’ Equity (***)	523,193	662,028	726,216	620,858	9,381	11,270,548	13,812,224
Total Liabilities	52,862,677	31,339,675	22,362,834	1,051,875	9,381	19,831,899	127,458,341
Balance Sheet Long Position	-	-	12,085,836	19,274,009	1,282,971	-	32,642,816
Balance Sheet Short Position	(19,327,665)	(13,024,583)	-	-	-	(290,568)	(32,642,816)
Off-Balance Sheet Long Position	-	-	793,506	-	-	-	793,506
Off-Balance Sheet Short Position	(512,199)	(643,881)	(87,901)	-	-	-	(1,243,981)
Total Position	(19,839,864)	(13,668,464)	12,791,441	19,274,009	1,282,971	(290,568)	(450,475)

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

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

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

(****) Expected loss provision for financial assets is presented non-interest bearing on the table. Amounted to TL 2,687 were deducted from non-interest banks, amounted to TL 7,912 were deducted from non-interest financial assets measured at amortised.

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

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

IV. Explanations on Interest Rate Risk (Continued)

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

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

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

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

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

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

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

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

IV. Explanations on Interest Rate Risk (Continued)

b. Interest rate risk arising from banking accounts

Interest Rate Risk Arising from Banking Accounts is defined as the “Economic Value Change” (EVE) and “Net Interest Income Change” (NII) that all on-balance sheet and off-balance sheet positions of the Bank, excluding trading positions, will incur as a result of interest rate changes. NII resulting from interest rate changes on all on-balance sheet and off-balance sheet positions other than the Bank's trading positions. It is measured and monitored as an indicator of the Bank's exposure to interest rate risk. The EVE approach measures the impact of interest rate changes on the present value of the Bank's interest rate-sensitive on-balance sheet and off-balance sheet items, reflecting the long-term effects of interest rate risk arising from banking accounts. The NII approach, on the other hand, measures the impact of interest rate changes on the Bank's expected net interest income within a specified time period. In summary, while EVE reveals the potential impact of interest rate changes on the Bank's capital position, NII complements the EVE measurement by reflecting the sensitivity of the Bank's short- and medium-term profitability to interest rate changes.

Interest Rate Risk Arising from Banking Accounts is monitored by the Asset Liability Management Committee (ALCO) within the framework of policies established by the Bank's Board of Directors and is managed in line with the Bank's strategies. As part of risk management, position management is carried out within the balance sheet using fixed or variable interest rate products, or interest rate derivatives are used outside the balance sheet and hedging strategies are applied. Indicators determined within the framework of risk appetite for the banking portfolio are measured by the Market Risk Management Unit. Compliance with risk limits is regularly monitored by the Market Risk Management and Asset-Liability units and reported weekly to the Asset-Liability Management Committee, monthly to the Management Committee, and at the end of each month to the Board of Directors Committee.

To measure the impact of changes in market interest rates on expected net interest income over the coming year, the current internal Nii analysis, calculated daily, applies interest rate shocks of 500 basis points for TL and 200 basis points for foreign currency in parallel upward and downward scenarios, assuming that positions maturing within a year are renewed and repriced at maturity. Internal EVE analyses are also performed weekly under the same shocks.

The Bank, as published in the Official Gazette dated May 12, 2025, No. 32898 and effective as of October 1, 2025, the Bank has started to calculate and report monthly unconsolidated EVE as of October 1, 2025.

In the Standard Approach EVE measurement, demand deposits with a maturity longer than the contract maturity are modeled behaviorally using a historical time series of 10-year demand deposit balances, segmented by currency and customer type. Within the framework of the regulation, maturity profiles are assigned in line with the core deposit erosion profile indicated by the model results calculated for sub-segments, without exceeding the upper limits set at 5/4.5 years for real persons and retail customers and 4 years for other persons, based on deposit classes.

Repricing Period (Month)			
	Currency	Individual and Retail Customer	Other
Average Repricing Period	TRY	0.91	0.75
	EURO	1.93	0.56
	USD	1.47	0.90
Longest Repricing Period		60	48

For time deposits with early closure risk and fixed-rate loans with early repayment risk, the rates determined by the Banking Regulation and Supervision Agency (BRSA) are used.

Currency consolidation, as specified in the relevant Communiqué, is reported in (TRY, USD and EUR) for all active items tracked in banking accounts other than assets deducted from core capital, tangible fixed assets, intangible fixed assets, and stock investments, where the share is above 5%, or for all passive items outside of core capital, where the share is above 5%. Interest-sensitive positions in these currencies are classified according to repricing and interest rate structures, cash flows are generated to include interest margins, and the results obtained are converted into Turkish lira and reported collectively.

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

IV. Explanations on Interest Rate Risk (Continued)

b. Interest rate risk arising from banking accounts (Continued)

	EVE
	Current Period
	31.12.2025
Parallel Up	1,180,295
Parallel Down	(1,226,125)
Sleepener	(89,562)
Flattener	330,525
Short-term Up	962,581
Short-term Down	(975,371)
Maximum	1,180,295
Tier 1 Capital	17,738,557

In calculating the EVE risk amount, overnight index swap (OIS) market pricing is used as the risk-free yield curve when applying interest rate shock scenarios on a currency basis. As of December 31, 2025, the Bank's Interest Rate Risk Arising from Banking Accounts Standard ratio stood at 6.65%.

Pursuant to the provisional article of the Communiqué on Disclosures to be Made to the Public Regarding Risk Management by Banks, the detailed disclosures regarding NII, the sharing of current and previous period data regarding NII, and previous period data regarding EVE have been postponed until December 31, 2026, and therefore, this information has not been included in the footnotes.

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 December 2025	Euro	Usd	Other FC	TL
	(%)	(%)	(%)	(%)
Assets(*)				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	-	-	-	35.26
Banks	-	-	-	40.49
Financial Assets at Fair Value Through Profit and Loss	-	8.07	-	38.83
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	5.42	-	34.25
Loans and Receivables	5.30	6.23	-	42.35
Financial Assets Measured at Amortised Cost	-	4.97	-	28.09
Liabilities(*)				
Bank Deposits	-	0.90	-	35.75
Other Deposits	1.30	3.04	-	41.70
Money Market Funds	-	5.48	-	37.92
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	37.96
Funds Borrowed From Other Financial Institutions	2.90	6.70	-	38.23

(*) Represents Parent Bank's average interest rates.

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

IV. Explanations on Interest Rate Risk (Continued)

c. Average interest rates applied to monetary financial instruments (Continued)

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

(*) Represents Parent Bank’s average interest rates.

V. Explanation on share certificates

None.

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

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio

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

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

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

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

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

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

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

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

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

1.c. Information on the Parent 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 Parent Bank's core funding source has been targeted as a deposit. Non-deposit funding sources are used to provide a variety of core sources and maturities. These resources are mainly syndicated loans, subordinated loans and bond issuances. Despite term of deposits are determined by market conditions and generally on short term basis, it is aimed to collect the deposits of customers who have high stickiness to the Parent Bank. Non-deposit sources also preferred because they are more long-term resources.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (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 Parent Bank's total liabilities

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

1.e. Information on current liquidity risk mitigation techniques

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

1.f. Information on the use of stress testing

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

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

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

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (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 consolidated foreign currency and total liquidity coverage ratios are as follows:

31 December 2025	Consideration Ratio Unapplied to Total Value (*)		Consideration Ratio Applied to Total Value (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			18,840,246	12,326,345
CASH OUTFLOWS				
Retail and Small Business Customers	23,812,866	6,854,039	2,002,468	685,404
Stable Deposits	7,576,391	-	378,820	-
Less Stable Deposit	16,236,475	6,854,039	1,623,648	685,404
Unsecured Wholesale Funding	26,685,069	14,622,154	16,324,841	9,100,269
Operational Deposits	-	-	-	-
Non-operational Deposits	18,241,462	9,770,838	8,017,933	4,382,179
Other Unsecured Fundings	8,443,607	4,851,316	8,306,908	4,718,090
Secured Funding			-	-
Other Cash Outflows	913,534	937,991	913,534	937,991
Derivative cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	913,534	937,991	913,534	937,991
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
Other revocable off-balance sheet commitments and contractual obligations	943,414	943,414	47,171	47,171
Other irrevocable or conditionally revocable off-balance sheet obligations	42,822,077	16,496,804	7,607,526	1,753,009
TOTAL CASH OUTFLOWS			26,895,540	12,523,844
CASH INFLOWS				
Secured lending	13,669	9,220	-	-
Unsecured lending	14,160,635	8,403,532	10,780,883	7,122,069
Other cash inflows	3,046,715	2,724,320	3,046,715	2,724,320
TOTAL CASH INFLOWS	17,221,019	11,137,072	13,827,598	9,846,389
			Total Adjusted Values	
TOTAL HIGH QUALITY ASSETS STOCKS			18,840,246	12,326,345
TOTAL CAH OUTFLOWS			13,067,942	3,287,504
LIQUIDITY COVERAGE RATIO (%)			145.58%	373.45%

(*) The average of the last three months liquidity coverage ratio calculated by monthly and weekly with simple average method.

The lowest, highest and average Liquidity Coverage Ratios last 3 months are given in the table below.

31 December 2025	Highest	Date	Lowest	Date	Average
TL+FC	154.98%	30.11.2025	140.32%	31.12.2025	145.58%
FC	409.87%	30.11.2025	342.37%	31.10.2025	373.45%

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

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

2. Liquidity Coverage Ratio (Continued)

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

(*) The average of the last three months liquidity coverage ratio calculated by monthly and weekly with simple average method.

The lowest, highest and average Liquidity Coverage Ratios last 3 months are given in the table below.

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

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

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

3. Banks explanations as a minimum regarding the liquidity ratio

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

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

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

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

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

Basically deposits, loans and subordinated loans as unsecured debt items have the most significant portion in Parent Bank's funding balances. As of 31 December 2025, the proportion of total liabilities to all deposits of the bank is 35% and borrowings constitutes 34% portion whereas subordinate debt is 7%. Secured borrowings such as repo transactions has lower portion (11%).

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. Cash outflows arising from derivative product balances are occurred when bank derivative product liabilities are higher than the derivative receivables. Net cash outflows decreases when cash inflows originating from derivative instruments exceed derivative liabilities. As of 31 December 2025, derivative net assets amounts to TL 468,776 (31 December 2024: TL 178,412). In addition, cash outflows 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. The maximum value in the past 24 months is considered as cash outflow as of reporting date. In this context, according to calculations as of 31 December 2025, the liability balance is computed as TL 629,387 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 December 2025, approximately 57% of time deposit cap arised from retail banking. The remaining time deposits are constituted from legal entities. Another significant funding resource of borrowings generated from foreign banks (99%).

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

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

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.

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

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

Breakdown of assets and liabilities according to their outstanding maturities

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Year	5 Year and Over	Unclassified	Total
31 December 2025								
Assets								
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	7,538,233	12,648,165	-	-	-	-	-	20,186,398
Due From Banks ^(****)	6,242,893	108,383	-	-	-	-	(2,687)	6,348,589
Financial Assets at Fair Value Through Profit and Loss	-	785,068	370,695	606,301	49,555	5,189	-	1,816,808
Money Market Placements	-	856,964	-	-	-	-	-	856,964
Financial Assets at Fair Value Through Other Comprehensive Income ^(****)	15,145	1,269,255	2,682	55,254	1,824,800	2,692,733	20,028	5,879,897
Loans ^(****)	-	8,226,865	16,040,643	22,485,868	22,036,710	3,815,301	(151,995)	72,453,392
Financial Assets Measured at Amortised Cost ^(****)	-	175,108	543,574	9,524,401	1,144,546	1,410,708	(7,912)	12,790,425
Other Assets ^(*) ^(****)	391,716	1,897,505	132,210	121,604	21,045	26,386	4,535,402	7,125,868
Total Assets	14,187,987	25,967,313	17,089,804	32,793,428	25,076,656	7,950,317	4,392,836	127,458,341
Liabilities								
Bank Deposits ^(**)	69,718	471,244	-	-	-	-	-	540,962
Other Deposits	6,563,573	33,174,199	3,572,083	381,877	71	-	-	43,691,803
Funds Borrowed From Other Financial Institutions ^(**)	-	4,719,430	10,285,431	21,254,737	7,085,228	8,798,607	-	52,143,433
Money Market Funds	-	14,072,871	164,840	35,322	-	-	-	14,273,033
Marketable Securities Issued	-	-	109,328	933,538	-	-	-	1,042,866
Miscellaneous Payables	-	248,085	-	-	-	-	1,705,935	1,954,020
Other Liabilities ^(**)	141,791	2,169,340	661,889	726,218	620,858	9,381	9,482,747	13,812,224
Total Liabilities	6,775,082	54,855,169	14,793,571	23,331,692	7,706,157	8,807,988	11,188,682	127,458,341
Liquidity Gap	7,412,905	(28,887,856)	2,296,233	9,461,736	17,370,499	(857,671)	(6,795,846)	-
31 December 2024								
Total Assets	5,729,309	18,220,583	9,792,875	18,695,199	23,256,337	6,930,873	5,119,622	87,744,798
Total Liabilities	5,673,083	38,608,561	9,527,238	14,140,454	1,316,784	9,822,140	8,656,538	87,744,798
Liquidity Gap	56,226	(20,387,978)	265,637	4,554,745	21,939,553	(2,891,267)	(3,536,916)	-

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

(**) Primary subordinated loan amounting to TL 8,569,140 is shown in the column "Over 5 years" in "Funds borrowed from other financial institutions".

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

(****) The expected credit losses for financial assets is shown by deducting from the undistributed title in the table. Amounted to TL 2,687 were deducted from undistributed banks title, amounted to TL 7,912 were deducted from undistributed financial assets measured at amortised cost.

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

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

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

Financial liabilities according to their remaining maturities

The table below shows the Bank's maturity distribution of certain financial liabilities other than derivatives in accordance to TFRS 7. The tables below are prepared by considering the future cash flows expected on the earliest cash flow dates.

31 December 2025	Book Value	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Total
Liabilities							
Bank Deposits	540,962	561,941	-	-	-	-	561,941
Other Deposits	43,691,803	39,891,860	3,724,458	460,183	96	-	44,076,597
Funds Borrowed From Other Financial Institutions	52,143,433	5,522,119	22,872,624	18,947,232	7,228,623	18,500,690	73,071,288
Money Market Funds	14,273,033	13,293,933	640,000	400,000	-	-	14,333,933
Marketable Securities Issued	1,042,866	-	117,737	1,139,570	-	-	1,257,307
Total	111,692,097	59,269,853	27,354,819	20,946,985	7,228,719	18,500,690	133,301,066

31 December 2024	Book Value	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Total
Liabilities							
Bank Deposits	846,575	848,304	-	-	-	-	848,304
Other Deposits	36,699,797	31,508,896	4,351,721	1,444,246	86	-	37,304,949
Funds Borrowed From Other Financial Institutions	28,055,685	3,197,118	6,306,608	8,856,124	1,921,118	19,514,101	39,795,069
Money Market Funds	11,714,937	8,315,206	912,751	2,592,598	-	-	11,820,555
Marketable Securities Issued	303,946	-	-	260,000	180,000	-	440,000
Total	77,620,940	43,869,524	11,571,080	13,152,968	2,101,204	19,514,101	90,208,877

Contractual maturity analysis of the Group's derivative instruments

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Total
Current Period						
Net Paid	-	-	-	-	-	-
Hedging Derivative Financial Instruments	600,000	600,000	3,534,669	1,400,000	-	6,134,669
Forward Foreign Exchange Transactions	8,037,808	9,109,070	424,950	-	-	17,571,828
Money and Interest Rate Swaps	5,825,083	5,700,113	19,283,049	-	171,424	30,979,669
Options	25,045,656	29,250,714	26,390,824	-	-	80,687,194
Other	-	1,736,242	13,077,810	-	-	14,814,052
Total	39,508,547	46,396,139	62,711,302	1,400,000	171,424	150,187,412

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Total
Prior Period						
Net Paid	-	-	-	-	-	-
Hedging Derivative Financial Instruments	-	-	200,000	1,100,000	-	1,300,000
Forward Foreign Exchange Transactions	2,074,217	1,638,118	744,577	592,370	-	5,049,282
Money and Interest Rate Swaps	9,788,556	5,131,626	2,558,837	14,709,624	141,120	32,329,763
Options	2,221,519	15,631,008	19,333,570	-	-	37,186,097
Other	94,189	4,825,378	-	-	-	4,919,567
Total	14,178,481	27,226,130	22,836,984	16,401,994	141,120	80,784,709

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

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

Collaterals in terms of Risk Groups

	31 December 2025				
	Risk Groups	Amount	Financial Guarantees (*)	Other/ Physical Guarantees	Guarantees and Credit Derivatives
1	Contingent and Non-Contingent Receivables from Central Governments or Central Banks	36,308,432	-	-	-
2	Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises	4,712	2,520	-	-
3	Contingent and Non-Contingent Receivables from Banks and Intermediaries	12,666,759	80,461	-	-
4	Contingent and Non-Contingent Corporate Receivables	85,119,573	360,070	-	-
5	Contingent and Non-Contingent Retail Receivables	2,490,754	84,267	-	-
6	Contingent and Non-Contingent Receivables Secured by Residential Property	706,301	2,551	-	-
7	Non-Performing Receivables	327,141	787	-	-
8	High Risk Receivables Specified by Committee	-	-	-	-
9	Contingent and Non-Contingent Receivables from Regional Governments or Local Governments	10,045,882	-	-	-
10	Other Receivables	4,733,850	-	-	-
11	Total	152,403,404	530,656	-	-

(*) The financial guarantees are reported with deducting from the risk amounts before credit risk reduction and credit conversion.

