

Albaraka Türk Katılım Bankası Anonim Şirketi

**Consolidated financial statements
and related disclosures at June 30, 2024
together with limited review report**

(Convenience translation of the limited review report and
financial statements originally issued in Turkish – see section three Note I.b)



AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

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

To the General Assembly of Albaraka Türk Katılım Bankası Anonim Şirketi;

Introduction

We have reviewed the consolidated balance sheet of Albaraka Türk Katılım Bankası Anonim Şirketi (“the Bank”) and its consolidated subsidiaries (collectively referred to as “the Group”) at 30 June 2024 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the six-month period then ended. The Group 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 “Interim Financial Reporting” for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Limited 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 performed in accordance with the Independent Auditing Standards 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 opinion.

Basis for the Qualified Conclusion

As explained in Section Five Part II. 6.b of Explanations and Notes to the Consolidated Financial Statements; the accompanying consolidated financial statements as at 30 June 2024 include a free provision amounting to TL 5.213.000 thousand provided in prior periods by the Group management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation.



Qualified Conclusion

Based on our review, except for the effects of the matter on the consolidated financial statements described in the basis for the qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial information do not present fairly in all material respects the consolidated financial position of Albaraka Türk Katılım Bankası Anonim Şirketi and its consolidated subsidiaries at 30 June 2024 and its consolidated financial performance and its consolidated cash flows for the six-months 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 consolidated 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 2024. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

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

Didem Demer Kaya, SMMM
Independent Auditor

Istanbul, 19 August 2024

**CONSOLIDATED FINANCIAL REPORT OF ALBARAKA TÜRK KATILIM BANKASI A.Ş.
AS OF AND FOR THE SIX-MONTH JUNE 30, 2024**

Parent Bank's headquarter address : İnkılap Mah. Dr. Adnan Büyükdenez Cad. No:6
34768 Ümraniye/İstanbul
Parent Bank's phone number and facsimile : 00 90 216 666 01 01 – 00 90 216 666 16 00
Parent Bank's website : www.albaraka.com.tr
Electronic mail contact info : albarakaturk@albarakaturk.com.tr

The consolidated interim financial report prepared in accordance with the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by the Banking Regulation and Supervision Agency is comprised of the following sections.

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON THE ACCOUNTING PRINCIPLES APPLIED IN THE RELATED PERIOD
- INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS
- LIMITED REVIEW REPORT
- INTERIM REPORT

Investments in subsidiaries, real estate investment funds, venture capital investment funds and joint ventures whose financial statements have been consolidated in this consolidated financial report are as follows:

	Subsidiaries	Real Estate Investment Funds	Venture Capital Investment Funds	Joint Ventures
1.	Bereket Varlık Kiralama A.Ş.	Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu	Katılım Emeklilik ve Hayat A.Ş.
2.	Değer Varlık Kiralama A.Ş.	Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu	-
3.	Albaraka Portföy Yönetimi A.Ş.	Albaraka Portföy Yönetimi A.Ş. Bereket Katılım Gayrimenkul Yatırım Fonu	Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu	-
4.	-	-	Albaraka Portföy Yönetimi A.Ş. İkinci Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu	-
5.	-	-	Albaraka Portföy Yönetimi A.Ş. İnsha Girişim Sermayesi Yatırım Fonu	-

Bereket One Ltd, Albaraka Sukuk Ltd, Albaraka CT One Ltd and Albaraka Mtn Ltd which are not subsidiaries of the Bank but over which the Bank has 100% controlling power, have been included in the consolidation due to the reason that these companies are "Structured Entity".

The consolidated financial statements and related disclosures and footnotes; presented in **thousands of Turkish Lira** unless otherwise indicated; have been prepared in accordance with the Communiqué on Accounting Applications of Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related appendices and interpretations and in compliance with the records of our Bank, have been reviewed and presented as attached.

