ZİRAAT KATILIM BANKASI ANONİM ŞİRKETİ

UNCONSOLIDATED FINANCIAL STATEMENTS,
RELATED EXPLANATIONS AND NOTES
AS OF 30 JUNE 2026 WITH AUDITOR'S REVIEW REPORT

(CONVENIENCE TRANSLATION OF UNCONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES ORIGINALLY ISSUED IN TURKISH)

AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

(Convenience translation of the independent auditor's review report originally issued in Turkish, See Note I of Section Three)

To the General Assembly of Ziraat Katılım Bankası A.Ş.

Introduction

We have reviewed the unconsolidated balance sheet of Ziraat Katılım Bankası A.Ş. ("the Bank") at 30 June 2026 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the six-month-period then ended. The Bank Management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying unconsolidated interim financial information does not present fairly in all material respects the interim unconsolidated financial position of Ziraat Katılım Bankası A.Ş. at 30 June 2026 and the results of its unconsolidated financial performance and its unconsolidated cash flows for the six-month-period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation

Report on other regulatory requirements arising from legislation

Based on our review, nothing has come to our attention that causes us to believe that the financial information provided in the accompanying interim activity report in Section Seven, is not consistent with the reviewed unconsolidated financial statements and disclosures in all material respects.

Additional Paragraph for Convenience Translation:

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 June 2026. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Talar Gül, SMMM
Independent Auditor

Istanbul, 10 Ağustos 2026

THE UNCONSOLIDATED FINANCIAL REPORT OF ZİRAAT KATILIM BANKASI A.Ş AS OF 30 JUNE 2026

The Bank's Headquarter Address: Finanskent Mahallesi, Finans Caddesi,
B Blok No: 44B, Apt. No: 29, Ümraniye/Istanbul
Phone: 0 216 557 27 00
Facsimile: 0 212 404 10 80
Website: www.ziraatkatilim.com.tr
E-mail: bilgi@ziraatkatilim.com.tr

The unconsolidated financial report for the six-month period ended prepared in accordance with the "Communiqué on the Financial Statements and Related Explanation and Notes that will be Publicly Announced" as sanctioned by the Banking Regulation and Supervision Agency, is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATIONS ON THE FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK
- EXPLANATIONS AND DISCLOSURES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
- AUDITOR'S REVIEW REPORT
- INTERIM ACTIVITY REPORT

The accompanying unconsolidated financial statements and notes to these financial statements for the six-month period ended which are expressed, unless otherwise stated, in millions of Turkish Lira have been prepared and presented based on the accounting books of the Bank in accordance with the Regulation on the Principles and Procedures Regarding Banks' Accounting and Keeping of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and related appendices and interpretations of these, and have been independently reviewed

Alpaslan ÇAKAR	Metin ÖZDEMİR	Fikrettin AKSU	Ahmet BUÇUKOĞLU
Chairman of the Board	Member of the Board, General Manager	Member of the Board, Member of the Audit Committee	Member of the Board, Member of the Audit Committee

Dr.Osman KARAKÜTÜK	Erdal TOKAN
Vice President of Treasury Management and International Banking	Head of Financial Coordination Department

Contact information of the personnel in charge of the addressing of questions about this financial report:

Name-Surname/Position : Erdem DENİZHAN / Financial Audit Processes Department Manager
Phone Number : 0 216 559 22 56
Facsmile : 0 212 404 10 80

SECTION ONE
General Information about the Bank

SECTION TWO
Unconsolidated Financial Statements

SECTION THREE
Explanations on Accounting Policies

SECTION FOUR
Explanations Related to the Financial Position and Risk Management of the Bank

SECTION FIVE
Explanations and Notes Related to Unconsolidated Financial Statements

SECTION SIX
Explanations and Notes Related to Auditor's Review

SECTION SEVEN
Interim Activity Report

SECTION ONE

GENERAL INFORMATION ABOUT THE BANK

I. HISTORY OF THE BANK INCLUDING ITS INCORPORATION DATE, INITIAL LEGAL STATUS AND AMENDMENTS TO LEGAL STATUS

Ziraat Katılım Bankası A.Ş. ("the Bank") is founded by permission of Banking Regulation and Supervision Agency numbered as 6046 on 10 October 2014 which was published in the Official Gazette numbered as 29146 at 15 October 2014 with a capital of TRY 675 that is fully paid by T.C. Treasury and its legal entity was comprised of the registration in the trade registry as of 16 February 2015. The Bank has obtained official permission by the decision of Banking Regulation and Supervision Agency numbered as 6302 at 12 May 2015 and published in the Official Gazette numbered as 29355 at 4 May 2015. The Bank has begun its operations by opening its first branch in 29 May 2015. In accordance with the decision of the Bank's Ordinary General Assembly Meeting held on 29 April 2016, the paid-in capital of the Bank has been increased in cash by TRY 72 from TRY 675 to 747. In accordance with the decision of the Bank's Ordinary General Assembly Meeting held on 13 June 2017, the paid-in capital of the Bank has been increased by the amount of cash by TRY 500 and by increasing the amount of internal resources by TRY 3 to TRY 1.250. In accordance with the decision of the Bank's Extraordinary General Assembly Meeting held on 20 September, 2018, the paid-in capital of the Bank has been raised to TRY 1.750 by increasing the amount of cash by TRY 500. At the Bank's Ordinary General Assembly for 2021 held on 25 March 2022, its paid-in capital was increased by TRY 900 in cash to TRY 2.650.In accordance with the decision of the Bank's Extraordinary General Assembly Meeting held on 31 March 2023, the paid-in capital of the Bank has been raised to TRY 7.350 by increasing the amount of cash by TRY 4.700.In accordance with the decision of the Bank's Second Extraordinary General Assembly Meeting held on 6 December 2023, the paid-in capital of the Bank has been raised to TRY 10.350 by increasing the amount of cash by TRY 3.000.

Main operation field of the Bank is gathering funds by the accounts named as "Private Current Accounts" and " Participation Account" from domestic and abroad additional to its own capital and lending these funds to the economy, carrying up every kind of financing operations within the scope of legal legislation, promoting investment operations of real and corporate bodies that are making agricultural, industrial and commercial operations, participating in these operations, making up joint ventures and carrying out all these services and operations within the scope of participation banking fundamentals.

The Bank can carry out every kind of banking, economic, trade and financial operation within the limits of permissions given by the Banking Regulation and Supervision Agency within the scope of Participation Banking fundamentals.

According to decision of the BRSA dated 18 January 2019 and numbered 8210 of, with the framework Ziraat Katılım Bankası A.Ş board of director's decisions no 6/1 dated 21 February 2019, The Bank (Transferee) and Ziraat Finansal Kiralama A.Ş. (Acquired) are merged in accordance with relevant articles of the Turkish Commercial Code No. 6102. The merger was registered on 1 March 2019 by the Istanbul Trade Registry Office.

The entirety of the shares of T.C. Ziraat Bankası A.Ş. which is the main shareholder of the bank, was owned by the Undersecretariat of Treasury of the Republic of Türkiye ("Treasury"). However, by the decision annexed to the Council of Ministers' Decree No. 2017/9756 dated 24 January 2017, these shares were transferred to the Türkiye Wealth Fund.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

GENERAL INFORMATION ABOUT THE BANK (Continued)

II. EXPLANATION ABOUT THE BANK'S CAPITAL STRUCTURE AND SHAREHOLDERS WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS THROUGHOUT THE YEAR (IF ANY) AND GROUP OF THE BANK

As of 30 June 2026 and 31 December 2025, main shareholders and capital amounts as follows:

	30 June 2026		31 December 2025	
Name of Shareholders	**Paid-in Capital**	**%**	**Paid-in Capital**	**%**
T.C. Ziraat Bankası A.Ş	10.350	99,99999996	10.350	99,99999996
Ziraat Finansal Yatırımlar A.Ş.	-	0,00000001	-	0,00000001
Ziraat Filo Yönetimi ve Mobilite Çözümler A.Ş.	-	0,00000001	-	0,00000001
Ziraat Teknoloji A.Ş.	-	0.00000001	-	0,00000001
Ziraat Yatırım Menkul Değerler A.Ş.	-	0,00000001	-	0,00000001
Total	**10.350**	**100,00**	**10.350**	**100,00**

III. EXPLANATIONS ON THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF AUDIT COMMITTEE, GENERAL MANAGERS AND ASSISTANT GENERAL MANAGERS AND THEIR SHAREHOLDINGS IN THE BANK

Name	**Title**
Board of Directors	
Alpaslan ÇAKAR	Chairman
Burhaneddin TANYERİ (*)	Vice Chairman of the BOD, Member of Pricing Committee
Metin ÖZDEMİR	Member of the BOD, General Manager, Member of Credit Committee
Fikrettin AKSU	Member of the BOD, Member of Audit Committee, Associate Member of Credit Committee
Mahmut Esfa EMEK	Member of the BOD, Associate Member of Credit Committee
Ahmet BUÇUKOĞLU	Member of the BOD, Member of Audit Committee, Associate Member of Credit Committee
Mehmet BAŞIBÜYÜK	Member of the BOD, Member of Corporate Management Committee, Member of Corporate Management Committee
Murat CANGÜL	Member of the BOD, Member of Pricing Committee
Prof. Dr. Çağrı ERHAN (**)	Member of the BOD, Member of Corporate Management Committee
Executive Vice Presidents	
Dr. Osman KARAKÜTÜK	Treasury Management and International Banking
Ertuğrul İSPAHA	Loan Allocation and Management
Seher Elif EKİCİ	Product Management and Digital Banking
Recep TÜRK (***)	Sales and Marketing

(*) He was appointed as Vice Chairman of the BOD as of 9 April, 2026.
(**) He was appointed as Member of the BOD as of 9 April, 2026.
(***)He was appointed as Deputy General Manager as of 3 April, 2026.

The Bank's Chairman and Members of the Board of Directors, Members of the Audit Committee, General Manager and Executive Vice Presidents do not own any shares of the Bank.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

GENERAL INFORMATION ABOUT THE BANK (Continued)

IV. INFORMATION ABOUT THE PERSONS AND INSTITUTIONS THAT HAVE QUALIFIED SHARES ATTRIBUTABLE TO THE BANK

Name / Trade Name	Share Amount	Shareholding Percentage	Paid Shares	Unpaid Shares
T.C. Ziraat Bankası A.Ş.	10.350	100,00	10.350	-
Total	**10.350**	**100,00**	**10.350**	**-**

The Türkiye Varlık Fonu is the controlling shareholder.

V. EXPLANATIONS OF THE BANK'S SERVICES AND FIELD OF OPERATIONS

The Bank's field of activity is specified in its articles of association, without prejudice to the provisions of the Banking Law and other legislation. The Bank collects funds within the framework of interest-free banking rules, and also engages in fund disbursement activities through individual and corporate finance, financial leasing, profit/loss and labor/capital Profit and loss sharing investments, document financing in return for goods, and joint investments.

The Bank sorts out participation accounts and participation accounts based on investment wakala contracts discretely from the other accounts in its account records in terms of their maturity. Participation accounts are opened in five maturity groups as maturity to one month, maturity to three months (three months included), maturity to six months (six months included), maturity to one year (one year included) and maturity to one year or more (with dividend payment of one month, three months, six months and annually). Participation accounts based on investment proxies can be opened under the entire maturity group, with a maturity of less than one month.

The Bank can freely determine the profit participation rates arising from the operation of participation accounts or the estimated profit rate for investment proxies. The rate of participation in the loss participation accounts can be applied as one hundred percent.

As of 30 June 2026, the Bank operates with a total of 234 branches, including 232 domestic branches and two foreign branches: the Sudan branch, which commenced operations on 27 August 2020, and the Somalia branch, which commenced operations on 5 September 2023 (31 December 2025: 225 domestic, 2 foreign). As of 30 June 2026 the Bank has 3.124 employees in Türkiye (31 December 2025: 3.140) and 15 employees abroad (31 December 2025: 12).

VI. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND SHORT EXPLANATION ABOUT THE ENTITIES SUBJECT TO FULL CONSOLIDATION OR PROPORTIONAL CONSOLIDATION AND ENTITIES WHICH ARE DEDUCTED FROM EQUITY OR ENTITIES WHICH ARE NOT INCLUDED IN THESE THREE METHODS

Among the consolidation transactions carried out in accordance with the Communiqué on the Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards, the Bank's subsidiaries, Ziraat Katılım Varlık Kiralama Şirketi A.Ş., established on 22 January 2016, and ZKB Varlık Kiralama Şirketi A.Ş., established on 8 September 2017, are financial institutions and therefore included in the scope of full consolidation. The Bank does not have any non-financial institutions.

VII. CURRENT OR LIKELY ACTUAL LEGAL BARRIERS TO IMMEDIATE TRANSFER OF EQUITY OR REPAYMENT OF DEBTS BETWEEN THE BANK AND ITS SUBSIDIARIES

None.

SECTION TWO

THE BANK'S UNCONSOLIDATED FINANCIAL STATEMENTS

I. Unconsolidated Balance sheet (statement of financial position)
II. Unconsolidated Statement of off - balance sheet commitments
III. Unconsolidated Statement of profit or loss
IV. Unconsolidated Statement of profit or loss and other comprehensive income
V. Unconsolidated Statement of changes in shareholder's equity
VI. Unconsolidated Statement of cash flows

ZİRAAT KATILIM BANKASI A.Ş.

UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 30 JUNE 2026

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

ZİRAAT KATILIM BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)								
			MILLION TURKISH LIRAS					
			Current Period (30 June 2026)			Prior Period (31 December 2025)		
	ASSETS	Note (V-I)	TRY	FC	Total	TRY	FC	Total
I.	**FINANCIAL ASSETS (NET)**		**96.620**	**146.171**	**242.791**	**105.643**	**142.747**	**248.390**
1.1	**Cash And Cash Equivalents**		**42.438**	**140.923**	**183.361**	**43.133**	**122.354**	**165.487**
1.1.1	Cash And Balances with Central Bank	**(1)**	40.654	84.632	125.286	43.025	65.715	108.740
1.1.2	Banks	**(2)**	1.784	56.293	58.077	108	56.642	56.750
1.1.3	Money Markets Placements		-	-	-	-	-	-
1.1.4	Expected Loss Provision (-)		-	2	2	-	3	3
1.2	**Financial Assets Measured At Fair Value Through Profit/Loss**	**(3)**	**11.498**	**4.632**	**16.130**	**12.222**	**18.542**	**30.764**
1.2.1	Government Securities		11.492	4.632	16.124	12.216	18.542	30.758
1.2.2	Equity Securities		-	-	-	-	-	-
1.2.3	Other Financial Assets		6	-	6	6	-	6
1.3	**Financial Assets Measured at Fair Value Through Other Comprehensive Income**	**(4)**	**41.835**	**471**	**42.306**	**49.898**	**1.720**	**51.618**
1.3.1	Government Securities		34.411	471	34.882	31.726	1.720	33.446
1.3.2	Equity Securities		76	-	76	76	-	76
1.3.3	Other Financial Assets		7.348	-	7.348	18.096	-	18.096
1.4	**Derivative Financial Assets**	**(5)**	**849**	**145**	**994**	**390**	**131**	**521**
1.4.1	Derivative Financial Assets Measured at Fair Value Through Profit and Loss		849	145	994	390	131	521
1.4.2	Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	**FINANCIAL ASSETS MEASURED AT AMORTIZED COST (NET)**		**367.012**	**246.078**	**613.090**	**256.340**	**243.083**	**499.423**
2.1	**Loans**	**(6)**	**329.850**	**186.860**	**516.710**	**213.829**	**189.527**	**403.356**
2.2	**Lease Receivables**	**(6)**	**32.964**	**58.707**	**91.671**	**33.696**	**53.626**	**87.322**
2.3	**Other Financial Assets Measured at Amortized Cost**	**(7)**	**17.814**	**2.282**	**20.096**	**17.596**	**2.107**	**19.703**
2.3.1	Government Securities		17.814	2.282	20.096	17.596	2.107	19.703
2.3.2	Other Financial Assets		-	-	-	-	-	-
2.4	**Expected Loss Provision (-)**		**13.616**	**1.771**	**15.387**	**8.781**	**2.177**	**10.958**
III.	**ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (NET)**	**(8)**	**8.539**	**-**	**8.539**	**6.982**	**-**	**6.982**
3.1	Assets Held for Sale		8.539	-	8.539	6.982	-	6.982
3.2	Assets of Discontinued Operations		-	-	-	-	-	-
IV.	**INVESTMENTS IN ASSOCIATES SUBSIDIARIES AND JOINT VENTURES**	**(9)**	**91**	**-**	**91**	**90**	**-**	**90**
4.1	**Associates (Net)**		90	-	90	90	-	90
4.1.1	Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		90	-	90	90	-	90
4.2	**Subsidiaries (Net)**		**1**	**-**	**1**	-	-	-
4.2.1	Unconsolidated Financial Investments in Subsidiaries		1	-	1	-	-	-
4.2.2	Unconsolidated Non-Financial Investments in Subsidiaries		-	-	-	-	-	-
4.3	**Joint Ventures (Net)**		-	-	-	-	-	-
4.3.1	Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2	Unconsolidated Joint-Ventures		-	-	-	-	-	-
V.	**TANGIBLE ASSETS (NET)**	**(10)**	**4.485**	**43**	**4.528**	**4.105**	**46**	**4.151**
VI.	**INTANGIBLE ASSETS (Net)**	**(11)**	**3.063**	**-**	**3.063**	**2.477**	**-**	**2.477**
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		3.063	-	3.063	2.477	-	2.477
VII.	**INVESTMENT PROPERTY (NET)**	**(12)**	-	-	-	-	-	-
VIII.	**CURRENT TAX ASSET**		**-**	**-**	**-**	**-**	**-**	**-**
IX.	**DEFERRED TAX ASSETS**	**(13)**	**2.673**	**-**	**2.673**	**2.415**	**-**	**2.415**
X.	**OTHER ASSETS**	**(14)**	**6.063**	**3.882**	**9.945**	**3.885**	**1.004**	**4.889**
	TOTAL ASSETS		**488.546**	**396.174**	**884.720**	**381.937**	**386.880**	**768.817**

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

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

ZİRAAT KATILIM BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)								
			MILLION TURKISH LIRAS					
		Note	Current Period (30 June 2026)			Prior Period (31 December 2025)		
	LIABILITIES	(V-II)	TRY	FC	Total	TRY	FC	Total
I.	**PARTICIPATION FUND**	**(1)**	**363.500**	**224.591**	**588.091**	**273.785**	**239.573**	**513.358**
II.	**FUNDS BORROWED**	**(2)**	**54.506**	**89.342**	**143.848**	**44.252**	**84.992**	**129.244**
III.	**MONEY MARKETS DEBTS**	**(3)**	**40.803**	**-**	**40.803**	**33.796**	**-**	**33.796**
IV.	**SECURITIES ISSUED (Net)**	**(4)**	-	-	-	-	-	-
V.	**FUNDS**		**-**	**-**	**-**	**-**	**-**	**-**
5.1	Credit Customers' Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	**FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**	**(5)**	-	-	-	-	-	-
VII.	**DERIVATIVE FINANCIAL LIABILITIES**	**(6)**	**228**	**2.590**	**2.818**	**45**	**13**	**58**
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		228	2.590	2.818	45	13	58
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	**LEASE PAYABLES (NET)**	**(7)**	**3.139**	**-**	**3.139**	**2.493**	**-**	**2.493**
IX.	**PROVISIONS**	**(8)**	**1.085**	**717**	**1.802**	**1.033**	**404**	**1.437**
9.1	Restructuring Provisions		-	-	-	-	-	-
9.2	Reserve for Employee Benefits		757	-	757	584	-	584
9.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
9.4	Other Provisions		328	717	1.045	449	404	853
X.	**CURRENT TAX LIABILITY**	**(9)**	**2.216**	**8**	**2.224**	**2.464**	**5**	**2.469**
XI.	**DEFERRED TAX LIABILITY**	**(10)**	**-**	**-**	**-**	**-**	**-**	**-**
XII.	**LIABILITIES FROM PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (NET)**	**(11)**	-	-	-	-	-	-
12.1	Held for Sale Purpose		-	-	-	-	-	-
12.2	Related to Discontinued Operations		-	-	-	-	-	-
XIII.	**SUBORDINATED DEBT INSTRUMENTS**	**(12)**	**6.017**	**44.852**	**50.869**	**5.349**	**40.546**	**45.895**
13.1	Loans		6.017	44.852	50.869	5.349	40.546	45.895
13.2	Other Debt Instruments		-	-	-	-	-	-
XIV.	**OTHER LIABILITIES**	**(13)**	**13.961**	**4.775**	**18.736**	**9.409**	**1.498**	**10.907**
XV.	**SHAREHOLDERS' EQUITY**	**(14)**	**32.389**	**1**	**32.390**	**29.157**	**3**	**29.160**
15.1	Paid-in capital		10.350	-	10.350	10.350	-	10.350
15.2	Capital Reserves		262	-	262	262	-	262
15.2.1	Share Premium		-	-	-	-	-	-
15.2.2	Share Cancellation Profits		-	-	-	-	-	-
15.2.3	Other Capital Reserve		262	-	262	262	-	262
15.3	Accumulated Other Comprehensive Income or Loss That will not be Reclassified in Profit or Loss		(58)	-	(58)	(85)	-	(85)
15.4	Accumulated Other Comprehensive Income or Loss That will not be Reclassified in Profit or Loss		(636)	1	(635)	(721)	3	(718)
15.5	Profit Reserves		19.351	-	19.351	13.595	-	13.595
15.5.1	Legal Reserves		973	-	973	685	-	685
15.5.2	Status Reserves		-	-	-	-	-	-
15.5.3	Extraordinary Reserves		18.332	-	18.332	12.864	-	12.864
15.5.4	Other Profit Reserves		46	-	46	46	-	46
15.6	Profit or (Loss)		3.120	-	3.120	5.756	-	5.756
15.6.1	Prior Period Profit / Loss		-	-	-	-	-	-
15.6.2	Current Period Profit / Loss		3.120	-	3.120	5.756	-	5.756
	TOTAL LIABILITIES		**517.844**	**366.876**	**884.720**	**401.783**	**367.034**	**768.817**

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

ZİRAAT KATILIM BANKASI A.Ş.

UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AS OF 30 JUNE 2026

(Unless otherwise stated amounts are expressed in millions of Turkish Lira (“TRY”)

ZİRAAT KATILIM BANKASI A.Ş. UNCONSOLIDATED OFF-BALANCE SHEET COMMITMENTS								
			MILLION TURKISH LIRAS					
			Current Period (30 June 2026)			Prior Period (31 December 2025)		
		Note (V-III)	TRY	FC	Total	TRY	FC	Total
A	**OFF-BALANCE SHEET COMMITMENTS (I+II+III)**		**181.054**	**272.923**	**453.977**	**140.902**	**166.817**	**307.719**
I.	**GUARANTEES AND WARRANTIES**	**(1)**	**87.903**	**100.688**	**188.591**	**77.438**	**77.306**	**154.744**
1.1	Letters of Guarantee		87.728	54.709	142.437	77.350	51.891	129.241
1.1.1	Guarantees Subject to State Tender Law		2.042	43.760	45.802	772	41.618	42.390
1.1.2	Guarantees Given for Foreign Trade Operations		80.040	-	80.040	70.792	-	70.792
1.1.3	Other Letters of Guarantee		5.646	10.949	16.595	5.786	10.273	16.059
1.2	Bank Acceptances		-	473	473	-	910	910
1.2.1	Import Letter of Acceptance		-	473	473	-	910	910
1.2.2	Other Bank Acceptances		-	-	-	-	-	-
1.3	Letters of Credit		34	44.294	44.328	59	24.471	24.530
1.3.1	Documentary Letters of Credit		34	44.294	44.328	59	24.471	24.530
1.3.2	Other Letters of Credit		-	-	-	-	-	-
1.4	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of the Republic of Türkiye		-	-	-	-	-	-
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Other Guarantees		-	1.212	1.212	-	34	34
1.7	Other Collaterals		141	-	141	29	-	29
II.	**COMMITMENTS**	**(1)**	**27.421**	**5.857**	**33.278**	**22.262**	**3.840**	**26.102**
2.1	Irrevocable Commitments		27.421	5.857	33.278	22.262	3.840	26.102
2.1.1	Forward asset purchase commitments		3.048	5.857	8.905	1.462	3.840	5.302
2.1.2	Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.3	Loan Granting Commitments		-	-	-	-	-	-
2.1.4	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.5	Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.6	Payment commitment for checks		6.181	-	6.181	4.735	-	4.735
2.1.7	Tax and Fund Liabilities from Export Commitments		1.016	-	1.016	862	-	862
2.1.8	Commitments for Credit Card Limits		9.910	-	9.910	8.656	-	8.656
2.1.9	Commitments for Credit Cards and Banking Services Promotions		3	-	3	4	-	4
2.1,10	Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1,11	Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1,12	Other Irrevocable Commitments		7.263	-	7.263	6.543	-	6.543
2.2	Revocable Commitments		-	-	-	-	-	-
2.2.1	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		-	-	-	-	-	-
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**		**65.730**	**166.378**	**232.108**	**41.202**	**85.671**	**126.873**
3.1	Hedging Derivative Financial Instruments		-	-	-	-	-	-
3.1.1	Fair value hedge		-	-	-	-	-	-
3.1.2	Cash flow hedge		-	-	-	-	-	-
3.1.3	Foreign Net Investment Hedges		-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments		65.730	166.378	232.108	41.202	85.671	126.873
3.2.1	Forward Foreign Currency Buy/Sell Transactions		-	-	-	-	-	-
3.2.1.1	Forward Foreign Currency Transactions-Buy		-	-	-	-	-	-
3.2.1.2	Forward Foreign Currency Transactions-Sell		-	-	-	-	-	-
3.2.2	Currency Swap Transactions		65.730	166.378	232.108	41.202	85.671	126.873
3.2.2.1	Swap Cash Purchase Transactions		46.742	67.738	114.480	31.017	32.418	63.435
3.2.2.2	Currency Swap Sale Transactions		18.988	98.640	117.628	10.185	53.253	63.438
3.2.3	Other Forward Buy/Sell Transaction		-	-	-	-	-	-
3.3	Other		-	-	-	-	-	-
B.	**CUSTODY AND PLEDGES RECEIVED (IV+V+VI)**		**1.232.179**	**256.073**	**1.488.252**	**993.823**	**213.725**	**1.207.548**
IV.	**ITEMS HELD IN CUSTODY**		**41.318**	**103.776**	**145.094**	**38.579**	**89.258**	**127.837**
4.1	Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2	Investment Securities Held in Custody		15.795	3.812	19.607	15.973	4.037	20.010
4.3	Checks Received for Collection		19.267	1.935	21.202	17.419	992	18.411
4.4	Commercial Notes Received for Collection		2.985	930	3.915	1.935	750	2.685
4.5	Other Assets Received for Collection		-	-	-	-	-	-
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		3.271	17.531	20.802	3.252	14.427	17.679
4.8	Custodians		-	79.568	79.568	-	69.052	69.052
V.	**PLEDGES RECEIVED**		**1.190.861**	**152.297**	**1.343.158**	**955.244**	**124.467**	**1.079.711**
5.1	Marketable Securities		15.174	150	15.324	4.504	108	4.612
5.2	Guarantee Notes		29.016	1.368	30.384	24.168	744	24.912
5.3	Commodity		65.990	45.294	111.284	60.901	38.723	99.624
5.4	Warranty		-	-	-	-	-	-
5.5	Properties		1.033.304	83.284	1.116.588	827.152	65.251	892.403
5.6	Other Pledged Items		47.377	22.201	69.578	38.519	19.641	58.160
5.7	Pledged Items-Depository		-	-	-	-	-	-
VI.	**ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES**		-	-	-	-	-	-
	TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		**1.413.233**	**528.996**	**1.942.229**	**1.134.725**	**380.542**	**1.515.267**

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

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF 30 JUNE 2026

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

ZİRAAT KATILIM BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS						
			MILLION TURKISH LIRAS			
	INCOME / EXPENSE ITEMS	Note (V-IV)	Current Period 1 January-30 June 2026	Prior Period 1 January-30 June 2025	Current Period 1 April-30 June 2026	Prior Period 1 April-30 June 2025
I.	**PROFIT SHARE INCOME**	**(1)**	**84.831**	**63.182**	**43.974**	**33.513**
1.1	Profit Share on Loans		56.324	39.659	29.475	21.381
1.2	Profit Share on Reserve Deposits		7.961	5.902	4.287	3.487
1.3	Profit Share on Banks		6	1.371	1	-
1.4	Profit Share on Money Market Placements		-	-	-	-
1.5	Profit Share on Marketable Securities Portfolio		10.179	7.314	5.152	3.895
1.5.1	Financial Assets Measured at Fair Value Through Profit/Loss		2.115	115	1.025	58
1.5.2	Financial Assets Measured at Fair Value Through Other Comprehensive Income		6.674	5.745	3.403	3.114
1.5.3	Financial Assets Measured at Amortised Cost		1.390	1.454	724	723
1.6	Financial Lease Income		9.443	7.982	4.762	4.322
1.7	Other Profit Share Income		918	954	297	428
II.	**PROFIT SHARE EXPENSE**	**(2)**	**71.517**	**57.997**	**38.818**	**31.094**
2.1	Expense on Profit Sharing Accounts		56.459	43.894	31.153	24.518
2.2	Profit Share Expense on Funds Borrowed		11.071	9.307	5.488	4.546
2.3	Profit Share Expense on Money Market Borrowings		3.548	4.516	1.946	1.875
2.4	Expense on Securities Issued		-	-	-	-
2.5	Lease Profit Share Expense		430	278	229	154
2.6	Other Profit Share Expenses		9	2	2	1
III.	**NET PROFIT SHARE INCOME (I - II)**		**13.314**	**5.185**	**5.156**	**2.419**
IV.	**NET FEES AND COMMISSIONS INCOME/EXPENSE**		**2.615**	**2.053**	**1.353**	**1.190**
4.1	Fees and Commissions Received		3.649	2.626	1.941	1.500
4.1.1	Non-cash Loans		802	565	410	299
4.1.2	Other		2.847	2061	1.531	1.201
4.2	Fees and commissions paid		1.034	573	588	310
4.2.1	Non-cash Loans		-	-	-	-
4.2.2	Other		1.034	573	588	310
V.	**DIVIDEND INCOME**	**(3)**	**8**	**2**	**8**	**2**
VI.	**NET TRADING INCOME**	**(4)**	**2.395**	**2.961**	**2.242**	**1.336**
6.1	Capital Market Transaction Gains / Losses		(370)	10	309	6
6.2	Gains/ Losses From Derivative Financial Instruments		2.259	2.363	1.715	1.136
6.3	Foreign Exchange Gains / Losses		506	588	218	194
VII.	**OTHER OPERATING INCOME**	**(5)**	**3.665**	**1.834**	**1.144**	**1.117**
VIII.	**TOTAL OPERATING PROFIT (III+IV+V+VI+VII)**		**21.997**	**12.035**	**9.903**	**6.064**
IX.	**EXPECTED CREDIT LOSSES EXPENSES (-)**	**(6)**	**7.798**	**4.214**	**4.702**	**2.520**
X.	**OTHER PROVISIONS (-)**	**(6)**	**174**	**125**	**95**	**43**
XI.	**PERSONNEL EXPENSES (-)**		**4.801**	**3.036**	**2.660**	**1.660**
XII.	**OTHER OPERATING EXPENSES (-)**	**(7)**	**4.677**	**3.033**	**2.358**	**1.605**
XIII.	**NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)**		**4.547**	**1.627**	**88**	**236**
XIV.	**INCOME RESULTED FROM MERGERS**		-	-	-	-
XV.	**INCOME/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES**		-	-	-	-
XVI.	**GAIN/LOSS ON NET MONETARY POSITION**		-	-	-	-
XVII.	**PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XII+…+XV)**	**(8)**	**4.547**	**1.627**	**88**	**236**
XVIII.	**TAX PROVISION FOR CONTINUED OPERATIONS (±)**	**(9)**	**(1.427)**	**(402)**	**22**	**(23)**
18.1	Current Tax Provision		(1.689)	(1.737)	(206)	(862)
18.2	Expense Effect of Deferred Tax (+)		(818)	(254)	(120)	(39)
18.3	Income Effect of Deferred Tax (-)		1.080	1.589	348	878
XIX.	**NET OPERATING PROFIT/LOSS AFTER TAXES(XVI±XVII)**	**(10)**	**3.120**	**1.225**	**110**	**213**
XX.	**INCOME FROM DISCONTINUED OPERATIONS**		-	-	-	-
20.1	Income from Assets Held for Sale		-	-	-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
20.3	Income from Other Discontinued Operations		-	-	-	-
XXI.	**EXPENSES FROM DISCONTINUED OPERATIONS (-)**		-	-	-	-
21.1	Expenses on Assets Held for Sale		-	-	-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.3	Expenses from Other Discontinued Operations		-	-	-	-
XXII.	**PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XIX-XX)**		-	-	-	-
XXIII.	**PROVISION FOR TAXES OF DISCONTINUED OPERATIONS (±)**		-	-	-	-
23.1	Current Tax Charge		-	-	-	-
23.2	Expense Effect of Deferred Tax (+)		-	-	-	-
23.3	Income Effect of Deferred Tax (-)		-	-	-	-
XXIV.	**NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)**		-	-	-	-
XXV.	**NET PROFIT/LOSS (XVIII+XXIII)**	**(11)**	**3.120**	**1.225**	**110**	**213**
	Earnings per share income/loss (Full TRY)		0,3015	0,1184	0,0107	0,0220