	31 December 2024				
	Risk Groups	Amount	Financial Guarantees (*)	Other/ Physical Guarantees	Guarantees and Credit Derivatives
1	Contingent and Non-Contingent Receivables from Central Governments or Central Banks	28,888,008	-	-	-
2	Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises	2,750	70	-	-
3	Contingent and Non-Contingent Receivables from Banks and Intermediaries	9,722,437	-	-	-
4	Contingent and Non-Contingent Corporate Receivables	63,240,106	386,317	-	-
5	Contingent and Non-Contingent Retail Receivables	997,618	91,992	-	-
6	Contingent and Non-Contingent Receivables Secured by Residential Property	783,377	12,829	-	-
7	Non-Performing Receivables	224,500	415	-	-
8	High Risk Receivables Specified by Committee	1,756,786	12,809	-	-
9	Contingent and Non-Contingent Receivables from Regional Governments or Local Governments	-	-	-	-
10	Other Receivables	5,059,121	-	-	-
11	Total	110,674,703	504,432	-	-

(*) The financial guarantees are reported with deducting from the risk amounts before credit risk reduction and credit conversion.

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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

Current Period		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
Available stable funding						
1	Capital Instruments	-	-	-	18,823,812	18,823,812
2	Tier 1 Capital and Tier 2 Capital	-	-	-	18,823,812	18,823,812
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	2,922,918	21,190,998	240,435	71	22,290,928
5	Stable Deposits	660,390	6,777,611	880	70	7,067,003
6	Less Stable Deposits	2,262,528	14,413,387	239,555	1	15,223,924
7	Other Obligations	3,712,553	74,217,942	23,840,410	8,100,501	31,136,244
8	Operational deposits	-	-	-	-	-
9	Other Obligations	3,712,553	74,217,942	23,840,410	8,100,501	31,136,244
10	Liabilities equivalent to interconnected assets	-	-	-	-	-
11	Other Liabilities	4,975,579	2,246,197	-	-	-
12	Derivative liabilities	-	-	-	1,468,333	-
13	All other equity not included in the above categories	3,507,246	2,246,197	-	-	-
14	Available stable funding	-	-	-	-	72,250,984
Required stable funding						
15	Required stable funding	-	-	-	-	923,577
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	10,235,180	37,405,167	11,903,337	19,631,155	49,492,754
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	856,952	-	-	85,695
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	4,362,280	1,792,013	686,815	489,062	5,463,552
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	5,670,283	34,562,375	11,191,291	18,881,613	43,497,353
21	Loans with a risk weight of less than or equal to 35%	16,837	4,077,980	326,423	1,226,123	3,010,125
22	Residential mortgages	202,617	43,852	25,231	82,420	219,815
23	Residential mortgages with a risk weight of less than or equal to 35%	202,617	43,852	25,231	82,420	219,815
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	149,974	-	178,061	226,339
25	Assets equivalent to interconnected liabilities	-	-	-	-	-
26	Other Assets	9,610,205	2,942,310	496,054	-	7,955,493
27	Physical traded commodities, including gold	-	-	-	-	-
28	Initial margin posted or given guarantee fund to central counterparty	-	-	-	-	-
29	Derivative Assets	-	-	-	1,477,469	9,136
30	Derivative Liabilities before the deduction of the variation margin	-	-	-	1,535,620	153,562
31	Other Assets not included above	6,597,115	2,942,310	496,054	-	7,792,795
32	Off-balance sheet commitments	-	44,550,751	-	-	2,227,538
33	Total Required stable funding	-	-	-	-	60,599,362
34	Net Stable Funding Ratio (%)	-	-	-	-	119.23%

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

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

VII. Explanations on Leverage Ratio

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

		31 December 2025 (*)	31 December 2024 (*)
1	Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards	124,245,948	86,382,643
2	The difference between total assets prepared in accordance with Turkish Accounting Standards and total assets in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements”	-	-
3	The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such instruments	1,281,247	455,244
4	The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such instruments	-	-
5	The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such items	(14,131,745)	(10,225,929)
6	Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such items	68,615,477	56,156,638
7	Total risk amount	180,010,927	132,768,596

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

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

VII. Explanations on Leverage Ratio (Continued)

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

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

The Group's leverage ratio is 9.74% calculated in compliance with "Regulation on Measurement and Evaluation of Leverage Levels of Banks" which was not consolidated. (31 December 2024: 12.77%). Regulation has been arrived at a decision of the minimum leverage ratio of 3%.

		31 December 2025 (*)	31 December 2024 (*)
	Assets in Balance Sheet		
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	124,245,948	86,382,643
2	Assets deducted in determining Tier 1 capital	(641,863)	(436,997)
3	Total on-balance sheet risks (sum of lines 1 and 2) Derivative financial instruments and credit derivatives	123,604,085	85,945,646
	Derivative financial instruments and credit derivatives		
4	Replacement cost associated with all derivative financial instruments and credit derivatives	2,821,816	729,171
5	Add-on amounts for PFE associated with all derivative financial instruments and credit derivatives	1,281,247	455,244
6	Total risks of derivative financial instruments and credit derivatives (sum of lines 4 to 5 Securities or commodity financing transactions (SCFT))	4,103,063	1,184,415
	Securities or commodity financing transactions		
7	Risks from SCFT assets of off-balance sheet	-	-
8	Risks from brokerage activities related exposures	-	-
9	Total risks related with securities or commodity financing transactions (sum of lines 7 to 8) Other off-balance sheet transactions	-	-
	Off-balance sheet transactions		
10	Gross notional amounts of off-balance sheet transactions	66,435,524	55,864,464
11	(Adjustments for conversion to credit equivalent amounts)	(14,131,745)	(10,225,929)
12	Total risks of off-balance sheet items (sum of lines 10 and 11) Capital and total risks	52,303,779	45,638,535
	Capital and Total Risk		
13	Tier 1 capital	17,541,409	16,959,855
14	Total risks (sum of lines 3, 6, 9 and 12) Leverage ratio	180,010,927	132,768,596
	Leverage ratio		
15	Leverage ratio (%)	9.74%	12.77%

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

VIII. Fair values of financial assets and liabilities

a. Fair value measurements of financial assets and liabilities

The fair values of amortised cost assets are determined based on market prices or when this price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

The expected fair value of the demand placements and deposits represents the amount to be paid upon request. The expected fair value of the fixed rate deposits is determined by calculating the discounted cash flow using the Parent Bank's current interest rates as of balance sheet date.

The expected fair value of loans and receivables are determined by calculating the discounted cash flows using the Bank's current interest rates for fixed interest loans. For the loans with floating interest rates, it is assumed that the book value reflects the fair value.

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

VIII. Fair values of financial assets and liabilities (Continued)

a. Fair value measurements of financial assets and liabilities (Continued)

The following table summarizes the carrying value and fair value of financial assets and liabilities

	Carrying Value		Fair Value	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Financial Assets	98,338,206	68,290,483	100,942,506	68,056,571
Money Market Placements	856,964	-	856,964	-
Banks(*)	6,351,276	4,848,118	6,351,276	4,848,118
Financial Assets at Fair Value through Other Comprehensive Income	5,878,237	7,804,629	5,878,237	7,804,629
Financial Assets Measured at Amortised Cost	12,798,337	10,908,174	12,015,974	8,961,066
Loans and Receivables	72,453,392	44,729,562	75,840,055	46,442,758
Financial Liabilities	113,646,117	78,695,850	114,255,073	79,580,490
Bank Deposits	540,962	846,575	540,962	846,575
Other Deposits	43,691,803	36,699,797	44,047,702	36,692,885
Funds Borrowed from Other Financial Institutions	52,143,433	28,055,685	52,396,490	28,947,237
Marketable Securities Issued	1,042,866	303,946	1,042,866	303,946
Funds Provided Under Repurchase Agreements	14,273,033	11,714,937	14,273,033	11,714,937
Miscellaneous Payables	1,954,020	1,074,910	1,954,020	1,074,910

(*) As it is demand or short-term, its book value is the same as its fair value.

b. Classification of Fair Value

IFRS 13 sets a hierarchy of valuation techniques according to the observability of data used in valuation techniques, which establish basis for fair value calculations.

The classification regarding fair value is established as follows:

- Recorded (unadjusted) prices in active markets for identical assets or liabilities (Level 1);
- Observable data other than those quoted in the first category, directly (through prices) or indirectly (derived from prices), regarding assets or liabilities (Level 2);
- Data not based on observable market data for assets or liabilities (Level 3).

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

VIII. Fair values of financial assets and liabilities (Continued)

b. Classification of Fair Value (Continued)

Fair value levels of financial assets and liabilities that are carried at fair value in financial statements are given below:

31 December 2025	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	7,182	155,353	-	162,535
Government Debt Securities	7,182	-	-	7,182
Share Certificates	-	-	-	-
Other Financial Assets	-	155,353	-	155,353
Financial Assets at Fair Value Through Other Comprehensive Income	5,878,237	-	-	5,878,237
Government Debt Securities	5,858,209	-	-	5,858,209
Share Certificates	20,028	-	-	20,028
Other Financial Assets (*)	-	-	-	-
Loans at Fair Value Through Profit or Loss	-	-	-	-
Derivative Financial Assets at Fair Value Through Profit or Loss	-	1,654,273	-	1,654,273
Derivative Financial Assets at Fair Value Through Other Comprehensive Income	-	1,660	-	1,660
Total Assets	5,885,419	1,811,286	-	7,696,705
Derivative Financial Liabilities at Fair Value Through Profit or Loss	-	1,642,227	-	1,642,227
Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	-	56,253	-	56,253
Total Liabilities	-	1,698,480	-	1,698,480

(*) Amounting of TL 149,634 of the other assets consists of the Omurga Gayrimenkul ve Girişim Sermayesi Portföy Yönetimi A.Ş. second real estate investment fund, it is 100% owned by Alternatifbank A.Ş. The assets of the fund consist of real estate and the real estate amount is kept at fair value according to the comparable method. For this reason, the fund was presented as level 2.

31 December 2024	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	25,127	42,937	-	68,064
Government Debt Securities	25,127	-	-	25,127
Share Certificates	-	-	-	-
Other Financial Assets	-	42,937	-	42,937
Financial Assets at Fair Value Through Other Comprehensive Income	7,804,629	-	-	7,804,629
Government Debt Securities	7,787,365	-	-	7,787,365
Share Certificates	17,264	-	-	17,264
Other Financial Assets (*)	-	-	-	-
Loans at Fair Value Through Profit or Loss	-	-	-	-
Derivative Financial Assets at Fair Value Through Profit or Loss	-	878,744	-	878,744
Derivative Financial Assets at Fair Value Through Other Comprehensive Income	-	6,764	-	6,764
Total Assets	7,829,756	928,445	-	8,758,201
Derivative Financial Liabilities at Fair Value through Profit or Loss	-	586,012	-	586,012
Derivative Financial Liabilities at Fair Value through Other Comprehensive Income	-	1,751	-	1,751
Total Liabilities	-	587,763	-	587,763

(*) Amounting of TL 115,191 of the other assets consists of the Omurga Gayrimenkul ve Girişim Sermayesi Portföy Yönetimi A.Ş. second real estate investment fund, it is 100% owned by Alternatifbank A.Ş. The assets of the fund consist of real estate and the real estate amount is kept at fair value according to the comparable method. For this reason, the fund was presented as level 2.

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

VIII. Fair values of financial assets and liabilities (Continued)

b. Classification of Fair Value (Continued)

Fair value levels of financial assets and liabilities that are not carried at fair value in financial statements are given below:

31 December 2025	Level 1	Level 2	Level 3	Total
Financial Assets	12,015,974	83,048,295	-	95,064,269
Interbank money market placements		856,964	-	856,964
Due from banks		6,351,276	-	6,351,276
Financial Assets Measured at Amortised Cost	12,015,974	-	-	12,015,974
Loans and Receivables	-	75,840,055	-	75,840,055
Financial Liabilities	-	112,301,053	-	112,301,053
Bank Deposits	-	540,962	-	540,962
Other Deposits	-	44,047,702	-	44,047,702
Funds Borrowed from Other Financial Institutions	-	52,396,490	-	52,396,490
Securities Issued	-	1,042,866	-	1,042,866
Funds Provided under Purchase Agreement	-	14,273,033	-	14,273,033

31 December 2024	Level 1	Level 2	Level 3	Total
Financial Assets	8,961,066	51,290,876	-	60,251,942
Interbank money market placements	-	-	-	-
Due from banks		4,848,118	-	4,848,118
Financial Assets Measured at Amortised Cost	8,961,066	-	-	8,961,066
Loans and Receivables	-	46,442,758	-	46,442,758
Financial Liabilities	-	78,505,580	-	78,505,580
Bank Deposits	-	846,575	-	846,575
Other Deposits	-	36,692,885	-	36,692,885
Funds Borrowed from Other Financial Institutions	-	28,947,237	-	28,947,237
Securities Issued	-	303,946	-	303,946
Funds Provided under Purchase Agreement	-	11,714,937	-	11,714,937

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

None (31 December 2024: None).

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (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 December 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 & 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 BOD.

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, administers internal reporting and monitors the results on a regular basis.