Houssef BEN HAJ AMOR
Chairman of the Board of
Directors

Malek Khodr TEMSAH
General Manager

Umut ÇAKMAK
Assistant General
Manager

Fehmi GÖL
Financial Affairs
Manager

Mustafa BÜYÜKABACI
Chairman of the Audit
Committee

Mohamed Ali CHATTI
Member of the Audit
Committee

Khaled A. Mohamed ATEEQ
Member of the Audit
Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:
Name-Surname/Title : İhsan Fatih Küçük/ Financial Reporting and Budget Management/ Vice Manager
Telephone : 00 90 216 666 05 54
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ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

SECTION ONE

General Information

I. History of the Parent Bank including its incorporation date, initial legal status and amendments to legal status:

Albaraka Türk Katılım Bankası Anonim Şirketi ("The Parent Bank") was incorporated on November 5, 1984 with the name of Albaraka Türk Özel Finans Kurumu A.Ş., based on the decision of the Council of Ministers numbered 83/7506 and dated December 16, 1983 regarding establishments of Special Finance Houses and obtained the operating permission from the Central Bank of Türkiye with the letter numbered 10912 and dated January 21, 1985.

Special Finance Houses, operating in accordance with the Communiqués of Under Secretariat of Treasury and the Central Bank of Türkiye based on the decision of Council of Ministers numbered 83/7506, have been subjected to the provisions of the Banking Law numbered 4389 with the change of law dated December 17, 1999 and numbered 4491. Special Finance Houses have been subjected to the provisions of "Communiqué Related to the Incorporation and Activities of Special Finance Houses" published in the Official Gazette dated September 20, 2001 numbered 24529 by the Banking Regulation and Supervision Agency ("BRSA"). "Communiqué Related to the Incorporation and Activities of Special Finance Houses" has been superseded by the "Communiqué Related to Credit Operations of Banks" published in the Official Gazette dated November 1, 2006 numbered 26333 and the Parent Bank operates in accordance with the Banking Law numbered 5411 published in the Official Gazette dated November 1, 2005 numbered 25983.

The decision regarding the change in the title of the Parent Bank, in relation with the provisions of the Banking Law numbered 5411, was agreed in the Extraordinary General Meeting dated December 21, 2005 and the title of the Parent Bank was changed as "Albaraka Türk Katılım Bankası A.Ş.". The change in the title was registered in Istanbul Trade Registry on December 22, 2005 and published in the Trade Registry Gazette dated December 27, 2005, numbered 6461.

The Parent Bank together with its consolidated ownerships is referred to as the "Group" in the accompanying consolidated financial statements.

The Parent Bank's head office is located in Istanbul and is operating through 223 (December 31, 2023: 223) local branches and 2 (December 31, 2023: 2) foreign branches and with 2.731 (December 31, 2023: 2.723) staff as of June 30, 2024. The Group has 2.750 (December 31, 2023: 2.754) staff as of June 30, 2024.

II. Shareholding structure, shareholders having direct or indirect, joint or individual control over the management and supervision of the Parent Bank and the disclosures on related changes in the current year, if any:

As of June 30, 2024, 43,37% (December 31, 2023: 43,37%) of the Parent Bank's shares are owned by Albaraka Group, 8,30% (December 31, 2023: 8,30%) owned by Dallah Albaraka Group, 4,23% (December 31, 2023: 4,23%) owned by Islamic Development Bank, 42,03% (December 31, 2023: 42,03%) of the shares are publicly traded and quoted at Borsa İstanbul. Rest belongs to different real persons and corporate entities.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

III. Explanation on the chairman and members of board of directors, members of audit committee, general manager and assistant general managers, their areas of responsibility and their shares in the Parent Bank, if any:

Title	Name and Surname	Administrative Function and Responsibility	Educational Degree	Ownership Percentage (%)
Chairman of the Board of Directors (BOD):	Housseem BEN HAJ AMOR	Chairman of BOD	Bachelor	-
Members of BOD:	Dr. Bekir PAKDEMİRLİ	Deputy Independent Member of BOD	Doctorate	-
	Mustafa BÜYÜKABACI	Independent Member of BOD	Master	-
	Dr. Mohamed Ali CHATTI	Independent Member of BOD	Doctorate	-
	Ghassan Ahmed M. AMODI	Independent Member of BOD	Bachelor	-
	Dr. Khaled Abdulla Mohamed ATEEQ	Independent Member of BOD	Doctorate	-
	Azhar Aziz DOGAR	Member of BOD	Master	-
	Akram YASSIN	Independent Member of BOD	Master	-
General Manager:	Malek Khodr TEMSAH	Member of BOD/General Manager	Master	-
Assistant General Managers:	Turgut SİMİTÇİOĞLU	Chief Assistant General Manager	Master	-
	Dr. Muhammet Faruk TORLAK	Assistant General Manager Responsible for Credits	Doctorate	-
	Mehmet Emin ÇONKAR	Assistant General Manager Responsible for Credit Monitoring and Legal Follow-Up	Bachelor	-
	Serhan YILDIRIM	Assistant General Manager Responsible for Treasury and International Banking	Bachelor	-
	Muzaffer ÇÖLMEK	Assistant General Manager Responsible for Operations	Bachelor	-
	Mehmet ULUDAĞ	Assistant General Manager Responsible for Individual and Private Banking	Master	-
	Serhan AKYILDIZ	Assistant General Manager Responsible for Corporate Banking	Bachelor	-
	Umut ÇAKMAK	Assistant General Manager Responsible for Finance and Human Values	Bachelor	-
	Dr. Ömer EMEÇ	Assistant General Manager Responsible for Strategy and Transformation	Doctorate	-
	Yasemin AYDIN	Assistant General Manager Responsible for Information Technologies and Digital Channels Development	Master	-
Audit Committee :	Mustafa BÜYÜKABACI	Chairman of Audit Committee	Master	-
	Dr. Mohamed Ali CHATTI	Independent Member of Audit Committee	Doctorate	-
	Dr. Khaled A. Mohamed ATEEQ	Independent Member of Audit Committee	Doctorate	-

IV. Information on the Parent Bank's qualified shareholders:

The Parent Bank's paid in capital amounting to TL 2.500.000 consists of 2.500.000.000 number of shares with a nominal value of TL 1 (full) for each share. TL 1.084.167 of the paid in capital is owned by qualified shareholders who are listed below:

Name/Commercial Name	Share amount (nominal)	Share ratio^(*)	Paid shares	Unpaid shares
Albaraka Group	1.084.167	43,37%	1.084.167	-

(*) Shares purchased from Stock Exchange is not included.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

V. Summary on the Parent Bank's service activities and field of operations:

The Parent Bank operates in accordance with the principles of interest-free banking as a participation bank. The Parent Bank mainly collects funds through current accounts and participation accounts based on profit and loss sharing agreements and investment agency agreements, which are only for legal entities. The Parent Bank lends such funds through corporate finance support, retail finance support, profit/loss sharing investment, finance lease, financing commodity against document and joint investments.

The Parent Bank classifies current and profit-sharing accounts separately from other accounts in accordance with their maturities. Profit sharing accounts are classified under six different maturity groups; up to one month, up to three months (three months included), up to six months (six months included), up to one year (one year included), one year and more than one year (with monthly, quarterly, semi-annual and annual profit share payment) and accumulated participation accounts.

The Bank may determine the profit rate following operating the participation accounts or estimated rates for investment agencies. The rate of participation accounts' participation to the loss is one hundred percent.

The Parent Bank constitutes specific fund pools with minimum maturities of one month, to be allocated to individually predetermined projects for financing purposes. Profit sharing accounts, which are part of the funds collected for project financing purpose, are managed in accordance with their maturities and independently from other accounts and transfers from these accounts to any other maturity groups are not executed. Specific fund pools are liquidated at the end of the financing period.

In addition to its ordinary banking activities, the Parent Bank operates as an insurance agency on behalf of Bereket Sigorta, Anadolu Sigorta, Türkiye Katılım Sigorta, Neova Sigorta, Coface Sigorta, HDI Sigorta and HDI Katılım Sigorta as a private pension insurance agency on behalf of Anadolu Hayat Emeklilik, Agesa Emeklilik Hayat and Katılım Emeklilik ve Hayat, and as a brokerage agency on behalf of Bizim Menkul Değerler A.Ş. and Oyak Yatırım Menkul Değerler A.Ş. through its branches, engages in purchase and sale of precious metals, provides intermediary services in quick money transfers, credit card and member business (P.O.S.) services. Moreover, the Parent Bank is involved in providing non-cash loans that mainly comprise letters of guarantee, letters of credit and acceptances.

Transactions, which can be carried out by the Parent Bank, are not limited to the clauses listed above. If any activities other than those mentioned are considered as beneficial to the Parent Bank, the application must be recommended by the Board of Directors, approved by the General Assembly and authorized by relevant legal authorities, which then needs to be approved by the Ministry of Trade since such applications, are amendments in nature to the Article of Association. The application is included in the Article of Association after all necessary approvals are obtained.