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

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 30 JUNE 2026

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

ZİRAAT KATILIM BANKASI A.Ş UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
		MILLION TURKISH LIRAS	
		Current Period **1 January-30 June 2026**	**Prior Period** **1 January-30 June 2025**
I.	**CURRENT PERIOD PROFIT/LOSS**	**3.120**	**1.225**
II.	**OTHER COMPREHENSIVE INCOME**	**110**	**338**
2.1	**Other Income/Expense Items not to be Reclassified to Profit or Loss**	**27**	**21**
2.1.1	Tangible Assets Revaluation Increase/Decrease	-	-
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Plans' Actuarial Gains/Losses	-	-
2.1.4	Other Income/Expense Items not to be Recycled to Profit or Loss	(4)	21
2.1.5	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	31	-
2.2	**Other Income/Expense Items to be Recycled to Profit or Loss**	**83**	**317**
2.2.1	Foreign Currency Translation Differences	-	-
2.2.2	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	119	453
2.2.3	Gains/losses from Cash Flow Hedges	-	-
2.2.4	Gains/Losses on Hedges of Net Investments in Foreign Operations	-	-
2.2.5	Other Income/Expense Items to be Recycled to Profit or Loss	-	-
2.2.6	Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	(36)	(136)
III.	**TOTAL COMPREHENSIVE INCOME (I+II)**	**3.230**	**1.563**

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

UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY AS OF 30 JUNE 2026

(Unless otherwise stated amounts are expressed in millions of Turkish Lira (“TRY”)

		MILLION TURKISH LIRAS													
						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss						
	STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit / (Loss)	Current Period Profit or Loss	Total Equity
	PRIOR PERIOD														
	30 June 2025														
I.	**Prior Period End Balance**	**10.350**	**-**	**-**	**262**	**-**	**(136)**	**-**	**-**	**(1.699)**	**-**	**10.143**	**3.453**	**-**	**22.373**
II.	**Adjustments in Accordance with TAS 8**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	**Adjusted Beginning Balance (I+II)**	**10.350**	**-**	**-**	**262**	**-**	**(136)**	**-**	**-**	**(1.699)**	**-**	**10.143**	**3.453**	**-**	**22.373**
IV.	**Total Comprehensive Income**	-	-	-	-	-	-	**21**	-	**317**	-	-	-	**1.225**	**1.563**
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 (*)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	**Profit Distribution**	-	-	-	-	-	-	-	-	-	-	**3.453**	**(3.453)**	-	-
11.1	Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	3.453	(3.453)	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Period End Balance (III+IV……+X+XI)	**10.350**	**-**	**-**	**262**	**-**	**(136)**	**21**	**-**	**(1.382)**	**-**	**13.596**	**-**	**1.225**	**23.936**
	CURRENT PERIOD														
	30 June 2026														
I.	**Prior Period End Balance**	**10.350**	**-**	**-**	**262**	**-**	**(104)**	**19**	**-**	**(718)**	**-**	**13.595**	**5.756**	**-**	**29.160**
00II.	**Adjustments in Accordance with TAS 8**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1.	Effect of Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	**Adjusted Beginning Balance (I+II)**	**10.350**	**-**	**-**	**262**	**-**	**(104)**	**19**	**-**	**(718)**	**-**	**13.595**	**5.756**	**-**	**29.160**
IV.	**Total Comprehensive Income**	-	-	-	-	-	**31**	**(4)**	-	**83**	-	-	-	**3.120**	**3.230**
V.	**Capital Increase by Cash**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	**Capital Increase by Internal Sources**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	**Paid-in Capital Inflation Adjustment Difference**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	**Convertible Bonds**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	**Subordinated Debt Instruments**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	**Increase/decrease by other Changes**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	**Profit Distribution**	-	-	-	-	-	-	-	-	-	-	5.756	(5.756)	-	-
11.1	Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	5.756	(5.756)	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Period end Balance (III+IV……+X+XI)	**10.350**	**-**	**-**	**262**	**-**	**(73)**	**15**	**-**	**(635)**	**-**	**19.351**	**-**	**3.120**	**32.390**

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve
2. Accumulated Gains / Losses on Remeasurements of Defined Benefit Plans,
3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Not Reclassified Through Profit or Loss)
4. Exchange Differences on Translation
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets at fair value through other comprehensive income
6. Other (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Reclassified Through Profit or Loss)

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

ZİRAAT KATILIM BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF CASH FLOWS				
			MILLION TURKISH LIRAS	
		Note (VI)	Current Period 1 January-30 June 2026	Prior Period 1 January-30 June 2025
A.	**CASH FLOWS FROM BANKING OPERATIONS**			
1.1	**Operating profit before changes in operating assets and liabilities)**		**5.603**	**5.882**
1.1.1	Profit Share Income Received		73.780	57.120
1.1.2	Profit Share Expense Paid		(66.919)	(55.406)
1.1.3	Dividend Received		8	2
1.1.4	Fees and Commissions Received		4.184	2.956
1.1.5	Other Income		7.330	9.119
1.1.6	Collections from Previously Written-off Loans		1.402	716
1.1.7	Payments to Personnel and Service Suppliers		(4.801)	(3.036)
1.1.8	Taxes Paid		(2.049)	(883)
1.1.9	Others		(7.332)	(4.706)
1.2	**Changes in Operating Assets and Liabilities**		**(1.954)**	**(15.304)**
1.2.1	Net (Increase) / Decrease in Financial Assets at Fair Value Through Profit or Loss		18.566	(3.943)
1.2.2	Net (Increase) / Decrease in Due From Banks And Other Financial Institutions		(3.963)	(25.114)
1.2.3	Net (Increase) / Decrease in Loans		(106.676)	(66.047)
1.2.4	Net (Increase) / Decrease in Other Assets		(9.405)	(26.447)
1.2.5	Net Increase (Decrease) in Banks' Participation Funds		3	(1.970)
1.2.6	Net Increase (Decrease) in Other Participation Funds		72.885	104.558
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		10.819	17.562
1.2.9	Net Increase / (Decrease) in Payables		-	-
1.2,10	Net Increase / (Decrease) in Other Liabilities		15.817	(13.903)
I.	**Net Cash Provided from Banking Operations**		**3.649**	**(9.422)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
II.	**Net Cash Provided from Investing Activities**		**9.083**	**(10.609)**
2.1	Cash Paid For Purchase Jointly Controlled Operations, Associates And Subsidiaries		-	(23)
2.2	Cash Obtained from Sale of Jointly Controlled Operations, Associates and Subsidiaries		-	-
2.3	Purchases of Tangible Assets		(970)	(880)
2.4	Disposals of Tangible Assets		6	-
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(1.083)	(17.683)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		11.348	7.980
2.7	Purchase of Financial Assets Measured at Amortized Cost		(228)	(134)
2.8	Sale of Financial Assets Measured at Amortized Cost		10	131
2.9	Other		-	-
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
III.	**Net Cash Provided from Financing Activities**		**(390)**	**(246)**
3.1	Cash Obtained from Funds Borrowed And Securities Issued		2	-
3.2	Cash Used For Repayment of Funds Borrowed And Securities Issued		-	-
3.3	Issued Equity Instruments		-	-
3.4	Dividends Paid		-	-
3.5	Payments for Finance Leases		(392)	(246)
3.6	Other			-
IV.	**Effect Of Change In Foreign Exchange Rate On Cash And Cash Equivalents**		**790**	**1.048**
V.	**Net Increase/ (Decrease) In Cash And Cash Equivalents (I+II+III+IV)**		**13.132**	**(19.229)**
VI.	**Cash And Cash Equivalents At The Beginning Of The Period**		**87.653**	**82.245**
VII.	**Cash And Cash Equivalents At The End Of The Period**		**100.785**	**63.016**

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

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS ON BASIS OF PRESENTATION

The unconsolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" ("Regulation") published in the Official Gazette no. 26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency ("BRSA") and circulars and interpretations published by BRSA (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards 34 ("TAS 34") Interim Financial Reporting Standard and Turkish Financial Reporting Standards ("TFRS") and (referred as "Turkish Accounting and Financial Reporting Regulations" or "Reporting Standards") put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). Furthermore, as explained below, TAS 29 "Financial Reporting in Hyperinflationary Economies", which is included under Turkish Financial Reporting Standards (TFRS), is not applicable to banks, as well as financial leasing, factoring, financing, savings financing, and asset management companies.

At the Board of Directors meeting held on 4 September, 2025, the Bank's Board of Directors resolved to initiate the process for a public offering of a certain portion of its shares in Türkiye. Accordingly, the management has been authorized to amend the relevant articles of the Bank's Articles of Association and to carry out all other necessary actions. In this context, Ziraat Katılım Bankası A.Ş. submitted an application to the Capital Markets Board of Türkiye (CMB) on 24 September, 2025, for the transition to the registered capital system and the amendment of its Articles of Association.

The format and content of the publicly announced unconsolidated financial statements and their explanations and footnotes, with the "Communiqué on the Financial Statements to Be Announced to Public by Banks" and the Announcements and Disclosures Related to These Communiqués published in the Official Gazette No. 28337 dated 28 June 2012, and the "Regulation on Public Disclosures Regarding Risk Management by Banks" published in the Official Gazette dated 23 October 2015 and numbered 29511, together with the amendments and supplementary regulations thereto. It has been prepared in accordance with The Bank maintains its accounting records in Turkish currency in accordance with the Banking Law, Turkish Commercial Code and Turkish tax legislation.

In accordance with the "Regulation on Amendments to the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Disclosed to the Public by Banks" published in the Official Gazette No. 33239 dated 30 April 2026, the presentation currency of the financial statements has been changed from thousand Turkish Lira (TL thousand) to million Turkish Lira (TL million). Accordingly, in order to ensure comparability of the financial statements, the comparative financial information for the prior period has also been presented in million Turkish Lira (TL million).

Preparation of financial statements requires making estimates and assumptions that affect the amounts of assets and liabilities reported or the contingent assets and liabilities disclosed as of the balance sheet date and the amounts of income and expenses reported in the relevant period. While these estimates are based on management's best judgment and knowledge, actual results may differ from these estimates. The assumptions and estimates used and the effect of the changes are explained in the related footnotes.

According to TFRS 29 "Financial Reporting in Hyperinflationary Economies," entities whose functional currency is that of a hyperinflationary economy are required to present their financial statements restated for the purchasing power of the currency at the end of the reporting period. TFRS 29 defines characteristics that may indicate an economy is hyperinflationary and stipulates that all entities reporting in the functional currency of a hyperinflationary economy must apply the standard from the same date. The Public Oversight, Accounting and Auditing Standards Authority (KGK), in its announcement dated November 23, 2023, stated that entities applying TFRS are required to present their financial statements for annual reporting periods ending on or after 31 December 2023, adjusted for inflation in accordance with the relevant accounting principles of TFRS 29. However, it also noted that regulatory and supervisory authorities authorized in their areas may determine different effective dates for the application of TFRS 29. Subsequently, the Banking Regulation and Supervision Agency (BRSA) issued a decision (dated 12 December 2023, No. 10744) stipulating that banks as well as financial leasing, factoring, financing, savings finance, and asset management companies are exempt from the inflation adjustment to be applied under TFRS 29 for their financial statements dated 31 December 2023. Furthermore, with its decision dated 11 January 2024 (No. 10825), BRSA mandated that these institutions must apply inflation accounting starting from 1 January 2025;

With its decision dated 5 December 2024, No. 11021, it was announced that the application of inflation accounting would not be required in 2025 as well. Subsequently, with the decision dated December 18, 2025, No. 11340, the Banking Regulation and Supervision Agency (BRSA) repealed its earlier decision dated 11 January 2024, No. 10825, and declared that banks as well as financial leasing, factoring, financing, savings finance, and asset management companies would not be subject to inflation adjustment in 2026. Accordingly, TFRS 29 was not applied, and no inflation adjustment was made in the financial statements dated 30 June 2026.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND FOREIGN CURRENCY TRANSACTIONS

The Bank's main field of activity; It covers banking services such as opening loans in all kinds of cash and non-cash Turkish Lira and foreign currency, conducting transactions in domestic and international money and capital markets, collecting Turkish Lira and foreign currency current / participation accounts. As of the reporting date, most of the Bank's resources consist of funds collected, loans received and equity. The Bank uses this resource mainly as loans and lease certificates. The liquidity structure of the Bank is taken into account in such a way that all liabilities that are due to be met can be met.

Foreign currency transactions are reflected in the records based on the Bank's foreign exchange buying rates at the date of the transaction. At the end of the period, the balances of foreign currency assets and liabilities have been converted into Turkish currency by being evaluated at the end of the period with the Bank's foreign exchange buying rates, and the exchange rate differences are reflected in the records as “foreign exchange transactions profit / loss”.

The differences arising from the conversion of securities representing borrowing and monetary financial assets into Turkish Lira are included in the income statement. The Bank does not have any foreign currency differences.

In order to keep liquidity, exchange rate and credit risks within certain limits and to maximize profitability, the Bank's Balance Sheet and Equity management is taken within the risk limits by the Asset and Liability Committee determined by the Board of Directors in order to maximize profitability.

III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

Subsidiaries and affiliates denominated in Turkish currency are accounted for at cost in accordance with the "Turkish Accounting Standard for Separate Financial Statements" ("TAS 27") and are reflected in the unconsolidated financial statements after deducting the provision for impairment, if any. As of 22 January 2016, Ziraat Katılım Varlık Kiralama Anonim Şirketi was established as a wholly-owned subsidiary of the Bank with a capital of TRY 50, and as of 19 July 2017, ZKB Varlık Kiralama Anonim Şirketi was established as a wholly-owned subsidiary of the Bank with a capital of TRY 50. Ziraat Katılım Varlık Kiralama Anonim Şirketi and ZKB Varlık Kiralama Anonim Şirketi increased their share capital from TRY 50 to TRY 250, through a TRY 200 increase, pursuant to the General Assembly resolution dated 21 April 2026. The capital increase was registered on 29 April 2026 and announced in the Turkish Trade Registry Gazette dated 29 April 2026, No. 11573.

The Bank became a shareholder of Katılım Finans Kefalet A.Ş., which was established with the aim of creating a guarantee system in accordance with the principles and principles of Participation Banking, with a participation fee of TRY 90 on 30 April 2023.

IV. EXPLANATIONS ON FORWARD AND OPTION CONTRACTS AND DERIVATIVE INSTRUMENTS

The Bank’s derivative financial instruments consist of forward foreign currency buy/sell agreements.

Derivative financial instruments are initially recorded at their fair values. In the periods following the recording of derivative transactions; Depending on whether the fair value is positive or negative, the fair value difference of derivative financial assets is reflected to profit or loss or the fair value difference of derivative financial liabilities is reflected in the balance sheet. Differences in fair value as a result of the valuation are accounted for under profit/loss from derivative financial transactions and foreign exchange gain/loss in the commercial profit/loss item in the profit or loss statement.

The payables and receivables arising from derivative transactions are recorded in off-balance sheet accounts at their agreement amounts.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

V. EXPLANATIONS ON PROFIT SHARE INCOME AND EXPENSE

Profit share income is recognized according to the internal rate of return method, which equates to the present net value of the future cash flows of the financial asset determined in TFRS 9, and is recorded on an accrual basis.

The Bank has started to calculate rediscount for its non-performing loans as of 1 January 2018. Rediscount is calculated over the net book value of non-performing receivables (Gross Book Value - Expected Loss Provision).

The Bank accounts for profit share expenses on an accrual basis. Expense rediscount is calculated according to the unit value calculation method over the participation accounts and these amounts are shown in the “Funds Collected” in the balance sheet.

VI. EXPLANATIONS ON FEES AND COMMISSION INCOME AND EXPENSES

Commission income from banking, agency, intermediary services is recognized as income on the date collected. Commission income from cash loans are transferred to income accounts in accordance with TFRS 15 Revenue from Customer Contracts standard by using internal rate of return method depending on the periodicity principle. Other fee and commission expenses are recorded in the expense account as soon as they are paid.

Commissions and fees received from cash loans and relating to the future periods are recorded to the “Unearned Revenues” account under “Other Liabilities” on the balance sheet. Prepaid expense amounts are recognized as expense on an accrual basis during the service period.

VII. EXPLANATIONS ON FINANCIAL ASSETS

Financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part Three “Recognition and Derecognition”. Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than “Financial Assets at Fair Value Through Profit or Loss”, transaction costs are added to fair value or deducted from fair value. They are included in the balance sheet of the Bank, if the Bank is a legal party to these instruments.

The Bank classifies its financial assets as “Fair Value Through Profit/Loss”, “Fair Value Through Other Comprehensive Income” or “Measured at Amortized Cost”. Financial instruments comprise financial assets and liabilities and derivative instruments. This classification is based on the contractual cash flow characteristics of the financial assets and related business model used for management of the financial assets at initial recognition. Financial assets basically constitute the commercial activities and operations of the Bank. These instruments have the feature of revealing, influencing and reducing the liquidity and credit risk in the financial statements.

Classification and Measurement under TFRS 9

In accordance with TFRS 9 Financial Instruments Standard, financial assets are measured at amortized cost, fair value through other comprehensive income and fair value through profit or loss by;

“Business Model Assessment” and “Contractual Cash Properties Test” are performed to determine the classification of financial assets.

a. Financial assets at fair value through profit or loss:

Fair value through profit or loss are financial assets that are managed by business model other than the business model that aims to “hold to collect” and “hold & sell” the contractual cash flows; acquired for the purpose of generating profit from short-term fluctuations in price, or regardless of this purpose, the financial assets that are a part of a portfolio with evidence of short-time profit-taking; and the financial assets, whose terms do not give rise to cash flows that are solely payments of principal and profit share at certain date.

Financial assets classified as at fair value through profit or loss are recognized at their fair values and subsequently remeasured at fair value.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)

Any resulting gains and losses from these remeasurements are recognized in the profit or loss accounts. In accordance with the Banking Regulation and Supervision Agency (BRSA) Uniform Chart of Accounts, the bank measures profit and loss sharing investments in loans at fair value in line with the provisions of TFRS 9. The fair value assessments of profit and loss sharing investments are based on valuation reports prepared by independent valuation experts. The valuation of profit and loss sharing investments at fair value involves various assumptions and estimates. The business plans, discount rates, and other fair value parameters used in the valuation are sensitive to market conditions, economic cycles, the sector in which the partnership operates, and other external factors, which may cause fluctuations in the values based on changes in these parameters.

Among the financial assets whose fair value difference is reflected in profit or loss, real estate lease certificates and traded in BIST are valued at the weighted average clearing prices formed in BIST at the balance sheet date, and financial assets not traded in BIST are valued with the prices of the Central Bank of Türkiye. Gains and losses resulting from the valuation are included in the profit/loss accounts.

b. Financial assets at fair value through other comprehensive income

Financial assets are classified as fair value through other comprehensive income where the business models aim to hold financial assets in order to collect the contractual cash flows and selling assets and the terms of financial asset give rise to cash flows that are solely payments of principal and profit share at certain date.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Profit share income calculated with internal rate of return method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "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 are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, 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.

Equity investments

At initial recognition, the Bank may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument within the scope of TFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which TFRS 3 applies. The Bank makes the election on an instrument by instrument basis.

Amounts presented in other comprehensive income shall not be subsequently transferred to profit/loss. However, the cumulative gain or loss shall be transferred to prior periods' profit/loss. Dividends on such investments are recognized in profit/loss unless the dividend clearly represents a recovery of part of the cost of the investment. Equity instruments measured at fair value through other comprehensive income are not subject to impairment calculation.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)

c. Financial assets measured at amortized cost:

A financial asset is classified as a financial asset measured at amortized cost if it is held within a business model aimed at collecting cash flows from contractual cash flows, and if the terms of the contract result in cash flows that consist solely of principal and profit share payments on the principal balance at specified 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 internal rate of return method. Profit share income obtained from financial assets measured at amortized cost is accounted in P&L.

The Bank's securities portfolios, whose fair value difference is reflected in other comprehensive income and measured at amortized cost, include consumer price ("CPI") indexed lease certificates. The valuation of the said securities during the year are made according to the internal yield method based on the real profit share rates and the index value announced by the Treasury.

Loans

Loans are financial assets that are originated by the Bank by providing goods and services to the borrower. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Internal Rate of Return Method".

Cash loans are accounted with their original balances in the accounts specified in Uniform Chart of Accounts and Prospectus according to their type, maturity and collateral structures. FC loans are recognized with fixed price and revalued by the counter foreign exchange buying rate of the Bank. Foreign exchange indexed loans are used as TRY by the valid counter foreign exchange buying rate of the Bank at usage date. Repayments of these loans are collected as calculated TRY value by the valid counter foreign exchange selling rate of Bank at installment date.

In accordance with the Banking Regulation and Supervision Agency (BRSA) Uniform Chart of Accounts, the profit-sharing and labor-capital partnership investments under the loan accounts, for those whose valuations were first conducted as of 31 December 2020, or for those disbursed after 1 January, 2021, have been measured at cost and recognized in compliance with the 'Non-Interest Finance Accounting Standard 3: Mudârebe Finansmanı' or 'Non-Interest Finance Accounting Standard 4: Müşâreke Finansmanı,' as per BRSA's letter E-43890421-010.07.01-1294.

The Bank, in accordance with the Banking Regulation and Supervision Agency (BRSA) letter E-43890421-101.02.02-116240, has started applying TFRS 9 Financial Instruments Standard for profit-sharing and labor-capital partnership investments as of 31 December 2024. Under the application of TFRS 9, profit-sharing and labor-capital partnership investments are measured at fair value, with valuation differences directly recognized in the profit or loss accounts. The Group has not restated comparative information for prior periods regarding classification and measurement changes (including impairment) due to the insignificance of the prior period amounts. The valuation differences arising from the application of TFRS 9 to profit-sharing investments have been recognized within the dividends received as of 30 June 2026.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS

Explanations on Expected Loss Provisions

The Bank does not allocate impairments in accordance with TFRS 9 from 1 January 2018 for its loans and receivables by taking into consideration the "Regulation on the Classification of Loans and the Procedures and Principles Regarding the Provisions to be Set Aside" (Regulation on Provisions) published in the Official Gazette dated 22 June 2016 and numbered 29750. In this context, the Bank takes into consideration the general structure of the loan portfolio, the financial structure of the customers, the non-financial data and the economic conjuncture in line with the credit risk policies and prudence principle when determining its estimates.

The main principle of the expected credit loss model is to reflect the general outlook of deterioration or improvement in the credit quality of financial instruments. The amount of expected credit losses known as loss provision or provision varies according to the degree of increase in credit risk. There are two measurements according to the general approach:

- 12-Month Expected Loss Provision (Stage 1) applies to all assets unless there is a significant deterioration in credit quality.

- Lifetime Expected Loss Provision (Stage 2 and Stage 3) is applied when there is a significant increase in credit risk.

Impairment

The expected credit loss model includes instruments that are recorded at amortized cost or at fair value in other comprehensive income tables (such as bank deposits, loans and securities) and, in addition, financial lease receivables, contract assets, credit commitments and financial guarantee contracts.

The guiding principle of the expected credit loss model is to reflect the increase in credit risk of financial instruments or the general view of the recovery. The amount of allowance for the loss depends on the extent of the increase in credit risk since the initial issuance of the loan.

Expected credit loss is an estimate of the expected credit losses over the life of a financial instrument also the following aspects are important for the measurement.

- Probability-weighted and neutral amount determined by taking into account possible outcomes,
- Time value of money,
- Reasonable and supportable information on past events, current conditions and forecast of future economic conditions, at the time of reporting, without excessive cost and effort.

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

Provision for 12 month expected credit loss provision (Stage 1)

These are the financial assets that do not have a significant increase in credit risk at their initial recognition or after the initial recognition to financial statements. Impairment for credit risk for these assets is recorded in the amount of 12-month expected credit losses. It is valid for all assets unless there is a significant deterioration in the quality of the loan.

The expected 12 months loss values (within 12 months after the reporting date or within a shorter period if the life of a financial instrument is shorter than 12 months) are part of the estimation of loss of life expectancy.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)

Significant increase in credit risk (Stage 2)

Financial assets are transferred to stage 2 if it is determined that there is a significant increase in credit risk. While the expected loss provision is calculated for 1 year for loans in stage 1, the expected loss provision for loans in stage 2 is calculated by taking into account all remaining maturity.

The main criteria taken into account in determining the significant increase in the credit risk of the financial asset and its transfer to the 2nd stage are that it is under close monitoring, that the number of delay days is 30 days or more, and the Bank's internal early warning system rating.

Default (Stage 3)

Includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recorded.

The Bank assesses that debt is in default in the following two cases:

- Objective Default Definition: Means the debt is overdue for more than 90 days. With the debt 90 days overdue, the default situation starts on the 91st day.

- Subjective Default Definition: It means that the bank is convinced the debt will not be paid. In the event that the debtor cannot fulfill the debts related to the loan, the debtor is considered to be in default regardless of the number of delay days.

The collective valuation of financial instruments is based on homogeneous group assets resulting from portfolio segmentation based on similar credit risk and product characteristics. This section presents an overview of the risk parameter estimation methods for the damage assessment approach that is expected on a common basis for each stage.

Credits that differ in cash flows or have different characteristics with other credits may be subject to individual valuation instead of aggregate valuation. An expected credit loss can be defined as the difference between all contractual cash flows that are outstanding under the contract and the original effective dividend and discounted cash flows.

When cash flows are estimated, the following situations are considered.

- During the expected life of the financial instrument, all contractual terms of the financial instrument,
- Cash flows expected to be obtained from collateral sales.

In the calculation of the expected credit loss, the basic parameters which are expressed as probability of default, loss in default and default amount are used.

Probability of Default

The probability of default refers to the likelihood that a loan will default at a certain time.

Default Amount

The default amount represents the expected gross receivable if a loan is defaulted.

Loss Given Default

Loss given default refers to the ratio of the economic net loss resulting from the default of a loan to the default amount. In other words, it refers to the ratio of net loss due to a defaulted loan to the balance at the time of default.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)

Future Expectations

The effect of future expectations is included in the credit risk parameters used in the calculation of expected credit losses by using scenarios related to macroeconomic factors. When including macroeconomic information, models and estimations that reflect the relationships between model risk parameters and macroeconomic variables are taken into account. While creating the relevant models, the effects of many macroeconomic variables (Nominal GDP and Real GDP, Government Bond Interest Rate, Unemployment Rate, etc.) are analyzed, among which variables that best reflect the default probabilities of our Bank's customers are used.

The Bank uses 3 scenarios as base, bad and good for future expectations. All 3 scenarios have predetermined weights of 70% (base), 20% (bad) and 10% (good). The Bank updates the macroeconomic variables used in the assessment of significant increase in credit risk and in the calculation of expected credit loss twice a year, and applies them to its models. Macroeconomic variables, which are taken as a basis in the calculation of expected credit losses are reflected in the models.

The Methodology of Behavioral Maturity Calculation

The loans in Stage 1, expected loss provision is calculated until their maturity for the ones which have less than one year to due date and for 1 year which have more than one year to due date. The loans in Stage 2, expected loss provision is calculated for lifetime (until maturity date) of the loan. In this calculation, the remaining maturity information of the loan is taken as basis for each loan. While this information is used for products with real maturity information, behavioral maturity is calculated by analyzing historical data for products with no maturity information. Expected loss provisions are calculated based on these maturities depending on the type of loan.

Write-off Policy

The amendment with respect to the regulation "Regulation on the Amendment of the Regulation on the Classification of Loans and the Procedures and Principles Regarding the Classification of Loans and Provisions for These" entered into force with its publication in the Official Gazette No.31533 on 6 July 2021. Pursuant to the regulation, the banks are enabled to write down and move off the balance sheet the portion of a loan which is classified as "Group V Loan" (Loans Classified as Loss) within the period deemed appropriate by the bank specific to the situation of the debtor, if it cannot reasonably be expected to be recovered. Since the reporting period, it can be written-off from the records under TFRS 9. The write-off is an accounting policy and does not result in the waiver of the right to receivable. Within the scope of the said amendment, no credit has been deducted from the records by the Bank as of the current period

IX. EXPLANATIONS ON OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank has legally enforceable rights to offset the recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND LENDING OF SECURITIES

As of the balance sheet date, there are no securities lending transactions. Central Bank of the Republic of Türkiye ("CBRT") made some changes on orders for open market transactions ("OMT") and prepared an additional frame contract for participation banks in order to present rent certificates to open market operations of CBRT in accordance with the principles of participation banks. According to this agreement, a new type of transaction was formed which enables participation banks to resell or repurchase rent certificates on their portfolio to CBRT when they are in need of funding or in attempt to evaluate the excess liquidity. The Bank performs purchase tenders which are held by CBRT of which maturities are weekly; in return for rent certificates that are reported as assets in balance sheet in order to raise funds. As of 30 June 2026, there are no securities lending transactions (31 December 2025: None). Securities sold under agreements for repurchase agreements ("Repos") are classified as "Fair Value Through Profit or Loss", "Fair Value Through Other Comprehensive Income" and "Financial Asset Measured at Amortized Cost" in the portfolio of the bank, according to the purposes of the Bank, and they are subject to valuation according to the portfolio which are belong. Funds obtained in return for repo agreements are accounted in "Money Markets Borrowing" account and and participation share rediscounts for the period are calculated according to the internal rate of return method.

Securities transactions purchased under agreements to resell are accounted under "Money Market Placements" in the balance sheet and the rediscount of participation share for the period is calculated according to the internal rate of return method.

XI. EXPLANATIONS ON ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS AND RELATED LIABILITIES

The assets acquired by the Bank due to its receivables are accounted for in accordance with "TFRS 5 Turkish Financial Reporting Standard for Non-current Assets Held for Sale and Discontinued Operations" in financial statement of the Bank.

The assets that meet the criteria of being classified under assets held for sale are measured at the lower of their book values or fair value less costs to be incurred for sale, and depreciation for these assets is ceased and these assets are presented separately in the balance sheet. In order for an asset to be classified as an asset held for sale, the related asset (or the asset group to be disposed) shall be ready to be sold immediately under usual conditions and should have a high possibility to be sold. In order to have a high probability of sales, a plan for the sale of the asset (or group of assets to be disposed of) must have been prepared by an appropriate management team and an active program has been initiated to identify buyers and complete the plan. Various events or circumstances may extend the completion time of the sale transaction beyond one year. Assets continue to be classified as held for sale if there is sufficient evidence that the delay is due to events or conditions beyond the Bank's control and that the Bank's plan to sell the related asset (or disposal group) is in progress is done. The real estates acquired by the Bank due to its receivables are shown in the asset held for sale line in the financial statements, depending on the conclusion of the forward sales contract.

A discontinued operation is a part of a business that is classified as either to be disposed of or held for sale. Results of discontinued operations are presented separately in the income statement. The Bank has no discontinued operations.

As of 30 June 2026, the Bank's non-current assets held for sale are TRY 8.539 (31 December 2025: TRY 6.982).

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS

As of the balance sheet date, the Bank has no goodwill within the financial statements.

Other intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated depreciation and the provision for value decreases.