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INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (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)

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

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

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

		Risk Weighted Amount		Minimum capital requirement
		31 December 2025	31 December 2024	31 December 2025
1	Credit risk (excluding counterparty credit risk) (CCR)	74,264,893	59,114,195	5,941,191
2	Standardised approach (SA)	74,264,893	59,114,195	5,941,191
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	4,173,247	2,168,216	333,860
5	Standardised approach for counterparty credit risk (SA-CCR)	4,173,247	2,168,216	333,860
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	3,281,488	989,575	262,519
17	Standardised approach (SA)	3,281,488	989,575	262,519
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	5,035,261	4,411,563	402,821
20	Basic Indicator Approach	5,035,261	4,411,563	402,821
21	Standard Approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	86,754,889	66,683,549	6,940,391

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

X. Explanations on the Risk Management (Continued)

b. Explanations on linkages between financial statements and risk amounts

1. Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

Current Period	Carrying values of items						
	Carrying values as reported in published financial statements	Carrying values as reported in published legal consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Cash and balances at central bank	20,186,398	-	20,186,398	-	-	-	-
Financial assets held for trading	1,816,808	-	-	1,809,626	-	7,182	-
Banks	6,348,589	-	6,348,589	-	-	-	-
Receivables from money markets	856,964	-	-	856,964	-	-	-
Available for sale financial assets (net)	5,878,237	-	5,878,237	-	-	-	-
Loans and receivables	62,437,078	-	62,437,078	-	-	-	-
Held to maturity securities	12,790,425	-	12,790,425	-	-	-	-
Leasing receivables	8,522,486	-	8,522,486	-	-	-	-
Factoring Receivables	1,493,828	-	1,493,828	-	-	-	-
Hedging derivative financial assets	1,660	-	1,660	-	-	-	-
Tangible assets (net)	1,018,519	-	1,018,519	-	-	-	-
Intangible assets (net)	679,897	-	-	-	-	-	679,897
Tax assets	597,633	-	597,633	-	-	-	-
Fixed assets held for sale and related to discontinued operations (net)	526,537	-	526,537	-	-	-	-
Other assets	4,303,282	-	4,303,282	-	-	-	-
Total assets	127,458,341	-	124,104,672	2,666,590	-	7,182	679,897
Liabilities							
Deposits	44,232,765	-	-	-	-	-	44,232,765
Derivative financial liabilities held for trading	1,642,227	-	-	1,642,227	-	-	-
Loans	43,344,816	-	-	-	-	-	43,344,816
Debt to money markets	14,273,033	-	-	14,038,385	-	-	234,648
Debt securities in issue	1,042,866	-	-	-	-	-	1,042,866
Various debts	1,954,020	-	-	-	-	-	1,954,020
Other liabilities	1,358,107	-	-	-	-	-	1,358,107
Factoring liabilities	-	-	-	-	-	-	-
Leasing liabilities	822,934	-	-	-	-	-	822,934
Hedge Derivative Financial Liabilities	56,253	-	-	-	-	-	56,253
Provisions	434,041	-	-	-	-	-	434,041
Tax liability	534,688	-	-	-	-	-	534,688
Liabilities included in disposal groups classified as held for sale (net)	-	-	-	-	-	-	-
Subordinated debts	8,798,617	-	-	-	-	-	8,798,617
Equity	8,963,974	-	-	-	-	-	8,963,974
Total liabilities	127,458,341	-	-	15,680,612	-	-	111,777,729

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

X. Explanations on the Risk Management (Continued)

b. Linkages between financial statements and regulatory exposures (Continued)

1. Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories (Continued)

Prior Period	Carrying values of items						
	Carrying values as reported in published financial statements	Carrying values as reported in published legal consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Cash and balances at central bank	12,151,203	-	12,151,203	-	-	-	-
Financial assets held for trading	946,808	-	-	921,681	-	25,127	-
Banks	4,848,118	-	4,848,118	-	-	-	-
Receivables from money markets	-	-	-	-	-	-	-
Available for sale financial assets (net)	7,804,629	-	7,804,629	-	-	-	-
Loans and receivables	39,886,895	-	39,886,895	-	-	-	-
Held to maturity securities	10,908,174	-	10,908,174	-	-	-	-
Leasing receivables	4,539,702	-	4,539,702	-	-	-	-
Factoring Receivables	299,115	-	299,115	-	-	-	-
Hedging derivative financial assets	6,764	-	6,764	-	-	-	-
Tangible assets (net)	2,261,629	-	2,261,629	-	-	-	-
Intangible assets (net)	433,226	-	-	-	-	-	433,226
Tax assets	1,054,107	-	1,054,107	-	-	-	-
Fixed assets held for sale and related to discontinued operations (net)	1,041,271	-	1,041,271	-	-	-	-
Other assets	1,563,157	-	1,563,157	-	-	-	-
Total assets	87,744,798	-	86,364,764	921,681	-	25,127	433,226
Liabilities							
Deposits	37,546,372	-	-	-	-	-	37,546,372
Derivative financial liabilities held for trading	586,012	-	-	586,012	-	-	-
Loans	18,163,938	-	-	-	-	-	18,163,938
Debt to money markets	11,714,937	-	-	11,662,067	-	-	52,870
Debt securities in issue	303,946	-	-	-	-	-	303,946
Various debts	1,074,920	-	-	-	-	-	1,074,920
Other liabilities	713,294	-	-	-	-	-	713,294
Factoring liabilities	-	-	-	-	-	-	-
Leasing liabilities	8,778	-	-	-	-	-	8,778
Hedge Derivative Financial Liabilities	1,751	-	-	-	-	-	1,751
Provisions	257,449	-	-	-	-	-	257,449
Tax liability	210,927	-	-	-	-	-	210,927
Liabilities included in disposal groups classified as held for sale (net)	-	-	-	-	-	-	-
Subordinated debts	9,891,747	-	-	-	-	-	9,891,747
Equity	7,270,727	-	-	-	-	-	7,270,727
Total liabilities	87,744,798	-	-	12,248,079	-	-	75,496,719

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

X. Explanations on the Risk Management (Continued)

b. Linkages between financial statements and regulatory exposures (Continued)

2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements

	Current Period	Total	Items subject to credit risk framework	Items subject to counterparty credit risk framework	Items subject to securitisation framework	Items subject to market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as in template B1)	127,458,341	124,104,672	2,666,590	-	7,182
2	Liabilities carrying value amount under regulatory scope of consolidation (as in template B1)	-	-	15,680,612	-	-
3	Total net amount under regulatory scope of consolidation	127,458,341	124,104,672	18,347,202	-	7,182
4	Off-balance sheet amounts	204,235,850	19,894,663	4,516,191	-	91,742,992
5	Exposure amounts considered for regulatory purposes	-	143,457,840	8,460,247	-	3,281,488

	Prior Period	Total	Items subject to credit risk framework	Items subject to counterparty credit risk framework	Items subject to securitisation framework	Items subject to market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as in template B1)	87,744,798	86,364,764	921,681	-	25,127
2	Liabilities carrying value amount under regulatory scope of consolidation (as in template B1)	-	-	12,248,079	-	-
3	Total net amount under regulatory scope of consolidation	87,744,798	86,364,764	13,169,760	-	25,127
4	Off-balance sheet amounts	126,625,716	19,668,861	1,221,031	-	48,943,953
5	Exposure amounts considered for regulatory purposes	-	105,641,008	4,641,072	-	989,575

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

X. Explanations on the Risk Management (Continued)

c. Explanations on credit risk

1. General qualitative information about credit risk

Credit risk is one of the most important risks that banks may expose and described as the potential loss that the Bank may suffer due to partial or complete failure of the credit customer in fulfilling his/her liabilities as per the credit contract entered. It is not described only as one of the most important risks of a Bank but managing the credit risk plays a critical role because of its magnitude within the balance sheet. Bank's risk policies cover the methodology and responsibilities regarding the management, control and monitor of the credit risk, and some other topics in connection with the credit risk limits.

In the paralel of Bank's general business strategy, to determine the fundamental principles and policies concerning the risks which the Bank might experience directly or indirectly due to all credits extended or to be extended by it in favor of real or legal entities resident both in Turkey and abroad and to define the risk management applications together with the authorizations and responsibilities regarding the management of these risks, credit risk management policies are created.

The purpose of credit risk management at the Bank is not to avoid risk completely but to take manageable level risks consciously, to control the risks for their duration, and to maximize the risk sensitive returns of the Bank by managing the risks that the bank may be exposed to within limits compatible with the Bank's risk carrying capacity.

The credit risk the Bank is exposed to is monitored and managed both at the portfolio level and isolated/singular levels both in and off the balance sheet. In an effort to keep the structure and quality of the credit portfolio of the Bank at a desired level, sector based, assurance, and credit volume distribution of the portfolio is analyzed on a regular basis. Using credit risk reduction techniques, Bank makes a point of over-collateralization especially with customers with low credibility.

Not being limited only by its credit products, the Bank conducts measurement and management of credit risks of all its products and activities.

All findings achieved as result of monitoring credits and credit risks are reported to the Board of Directors and the Senior Management regularly. Credit risk monitoring, in addition to evaluation of risk at transaction and company levels, also represents an approach to credit risk monitoring by parameters such as credit type, maturity, collateral, type of foreign currency, credit ratings, sector allowing the management of risk at the portfolio level.

All personnel being involved in the lending process are required to take all necessary precautions to help manage the process effectively. Bodies responsible for credit allocation, management, and monitoring and their responsibilities are summarized in table below:

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

1. General qualitative information about credit risk (Continued)

Related Unit	Process	Responsibility
Board of Directors	Credit Allocation and Management	<ul style="list-style-type: none"> ➤ Determination of all credit allocation authorities ➤ Determination of risk appetite and risk tolerance ➤ Determination of Credit Risk Management Policy
Credit Committee		<ul style="list-style-type: none"> ➤ Credit allocation, implementation of strategies, monitoring of risks, watching non-performing loans, loan provisioning
CEO		<ul style="list-style-type: none"> ➤ Credit allocation right received from the Board.
Board Risk Committee	Credit Risk Management	<ul style="list-style-type: none"> ➤ Creating and submitting credit policies to the Board for approval ➤ Monitoring risks based on approved policies and strategies
Management Risk Committee		<ul style="list-style-type: none"> ➤ Creating scoring models ➤ Policy changes due to process updates to be submitted for approval ➤ Determination of risks that new products are carrying
Risk Management Department		<ul style="list-style-type: none"> ➤ Identification, measurement, reporting and managing of credit risk ➤ Development of risk-sensitive measurement systems ➤ Preparation of periodic risk reports ➤ Validation of risk measurement models
Credit Allocation Department		<ul style="list-style-type: none"> ➤ Managing credit approval processes in accordance with single obligor principle ➤ Monitoring and managing credit risks per segments ➤ Developing and implementing appropriate credit risk policies ➤ Managing credit portfolio in order to minimise loss risk
Credit Allocation, Risk Structuring and Legal Follow-up Department		<ul style="list-style-type: none"> ➤ Repayment performance of loans after the allocation ➤ Determination of early warning signals ➤ Starting legal follow-up actions within legislative period ➤ Determination of action plan for close monitoring customers ➤ Conducting of legal and administrative processes in order to close non-performing loans with lowest loss ➤ Evaluation of loans collection abilities and send corresponding action plans for approval ➤ Identification of processes for restructuring of loans and legal follow-up
ALCO		Other
Treasury	<ul style="list-style-type: none"> ➤ Base pricing for customers with allocated credit limit 	
International Financial Institution	<ul style="list-style-type: none"> ➤ Allocation of limits for domestic and foreign banks ➤ Financial and qualitative analyzes of respective institutions 	
Internal Control	Control and Audit	<ul style="list-style-type: none"> ➤ Making the necessary controls over activities in accordance with the credit policies and procedures, reporting irregularities
Internal Audit		<ul style="list-style-type: none"> ➤ Auditing the effectiveness of the risk management and the internal control functions, compliance of credit processes to the laws, regulations and internal Bank procedures

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

1. General qualitative information about credit risk (Continued)

In the Bank's credit risk management, in addition to limits imposed by legislative regulations, Board of Directors defined maximum credit risk limits for risk groups and sectors are also used. These limits are determined so as not to create risk concentration.

Results of monitoring and control activities regarding credit risk management are shared with Senior Management and the committee members on a regular basis. Issues emerging from the reports are discussed at the committees and necessary actions are taken.

2. Credit Quality of Assets

	Current Period	Gross carrying value in consolidated financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/amortisation and impairments c	Net values (a+b-c) d
		Defaulted (a)	Non-defaulted (b)		
1	Loans	858,836	62,815,078	1,010,828	62,663,086
2	Debt securities	-	19,712,242	16,169	19,696,073
3	Off-balance sheet exposures	123,601	39,697,026	25,628	39,794,999
4	Total	982,437	122,224,346	1,052,625	122,154,158

	Prior Period	Gross carrying value in consolidated financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/amortisation and impairments c	Net values (a+b-c) d
		Defaulted (a)	Non-defaulted (b)		
1	Loans	602,883	39,244,680	810,945	39,036,618
2	Debt securities	-	19,060,905	280,038	18,780,867
3	Off-balance sheet exposures	107,198	35,587,177	70,280	35,624,095
4	Total	710,081	93,892,762	1,161,263	93,441,580

3. Changes in Stock of Defaulted Loans and Debt Securities

		Current Period	Prior Period
1	Defaulted loans and debt securities at end of the previous reporting period	710,081	662,074
2	Loans and debt securities that have defaulted since the last reporting period	823,582	1,004,035
3	Receivables back to non-defaulted status	-	-
4	Amounts written off(*)	(187,369)	(328,523)
5	Other changes	(363,857)	(627,505)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)	982,437	710,081

(*) Explanations about impairment of financial assets are explained in Section Third Footnote number VII.

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

4. Qualitative requirements to be declared to public about credit risk mitigation techniques

Credit risk mitigation indicates the technique used for mitigating the credit risk amount exposed to by the Bank, and credit risk measurements are conducted in accordance with the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette no. 29511 of 23 October 2015 (legal regulation), and "Communique on Credit Risk Mitigation Techniques" (legal communique) published in the Official Gazette no. 29111 of 6 September 2014.

In this regard, the credit risk amount calculated in accordance with the legal Regulation after credit risks are mitigated for a receivable or portfolio cannot be weighed with a risk weight higher than the one applied to the credit risk amount calculated prior to credit risk mitigation.

The Bank implements one of the methods determined by legal Regulation for credit risk mitigation, and within this framework considers suitable instruments (instruments providing credit risk protection) as defined in the legal Communique and which can be used in credit risk mitigation.

Collaterals (funded instruments providing credit risk protection):

- Cash, gold, deposit, cash equivalent securities,
- Securities issued by the Treasury of the Republic of Turkey,
- Stocks listed on Borsa İstanbul or bonds that are convertible to stocks

Guarantees (non-funded instruments providing credit risk protection):

- Guarantees provided by the Treasury of the Republic of Turkey
- Guarantees provided by regional and local governments
- Guarantees provided by international institutions with 0% risk weighted receivables
- Guarantees provided by banks

In credit risk mitigation, the consistency between the exchange rate and maturity information of the receivables and the instrument providing credit risk protection are checked, and in case of any difference, reductions given in the legal Communique are taken into account for calculations.

For receivables secured with real estate property mortgages, the mortgage in question is not taken as an instrument that provides credit risk protection included in credit risk mitigation, but as a security used for identifying the asset class of the related receivable. In order to use the real estate property mortgage for identifying the asset class of the related receivable, valuation of the property must be conducted by an institution accredited by BRSA or CMB, and this valuation must be renewed at least once a year if the mortgage used for security is for commercial purposes, and at least once every three years in case it is used as a residence.

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

5. Credit Risk Mitigation Techniques- Overview

Current Period:

		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	60,516,873	2,145,894	524,916	-	-	-	-
2	Debt securities	19,696,073	-	-	-	-	-	-
3	Total	80,212,946	2,145,894	524,916	-	-	-	-
4	Of which defaulted	(140,396)	86,378	5,741	-	-	-	-

Prior Period:

		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	38,014,782	1,021,836	499,288	-	-	-	-
2	Debt securities	18,780,867	-	-	-	-	-	-
3	Total	56,795,649	1,021,836	499,288	-	-	-	-
4	Of which defaulted	(257,197)	86,053	5,144	-	-	-	-

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

X. Explanations on the Risk Management Objectives and Policies (Continued)

c. Explanations on Credit Risk (Continued)

6. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk

To determine the risk weights of the risk categories as per the Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", international rating firm Japan Credit Rating Agency (JCR) is started to be used as a result of rotation with 31 October 2016 instead Fitch Ratings' external risk ratings which had been used since 31 December 2012. In this context, the note set for Turkey's rating countries of long-term foreign currency, foreign currency bond issued by Treasury of the Republic of Turkey, all other foreign currency risk associated with the Republic of Turkey Central Government and assess to corresponding risk weights with limited to receivables the opposite side from foreign banks. Rating notes issued by JCR and corresponding Fitch Ratings are presented in the table below:

Japan Credit Rating Agency	Credit Quality Level
AAA to AA-	1
A+ to A-	2
BBB+ to BBB	3
BB+ to BB-	4
B+ to B-	5
CCC and lower	6

In order to ensure that the credit risk is not concentrated on the customers whose credibility is relatively low, the credits made available to the customers are classified based on the risk rating scores of the customers utilizing such credits. The amount of the credit risk which may be taken in the certain risk degrees is limited to the definite rates of the total credits. In this frame, within risk appetite, based on external ratings country risk limits and counterparty abroad financial institution risk limits are defined.