VI. Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards with respect to consolidation and short explanation about the institutions subject to full or proportional consolidation and institutions, which are deducted from equity or not included in these three methods:

Albaraka Kültür Sanat ve Yayıncılık A.Ş. and Albaraka Teknoloji Bilişim Sistemleri ve Pazarlama Ticaret A.Ş. which are subsidiary investments of "Inovasyon Girişim Sermayesi Yatırım Fonu", Insha Ventures Teknoloji Geliştirme ve Pazarlama A.Ş. which is the subsidiary investment of "Insha Girişim Sermayesi Yatırım Fonu", Natura Gıda Sanayi ve Ticaret A.Ş., which is the subsidiary investment of "Değer Girişim Sermayesi Yatırım Fonu" and Albaraka Portföy Yönetimi Girişim Teknoloji A.Ş., which is the subsidiary investment of "İkinci Kira Sertifikası Girişim Sermayesi Yatırım Fonu" controlled by the Parent Bank, have not been consolidated since they are non-financial entities. Katılım Finans Kefalet A.Ş., which is the associate of the Bank, has not been consolidated as it is a non-financial entity, as well.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

VI. Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards with respect to consolidation and short explanation about the institutions subject to full or proportional consolidation and institutions, which are deducted from equity or not included in these three methods (continued):

The Parent Bank consolidates Katılım Emeklilik ve Hayat A.Ş., an entity under common control, and Bereket Varlık Kiralama A.Ş., Değer Varlık Kiralama A.Ş., Albaraka Portföy Yönetimi A.Ş. the subsidiaries of the Bank, through equity method and full consolidation method, respectively. Real estate investment funds "Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Bereket Katılım Gayrimenkul Yatırım Fonu" and Venture Capital Investment Funds: "Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Inovasyon Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. İkinci Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. İnşa Girişim Sermayesi Yatırım Fonu" and "Bereket One Ltd", "Albaraka Sukuk Ltd.", "Albaraka CT One Ltd." and "Albaraka Mtn Ltd." which are not subsidiaries of the Bank but over which the Bank has 100% controlling power have been included in the consolidation due to the reason that these companies are "Structured Entity".

VII. The existing or potential, actual or legal obstacles on immediate transfer of equity or reimbursement of liabilities between the parent bank and its subsidiaries:

There is no immediate transfer of equity between the Parent Bank and its subsidiaries. There is no existing or potential, actual or legal obstacle to the reimbursement of liabilities between the Parent Bank and its subsidiaries.

SECTION TWO

The consolidated financial statements

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF JUNE 30, 2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