Other intangible assets are amortized using the straight line method based on their useful lives. Useful lives of other intangible assets are determined with assessments such as the expected life of the asset, technical, technological or other types of aging and the maintenance costs required to obtain the economic benefit expected from the asset. There is no change in the depreciation method applied in the current period.

The Bank recognizes its software costs incurred under the intangible assets - intangible rights account and the qualifying expenses are added to software's initial costs and amortized over 3-15 years considering the useful life.

XIII. EXPLANATIONS ON TANGIBLE ASSETS

Property and equipment is measured at its cost when initially recognised and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement.

Subsequent to recognition, tangible fixed assets are presented in financial statements at cost less any accumulated depreciation and impairment loss, if any. Tangible fixed assets are amortized by using the straight-line method over their estimated useful lives. There is no change in the depreciation method applied in the current period.

Applied depreciation rates are as follows;

Vehicles and Fixtures: 2% - 25%
Operational Lease Improvement Costs (Leasehold Improvements): Leasing Period - 5 years

Ordinary maintenance and repair expenses incurred for tangible assets items are recognized as expenses. Investment expenditures that increase the future benefit by enhancing the capacity of property and equipment are capitalized. The investment expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

Gains or losses emerging from the disposal of tangible assets are recognized in the profit or loss account as difference between net revenue of a related intangible asset and its net book value.

The depreciation of an asset held for a period less than a full financial year is calculated as a proportion of the full year depreciation charge from the date of acquisition to the financial year end. Operational lease improvement costs (leasehold improvements) are depreciated over their estimated economic useful lives in equal amounts. The estimated economic useful lives cannot exceed the leasing period.

There are no mortgages, pledges or similar precautionary measures on tangible assets or commitments given for the purchase or any restrictions designated for the use of those tangible assets.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIV. EXPLANATIONS ON LEASING TRANSACTIONS

Operational Leasing Transactions

Transactions as a lessee

At the beginning of a contract, the Bank evaluates whether the contract has a lease or does not include a lease. In the event that the contract is transferred for a certain period of time to the right to control the use of the asset defined for a price, this contract is of a rental nature or includes a lease. The Bank reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

Right of use;

The Bank applies the "TFRS 16 – Leases" standard in the accounting of leasing transactions.

In accordance with the "TFRS 16 - Leases" standard, the Bank calculates the"right of use" amount based on the present value of the lease payments of the fixed asset subject to lease at the beginning of the lease and includes it in "tangible fixed assets".

The cost of the right-of-use asset includes the following:

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

When applying the cost method, the existence the right of use:

a) Measures by deducting accumulated depreciation and accumulated impairment losses and
b) The restatement of the lease obligation at the restated cost.

The Bank applies principle of amortization in TAS 16 Property, Plant and Equipment while depreciating the right of use.

Lease Liabilities:

At the date of the effective leasing of the lease, the Bank measures its leasing liability at the present value of the lease payments not paid at the time. Lease payments are discounted using the imputed profit share rate in the lease if they can be easily determined. If this rate cannot be easily determined, the Bank uses the Bank's alternative borrowing rate. Lease payments that are included in the measurement of the lease liability at the date the lease is commenced consist of the unpaid payments to be made for the right of use during the lease term of the underlying asset and the date on which the lease has actually begun.

After the effective date of the lease, the Bank measures the leasing liability as follows:

a) Increases the book value to reflect the rate of profit in the lease obligation,
b) Reduces the book value to reflect the rent payments made and
c) Re-assess the book value to reflect re-evaluations and reconstructions, or to reflect the lease payments that are fixed on the revised basis.

The profit for the lease obligation for each period in the lease term is the amount calculated by applying a fixed periodic rate of profit to the remaining balance of the lease obligation. The Participation Bank takes part as a lessor in leasing transactions. The Participation Bank indicates the assets subject to leasing as a receivable equal to the net lease investment amount in the balance sheet. The total of the lease payments is gross in the leasing receivables account including the dividends and principal amounts. The profit share, which is the difference between the total of the lease payments and the cost of the related fixed assets, is included in the unearned finance lease income account. As the lease payments are realized, the rent amount is deducted from the lease receivables account; the profit share is reflected in the statement of profit or loss by deducting from the unearned profit share income account.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XV. EXPLANATIONS ON PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions other than the specific and general provisions set for loans and other receivables and provisory liabilities are accounted in accordance with TAS 37 “Provisions, Contingent Liabilities, and Contingent Assets Standard”.

The Bank provides provision in case of an existing liability (legal or implicit) as a result of an incident that took place in the past, there is possibility of disposal of assets that bring economic benefit and the liability is measurable. When a reliable estimate of the amount of obligation cannot be made, it is considered that a “contingent” liability exists and it is disclosed in the related notes to the financial statements.

For transactions that can affect financial structure, provisions are provided by using the existing data if they are accurate, otherwise by using the estimates.

As of the balance sheet date, there are no probable contingent liabilities resulting from past events whose amount can be reliably measured.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements in which the change occurs.

Pursuant to the eighth paragraph of Article 6 of the Regulation on the Procedures and Principles Regarding the Acceptance, Withdrawal, and Statute of Limitations of Deposits, Participation Funds, Trusts, and Receivables, the Bank may set aside a profit equalization reserve to ensure the stable distribution of profit shares to participation account holders over the periods.

This reserve is set aside from the profit shares attributable to participation account holders for the relevant period, based on management’s decision, in order to mitigate the impact of potential fluctuations in returns generated from participation accounts, and it does not constitute a component of the Bank’s equity.

The profit equalization reserve is recorded under liabilities in the financial statements within the “Other Provisions” account, and the amounts allocated to this reserve are recognized in the income statement under the “Other Provision Expenses” account.

In the event of the release or reversal of the profit equalization reserve, the related amounts are used exclusively for distribution to participation account holders and are recognized under other operating income.

During the same period, the additional profit share determined to be distributed to participation account holders is recognized in the relevant expense account and transferred to participation fund accounts or paid to the respective beneficiaries. The income arising from the reversal of the provision and the expense related to the distribution of the additional profit share are recognized simultaneously in the statement of profit or loss in the period in which they are matched with each other.

In the event that provisions recognized as expenses in prior periods are reversed in the current period, the amounts reversed are recorded under the “Adjustment Account for Prior Years’ Expenses” in accordance with the relevant provisions of the BRSA Chart of Accounts and are classified under other operating income in the statement of profit or loss. Cancellations or adjustments made within the same period in respect of provisions recognized in the current period are offset against the relevant provision expense account.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS

a. Employment termination and vacation benefits

Liabilities related to severance pay and right to leave calculated according to the regulations of the TAS 19 "Accounting Standard of Employee Benefits" and the Bank's liabilities related to future severance pay and right to leave calculated and reflected to the financial statements on the net present value.

According to the related regulation, the Bank is obliged to pay termination benefits depending on the arise of the legal conditions for employees who retire, die, quit for their military service obligations, who have been dismissed as defined in the related regulation or (for the female employees) who have voluntarily quit within one year after the date of their marriage. According to the related legislation, depending on the status and position of the employee in the Bank and social security institution, Employment Termination Benefit Provision calculation is based on the final salary at the date of retirement or leave (to the extent that the payments and/or salary amount does not exceed the Employment Termination Benefit Provision ceiling). Employment Termination Benefit is calculated based on actuarial assumptions.

The Bank benefits from independent actuaries on determination of obligation and makes assumptions on discount rate, employee turnover rate, and future raise in salaries. As of 30 June 2026, the Bank's employee termination benefit is TRY 488 (31 December 2025: TRY 392).

Communiqué on "Turkish Accounting Standard ("TAS 19") about Benefits for Employee (No:9)" published in Official Gazette by Public Oversight Accounting and Auditing Standards Authority ("POA") on 12 March 2013 numbered 28585, was entered into force for the account periods starting after 31 December 2012 on accounting treatment of actuarial profit and loss resulting from changes in actuarial assumptions or differences between actual and actuarial assumptions. Actuarial loss amounting to TRY 104 was classified under shareholders' equity in the financials (31 December 2025: TRY 104 loss).

Unused vacation liability is calculated based on number of unused vacation days which is calculated by subtracting used vacation days of all personnel from legally deserved vacation days. As of 30 June 2026 unused vacation liability of the Bank is TRY 269 (31 December 2025: TRY 192).

The Bank is not employing its personnel by means of limited-period contracts.

b. T.C. Ziraat Bankası and T. Halk Bankası Employee Pension Fund Foundations (TZHEMSAN) Liability

The Foundation for the Retirement and Assistance Fund of the Republic of Türkiye Ziraat Bankası and T. Halk Bankası, of which some Bank employees are members, was established by Anadolubank A.Ş. as a foundation called Anadolu Bankası A.Ş. Employees' Retirement and Assistance Fund in accordance with the provisions of Article 73 and subsequent articles of the Turkish Civil Code, and the name of the foundation was changed to Türkiye Emlak Bankası A.Ş. Employees' Retirement and Assistance Fund Foundation as of 8 January 1988. However, due to the transfer of Türkiye Emlak Bankası to TC Ziraat Bankası A.Ş. and/or Türkiye Halk Bankası A.Ş. with Law No. 4684, the name of the foundation was changed to TC Ziraat Bankası and T. Halk Bankası Employees' Retirement and Assistance Fund Foundation as of 16 August 20022, and it was established in accordance with the temporary article 20 of the Social Security Law No. 506.

As of 16 August 2002, the personnel who started working for Ziraat and Halk Bankası in TC Ziraat Bankası A.Ş. and Türkiye Halk Bankası A.Ş. were made members of the Fund. As of 1 February 2016, the personnel of Ziraat Katılım Bankası A.Ş. and as of 1 April 2022, the personnel of Türkiye Emlak Katılım Bankası A.Ş. have been members of the Fund and benefit from the services of the Fund with the amendments to the foundation deed. Since Türkiye Halk Bankası A.Ş. established its own Fund in 2004, it has been registering the newly hired personnel in its own Fund since this date.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)

b. T.C. Ziraat Bankası and T. Halk Bankası Employee Pension Fund Foundations (TZHEMSAN) Liability (Continued)

The resolution adopted at the Foundation's ordinary general assembly meeting held on May 6, 2023, was registered by the Istanbul Anadolu 25th Civil Court of First Instance in file No. 2022/476 E. dated 1 March 2023. Since that date, the Fund Founders have consisted of T.C. Ziraat Bankası A.Ş., Türkiye Halk Bankası A.Ş., Ziraat Katılım Bankası A.Ş., and Türkiye Emlak Katılım Bankası A.Ş.

It was ruled that the Bank funds established within the scope of the Social Security Law would be transferred to the SSK within three years following the publication of the Law, with the Temporary Article 23 of the Banking Law No. 5411, and the procedures and principles regarding the transfer were determined with the Council of Ministers Decision No. 2006/11345 dated 30 November 2006.

On 17 April 2008, the relevant articles of the Social Security Law No. 5754 ("New Law") regulating the principles regarding the transfer were accepted by the General Assembly of the Turkish Grand National Assembly and entered into force upon publication in the Official Gazette dated 8 May, 2008 and numbered 26870.

According to the new law bank pension funds participants and salaried members or the rightful owners would be transferred to Social Security Institution and would be subject to its legislation within three years beginning from the date of publication without any required transaction. Three years transfer period would be extended by two years at most with the decision of Council of Ministers. In accordance with the related legislation, as of the transfer date, the cash value of the liabilities will be calculated by considering the income and expenses of the transferred funds by the insurance branches and by using the actuarial interest rate of 9,80%. Moreover, the unfulfilled other social rights and payments existed in the settlement deeds of the subjected pension funds of the transferred participants, members or the rightful owners will be continued to be fulfilled by the employer entities of the funds and its participants.

Based on the Council of Ministers' decree numbered 2011/1559 and issued in the Official Gazette numbered 27900, dated 9 April 2011, and 20th provisional article of law numbered 506, the deadline for transferring banks, insurance and reinsurance companies, chambers of commerce, chambers of industry, exchange markets and the participants of the funds that were founded for the personnel constituting these entities and the ones having salary or income and the right holders of them to Social Security Institution has been extended for two years.

Besides, the phrase of "two years" in Clause (2), Article 1 of the temporary 20th provision of the law numbered 5510 is revised as "four years" with the law numbered 6283 amending on the Social Insurance and General Health Insurance Law, published in the Official Gazette numbered 28227, dated 8 March 2012.

Based on the Council of Ministers' decree numbered 2014/6042 and issued in the Official Gazette numbered 28987 dated 30 April 2014, the participants of the funds that were founded for the personnel constituting these entities and the ones having salary or income and the right holders of them to Social Security Institution has been extended for one year.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)

b. T.C. Ziraat Bankası and T. Halk Bankası Employee Pension Fund Foundations (TZHEMSAN) Liability (Continued)

Lastly, 51st article of Law No.6645 dated 23 April 2015, published on Official Gazette and the first paragraph of the transient 20th article of Law No.5510 related to the transfer of Bank and Insurance Funds to Social Security Institution; "Council of Ministers is the authority to determine the date of transfer of banks, insurance and reassurance companies, boards of trade, chambers of industry and stock markets or the participants of funds established for their constitute union personnel and the ones that were endowed salary or income and their beneficiaries within the scope of transient 20th article of Law No.506. As from the transfer date, the participants are considered as insured within the scope of clause (a), first paragraph and 4th article of this Law. Based on the decision of the Council of Ministers dated 24 February 2014; May 2015 was determined as the transfer period. As a result of the last amendment made in the first paragraph of the provisional article 20 of the Law No. 5510 and the Occupational Health and Safety Law No. 6645 published in the Official Gazette dated 23 April 2015 and numbered 29335; The Council of Ministers has been authorized to determine the transfer date and the President has been authorized to determine the transfer date in the repeated Official Gazette numbered 30473 on 9 July 2018.

The technical balance sheet report as of 31 December 2025 which is prepared in accordance with the new law and the rate determined as 9,80%, concluded no technical deficit arises in the above-mentioned fund. Since the Bank has no legal right to hold the present value of any economic benefits available in the form of refunds from Pension Fund or reductions in future contributions to Pension Fund, no asset is recognized in the Bank's financial statements.

In accordance with the new legislation, as of 31 December 2025, the Bank commissioned an actuary registered with the actuary registry to perform an actuarial valuation for the mentioned fund. The actuarial assumptions used in the related actuarial report are disclosed in Note II. In the financial statements for the respective period, a provision has been recognized equal to the actual and technical deficit amount indicated in the actuarial report. Legislative changes effective as of the reporting date have been taken into account in the calculation of the fund's obligations. Within this scope, the regulation increasing the ceiling of earnings subject to premiums from 7.5 times the minimum wage to 9 times, and the regulation raising the employer premium rate for disability, old age, and death insurance under the retirement framework from 11% to 12% were published in the Official Gazette dated 19 December 2025, and will be effective as of 1 January 2026. Since these regulations were enacted by the reporting date, they have been included in the actuarial liability calculations. As a result of the net effect of these legislative changes, there has been an increase in the technical surplus amount of the fund.

XVII. EXPLANATIONS ON TAXATION

a. Current tax

The corporate tax rate of 20% was designated in Corporate Tax Law No. 5520 which was taken into effect on 1 January 2006 after being published in the Official Gazette dated 21 June 2006 numbered 26205 for corporate earnings.

However;

Pursuant to Article 25 of Law No. 7394 published in the Official Gazette dated 15 April 2022 and numbered 31810; Corporate tax rate has been determined as 25% for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies is determined as 25%, and this rate will be effective as of 1 July 2022. It came into force to start with the declarations that must be submitted and to be applied to corporate earnings for accounting periods starting from 1 January 2022.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON TAXATION (Continued)

a. Current tax (Continued)

In accordance with Article 21 of Law No. 7456 published in the Official Gazette dated 15 July 2023, and numbered 32249, starting from 1 October 2023, for the declarations that need to be submitted, the corporate income tax rate applicable to the gains obtained in the fiscal year 2023 and subsequent fiscal periods for banks and other institutions mentioned in the law has been increased from 25% to 30%. As of 30 June 2026, the corporate income tax rate applied in the financial statements is 30% (31 December 2025:30%).

The corporate tax rate is applied to the tax base to be found as a result of the addition of non-deductible expenses to the commercial earnings of the companies, the exemption (such as participation income exemption) and deductions in the tax laws. No further tax is paid if the profit is not distributed

Dividends paid to institutions earning income through a business or permanent representative in Türkiye, as well as to resident institutions in Türkiye, are exempt from withholding tax. With the Presidential Decree No. 32760 published in the Official Gazette on 22 December 2024, certain withholding tax rates stipulated in Articles 15 and 30 of the Corporate Tax Law No. 5520 have been revised. In this context, the withholding tax rate on dividend payments, excluding those made to institutions earning income through a business or permanent representative in Türkiye and to resident institutions in Türkiye, has been increased from 10% to 15%, as per the aforementioned decree. The application of withholding tax rates on dividend distributions to non-resident institutions and individuals is also subject to the provisions of the relevant Double Taxation Avoidance Agreements. Adding profit to capital is not considered a dividend distribution and is not subject to withholding tax.

Pursuant to Article 2 of Law No. 7566, published in the Official Gazette No. 33112 dated 19 December 2025, the fourth provisional tax period, which had been abolished by Law No. 7338, has been reinstated. Corporations calculate advance tax quarterly on their financial profits at the corporate tax rate valid for that year and declare and pay until the 17th day of the second month following that period. Advance tax paid by corporations for the current period is offset against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be used to offset any other financial liabilities to the government.

According to 5.1.e. article of Corporation Tax Law which is important tax exemption that is applied by banks, corporations' 50% of revenues that occur from selling of their real estates, are in assets, that belong to the corporations at least two years (730 days), 75% of revenues that occur from selling their founding bonds that are belong to the corporations as long as time of participation stocks, redeemed shares and option to call are exempted from corporation tax. On the other hand, the exemption application for real estates held in the Bank's assets for at least two years was abolished with the 19th article of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, and in the 22nd article of the law "... The 50% rate in subparagraph (e) of the first paragraph of Article 5 is applied as 25% for the immovable sales earnings to be made after the effective date of this article." and it has been announced that the exception rate will be 50% for sales made before 15 July 2023 and 25% for sales made after. With Article 19 of Law No. 7456, an amendment was made to paragraph (e) of the first clause of Article 5 of the Corporation Tax Law, ending the practice of exempting gains obtained by corporations from the sale of real estate from corporate tax. On the other hand, Article 22 of the same Law added a provisional Article 16 to the Corporation Tax Law, stipulating that the provisions related to the real estate sale gain exemption will continue to apply for real estate included in the assets of corporations before 15 July 2023, but the exemption rate will be 25%. The exemption for real estate sale gains was abolished for properties included in the assets of corporations after 15 July 2023.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON TAXATION (Continued)

b. Current tax (Continued)

This exemption applies to the period the sale is made and the part of return on sales that benefits from the exemption is held in a special fund in the liabilities account until the end of the fifth year started from the following year sale is made. However, the sales payment must be collected until the end of the second calendar year following the year in which the sale is made. Taxes which are not realized in time due to the exemption that hits uncollected sales payment are considered tax loss.

Taxes which do not accrue on time because the applying exemption for the transfer of the expemted part of revenue to the other accounts with other ways out of capitalizing in five years or withdrawn from company or transferring from limited taxpayer corporations to the headquarters, are considered as tax loss. This is also applicable in the condition of liquidation of business (Except transfers and divisions that make according to this code).

Gains from the sale of participation shares, as well as founder shares, usufruct shares, and preemptive rights that institutions have held in their assets for at least two full years, were exempt from corporate tax at a rate of 75%. This exemption applied on the condition that 75% of these gains were kept in a special fund account under liabilities until the end of the fifth year following the year of sale, and collected by the end of the second calendar year. However, with the Presidential Decree published in the Official Gazette dated 27 November, 2024, and numbered 32735, it has been determined that the exemption rate will be applied as 50%.

Moreover, according to 5.1.f. article of Corporation Tax Law; corporations which have been fallen to legal proceedings because of owe to the bank or Savings Deposit Insurance Funds, and their warranters' real estates, participation stocks, founding bonds, redeemed shares, options to call of mortgagors' revenues that used for against debts or transferring to SDIF, 50% of the profits arising from the sale of the said assets obtained by the banks in this way, and 75% of the profits arising from the sale of others are exempted from corporation 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 prior periods.

Tax returns are required to be filled and delivered to the related tax office until the end of the fourth month following the balance sheet date and the accrued tax is paid until the end of the same month. Tax returns are open for 5 years from the beginning of the year following the balance sheet date and during this 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.

As of the end of the 2021 calendar year, 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/A of the Tax Procedure Law. However, with the Law No. 7352 on the Amendment of the Tax Procedure Law and the Corporate Tax Law, published in the Official Gazette dated 29 January 2022 and numbered 31734, the temporary article 33 was added to the Tax Procedure Law No. 213, including the provisional tax periods. Financial statements will not be subject to inflation adjustment for the 2021 (Constitutional Court dated 30/11/2023 and E.: 2023/105; K.: 2023/208, the phrase '2021' in this regulation was cancelled) and 2022 accounting periods (for those designated as a special accounting period, as of the accounting periods ending in 2022 and 2023) and the provisional tax periods for the 2023 accounting period, regardless of whether the conditions for the repetitive inflation adjustment within the scope of Article 298 are met. It has been enacted that the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the conditions for the inflation adjustment are met, and the profit/loss differences arising from the inflation adjustment to be made will be shown in the previous years' profit/loss account. According to the 17th article of the Law No. 7491 on Amendments to Certain Laws and Decree Laws published in the Official Gazette No. 32413 dated 28 December 2023, banks are companies within the scope of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 dated 21 November 2012. Profit/loss differences arising from the inflation adjustment to be made by payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in the 2023 and 2024 accounting periods, including the provisional tax periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base. The President is authorized to extend the periods determined within the scope of this paragraph by one accounting period, including provisional tax periods. According to Communiqué No. 582 on Tax Procedure Law, published in the Official Gazette dated 15 February 2025 and numbered 32814, it has been decided that inflation adjustment shall not be applied at the end of the first, second, and third provisional tax periods of the 2025 fiscal year, even if the conditions for inflation adjustment are met.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON TAXATION (Continued)

a. Current tax (Continued)

However, with the Article 34 of Law No. 7571, published in the Official Gazette dated 25 December 2025, and Temporary Article 37 added to the Tax Procedure Law No. 213, it has been decided that inflation adjustment will not be applied for the fiscal years 2025, 2026, and 2027, even if the conditions are met. Accordingly, the financial statements for the 2025 fiscal year, including provisional tax periods, as well as for the 2026 and 2027 fiscal years (and for those with special fiscal periods, for the fiscal years ending in 2026, 2027, and 2028) will not be subject to inflation adjustment under the provisions of repeated Article 298, regardless of whether the conditions for inflation adjustment are met. The President is authorized to extend the periods specified in this paragraph, including provisional tax periods, up to three fiscal years. In accordance with the provisions of subparagraph (Ç) of repeated Article 298 and Temporary Article 32 of the Tax Procedure Law (VUK), and within the scope defined by the General Communiqué No. 537 of the VUK, taxpayers are granted the option to perform revaluation voluntarily. However, pursuant to subparagraph (A) of repeated Article 298 and Temporary Article 33 of the VUK, revaluation cannot be performed under subparagraph (Ç) during periods when inflation adjustment is mandatory under the same article. Therefore, the revaluation practice made possible due to the non-application of inflation adjustment for the year 2025 has been utilized. As of 30 June 2026, no benefit has been derived from subparagraph (Ç) of repeated Article 298 of the VUK. Accordingly, differences between related tax bases and recorded values within this scope have been deferred and are subject to deferred tax accounting.

Additionally, Article 36 of Law No. 7524 introduced a new Article 32/C titled 'Domestic Minimum Corporate Tax' into the Corporate Tax Law. According to this regulation concerning the application of the domestic minimum corporate tax, the corporate tax calculated under Articles 32 and 32/A will not be less than 10% of the corporate profit before any deductions or exemptions. This regulation came into effect on its publication date, applying to corporate profits for the 2025 taxation period. The General Communique on Corporate Tax No. 23 was published in the Official Gazette No. 32676 on 28 September 2024, addressing this matter.

b. Deferred tax

The Bank calculates deferred tax for the temporary differences between the applied accounting policies and valuation principles and the tax base value determined in accordance with the tax legislation, in accordance with TAS 12 “Income Taxes Standard”, taking into account the additional regulation introduced with the Law No. 7316 dated 22 April 2021.With the Law No. 7394 on the Amendments of Treasury-Owned Immovable Property Valuation and the Value Added Tax Law, which was published in the Official Gazette dated 15 April 2022 and numbered 31810, and the Law on Amendments to Some Laws and Decree-Laws, with Article 26 of the Law No. 5520 With the paragraph added to the temporary article 13 of the Corporate Tax Law, the Corporate Tax rate was rearranged for the corporate earnings of the 2022 taxation period and it was stated that the tax rate would be applied as 25% for the banks. In accordance with Article 21 of Law No. 7456 published in the Official Gazette No. 32249 dated 15 July 2023, starting from the declarations that must be submitted as of 1 October 2023; The corporate tax rate to be applied to the profits of corporations in 2023 and the following taxation periods has been increased from 25% to 30% for banks and other institutions mentioned in the law.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVII. EXPLANATIONS ON TAXATION (Continued)

b. Deferred tax (Continued)

Deferred tax liability or assets are determined by calculating the tax effects of the temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base, according to the balance sheet method, taking into account the enacted tax rates. In the calculation of deferred tax, the Bank estimates the time when temporary differences will be taxable/deductible and uses enacted tax rates as of the balance sheet date in accordance with the current tax legislation.As the deferred tax assets or liabilities within the scope of TAS 12 are calculated based on the tax rates (and tax laws) that are in effect or nearly effective as of the end of the reporting period (balance sheet date), using the tax rates expected to be applied in the periods when the assets are converted into income or the liabilities are paid, As of 31 December 2023, the Bank has deferred tax calculations were made based on rates varying 30% on assets and liabilities. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future. Except for goodwill or business combinations, deferred tax liability or asset is not calculated for temporary timing differences arising from the initial recognition of assets or liabilities and which do not affect both commercial and financial profit or loss.

The carrying value of the deferred tax asset is reviewed as of each balance sheet date. The registered value of the deferred tax asset is reduced to the extent that it is not possible to obtain a financial profit sufficient to enable the benefit of part or all of the deferred tax asset to be obtained.

Deferred tax is calculated based on the tax rates valid in the period in which assets are created or liabilities are fulfilled and recorded as expense or income in the income statement. However, deferred tax is directly associated with the equity account group if it relates to assets directly associated with equity in the same or a different period.

Calculated deferred tax assets and deferred tax liabilities are netted in the unconsolidated financial statements.

Deferred tax effects related to transactions directly accounted for in equity are also shown in equity.

As of 1 January 2018, deferred tax assets have started to be calculated based on expected loss provisions that constitute temporary differences within the framework of TFRS 9 provisions.

According to the provisional Article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of corporate tax are included in the calculation of deferred tax as of 30 June 2026, in the financial statements dated 30 June 2026.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVIII. EXPLANATIONS ON ADDITIONAL DISCLOSURES ON BORROWINGS

The Bank recognizes its debt instruments in accordance with TFRS 9 "Financial Instruments" and all financial liabilities are carried at amortized cost by using effective the internal rate of return method. The Bank has no borrowings that require hedging techniques for accounting and revaluation of debt instruments and liabilities representing the borrowings. There are no debt securities issued by the Bank. The Bank has issued borrowings as sukuk issuances, this through its subsidiary Ziraat Katılım Varlık Kiralama A.Ş., ZKB Varlık Kiralama A.Ş. and Ziraat Katılım MTN Limited, which is not a subsidiary but over which the Bank has control, these sukuk issuances are provided to the qualified investors without being released through an IPO and the bank takes place during this operation as a fund user.

The Bank received loans from T.C. Ziraat Bankası A.Ş. in the amount of TRY 300 on 29 March 2019; in the amount of TRY 500 on 16 April 2021; in the amount of TRY 500 on 17 November 2021; in the amount of USD 100.000.000 on 5 April 2024; in the amount of USD 300.000.000 on 17 December 2024 from Ziraat Katılım MTN in the form of contribution capital.

The bank received from the TWF Market Stability and Equilibrium Sub-Fund on 9 March 2022, with the approval of the BRSA, a loan in the amount of EUR 57.039.000; and from TC Ziraat Bankası A.Ş. on 30 December 2024, a loan in the amount of TRY 4.000 under the additional tier 1 capital as an profit shre-free and non-repayable subordinated loan. On 30 December 2025, the bank obtained a subordinated loan amounting to USD 500.000.000 as an additional tier 1 capital instrument, which is non-profit sharing and repayable on demand.

In accordance with the decision of the Capital Markets Board dated 25 October 2023, and numbered 63/1380, the issuance document for a lease certificate with a nominal value of USD 500.000.000 to be issued abroad and with a maturity of three years was approved by the Capital Markets Board on 3 November 2023. The maturity date for this issuance has been determined as 12 November 2026. Accordingly, the sale of the lease certificate was completed on 6 November 2023, and the issuance amount has been recorded in our accounts.

XIX. EXPLANATIONS ON SHARE CERTIFICATES ISSUED

There are no issued shares by the Bank as of balance sheet date (31 December 2025: None).

XX. EXPLANATIONS ON ACCEPTANCES

Commitments regarding bill guarantees and acceptances of the Bank are presented in the "Off-Balance Sheet" commitments.

XXI. EXPLANATIONS ON GOVERNMENT INCENTIVES

There are no government incentives utilized by the Bank as of the balance sheet date. (31 December 2025: None).

XXII. EXPLANATIONS ON CASH AND CASH EQUIVALENTS

Cash and cash equivalents are cash on hand, demand deposits and other highly liquid short-term investments with maturities of 3 months or less following the date of acquisition, which is readily convertible to a known amount of cash, and does not bear the risk of significant amount of value change. The book values of these assets represent their fair values.

For the purposes of the cash flow statement, "Cash" includes cash, effectives, gold, 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.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXIII. EXPLANATION ON SEGMENT REPORTING

Information about operating segments which are determined in line with TFRS 8 "Turkish Accounting Standard about Operating Segments" together with organizational and internal reporting structure of the Bank, are disclosed in Note XII. of Section Four.

XXIV. DISCLOSURES ON INCOME NOT COMPLIANT WITH PARTICIPATION FINANCE PRINCIPLES

Income not compliant with participation finance principles is determined within the scope of Articles 1 and 2 of the "Standard on Income Not Compliant with Participation Finance Principles and Their Disposal" issued by the Advisory Board of the Participation Banks Association of Türkiye. In accordance with Article 4 of the aforementioned Standard, such non-compliant income is disposed of through donations to social assistance and public benefit purposes, without providing any direct or indirect economic benefit to the Bank, within a period not exceeding the following calendar year.

Non-compliant income is recognized in the relevant income accounts according to its nature. Where the amount to be disposed of can be reliably measured as of the reporting date, it is recognized in accordance with TAS 37, "Provisions, Contingent Liabilities and Contingent Assets."

XXV. EXPLANATIONS ON OTHER MATTERS

As Ziraat Katılım Bankası, "participation fund acceptance" is listed among the activities of Participation Banks under Article 4 of the Banking Law. Participation funds are divided into Special Current Accounts and Participation Accounts.

Special Current Accounts are demand funds. The profit or loss arising from their utilization belongs entirely to the bank. Participation Accounts are opened within the framework of mudârabe (profit and loss sharing partnership).

Participation Accounts can be opened based on a profit and loss sharing agreement or an investment mandate agreement to be concluded with public institutions, organizations, funds, and legal entity customers.

In Participation Accounts based on the profit and loss sharing agreement, the profit earned is initially shared according to the profit-sharing ratio agreed upon by the parties. The relevant sharing ratio is determined based on the amount and maturity.

In Participation Accounts based on the Investment Mandate Agreement, the income earned is shared such that the maximum estimated profit ratio portion goes to the customer, and the excess portion is allocated to the bank.