The matching of the ratings given by the Fitch Ratings International Rating Agency with the risk weights according to the credit quality level and risk classes is shown in the table below:

Credit Quality Level	Rating of Fitch Long term credit	Risk Classes			
		Contingent and Non-Contingent Receivables from Central Governments or Central Banks	Receivables from Banks and Intermediaries		Corporate Receivables
			Receivables that original maturities are lower than 3 months	Receivables that original maturities are higher than 3 months	
1	AAA between AA-	0%	20%	20%	20%
2	A+ between A-	20%	20%	50%	50%
3	BBB+ between BBB-	50%	20%	50%	100%
4	BB+ between BB-	100%	50%	100%	100%
5	B+ between B-	100%	50%	100%	150%
6	CCC+ down grades	150%	150%	150%	150%

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

7. Consolidated Credit Risk Exposure and Credit Risk Mitigation Techniques- Standard Approach

	Current Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA Density (%)
	Risk Classes						
1	Exposures to central governments or central banks	36,308,432	-	43,198,475	-	-	0.0
2	Exposures to regional and local governments or local authorities	10,045,882	-	3,172,639	-	1,586,320	50.0
3	Exposures to public sector entities	227	9,429	210	3,275	3,485	100.0
4	Exposures to multilateral development banks	-	-	-	-	-	0.0
5	Exposures to international organizations	-	-	-	-	-	0.0
6	Exposures to institutions	9,253,145	7,904,392	5,312,676	7,273,622	4,543,995	36.1
7	Exposures to corporates	53,812,860	39,736,083	51,670,556	33,097,680	65,731,516	77.5
8	Retail exposures	2,408,337	506,322	2,356,317	68,195	1,818,384	75.0
9	Exposures secured by residential property	371,040	174,173	368,986	92,019	161,352	35.0
10	Exposures secured by commercial real estate	240,417	5,628	240,417	2,814	121,616	50.0
11	Past-due loans	327,142	-	326,354	-	348,876	106.9
12	High risk categories by the Agency Board	-	-	-	-	-	0.0
13	Exposures in the form of covered bonds	-	-	-	-	-	0.0
14	Exposures to institutions and corporates with a short term credit assessment	-	-	-	-	-	0.0
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	0.0
16	Other exposures	4,733,799	50	4,733,800	50	3,866,141	81.7
17	Investments in equities	-	-	-	-	-	0.0
18	Total	117,501,281	48,336,077	111,380,430	40,537,655	78,181,685	51.5

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

7. Consolidated Credit Risk Exposure and Credit Risk Mitigation Techniques (Continued)

	Prior Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA Density (%)
	Risk Classes						
1	Exposures to central governments or central banks	28,888,008	-	28,910,174	-	-	0.0
2	Exposures to regional and local governments or local authorities	-	-	-	-	-	0.0
3	Exposures to public sector entities	112	5,826	112	2,603	2,715	100.0
4	Exposures to multilateral development banks	-	-	-	-	-	0.0
5	Exposures to international organizations	-	-	-	-	-	0.0
6	Exposures to institutions	9,271,444	5,016,789	5,209,973	4,512,464	4,068,172	41.8
7	Exposures to corporates	35,975,394	34,620,325	35,047,931	27,872,355	48,872,572	77.7
8	Retail exposures	920,600	523,283	861,164	62,836	693,000	75.0
9	Exposures secured by residential property	298,931	85,435	286,440	47,768	116,973	35.0
10	Exposures secured by commercial real estate	436,562	-	436,562	-	218,281	50.0
11	Past-due loans	224,501	-	222,196	-	238,787	107.5
12	High risk categories by the Agency Board	1,750,138	13,491	1,750,138	243	2,951,431	168.6
13	Exposures in the form of covered bonds	-	-	-	-	-	0.0
14	Exposures to institutions and corporates with a short term credit assessment	-	-	-	-	-	0.0
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	0.0
16	Other exposures	5,059,070	51	5,059,070	51	4,023,434	79.5
17	Investments in equities	-	-	-	-	-	0.0
18	Total	82,824,760	40,265,200	77,783,760	32,498,320	61,185,365	55.5

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

8. Consolidated Exposures by Asset Classes and Risk Weights-Standard Approach

Current Period:

Regulatory portfolio		0%	10%	20%	35% secured by real estate mortgage	50% secured by real estate mortgage	50%	75%	100%	150%	200% (*)	Others	Total risk amount (post-CCF and CRM)
1	Exposures to central governments or central banks	43,198,475	-	-	-	-	-	-	-	-	-	-	43,198,475
2	Exposures to regional and local governments or local authorities	-	-	-	-	-	3,172,639	-	-	-	-	-	3,172,639
3	Exposures to public sector entities	-	-	-	-	-	-	-	3,485	-	-	-	3,485
4	Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to institutions	-	-	6,544,634	-	-	5,613,192	0	428,472	-	-	-	12,586,298
7	Exposures to corporates	-	-	9,238,944	-	-	24,245,277	32	50,329,820	954,163	-	-	84,768,236
8	Retail exposures	-	-	-	-	-	0	2,424,512	0	0	-	-	2,424,512
9	Exposures secured by residential property	-	-	-	461,005	-	-	-	-	-	-	-	461,005
10	Exposures secured by commercial real estate	-	-	-	-	243,231	-	-	-	-	-	-	243,231
11	Past-due loans	-	-	-	-	-	78,387	-	124,535	123,432	-	-	326,354
12	High risk categories by the Agency Board	-	-	-	-	-	-	-	-	-	-	-	-
13	Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and corporates with a short term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-	-	-
16	Investments in equities	-	-	-	-	-	-	-	-	-	-	-	-
17	Other exposures	867,223	-	606	-	-	-	-	3,866,021	-	-	-	4,733,850
18	Total	44,065,698	-	15,784,184	461,005	243,231	33,109,495	2,424,544	54,752,333	1,077,595	-	-	151,918,085

(*) As of 19 December 2024, 200% risk weighting was terminated by BRSA.

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

X. Explanations on the Risk Management (Continued)

c. Explanations on Credit Risk (Continued)

8. Consolidated Exposures by Asset Classes and Risk Weights- Standard Approach (Continued)

Prior Period:

Regulatory portfolio		0%	10%	20%	35% secured by real estate mortgage	50% secured by real estate mortgage	50%	75%	100%	150%	200% (*)	Others	Total risk amount (post-CCF and CRM)
1	Exposures to central governments or central banks	28,910,174	-	-	-	-	-	-	-	-	-	-	28,910,174
2	Exposures to regional and local governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Exposures to public sector entities	-	-	-	-	-	-	-	2,715	-	-	-	2,715
4	Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to institutions	-	-	2,851,087	-	-	6,746,790	-	124,560	-	-	-	9,722,437
7	Exposures to corporates	-	-	8,492,019	-	-	14,508,190	17	39,920,060	-	-	-	62,920,286
8	Retail exposures	-	-	-	-	-	-	924,000	-	-	-	-	924,000
9	Exposures secured by residential property	-	-	-	334,208	-	-	-	-	-	-	-	334,208
10	Exposures secured by commercial real estate	-	-	-	-	436,562	-	-	-	-	-	-	436,562
11	Past-due loans	-	-	-	-	-	85,049	-	18,916	118,231	-	-	222,196
12	High risk categories by the Agency Board	-	-	-	-	-	-	-	-	1,657,279	-	93,102	1,750,381
13	Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and corporates with a short term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-	-	-
16	Investments in equities	-	-	-	-	-	-	-	-	-	-	-	-
17	Other exposures	1,035,029	-	821	-	-	-	-	4,023,271	-	-	-	5,059,121
18	Total	29,945,203	-	11,343,927	334,208	436,562	21,340,029	924,017	44,089,522	1,775,510	-	93,102	110,282,080

(*) As of 19 December 2024, 200% risk weighting was terminated by BRSA.

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

X. Explanations on the Risk Management (Continued)

d. Explanations on Counterparty Credit Risk (CCR)

1. Qualitative Explanations on Counterparty Credit Risk

Main issues related to Counterparty Credit Risk management process are mentioned in the Bank’s Derivatives Policy and Credit Risk policies. Counterparty credit risk for customer derivative products are internally calculated through the use of fair value method, and standard method is used for credit valuation adjustment. For such transactions, customer-based counter-trend risks are taken into account, transaction limits required by Credit Allocation department are determined, and necessary collaterals are taken. Limit/Risk realisations are monitored by Risk Management on a daily basis; realisations are relayed to respective business units, and credits are relayed to credit allocation teams and operation units.

2. Consolidated Counterparty Credit Risk (CCR) Approach Analysis

	Current Period	Replacement cost	Potential future exposure	EEPE(Effective Expected Positive Exposure)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	Standardised Approach - CCR (for derivatives)	2,501,919	727,221		1.4	4,520,796	1,844,384
2	Internal Model Method (for derivative financial instruments, repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions))					3,944,056	2,072,407
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					3,944,056	2,072,407
6	Total						3,916,791

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

X. Explanations on the Risk Management (Continued)

d. Explanations on Counterparty Credit Risk (CCR) (Continued)

2. Consolidated Counterparty Credit Risk (CCR) Approach Analysis (Continued)

	Prior Period	Replacement cost	Potential future exposure	EEPE(Effective Expected Positive Exposure)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	Standardised Approach - CCR (for derivatives)	634,786	237,918		1.4	1,221,786	493,864
2	Internal Model Method (for derivative financial instruments, repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions))					3,420,041	1,674,782
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					3,420,041	1,674,782
6	Total						2,168,646

3. Consolidated Capital Requirement For Credit Valuation Adjustment (CVA)

	Current Period	EAD post-CRM	RWA
	Total portfolio value with comprehensive approach CVA capital adequacy	-	-
1	(i) Value at Risk component (including the 3×multiplier)		-
2	(ii) Stressed Value at Risk component (including the 3×multiplier)		-
3	Total portfolio value with simplified approach CVA adequacy	338,274	256,455
4	Total subject to the CVA capital obligation	338,274	256,455

	Prior Period	EAD post-CRM	RWA
	Total portfolio value with comprehensive approach CVA capital adequacy	-	-
1	(i) Value at Risk component (including the 3×multiplier)	-	-
2	(ii) Stressed Value at Risk component (including the 3×multiplier)	-	-
3	Total portfolio value with simplified approach CVA adequacy	113,209	97,046
4	Total subject to the CVA capital obligation	113,209	97,046

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X. Explanations on the Risk Management (Continued)

d. Explanations on Counterparty Credit Risk (CCR) (Continued)

4. Consolidated CCR Exposures By Risk Class And Risk Weights-Standard Approach

Current Period:

Risk weight/ Risk classes	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Central governments and central banks receivables	-	-	-	-	-	-	-	-	-
Local governments and municipalities receivables	-	-	-	-	-	-	-	-	-
Administrative and non commercial receivables	-	-	-	-	-	-	-	-	-
Multilateral Development Bank receivables	-	-	-	-	-	-	-	-	-
International organizations receivables	-	-	-	-	-	-	-	-	-
Banks and intermediary institutions receivables	-	-	3,281,571	1,762,053	-	428,472	-	-	5,472,096
Corporate receivables	-	-	1,005,757	465,099	32	1,517,229	-	-	2,988,117
Retail receivables	-	-	-	-	34	-	-	-	34
Mortgage receivables	-	-	-	-	-	-	-	-	-
Non performing receivables	-	-	-	-	-	-	-	-	-
High risk defined receivables	-	-	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-	-	-	-
Short term credit rated banks and intermediary institutions receivables	-	-	-	-	-	-	-	-	-
Collective investment undertaking investments	-	-	-	-	-	-	-	-	-
Equity investments	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	4,287,328	2,227,152	66	1,945,701	-	-	8,460,247

(*) Total credit risk: the amount of relating to the capital adequacy calculation after applying counterparty credit risk measurement techniques

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

X. Explanations on the Risk Management (Continued)

d. Explanations on Counterparty Credit Risk (CCR) (Continued)

4. Consolidated CCR Exposures By Risk Class And Risk Weights- Standard Approach (Continued)

Prior Period:

Risk weight/ Risk classes	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Central governments and central banks receivables	655,899	-	-	-	-	-	-	-	655,899
Local governments and municipalities receivables	-	-	-	-	-	-	-	-	-
Administrative and non commercial receivables	-	-	-	-	-	-	-	-	-
Multilateral Development Bank receivables	-	-	-	-	-	-	-	-	-
International organizations receivables	-	-	-	-	-	-	-	-	-
Banks and intermediary institutions receivables	-	-	1,755,724	1,630,833	-	124,543	-	-	3,511,100
Corporate receivables	-	-	245,783	112,416	17	771,668	-	-	1,129,884
Retail receivables	-	-	-	-	88	-	-	-	88
Mortgage receivables	-	-	-	-	-	-	-	-	-
Non performing receivables	-	-	-	-	-	-	-	-	-
High risk defined receivables	-	-	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-	-	-	-
Short term credit rated banks and intermediary institutions receivables	-	-	-	-	-	-	-	-	-
Collective investment undertaking investments	-	-	-	-	-	-	-	-	-
Equity investments	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	2,001,507	1,743,249	105	896,211	-	-	4,641,072

(*) Total credit risk: the amount of relating to the capital adequacy calculation after applying counterparty credit risk measurement techniques

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

X. Explanations on the Risk Management (Continued)

d. Explanations on Counterparty Credit Risk (CCR) (Continued)

5. Collaterals for Consolidated CCR

Current Period	Collateral received		Collateral given		Fair value of collateral received	Fair value of collateral given
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	519,487	-
Cash-foreign currency	-	-	-	-	2,570,809	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	3,090,296	-

Prior Period	Collateral received		Collateral given		Fair value of collateral received	Fair value of collateral given
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	777,283	-
Cash-foreign currency	-	3,271,010	-	5,234,260	12,829,797	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	3,271,010	-	5,234,260	13,607,080	-

6. Consolidated Credit Derivatives

	A	B
	Protection bought	Protection sold
Notionals	-	-
Single-name credit default swaps	-	-
Index credit default swaps	-	-
Total return swaps	-	-
Credit options	-	-
Other credit derivatives	-	-
Total Notionals	-	-
Fair Values	-	-
Positive fair values (asset)	-	-
Negative fair values (liability)	-	-

7. Central counterparty risks (CCR)

None (31 December 2024: None).

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

X. Explanations on the Risk Management (Continued)

e. **Securitisation Explanations:** None.

f. Explanations on market risk

1. Explanations on Risk Management’s Objectives and Policies Related to Market Risk

Prepared with a view to establishing an outlook on market policy, Market Risk Management Policy defines the market risk factors which the Bank is exposed to, and presents the process, measurement methods and monitoring activities to be employed for managing such risks. The manual also offers an in-depth description of the Bank’s current strategy on market risk.

Basically, the Bank’s market risks are classified into interest rate risk, foreign exchange risk, stock price risk, option risk and commodity risk.