In addition to these, there are Special Fund Pools. Pursuant to the seventh paragraph of Article 60 of the Participation Banks Law, irrespective of the maturities and types determined by the Central Bank of the Republic of Turkey, special fund pools with maturities of not less than three months may be established by collecting funds in separate accounts for financing predefined projects or other investments. Participation Accounts associated with funds collected in this manner are operated in separate accounts independently from other accounts and according to their maturities, and funds collected cannot be transferred to other maturity groups. Information regarding the establishment and liquidation of Special Fund Pools is notified to the Authority within fifteen days following their creation or liquidation. Special Fund Pools are liquidated at the end of the financing period.

Maturities for Participation Accounts and Investment Mandate accounts are paid at maturities of up to 1 month (6 month inclusive), from 1 month up to 6 months (6 month inclusive), from 6 months up to 1 year, and longer than 1 year.

Income derived from loans granted against the total funds held in the Participation Accounts of the Bank's customers is distributed as Bank and Customer shares according to the above-mentioned rules, and is credited to the accounts in line with the maturity periods. Customers receive profit shares equal to the difference between the unit value in the pool type they initially joined at account opening and the unit value existing at maturity. Unit value calculation is performed daily at 17:45, producing the unit value for the next day. This operation has been performed regularly every day since the Bank's inception and continues to be carried out. In determining the unit value, expenses related to securities lent from participation account sources, special provision expenses, general provision expenses, Savings Deposit Insurance Fund (SDIF) premium expenses, and precautionary provision expenses are deducted.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

SECTION FOUR

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY

Equity amount and capital adequacy standard ratio, within the framework of "Regulation on Banks' Equity" and "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" and in addition to these, the following regulations of the BRSA;

The capital-adequacy-standard-ratio has been calculated based on the Regulation on Banks' Equity, the Regulation on the Measurement and Evaluation of Banks' Capital Adequacy, The Bank's capital adequacy standard ratio is 16,47% (31 December 2025: 23,66%).

Information Related To The Components of Shareholders' Equity:

COMMON EQUITY TIER 1 CAPITAL	Current Period 30 June 2026	Prior Period 31 December 2025
Paid-in capital following all debts in terms of claim in liquidation of the Bank	10.350	10.350
Share issue premiums	-	-
Reserves	19.352	13.595
Gains recognized in equity as per TAS	632	1.072
Profit	3.120	5.756
Current Period Profit	3.120	5.756
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	**33.454**	**30.773**
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	1.574	-
Improvement costs for operating leasing	1.150	1.295
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.063	2.477
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	-	-
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	-	-

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

	Current Period 30 June 2026	Prior Period 31 December 2025
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 1 Capital	**5.787**	**3.772**
Total Common Equity Tier 1 Capital	**27.667**	**27.001**
ADDITIONAL TIER 1 CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA (**)	28.921	27.027
Debt instruments and premiums approved by BRSA(Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	-	-
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 tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions From Additional Tier I Capital	**-**	**-**
Total Additional Tier I Capital	**28.921**	**27.027**
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	**56.588**	**54.028**
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA (***)	19.478	18.202
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	778	1.891
Tier II Capital Before Deductions	**20.256**	**20.093**
Deductions From Tier II Capital	**-**	**-**
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	**-**	**-**
Total Tier II Capital	**20.256**	**20.093**
Total Capital (The sum of Tier I Capital and Tier II Capital)	**76.844**	**74.121**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

	Current Period 30 June 2026	Prior Period 31 December 2025
Total of Original Capital and Supplementary Capital (Total Capital)	**76.844**	**74.121**
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	-
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 Five Years	-	-
Other items to be defined by the BRSA	48	14
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
TOTAL CAPITAL		
Total Capital (The sum of Tier I Capital and Tier II Capital)	**76.796**	**74.107**
Total risk weighted amounts	466.333	313.229
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	5,93	8,62
Tier 1 Capital Adequacy Ratio (%)	12,14	17,25
Capital Adequacy Ratio (%)	16,47	23,66
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	**2,54**	**2,53**
a) Capital conservation buffer requirement (%)	2,50	2,50
b) Bank specific counter-cyclical buffer requirement (%)	0,04	0,03
c) Systemic significant bank buffer ratio (%)	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 (%)	1,43	4,12
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Amount arising from 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)	778	1.891
Up to 1,25% of total risk-weighted amount of general reserves for receivables where the standard approach used	778	1.891
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	-	-

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation:

Issuer	T.C. Ziraat Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	-
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Subordinated Murabaha Loan as Secondary Capital
Amount recognized in regulatory capital (As of the latest reporting date – Million TRY)	300
Par value of instrument (Million TRY)	300
Accounting classification	Liabilities/Subordinated loan
Original date of issuance	29 March 2019
Perpetual or dated	Dated
Original maturity date	10 (ten) years
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years, (no conditional refund)
Subsequent call dates, if applicable	-
Coupons / dividends(*)	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	16,25%
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	-
If write-down, full or partial	-
If write-down, permanent or temporary	-
If temporary write-down, description of write-up mechanism	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	It gives the owner the right to be credited before the borrowing instruments to be included in the additional capital calculation, after the depositors and all other creditors.
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 8
Details of incompliances with article number 7 and 8 of "Own fund regulation"	-

(*) Profit share for participation banks.

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation:

	T.C. Ziraat Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	-
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Subordinated Murabaha Loan as Secondary Capital
Amount recognized in regulatory capital (As of the latest reporting date – Million TRY)	500
Par value of instrument (Million TRY)	500
Accounting classification	Liabilities/Subordinated loan
Original date of issuance	16 April 2021
Perpetual or dated	Dated
Original maturity date	10 (ten) years
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years, (no conditional refund)
Subsequent call dates, if applicable	-
Coupons / dividends(*)	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	18,00%
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	-
If write-down, full or partial	-
If write-down, permanent or temporary	-
If temporary write-down, description of write-up mechanism	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	It gives the owner the right to be credited before the borrowing instruments to be included in the additional capital calculation, after the depositors and all other creditors.
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 8
Details of incompliances with article number 7 and 8 of "Own fund regulation"	-

(*) Profit share for participation banks.

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation (Continued)

Issuer	T.C. Ziraat Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	-
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Subordinated Murabaha Loan as Secondary Capital
Amount recognized in regulatory capital (As of the latest reporting date – Million TRY)	500
Par value of instrument (Million TRY)	500
Accounting classification	Liabilities/Subordinated loan
Original date of issuance	17 November 2021
Perpetual or dated	Dated
Original maturity date	10 (ten) years
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years, (no conditional refund)
Subsequent call dates, if applicable	-
Coupons / dividends(*)	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	17,75%
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, conversion trigger (s)	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	-
If write-down, full or partial	-
If write-down, permanent or temporary	-
If temporary write-down, description of write-up mechanism	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	It gives the owner the right to be credited before the borrowing instruments to be included in the additional capital calculation, after the depositors and all other creditors.
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 8
Details of incompliances with article number 7 and 8 of "Own fund regulation"	-

(*) Profit share for participation banks.

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation (Continued)

Issuer	TWF Market Stability and Equilibrium Sub-Fund
Unique identifier (CUSIP, ISIN etc.)	-
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Additional capital
Amount recognized in regulatory capital (As of the latest reporting date – Million TRY)	1.849
Par value of instrument (Million TRY)	3.007
Accounting classification	Liabilities/Subordinated loan
Original date of issuance	9 March 2022
Perpetual or dated	Undated
Original maturity date	9 March 2022
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years (Subject to BRSA permission).
Subsequent call dates, if applicable	-
Coupons / dividends (*)	
Fixed or floating dividend/coupon	None
Coupon rate and any related index	None
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	In case the Core Capital adequacy ratio or unconsolidated Core Capital adequacy ratio falls below 5,125 percent
If write-down, full or partial	Yes
If write-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism	It is possible to increase the value after temporary reduction.
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	i.After payments within the scope of priority liabilities, ii. Equal among themselves and with all other equal-level Liabilities without order of preference, and iii. Before all payments within the scope of low-level liabilities.
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 7
Details of incompliances with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 7

(*) Profit share for participation banks.

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation (Continued)

Issuer	T.C. Ziraat Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	-
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Subordinated Murabaha Loan as Secondary Capital
Amount recognized in regulatory capital (As of the latest reporting date – Million TRY)	4.615
Par value of instrument (Million TRY)	4.615
Accounting classification	Liabilities/Subordinated loan
Original date of issuance	5 April 2024
Perpetual or dated	Dated
Original maturity date	10 (ten) years
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years, (no conditional refund)
Subsequent call dates, if applicable	-
Coupons / dividends(*)	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	8.5%
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	-
If write-down, full or partial	-
If write-down, permanent or temporary	-
If temporary write-down, description of write-up mechanism	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	It gives the owner the right to be credited before the borrowing instruments to be included in the additional capital calculation, after the depositors and all other creditors.
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 8
Details of incompliances with article number 7 and 8 of "Own fund regulation"	-

(*) Profit share for participation banks.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation (Continued)

Issuer	Ziraat Katılım MTN
Unique identifier (CUSIP, ISIN etc.)	XS2954917873
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Issuance of Foreign Sukuk with Contributory Capital Qualities and Capital-Like Characteristics
Amount recognized in regulatory capital (As of the latest reporting date-Million TRY)	13.844
Par value of instrument (Million TRY)	13.844
Accounting classification	Liabilities/Subordinated Loan
Original date of issuance	17 December 2024
Perpetual or dated	Dated
Original maturity date	10 (ten) years
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years, (no conditional refund)
Subsequent call dates, if applicable	-
Coupons/dividends (*)	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	8,25%
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	-
If write-down, full or partial	-
If write-down, permanent or temporary	-
If temporary write-down, description of write-up mechanism	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	It gives the owner the right to be credited before the borrowing instruments to be included in the additional capital calculation, after the depositors and all other creditors.
In compliance with article number 7 and 8 of "Own fund regulation"	In Compliance with Article number 8
Details of incompliances with article number 7 and 8 of "Own fund regulation"	-

(*) Profit share for participation banks.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation (Continued)

Issuer	T.C. Ziraat Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	-
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Additional capital
Amount recognized in regulatory capital (As of the latest reporting date – Million TRY)	4.000
Par value of instrument (Million TRY)	4.000
Accounting classification	Liabilities/Subordinated loan
Original date of issuance	30 December 2024
Perpetual or dated	Undated
Original maturity date	30 December 2024
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years, (no conditional refund)
Subsequent call dates, if applicable	-
Coupons / dividends (*)	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	36%
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	In case the Core Capital adequacy ratio or unconsolidated Core Capital adequacy ratio falls below 5,125 percent
If write-down, full or partial	Yes
If write-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism	It is possible to increase the value after temporary reduction.
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	i.After payments within the scope of priority liabilities, ii. Equal among themselves and with all other equal-level Liabilities without order of preference, and iii. Before all payments within the scope of low-level liabilities.
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 7
Details of incompliances with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 7

(*) Profit share for participation banks.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Information of the borrowing instruments to be included in equity calculation (Continued)

Issuer	T.C. Ziraat Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	-
Governing Law(s) of the instrument	Implementing Regulation on Equities of Banks in the Official Gazette dated 5 September 2013
Regulatory treatment	
From 1/1/2015, 10% reduction by being subject to the application	No
Eligible at unconsolidated / consolidated	Unconsolidated/Consolidated
Instrument type (types to be specified by each jurisdiction)	Additional capital
Amount recognized in regulatory capital (As of the latest reporting date – Million TRY)	23.073
Par value of instrument (Million TRY)	23.073
Accounting classification	Liabilities/Subordinated loan
Original date of issuance	30 December 2025
Perpetual or dated	Undated
Original maturity date	30 December 2025
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Option date 5 years, (no conditional refund)
Subsequent call dates, if applicable	-
Coupons / dividends (*)	
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	7,85%
Existence of a dividend stopper	-
Fully discretionary, partially discretionary or mandatory	-
Existence of step up or other incentive to redeem	-
Noncumulative or cumulative	-
Convertible or non-convertible	
If convertible, conversion trigger (s)	-
If convertible, fully or partially	-
If convertible, conversion rate	-
If convertible, mandatory or optional conversion	-
If convertible, specify instrument type convertible into	-
If convertible, specify issuer of instrument it converts into	-
Write-down feature	
If write-down, write-down trigger(s)	In case the Core Capital adequacy ratio or unconsolidated Core Capital adequacy ratio falls below 5,125 percent
If write-down, full or partial	Yes
If write-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism	It is possible to increase the value after temporary reduction.
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	i.After payments within the scope of priority liabilities, ii. Equal among themselves and with all other equal-level Liabilities without order of preference, and iii. Before all payments within the scope of low-level liabilities.
In compliance with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 7
Details of incompliances with article number 7 and 8 of "Own fund regulation"	In compliance with Article number 7

(*) Profit share for participation banks.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

I. EXPLANATIONS ON SHAREHOLDERS' EQUITY (Continued)

Required explanations for the reconciliation between table of equity components and balance sheet:

	Current Period 30 June 2026	Prior Period 31 December 2025
Equity value of balance sheet	**32.390**	**29.159**
Cost of development of operating lease	(1.150)	(1.295)
Goodwill and other intangible assets and related deferred tax liability	(3.063)	(2.477)
Debt instruments and premiums approved by BRSA	19.478	18.202
Tier II Capital(Provisions)	778	1.891
Debt instruments and premiums approved by BRSA - subordinated loans	28.921	27.027
Other values deducted from equity	(48)	(14)
Other	(510)	1.614
Amount taken into consideration in the calculation of legal equity	**76.796**	**74.107**

II. EXPLANATIONS ON CURRENCY RISK

a) Whether the Bank is exposed to foreign currency risk, whether the effects of this matter are estimated, whether limits for the daily followed positions are determined by the Board of Directors:

The Bank's policy is to avoid carrying significant position by means of foreign currency management. Therefore, the Bank is not exposed to significant currency risks. Risks are monitored by the currency risk tables prepared based on the standard method. Besides, "Value at Risk" ("VAR") is calculated for daily foreign exchange position and reported to the related departments. VAR based currency risk limit is also followed which was approved by Board of Directors.

Moreover, dealer's positions and limits for foreign exchange transactions are under the authorization of the Board of Directors.

b) Hedge against foreign exchange debt instruments and net foreign exchange investments by hedging derivative instruments, if material:

None.

c) Foreign currency risk policy:

"Liquidity Gap Analysis" is performed to determine the liquidity risks in the most important foreign currencies in which the Bank operates, the US Dollar and Euro. Also, daily VAR analysis for following the currency risk and within the context of legal reporting, Foreign Currency Net General Position/Shareholders' Equity Ratio and Foreign Currency Liquidity Position are also monitored regularly.

d) Current foreign exchange bid rates of the Bank for the last 5 business days prior to the financial statement date:

	USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100JPY
30.06.2026	46,1451	52,7205	31,7993	7,0231	4,7440	57,0909	32,2024	4,6395	61,2523	12,1896	28,1140
29.06.2026	46,1299	52,6542	31,5841	7,0146	4,7190	56,9415	32,1417	4,6251	61,0979	12,1918	28,2030
26.06.2026	46,1140	52,5095	31,6595	6,9954	4,7173	56,8804	32,1540	4,6211	60,8689	12,1879	28,2280
25.06.2026	46,0054	52,2943	31,6134	6,9665	4,7112	56,6820	32,0708	4,6417	60,7366	12,1605	28,1740
24.06.2026	45,9883	52,1113	31,5330	6,9418	4,6818	56,4220	31,9691	4,6351	60,4427	12,1576	28,1430
23.06.2026	45,9684	52,2821	31,6963	6,9642	4,7076	56,6616	32,0583	4,6784	60,6795	12,1530	28,1740

e) Simple arithmetic average of the Bank's current foreign exchange bid rates for the last 30 days prior to the balance sheet date:

USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100 JPY
45,7966	52,6778	31,9945	7,0177	4,7866	57,1228	32,2840	4,7489	61,0251	12,1077	28,1998

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. EXPLANATIONS ON CURRENCY RISK (Continued)

f) Information on the foreign currency risk of the Bank

	EUR	USD	Other FC(***)	Total
Current Period				
Assets				
Cash (Cash in vault, effectives, money in transit, cheques purchased) and balances with Central Bank of the Republic of Türkiye	11.612	36.593	36.427	84.632
Banks	1.319	35.221	19.751	56.291
Financial assets at fair value through profit and loss	-	-	4.632	4.632
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	-	471	-	471
Loans (*)	107.118	136.687	2	243.807
Partnership Investments	-	-	-	-
Financial assets measured at amortized cost	2.282	-	-	2.282
Derivative financial assets for hedging purposes	-	-	-	-
Tangible fixed assets	-	41	2	43
Intangible assets	-	-	-	-
Other assets(*****)	71	3.662	246	3.979
Total assets	**122.402**	**212.675**	**61.060**	**396.137**
Liabilities				
Banks Participation Fund	186	133	-	319
Participation Fund FC	47.210	103.522	73.540	224.272
Money market borrowings	-	-	-	-
Funds provided from other financial institutions	19.979	69.363	-	89.342
Marketable securities issued (*****)	-	-	-	-
Miscellaneous debts	2.063	1.045	-	3.108
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities (****)	5.040	43.388	1.406	49.834
Total liabilities	**74.478**	**217.451**	**74.946**	**366.875**
Net balance sheet position	**47.924**	**(4.776)**	**(13.886)**	**29.262**
Net off-balance sheet position (**)	**(47.121)**	**1.998**	**14.221**	**(30.902)**
Financial derivative assets	-	37.136	30.602	67.738
Financial derivative liabilities	47.121	35.138	16.381	98.640
Non-cash loans	**27.166**	**70.825**	**2.697**	**100.688**
Prior Period				
Total assets	123.817	207.467	55.585	386.869
Total liabilities	102.440	200.936	63.655	367.031
Net balance sheet position	**21.377**	**6.531**	**(8.070)**	**19.838**
Net off-balance sheet position	**(22.591)**	**(6.290)**	**8.046**	**(20.835)**
Financial derivative assets	-	24.372	8.046	32.418
Financial derivative liabilities	22.591	30.662	-	53.253
Non-cash loans	**27.140**	**47.262**	**2.903**	**77.305**

(*) Foreign currency indexed loans amounting to TRY 11 (31 December 2025: TRY 20) which are displayed as TRY in the consolidated financial statements, are shown with the relevant foreign currency code. Includes receivables from lease transactions.
(**) Shows the net of receivables from derivative financial instruments and payables from derivative financial instruments.
(***) 86% of the currencies in the other FC column of the assets section consists of Gold, 2% of GBP and the remaining 12% of other currencies. In the FC column of the liabilities section, 85% of the currencies are Gold, 1% of GBP, 14% are other currencies.
(****) Provisions and liabilities from lease transactions are included.
(*****) Prepaid expenses amounting to TRY 48 within other assets are not included in the table. It also includes the revaluation of derivative financial assets.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

II. EXPLANATIONS ON CURRENCY RISK (Continued)

g) Information on the foreign currency risk of the Bank

Sensitivity Analysis to Currency Risk

The impact of a 10% depreciation of the Turkish Lira against the U.S. Dollar, Euro and other currencies on equity and the statement of profit or loss, excluding the tax effect, for the annual reporting periods ended 30 June 2026 and 30 June 2025 is presented in the table below.

This analysis has been prepared assuming that all other variables, particularly interest rates, remain constant.

	Currency Period 30 June 2026		Prior Period 30 June 2025	
	Profit or Loss Statement	Equity (*)	Profit or Loss Statement	Equity (*)
USD	(328)	(328)	(517)	(517)
EUR	411	411	69	69
Other Currencies	(12)	(12)	(22)	(22)
Total (Net) (**)	**71**	**71**	**(470)**	**(470)**

(*) The impact on equity also includes the effect on the statement of profit or loss arising from a 10% depreciation of the Turkish Lira against the respective foreign currencies.

(**) The amounts of tangible and intangible assets are not included in the calculation of the impact on equity and the statement of profit or loss.

The impact of a 10% appreciation of the Turkish Lira against the U.S. Dollar, Euro and other currencies on equity and the statement of profit or loss, excluding the tax effect, for the annual reporting periods ended 30 June 2026 and 30 June 2025 is presented in the table below.

	Currency Period 30 June 2026		Prior Period 30 June 2025	
	Profit or Loss Statement	Equity (*)	Profit or Loss Statement	Equity (*)
USD	328	328	517	517
EUR	(411)	(411)	(69)	(69)
Other Currencies	12	12	22	22
Total (Net) (**)	**(71)**	**(71)**	**470**	**470**

(*) The impact on equity also includes the effect on the statement of profit or loss arising from a 10% depreciation of the Turkish Lira against the respective foreign currencies..

(**) The amounts of tangible and intangible assets are not included in the calculation of the impact on equity and the statement of profit or loss.

III. EQUITY SHARE POSITION RISK ON BANKING ACCOUNTS

Carrying value of share investments, for fair value and quoted securities, comparison with market value if market value is significantly different from fair value:

The Bank does not have any subsidiaries and affiliates traded on Borsa Istanbul.

The breakdown of the amount of capital liabilities on the basis of the relevant share investments, depending on the method of calculating the capital obligation selected by the bank from among the approaches allowed to be used in the Communiqué on Credit Risk Standard Method or Communiqué Related to Calculation of Credit Risk Based Approach Based on Internal Grading:

According to the standard method of credit risk, equity investments in banking accounts are TRY 76 all of which are 100% risk weighted (31 December 2025: TRY 76).

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS RELATED TO LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO

General principles of liquidity and financial emergency situation management and the related application procedures are considered in the scope of “Regulation for Liquidity Risk and Liquidity and Financial Emergency Situation Management”.

Generally participation accounts concentration weighted for 1 month in both banking and participation banking sectors, collecting funds are longer than maturity perceived as an element of risk, in order to reduce the risk, attention showed to the liquidity of maturity group which is due for one month.

The Bank performs “Remaining Maturity Analysis” for the observation of the maturity structure of the balance sheet, “Liquidity Gap” and “Structural Liquidity Gap Analysis” for the monitoring of the liquidity and between periods and Liquidity Stress Test for the evaluation of the Bank’s liquidity and in the worst case scenario and the loss associated with it. Besides, in order to compare the Bank’s level of liquidity risk with the sector, average remaining maturity balances of Bank-Sector and legal liquidity rates are monitored.

The Bank calculates and reports the liquidity adequacy ratio to BRSA on weekly unconsolidated basis in accordance with “Regulation for Regulation on Banks’ Liquidity Coverage Ratio Calculation” issued in Official Gazette numbered 28948 and dated 21 March 2014. The liquidity coverage of the Bank is over the limit values specified in the mentioned regulation.

Also on the purpose of the liquidity risk management, risk limits and threshold determined as a part of risk appetite and daily monitored.

1) Liquidity Rısk

a) Basis for the current liquidity risk of the Bank and whether the necessary measures taken, limitations imposed by the Bank’s Board of Directors on fund sources that can be used in payment of matured debts and can meet the immediate liquidity need:

The Banks fund resources consist of mainly participation funds. The bank is gathering funds in the name of participation accounts that the principal and predetermined yield are not guaranteed to paid back to the holder of account, and participation rates to profit or loss that results from funds to be operated are reflected to the related accounts. For this reason, the assets and liabilities of the Bank are compatible with the dividend rates.

The bank, TRY and FC liquidity meets its needs mostly from the funds collected, internal and external sources that can be used in an emergencies in order to meet the liquidity requirements are monitored periodically, borrowing limits of the markets organized by the Bank and other banks, liquidity levels that can be met. The Bank manages liquidity risk within the regulations of Liquidity Risk and Liquidity and Financial Emergency Management.

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

1) Liquidity risk (Continued)

b) Payments, whether assets and liabilities are compatible with the rate of profit, whether the measurement of the probable effects of the actual inconsistency on profitability is done or not:

Payments, assets and liabilities and profit rates are monitored regularly by the management to track whether it is compatible or not and there is no dissonance whatsoever.

c) The banks internal and external sources to meet the short and long-term liquidity needs, unused significant liquidity sources:

Although Bank's assets average maturity is longer than collected funds, most of the securities, available for sale and held to maturity, make periodic coupon payment which is no longer than six months and monthly credit receivables payments provide cash flow to the Bank.

d) Evaluation of the banks cash flow rates and its sources:

The banks main source is the participation funds, these funds are evaluated at other participation banks and loan placements. The banks most important cash inflows are receivables from banks and financial institutions and regular cash inflows from these institutions are seen as a factor that reduce the liquidity risk. Also monthly installment payments for loans are used to meet the Bank's resource needs.

2) Liquidity Coverage Ratio

Liquidity coverage ratio, established in order to hold and provide premium liquidity asset stock, which is adequately fulfill the Bank's net cash outflow, calculated within the scope of "Calculation of The Liquidity Coverage Ratio" regulation that was published by BRSA. Liquidity coverage ratio directly affected by Bank's asset, liability and potential cash inflow and outflow which is derived from off-balance sheet transactions with the level of liquid assets that can be realizable at any time and not mentioned to any collaterals.

The Parent Bank's premium liquidity asset stock; consists of debt securities which is not subjected to any collateral or repurchase agreement transaction and basically export from the Ministry of Treasury and Finance of Republic of Türkiye along with cash assets and care of Central Bank of the Republic of Türkiye's accounts.

The Parent Bank's principal funding source represented by participation funds. Repurchase agreement transaction provided by funds and debts which comes from financial institutions take a part within the external participation fund debt items.

Effective management of liquidity risk is possible by preventing concentrations in liquidity-related asset and liability items. The participation fund, which constitutes the Bank's main source of funds, is obtained from many different customers.

The lowest and highest Liquidity Coverage Ratios for the second three months period of 2026 are listed in the table below.

Current Period	Highest	Date	Lowest	Date
TRY+FC	288,19	17.04.2026	148,49	03.04.2026
FC	337,45	11.05.2026	144,83	29.06.2026

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS RELATED TO LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

2) Liquidity Coverage Ratio (Continued)

Derivative transactions are included in calculation of the liquidity coverage ratio over the cash flows within the 30 days basis time slots.

Current Period 30 June 2026	**Consideration Ratio Not Applied Total Value (*)**		**Consideration Ratio Applied Total Value (*)**	
	TRY+FC	**FC**	**TRY+FC**	**FC**
HIGH QUALITY LIQUID ASSETS				
High quality liquid assets	-	-	178.480	79.606
CASH OUTFLOWS				
Real person deposits and retail deposits	260.522	118.870	26.604	12.530
Stable deposit	18.902	-	945	-
Deposit with low stability	241.620	118.870	25.659	12.530
Unsecured debts except real person deposits and retail deposits	278.016	102.231	140.648	50.631
Operational deposit	-	-	-	-
Non-operational deposits	-	-	-	-
Other unsecured debts	278.016	102.231	140.648	50.631
Secured debts	-	-	-	-
Other cash outflows	275.553	162.405	85.738	72.028
Derivative liabilities and margin obligations	82.726	67.098	74.684	67.098
Debt from structured financial instruments	-	-	-	-
Other off-balance sheet liabilities and commitments for the payment owed to financial markets	3.955	1.898	1.610	260
Revocable off-balance sheet obligations regardless of any other requirement and other contractual obligations	-	-	-	-
Other irrevocable or provisory revocable off-balance sheet liabilities	188.872	93.409	9.444	4.670
TOTAL CASH OUTFLOWS	**-**	**-**	**252.990**	**135.189**
CASH INFLOWS				
Secured receivables	-	-	-	-
Unsecured claims	115.478	75.289	88.208	67.693
Other cash inflows	74.608	43.076	74.608	43.076
TOTAL CASH INFLOWS	**190.086**	**118.365**	**162.816**	**110.769**
	Upper Limit Applied Values			
TOTAL HIGH QUALITY LIQUID ASSET STOCK	**-**	**-**	**178.480**	**79.606**
TOTAL NET CASH OUTFLOWS	**-**	**-**	**90.174**	**33.797**
LIQUIDITY COVERAGE RATIO (%)	**-**	**-**	**198**	**236**

(*) The weekly simple arithmetic average calculated liquidity coverage ratio of the last three months average.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS RELATED TO LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

2) Liquidity Coverage Ratio (Continued)

Prior Period 31 December 2025	**Consideration Ratio Not Applied Total Value (*)**		**Consideration Ratio Applied Total Value (*)**	
	TRY+FC	**FC**	**TRY+FC**	**FC**
HIGH QUALITY LIQUID ASSETS				
High quality liquid assets	-	-	178.783	80.780
CASH OUTFLOWS				
Real person deposits and retail deposits	190.228	97.128	18.541	9.824
Stable deposit	16.265	-	813	-
Deposit with low stability	173.963	97.128	17.728	9.824
Unsecured debts except real person deposits and retail deposits	271.352	109.937	133.841	51.673
Operational deposit	-	-	-	-
Non-operational deposits	-	-	-	-
Other unsecured debts	271.352	109.937	133.841	51.673
Secured debts	-	-	-	-
Other cash outflows	186.895	93.267	30.588	22.102
Derivative liabilities and margin obligations	23.052	18.218	21.423	18.218
Debt from structured financial instruments	-	-	-	-
Other off-balance sheet liabilities and commitments for the payment owed to financial markets	3.545	672	1.150	165
Revocable off-balance sheet obligations regardless of any other requirement and other contractual obligations	-	-	-	-
Other irrevocable or provisory revocable off-balance sheet liabilities	160.298	74.377	8.015	3.719
TOTAL CASH OUTFLOWS	-	-	**182.970**	**83.599**
CASH INFLOWS				
Secured receivables	-	-	-	-
Unsecured claims	86.645	49.148	60.858	42.046
Other cash inflows	21.772	13.000	21.772	13.000
TOTAL CASH INFLOWS	**108.417**	**62.148**	**82.630**	**55.046**
	Upper Limit Applied Values			
TOTAL HIGH QUALITY LIQUID ASSET STOCK	-	-	**178.783**	**80.780**
TOTAL NET CASH OUTFLOWS	-	-	**100.340**	**28.553**
LIQUIDITY COVERAGE RATIO (%)	-	-	**178**	**283**

(*) The weekly simple arithmetic average calculated liquidity coverage ratio of the last three months average.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS RELATED TO LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

3) Presentation of assets and liabilities according to their remaining maturities

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed (**)	Total
Current Period 30 June 2026								
Assets								
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	42.708	82.578	-	-	-	-	-	125.286
Banks	58.075	-	-	-	-	-	-	58.075
Financial Assets at Fair Value Through Profit and Loss	-	2.235	-	13.889	6	-	-	16.130
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	712	516	24.323	15.424	1.255	76	42.306
Loans Given (****)	-	83.320	40.759	168.001	253.339	30.344	17.231	592.994
Financial Assets Measured at Amortised Cost	-	-	-	-	14.946	5.150	-	20.096
Other Assets	-	-	-	-	-	-	29.833	29.833
Total Assets(*)	**100.783**	**168.845**	**41.275**	**206.213**	**283.715**	**36.749**	**47.140**	**884.720**
Liabilities								
Funds Collected from Banks Via Current and Participation Accounts	328	3.035	-	-	-	-	-	3.363
Current and Participation Accounts	125.814	371.425	73.630	13.832	27	-	-	584.728
Funds Provided from Other Financial Instruments	-	35.473	14.869	77.452	15.105	949	-	143.848
Money Market Borrowings	-	40.622	174	7	-	-	-	40.803
Issued Marketable Securities (***)	-	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	5.289	5.289
Other Liabilities	-	-	-	-	31.764	19.105	55.820	106.689
Total Liabilities	**126.142**	**450.555**	**88.673**	**91.291**	**46.896**	**20.054**	**61.109**	**884.720**
Liquidity Gap	**(25.359)**	**(281.710)**	**(47.398)**	**114.922**	**236.819**	**16.695**	**(13.969)**	**-**
Net Off-Balance Sheet Position	**-**	**(1.932)**	**(664)**	**(552)**	**-**	**-**	**-**	**(3.148)**
Receivables From Derivative Financial Instruments	-	95.450	14.415	4.615	-	-	-	114.480
Financial Derivative Liabilities	-	97.382	15.079	5.167	-	-	-	117.628
Non-Cash Loans	**41.412**	**9.719**	**19.049**	**72.872**	**34.598**	**10.941**	**-**	**188.591**

(*) The expected loss provisions for financial assets and other assets are reflected in the related accounts.
(**) From the active accounts that make up the balance sheet, other assets that are required for the continuation of banking activities and that do not have the opportunity to turn into cash in a short time, such as securities representing the share in the capital and fixed assets, subsidiaries, subsidiaries, jointly controlled partnerships, stocks, prepaid expenses and net NPLs. accounts; among the liability accounts that make up the balance sheet, other liability accounts such as non-debt provisions and total equity are shown in this column.
(***) The total of subordinated debt instruments is shown in this column.
(****) Includes receivables from lease transactions

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS RELATED TO LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

3) Presentation of assets and liabilities according to their remaining maturities (Continued)

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed (**)	Total
Prior Period 31 December 2025								
Assets								
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	30.903	77.837	-	-	-	-	-	108.740
Banks	56.747	-	-	-	-	-	-	56.747
Financial Assets at Fair Value Through Profit and Loss	-	2.377	7.395	8.770	12.222	-	-	30.764
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	73	6.430	12.558	31.304	1.177	76	51.618
Loans Given (****)	-	44.716	50.194	135.804	210.115	30.376	8.515	479.720
Financial Assets Measured at Amortised Cost	-	-	-	-	14.455	5.248	-	19.703
Other Assets	-	-	-	-	-	-	21.525	21.525
Total Assets(*)	**87.650**	**125.003**	**64.019**	**157.132**	**268.096**	**36.801**	**30.116**	**768.817**
Liabilities								
Funds Collected from Banks Via Current and Participation Accounts	325	-	-	-	-	-	-	325
Current and Participation Accounts	122.456	303.532	78.408	8.633	4	-	-	513.033
Funds Provided from Other Financial Instruments	-	17.497	27.301	60.321	23.107	1.018	-	129.244
Money Market Borrowings	-	33.695	93	8	-	-	-	33.796
Issued Marketable Securities (***)	-	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	3.137	3.137
Other Liabilities	-	-	-	-	27.714	18.181	43.387	89.282
Total Liabilities	**122.781**	**354.724**	**105.802**	**68.962**	**50.825**	**19.199**	**46.524**	**768.817**
Liquidity Gap	**(35.131)**	**(229.721)**	**(41.783)**	**88.170**	**217.271**	**17.602**	**(16.408)**	**-**
Net Off-Balance Sheet Position	**-**	**359**	**(361)**	**-**	**-**	**-**	**-**	**(2)**
Receivables From Derivative Financial Instruments	-	58.073	5.362	-	-	-	-	63.435
Financial Derivative Liabilities	-	57.714	5.723	-	-	-	-	63.437
Non-Cash Loans	**36.193**	**8.799**	**16.549**	**53.645**	**29.551**	**10.007**	**-**	**154.744**

(*) The expected loss provisions for financial assets and other assets are reflected in the related accounts.
(**) From the active accounts that make up the balance sheet, other assets that are required for the continuation of banking activities and that do not have the opportunity to turn into cash in a short time, such as securities representing the share in the capital and fixed assets, subsidiaries, subsidiaries, jointly controlled partnerships, stocks, prepaid expenses and net NPLs. accounts; among the liability accounts that make up the balance sheet, other liability accounts such as non-debt provisions and total equity are shown in this column.
(***) The total of subordinated debt instruments is shown in this column.
(****) Includes receivables from lease transactions.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS RELATED TO LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

4) Net Stable Funding Ratio Template

At the end of the current period, the unconsolidated NSFR and the elements constituting NSFR are shown in the table below, as of 30 June 2026 simple arithmetic average NSFR is 102,90% (First quarter of 2026: 117,83%). The average NSFR for the last three months of the current period was 109,18 % (First quarter of 2026: 111,47%).

Current Period 30.06.2026		a	b	c	d	e
		Unweighted amount by residual maturity				Weighted Amounts
		Undated/No Maturity (*)	Up to 6 months	6 Months to 1 year	1 year and more than 1 year	Undated/No Maturity (*)
Available Stable Funding						
1	Capıtal Instruments	63.152	-	-	19.478	82.630
2	Regulatory capital	63.152	-	-	19.478	82.630
3	Other capital instruments	-	-	-	-	-
4	Deposits (from retail and small business customers)	85.377	44.462	140.856	-	244.735
5	Stable Deposits (from retail and small business customers)	5.256	-	16.927	-	21.074
6	Less Stable Deposits (from retail and small business customers)	80.121	44.462	123.929	-	223.661
7	Wholesale funding	40.585	411.769	29.993	19.519	120.280
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	40.585	411.769	29.993	19.519	120.280
10	Liabilities with matching interdependent assets					
11	Other liabilities	26.081	1.825	-	-	-
12	Net Derivatives Liabilities				1.825	
13	All other liabilities and equity not included in the above categories	26.081	-	-	-	-
14	**Total Available Stable Funding**					447.645
Required Stable Funding						
15	High Quality Liquid Assets (HQLA)					3.555
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loan and securities	-	318.638	114.593	201.655	345.040
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	115.485	74	-	17.360
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs	-	203.153	114.519	187.973	317.423
21	*35% or Lower Risk Weight*	-	-	-	5.949	3.867
22	Residental Mortgage Secured Loans	-	-	-	6.862	4.460
23	*35% or Lower Risk Weight*	-	-	-	6.862	4.460
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	6.820	5.797
25	Assets with matching interdependent liabilities					
26	Other Assets	17.347	-	-	61.041	75.786
27	Physical traded commodities (including gold)	17.347				14.745
28	Initial Margin of Derivative Contracts or Default Funds Provided to a Central Counterparty				-	-
29	Net Derivative Assets				-	-
30	Derivatives Liabilites Before Deducting Variation Margin Posted				-	-
31	All other assets not included in the above categories	-	-	-	61.041	61.041
32	Off Balance Sheet Liabilities		56.948	44.704	63.719	10.648
33	**Total Required Stable Funding**					435.030
34	**Net Stable Funding Ratio (%)**					102,90

(*) The items reported in the Undated/No Maturity column do not have a specific maturity. These include, but are not limited to, equity components without a specific maturity, demand deposits, short positions, and positions with an unspecified/uncertain maturity.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IV. EXPLANATIONS RELATED TO LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

4) Net Stable Funding Ratio Template (Continued)

Prior Period 31.12.2025		a	b	c	d	e
		Unweighted amount by residual maturity				
		Undated/No Maturity (*)	Up to 6 months	6 Months to 1 year	1 year and more than 1 year	Weighted Amounts
Available Stable Funding						
1	Capital Instruments	53.750	-	-	18.202	71.953
2	Regulatory capital	53.750	-	-	18.202	71.953
3	Other capital instruments	-	-	-	-	-
4	Deposits (from retail and small business customers)	67.674	45.043	83.026	-	177.116
5	Stable Deposits (from retail and small business customers)	4.657	-	14.274	-	17.985
6	Less Stable Deposits (from retail and small business customers)	63.017	45.043	68.752	-	159.131
7	Wholesale funding	55.030	348.873	52.523	24.817	159.219
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	55.030	348.873	52.523	24.817	159.219
10	Liabilities with matching interdependent assets					
11	Other liabilities	19.877	-	-	-	-
12	Net Derivatives Liabilities				-	
13	All other liabilities and equity not included in the above categories	19.877	-	-	-	-
14	**Total Available Stable Funding**					408.288
Required Stable Funding						
15	High Quality Liquid Assets (HQLA)					4.195.335
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loan and securities	-	268.334	94.532	179.844	303.413
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	82.158	117	-	12.382
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs	-	186.176	94.415	161.874	277.028
21	*35% or Lower Risk Weight*	-	-	-	4.305	2.798
22	Residental Mortgage Secured Loans	-	-	-	6.358	4.133
23	*35% or Lower Risk Weight*	-	-	-	6.358	4.133
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	11.612	9.870
25	Assets with matching interdependent liabilities					
26	Other Assets	996	463	-	43.582	44.891
27	Physical traded commodities (including gold)	996				846
28	Initial Margin of Derivative Contracts or Default Funds Provided to a Central Counterparty				-	-
29	Net Derivative Assets				463	463
30	Derivatives Liabilites Before Deducting Variation Margin Posted				-	-
31	All other assets not included in the above categories	-	-	-	43.582	43.582
32	Off Balance Sheet Liabilities		41.530	37.463	55.623	8.777
33	**Total Required Stable Funding**					361.277
34	**Net Stable Funding Ratio (%)**					113,01

(*) The items reported in the Undated/No Maturity column do not have a specific maturity. These include, but are not limited to, equity components without a specific maturity, demand deposits, short positions, and positions with an unspecified/uncertain maturity.

There are no changes in the bank's strategies, funding structure, asset and liability composition that will significantly affect the net stable funding ratio compared to the previous period.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

V. EXPLANATIONS ON LEVERAGE RATIO

As of 30 June 2026, the leverage ratio of the Bank calculated from the average of three months is 5,28% (31 December 2025: 3,89%). The relevant ratio is above the minimum rate specified by the Regulation on Measurement and Assessment of Leverage Level of Banks. The reason for the change between the current period and the previous period's leverage ratio is that the average total risk increase rate is higher than the increase in average capital. The regulation stipulated the minimum leverage ratio as 3%.

Leverage ratio disclosure as follows:

Balance sheet assets	**Current Period(*) 30 June 2026**	**Prior Period(*) 31 December 2025**
Balance sheet assets (Except for derivative financial instruments and credit derivatives, including warranties)	837.726	720.761
(Assets deducted from main capital)	(5.948)	(5.908)
Total risk amount of the balance sheet assets	831.778	714.853
Derivative financial instruments and credit derivatives		
Replacement cost of derivative financial instruments and credit derivatives	575	279
Potential credit risk amount of derivative financial instruments and credit derivatives	1.733	450
Total risk amount of derivative financial instruments and credit derivative	3.231	1.021
Security or secured financing transactions		
Risk amount of security or secured financing transactions (Except balance sheet)	8.181	6.970
Risk amount due to intermediated transactions	-	-
Total risk amount of security or secured financing transactions	8.181	6.970
Off-balance sheet transactions		
Gross nominal amount of off-balance sheet transactions	215.004	174.679
(Adjustment amount resulting from multiplying by credit conversion rates)	-	-
Risk amount of the off-balance sheet transactions	215.004	174.679
Equity and total risk		
Main capital	55.860	35.327
Total risk amount	1.058.193	897.525
Leverage ratio		
Leverage ratio %	5,28	3,89

(*) Amounts in the table are obtained on the basis of three-month weighted average.

VI. EXPLANATIONS ON SECURITIZATION POSITIONS

None.

VII. EXPLANATIONS ON RISK MANAGEMENT

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. Due to usage of standard approach for the calculation of capital adequacy by the Bank, tables that need to be prepared within the scope of Internal Ratings Based ("IRB") have not been presented.

Within the scope of risk management, there are many risks that affect our bank's financial performance significantly. These risks include the risk of credit risk, market risk, operational risk, liquidity risk and profit share ratio arising from banking accounts. Risk management strategy is based on the mission and vision of bank and is aimed to respond to customers' financial needs in the most appropriate way and to support their financial success. In this context, business practices and our working model support prudent risk management practices.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)

Internal bank risk appetite has been established and is periodically shared with top management in order to follow the specified risks. In addition, detailed risk management reports, including stress tests and scenario analyzes, where all risks are analyzed in detail, are reported to the Audit Committee.
Scenarios such as sudden changes in the curriculum, changes in country grades, changes in the loan portfolio are taken into account in the stress tests conducted.

The capital adequacy ratio is followed up by the simulation method on a daily basis although it is followed up within the monthly period which is the legal submission period. The liquidity coverage ratio of the bank is monitored daily by the risk management and is shared with the top management of the bank and the treasury unit.

In order to create a common risk culture in the Bank, the Bank employees are given risk management training and strategically important units have detailed explanations about the importance of risk management. Risk management policies and procedures, banking regulations based on significant risks, are available to all employees working in our bank.

The Bank is developing a system for risk measurement methods. In the present case, standard methods are generally used in the calculations and preparations are made for advanced methods with the growth of our bank. All risk processes are closely monitored.

1. Explanations on Risk Management and Risk Weighted Amount

Overview of Risk Weighted Amount

		Risk Weighted Amount		Minimum Capital Requirement
		Current Period 30 June 2026	**Prior Period 31 December 2025**	**Current Period 31 June 2026**
1	Credit risk (excluding counterparty credit risk)	421.478	281.312	33.718
2	Standardized approach	421.478	281.312	33.718
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	3.917	3.397	313
5	Standardized approach for counterparty credit risk	3.917	3.397	313
6	Internal model method	-	-	-
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	72	57	6
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	-	-	-
14	IRB Supervisory Formula pproach	-	-	-
15	SA/simplified supervisory formula approach	-	-	-
16	Market risk	10.552	9.592	844
17	Standardized approach	10.552	9.592	844
18	Internal model approaches	-	-	-
19	Operational risk	30.314	18.871	2.425
20	Basic Indicator approach	30.314	18.871	2.425
21	Standard approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	**Total (1+4+7+8+9+10+11+12+16+19+23+24)**	**466.333**	**313.229**	**37.306**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)

2. Credit Risk Disclosures

2.1) General information on credit risk

a) Credit quality of assets

Current Period 30 June 2026		a	b	c	d
		The amount valued in accordance with TAS in the financial statements prepared in accordance with legal consolidation		Allowances/ Amortisation and impairments	Net values (a+b-c)
		Defaulted	Non-defaulted		
1	Loans (*)	29.820	578.562	15.388	592.994
2	Debt securities	-	78.945	413	78.532
3	Off-balance sheet exposures	-	222.011	141	221.870
4	**Total**	**29.820**	**879.518**	**15.942**	**893.396**

(*) Financial lease amounting to TRY 91.671 is included in the table.

Prior Period 31 December 2025		a	b	c	d
		The amount valued in accordance with TAS in the financial statements prepared in accordance with legal consolidation		Allowances/ Amortisation and impairments	Net values (a+b-c)
		Defaulted	Non-defaulted		
1	Loans (*)	14.788	475.890	10.958	479.720
2	Debt securities	-	102.525	440	102.085
3	Off-balance sheet exposures	-	180.941	95	180.846
4	**Total**	**14.788**	**759.356**	**11.493**	**762.651**

(*) Financial lease amounting to TRY 87.322 is included in the table.

b) Changes on defaulted loans and debt securities

Current Period 30 June 2026		
1	**Defaulted loans and debt securities at end of the previous reporting period**	**14.788**
2	Loans and debt securities that have defaulted since the last reporting period	16.455
3	Returned to non-defaulted status	20
4	Amounts written off	-
5	Other changes	(1.443)
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5) definitions**	**29.820**

Prior Period 31 December 2025		
1	**Defaulted loans and debt securities at end of the previous reporting period**	**2.895**
2	Loans and debt securities that have defaulted since the last reporting period	14.004
3	Returned to non-defaulted status	23
4	Amounts written off	-
5	Other changes	(2.134)
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5) definitions**	**14.788**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)

2. Credit Risk Disclosures (Continued)

2.2) Credit risk mitigation

a) Credit risk mitigation techniques – Overview

Current Period 30.06.2026	Unsecured receivables: Amount assessed pursuant to TAS	Receivables secured by guarantee	Collateralized portions of collateralized receivables	Receivables protected by financial guarantees	Collateralized portions of receivables protected by financial guarantees	Receivables protected by credit derivatives	Collateralized portions of receivables protected by credit derivatives
Loans	554.382	38.613	13.957	9.176	6.513	-	-
Debt Securities	78.532	-	-	-	-	-	-
Total	**632.914**	**38.613**	**13.957**	**9.176**	**6.513**	**-**	**-**
Of which defaulted	29.660	160	2	-	-	-	-

Prior Period 31.12.2025	Unsecured receivables: Amount assessed pursuant to TAS	Receivables secured by guarantee	Collateralized portions of collateralized receivables	Receivables protected by financial guarantees	Collateralized portions of receivables protected by financial guarantees	Receivables protected by credit derivatives	Collateralized portions of receivables protected by credit derivatives
Loans	383.636	34.362	10.408	12.887	5.578	-	-
Debt Securities	70.305	-	-	-	-	-	-
Total	**453.941**	**34.362**	**10.408**	**12.887**	**5.578**	**-**	**-**
Of which defaulted	14.403	138	3	-	-	-	-

b) Qualitative explanations on ratings used by banks while calculating credit risk with standard approach

The Bank uses the ratings given by the Fitch Ratings International Rating Agency in the risk classes of Receivables from Central Governments or Central Banks, Receivables from Regional Governments or Local Governments, and Receivables from Administrative Units and Non-Commercial Enterprises. Receivables From Banks In the risk class, Fitch Ratings notes are used for Receivables from Resident Banks, and no rating agency notes are used for receivables from domestic resident Banks. While our country grade used for Receivables from Central Governments or Central Banks, Receivables from Regional Governments or Local Governments and Receivables from Administrative Units and Non-Commercial Enterprises corresponds to 3 in the Credit Quality Level, the notes used in the Receivables from Banks and Intermediary Institutions risk class are from 1 to 6 matched with credit quality tiers.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)

2. Credit Risk Disclosures (Continued)

2.2) Credit risk if standard approach is used

c) Standard Approach - Loan risk exposure and the effects of loan risk reduction technique

	Current Period 30.06.2026	Exposures before CCF and CRM		Exposures post-CCF and CRM		Risk weighted amount and risk weighted amount density	
	Risk Classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk weighted amount	Risk weighted amount density
1	Exposures to sovereigns and their central banks	155.694	-	157.107	-	-	0%
2	Exposures to regional and local governments	1	48	1	-	-	50%
3	Exposures to administrative bodies and non-commercial entities	739	946	727	427	1.155	100%
4	Exposures to multilateral development banks	-	-	-	-	-	0%
5	Exposures to international organizations	-	-	-	-	-	0%
6	Exposures to banks and brokerage houses	120.018	19.733	125.118	781	26.879	21%
7	Exposures to corporates	237.950	156.572	226.406	69.966	279.921	94%
8	Retail exposures	43.813	40.382	41.661	14.965	42.470	75%
9	Exposures secured by residential property	63.646	9.750	63.646	4.932	39.478	58%
10	Exposures secured by commercial property	8.981	787	8.973	377	3.273	35%
11	Past-due items	9.388	624	9.387	245	9.100	94%
12	Exposures in high-risk categories	3.204	342	2.964	146	4.110	132%
13	Exposures in the form of bonds secured by mortgages	-	-	-	-	-	0%
14	Short-term exposures to banks, brokerage houses and corporates	-	-	-	-	-	0%
15	Exposures in the form of collective investment undertakings	72	-	72	-	72	100%
16	Other exposures	34.225	-	34.225	-	14.926	44%
17	Equity share investments	167	-	167	-	167	100%
18	**Total**	**677.898**	**229.184**	**670.454**	**91.839**	**421.551**	**55%**

	Prior Period 31.12.2025	Exposures before CCF and CRM		Exposures post-CCF and CRM		Risk weighted amount and risk weighted amount density	
	Risk Classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk weighted amount	Risk weighted amount density
1	Exposures to sovereigns and their central banks	134.824	12	135.589	6	-	0%
2	Exposures to regional and local governments	5	44	5	-	2	50%
3	Exposures to administrative bodies and non-commercial entities	2.037	719	2.033	320	2.353	100%
4	Exposures to multilateral development banks	-	-	-	-	-	0%
5	Exposures to international organizations	-	-	-	-	-	0%
6	Exposures to banks and brokerage houses	52.552	2.603	57.364	451	13.125	23%
7	Exposures to corporates	157.200	101.008	148.420	48.296	174.391	89%
8	Retail exposures	34.728	41.271	33.121	15.902	36.767	75%
9	Exposures secured by residential property	7.339	632	7.331	299	2.670	35%
10	Exposures secured by commercial property	48.160	8.889	48.160	4.463	29.851	57%
11	Past-due items	4.676	388	4.673	152	4.694	97%
12	Exposures in high-risk categories	3.774	355	3.770	160	5.350	136%
13	Exposures in the form of bonds secured by mortgages	-	-	-	-	-	0%
14	Short-term exposures to banks, brokerage houses and corporates	-	-	-	-	-	0%
15	Exposures in the form of collective investment undertakings	57	-	57	-	57	100%
16	Other exposures	13.859	-	13.859	-	11.942	86%
17	Equity share investments	166	-	166	-	166	100%
18	**Total**	**459.377**	**155.921**	**454.548**	**70.049**	**281.368**	**54%**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)

2. Credit Risk Disclosures (Continued)

2.2) Credit risk if standard approach is used (Continued)

d) Standard approach: Receivables related with risk classes and risk weights

Current Period Risk Classes/ Risk Weight	0%	10%	20%	35% Collateralized with Real Estate Mortgage	50% Collateralized with Real Estate Mortgage	50% (*)	75%	100%	150%	200%	Other	Total risk amount (post-CCF and CRM)
Exposures to sovereigns and their central banks	157.107	-	-	-	-	-	-	-	-	-	-	157.107
Exposures to regional and local government	-	-	-	-	-	1	-	-	-	-	-	1
Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	-	1.154	-	-	-	1.154
Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	-	120.256	-	-	5.632	-	11	-	-	-	125.899
Exposures to corporates	-	-	6.501	-	-	22.499	-	267.372	-	-	-	296.372
Retail exposures	-	-	-	-	-	-	56.626	-	-	-	-	56.626
Exposures secured by residential property	-	-	-	-	58.198	-	-	10.380	-	-	-	68.578
Exposures secured by commercial property	-	-	-	9.350	-	-	-	-	-	-	-	9.350
Past-due items	-	-	-	-	-	1.790	-	7.116	726	-	-	9.632
Exposures in high-risk categories	-	-	-	113	-	373	-	104	2.520	-	-	3.110
Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-
Short-term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-	-	-	72	-	-	-	72
Equity share investments	-	-	-	-	-	-	-	167	-	-	-	167
Other exposures	19.290	-	11	-	-	-	-	14.924	-	-	-	34.225
Total	**176.397**	**-**	**126.768**	**9.463**	**58.198**	**30.295**	**56.626**	**301.300**	**3.246**	**-**	**-**	**762.293**

(*) It shows all receivables, except for the line "Receivables Secured by Commercial Real Estate Mortgage," that are subject to a 50% risk weight.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)

2. Credit Risk Disclosures (Continued)

2.2) Credit risk if standard approach is used (Continued)

d) Standard approach: Receivables related with risk classes and risk weights

Prior Period Risk Classes/ Risk Weight	0%	10%	20%	35%	50% Collateralized with Real Estate Mortgage	50%	75%	100%	150%	200%	Other	Total risk amount (post-CCF and CRM)
Exposures to sovereigns and their central banks	135.595	-	-	-	-	-	-	-	-	-	-	135.595
Exposures to regional and local government	-	-	-	-	-	5	-	-	-	-	-	5
Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	-	-	2.353	-	-	-	2.353
Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	-	52.618	-	-	5.192	-	5	-	-	-	57.815
Exposures to corporates	-	-	8.597	-	-	30.899	-	157.220	-	-	-	196.716
Retail exposures	-	-	-	-	-	-	49.023	-	-	-	-	49.023
Exposures secured by residential property	-	-	-	7.630	-	-	-	-	-	-	-	7.630
Exposures secured by commercial property	-	-	-	-	45.543	-	-	7.080	-	-	-	52.623
Past-due items	-	-	-	-	-	620	-	3.848	357	-	-	4.825
Exposures in high-risk categories	-	-	-	37	-	420	-	153	3.316	-	-	3.930
Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-
Short-term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-	-	-	-	57	-	-	-	57
Equity share investments	-	-	-	-	-	-	-	166	-	-	-	166
Other exposures	1.895	-	27	-	-	-	-	11.936	-	-	-	13.859
Total	**137.490**	**-**	**61.242**	**7.667**	**45.543**	**37.136**	**49.023**	**182.818**	**3.673**	**-**	**-**	**524.597**

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

VIII. EXPLANATIONS ON RISK PROTECTION PROCEDURES

It is essential to limit the risk levels to limits compatible with the risk profile and risk tolerance in order to prevent the Bank from being affected by the adverse events that may occur while conducting its operations.

Risk limits are determined by taking the opinions and suggestions of the General Manager, Audit Committee and relevant Senior Managers and approved by the Board of Directors

Risk limits; it has been determined in accordance with the risk levels, activities, size and complexity of its products and services that the Bank can take. Limits are regularly reviewed and monitored periodically, adapting to changes in market conditions, the Bank's strategy and risk appetite.

In addition, derivative transactions are carried out at the Bank and FC and TRY liquidity risk is limited by the transactions performed.

1. Credit risk under IRB (Internal Rating Based) Approach

Within the scope of the footnotes and related explanations prepared in accordance with the “Communiqué on Public Disclosure by the Banks” published in the Official Gazette dated 23 October 2015 and numbered 29511 by the BRSA and entered into force as of 31 March 2016, it is given annually and quarterly.

The following required tables are not presented as of 30 June 2026 as the standard approach is used in the calculation of the Bank's credit risk.

Qualitative information regarding IRB to be disclosed to the public
IRB - Credit risk amounts based on IRB and Portfolio and PoD (Probability of Default) range
IRB - Effect of credit derivatives used as CRM (Credit Risk Mitigation) technique on RWA (Risk Weighted Amounts)
Statement of changes in RWA under IRB approach
IRB - Retrospective testing of default probabilities in each risk class
IRB (Specialized loans and stock investments subject to basic risk weight approach)

IX. COUNTER PARTY CREDIT RISK EXPLANATIONS

a) Qualitative explanations on counter party credit risk

In an attempt to identify the counter party credit risk that the Bank may face, risk measurement and monitoring activities are performed, and their results are considered in strategic decision-making process.

As part of the management of counterparty credit risk, the Bank ensures that the results of the functions related to the identification, measurement, monitoring, and control of counterparty credit risk, in alignment with the structure, size, and complexity of its products and activities, are reported to the Top Management

It is essential for the Bank to manage its counterparty credit risk level in a manner that ensures it remains above the minimum limits set forth in the regulatory requirements.

Bank risk measurement system; it takes measures to operate in a reliable and integrity manner compatible with legal regulations, fields of activity and product types, and to maintain it accordingly. In this context, as a minimum, for counter party credit risk measurement and monitoring activities; calculation of counter party credit risk weighted asset amount and legal capital requirement, and monitoring of the Bank's compliance level with regard to allocated limits are carried out.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IX. COUNTER PARTY CREDIT RISK EXPLANATIONS (Continued)

b) Evaluation of counterparty credit risk in accordance with the measurement methods

	Current Period 30.06.2026	Replacement cost	Potential future exposure	EEPE (Effective Expected Positive Exposure) (*)	Alpha used for computing regulatory EAD	Exposure at default post CRM	Risk Weighted Amount
1	Standardized approach - CCR (for derivatives)	977	2.315		1,4	4.610	671
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					2.640	2.193
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					-	-
5	Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit					-	-
6	**Total**						**2.864**

(*) Effective expected positive exposure.

	Prior Period 31.12.2025	Replacement cost	Potential future exposure	EEPE (Effective Expected Positive Exposure) (*)	Alpha used for computing regulatory EAD	Exposure at default post CRM	Risk Weighted Amount
1	Standardized approach - CCR (for derivatives)	422	498		1,4	1.287	262
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					3.340	2.898
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					-	-
5	Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit					-	-
6	**Total**						**3.160**

(*) Effective expected positive exposure.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IX. COUNTER PARTY CREDIT RISK EXPLANATIONS (Continued)

c) Capital requirement for loan valuation adjustment

	Current Period 30.06.2026	**Exposure at default post-CRM**	**Risk Weighted Amount**
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) Value at Risk (VaR) component (including the 3×multiplier)		-
2	(ii) Stressed VaR component (including the 3×multiplier)		-
3	All portfolios subject to the Standardized CVA capital charge	4.610	1.053
4	**Total subject to the CVA capital charge**	**4.610**	**1.053**

	Prior Period 31.12.2025	**Exposure at default post-CRM**	**Risk Weighted Amount**
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) Value at Risk (VaR) component (including the 3×multiplier)		-
2	(ii) Stressed VaR component (including the 3×multiplier)		-
3	All portfolios subject to the Standardized CVA capital charge	1.287	236
4	**Total subject to the CVA capital charge**	**1.287**	**236**

d) Standardised approach - CCR exposures by risk class and risk weight

Risk weight /Regulatory portfolio (Current Period)	**0%**	**10%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Other**	**Total credit exposure (*)**
Exposures to sovereigns and their central banks	1.261	-	-	-	-	-	-	-	1.261
Exposures to regional and local governments	-	-	-	-	-	-	-	-	-
Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	745	-	-	745
Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	-	3.345	4	-	-	-	-	3.349
Exposures to corporates	-	-	-	-	-	108	-	-	108
Retail exposures	-	-	-	-	1.787	-	-	-	1.787
Exposures in high-risk categories	-	-	-	-	-	-	-	-	-
Other exposures	-	-	-	-	-	-	-	-	-
Total (*)	**1.261**	**-**	**3.345**	**4**	**1.787**	**853**	**-**	**-**	**7.250**

(*) Total credit risk: The amount related to the capital adequacy calculation after applying the counterparty credit risk measurement techniques.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IX. COUNTER PARTY CREDIT RISK EXPLANATIONS (Continued)

d) Standardised approach - CCR exposures by risk class and risk weight (Continued)

Risk weight/ Regulatory portfolio (Prior Period)	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Exposures to sovereigns and their central banks	-	-	-	-	-	-	-	-	-
Exposures to regional and local governments	-	-	-	-	-	-	-	-	-
Exposures to administrative bodies and non-commercial entities	-	-	-	-	-	1.499	-	-	1.499
Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-	-	-	-
Exposures to banks and brokerage houses	-	-	378	64	-	-	-	-	442
Exposures to corporates	-	-	-	-	-	62	-	-	62
Retail exposures	-	-	-	-	1.310	-	-	-	1.310
Exposures in high-risk categories	-	-	-	-	-	-	-	-	-
Other exposures	-	-	-	-	-	-	-	-	-
Total (*)	**-**	**-**	**378**	**64**	**1.310**	**1.561**	**-**	**-**	**3.313**

(*) Total credit risk: The amount related to the capital adequacy calculation after applying the counterparty credit risk measurement techniques.

e) Risk classes and counter party credit risk explanation

None.

f) Collateral used for counterparty credit risk

Current Period 30.06.2026	Collateral for derivative transactions				Other transaction collaterals	
	Collateral provided		Collateral received			
	Separated	Unseparated	Separated	Unseparated	Collateral provided	Collateral received
Cash-domestic currency	-	-	-	-	40.268	-
Cash-foreign currency	-	-	-	-	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate Debts	-	-	-	-	-	-
Equity Securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**40.268**	**-**

Prior Period 31.12.2025	Collateral for derivative transactions				Other transaction collaterals	
	Collateral provided		Collateral received			
	Separated	Unseparated	Separated	Unseparated	Collateral provided	Collateral received
Cash-domestic currency	-	-	-	-	33.319	-
Cash-foreign currency	-	-	-	-	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate Debts	-	-	-	-	-	-
Equity Securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**33.319**	**-**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IX. COUNTER PARTY CREDIT RISK EXPLANATIONS (Continued)

g) Credit Derivatives

None.

h) Risk Weight changes under CCR on the Internal Modelling Management Methods

None.

i) Risks related with Central Counter parties

	Current Period	Exposure at default (post-CRM)	RWA
1	**Exposure to Qualified Central Counterparties (QCCPs)**	**1**	**26**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-
3	(i) OTC Derivatives	-	-
4	(ii) Exchange-traded Derivatives	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	-
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	1	26
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which)	-	-
13	(i) OTC Derivatives	-	-
14	(ii) Exchange-traded Derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	-
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

	Prior Period	Exposure at default (post-CRM)	RWA
1	**Exposure to Qualified Central Counterparties (QCCPs)**	-	-
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-
3	(i) OTC Derivatives	-	-
4	(ii) Exchange-traded Derivatives	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	-
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which)	-	-
13	(i) OTC Derivatives	-	-
14	(ii) Exchange-traded Derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	-
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

4. Explanations on Securitization Disclosure

The Bank does not have any securitization positions as of 30 June 2026. (31 December 2025: None).

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IX. COUNTER PARTY CREDIT RISK EXPLANATIONS (Continued)

5. Explanations on Market Risk

a) Qualitative information about market risk to be disclosed to the public

Within the framework of BRSA's regulations, the Bank ensures effective management of market risk and market concentration risk arising from market risk components, in accordance with the volume, nature and complexity of its activities, taking into account the best practices.