For the Bank’s capital adequacy ratio calculations, value at market risk is calculated by using the standard method. Moreover, daily Value at Risk is also calculated and presented as part of the Daily Risk Report prepared by Market Risk Management Unit. Currently, Value at Risk is calculated by using the historical simulation method, with 1-day lock-up period, 99% confidence interval. For Value at Risk calculations, the Bank uses its market risk software.

Market risk measurement results and limit realisations are reported daily to Treasury Management, and Treasury Management is expected to act in accordance with the limits established. Measurement and realisation results are shared with the General Manager, Board Audit Committee Chairman on a daily basis, and it is ensured that Senior Management is informed about the current market risk carried by the Bank’s Trading account portfolio.

The Bank’s risk appetite for market risk has been aligned with the market risk limits established in accordance with Risk Appetite Policy. Risks are hereby mitigated by means of sector-based, product-based and asset type-based diversification method.

Measurement and monitoring activities related to market risk management are conducted by Market Risk Management Unit. Treasury Operations Unit captures the transactions, which are executed by Treasury Management, in the system upon checking the suitability. Market risk positions defined as per the Bank’s current Risk Appetite Policy and risk realisations are shared with Treasury Management on a daily basis in the “Daily Risk Report” prepared by Market Risk Management Unit. Treasury Management is notified and necessary action plans are requested in case of limit breaches. Additionally, Market Risk realisations are submitted to Assets and Liabilities Committee for discussion.

2. Consolidated Market Risk-Standard Approach

		RWA (Current Period)	RWA (Prior Period)
	Outright products		
1	Interest rate risk (general and specific)	137,038	97,275
2	Equity risk (general and specific)	-	-
3	Foreign exchange risk	2,987,675	758,088
4	Commodity risk	-	-
	Options		
5	Simplified approach	-	-
6	Delta-plus method	156,775	134,212
7	Scenario approach	-	-
8	Securitisation	-	-
9	Total	3,281,488	989,575

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

X. Explanations on the Risk Management (Continued)

f. Explanations on Market Risk (Continued)

2. Consolidated Market Risk-Standard Approach (Continued)

Bank’s risk management operations, which are determined by the Board of Directors, are in line with the “Regulation of Internal Bank Systems” and “Regulation of Capital Adequacy Measurement and Evaluation”. In order to comply with the Regulations, the Bank’s operations regarding the market risk are administrated in line with the “Regulation of Internal Bank Systems” and “Regulation of Capital Adequacy Measurement and Evaluation”.

Board of Directors monitors the efficiency of risk administration systems by evaluations of the Audit Committee, Management and Early Detection of Risk Committee as well as upper management’s opinions and other miscellaneous reports.

The Parent Bank’s risk policies and risk administration policies for the encountered market risk are being approved by the board of directors and reviewed on a regular basis. Market risk is measured and limited in compliance with international standards and capital requirements are calculated accordingly in addition to it is managed by hedging instruments to eliminate the risk.

The market risk of portfolios held for trading is calculated using the standard method and the value at risk (“VaR”) methods. Standard method calculations are made on a monthly basis which is used for calculating the capital adequacy generally accepted three methods (variance, covariance, historical simulation, Monte Carlo). VaR calculations are performed on a daily basis using the historical simulation (EWMA) method. VaR calculations are made using the past 1 year data with 99% assurance and 1 day holding period (10 days for legal capital calculation). All positions in the trading portfolio are set a daily risk limit and nominal position limits and all these limits are monitored and reported to upper management. In addition, trading portfolio, value at risk increase and limit comply situations are reported to Active Passive Committee every two weeks and to upper management and Management and Early Detection of Risk Committee every three months. VaR model is tested on a backward basis to ensure reliability. In order to limit market risk, in addition to VaR and nominal position limits, there are stop loss limits on trading portfolio that are approved by the board of directors.

3. Information on Market Risk

	31 December 2025	31 December 2024
(I) Capital Requirement Against General Market Risk – Standard Method	10,915	7,720
(II) Capital Requirement Against Specific Risk – Standard Method	48	62
Capital Requirement Specific Risk Related to Securitization Positions-Standard Method	-	-
(III) Capital Requirement Against Currency Risk – Standard Method	251,556	71,384
(IV) Capital Requirement Against Commodity Risk – Standard Method	-	-
(V) Capital Requirement Against Exchange Risk – Standard Method	-	-
(VI) Capital Requirement Against Market Risk of Options – Standard Method	-	-
(VII) Capital Requirement Against Counterparty Credit Risk-Standard Method	-	-
(VIII) Capital Requirement Against Market Risks of Banks Applying Risk Measurement Models	-	-
(IX) Total Capital Requirement Against Market Risk (I+II+III+IV+V+VI)	262,519	79,166
(X) Amount Subject to Market Risk (12.5 x VIII) or (12.5 x IX)	3,281,488	989,575

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

X. Explanations on the Risk Management (Continued)

f. Explanations on Market Risk (Continued)

4. Average Market Risk Table of Calculated Market Risk during the Period at Month Ends

	31 December 2025			31 December 2024		
	Average	Maximum	Minimum	Average	Maximum	Minimum
Interest Rate Risk	17,930	38,734	8,024	10,427	12,962	6,902
Common Stock Risk	-	-	-	-	-	-
Currency Risk	136,037	239,014	58,418	86,702	328,981	21,144
Commodity Risk	-	-	-	-	-	-
Exchange Risk	-	-	-	-	-	-
Counterparty Credit Risk	-	-	-	-	-	-
Option Risk	9,885	12,905	5,403	8,030	11,851	4,543
Total Value at Risk	2,048,143	3,281,488	986,063	1,314,483	4,382,000	491,425

5. Information on Counterparty Credit Risk

In order to calculate the counterparty credit risk the “Fair Value” method is used which is determined by (Appendix 2) of “Regulation on Measurement and Assessment of Capital Adequacy of Banks,” published in 28 June 2012 is taken into consideration. In accordance with the before-mentioned method, potential credit risk value is calculated and added to the renewal costs of the agreements with positive values.

For derivative transactions, sum of revaluation costs and accumulation of potential credit risk is considered to be the risk amount. Revaluation costs are calculated by valuation of the contract with its fair value and by multiplication of contract amount with the loan conversion rate.

6. Quantitative Information on Counterparty Risk (Annually)

	31 December 2025	31 December 2024
Interest Rate Contracts	11,509,422	21,150,354
Foreign Exchange Rate Contracts	58,070,270	30,983,871
Commodity Contracts	7,257,575	2,702,315
Equity Shares Related Contracts	-	-
Other	-	-
Gross Positive Fair Values	8,460,246	4,641,072
Netting Benefits	-	-
Net Current Exposure Amount	-	-
Collaterals Received	-	-
Net Derivative Position	8,460,246	4,641,072

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

X. Explanations on the Risk Management (Continued)

g. Explanations on Operational Risk

Amount subject to operational risk is calculated once a year with “Basic Indicator Method” in accordance with the “Regulation for Measuring and Evaluating Capital Adequacy of Banks” enforced in 31 March 2016 and updated version published in 23 October 2015 Official Gazette No.29511. As of 31 December 2025, the operational risk is calculated using the revenues of 2022, 2023 and 2024. The risk amount calculated using the “Capital Adequacy Standard Ratio” indicated in the disclosure I of the section IV amounts to TL 5,035,261.

The annual gross income is calculated over sum of net values of interest and non-interest income by deducting the profit/(loss) that is generated from available for sale and held to maturity and extraordinary income, operating expense for support services and amount collected from insurances.

1. In the case of using the basic indicator method

	31 December 2022	31 December 2023	31 December 2024	Total Number of Positive Year	Ratio (%)	Total
Gross Income	2,177,277	3,935,675	1,943,465	2,685,473	15	402,821
Amount Subject to Operational Risk (Total*12,5)	-	-	-	-	-	5,035,262

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

XI. Explanations 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.

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 December 2025					
Derivative financial instruments	Risk	Fair value difference of derivative financial instrument	Net Fair Value Amount of Derivative Financial Instrument		P&L Effect
			Assets	Liabilities	
Interest rate swaps	Interest risk	(56,653)	1,660	56,253	(2,060)

31 December 2024					
Derivative financial instruments	Risk	Fair value difference of derivative financial instrument	Net Fair Value Amount of Derivative Financial Instrument		P&L Effect
			Assets	Liabilities	
Interest rate swaps	Interest risk	(3,715)	6,764	1,751	(8,728)

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

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SECTION FIVE

EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Notes on Assets

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

1. Information on cash and the account of the CBRT

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Cash/Foreign Currency	35,686	397,271	42,468	552,562
CBRT	8,073,396	11,679,439	3,598,537	7,956,790
Other	606	-	736	110
Total	8,109,688	12,076,710	3,641,741	8,509,462

2. Information on the account of the CBRT

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Demand Unrestricted Amount (*)	7,938,338	4,856,997	3,576,396	3,003,214
Time Unrestricted Amount	-	-	-	-
Time Restricted Amount	-	-	-	-
Reserve Requirement	135,058	6,822,442	22,141	4,953,576
Total	8,073,396	11,679,439	3,598,537	7,956,790

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

3. Information on reserve requirements

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

As of 31 December 2025, the Turkish lira required reserve ratios are determined to be within the range of 3% - 40% 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% - 32% (31 December 2024: 5% - 30%).

b. Information about financial assets at fair value through profit or loss

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

c. Positive differences related to derivative financial assets

	31 December 2025 (*)		31 December 2024 (*)	
	TL	FC	TL	FC
Forward Transactions	1,079	37,531	60,726	13,889
Swap Transactions	15,145	705,461	256,376	331,153
Options	76,831	818,226	99,250	117,350
Total	93,055	1,561,218	416,352	462,392

(*)Hedging derivative financial assets are excluded.

d. Information on banks

1. Information on banks

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Banks				
Domestic	95,305	128,013	97,884	3,056,142
Foreign	-	6,127,958	-	1,694,092
Total	95,305	6,255,971	97,884	4,750,234

2. Information on foreign banks:

	Unrestricted Amount		Restricted Amount	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
EU Countries	3,504,790	609,909	-	-
USA and Canada	2,596,468	1,051,776	-	-
OECD Countries	10,287	30,722	-	-
Off-shore Banking Regions	-	-	-	-
Other	16,413	1,685	-	-
Total	6,127,958	1,694,092	-	-

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

As of 31 December 2025, financial assets at fair value through other comprehensive income given as collateral/blocked are amounting to TL 6,058 (31 December 2024: TL 560,563). As of 31 December 2025, financial assets at fair value through other comprehensive income those subject to repurchase agreements TL 5,451,514 (31 December 2024: TL 5,321,958). As of 31 December 2025, the share certificates amounting to TL 20,028 (31 December 2024: TL 17,264).

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

	31 December 2025	31 December 2024
Debt Securities	5,874,377	8,067,345
Quoted on Stock Exchange	5,874,377	8,067,345
Not Quoted	-	-
Share Certificates	20,028	17,264
Quoted on Stock Exchange	1	1
Not Quoted	20,027	17,263
Impairment Provision (-)	16,168	279,980
Total	5,878,237	7,804,629

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans

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

	31 December 2025		31 December 2024	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted To Shareholders	-	5,863	-	4,254
Corporate Shareholders	-	5,863	-	4,254
Real Person Shareholders	-	-	-	-
Indirect Loans Granted To Shareholders	73	119	650	1,357
Loans Granted To Employees	37,862	-	24,101	-
Total	37,935	5,982	24,751	5,611

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

Current Period	Standard Loans	Loans Under Close Monitoring		
		Loans Not Subject to restructuring	Restructured Loans	
			Amendments on Conditions of Contract	Refinancing
Cash Loans (*)				
Non-Specialized Loans	57,893,734	3,355,628	2,833,536	-
Corporate Loans	-	-	-	-
Export Loans	13,141,488	145,821	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	1,984,818	-	-	-
Consumer Loans	1,797,164	27,710	5,431	-
Credit Cards	43,537	941	-	-
Other	40,926,727	3,181,156	2,828,105	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	57,893,734	3,355,628	2,833,536	-

(*) Standard and closely monitored leasing receivables amounting to TL 8,203,908 and TL 318,578 respectively are not included.

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

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

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

Current Period (*)

	Standard Loans	Loans Under Close Monitoring
12 Month Expected Credit Losses	146,638	-
Significant Increase in Credit Risk	-	341,451

(*) Expected loss provision amounting to TL 7,912 calculated for financial assets measured at amortized cost is not included.

Prior Period (*)

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

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

3. Loans according to their maturity structure

Cash Loans	Standart Loans and Other Receivables	Loans and Other Receivables Under Close Monitoring		
		Not restructured	Restructured or rescheduled	
			Change in Contract Conditions	Refinancing
Short-term Loans and Other Receivables	35,937,410	459,708	1,337,116	-
Non-specialised Loans	35,937,410	459,708	1,337,116	-
Specialised Loans	-	-	-	-
Other Receivables	-	-	-	-
Medium and Long-Term Loans and Other Receivables	21,956,324	2,895,920	1,496,420	-
Non-specialised Loans	21,956,324	2,895,920	1,496,420	-
Specialised Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	57,893,734	3,355,628	2,833,536	-

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

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

	Short-term	Medium and Long-term	Total
Consumer Loans-TL	724,520	1,051,497	1,776,017
Real Estate Loans	-	43,477	43,477
Automotive Loans	-	153	153
Consumer Loans	724,520	1,007,867	1,732,387
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	23,115	-	23,115
With Installments	3,469	-	3,469
Without Installments	19,646	-	19,646
Individual Credit Cards- FC	681	-	681
With Installments	-	-	-
Without Installments	681	-	681
Personnel Loans-TL	12,578	23,904	36,482
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	12,578	23,904	36,482
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	1,197	-	1,197
With Installments	110	-	110
Without Installments	1,087	-	1,087
Personnel Credit Cards-FC	1	-	1
With Installments	-	-	-
Without Installments	1	-	1
Credit Deposit Account-TL (Individuals) (*)	17,806	-	17,806
Credit Deposit Account-FC (Individuals)	-	-	-
Total	779,898	1,075,401	1,855,299

(*) TL 182 of the credit deposit account are personnel loans.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

5. Information on commercial installment loans and corporate credit cards

	Short-term	Medium and long-term	Total
Commercial Loans With Installments-TL	1,084,823	13,748,042	14,832,865
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	1,084,823	13,748,042	14,832,865
Other	-	-	-
Commercial Loans With Installment-FC Indexed	-	-	-
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Loans With Installment-FC	-	3,858,862	3,858,862
Real Estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	3,858,862	3,858,862
Other	-	-	-
Corporate Credit Cards-TL	19,484	-	19,484
With Installment	158	-	158
Without Installment	19,326	-	19,326
Corporate Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Overdraft Accounts – TL(Corporate)	77,714	-	77,714
Overdraft Accounts – FC (Corporate)	-	-	-
Total	1,182,021	17,606,904	18,788,925

6. Loans according to types of borrowers

	31 December 2025	31 December 2024
Public	507,335	-
Private	63,575,563	40,397,922
Total	64,082,898	40,397,922

7. Distribution of domestic and foreign loans

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

	31 December 2025	31 December 2024
Domestic Loans	64,080,948	40,397,137
Foreign Loans	1,950	785
Total	64,082,898	40,397,922

8. Loans given to investments in associates and subsidiaries

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

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

	31 December 2025	31 December 2024
Loans with Limited Collectability	191,898	50,500
Loans with Doubtful Collectability	30,065	57,188
Uncollectible Loans	300,776	188,425
Total	522,739	296,113

10. Information on the movement of expected credit loss

	Stage 1	Stage 2	Stage 3	Total
Opening Balance (1 January 2025)	195,047	319,785	296,113	810,945
Additions	228,461	45,451	328,068	601,981
Disposals (-)	94,544	58,402	61,782	214,729
Sold portfolio	-	-	-	-
Write-offs (-)	-	-	187,369	187,369
Transfers to Stage 1	18,627	(18,627)	-	-
Transfers to Stage 2	(57,338)	57,338	-	-
Transfers to Stage 3	(143,615)	(4,094)	147,709	-
Closing Balance	146,638	341,451	522,739	1,010,828

	Stage 1	Stage 2	Stage 3	Total
Opening Balance (1 December 2024)	68,009	915,033	463,104	1,446,146
Additions	708,131	294,962	265,134	1,268,227
Disposals (-)	553,509	887,037	241,384	1,681,930
Sold portfolio	-	-	-	-
Write-offs (-)	-	-	221,498	221,498
Transfers to Stage 1	16,985	(16,985)	-	-
Transfers to Stage 2	(23,658)	23,658	-	-
Transfers to Stage 3	(20,911)	(9,846)	30,757	-
Closing Balance	195,047	319,785	296,113	810,945

11. Information on non-performing loans (Net)

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

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
31 December 2025			
Gross Amounts Before Provisions	-	-	2,788
Restructured Loans	-	-	2,788
31 December 2024			
Gross Amounts Before Provisions	-	-	5,129
Restructured Loans	-	-	5,129

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

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

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

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
31 December 2024 (*)	150,701	249,917	202,265
Addition (+)	613,931	1,655	101,229
Transfers from Other Categories of Non-performing Loans (+)	-	268,529	260,968
Transfers to Other Categories of Non-performing Loans (-)	(268,529)	(260,968)	-
Collections (-)	(57,273)	(120,718)	(95,502)
Write-offs (-)	(184,280)	(25)	(3,064)
Sold Portfolio (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
31 December 2025	254,550	138,390	465,896
Specific Provision (-)	191,898	30,065	300,776
Net Balance on Balance Sheet	62,652	108,325	165,120

(*) Non performing financial leasing receivables amounting to TL 185,983 has included.