The Bank ensures that measurement, monitoring, limitation, stress test and scenario analysis studies are carried out in accordance with the structure and complexity of its positions regarding market risk management and the results are reported. It is essential that new products and services are evaluated in terms of market risk.

In this context, as a minimum;

- Follow-up of the Bank's accounts and positions subject to market risk and market developments affecting the value of these accounts and positions on a minimum daily basis,
- Amount calculations based on market risk to which the Bank is exposed within the framework of trading accounts,
- Analysis of the effects of up and down ordinary and extraordinary movements in the markets on the Bank's accounts and positions subject to market risk,
- Backtest analysis of internal models used for monitoring purposes in calculating the amount subject to market risk,
- Regarding market risk, risk limits are regularly calculated and followed up.

In the Bank, the Board of Directors, Audit Committee and the General Manager fulfill their duties, powers and responsibilities within the scope of market risk management within the framework defined in the legislation. All Units, including the Units within the Scope of Internal Systems, fulfill their duties, powers and responsibilities within the scope of market risk management within the framework of the Regulation on Internal Systems of Banks and Internal Capital Adequacy Assessment Process and their own Regulations.

In order to reveal the market risk that the Bank may encounter, it is essential to carry out risk measurement and monitoring activities and to consider the results in the strategic decision-making process of the Bank.

Within the framework of these principles, at least the following analyzes are made for measurement and monitoring activities.

As a minimum within the scope of Market Risk:

- Standard Method: It is made in accordance with the Market Risk Reporting Set statements published by the BRSA.
- Value at Risk Analysis: Historical Simulation is performed using Parametric, Exponentially Weighted Moving Average (EWMA) or a different method deemed appropriate by the Bank.
- Internal Capital Requirement: Parameters determined by the BRSA and/or the Bank that may affect the financial strength of the Bank and the level of capital that will meet the risks the Bank is or may be exposed to, with stress tests and/or scenario analysis related to these parameters, a future perspective it is calculated using appropriate methods.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

IX. COUNTER PARTY CREDIT RISK EXPLANATIONS (Continued)

5. Explanations on Market Risk (Continued)

b) Standard Approach

		Current Period 30.06.2026	Prior Period 31.12.2025
		Risk Weighted Amount	Risk Weighted Amount
	Outright products		
1	Profit share rate risk (general and specific)	1.090	1.957
2	Equity risk (general and specific)	13	12
3	Foreign exchange risk	6.183	5.559
4	Commodity risk	3.266	2.064
	Options		
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitization	-	-
9	**Total**	**10.552**	**9.592**

Issued quarterly and semi-annually and annually within the scope of the footnotes prepared by the BRSA in accordance with the "Communiqué on the Public Disclosures on Risk Management by Banks" published in the Official Gazette dated 23 October 2015 and numbered 29511 and entered into force as of 31 March 2016. The required tables below are not presented as of 30 June 2026 as the standard approach is used in the Bank's market risk calculation:

Quantitative information to be disclosed to the public for banks using the internal model approach
Market risk RAT (Risk Weighted Amounts) change table according to the internal model approach
Internal model approach for trading account
Comparison of VaR (Value at Risk) estimates with profit/loss

6. Explanations on the Operational Risk

In the Bank, Amount subject to Operational Risk is calculated with Basic Indicator Approach based on yearly. The parameter which determines the amount subject to operational risk in Basic Indicator Approach is gross revenue. Yearly gross revenue is calculated by adding net profit share incomes to net fees and commission income, dividend income, trading profit/loss (net) and other operating incomes and also by deducting profit/loss gained from sale of securities monitored out of purchase-sale account, extraordinary incomes, operating expense made against support service and amounts compensated from insurance.

Current Period 30.06.2026	**31.12.2023**	**31.12.2024**	**31.12.2025**	**Total/Number of Positive GI years**	**Ratio (%)**	**Total**
Gross Income	10.541	10.431	27.531	16.168	15	**2.425**
Amount Subject to Operational Risk (Total*12,5)	-	-	-	-	-	**30.314**

Prior Period 31.12.2025	**31.12.2022**	**31.12.2023**	**31.12.2024**	**Total/Number of Positive GI years**	**Ratio (%)**	**Total**
Gross Income	9.221	10.541	10.431	10.064	15	**1.509**
Amount Subject to Operational Risk (Total*12,5)	-	-	-	-	-	**18.871**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (Continued)

X. EXPLANATIONS ON THE OPERATING SEGMENTS

The Bank's operating segments are determined in accordance with the organizational and internal reporting structure and the provisions of TFRS 8 "Operating Segments".

The Bank operates in retail, corporate/entrepreneurial banking, treasury/investment banking.

Table for segment reporting

Current Period 1 January - 30 June 2026	Private Banking	Corporate/ Entrepreneurial Banking	Treasury/ Investment Banking	Other/Undistributed	Total
OPERATING INCOME/EXPENSES					
Profit Shares Income	1.133	64.634	18.146	918	84.831
Profit Shares Expense	(22.816)	(33.415)	(14.847)	(439)	(71.517)
Net Profit Shares Income/Expense	**(21.683)**	**31.219**	**3.299**	**479**	**13.314**
Net Fees and Commission Income/Expense	**799**	**802**	**-**	**1.014**	**2.615**
Dividend Income	**-**	**-**	**8**	**-**	**8**
Trading Profit/Loss (Net)	**-**	**-**	**2.395**	**-**	**2.395**
Other Operating Income	**-**	**288**	**-**	**52**	**340**
Expected Credit Losses Expenses (Net)	**(196)**	**(3.907)**	**-**	**(370)**	**(4.473)**
Other Expense	**-**	**(104)**	**-**	**(9.548)**	**(9.652)**
Net Operating Profit/Loss	**(21.080)**	**28.298**	**5.702**	**(8.373)**	**4.547**
Tax Provision	**-**	**-**	**-**	**(1.427)**	**(1.427)**
Net Profit/Loss	**(21.080)**	**28.298**	**5.702**	**(9.800)**	**3.120**
Segment Assets					
TOTAL ASSETS	**14.165**	**522.613**	**193.908**	**154.034**	**884.720**
Segment Liabilities					
Shareholders' Equity	-	-	-	32.390	32.390
TOTAL SEGMENT LIABILITIES	**220.566**	**367.525**	**187.469**	**109.160**	**884.720**

Prior Period 1 January - 30 June 2025	Private Banking	Corporate/ Entrepreneurial Banking	Treasury/ Investment Banking	Other/Undistributed	Total
OPERATING INCOME/EXPENSES					
Profit Shares Income	1.035	46.606	14.587	954	63.182
Profit Shares Expense	(15.564)	(28.330)	(13.823)	(280)	(57.997)
Net Profit Shares Income/Expense	**(14.529)**	**18.277**	**763**	**674**	**5.185**
Net Fees and Commission Income/Expense	**251**	**565**	**-**	**1.237**	**2.053**
Dividend Income	**-**	**-**	**2**	**-**	**2**
Trading Profit/Loss (Net)	**-**	**-**	**2.961**	**-**	**2.961**
Other Operating Income	**-**	**1.780**	**-**	**54**	**1.834**
Expected Credit Losses Expenses	**(131)**	**(4.022)**	**-**	**(61)**	**(4.214)**
Other Expense	**-**	**(130)**	**-**	**(6.064)**	**(6.194)**
Net Operating Profit/Loss	**(14.410)**	**16.470**	**3.727**	**(4.160)**	**1.627**
Tax Provision	**-**	**-**	**-**	**(402)**	**(402)**
Net Profit/Loss	**(14.410)**	**16.470**	**3.727**	**(4.562)**	**1.225**
Segment Assets					
TOTAL ASSETS	**12.484**	**448.577**	**178.106**	**129.650**	**768.817**
Segment Liabilities					
Shareholders' Equity	-	-	-	29.160	29.160
TOTAL SEGMENT LIABILITIES	**168.631**	**344.727**	**163.098**	**92.361**	**768.817**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira (“TRY”)

SECTION FIVE

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND NOTES RELATED TO ASSETS

1.a) Information on cash and balances with Central Bank of the Republic of Türkiye

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Cash	355	1.897	367	1.736
Central Bank of the Republic of Türkiye	40.299	65.376	42.658	62.927
Other (*)	-	17.359	-	1.052
Total	**40.654**	**84.632**	**43.025**	**65.715**

(*) As of 31 June 2026, the entire amount of TRY 17.347 consists of precious metals held in custody accounts and is presented under this account (31 December 2025: TRY 1.052).

1.a.1) Information on Required Reserves

Banks maintain in Türkiye or operating in Türkiye by opening branches are subject to the Central Bank's Communiqué on Required Reserves numbered 2013/15. The items specified in the communiqué constitute the liabilities subject to required reserves, with the exception of the liabilities to the Central Bank of the Republic of Türkiye, the Treasury, domestic banks and banks established by international agreement, to their headquarters and branches in Türkiye, based on the accounting standards and registration scheme to which banks are subject.

Banks are required to maintain reserves with Central Bank of the Republic of Türkiye for their TRY and FC liabilities that are specified in the aforementioned Communique. Establishment of required reserves begins on Friday, two weeks after the liability calculation date, and lasts for 14 days. Required reserves can be kept in Turkish Lira, USD, EUR and standard gold in accordance with the “Communiqué on Required Reserves” at the Central Bank of the Republic of Türkiye. Required reserve ratios vary according to the maturity structure of the liabilities and are applied between 3% and 22% for Turkish Lira deposits and other liabilities, for foreign currency deposits and other liabilities, the ratios range between 3% and 33%; an additional reserve requirement of 2.5% applies to foreign currency deposits/participation funds (excluding deposits/participation funds of foreign banks and precious metals custody accounts); for precious metals custody accounts, the ratios vary between 26% and 30% depending on the maturity structure; and for accounts with exchange rate/price protection, the ratios are applied in the range of 22% to 40%.

b) Information on the account of the Central Bank of the Republic of Türkiye

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Unrestricted Demand Deposit	10.487	12.610	16.832	10.916
Unrestricted Time Deposit	-	-	-	-
Restricted Time Deposit	-	-	-	-
Other (*)	29.812	52.766	25.826	52.011
Total	**40.299**	**65.376**	**42.658**	**62.927**

(*) TRY, FC and Gold required reserves established in accordance with the “Communiqué on Required Reserves” are included in the amounts in the table.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

2. Information on banks and other financial institutions

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Banks				
Domestic Banks	1.784	32.793	108	33.830
Foreign Banks	-	23.500	-	22.812
Foreign Head Office and Branches	-	-	-	-
Total	**1.784**	**56.293**	**108**	**56.642**

3. Financial assets at fair value through profit or loss

	Current Period 30 June 2026	Prior Period 31 December 2025
Financial Assets at Fair Value Through Profit/Loss	15.623	29.614
Other Dividends and Income Rediscounts	506	1.149
Provision for Impairment (-)	1	1
Total	**16.130**	**30.764**

4. a) Explanation regarding the comparison of net values of financial assets through other comprehensive income available-for-sale given or blocked as collateral and subject to repurchase agreements

	Current Period 30 June 2026	Prior Period 31 December 2025
Assets Subject to Repurchase Agreements	28.994	22.730
Assets Blocked/Given as Collateral	4.971	2.247
Total (*)	**33.965**	**24.977**

(*) Accruals and provisions for impairment are not included.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS(Continued)

b) Information on financial assets at fair value through other comprehensive income

	Current Period 30 June 2026	Prior Period 31 December 2025
Debt Securities	42.642	51.980
Quoted in Stock Exchange	42.642	51.980
Not Quoted in Stock Exchange	-	-
Share Certificates	76	76
Quoted in Stock Exchange	-	-
Not Quoted in Stock Exchange (*)	76	76
Provision for Impairment (-) (**)	412	438
Total	**42.306**	**51.618**

(*) The mentioned amounts consist of payments to İhracatı Geliştirme A.Ş. in the amount of TRY 65, to the Credit Guarantee Fund in the amount of TRY 7 and to JCR Eurasia Rating Inc. in the amount of TRY 4 with the non-traded line highlighted (31 December 2025: TRY 65 İhracatı Geliştirme A.Ş., TRY 7 Credit Guarantee Fund, and TRY 4 JCR Eurasia Rating Inc.).

(**) It includes the negative differences between the acquisition costs of financial assets and market prices.

5. Information on derivative financial assets

a) Information on derivative assets at fair value through profit or loss

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Forward Transactions	-	-	-	-
Swap Transactions	834	144	381	124
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	15	1	9	7
Total	**849**	**145**	**390**	**131**

6. Information related to loans

a) Information on all types of loans and advances given to shareholders and employees of the Bank

	Current Period 30 June 2026		Prior Period 31 December 2025	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	30.033	-	14.896	-
Corporate Shareholders	30.033	-	14.896	-
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	445	-	325	-
Total (*)	**30.478**	**-**	**15.221**	**-**

(*) Includes rediscount amounts.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

b) Information on Standard Qualified and Close Monitored (First and Second Group Loans) and Restructured Close Monitored Loans

Current Period 30 June 2026				
		Loans Under Close Monitoring		
			Restructured or Rescheduled	
Cash Loans	Standard Loans and Other Receivables	Not Under the Scope of Restructuring	Loans with revised contract terms	Refinancing
Loans (*)				
Export Loans	93.381	1.815	-	-
Import Loans	12	-	-	-
Commercial Loans	256.131	14.050	2.564	23.705
Consumer Loans	11.236	349	-	-
Credit Cards	2.414	167	-	-
Loans Given to Financial Sector	56.346	-	-	-
Other (**)	23.017	1.703	-	-
Other Receivables	-	-	-	-
Total	**442.537**	**18.084**	**2.564**	**23.705**

(**) Details of other loans are as follows:

Other Investment Loans	19.552
Installment Commercial Loans	2.000
Profit and loss sharing investments (***)	1.052
Receivables from Financing of Trade on Credit Terms	1.142
Other Loans	974
Total	**24.720**

Prior Period 31 December 2025				
		Loans Under Close Monitoring		
			Restructured or Rescheduled	
Cash Loans	Standard Loans and Other Receivables	Not Under the Scope of Restructuring	Loans with revised contract terms	Refinancing
Loans (*)				
Export Loans	63.206	842	-	-
Import Loans	13	-	-	-
Commercial Loans	238.837	10.910	2.104	13.239
Consumer Loans	10.036	355	-	-
Credit Cards	1.972	121	-	-
Loans Given to Financial Sector	18.872	-	-	-
Other (**)	26.858	1.204	-	-
Other Receivables	-	-	-	-
Total	**359.794**	**13.432**	**2.104**	**13.239**

(**) Details of other loans are as follows:

Other Investment Loans	24.681
Installment Commercial Loans	2.163
Profit and loss sharing investments	1.052
Receivables from Financing of Trade on Credit Terms	22
Other Loans	144
Total	**28.062**

(*) Related amounts do not include finance lease receivables.

(***) The related balance consists of funds provided through profit and loss sharing investments as of 30 June 2026. Revenue distribution from profit and loss sharing investment projects is carried out in accordance with the agreement signed between the parties, following the finalization of relevant cost accounts and the calculation of net profit, either upon project completion or at the end of phases/sections. As of 30 September 2025, profit and loss sharing investments have been classified as financial assets at fair value through profit or loss, based on the valuation study dated 31 December 2025. The accumulated value increase on profit and loss sharing investments amounts to TRY 368 (31 December 2025: TRY 368).

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

b) Information on Standard Qualified and Under Close Monitoring (First and Second Group Loans) and Restructured Under Close Monitoring Loans (Continued)

	Current Period 30 June 2026		Prior Period 31 December 2025	
General Provisions	**Standard Loans**	**Loans Under Close Monitoring**	**Standard Loans**	**Loans Under Close Monitoring**
12 Month Expected Credit Losses	542	-	1.836	-
Significant Increase in Credit Risk	-	2.256	-	2.848

	Current Period 30 June 2026		Prior Period 31 December 2025	
Number of Amendments Made to Extend the Payment Plan	**Standard Loans and Other Receivables**	**Loans Under close monitoring and Other Receivables**	**Standard Loans and Other Receivables**	**Loans Under close monitoring and Other Receivables**
1 or 2 Times Extended	1.630	23.707	4.998	14.345
3 - 4 or 5 Times Extended	-	-	-	-
Over 5 Times Extended	-	-	-	-
Total	**1.630**	**23.707**	**4.998**	**14.345**

	Current Period 30 June 2026		Prior Period 31 December 2025	
Extended Period with Payment Plan Amendment	**Standard Loans and Other Receivables**	**Loans Under close monitoring and Other Receivables**	**Standard Loans and Other Receivables**	**Loans Under close monitoring and Other Receivables**
0 - 6 Months	233	4.208	225	2.564
6 Months - 12 Months	1.111	10.987	4.286	5.550
1 - 2 Years	72	3.237	16	2.136
2 - 5 Years	211	3.932	469	3.069
5 Years and Over	3	1.343	2	1.026
Total	**1.630**	**23.707**	**4.998**	**14.345**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

c) Information on consumer loans, individual credit cards, personnel loans and personnel credit cards

Current Period 30 June 2026	**Short-Term**	**Medium and Long-Term**	**Total**
Consumer Loans – TRY	**1.094**	**10.086**	**11.180**
Housing Loans	6	8.964	8.970
Vehicle Loans	84	175	259
Consumer Loans	1.004	947	1.951
Other	-	-	-
Consumer Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	**20**	**20**
Housing Loans	-	20	20
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Retail Credit Cards-TRY	**1.262**	**1**	**1.263**
With Installment	274	-	274
Without Installment	988	1	989
Retail Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Personnel Loans-TRY	**155**	**230**	**385**
Housing Loans	-	24	24
Vehicle Loans	1	1	2
Consumer Loans	154	205	359
Other	-	-	-
Personnel Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TRY	**60**	-	**60**
With Installment	13	-	13
Without Installment	47	-	47
Personnel Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Overdraft Account-TRY (Real Person)	-	-	-
Overdraft Account-FC (Real Person)	-	-	-
Total (*)	**2.571**	**10.337**	**12.908**

(*) Profit share rediscount amounting is included in the table.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

c) Information on consumer loans, individual credit cards, personnel loans and personnel credit cards (Continued)

Prior Period 31 December 2025	Short-Term	Medium and Long-Term	Total
Consumer Loans – TRY	**914**	**9.175**	**10.090**
Housing Loans	2	8.062	8.065
Vehicle Loans	75	168	243
Consumer Loans	837	945	1.782
Other	-	-	-
Consumer Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	**21**	**21**
Housing Loans	-	21	21
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Retail Credit Cards-TRY	**958**	-	**958**
With Installment	223	-	223
Without Installment	735	-	735
Retail Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Personnel Loans-TRY	**105**	**176**	**281**
Housing Loans	-	12	12
Vehicle Loans	-	3	3
Consumer Loans	105	161	266
Other	-	-	-
Personnel Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TRY	**46**	-	**46**
With Installment	11	-	11
Without Installment	35	-	35
Personnel Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Overdraft Account-TRY (Real Person)	-	-	-
Overdraft Account-FC (Real Person)	-	-	-
Total (*)	**2.023**	**9.372**	**11.395**

(*) Profit share rediscount amounting is included in the table.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira (“TRY”)

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

d) Information on instalment commercial loans and corporate credit cards

Current Period 30 June 2026	**Short-Term**	**Medium and Long-Term**	**Total**
Installment Commercial Loans-TRY	**331**	**1.497**	**1.828**
Business Loans	-	56	56
Vehicle Loans	331	1.441	1.772
Consumer Loans	-	-	-
Other	-	-	-
Installment Commercial Loans-Indexed to FC	-	-	-
Business Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Installment Commercial Loans -FC	**2**	**122**	**124**
With Installment	-	-	-
Without Installment	2	122	124
With Installment	-	-	-
Without Installment	-	-	-
Corporate Credit Cards -TRY	**1.258**	**-**	**1.258**
With Installment	-	-	-
Without Installment	1.258	-	1.258
Corporate Credit Cards -FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Overdraft Account-TRY (Legal Entity)	-	-	-
Overdraft Account-FC (Legal Entity)	-	-	-
Total	**1.591**	**1.619**	**3.210**

Prior Period 31 December 2025	**Short-Term**	**Medium and Long-Term**	**Total**
Installment Commercial Loans-TRY	**344**	**1.607**	**1.951**
Business Loans	-	16	16
Vehicle Loans	344	1.591	1.935
Consumer Loans	-	-	-
Other	-	-	-
Installment Commercial Loans-Indexed to FC	-	-	-
Business Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Installment Commercial Loans -FC	**7**	**147**	**154**
With Installment	-	-	-
Without Installment	7	147	154
With Installment	-	-	-
Without Installment	-	-	-
Corporate Credit Cards -TRY	**1.089**	**-**	**1.089**
With Installment	-	-	-
Without Installment	1.089	-	1.089
Corporate Credit Cards -FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Overdraft Account-TRY (Legal Entity)	-	-	-
Overdraft Account-FC (Legal Entity)	-	-	-
Total	**1.440**	**1.754**	**3.194**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

e) Breakdown of domestic and international loans

	Current Period 30 June 2026	Prior Period 31 December 2025
Domestic Loans	482.465	385.076
Foreign Loans	4.425	3.493
Total (*)	**486.890**	**388.569**

(*) Financial lease receivables and non-performing loans are not included.

f) Loans granted to subsidiaries and participations

As of 30 June 2026, the Bank has no loans granted to subsidiaries and participations. (31 December 2025: None).

g) Expected Loss Provisions for Loans (Third Stage)

	Current Period 30 June 2026	Prior Period 31 December 2025
Loans and receivables with limited collectability	1.645	789
Loans and receivables with doubtful collectability	3.035	1.695
Uncollectible loans and other receivables	7.909	3.789
Total	**12.589**	**6.273**

h) Information on lease receivables

h.1) Analysis of investments made in financial leasing by remaining maturity

	Current Period 30 June 2026		Prior Period 31 December 2025	
	Gross	Net	Gross	Net
Less than 1 year	98	92	320	274
1-5 year	97.834	73.330	95.737	71.650
More than 5 years	26.350	18.249	20.531	15.398
Total	**124.282**	**91.671**	**116.588**	**87.322**

(*) The expected credit loss allowance for receivables from leasing transactions is TRY 676 as of 30 June 2026 (31 December 2025: TRY 918).

h.2) Information on net investments in financial leasing

	Current Period 30 June 2026	Prior Period 31 December 2025
Gross Financial Lease Receivable	124.282	116.587
Unearned Financial Income from Financial Lease (-)	(32.611)	(29.265)
Canceled Rental Amounts	-	-
Total	**91.671**	**87.322**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

i) Information on non-performing receivables (net)

i.1) Information on loans and other receivables included in non-performing receivables which are restructured or rescheduled

As of 30 June 2026, the sum of the Bank's non-performing loans restructured or rescheduled for a new redemption plan and other receivables is TRY 620 (31 December 2025: TRY 13).

i.2) Information on the movement of total non-performing loans

Current Period 30 June 2026	Group III: Loans and other receivables with limited collectability	Group IV: Loans and other receivables with doubtful collectability	Group V: Uncollectible loans and other receivables
Ending balance of prior period	**2.942**	**4.954**	**6.891**
Additions in the current period (+)	7.797	3.632	5.026
Transfers from other categories of non-performing loans (+)	-	3.567	3.621
Transfers to other categories of non-performing loans (-)	3.567	3.621	-
Collections in the current period (-) (*)	839	244	339
Sold (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Ending balance of the current period	**6.333**	**8.288**	**15.199**
Expected Loss Provision (Stage 3) (-)	1.645	3.035	7.909
Net balance on balance sheet	**4.688**	**5.253**	**7.290**

(*) Includes transfers to first and second group loans amounting to TRY 20.

Prior Period 31 December 2025	Group III: Loans and other receivables with limited collectability	Group IV: Loans and other receivables with doubtful collectability	Group V: Uncollectible loans and other receivables
Ending balance of prior period	**472**	**1.016**	**1.407**
Additions in the current period (+)	6.873	4.762	2.369
Transfers from other categories of non-performing loans (+)	-	2.859	3.444
Transfers to other categories of non-performing loans (-)	2.859	3.444	-
Collections in the current period (-) (*)	1.544	239	329
Sold (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Ending balance of the current period	**2.942**	**4.954**	**6.891**
Expected Loss Provision (Stage 3) (-)	789	1.695	3.789
Net balance on balance sheet	**2.153**	**3.259**	**3.102**

(*) Includes transfers to first and second group loans amounting to TRY 23.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

i) Information on non-performing receivables (net) (Continued)

i.3) Information on foreign currency non-performing loans

Current Period 30 June 2026	Group III: Loans with limited collectability	Group IV: Loans with doubtful collectability	Group V: Uncollectible Loans
Ending balance of the current period	**258**	**680**	**709**
Expected Loss Provision (Stage 3) (-)	72	228	344
Net balance on balance sheet	**186**	**452**	**365**

Prior Period 31 December 2025	Group III: Loans with limited collectability	Group IV: Loans with doubtful collectability	Group V: Uncollectible Loans
Ending balance of the current period	**172**	**318**	**275**
Expected Loss Provision (Stage 3) (-)	40	114	118
Net balance on balance sheet	**132**	**204**	**157**

j) Gross and net amounts of non-performing receivables according to user groups

	Group III: Loans and other receivables with limited collectability	Group IV: Loans and other receivables with doubtful collectability	Group V: Uncollectible loans and other receivables
Current Period (Net)	**4.688**	**5.253**	**7.290**
Loans to Real Persons and Legal Entities (Gross)	6.333	8.288	15.199
Specific Provisions (-)	1.645	3.035	7.909
Loans to Real Persons and Legal Entities (Net)	4.688	5.253	7.290
Banks (Gross)	-	-	-
Specific Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provisions (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)	**2.153**	**3.259**	**3.102**
Loans to Real Persons and Legal Entities (Gross)	2.942	4.954	6.891
Specific Provisions (-)	789	1.695	3.789
Loans to Real Persons and Legal Entities (Net)	2.153	3.259	3.102
Banks (Gross)	-	-	-
Specific Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Specific Provisions (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

Information on accruals, valuation differences and related provisions calculated for non-performing loans for Banks which are providing expected credit loss according to TFRS 9

	Group III: Loans with limited collectability	Group IV: Loans with doubtful collectability	Group V: Uncollectible loans
Current Period (Net)	**1.302**	**1.265**	**2.375**
Profit Share Accrual and Valuation Differences Provision	1.696	1.966	5.147
Provision Amount (-)	394	701	2.772
Prior Period (Net)	**354**	**720**	**987**
Profit Share Accrual and Valuation Differences Provision	469	1.101	2.163
Provision Amount (-)	115	381	1.176

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

6. Information related to loans (Continued)

k) Information on liquidating policy of uncollectible loans and other receivables

Execution proceedings are carried out for the collection of receivables from loan services of the Bank's. During this process, tangible guarantees constituting guarantees of receivables of the Bank and assets of the debtor(s) are realized while receivables of the Bank are also tried to be collected and liquidated by means of administrative procedures.

l) Explanations on write-off policy

The Bank writes off the receivables from its records with the actualized circumstances of deaths of the debtor and/or the related people, refusals of the heritage by the heritors within the legal time limits, becoming legally and effectively impossible of the collection of the receivable, and the given financial accountability decision on the related personnel of the considered receivable.

7. Financial assets at amortized cost

a) Information on government debt securities measured at amortized cost

	Current Period 30 June 2026	Prior Period 31 December 2025
Debt Securities	20.096	19.703
Quoted in Stock Exchange	20.096	19.703
Not Quoted in Stock Exchange	-	-
Provision of Impairment (-)	-	-
Total (*)	**20.096**	**19.703**

(*) An amount of TRY 4.828 of the related balance has been pledged as collateral due to repurchase agreement transactions. (31 December 2025: TRY 4.212). An expected credit loss provision amounting to TRY 3 has been set aside for financial assets measured at amortized cost (31 December 2025: TRY 3).

b) Information on other financial assets valued at amortized cost

None (31 December 2025: None).

c) Movements of government debt securities valued at amortized cost during the year

As of 30 June 2026, government debt securities measured at amortized cost of the Bank is TRY 20.096 (31 December 2025: TRY 19.703).

	Current Period 30 June 2026	Prior Period 31 December 2025
Balances at Beginning of Period	**19.703**	**19.413**
Foreign Currency Differences on Monetary Assets	175	653
Purchases during the Period (*)	228	225
Disposals through Sales/Redemptions	(10)	(588)
Provision of Impairment (-)	-	-
Balances at End of Period	**20.096**	**19.703**

(*) Rediscounts are shown in "Purchases during the period" line.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

8. Information on assets related to trading investments and discontinued operations:

As of 30 June 2026, the Bank's assets held for sale amounted to TRY 8.539 (31 December 2025: TRY 6.982).

	Current Period 30 June 2026	Prior Period 31 December 2025
Beginning Balance (Net)	**6.982**	**1.652**
Changes During the Period (Net)	1.557	5.330
Amount of Depreciation	-	-
Provision for Impairment	-	-
Period End Balance (Net)*	**8.539**	**6.982**

(*) The Bank has right of reversion on TRY 904 (31 December 2025: TRY 477) and right of pre-emption on TRY 999 (31 December 2025: TRY 485) of assets held for sale. The average pre-emption period is one year.

As of 30 June 2026, the Bank has no discontinued operations (31 December 2025: None).

9. Equity Investments

a) Information about in associates (net):

a.1) Information on unconsolidated subsidiaries

The Bank became a shareholder of Katılım Finans Kefalet A.Ş., which was established with the aim of creating a guarantee system in accordance with the principles and principles of Participation Banking, with a participation fee of TRY 90 (31 December 2025: TRY 90). The total capital of the company is TRY 600 and the Bank's total participation amount is TRY 90, which corresponds to 15%. As of 31 December 2025, the full amount has been paid. There is a member of the board of directors in the company to represent the Bank's shares.

In the financial statements, associates that are neither credit institutions nor financial institutions and are not included in the scope of consolidation are accounted for at cost; if any, impairment provisions are deducted and then reflected in the financial statements.

If the cost exceeds the recoverable amount (the higher of fair value less costs to sell and value in use), the carrying value of the related associate has been adjusted to the recoverable amount.

	Title	Address (City/Country)	Bank's Share Ratio - If Different, Voting Ratio (%)	Bank Risk Group Share Ratio (%)
1	Katılım Finans Kefalet A.Ş.	İstanbul/TÜRKİYE	15	-

	Current Period 30 June 2026	Prior Period 31 December 2025
Balance at the beginning of the year	**90**	**68**
Movements during the year		
Purchases	-	22
Bonus Share	-	-
Dividends from current year income	-	-
Transfers to available for sale financial assets (-)	-	-
Sales	-	-
Reveluation increase	-	-
Impairment provision (-)	-	-
Balance at the end of the year	**90**	**90**
Capital commitments	-	-
Share percentage at the end of the year (%)	15%	15%

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

9. Equity Investments (Continued)

a.2) Information on consolidated subsidiaries

As of the balance sheet date, the Bank does not have any consolidated subsidiaries. (31 December 2025: None).

b) Information about in associates (net)

b.1) Information on unconsolidated subsidiaries

Ziraat Katılım Varlık Kiralama A.Ş. ("Company"), with a capital of TRY 50 fully paid by Ziraat Katılım Bankası Anonim Şirketi, on 22 January 2016 with the permission of the Banking Regulation and Supervision Agency and the Capital Markets Board, as per the Capital Markets Board ("CMB") dated 7 June 2013 and It was established to issue lease certificates exclusively within the framework of the Communiqué on Lease Certificates (III-61.1) published in the Official Gazette No. 28760. The resolution of the General Assembly dated 21 April 2026 regarding the increase in the share capital of Ziraat Katılım Varlık Kiralama Anonim Şirketi by TL 200, from TL 50 to TL 250, was registered on 29 April 2026 and announced in the Turkish Trade Registry Gazette No. 11573 dated 29 April 2026.

ZKB Varlık Kiralama A.Ş. ("Company"), with its capital of TRY 50 fully paid by Ziraat Katılım Bankası Anonim Şirketi, on 8 September 2017 with the permission of the Banking Regulation and Supervision Agency and the Capital Markets Board, as per the Capital Markets Board ("CMB") dated 7 June 2013 and It was established to issue lease certificates exclusively within the framework of the Communiqué on Lease Certificates (III-61.1) published in the Official Gazette No. 28670. The resolution of the General Assembly dated 21 April 2026 regarding the increase in the share capital of ZKB Varlık Kiralama A.Ş. by TL 200, from TL 50 to TL 250, was registered on 29 April 2026 and announced in the Turkish Trade Registry Gazette No. 11573 dated 29 April 2026.

Although not a subsidiary of our Bank, Ziraat Katılım MTN Limited, which is a 'Structured Entity,' has been included in the consolidation.

	Name	Address (City/Country)	Bank's share percentage - if different voting percentage (%)	Risk share percentage of other shareholders (%)
1	Ziraat Katılım Varlık Kiralama A.Ş.	İstanbul/TÜRKİYE	100	100
2	ZKB Varlık Kiralama A.Ş.	İstanbul/TÜRKİYE	100	100

	Total Assets	Shareholders' Equity	Total Fixed Assets	Dividend or profit share income	Income from marketable securities	Current Period Income/Loss	Prior period Income/ Loss(**)	Fair Value	Needed Shareholders Equity
1(*)	39.351	4	-	5.072	-	-	-	-	-
2(*)	4.852	14	-	11	-	7	-	-	-

(*) BDDK Within the framework of BRSA regulations, the financial statement information of subsidiaries Ziraat Katılım Varlık Kiralama A.Ş., ZKB Varlık Kiralama AŞ. are taken from the financial statements dated 30 June 2026, which have not been subjected to inflation accounting and have not been subjected to limited audit.

	Current Period 30 June 2026	Prior Period 31 December 2025
Balance at the beginning of the year	**11**	**3**
Movements during the year	**7**	**8**
Additions	-	-
Bonus Share Certificates	-	-
Shares of Current Year Profits	7	8
Transfers to available for sale financial assets (-)	-	-
Sales	-	-
Revaluation increase	-	-
Revaluation/Impairment (-)	-	-
Balance at the end of the year	**18**	**11**
Capital commitments	-	-
Share percentage at the end of the year (%)	**100%**	**100%**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)

9. Equity Investments (Continued)

b.2) Sectoral information on unconsolidated subsidiaries and the related carrying amounts

	Current Period 30 June 2026	Prior Period 31 December 2025
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Subsidiaries	1	-

b.3) Subsidiaries that are quoted on the stock exchange

None (31 December 2025: None).

c) Information on entities under common control (joint ventures)

None (31 December 2025: None).

10. Information on the investment properties

As of 30 June 2026, the Bank has no investment properties (31 December 2025: None).

11. Information on deferred tax asset

The Bank's deferred tax asset of TRY 8.101 (31 December 2025: TRY 6.989) and the deferred tax liability of TRY 5.428 (31 December 2025: TRY 4.574) are offset, resulting in a deferred tax asset of TRY 2.673 in the financial statements (31 December 2025: TRY 2.415 deferred tax asset).

12. Information on other assets

As of 30 June 2026, and as of 31 December 2025, other assets do not exceed 10% of the total assets excluding off-balance sheet commitments.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES

1. a) Information on funds collected

a.1) Information on maturity structure of funds collected

Current Period 30 June 2026	Demand	Up to 1 Month	Up to 3 Months	Up to 6 months	Up to 9 months	Up to 1 year	1 year and over	Accumulated profit sharing accounts	Total
I. Real persons current accounts non-trade TRY	7.149	-	-	-	-	-	-	-	7.149
II. Real persons participation accounts non-trade TRY	-	6.549	124.504	677	89	463	3.548	-	135.830
III. Other current accounts-TRY	16.179	-	-	-	-	-	-	-	16.179
Public sector	3.053	-	-	-	-	-	-	-	3.053
Commercial sector	11.629	-	-	-	-	-	-	-	11.629
Other institutions	1.392	-	-	-	-	-	-	-	1.392
Commercial and other institutions	96	-	-	-	-	-	-	-	96
Banks and participation banks	9	-	-	-	-	-	-	-	9
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	2	-	-	-	-	-	-	-	2
Foreign banks	6	-	-	-	-	-	-	-	6
Participation banks	1	-	-	-	-	-	-	-	1
Others	-	-	-	-	-	-	-	-	-
IV. Participation accounts-TRY	-	3.558	12.293	248	490	2	276	-	16.867
Public sector	-	8	361	127	34	-	-	-	530
Commercial sector	-	3.216	7.921	112	19	2	7	-	11.277
Other institutions	-	334	3.946	9	437	-	269	-	4.995
Commercial and other institutions	-	1	65	-	-	-	-	-	66
Banks and participation banks	-	-	-	-	-	-	-	-	-
V. Real persons current accounts non-trade FC	22.377	-	-	-	-	-	-	-	22.377
VI. Real persons participation accounts-FC	-	457	26.528	358	-	432	1.640	-	29.415
VII. Other current accounts-FC	24.030	-	-	-	-	-	-	-	24.030
Commercial residents in Türkiye	19.814	-	-	-	-	-	-	-	19.814
Commercial residents in Abroad	3.897	-	-	-	-	-	-	-	3.897
Banks and participation banks	319	-	-	-	-	-	-	-	319
Central Bank of Republic of Türkiye	287	-	-	-	-	-	-	-	287
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	32	-	-	-	-	-	-	-	32
Participation banks	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
VIII. Participation accounts- FC	-	244	11.512	230	5	520	6	-	12.517
Public sector	-	34	145	98	-	347	-	-	624
Commercial sector	-	152	6.707	131	5	173	2	-	7.170
Other institutions	-	3	3.842	1	-	-	4	-	3.850
Commercial and other institutions	-	55	818	-	-	-	-	-	873
Banks and participation banks	-	-	-	-	-	-	-	-	-
IX. Precious metal funds	56.407	-	10.587	2.303	2.602	-	301	-	72.200
X. Participation accounts special funds - TRY	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation accounts special funds - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XII. Participation Accounts Special Fund Pools - Precious Metals - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XIII. Participation Accounts Investment Agency Pools – TRY	-	23.802	155.416	5.641	2.563	54	1	-	187.477
XIV. Participation Accounts Investment Agency Pools – FC	-	5.803	56.925	1.322	-	-	-	-	64.050
XV. Participation Accounts Investment Agency Pools – Precious Metals - FC	-	-	-	-	-	-	-	-	-
Total (I+II+…..+XIII+XIV+XV) (*)	**126.142**	**40.413**	**397.765**	**10.779**	**5.749**	**1.471**	**5.772**	**-**	**588.091**

(*) As of 30 June 2026, it includes amounts of TRY 1.232 related to the Yuvam Account products.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

1. a) Information on funds collected (Continued)

a.1) Information on maturity structure of funds collected (Continued)

Prior Period 31 December 2025	Demand	Up to 1 Month	Up to 3 Months	Up to 6 months	Up to 9 months	Up to 1 year	1 year and over	Accumulated profit sharing accounts	Total
I. Real persons current accounts non-trade TRY	6.912	-	-	-	-	-	-	-	6.912
II. Real persons participation accounts non-trade TRY	-	3.960	71.685	815	111	508	4.281	-	81.360
III. Other current accounts-TRY	21.301	-	-	-	-	-	-	-	21.301
Public sector	2.303	-	-	-	-	-	-	-	2.303
Commercial sector	18.020	-	-	-	-	-	-	-	18.020
Other institutions	962	-	-	-	-	-	-	-	962
Commercial and other institutions	8	-	-	-	-	-	-	-	8
Banks and participation banks	8	-	-	-	-	-	-	-	8
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	1	-	-	-	-	-	-	-	1
Foreign banks	6	-	-	-	-	-	-	-	6
Participation banks	1	-	-	-	-	-	-	-	1
Others	-	-	-	-	-	-	-	-	-
IV. Participation accounts-TRY	-	3.612	32.354	1.569	995	16	234	-	38.780
Public sector	-	61	446	223	115	-	-	-	845
Commercial sector	-	3.271	28.680	1.281	33	17	4	-	33.286
Other institutions	-	280	3.198	65	848	-	229	-	4.620
Commercial and other institutions	-	-	29	-	-	-	-	-	29
Banks and participation banks	-	-	-	-	-	-	-	-	-
V. Real persons current accounts non-trade FC	21.056	-	-	-	-	-	-	-	21.056
VI. Real persons participation accounts-FC	-	300	28.014	409	-	536	1.678	-	30.937
VII. Other current accounts-FC	27.627	-	-	-	-	-	-	-	27.627
Commercial residents in Türkiye	24.546	-	-	-	-	-	-	-	24.546
Commercial residents in Abroad	2.764	-	-	-	-	-	-	-	2.764
Banks and participation banks	317	-	-	-	-	-	-	-	317
Central Bank of Republic of Türkiye	282	-	-	-	-	-	-	-	282
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	35	-	-	-	-	-	-	-	35
Participation banks	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
VIII. Participation accounts- FC	-	230	15.188	252	85	163	6	-	15.924
Public sector	-	6	1.888	179	-	-	-	-	2.073
Commercial sector	-	223	11.454	73	85	163	3	-	12.001
Other institutions	-	1	1.505	-	-	-	3	-	1.509
Commercial and other institutions	-	-	341	-	-	-	-	-	341
Banks and participation banks	-	-	-	-	-	-	-	-	-
IX. Precious metal funds	45.885	-	15.022	672	231	-	422	-	62.232
X. Participation accounts special funds - TRY	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation accounts special funds - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XII. Participation Accounts Special Fund Pools - Precious Metals - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XIII. Participation Accounts Investment Agency Pools – TRY	-	26.788	96.055	1.712	857	-	20	-	125.432
XIV. Participation Accounts Investment Agency Pools – FC	-	11.192	70.054	545	-	-	6	-	81.797
XV. Participation Accounts Investment Agency Pools – Precious Metals - FC	-	-	-	-	-	-	-	-	-
Total (I+II+…..+XIII+XIV+XV) (*)	**122.781**	**46.082**	**328.372**	**5.974**	**2.279**	**1.223**	**6.647**	**-**	**513.358**

(*) As of 31 December 2025, it includes amounts of TRY 153 related to the TCMB Exchange-Protected Participation Account and TRY 1.923 related to the Yuvam Account products.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

1. a) Information on funds collected (Continued)

a.2) Exceeding Amounts of Insurance Limit:

i. Information's on current and participation accounts within the scope of Saving Deposit/Saving Deposit Insurance Fund

	Under the guarantee of saving deposit insurance	Exceeding the limit of saving deposit	Under the guarantee of saving deposit insurance	Exceeding the limit of saving deposit
	Current Period 30 June 2026	Prior Period 31 December 2025	Current Period 30 June 2026	Prior Period 31 December 2025
Real persons current and profit-sharing accounts that are not subject to commercial activities	55.126	46.494	186.927	144.868
TRY accounts	22.208	19.031	106.168	69.240
FC accounts	32.918	27.463	80.759	75.628
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' under foreign authorities' insurance	-	-	-	-

According to the Regulation on Amendments to the Regulation on Deposits and Participation Funds Subject to Insurance and the Premiums to be Collected by the Savings Deposit Insurance Fund, published in the Official Gazette No. 31936 dated 27 August 2022, all deposits and participation funds, except those held by official institutions, credit institutions, and financial institutions, are now covered under insurance. In line with this change, TRY 8.859 (31 December 2025: TRY 7.718) of commercial deposits, which are covered by insurance, have not been included in the table. The portion of these deposits exceeding the insurance limit is TRY 309.832 (31 December 2025: TRY 299.692).

ii. Amounts which are not within the scope of insurance

Participation fund of the real persons who are not within the scope of Saving Deposits Insurance Fund

	Current Period 30 June 2026	Prior Period 31 December 2025
Foreign branches' profit-sharing accounts and other accounts	-	-
Profit sharing accounts and other accounts of controlling shareholders and profit-sharing accounts of their mother, father, spouse, children in care	-	-
Profit sharing account and other accounts of President and Members of Board of Directors, CEO and Vice Presidents and profit-sharing accounts of their mother, father, spouse and children in care	13	10
Profit sharing account and other accounts within the scope of the property holdings derived from crime defined in article 282 of Turkish Criminal Law No:5237 dated 26 September 2004	-	-
Profit sharing accounts in participation banks which are established in Türkiye in order to engage in offshore banking activities solely	-	-

2. Information on funds borrowed

a) Information on the type of borrowing

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Syndicated Loans	21.066	3.010	-	4.767
Wakala Loans	-	2.573	-	2.190
Funds Provided from Issued Lease Certificates (Sukuk)	15.976	23.370	36.761	21.552
Other	17.464	60.389	7.490	56.482
Total	**54.506**	**89.342**	**44.251**	**84.991**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

2. Information on funds borrowed (Continued)

The details of other loans are provided below.

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Loans Provided by Domestic Banks	17.464	326	7.490	362
Loans Provided by Foreign Banks	-	8.810	-	8.696
Loans Provided by Foreign Institutions	-	51.253	-	47.424
Total	**17.464**	**60.389**	**7.490**	**56.482**

b) Information on banks and other financial institutions

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Borrowings from the CBRT	1.000	-	1.080	-
From Domestic Banks and Institutions	53.506	28.092	43.172	5.129
From Foreign Banks, Institutions and Funds	-	61.250	-	79.863
Total	**54.506**	**89.342**	**44.252**	**84.992**

c) Information on maturity structure of borrowings

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Short-term	46.702	6.560	31.617	7.490
Medium and Long-term	7.804	82.782	12.635	77.502
Total	**54.506**	**89.342**	**44.252**	**84.992**

d) Concentrations of the Bank's major liabilities, funder customer, segments or other criteria which are seen risk concentrations

66,44% of the Bank's liabilities consists of current and participation account. (31 December 2025: 66,77%).

3. Information on funds obtained from money market transactions

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Domestic	**40.803**	**-**	**33.796**	**-**
Financial Institutions	40.803	-	33.796	-
Abroad	**-**	**-**	**-**	**-**
Financial Institutions	-	-	-	-
Total	**40.803**	**-**	**33.796**	**-**

4. Information on securities issued

None (31 December 2025: None).

5. Information on financial liabilities at fair value through profit and loss

None (31 December 2025: None).

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

6. Information on Derivative Financial Liabilities

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Forward transactions	-	-	-	-
Swap transactions	228	2.590	45	13
Futures transaction	-	-	-	-
Options transaction	-	-	-	-
Other	-	-	-	-
Total	**228**	**2.590**	**45**	**13**

7. Information on Lease Liabilities

	Current Period 30 June 2026		Prior Period 31 December 2025	
	Gross	Net	Gross	Net
Less than 1 year	93	83	67	41
Between 1 and 5 years	1.937	1.375	275	208
More than 5 years	4.075	1.681	4.502	2.244
Total	**6.105**	**3.139**	**4.844**	**2.493**

8. Information on provisions:

a) Information on provisions related with foreign currency evaluation difference of foreign currency indexed loans and financial lease receivables

There is no foreign exchange loss provisions on foreign currency indexed loans and financial lease receivables as of 30 June 2026. (31 December 2025: None).

b) Provisions for expected losses on non-compensated and non-cash loans

The expected credit loss provision for non-compensated and non-cash loans is TRY 141 (31 December 2025: TRY 95).

c) Information on other provisions

c.1) Information on free provisions for possible risks

As of 30 June 2026, there is no such balance. (31 December 2025: None).

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

8. Information on provisions (Continued):

c.2) The names and amounts of sub-accounts of other provisions exceeding 10% of the total provision amount

	Current Period 30 June 2026	Prior Period 31 December 2025
Expected Credit Loss Provision for Non-Cash Loans - Stage 1 and Stage 2	650	658
Stage 3 expected credit loss provision for indemnified and non-cashed guarantee letters.	22	95
Amounts Allocated from Profit to Participation Accounts	316	49
Provisions for Lawsuits and Legal Cases	23	20
Impairment Provisions	16	12
Provisions for Credit Card and Banking Service Promotions	4	5
Other	14	14
Total	**1.045**	**853**

d) Information on provisions for employee benefits

d.1) Employment termination benefits and unused vacation rights

The Bank accounts for its obligations related to severance pay and leave rights in accordance with Turkish Accounting Standard 19, 'Accounting for Benefits Provided to Employees.' It has calculated the future obligations arising from severance and notice pay at their net present value and reflected them in the financial statements. As of 30 June 2026, an amount of TRY 488 for leave provision (31 December 2025: TRY 392) and TRY 269 for severance pay are recorded in the Employee Benefits Provision account in the financial statements (31 December 2025: TRY 192).

The Bank uses actuarial method in the calculation and recognition of severance pay with in the standard of TAS 19 - "Turkish Accounting Standard on Employee Benefits".

The Bank used its own parameters in the calculation of the total liabilities which were calculated with the actuary assumptions.

	Current Period 30 June 2026	Prior Period 31 December 2025
Discount Rate (%)	26,60%	26,60%
Inflation (%)	22,50%	22,50%
Real Discount Rate (%)	3,35%	3,35%

Movements in the reserve for employment termination benefits during period are as follows:

	Current Period 30 June 2026	Prior Period 31 December 2025
Balance at the 1 January	392	286
Total Provisions During the Period	96	149
Paid During the Period	-	(12)
Actuarial loss/(gain)	-	(31)
Balance at the end of the period	**488**	**392**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

8. Information on provisions (Continued)

d.2) Additional Bonus Provision to be paid to Personnel

The Bank has a total of TRY 164 provision in the current period, based on the additional bonus to be paid to the personnel (31 December 2025: TRY 164).

9. Explanations on tax liability

a) Explanations on current tax liability

As of 30 June 2026, the Bank's corporate tax liability, after deducting the provisional taxes paid during the period from the tax provisions, amounts to TRY 195 (31 December 2025: TRY 555).

b) Information on taxes payable

	Current Period 30 June 2026	Prior Period 31 December 2025
Corporate Tax Payable	195	555
Taxation on Income From Securities	1.265	1.224
Property Tax	8	7
Banking Insurance Transactions Tax (BITT)	510	391
Foreign Exchange Transactions Tax	17	22
Value Added Tax Payable	78	125
Other	131	131
Total	**2.204**	**2.455**

c) Information on premiums:

	Current Period 30 June 2026	Prior Period 31 December 2025
Social Security Premiums – Employee	1	1
Social Security Premiums – Employer	1	1
Bank Social Aid Pension Fund Premium - Employee	-	-
Bank Social Aid Pension Fund Premium - Employer	-	-
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	6	4
Unemployment Insurance – Employer	12	8
Other	-	-
Total	**20**	**14**

10. Information on deferred tax liabilities

The Bank has no deferred tax liability as of the balance sheet date (31 December 2025: None).

11. Information on payables for assets held for sale and discontinued operations

The Bank has no liabilities for assets held for sale and discontinued operations (31 December 2025: None).

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

12. Explanations on subordinated debts

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
From Domestic Banks	6.017	-	5.349	-
Domestic Other Organizations	-	44.852	-	40.546
From Foreign Banks	-	-	-	-
Overseas Other Organizations	-	-	-	-
Total	**6.017**	**44.852**	**5.349**	**40.546**

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
Debt instruments to be included in the additional capital calculation	-	44.852	-	40.546
Subordinated Loans (*)	-	44.852	-	40.546
Equity-like Debt Instruments	-	-	-	-
Debt instruments to be included in Contribution Capital Calculation:	6.017	-	5.349	-
Subordinated Loans	6.017	-	5.349	-
Equity-like Debt Instruments	-	-	-	-
Total	**6.017**	**44.852**	**5.349**	**40.546**

(*) The Parent Bank obtained a subordinated loan within the scope of additional Tier 1 capital from the TWF Market Stability and Equilibrium Sub-Fund amounting to EUR 57.039.000 on 9 March 2022, with the approval of the BRSA dated 9 March 2022, on a perpetual and non-dividend basis. The Parent Bank calculated the fair value of the mentioned loan amount using the prices of similar financial instruments at the date it was recognized in the financial statements in accordance with TFRS 9 and TFRS 13 standards. The Parent Bank obtained a subordinated loan qualifying as contribution capital from TC Ziraat Bankası A.Ş. amounting to USD 100.000.000 with the approval of the BRSA dated 5 April 2024. The Bank obtained a subordinated loan qualifying as contribution capital from Ziraat Katılım MTN Limited amounting to USD 300.000.000 on 17 December 2024. The loan amounting to EUR 100.000.000 obtained from the TWF Market Stability and Equilibrium Sub-Fund on 24 April 2019, was closed on 30 December 2024.

(**) The Bank obtained subordinated loans from TC Ziraat Bankası A.Ş. in the amounts of TRY 300 on 29 March 2019; TRY 500 on 16 April 2021; and TRY 500 on 17 November 2021, all of which qualify as additional Tier 1 capital. Additionally, on 30 December 2024 the Bank secured a capital-like loan of TRY 4.000 classified as perpetual and non-dividend additional Tier 1 capital.

13. If the other liabilities of the balance exceed 10% of the balance sheet total, the names and amounts of the sub-accounts constituting at least 20% of them

The amount of other liabilities of balance sheet does not exceed 10% of total amount of balance sheet.

14. Information on shareholders' equity

a) Presentation on paid-in capital:

	Current Period 30 June 2026	Prior Period 31 December 2025
Stock Provision	10.350	10.350
Provision for Preferred Stock	-	-

b) Paid-in capital amount, explanation whether the registered capital system is applicable by the Bank, if so the registered capital ceiling amount

Ziraat Katılım Bankası A.Ş. applied to the Capital Markets Board (CMB) on 24 September 2025, for the transition to the registered capital system and an amendment to its articles of association.

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)

14. Information on shareholders' equity (Continued)

c) Other information regarding the capital increases made in the current period and their sources and the increased capital shares

None.

d) Information on additions from capital reserves to capital in the current period

None.

e) Capital commitments in the last fiscal year and continue until the end of the following interim period, general purpose of these commitments and estimated resources required for these commitments

None (31 December 2025: None).

f) Indicators of the Bank's income, profitability and liquidity for the previous periods and possible effects of future assumptions based on the uncertainty of these indicators on the Bank's equity

The Bank has no any uncertainty related to profitability and liquidity according to the prior period's indicators (31 December 2025: None).

g) Summary information on privileges given to shares representing the capital

As of 30 June 2026, the Bank has no preferred shares (31 December 2025: None).

h) Disclosure of accumulated other comprehensive income or expenses to be reclassified to profit or loss

	Current Period 30 June 2026		Prior Period 31 December 2025	
	TRY	FC	TRY	FC
From Subsidiaries, Associates and Entities under Common Control	-	-	-	-
Revaluation Difference	-	-	-	-
Foreign Exchange Difference	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	(636)	1	(721)	3
Revaluation Difference	(636)	1	(721)	3
Foreign Exchange Difference	-	-	-	-
Total	**(636)**	**1**	**(721)**	**3**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. EXPLANATIONS AND NOTES RELATED TO THE OFF-BALANCE SHEET ACCOUNTS

1. Explanations on off-balance sheet liabilities

a) Nature and amount of irrevocable loan commitments

	Current Period 30 June 2026	Prior Period 31 December 2025
Forward Asset Value Trading Commitments	8.905	5.302
Guaranteed Loan Allocation Commitments	-	-
Payment Commitments for Cheques	6.181	4.735
Tax and Fund Liabilities from Export Commitments	1.016	862
Commitments for Credit Card Expenditure Limits	9.910	8.656
Other Irrevocable Commitments	7.263	6.543
Commitment to Implementation of Promotions for Credit Card and Banking Services	3	4
Total	**33.278**	**26.101**

b) Nature and amount of possible losses and commitments arising from the off-balance sheet items including the below mentioned

The amount of provision for Stage 3 possible losses arising from the off-balance sheet items is TRY 672 (31 December 2025: TRY 753).

b.1) Non-cash loans including guarantees, acceptances, financial guarantees and other letter of credits

	Current Period 30 June 2026	Prior Period 31 December 2025
Guarantee Letters	142.437	129.241
Bank Acceptances	473	910
Letter of Credits	44.328	24.530
Other Contingencies	1.353	63
Total	**188.591**	**154.744**

b.2) Certain guarantees, temporary guarantees, surety ships and similar transactions

	Current Period 30 June 2026	Prior Period 31 December 2025
Letters of Temporary Guarantees	12.203	10.759
Letters of Certain Guarantees	95.313	84.190
Letters of Advance Guarantees	18.326	18.233
Letters of Guarantees given to Customs Offices	3.086	2.836
Other Letters of Guarantees	13.509	13.223
Total	**142.437**	**129.241**

b.3) Total non-cash loans

	Current Period 30 June 2026	Prior Period 31 December 2025
Non-Cash Loans for Providing Cash Loans	**13.501**	**13.215**
With Original Maturity of One Year or Less	149	182
With Original Maturity of More than One Year	13.352	13.033
Other Non-Cash Loans	175.090	141.529
Total	**188.591**	**154.744**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS

1. Dividend income

a) Information on profit share received from loans

	Current Period 30 June 2026		Prior Period 30 June 2025	
	TRY	FC	TRY	FC
Profit share on loans (*)	**48.144**	**8.180**	**33.441**	**6.218**
Short-term loans	20.011	2.502	17.330	2.391
Medium- and long-term loans	24.738	5.678	15.537	3.827
Profit share on non-performing loans	3.395	-	574	-
Premiums received from resource utilization support fund	-	-	-	-

(*) Includes fees and commissions income on cash loans.

b) Information on profit share income from banks

	Current Period 30 June 2026		Prior Period 30 June 2025	
	TRY	FC	TRY	FC
Central Bank of the Republic of Türkiye	-	-	1.363	-
Domestic Banks	-	1	8	-
Foreign Banks	-	5	-	-
Head Office and Branches	-	-	-	-
Total	**-**	**6**	**1.371**	**-**

c) Information on profit share income from securities portfolio

	Current Period 30 June 2026		Prior Period 30 June 2025	
	TRY	FC	TRY	FC
Financial Assets at Fair Value through Profit and Loss	2.013	102	-	115
Financial Assets at Fair Value through Other Comprehensive Income	6.640	34	5.651	94
Investments Held-to-Maturity Financial Assets Measured by Amortized Cost	1.316	74	1.357	97
Total	**9.969**	**210**	**7.008**	**306**

d) Information on profit share income received from associates and subsidiaries

None (30 June 2025: None)

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS

2. Dividend expenses

a) Information on profit share expense on borrowing

	Current Period 30 June 2026		Prior Period 30 June 2025	
	TRY	FC	TRY	FC
Banks	2.723	1.543	1.946	1.278
Central Bank of the Republic of Türkiye	148	-	115	-
Domestic Banks	2.575	71	1.831	262
Foreign Banks	-	1.472	-	1.017
Head Office and Branches	-	-	-	-
Other Institutions	3.984	2.821	4.381	1.701
Total	**6.707**	**4.364**	**6.327**	**2.980**

b) Information on profit share expense given to associates and subsidiaries

The amount of profit share expense given to associates and subsidiaries is TRY 5.068 (30 June 2025: TRY 5.326).

c) Information on profit share expense paid to securities issued

None (30 June 2025: None).

d) Presentation of dividends paid to participation accounts according to maturity structure

Current Period 30 June 2026	**Participation Accounts**					
Account Name	**1 month**	**3 months**	**6 months**	**1 year**	**Over 1 year**	**Total**
Turkish Lira						
Funds Collected from Banks via Current and Participation Accounts	1	227	-	-	-	228
Real Person's Non-Commercial Participation Accounts	1.670	18.530	105	81	798	21.184
Public Sector Participation Accounts	604	577	42	18	-	1.241
Commercial Sector Participation Accounts	4.291	25.811	169	112	1	30.384
Other Institutions Participation Accounts	100	1.087	244	309	40	1.780
Total	**6.666**	**46.232**	**560**	**520**	**839**	**54.817**
Foreign Currency						
Funds Collected from Banks via Current and Participation Accounts	-	-	-	-	-	-
Real Person's Non-Commercial Participation Accounts	8	147	1	2	8	166
Public Sector Participation Accounts	-	16	1	5	-	22
Commercial Sector Participation Accounts	2	172	11	2	-	187
Other Institutions Participation Accounts	81	1.168	8	-	-	1.257
Public Sector Participation Accounts	10	-	-	-	-	10
Total	**101**	**1.503**	**21**	**9**	**8**	**1.642**
Grand Total	**6.767**	**47.735**	**581**	**529**	**847**	**56.459**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira (“TRY”)

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (Continued)

2. Dividend expenses (Continued)

d) Presentation of dividends paid to participation accounts according to maturity structure (Continued)

Prior Period 30 June 2025	Participation Accounts					
Account Name	**1 month**	**3 months**	**6 months**	**1 year**	**Over 1 year**	**Total**
Turkish Lira						
Funds Collected from Banks via Current and Participation Accounts	-	-	-	-	-	-
Real Person’s Non-Commercial Participation Accounts	668	10.176	612	446	1.740	13.642
Public Sector Participation Accounts	139	657	291	24	-	1.111
Commercial Sector Participation Accounts	3.386	20.116	1.156	852	156	25.666
Other Institutions Participation Accounts	50	1.240	184	67	-	1.541
Total	**4.243**	**32.189**	**2.243**	**1.389**	**1.896**	**41.960**
Foreign Currency						
Banks	-	-	-	-	-	-
Real Person’s Non-Commercial Participation Accounts	3	255	4	4	15	281
Public Sector Participation Accounts	-	37	-	11	-	48
Commercial Sector Participation Accounts	30	1.342	83	65	-	1.520
Other Institutions Participation Accounts	18	56	-	-	-	74
Public Sector Participation Accounts	11	-	-	-	-	11
Total	**62**	**1.690**	**87**	**80**	**15**	**1.934**
Grand Total	**4.305**	**33.879**	**2.330**	**1.469**	**1.911**	**43.894**

3. Information on dividend income

The Bank's has no dividend income as of June 30, 2025 (30 June 2025: None).

4. Information on trading income/loss (net)

	Current Period 30 June 2026	Prior Period 30 June 2025
Income	**51.087**	**17.839**
Foreign exchange gains	-	11
Gain on derivative financial instruments	7.714	2.654
Gain on capital market transactions	43.373	15.174
Losses (-)	**48.692**	**14.878**
Foreign exchange losses	370	1
Losses on derivative financial instruments	5.455	291
Losses on capital market transactions	42.867	14.586
Net	**2.395**	**2.961**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (Continued)

5. Information on other operating income

Information on factors covering the recent developments which has significant effect on the Bank's income and the extent of effect on income

	Current Period 30 June 2026	Prior Period 30 June 2025
Correction Account for Previous Years Expenses (*)	3.334	1.757
Income from the Sale of the Asset	275	17
Provision for Communication Expenses	24	31
Checkbook Fees	5	3
Other	27	26
Total	**3.665**	**1.834**

(*) Adjustment to prior year expenses consists of TRY 3.206 from provisions for loans (30 June 2025: TRY 994), TRY 107 from provisions for participation accounts (30 June 2025: TRY728), TRY 3 from provisions for impairment of securities (30 June 2025: TRY1), and TRY 18 consists of other provision reversals (30 June 2025: TRY 33).

6. Provision expenses for impairment on loans and other receivables

	Current Period 30 June 2026	Prior Period 30 June 2025
Expected Credit Loss	7.428	4.151
12 month expected credit loss (Stage 1)	372	1.020
Significant increase in credit risk (Stage 2)	897	1.726
Non-performing loans (Stage 3)	6.159	1.405
Marketable Securities Impairment Expense	-	-
Financial Assets at Fair Value through Profit or Loss	-	-
Available-for-sale Financial Assets Fair Value Through Other Comprehensive Income	-	-
Subsidiaries, Associates and Entities Under Common Control Impairment Provision	-	-
Associates	-	-
Subsidiaries	-	-
Entities Under Common Control (Joint Ventures)	-	-
Other	544	188
Amounts Allocated from Profits to be Distributed to the Participation Account	370	63
Other	174	125
Total	**7.972**	**4.339**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (Continued)

7. Information on other operating expenses

	Current Period 30 June 2026	Prior Period 30 June 2025
Reserve for Employee Termination Benefits	96	67
Bank Social Aid Provision Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Fixed Assets	779	564
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	167	103
Impairment Expense of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Sale	-	-
Depreciation Expenses of Assets Held for Sale	-	-
Impairment Expenses for Non-Current Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	1.756	1.204
Leasing Expenses Related to TFRS 16 Exceptions	22	11
Maintenance Expenses	257	162
Advertisement Expenses	428	349
Other Expenses (*)	1.049	682
Loss on Sales of Assets	3	1
Other (*)	1.876	1.094
Total	**4.677**	**3.033**

(*) Of the balance classified under "Other", TRY 628 (30 June 2025: TRY 454) consists of SDIF (Savings Deposit Insurance Fund) premiums and audit and consultancy service expenses, while TRY 906 (30 June 2025: TRY 477) consists of taxes, duties and levies, and other service expenses.