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

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

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

(iv). Information on non-performing loans based on types of borrowers

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
31 December 2025 (Net)	62,652	108,325	165,120
Loans to Real Persons and Legal Entities (Gross)	254,550	138,390	465,896
Specific Provision Amount (-)	191,898	30,065	300,776
Loans to Real Persons and Legal Entities (Net)	62,652	108,325	165,120
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
31 December 2024 (Net)	100,201	192,729	13,840
Loans to Real Persons and Legal Entities (Gross)	150,701	249,917	202,265
Specific Provision Amount (-)	50,500	57,188	188,425
Loans to Real Persons and Legal Entities (Net)	100,201	192,729	13,840
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

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

	III. Group	IV. Group	V. Group
	Loans and other receivables with limited collectability	Loans and other receivables with doubtful collectability	Uncollectible loans and other receivables
Current Period (Net)	-	-	-
Interest accruals and valuation differences	-	-	109,959
Provision (-)	-	-	(109,959)
Prior Period (Net)	-	-	-
Interest accruals and valuation differences	-	-	71,022
Provision (-)	-	-	(71,022)

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

g. Explanations on loans (Continued)

12. Explanation on liquidation policy for uncollectible loan and receivable

Collection of uncollectible loans and other receivables is collected through the liquidation of collaterals and by legal procedures.

13. Explanations on write-off policy

Within the scope of the “Regulation on the Amendment of the Regulation on the Classification of Loans and the Procedures and Principles Related to the Provisions to be Allocated for Them”, which entered into force through publication in the Official Gazette dated November 27, 2019 and numbered 30961, the Bank may exclude from the balance sheet the part of its loans classified as “Fifth Group-Uncollectible Loans” that there is no reasonable expectation of recovery. The Parent Bank conducts both objective and subjective evaluations when determining whether there is a reasonable expectation.

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 December 2025, there are financial assets measured at amortised cost given as collateral amounting to TL 12,798,337 (31 December 2024: TL 10,908,174).

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Given as collateral/blocked	31,883	-	231,286	-
Subject to repurchase agreements	1,726,773	8,858,991	-	8,355,365
Other	2,150,027	30,663	2,274,742	46,781
Total	3,908,683	8,889,654	2,506,028	8,402,146

2. Information on debt securities measured at amortised cost

	31 December 2025	31 December 2024
Government Bonds	8,889,654	8,402,146
Treasury Bills	1,945,735	1,742,450
Other Government Debt Securities	-	-
Total	10,835,389	10,144,596

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

h. Information on financial assets measured at amortised cost (Continued)

3. Financial assets measured at amortised cost

	31 December 2025	31 December 2024
Debt Securities	12,798,337	10,908,174
Quoted to Stock Exchange	12,798,337	10,908,174
Not Quoted to Stock Exchange	-	-
Impairment Provision (-)	-	-
Total	12,798,337	10,908,174

4. Movement of financial assets measured at amortised cost

	31 December 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 TFRS 9	1,883,687	1,700,744
Foreign Currency Differences on Monetary Assets	1,837,261	756,278
Disposals Through Sales and Redemptions	(1,830,785)	(1,150,513)
Impairment Provision (-)	-	-
Balance at the End of the Period	12,798,337	10,908,174

i. Information on investments in associates (Net)

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

j. Information on subsidiaries (Net)

1. Information on shareholders' equity of the significant subsidiaries

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

2. Information on unconsolidated subsidiaries

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

3. Information on consolidated subsidiaries

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

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

No	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit / (Loss)	Prior Period Profit / (Loss)	Fair Value
1(*)	1,608,242	192,799	37,494	100,854	26,252	11,188	(1,912)	-
2(*)	9,184,094	881,927	53,530	1,183,845	-	256,346	89,322	-

(*) The above mentioned subsidiaries' financial data are taken from the financial statements prepared for the BRSA consolidation as of 31 December 2024.

Information about equity component of the consolidated subsidiaries:

	Alternatif Finansal Kiralama A.Ş.	Alternatif Menkul Değerler A.Ş.
TIER I Capital	892,091	196,447
Paid-in Capital	200,000	167,000
Capital Reserves	270,999	26,438
Current and Prior Period Net Profit	424,682	11,188
Current and Prior Period Net (Loss)	-	(2,553)
Intangible Assets (-)	3,590	5,626
TIER II Capital	-	-
Deductions from Capital	-	-
Net Usable Capital	892,091	196,447

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

j. Information on subsidiaries (Net) (Continued)

4. The movement of the subsidiaries

	31 December 2025	31 December 2024
Balance at the beginning of the period	691,465	534,366
Movements during the period	397,600	157,099
Purchases ^{(*)(**)}	90,000	10,000
Transfers	-	-
Bonus Shares Obtained	-	-
Share in Current Year Income	267,534	87,409
Sales	-	-
Revaluation (Decrease) / Increase ^(***)	40,066	59,690
Provision for Impairment	-	-
Balance at the End of the Period	1,089,065	691,465
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 General Assembly decision dated 5 March 2025.

(**) The paid capital of Alternatif Menkul Değerler A.Ş was increased by TL 35,000 in cash with General Assembly decision dated 29 July 2025.

(***) It includes increases resulting from the application of the equity method in accordance with TAS 27.

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

Subsidiaries	31 December 2025	31 December 2024
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	896,006	596,511
Finance Companies	-	-
Other Financial Subsidiaries	193,059	94,954
Total	1,089,065	691,465

6. Quoted subsidiaries

None (31 December 2024: None).

k. Information on joint ventures

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

l. Information on finance lease receivables (Net)

Finance lease receivable of the Group is amounting to TL 8,708,469 (31 December 2024: TL 4,683,903).

m. Information on hedging derivative financial assets

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Fair Value Hedge ^(*)	-	-	-	-
Cash Flow Hedge	1,660	-	6,764	-
Net Investment Hedge in a foreign operation	-	-	-	-
Total	1,660	-	6,764	-

(*) Explained in Section Third Footnote XI.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

n. Tangible assets

Current Period	Real Estates(**)	Motor Vehicles	Other Tangible Assets	Financial Leasings	Total
Cost	1,973,573	240,778	169,943	56,819	2,441,113
Accumulated Depreciation (-)	28,889	36,589	79,010	34,996	179,484
31 December 2024 Net Book Value	1,944,684	204,189	90,933	21,823	2,261,629
Additions	-	-	1,085,448	15,254	1,100,702
Disposals Cost	1,973,573	214,959	127,125	13,480	2,329,137
Disposals Depreciation (-)	28,889	33,077	117,174	7,392	186,532
Impairment (*)	-	-	-	-	-
Depreciation (-)	-	1,552	190,347	9,308	201,207
Cost at Period End	-	25,819	1,128,266	58,593	1,212,678
Accumulated Depreciation at Period End (-)	-	5,064	152,183	36,912	194,159
31 December 2025 Net Book Value	-	20,755	976,083	21,681	1,018,519

Prior Period	Real Estates(**)	Motor Vehicles	Other Tangible Assets	Financial Leasings	Total
Cost	879,363	247,301	144,951	53,768	1,325,383
Accumulated Depreciation (-)	24,388	18,080	76,312	31,519	150,299
31 December 2023 Net Book Value	854,975	229,221	68,639	22,249	1,175,084
Additions	2,379	15,178	28,220	12,807	58,584
Disposals Cost	-	21,701	3,228	9,756	34,685
Disposals Depreciation (-)	-	6,631	20,105	6,640	33,376
Impairment (*)	1,091,831	-	-	-	1,091,831
Depreciation (-)	4,501	25,140	22,803	10,117	62,561
Cost at Period End	1,973,573	240,778	169,943	56,819	2,441,113
Accumulated Depreciation at Period End (-)	28,889	36,589	79,010	34,996	179,484
31 December 2024 Net Book Value	1,944,684	204,189	90,933	21,823	2,261,629

(*) Bank applies a revaluation model for buildings in accordance with TAS 16 “Accounting Standard for Tangible Fixed Assets”. For this purpose, the fair value of the purchased headquarter building has been determined by an independent valuation firm authorized by the BRSA and the Capital Markets Board. As a result of the revaluation study, the increase in the book value of the buildings has been transferred to the accumulated other comprehensive income or expenses account that will not be reclassified in profit or loss in the equity account group. There are no buildings held at fair value for the current period.

(**) If the buildings had been carried at cost value, cost and accumulated depreciation as of 31 December 2024 would have been TL 226,154 and TL 28,885.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

o. Intangible assets

1. Information on movements of goodwill values between the beginning and end of the period

	Current Period	Prior Period
Gross Value at the Beginning of the Period	21,151	21,151
Accumulated Depreciation (-)	-	-
Impairment Provision (-)	-	-
Movement During the Period	-	-
Addition Goodwill	-	-
Assets and Liabilities Arising from Changes in Value of Correction	-	-
During the Period Discontinue an Operation and Goodwill Partially or Completely Removed from an Asset (-)	-	-
Depreciation (-)	-	-
Impairment Provision (-)	-	-
Reversal of Impairment Provision (-)	-	-
Book Value Occuring Other Changes	-	-
Gross Value at the End of the Period	21,151	21,151
Accumulated Depreciation (-)	-	-
Impairment Provision (-)	-	-
Net Book Value at the End of the Period	21,151	21,151

2. Gross carrying value and accumulated depreciation values of intangible assets at the beginning and end of the period

	31 December 2025	31 December 2024
Gross Carrying Value	1,255,777	792,327
Accumulated Depreciation (-)	597,031	380,252
Net Book Value	658,746	412,075

3. Information on movements of intangible assets between the beginning and end of the period

	31 December 2025	31 December 2024
Beginning of the Period	412,075	218,274
Internally Generated Amounts	-	-
Additions due to Mergers, Transfers and Acquisitions	465,883	331,957
Disposals	-	-
Amount Accounted under Revaluation Reserve	-	-
Impairment	-	-
Impairment Reversal	-	-
Amortisation (-)	219,212	138,156
Net Foreign Currency Difference From Foreign Investments in Associates	-	-
Other Changes in Book Value	-	-
End of the Period	658,746	412,075

	31 December 2025			31 December 2024		
	Book Value	Accumulated Depreciation (-)	Net Book Value	Book Value	Accumulated Depreciation	Net Book Value
Initial Establishment and Organization Expenses	4,072	4,072	-	4,182	4,182	-
Goodwill	21,151	-	21,151	21,151	-	21,151
Intangible Rights	1,251,705	592,959	658,746	788,145	376,070	412,075
Total	1,276,928	597,031	679,897	813,478	380,252	433,226

p. Information on investment property

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Notes on Assets (Continued)

r. Explanations about deferred tax provision

As of 31 December 2025, the Group has deferred tax asset amounting to TL 482,515 (31 December 2024: TL 823,216 deferred tax asset) in the financial statements.

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

	31 December 2025		31 December 2024	
	Tax Base	Deferred Tax Amount	Tax Base	Deferred Tax Amount
Deferred Tax Asset / (Liability)				
Tangible Assets Base Differences	692,137	207,641	1,462,017	438,605
Provisions	839,953	251,986	785,683	235,705
Valuation of Financial Assets	(94,167)	(28,250)	398,210	119,463
Commission Deferral	99,670	29,901	117,513	35,254
Financial Losses	-	-	-	-
Other	70,790	21,237	(19,370)	(5,811)
Net Deferred Tax Assets		482,515		823,216

	1 January -31 December 2025	1 January -31 December 2024
1 January Net Deferred Tax Asset/(Liability)	823,216	461,718
Deferred Tax (Expense)/Income	(152,315)	200,866
Deferred tax recognized in other comprehensive income	(188,386)	160,632
31 December Net Deferred Tax Asset/(Liability)	482,515	823,216

s. Movement of assets held for resale and discontinued operations

	31 December 2025	31 December 2024
1 January Assets Held For Resale And Discontinued Operations	1,041,271	525,885
Disposals (-)	(514,734)	(58,314)
Additions	-	573,700
Current period depreciation (-)	-	-
Impairment provision addition/ return	-	-
31 December Assets Held For Resale And Discontinued Operations	526,537	1,041,271

t. Information on other assets

Other assets in the balance sheet, balance sheet excluding off-balance sheet commitments exceed 10% of the total while at least 20% of their name and the amount of sub-accounts (31 December 2024: None).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities

a. Information on deposits

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

(i) 31 December 2025:

	Demand	With 7 days notifications	Up to 1 month	1-3 months	3-6 months	6 months -1 year	1 year and over	Accumulated Deposits	Total
Saving Deposits	1,429,099	-	10,138,563	5,413,556	75,991	13,625	244,156	-	17,314,990
Foreign Currency Deposits	3,651,042	-	6,414,852	4,285,744	112,399	9,865	715	-	14,474,617
Residents in Turkey	3,525,179	-	6,366,774	4,180,191	112,399	9,865	286	-	14,194,694
Residents Abroad	125,863	-	48,078	105,553	-	-	429	-	279,923
Public Sector Deposits	420,058	-	-	36,114	-	-	-	-	456,172
Commercial Deposits	497,307	-	2,545,063	5,386,307	1,122,272	292	1,272	-	9,552,513
Other Institutions Deposits	4,043	-	39,975	88,233	-	-	-	-	132,251
Precious Metal Deposits	562,024	-	457,370	672,093	40,387	29,386	-	-	1,761,260
Bank Deposits	69,718	-	450,416	20,828	-	-	-	-	540,962
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	619	-	-	-	-	-	-	-	619
Foreign Banks	69,099	-	450,416	20,828	-	-	-	-	540,343
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	6,633,291	-	20,046,239	15,902,875	1,351,049	53,168	246,143	-	44,232,765

(ii) 31 December 2024:

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

a. Information on deposits (Continued)

2. Information on saving deposits insurance

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

	Under the Guarantee of Deposit Insurance		Exceeding Limit of the Deposit Insurance	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Saving Deposits				
Saving Deposits	7,838,615	6,965,410	9,456,248	9,913,214
Foreign Currency Savings Deposit	1,524,560	1,107,839	5,408,817	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. Saving deposits at domestic branches of foreign banks in Turkey under the coverage of foreign insurance

None (31 December 2024: None).