8. Information on profit/loss from continued and discontinued operations before taxes

As of 30 June 2026, the Bank does not have any discontinuing operations. The compositions of the profit/loss before tax from the continuing operations are following:

	Current Period 30 June 2026	Prior Period 30 June 2025
Net Profit Share Income	13.314	5.185
Net Fees and Commissions Income	2.615	2.053
Dividend Income	8	2
Trading Income/Expense (Net)	2.395	2.961
Other Operating Income	3.665	1.834
Expected Loss Provision (-)	7.798	4.214
Other Provision Expense (-)	174	125
Personnel Expense	4.801	3.036
Other Operating Expenses (-)	4.677	3.033
Income/(Loss) from Continuing Operations	**4.547**	**1.627**

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (Continued)

9. Information on tax provision for continued and discontinued operations

Since the Bank does not have any discontinued operations, there is no related tax provision.

As of 30 June 2026, the Bank has deferred tax income of TRY 1.080 (30 June 2025: TRY 1.589) and deferred tax expense of TRY 818 (30 June 2025: TRY 254). Current tax provision TRY 1.689 (30 June 2025: TRY 1.737).

10. Explanation on net income/loss for the period for continuing and discontinued operations

The net profit of the Bank from its ongoing activities is TRY 3.120 (30 June 2025: TRY 1.225 net profit).

11. Explanation on net profit/loss

a) Nature, amount and frequency of income and expenses arising from ordinary banking activities, if required for the understanding the performance of the Bank in the current period

The Bank mainly utilizes its resources from domestic current and profit shares, securities and interbank operations. Besides, it obtains income via commissions taken from non-cash loans, other banking operations.

b) The effect of the change in accounting estimates to the net profit/loss; including the effects to the future period, if any

As of the balance sheet date, there is no change in accounting estimates that may require further explanations in the current period.

12. If other items in the income statement exceed 10% of the income statement total, sub-accounts constituting at least 20% of these items are shown below

None (30 June 2025: None).

V. EXPLANATION AND NOTES RELATED TO THE CHANGES IN SHAREHOLDERS' EQUITY

In accordance with the profit distribution decision taken at the Bank's 2025 Ordinary General Assembly meeting held on 9 April 2026, TRY 5.756 was allocated as a general legal reserve fund at the rate of 5% from the balance sheet profit of TRY 288 for 2025, and the remaining TRY 5.468 after the distributions was allocated to the Bank.

VI. EXPLANATIONS ON CASH FLOW STATEMENTS

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

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

VII. EXPLANATIONS AND NOTES RELATED TO THE RISK GROUP OF THE BANK

1) a) Information on the volume of transactions relating to the Bank's risk group, outstanding loans and funds collected and income and expenses for the period

Current Period

Risk group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and other receivables	-	-	-	-	-	-
Balance at beginning of period	-	-	14.896	-	-	-
Balance at end of period	-	-	30.033	-	-	-
Profit share and commission income	-	-	2	-	-	-

Prior Period

Risk group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and other receivables	-	-	-	-	-	-
Balance at beginning of period	-	-	3.310	-	-	-
Balance at end of period	-	-	14.896	-	-	-
Profit share and commission income	-	-	2	-	-	-

b) Current and profit-sharing account held by the Bank's risk group

Risk group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct and indirect shareholders of the bank		Other real or legal persons included in the risk group	
Current and participation accounts	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Balance at the beginning of period	6	4	-	-	-	-
Balance at the end of period	8	6	-	-	-	-
Participation Accounts Profit Share Expenses	-	-	-	-	-	-

c) Information on loans received from the Bank's risk group

Risk group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct and indirect shareholders of the bank		Other real or legal persons included in the risk group	
Funds Borrowed	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Balance at beginning of period	54.578	35.421	38	75	-	-
Balance at end of period	37.073	54.578	1.771	38	-	-
Participation Accounts Profit Share Expenses	**5.068**	**5.326**	**694**	**334**	-	-

EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

VII. EXPLANATIONS AND NOTES RELATED TO THE RISK GROUP OF THE BANK (Continued)

2) Information on forward transactions, option contracts and other similar contracts with the Bank's risk group

Risk group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct and indirect shareholders of the bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions at Fair Value Through Profit or Loss	-	-	-	-	-	-
Balance at the beginning of period	-	-	2.012	29.203	-	-
Balance at the end of period	-	-	48	2.012	-	-
Total Profit/Loss	-	-	-	-	-	-
Hedging transactions	-	-	-	-	-	-
Balance at the beginning of period	-	-	-	-	-	-
Balance at the end of period	-	-	-	-	-	-
Total Profit/Loss	-	-	-	-	-	-

3) Information on the fees paid to the top management of the bank

The total amount of benefits provided to the Parent Bank's Senior Management is TRY 49 (31 December 2025: TRY 77).

VIII. SIGNIFICANT EVENTS AND MATTERS ARISING SUBSEQUENT TO BALANCE SHEET DATE

None.

A SECTION SIX

EXPLANATIONS ON AUDITOR'S REVIEW REPORT

I. EXPLANATIONS ON INDEPENDENT AUDITOR'S REVIEW REPORT

The unconsolidated financial statements for the period ended 30 June 2026 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The auditor's review report dated 10 August 2026 is presented preceding the unconsolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY THE INDEPENDENT AUDITORS

None.

SECTION SEVEN

INTERIM ACTIVITY REPORT

I. Assessment of Chairman

In the second quarter of 2026, the global economy exhibited volatility as geopolitical risks continued to exert pressure on macroeconomic balances. Uncertainties arising from regional conflicts, the prospects of potential peace negotiations, supply chain security, and expectations regarding energy prices formed the core parameters of the global agenda. Positive expectations emerging from peace talks between the US and Iran reversed to a negative outlook globally following the resumption of conflicts and the impact on oil and natural gas prices through the Strait of Hormuz. As these dynamics intensified, volatility in energy markets increased, inflationary expectations rose, global risk appetite weakened, and growth forecasts were revised downward.

During this period, focal points in the US economy included conflicts with Iran, inflation indicators, and the change in leadership at the Federal Reserve (Fed). Pressured by rising energy prices, the US recorded the highest inflation figures in the last three years. In June, the Fed held its first meeting under newly appointed Chair Kevin Warsh, maintaining the policy rate unchanged. Given the prevailing high inflation and weakening labor market data, it is anticipated that the Fed will not reduce rates within the year
.
In the Eurozone, ongoing matters included the Russia-Ukraine War, conflicts between the US-Israel and Iran, weak economic activity, and monetary policy decisions. The Eurozone economy contracted for the first time since the last quarter of 2022 during this period. Concurrently, inflation rates remained above the 2% target set by the European Central Bank (ECB), driven in part by cost pressures from disruptions in the Strait of Hormuz. Despite weakening growth, inflationary risks related to energy prices re-emerged, influencing the monetary policy path. Accordingly, the ECB raised its policy rate by 25 basis points at its June 11 meeting, taking these risks into account.

The Chinese economy maintained growth dynamics around 5%, despite escalating protectionist tendencies and tariff hike risks in global trade. Fluctuations in external demand were balanced through technology-focused export strategies. Other emerging economies remained under pressure during the second quarter, as the Fed delayed rate cuts and maintained a hawkish stance.

For Turkey, the second quarter was marked by efforts to contain the adverse effects of geopolitical developments centered in the Middle East. In spite of global disruptions in petroleum and energy supplies, inflation in June fell to its lowest level since March. The Central Bank of the Republic of Turkey (CBRT) maintained its monetary tightening stance by keeping the policy rate stable at 37% and the effective funding rate at 40%. Additionally, an upward trend in total reserves was observed during this period. Expectations for the next period indicate continuity in the disinflation path and committed economic policies.

Meanwhile, the participation banking sector, playing a critical role in enhancing the financial system's resilience to risks and supporting the real sector, held a market share of 9.10% as of May 2026.
As of May 2026, Ziraat Katılım, which commands approximately an 18% market share in the participation banking sector and bears the responsibility of being Turkey's first public participation finance institution, remains determined to continue supporting our country's economy through a customer-centric approach, profitability, and efficiency principles in the forthcoming period.

Alpaslan ÇAKAR
Chairman

INTERIM ACTIVITY REPORT (Continued)

I. Assessment of General Manager

THE BALANCING PROCESS IN THE ECONOMY SUPPORTS FINANCIAL STABILITY

The second quarter of 2026 was marked by continuing uncertainties influenced by geopolitical developments and volatility in energy markets within the global economy. While maintaining the priority of combating inflation globally, central banks adopted cautious stances in monetary policy, emphasizing policies that balance growth and price stability.

In the Turkish economy, the disinflation process continued during the second quarter, with economic activity maintaining a balancing trend. Policies to support growth focused on production, investment, and exports were sustained. Measures aimed at strengthening financial stability and steps to facilitate the real sector's access to finance continued to contribute to the sustainability of economic activities.
During this period, the participation finance sector also continued its growth, providing resources to the real economy, adopting a production-oriented financing approach, and adhering to ethical banking principles. The sector contributed to the economy through practices enhancing financial inclusion and innovative solutions.

MAINTAINING STRONG PERFORMANCE WITH OUR COMMITMENT TO SUSTAINABLE GROWTH

At Ziraat Katılım, we preserved our strong performance in the second quarter of 2026, continuing to build on our robust capital structure, commitment to sustainable growth, and prudent management approach.

As of the second quarter, our total assets reached TRY 884.7 billion, collected funds amounted to TRY 588 billion, and disbursed cash loans totaled TRY 578.6 billion. Accordingly, the total cash and non-cash financing volume we provided to the economy stood at TRY 767 billion.

Thanks to our expanding service network, by the end of the second quarter of 2026, we continued to deliver the financial solutions our customers need promptly, reliably, and innovatively through a total of 233 branches operating in 66 provinces, including two abroad.

OUR SUKUK ISSUANCES CONTINUE TO SUPPORT OUR FINANCIAL STRUCTURE: REACHING A VOLUME OF TRY 206.5 BILLION

At Ziraat Katılım, we successfully continued our sukuk issuances, which contribute to the development of the participation finance market, in the second quarter of 2026. Within this scope, we secured funding totaling TRY 9 billion through six sukuk issuances conducted via Ziraat Yatırım Menkul Değerler A.Ş.

With a total of 218 sukuk issuances to date, reaching a cumulative volume of TRY 206.5 billion, we have maintained our strong position in the sukuk market while continuing to deepen the participation finance ecosystem and contribute to the development of capital markets.

OUR BANK'S SUKUK ISSUANCES HAVE STARTED TRADING ON THE VIENNA STOCK EXCHANGE

We have taken another significant step in strengthening our presence in international capital markets. Within the framework of our USD 1.5 billion ceiling Medium Term Note (MTN) Program established for international investors, we have expanded our access to global investors by commencing trading of our sukuk issuances on the Vienna Stock Exchange.

With this development, we have increased the visibility of our sukuk issuances in global capital markets and secured a position on an important platform that supports international investors' access to participation finance instruments.

INTERIM ACTIVITY REPORT (Continued)

I. Assessment of General Manager (Continued)

A NEW ERA IN SME BANKING: ATAK

We have launched the Automatic Allocation Flow (ATAK) Project, which we developed to make credit processes in the SME segment faster, more efficient, and effective. Thanks to the Automatic Evaluation and Allocation module integrated with branch authorization limits, we have consolidated our credit evaluation and allocation processes into a single system, significantly enhancing our operational efficiency.

With ATAK's high automation capabilities, companies' financial data, past performance, and relationships with other financial institutions are analyzed within seconds to determine the most appropriate credit limit and risk assessment. The system evaluates not only the applicant but also the relationship structure encompassing group companies, partners, and guarantors with a holistic approach, thereby contributing to more effective and sound credit decisions.

DELIVERING VALUE-FOCUSED SOLUTIONS TO OUR CUSTOMERS WITH OUR NEW CARD PRODUCTS

In the second quarter of 2026, we introduced new credit card products that align our participation banking principles with diverse customer needs. With the Family Card, designed to bring trust, control, and a value-oriented approach to families' financial lives, and the Independent Card, which combines participation banking principles with a commitment to social benefit, we completed the issuance processes and made these products available to our customers.

During the same period, in collaboration with the Turkish Green Crescent Society, we publicly launched the Independent Card at a promotional event held at the Ziraat Towers in Istanbul Financial Center. Developed under the "Year of Independence 2026" initiative, the Independent Card creates an innovative model that transforms users' daily expenses into social benefit, while providing sustainable support to addiction prevention efforts.

STRENGTHENING OUR BRAND VALUE THROUGH NATIONAL AND INTERNATIONAL ACHIEVEMENTS

Our awards received on national and international platforms in the second quarter of 2026 have once again confirmed our customer-centric service approach, innovative mindset, and strong brand value.
We were honored with the titles of "Best Islamic Bank for International Services Turkey 2026," "Fastest Growing Private Bank Turkey 2026," and "Best Bank for International Services Turkey 2026" by prestigious UK-based award platforms.

Additionally, in the Social Brands study conducted in cooperation with BoomSonar and Marketing Turkey, we were selected as the "Most Effective Participation Bank on Social Media" for the eighth consecutive time in the Participation Banks category, demonstrating our consistent success in digital communication and effectiveness in social media management.

SUPPORTING THE REAL SECTOR'S ACCESS TO FINANCE WITH THE TOBB NEFES CREDIT SUPPORT PROGRAM

To contribute to the economy program implemented to combat inflation and facilitate the real sector's access to finance, we made the TOBB Nefes Credit 2026 Support Program available to our customers through our Bank. Implemented in line with regional priorities set by the Union of Chambers and Commodity Exchanges of Turkey (TOBB), the program aims to widely meet the financing needs of businesses at the grassroots level and support the sustainability of economic activities.

INTERIM ACTIVITY REPORT (Continued)

I. Assessment of General Manager (Continued)

ACCELERATING OUR GROWTH MOMENTUM IN CARD PAYMENT SYSTEMS

Along with the expansion of our merchant network, we have increased our POS turnover to TRY 11 billion, achieving a 32.5% growth in POS turnover and a 22.4% increase in POS terminal numbers compared to the previous quarter. During the same period, our debit card count rose by 2%, while debit card turnover increased by 17%. On the credit card side, we grew our card count by 3% and achieved strong growth of 32% in credit card turnover. Maintaining the growth momentum in our commercial credit card—which we introduced to our customers in 2024—we recorded a 25% increase in card count and a 27% increase in turnover.

HOSTING THE ANADOLU AJANSI PARTICIPATION FINANCE SUMMIT

We hosted the Anadolu Ajansı Participation Finance Summit at the Istanbul Financial Center Ziraat Towers Auditorium, organized in collaboration with Anadolu Ajansı and the Participation Banks Association of Turkey.

The summit brought together general managers and senior executives of participation finance institutions, academics, and representatives from the business world, serving as an important platform to discuss the current status, development areas, and future vision of the participation finance sector.

PROUD TO BE A VALUE-CREATING FORCE IN PARTICIPATION FINANCE FOR 11 YEARS

On 29 May 2026, we proudly celebrated the 11th anniversary of our establishment. Since our founding, we have adhered to participation finance principles, supporting financing approaches that empower production, investment, and sustainable development, standing by our customers and the Turkish economy. We have continued our operations with trust, transparency, and a sustainable growth mindset, contributing value to the real sector's financing, production, and the national economy.

Today, strengthened by our robust financial structure, extensive service network, and innovative product and service offerings, we remain steadfastly committed to contributing to the development of the participation finance sector and generating value for our customers.

We will continue to develop solutions that guide the growth of the participation finance sector and support production and investment in the forthcoming period. With our strong financial foundation, digital transformation vision, and customer-centric service approach, we are determined to contribute to Turkey's sustainable development and create lasting value for our stakeholders.

Best Regards,

Metin ÖZDEMİR
General Manager

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

INTERIM ACTIVITY REPORT (Continued)

II. Shareholding Structure

The paid in capital of Ziraat Katılım Bankası A.Ş. is TRY 10.350.000.000 and this capital is divided into 10.350.000.000 shares, each of which is worth 1,00 Turkish Liras. The Chairman and Members of the Board of Directors, the Members of the Audit Committee, and the General Manager and his Deputies do not own shares in the Bank.

Title	Share Amounts	Number of Shares
T.C. Ziraat Bankası A.Ş.	10.349.999.996	10.349.999.996
Ziraat Finansal Yatırımlar A.Ş. (**)	1	1
Ziraat Filo Yönetimi ve Mobilite Çözümler A.Ş. (*)	1	1
Ziraat Teknoloji A.Ş.	1	1
Ziraat Yatırım Menkul Değerler A.Ş.	1	1

III. Amendments to the Articles of Association

Following the decision made at the Ordinary General Assembly meeting held on 6 June 2024, the Headquarters address of Ziraat Katılım Bankası A.Ş. has been changed from Hobyar Eminönü Mah. Hayri Efendi Cad. Bahçekapı No:12 34112 Fatih – Istanbul to Finanskent Mahallesi Finans Cad. B Blok No: 44b İç Kapı No: 29 34764 Ümraniye – Istanbul. The new address was announced in the Turkish Trade Registry Gazette on 2 July 2024.

IV. Main Financial Indicators

Among the Bank's Assets, Loans with TRY 592.994 with 67%, Cash Values and Cash Equivalents with TRY 183.361 with 21%, Securities with TRY 78.456 with 9%, Other Assets with TRY 29.909 with 3% gets a share.

Assets (Million TRY)	30 June 2026	31 December 2025	Variance (%)
Cash Values and Cash Equivalents	183.361	165.487	21
Securities	78.456	102.009	(18)
Loans	592.994	479.720	4
Other Assets	29.909	21.601	9
Total Assets	**884.720**	**768.817**	**5**

Funds Collected in Bank Liabilities with TRY 588.09 with 66%, Non-Funds Collected Resources with TRY 235.520 with 27%, Shareholders' Equity with TRY 32.390 with 4% and Other Liabilities with TRY 28.719 with 3%. takes.

Liabilities (Million TRY)	30 June 2026	31 December 2025	Variance (%)
Funds Collected	588.091	513.358	15
Non- Funds Collected Resources	235.520	208.935	13
Other Liabilities	28.719	17.365	65
Equity	32.390	29.159	11
Total Liabilities	**884.720**	**768.817**	**15**

(Unless otherwise stated amounts are expressed in millions of Turkish Lira ("TRY")

INTERIM ACTIVITY REPORT (Continued)

V. Main Financial Indicators (Continued)

Selected Income-Expenses (Million TRY)	30 June 2026	30 June 2025
Profit Share Income	84.831	63.182
Profit Share Expense	71.517	57.997
Net Profit Share Income	13.314	5.185
Net Fee and Commission Income	2.615	2.053
Dividend Income	8	2
Net Trading Income	2.395	2.961
Other Operating Income	3.665	1.834
Expected Loss Provision	7.798	4.214
Other Provision Expense	174	125
Personnel Expense	4.801	3.036
Other Operating Expense	4.677	3.033
Profit/Loss Before Tax	4.547	1.627
Tax Provision (±)	(1.427)	(402)
Net Profit/Loss	**3.120**	**1.225**

RATIOS (%)	30 June 2026	31 December 2025
Capital Adequacy Ratio	16,5	23,7
Equity/Total Assets	3,7	3,8
Total Loans (*)/Total Assets	68,8	63,8
Borrowings/Total Assets	65,5	66,8
Non-Performing Loans (Gross)/Loans	4,9	3,0

(*) Financial lease receivables are included, excluding non-performing loans.

VI. 2026 Second Interim Period Activities

Ziraat Katılım Bankası, which commenced its journey as Turkey's first public participation finance institution, celebrated its 11th anniversary in the second quarter of 2026. Since its establishment, Ziraat Katılım has continuously increased its support to the Turkish economy based on the principles of participation finance.

Corporate, Commercial, and Retail Banking Activities

Through our Corporate Banking operations, we serve our customers' needs with solutions delivered from the most appropriate channels and value propositions via six corporate branches across three provinces and nineteen commercial branches in eleven provinces.

As one of our strategic products, the initial transactions within the scope of the Supplier Financing System (TFS) were conducted between our corporate branch clients and their suppliers. Consistent with the first quarter, new disbursements were made during this period under the Export Preparation Support Financing Program established through participation banks to enhance the competitiveness and address the financing needs of firms preparing for export within the framework of Eximbank. We will continue to support the public and private sectors through project and investment financing, financial leasing, import-export financing, financing sourced from the Islamic Development Bank and KFK, as well as agricultural and sustainable finance products.

Within the organizational restructuring carried out in the second quarter, a strong synergy model was established by uniting the Private and Retail Banking business units under a single roof. This transformation aims to provide an integrated end-to-end service model to our customers and ensure a seamless user experience at every touchpoint. Retail and Private Banking continue their efforts to increase operational efficiency and sustainably develop the digital service model.

INTERIM ACTIVITY REPORT (Continued)

VI. 2026 Second Interim Period Activities (Continued)

Our Bank's customer-focused service quality, aligned with international standards, has been recognized with three major awards from prestigious UK-based award platforms:

- **Best Islamic Bank for International Services Turkiye 2026:** Demonstrating our global leadership in the diversity of international services.

- **Fastest Growing Private Bank Turkiye 2026:** Reflecting the success of our strong growth momentum and market share gains in the sector.

- **Best Bank for International Services Turkiye 2026:** Highlighting the excellence level of our cross-border banking solutions.

These global achievements have reinforced our Bank's reputation in the international financial arena and strategically contributed to its global visibility and brand value.

Retail Banking, Digital Solutions, and Agricultural Finance Activities

In retail banking, during the second quarter of 2026, we continued efforts to increase the usage of our products and services focusing on new customers. As a result of our campaigns, many new customers accessed our POS products under favorable conditions. While contributing to the country's development goals through financing models focused on production, employment, and the real sector, we continued to stand by farmers by integrating our participation banking finance solutions specifically offered for the sector with our agricultural products.

Our customer experience vision, laid in early 2026, has evolved into a comprehensive corporate initiative under the second phase of the 'Customer-Centric Transformation (MOD)' project. In line with our Bank's strategic objectives, tests covering all channels and stakeholder analyses have been completed, yielding critical data.

The 'Customer Experience Maturity Level Report' prepared based on this data clearly identified our Bank's current capabilities and areas for improvement. Our Bank remains committed to strengthening its pioneering role in the participation finance sector through a cultural transformation focused on people and excellent experience.

In line with strategic priorities in Open Banking and Service Banking, our API Market platform has continued to be developed. Thanks to partnerships established with the Fintech ecosystem and expanding API integrations, we have delivered innovative and value-added digital financial solutions enhancing customer experience. The number of these collaborations has increased to six, with approximately eight million successful API transactions completed. To standardize Fintech partnerships and integrations via the API PORTAL, all prior Fintech integrations conducted with former methods are planned to be migrated to this platform. In compliance with the regulations of the Central Bank of the Republic of Turkey (CBRT), work on the HHS and YÖS processes has continued. Following the completion of HHS certification in the first quarter, YÖS certification processes were concluded during the second quarter, the reporting period.

Thanks to the next-generation analytics and performance management infrastructure used in our internet and mobile banking applications, performance and crash/error management have been significantly improved. Comprehensive efforts to increase the visibility and visitor traffic of our corporate website on search engines have been completed.

INTERIM ACTIVITY REPORT (Continued)

VI. 2026 Second Interim Period Activities (Continued)

Within the scope of our Supplier Financing System product, integrations with fintech companies providing digital platform services as intermediaries in the sector have become fully operational. Our Shared Account product has been enabled to allow account opening, closing, and all banking transactions via digital channels. In the second quarter of 2026, to increase cross-selling and reduce operational burden, the sale of travel health insurance was integrated into our mobile and internet banking channels.

Our Bank has also continued its activities in card systems and merchant services. Accordingly, both card and merchant volumes continued to grow in the second quarter of 2026 as follows;

- POS turnover increased by 33% compared to the previous quarter, with the number of POS terminals rising by 22%.
- Debit card turnover rose by 17%, and credit card turnover increased by 32% compared to the previous quarter.
- The number of commercial credit cards, introduced in 2024, increased by 25%, and turnover grew by 27% compared to the previous quarter.

The issuance processes for our new credit card products—Family Card (TROY), which introduces a trust, control, and value-oriented approach to families' financial lives in accordance with participation banking principles, and Independent Card (TROY), which combines participation banking principles with the Green Crescent's stance against addictions—have been completed and these cards are now offered to our customers.

In line with our Bank's strategic objectives, the primary aim is to support sustainable agricultural activities within the agricultural industry, agricultural technologies, and planned production. Accordingly, both subsidized and unsubsidized agricultural financing products contribute to strengthening the sustainable agricultural ecosystem.

As of the end of the second quarter, our Bank's financing support to the agricultural sector showed significant growth, with the financing balance approaching TRY 60 billion. This strong growth concretely reflects our Bank's commitment to financing sustainable agriculture and supporting access to finance for all farmers.

To support rural development, enhance livestock farming, and increase animal populations, our joint financing products "Birlikte Üretelim Küçükbaş" and "Birlikte Üretelim Büyükbaş" have been implemented in cooperation with official institutions, breeding associations, dairy producer unions, and cooperatives. These products finance livestock procurement and the working capital expenses required within this scope. Within this context, we will continue to support our producers with innovative agricultural financing solutions developed in accordance with participation banking principles to encourage sustainable and efficient agricultural production.

Participation-Based Financial Supports

In the second quarter of 2026, our Bank continued its uninterrupted support to the real sector with innovative products and services developed in line with its participation finance vision. During this period, we sustained our contribution to the growth dynamics of our country's economy with a comprehensive and inclusive portfolio of products and services designed to meet our customers' needs.

The "Employment Protection Support Program," aimed at preserving and increasing employment in the manufacturing industries, was completed in collaboration between our Bank and the Small and Medium Enterprises Development Organization of Turkey (KOSGEB), and disbursements have commenced.

Within the scope of the "KOSGEB – BMZ II Employment Guaranteed SME Financing Support Program," implemented with the cooperation of the German Development Bank (KfW) and the European Union (EU), the works carried out between our Bank and KOSGEB were completed and fund disbursements have starte

INTERIM ACTIVITY REPORT (Continued)

VI. 2026 Second Interim Period Activities (Continued)

The TOBB Nefes Credit 2026 Support Program has been implemented to support the success of the anti-inflation economic program by widely meeting the financing needs that emerged in the real sector during the program's implementation. This is done in accordance with the regional weights determined by the Union of Chambers and Commodity Exchanges of Turkey (TOBB)..

With a financing volume exceeding TRY 90 billion in financial leasing, we continue to maintain our leading position and market leadership in the sector. We provide financial leasing solutions compliant with participation banking principles across a broad range of sectors, from industrial investments to renewable energy projects.

Operational Developments

In the second quarter of 2026, efforts to digitalize operational processes and strengthen system infrastructure continued.

Work to display customer representative information on our mobile application and internet branch has been completed. In line with our goal to provide faster and easier cash management services via digital channels, "Checkbook Requests" were launched through our internet and mobile banking channels.

We continue our cooperation with public institutions. Within this scope, exam payments have been integrated into our Bank's collection system pursuant to the protocol signed with the Student Selection and Placement Center (ÖSYM). A cooperation protocol has been signed with the Public Procurement Authority (KİK) to facilitate institutional collections. Additionally, preparatory work for protocols with the Ministry of National Education Payment Service (MEB) and İller Bankası is ongoing.

Priority has been given to digital integrations that enhance operational speed within our insurance activities. Many processes have been automated using the capabilities of our KAŞİF robotic system.

Within the scope of foreign trade advisory services, training sessions on foreign trade applications are organized at our branches, and direct customer visits provide information and maintain contact with our clients.

System integrations were successfully completed in line with recent regulatory updates under the CBRT Export Circular. This integration enables export customers using the prepayment method to benefit from foreign exchange conversion support during the commitment closure stage of their Export Proceeds Acceptance Certificates (İBKB).

Sustainability and Climate Change Efforts

As one of our Bank's priority strategic initiatives, sustainability and climate change activities are conducted in alignment with our country's development plan and the 2053 Net Zero Emission vision, the Green Deal Action Plan, and national/international regulatory developments. Within this framework, active efforts continue to ensure regulatory compliance, meet customer and market expectations, and address investor demands.

Following the governance structure established under the sustainability and climate change transformation program launched in 2022, sustainability practices have been implemented in credit processes, risk management, product development, and reporting activities. During the current period, initial measurement studies for financed greenhouse gas emissions were conducted, and our Bank's greenhouse gas inventory scope was expanded. Moreover, in accordance with the Notification on Banks' Green Asset Ratio Calculation, efforts to enhance data quality for green asset ratio calculations have been intensified. Additionally, methodology and data infrastructure development for customer-based climate risk scoring are underway. Furthermore, the sustainability agenda continues to be monitored closely, with particular attention to potential developments arising from the COP31 Summit and related sector practices.

INTERIM ACTIVITY REPORT (Continued)

VI. 2026 Second Interim Period Activities (Continued)

In the upcoming period, preparations for reporting compliance under the Turkey Sustainability Reporting Standards (TSRS) for the 2026 fiscal year are planned to be initiated. Additionally, methodologies for financed emission calculation and corporate greenhouse gas emission target setting will be developed, environmental and social risk assessment methodologies will be expanded, and the sustainability data infrastructure will continue to be strengthened.

VII. Expectations for the Period Following the Second Interim of 2026

The global economy in the second quarter of 2026 was shaped under the influence of geopolitical developments. Uncertainties in trade policies and geopolitical risks exerted pressure on the global economic outlook, while fluctuations in energy and commodity prices influenced inflation expectations. Central banks' interest rate policies played a decisive role in financial market trends, with close monitoring of divergent global growth forecasts and economic activity. According to the International Monetary Fund's (IMF) June update, the global growth forecast was revised to 3.1% for 2026 and 3.4% for 2027.

Key developments in the US economy during the second quarter of 2026 included increased concerns over oil supply stemming from the US-Iran conflict, resulting in inflationary pressure due to energy prices. Another significant event was the appointment of Kevin Warsh as Chair of the Federal Reserve. During this period, Warsh emphasized that inflation remained above the 2% target and that achieving price stability was a fundamental priority. The Federal Reserve (FED) kept the policy rate steady at 3.50%-3.75% in its latest meeting. While non-farm payroll data significantly undershot expectations, signaling a gradual cooling of the labor markets, the low unemployment rate suggested the absence of a sharp economic slowdown. Additionally, the US economy grew by 2.1% in the first quarter, exceeding expectations, with growth expected to continue in the second quarter.

In the Eurozone, ongoing conflicts between Russia and Ukraine, increased defense spending, inflation, and interest rates were key issues during this period. Inflation data aligned with expectations in April and May but fell below expectations in June, reaching 2.8%. The European Central Bank (ECB) raised its interest rate from 2.15%, effective since 11 June 2025, to 2.40% at its 17 June meeting. ECB President Lagarde stated that the rate hike was not a precautionary move but a necessary response to the deteriorating inflation outlook, affirming their determination to reduce inflation to the 2% medium-term target. The Bank of England kept its interest rate steady at 3.75% in its latest meeting. During this period, the long-pending European Union–US trade agreement was finalized.

In China, growth prospects, export performance, and government measures to support the economy were notable. Although domestic demand recovery remained limited, high-technology production was the main factor supporting exports. The People's Bank of China is expected to continue policies supporting liquidity, while trade competition with the US remains a closely monitored issue.

In the Middle East, the agenda in the second quarter included geopolitical tensions centered on the US, Israel, and Iran, risks to oil supply, and production policies of OPEC+ countries. Developments in the region increased volatility in global energy markets, with concerns over the security of energy routes closely monitored by markets. While diplomatic efforts to reduce regional tensions occasionally raised positive expectations, ongoing conflicts indicate persistent risks for energy supply security and global trade. Accordingly, the trajectory of oil prices, OPEC+ decisions, and geopolitical developments in the region will be closely monitored as key issues for the global economy in the second half of the year.

…………………..