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

	31 December 2025	31 December 2024
Deposits and Other Accounts in Foreign Branches	-	-
Deposits and Other Accounts of Main Shareholders and their Families	-	-
Deposits and Other Accounts of President of Board of Directors, Members of Board of Directors, Vice General Managers and Their Families	33,190	117,800
Deposits and Other Accounts of Property Assets Value due to Crime which is in the Scope of Article 282 of Numbered 5237 “TCL” Dated 26/9/2004	-	-
Deposits in Banks Incorporated in Turkey Exclusively for Off-shore Banking Operations	-	-

b. Table of negative differences for trading derivative financial liabilities

1. Information on derivative financial liabilities

	31 December 2025 (*)		31 December 2024 (*)	
	TL	FC	TL	FC
Forward Transactions	2	99,658	13	33,852
Swap Transactions	-	739,940	-	399,964
Futures Transactions	-	-	-	-
Options	59,680	742,947	87,659	64,524
Total	59,682	1,582,545	87,672	498,340

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

c. Information on banks and other financial institutions

1. General information on banks and other financial institutions

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
The CBRT Borrowings	-	164,841	-	126,393
From Domestic Banks and Institutions	514,582	2,506,330	784,162	2,543,767
From Foreign Banks, Institutions and Funds	160,000	39,999,063	7,174	14,702,442
Total	674,582	42,670,234	791,336	17,372,602

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

c. Information on banks and other financial institutions (Continued)

2. Information on maturity profile of borrowings

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Short-term	613,129	5,270,258	517,948	4,381,358
Medium and Long-term	61,453	37,399,976	273,388	12,991,244
Total	674,582	42,670,234	791,336	17,372,602

3. Information on the movement of borrowings

	1 January 2025-31 December 2025	1 January 2024-31 December 2024
Opening Balance	18,163,938	19,845,360
Borrowings Obtained During the Period	37,835,747	10,686,461
Repayments of Borrowings Obtained During the Period (-)	13,087,162	13,633,773
Accruals Related to Interest and Foreign Exchange Differences	432,293	1,265,891
Closing Balance	43,344,816	18,163,938

4. Disclosures for concentration areas of bank’s liabilities

None.

d. Information on other foreign liabilities

Other foreign liabilities amounting to TL 1,358,107 are included in “Other Liabilities” (31 December 2024: TL 713,294) and do not exceed 10% of the total balance sheet.

e. Information on financial lease agreements

i) Explanations on liabilities arising from financial leasing transactions

	31 December 2025		31 December 2024	
	Gross	Net	Gross	Net
Less than 1 year	228,385	201,572	4,046	1,447
1-4 year	458,456	362,975	17,925	6,410
More than 4 year	274,277	258,387	2,577	921
Total	961,118	822,934	24,548	8,778

f. Information on hedging derivative financial liabilities

Related to information on hedging derivative financial liabilities negative amount is TL 56,253 (31 December 2024: TL 1,751)

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Fair Value Hedges	-	-	-	-
Cash Flow Hedges (*)	56,253	-	1,751	-
Foreign Currency Investment Hedges	-	-	-	-
Total	56,253	-	1,751	-

(*) Explained in Section Four Footnote Number XI.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

g. Information on provisions

1. Provisions for employee benefits

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

In accordance with the revise TAS 19 Standard, Actuarial losses has recognized under the equity, amount of after deferred tax TL 3,833 (31 December 2024: TL 10,711 Loss).

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

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

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

Movement of provision for employee termination benefits is as follows:

	31 December 2025	31 December 2024
Prior Period Ending Balance	33,455	23,618
Current Period Service Cost	3,682	3,682
Interest Cost	3,843	3,843
Paid Compensation	(30,835)	(27,781)
Loss/(Gain) from Payment/Reduction of Benefits/Dismissal Termination Cost	17,844	14,792
Actuarial Loss	15,303	15,301
Balance at the end of the period	43,292	33,455

As of 31 December 2025, The Group has provision for employee termination benefits amount of TL 43,292 (31 December 2024: TL 33,455), provision of unused vacation amount of TL 16,484 (31 December 2024: TL 16,700)

The movement of the liability in exchange for leave in the balance sheet is as follows:

	31 December 2025	31 December 2024
Opening Balance	16,700	10,447
Recognized during the period	1,844	6,253
Cancelled during the period (-)	(2,060)	-
Closing Balance	16,484	16,700

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

As of 31 December 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. Provisions for non-cash loans that are not indemnified or converted into cash

	31 December 2025	31 December 2024
Provisions for Unindemnified Non-cash Loan	85,605	109,682
<i>First Stage</i>	<i>45,479</i>	<i>37,884</i>
<i>Second Stage</i>	<i>14,498</i>	<i>1,518</i>
<i>Third Stage</i>	<i>25,628</i>	<i>70,280</i>
Bonus Provision	165,489	17,643
Provision for Litigation and Claims	121,424	79,466
Other	1,747	503
Total	374,265	207,294

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

g. Information on provisions (Continued)

3. Provisions for non-cash loans that are not indemnified or converted into cash (Continued)

The movement of the provision for litigation and claims in the balance sheet is as follows:

	31 December 2025	31 December 2024
Opening Balance	79,047	61,810
Recognized during the period	69,880	17,900
Cancelled during the period (-)	(27,503)	(663)
Closing Balance	121,424	79,047

h. Explanations on Tax Liabilities

1. Information on current tax liability

As of 31 December 2025, there is TL 130,352 of corporate income tax payable (31 December 2024: None).

(i) Information on taxes payable

	31 December 2025	31 December 2024
Taxation of Marketable Securities	231,993	102,244
Banking Insurance Transaction Tax (BITT)	104,232	58,744
Value Added Tax Payable	1,411	736
Property Tax	11,235	5,944
Corporate Tax Payable	130,352	-
Other	31,261	22,155
Total	510,484	189,823

(ii) Information on premium payables

	31 December 2025	31 December 2024
Social Security Premiums - Employee	7,417	6,839
Social Security Premiums - Employer	9,831	8,271
Bank Pension Fund Premiums - Employee	-	-
Bank Pension Fund Premiums - Employer	-	-
Pension Fund Deposit and Provisions - Employee	-	-
Pension Fund Deposit and Provisions - Employer	-	-
Unemployment Insurance - Employee	540	500
Unemployment Insurance - Employer	1,480	1,294
Other	4,936	4,200
Total	24,204	21,104

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

h. Explanations on Tax Liabilities (Continued)

2. Deferred tax liability

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

i. Liabilities for assets held for sale and assets of discontinued operations

None (31 December 2024: None).

j. Subordinated debts

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
To be included in the calculation of additional capital borrowing instruments	-	8,798,617	-	9,891,747
Subordinated loans	-	-	-	2,646,729
Subordinated debts	-	8,798,617	-	7,245,018
Debt instruments to be included in contribution capital	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debts	-	-	-	-
Total	-	8,798,617	-	9,891,747

k. Information on shareholders' equity

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

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

(*) Each of them contains 2,213,740,000 shares worth 1 full TL.

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

The Parent Bank applies registered share capital system. The Parent Bank's registered capital is TL 4,000,000,000.00 (Four billion Turkish Liras) and all are divided into 4.000.000.000 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 increases from capital reserves during the current period: None.

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

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

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Notes on Liabilities (Continued)

k. Information on shareholders’ equity (Continued)

8. Information on marketable securities valuation reserve

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	5,485	-	2,722	-
Valuation Difference	(550,948)	(7,145)	(525,927)	(102,113)
Foreign Currency Difference	-	-	-	-
Total	(545,463)	(7,145)	(523,205)	(102,113)

9. Information on other capital reserves

None.

l. Information on minority interests

	31 December 2025	31 December 2024
Balance at the Beginning of the Period	32	23
Current Year Income	27	9
Dividends Paid	-	-
Purchase from Minority Interests	-	-
Other	16	-
Balance at the End of the Period	75	32

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. Explanations and Notes on Off-Balance Sheet Accounts

a. Information on off balance sheet commitments

1. The amount and type of irrevocable commitments

According to Direct Debiting System, there is TL 798,760 irrevocable loan commitments as of 31 December 2025 (31 December 2024: TL: 803,626).

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

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

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

	31 December 2025	31 December 2024
Letter of Credits	7,346,103	7,242,293
Bank Acceptance Loans	3,692,866	624,838
Guarantees and Collaterals	1,923,158	1,073,382
Total	12,962,127	8,940,513

(ii). Guarantees, sureties and other similar guarantees

	31 December 2025	31 December 2024
Definite Letter of Guarantees	24,727,825	22,594,539
Advance Letter of Guarantee	1,040,195	908,946
Temporary Letter of Guarantees	103,919	82,748
Letter of Guarantees Given to Customs	360,638	400,808
Total	26,232,577	23,987,041

3. Non-cash loans

(i). Total amount of non-cash loans

	31 December 2025	31 December 2024
Non-Cash Loans against Cash Risks	15,907,617	13,963,234
With Original Maturity of 1 Year or Less	4,056,373	5,262,076
With Original Maturity of More Than 1 Year	11,851,244	8,701,158
Other Non-Cash Loans	30,450,037	24,807,420
Total	46,357,654	38,770,654

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

a. Information on off balance sheet commitments (Continued)

3. Non-cash loans (Continued)

(ii). Information on the maturity of expected credit loss of non-cash loans

	Stage 1	Stage 2	Stage 3	Total
Opening Balance (1 January 2025)	37,884	1,518	70,280	109,682
Additions	35,843	13,809	3,332	52,984
Disposals (-)	26,811	609	49,641	77,061
Sold portfolio	-	-	-	-
Write-offs (-)	-	-	-	-
Transfers to Stage 1	107	(107)	-	-
Transfers to Stage 2	(422)	422	-	-
Transfers to Stage 3	(1,122)	(535)	1,657	-
Closing Balance	45,479	14,498	25,628	85,605

	Stage 1	Stage 2	Stage 3	Total
Opening Balance (1 January 2024)	65,558	3,252	51,313	120,123
Additions	31,416	483	22,629	54,528
Disposals (-)	57,765	3,183	4,021	64,969
Sold portfolio	-	-	-	-
Write-offs (-)	-	-	-	-
Transfers to Stage 1	75	(75)	-	-
Transfers to Stage 2	(1,124)	1,124	-	-
Transfers to Stage 3	(276)	(83)	359	-
Closing Balance	37,884	1,518	70,280	109,682

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

a. Information on off balance sheet commitments(Continued)

3. Non-cash loans (Continued)

(iii). Information about risk concentration on the basis of sector within the non-cash loans account

	31 December 2025				31 December 2024			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	94,899	0.37	11,807	0.06	134,458	0.60	42,028	0.26
Farming and Livestock	44,707	0.18	11,807	0.06	134,266	0.60	42,028	0.26
Forestry	175	0.00	-	0.00	175	0.00	-	0.00
Fishing	50,017	0.20	-	0.00	17	0.00	-	0.00
Manufacturing	6,049,727	23.83	6,073,681	29.68	6,385,546	28.54	6,013,170	36.67
Mining	70,582	0.28	34,245	0.17	312,447	1.40	105,474	0.64
Production	5,902,076	23.25	6,031,469	29.47	5,458,483	24.40	5,897,086	35.97
Electric, Gas, Water	77,069	0.30	7,967	0.04	614,616	2.74	10,610	0.06
Construction	494,203	1.95	300,396	1.47	525,077	2.35	345,985	2.11
Services	13,921,584	54.84	11,991,146	58.59	10,914,106	48.78	7,199,362	43.90
Wholesale and Retail Trade	1,870,087	7.37	2,465,542	12.05	1,254,292	5.61	2,750,515	16.77
Hotel and Food Services	4,432	0.02	148,923	0.73	11,508	0.05	25,090	0.15
Transportation and Telecommunication	659,452	2.60	1,347,238	6.58	756,338	3.38	921,813	5.62
Financial Institutions	10,580,512	41.68	4,977,314	24.32	8,380,236	37.46	1,351,109	8.24
Real Estate and Leasing Ser.	2,620	0.01	2,596,262	12.69	14,465	0.06	1,854,450	11.31
Professional Services	801,986	3.16	447,456	2.19	366,886	1.64	289,459	1.77
Education Services	712	0.00	-	0.00	712	0.00	-	0.00
Health and Social Services	1,783	0.01	8,411	0.04	129,669	0.58	6,926	0.04
Other	4,824,581	19.01	2,088,589	10.21	4,413,424	19.73	2,797,498	17.06
Total	25,384,994	100.00	20,465,619	100.00	22,372,611	100	16,398,043	100

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

31 December 2025	Group I		Group II	
	TL	FC	TL	FC
Non-Cash Loans (*)				
Letters of Guarantee	18,251,805	7,601,780	310,402	68,590
Bank Acceptances	-	3,692,866	-	-
Letters of Credit	-	7,346,103	-	-
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	7,162,950	1,923,158	-	-
Total	25,414,755	20,563,907	310,402	68,590

31 December 2024	Group I		Group II	
	TL	FC	TL	FC
Non-Cash Loans (*)				
Letters of Guarantee	16,470,455	7,315,814	57,982	142,790
Bank Acceptances	-	624,838	-	-
Letters of Credit	1,074	7,241,219	-	-
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	5,793,600	1,073,382	49,500	-
Total	22,265,129	16,255,253	107,482	142,790

(*) The amount of non-cash loans of customers which were classified as non-performing receivables is TL 48,337 and check risk amounts are TL 9,434 (31 December 2024: TL 117,172 and TL 11,140).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

b. Information on derivative financial instruments

	Current Period	Priod Period
Types of Trading Transactions		
Foreign Currency Related Derivative Transactions (I)	111,599,257	58,620,299
Currency Forward Transactions	17,571,828	5,049,282
Currency Swap Transactions	13,340,235	16,384,920
Futures Transactions	-	-
Options	80,687,194	37,186,097
Securities Options	-	-
Interest Related Derivative Transactions (II)	17,639,434	15,944,843
Forward Rate Agreements	-	-
Interest Rate Swaps	17,639,434	15,944,843
Interest Rate Options	-	-
Interest Rate Futures	-	-
Other Trading Derivative Transactions (III)	14,814,052	4,919,567
A. Total Trading Derivative Transactions (I+II+III)	144,052,743	79,484,709
Types of Hedging Transactions		
Fair Value Hedges	-	-
Cash Flow Hedges	6,134,669	1,300,000
Foreign Currency Investment Hedges	-	-
B. Total Hedging Derivatives	6,134,669	1,300,000
Total Derivative Transactions (A+B)	150,187,412	80,784,709

c. Credit derivatives and risk exposures on credit derivatives

None (31 December 2024: None).

d. Contingent liabilities and assets

As of 31 December 2025, outstanding legal claims against the group have been considered as contingent liabilities amounting to TL 293,071 and TL 121,424 provision is provided against these legal cases (31 December 2024 Contingent Liability: TL 106,474, Provision: TL 79,466).

e. Services rendered on behalf of third parties

The Parent Bank acts as an investment agent for banking transactions on behalf of its customers and provides custody services. Such transactions are followed under off-balance sheet accounts.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement

a. Information on interest income

1. Information on interest income on loans

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Short-term Loans	7,394,140	1,595,773	6,093,617	1,012,418
Medium/Long-term Loans	5,083,939	397,861	2,277,427	251,548
Interest on Loans Under Follow-up	85,603	-	86,384	-
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total (*)	12,563,682	1,993,634	8,457,428	1,263,966

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

2. Information on interest income on banks

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
From the CBRT (*)	2,127,302	151	948,306	25,723
From Domestic Banks	67,729	43,745	53,100	46,712
From Foreign Banks	18,896	118,675	18,691	101,924
Headquarters and Branches Abroad	-	-	-	-
Total	2,213,927	162,571	1,020,097	174,359

(*) 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 December 2025		31 December 2024	
	TL	FC	TL	FC
From Financial Assets at Fair Value Through Profit or Loss	46,211	502	17,156	1,931
From Financial Assets at Fair Value Through Other Comprehensive Income	959,038	252,398	1,357,206	222,365
From Financial Assets Measured at Amortised Cost	1,058,633	434,965	437,788	418,780
Total	2,063,882	687,865	1,812,150	643,076

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

None (31 December 2024: None).

b. Information on interest expense

1. Information on interest expense on borrowings

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Banks	238,778	1,412,882	353,754	1,688,333
CBRT	-	-	-	-
Domestic Banks	238,146	286,955	350,711	2,473
Foreign Banks	632	1,125,927	3,043	1,685,860
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	1,135,938	-	859,124
Total (*)	238,778	2,548,820	353,754	2,547,457

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

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

None (31 December 2024: None).

3. Information on interest expense to marketable securities issued

	31 December 2025	31 December 2024
Information on Interest Expense to Marketable Securities Issued	304,777	68,456

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

b. Information on interest expense (Continued)

4. Information on interest expense on borrowings

31 December 2025	Demand Deposit	Time Deposit					Accummulated Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
Turkish Lira								
Bank Deposits	-	111,058	-	-	-	-	-	111,058
Savings Deposits	-	4,549,004	2,778,692	341,962	22,241	45,831	-	7,737,730
Public Deposits	-	741	114	-	-	-	-	855
Commercial Deposits	-	966,716	2,121,455	464,803	33,287	8,520	-	3,594,781
Other Deposits	-	8,856	39,634	12	-	2	-	48,504
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Total	-	5,636,375	4,939,895	806,777	55,528	54,353	-	11,492,928
Foreign Currency								
Foreign Currency Account	-	120,811	180,723	1,379	405	2	-	303,320
Bank Deposits	-	8,985	-	-	-	-	-	8,985
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	771	3,443	527	145	-	-	4,886
Total	-	130,567	184,166	1,906	550	2	-	317,191
Grand Total	-	5,766,942	5,124,061	808,683	56,078	54,355	-	11,810,119

31 December 2024	Demand Deposit	Time Deposit					Accummulated Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
Turkish Lira								
Bank Deposits	-	162,690	-	-	-	-	-	162,690
Savings Deposits	-	3,219,460	1,521,525	666,441	207,496	29,286	-	5,644,208
Public Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	633,674	627,494	149,119	1,713	34,560	-	1,446,560
Other Deposits	-	2,709	26,887	3,023	-	2	-	32,621
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Total	-	4,018,533	2,175,906	818,583	209,209	63,848	-	7,286,079
Foreign Currency								
Foreign Currency Account	-	36,731	120,587	1,360	782	923	-	160,383
Bank Deposits	-	6,140	-	-	-	-	-	6,140
Deposit with 7 days notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	342	2,420	626	62	66	-	3,516
Total	-	43,213	123,007	1,986	844	989	-	170,039
Grand Total	-	4,061,746	2,298,913	820,569	210,053	64,837	-	7,456,118

5. Given interest amount on repurchase agreement

As of 31 December 2025, given interest amount on repurchase agreement is amounting to TL 2,026,910 (31 December 2024: TL 1,493,107).

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

b. Information on interest expense (Continued)

6. Informations on leasing expense

	31 December 2025	31 December 2024
Leasing Expense	37,862	13,683

7. Information on given interest for factoring transaction

None (31 December 2024: None).

c. Information on dividend income

The Group has dividend income amounting to TL 555 as of 31 December 2025 (31 December 2024: TL 328).

d. Information on trading income/loss (Net)

	31 December 2025	31 December 2024
Income	658,030,486	214,613,907
Income from Capital Market Transactions	107,871	17,495
Derivative Financial Transactions	5,316,709	2,429,636
Foreign Exchange Gains	652,605,906	212,166,776
Loss (-)	658,942,739	215,623,232
Loss from Capital Market Transactions	15,547	249
Derivative Financial Transactions	4,167,125	2,418,437
Foreign Exchange Loss	654,760,067	213,204,546
Net Income/(Loss)	(912,253)	(1,009,325)

e. Explanations about other operating income

For the period ended 31 December 2025, other operating income includes income from assets to be disposed, adjustment to previous years's expenses and income from other operations. The amount of the banks other operating income in the current period is TL 2,125,139 (31 December 2024: TL 1,330,991).

f. Expected Provision Losses and Other Provision Losses

	31 December 2025	31 December 2024
Expected Credit Loss	507,569	396,067
12 month expected credit loss (stage 1)	118,648	73,934
Significant increase in credit risk (stage 2)	95,525	229,946
Non-performing loans (stage 3)	293,396	92,187
Marketable Securities Impairment Expense	4,768	4,781
Financial Assets at Fair Value Through Profit or Loss	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	4,768	4,781
Investments in Associates, Subsidiaries and Joint Ventures Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other	71,306	32,763
Total	583,643	433,611

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

g. Information related to personnel expenses and other operating expenses

	31 December 2025	31 December 2024
Personnel Expenses	1,568,220	1,098,713
Reserve For Employee Termination Benefits	8,385	5,796
Unused Vacation	4,767	6,200
Bank Social Aid Pension Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	201,207	62,561
Impairment Expenses of Intangible Assets	-	-
Impairment Expense of Goodwill	-	-
Depreciation Expenses of Intangible Assets	219,212	138,156
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	962,637	691,404
Operational Lease Expenses	21,819	6,651
Maintenance Expenses	15,758	10,242
Advertising Expenses	39,049	31,698
Other Expenses	886,011	642,813
Loss on Sales of Assets	213,205	226,040
Other (*)	465,794	175,358
Total	3,643,427	2,404,228

(*) Except the Saving Deposit Insurance Fund (SDIF) premium and tax/duties amounting to TL 431,651 (31 December 2024: TL 136,422), other operating expenses are TL 34,143 (31 December 2024: TL 38,936).

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

	31 December 2025	31 December 2024
Net Interest Income	4,332,978	2,346,366
Net Fees And Commissions Income / Expenses	807,164	522,614
Personnel Expenses (-)	1,581,372	1,110,709
Dividend Income	555	328
Net Trading Income	(912,253)	(1,009,325)
Other Operating Income	2,125,139	1,330,991
Expected Credit Losses And Other Provisions Expenses (-)	507,569	396,067
Other Provision Expenses (-)	76,074	37,544
Other Operating Expenses (-)	2,062,055	1,293,519
Profit/(Loss) From Continued Operations Before Taxes	2,126,513	353,135

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Notes on Income Statement (Continued)

i. Provision for taxes on income from continuing operations

As of 31 December 2025, the Group current tax expense is TL 157,470 (31 December 2024: TL 58,131) and deferred tax expense is TL 152,315 (31 December 2024: TL 200,866 deferred tax income).

Confirmation of provision for taxes:	1 January-31 December 2025	1 January-31 December 2024
Profit/(loss) before taxes	2,126,513	353,135
Legal tax rate	30%	30%
Calculated taxes	637,954	105,941
Additions	853,542	778,221
Deductions (-)	(1,181,711)	(1,026,897)
Provision for taxes	309,785	(142,735)

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

Group's net operating profit is TL 1,816,728 (31 December 2024: TL 495,870).

k. Information on net income/loss for the period

- Interest income from ordinary banking transactions is TL 21,328,435 (31 December 2024: TL 14,380,675), interest expense is TL 16,995,457 (31 December 2024: TL 12,034,309).
- Information on any change in the accounting estimates has no profit/loss effect on current period or consequent periods.

l. If the other items in the income statement exceed 10% of the income statement total, accounts amounting to at least 20% of these items are shown below

Fees and Commissions Received – Other	31 December 2025	31 December 2024
Credit Card Pos Commissions	12,098	9,639
Banking Service Income	-	-
Insurance Commissions	244,447	136,570
Credit Early Termination Compensation	9,451	24,907
Account Management Fee Commission	61,539	24,858
Transfer Commissions	682	531
Brokerage Commissions	46,873	25,830
Expertise Commissions	2,745	2,484
Export Letters of Credit Commissions	118,089	21,145
Other	137,185	68,688
Total	633,109	314,652
Fees and Commissions Paid – Other		
Debit Card Fees and Commissions	85,090	44,888
Clearing Commissions	882	3,620
Fees and Commissions on Foreign Currency Transactions	69	69
Commissions Granted to Correspondent Banks	15,663	11,717
Transfer Commissions	5,139	4,086
Pos Transaction Commissions Paid	-	-
Commissions for Effective and Future Transactions	1,098	4,553
CBRT Interbank Money Market	1,452	1,523
Other	91,524	50,934
Total	200,917	121,390

	31 December 2025	31 December 2024
Minority Shares Profit or (Loss)	27	9

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

V. Explanations and Notes on Changes in Shareholders’ Equity

a. Information on profit distribution

In the Ordinary General Assembly Meeting of the Parent Bank held on 27 March 2025 regarding the 2024 Activity Year; Operating Profit Before Tax is TL 448,631 and legal reserves TL 22,432 has been deducted from remaining balance and remaining balance has been transferred to the extraordinary reserve amounting to TL 426,199 with the decision of the General Assembly.

b. Financial assets at fair value through other comprehensive income

“Unrealised gain/loss” arising from changes in the fair value of securities classified as available-for-sale are not recognized in current year profit and loss statement but recognized in the “Marketable securities value increase fund” account under equity, until the financial assets are derecognised, sold, disposed or impaired.

c. Information on increase/decrease amounts result from the merger

None.

d. Information on share issue premium

Explained in details in note XVIII. of Section Three.

VI. Explanations and Notes on Statement of Cash Flows

a. Information on cash and cash equivalent assets

1. Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency together with demand deposits at banks including the CBRT are defined as “Cash”; Interbank money market and time deposits in banks with original maturities of less than three months are defined as “Cash Equivalents”.

2. Effect of a change on the accounting policies: None.

3. Reconciliation of cash and cash equivalent items with balance sheet and cash flow statements:

3.(i). Cash and cash equivalents at the beginning of period:

	31 December 2025	31 December 2024
Cash	595,030	369,419
Cash Equivalents	11,401,685	9,282,304
CBRT	6,579,449	6,195,302
Banks and Other Financial Institutions	4,822,236	2,937,002
Money Markets	-	150,000
Total Cash and Cash Equivalents	11,996,715	9,651,723

The total amount from the operations occurring in the prior period is the total cash and cash equivalents amount at the beginning of the current period.

3.(ii). Cash and cash equivalents at the end of the period:

	31 December 2025	31 December 2024
Cash	432,957	595,030
Cash Equivalents	19,937,560	11,401,685
CBRT	12,791,060	6,579,449
Deposits in Banks and other financial institutions	6,289,618	4,822,236
Money Markets	856,882	-
Total Cash and Cash Equivalents	20,370,517	11,996,715

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VI. Explanations and Notes on Statement of Cash Flows (Continued)

b. Information on cash and cash equivalents that are not in use due to legal limitations and other reasons:

TL 6,957,500 of unfixed principal amount in the account of Central Bank of Turkey is required reserve established in FX and gold, for the TRY, FX and gold liabilities of the Parent Bank (31 December 2024: TL 4,975,717).

c. The effects of the change in foreign exchange rates on cash and cash equivalents:

Decrease in “Other Account” amounting to TL 11,770,644 (31 December 2024: TL 3,843,174 decrease) which is classified under “Operating profit before changes in operating assets and liabilities” basically includes Fee and Commissions, Other Operating Expenses excluding Personnel Expenses, Foreign Exchange Gains/Losses as well as Provision and Depreciation that do not create cash in/outflow.

Increase in “Net increase/decrease in other liabilities” amounting to TL 5,384,427 (31 December 2024: TL 5,687,016 increase) which is classified under “Operating profit before changes in operating assets and liabilities” includes changes in Miscellaneous Payables, Other Liabilities, Taxes Payable, Charges, Duties and Premiums.

The effects of the change in foreign exchange rates on cash and cash equivalents are calculated approximately TL 3,265,670 as of 31 December 2025 (31 December 2024: TL 2,008,579).

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

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

31 December 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
Group’s Risk Group (*) (**)						
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	-	4,254	650	1,357
Balance at the End of the Period	-	-	-	5,863	73	119
Interest and Commission Income Received	-	-	-	384	1,909	1,925

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

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

31 December 2024

	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-cash
Group’s Risk Group (*) (**)						
Loans and Other Receivables						
Balance at the Beginning of the Period	-	-	-	3,742	771	1,607
Balance at the End of the Period	-	-	-	4,254	650	1,357
Interest and Commission Income Received	-	-	-	454	2,569	2,607

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

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

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

1. Information on deposits of the Group’s risk group

Group’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 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Deposit	-	-	-	-	143,589	90,557
Beginning of the Period	-	-	-	-	143,589	90,557
End of the Period	-	-	-	-	44,498	143,589
Interest Expense on Deposits	-	-	-	-	-	-

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

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

Group’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 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Transactions for Trading Purposes						
Beginning of the Period (**)	-	-	-	-	-	-
End of the Period (**)	-	-	-	-	-	-
Total Profit/Loss	-	-	-	24,027	-	-
Transactions for Hedging Purposes						
Beginning of the Period (**)	-	-	-	-	-	-
End of the Period (**)	-	-	-	-	-	-
Total Profit/Loss	-	-	-	-	-	-

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

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

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

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

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 (%)
Deposit	44,498	0.10
Non-cash Loans	5,982	0.01
Loans	73	0.00
Subordinated Loans	-	-

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.

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EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

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

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

5. Information on Other Liabilities

None. (31 December 2024: TL None).

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

Benefits provided to the Group’s key management amount to TL 177,499 as of 31 December 2025 (31 December 2024: TL 116,556).

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

a. Information on domestic, foreign branches and foreign representatives

	Number	Number of Employees	Country of Incorporation	Total Asset	Statutory share capital
Domestic Branch	15	604			
Foreign Representative	-	-	-		
Foreign Branch	-	-	-	-	-
Off-Shore Banking Region Branch	-	-	-	-	-

b. Explanations on opening, closing of a branch or agency of the Bank or changing its organizational structure significantly

In 2025, 4 branches were closed and no new branches were opened.

IX. Explanations and Notes on Subsequent Events

The Bank has completed the issuance and sale of bonds with an Additional Tier 1 (AT1) capital nature pursuant to Article 7 of the Regulation on Banks' Equity, with a nominal value of 200 million US dollars, intended for sale abroad, on February 4, 2026.

X. Fees related with the services provided by independent auditors/independent audit agencies

In accordance with the decision made by Public Oversight Accounting and Auditing Standards Authority dated 26 March 2021, fees, based on the given reporting period, in relation to the services provided by independent auditors or independent audit agencies are presented in the following table.

	Current Period	Prior Period
Audit	29,952	14,508
Tax Advisory	-	-
Other Assurance Services	15,228	1,165
Other Services except Audit	-	-
Total	45,180	15,673

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SECTION SIX

OTHER EXPLANATIONS AND NOTES

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

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

Fitch Ratings: July 2025	
Foreign Currency	
Long Term	BB-
Short Term	B
Local Currency	
Long Term	BB-
Short Term	B
National Note	AA(tur)
Shareholder’s Support Note	bb-
Financial Capacity Note	b
Outlook	Stable

Moody’s: July 2025	
Foreign Currency	
Long Term	Ba2
Short Term	NP
Local Currency	
Long Term	Ba2
Short Term	NP
National Long Term	Aaa.tr
National Short Term	TR-1
Outlook	Stable

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SECTION SEVEN

EXPLANATIONS ON INDEPENDENT AUDIT REPORT

I. Explanations on Independent Auditors’ Report

Group’s consolidated financial statements and footnotes to be disclosed to public as of 31 December 2025 have been audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the independent auditors’ report dated 18 February 2026 has been presented at the beginning of this report.

II. Explanations and Footnotes Prepared by Independent Auditor

None.