ASSETS	Notes (Section Five-I)	CURRENT PERIOD June 30, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		33.194.512	70.739.604	103.934.116	28.032.991	56.973.112	85.006.103
1.1 Cash and Cash Equivalents	(1)	24.363.719	58.670.210	83.033.929	23.537.667	39.960.793	63.498.460
1.1.1 Cash and Balances with Central Bank		18.446.265	40.992.219	59.438.484	16.760.819	32.323.373	49.084.192
1.1.2 Banks		6.113.098	17.770.475	23.883.573	6.999.489	7.724.272	14.723.761
1.1.3 Money Market Placements		-	-	-	-	-	-
1.1.4. Expected Credit Losses (-)		195.644	92.484	288.128	222.641	86.852	309.493
1.2 Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	(2)	1.132.523	7.624.600	8.757.123	1.036.608	12.886.675	13.923.283
1.2.1 Government Securities		265.370	7.511.745	7.777.115	346.568	12.191.540	12.538.108
1.2.2 Equity Securities		297.591	82.648	380.239	181.698	74.650	256.348
1.2.3 Other Financial Assets		569.562	30.207	599.769	508.342	620.485	1.128.827
1.3 Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	(3)	7.682.499	4.435.171	12.117.670	3.414.078	4.118.013	7.532.091
1.3.1 Government Securities		7.502.068	1.888.780	9.390.848	3.273.543	1.187.016	4.460.559
1.3.2 Equity Securities		7.667	41.194	48.861	7.667	37.594	45.261
1.3.3 Other Financial Assets		172.764	2.505.197	2.677.961	132.868	2.893.403	3.026.271
1.4 Derivative Financial Assets	(5)	15.771	9.623	25.394	44.638	7.631	52.269
1.4.1 Derivative Financial Assets Measured at Fair Value through Profit/Loss		15.771	9.623	25.394	44.638	7.631	52.269
1.4.2 Derivative Financial Assets Measured at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET)		85.967.553	57.846.022	143.813.575	82.100.472	51.489.567	133.590.039
2.1 Loans	(6)	71.600.534	42.460.408	114.060.942	68.988.770	35.631.066	104.619.836
2.2 Lease Receivables	(7)	4.079.561	913.148	4.992.709	3.815.109	733.902	4.549.011
2.3 Financial Assets Measured at Amortised Cost	(4)	12.516.571	15.640.828	28.157.399	11.533.660	17.318.883	28.852.543
2.3.1 Government Securities		12.516.571	15.640.828	28.157.399	11.533.660	17.318.883	28.852.543
2.3.2 Other Financial Assets		-	-	-	-	-	-
2.4 Expected Credit Losses (-)	(6)	2.229.113	1.168.362	3.397.475	2.237.067	2.194.284	4.431.351
III. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(8)	4.093.883	7.753	4.101.636	641.631	-	641.631
3.1 Asset Held for Resale		4.093.883	-	4.093.883	641.631	-	641.631
3.2 Assets of Discontinued Operations		-	7.753	7.753	-	-	-
IV. OWNERSHIP INVESTMENTS (Net)	(9)	1.013.552	-	1.013.552	822.737	-	822.737
4.1 Associates (Net)		45.000	-	45.000	22.500	-	22.500
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		45.000	-	45.000	22.500	-	22.500
4.2 Subsidiaries (Net)		501.359	-	501.359	491.359	-	491.359
4.2.1 Unconsolidated Financial Investments in Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		501.359	-	501.359	491.359	-	491.359
4.3 Joint Ventures (Net)		467.193	-	467.193	308.878	-	308.878
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		467.193	-	467.193	308.878	-	308.878
4.3.2 Unconsolidated Joint-Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	(10)	5.014.013	79.887	5.093.900	4.457.873	66.278	4.524.151
VI. INTANGIBLE ASSETS (Net)	(11)	546.217	-	546.217	357.228	14.242	371.470
6.1 Goodwill		-	-	-	-	10.725	10.725
6.2 Others		546.217	-	546.217	357.228	3.517	360.745
VII. INVESTMENT PROPERTY (Net)	(12)	5.543.413	-	5.543.413	4.636.810	-	4.636.810
VIII. CURRENT TAX ASSET		497	-	497	136	-	136
IX. DEFERRED TAX ASSET	(13)	1.245.952	-	1.245.952	1.199.059	-	1.199.059
X. OTHER ASSETS	(14)	4.172.445	233.594	4.406.039	2.052.005	392.842	2.444.847
TOTAL ASSETS		140.792.037	128.906.860	269.698.897	124.300.942	108.936.041	233.236.983

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF JUNE 30, 2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

LIABILITIES	Notes (Section Five-II)	CURRENT PERIOD June 30, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
I. FUNDS COLLECTED		95.924.132	83.267.978	179.192.110	81.304.178	80.490.765	161.794.943
II. FUNDS BORROWED	(1)	2.786.234	28.954.241	31.740.475	39.957	22.293.577	22.333.534
III. BORROWINGS FROM MONEY MARKETS	(2)	1.006.791	-	1.006.791	-	-	-
IV. SECURITIES ISSUED (Net)		7.376.500	6.602.054	13.978.554	1.851.447	6.064.054	7.915.501
V. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS	(3)	-	-	-	-	-	-
VI. DERIVATIVE FINANCIAL LIABILITIES		245.928	11.526	257.454	114.039	7.337	121.376
6.1 Derivative Financial Liabilities at Fair Value through Profit or Loss	(4)	245.928	11.526	257.454	114.039	7.337	121.376
6.2 Derivative Financial Liabilities at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
VII. LEASE PAYABLES		868.404	78.332	946.736	702.237	72.516	774.753
VIII. PROVISIONS	(5)	6.044.293	80.404	6.124.697	6.540.723	45.322	6.586.045
8.1 Restructuring Reserves	(6)	-	-	-	-	-	-
8.2 Reserve for Employee Benefits		711.852	-	711.852	1.217.881	-	1.217.881
8.3 Insurance Technical Reserves (Net)		-	-	-	-	-	-
8.4 Other Provisions		5.332.441	80.404	5.412.845	5.322.842	45.322	5.368.164
IX. CURRENT TAX LIABILITY		486.870	955	487.825	1.135.205	96.074	1.231.279
X. DEFERRED TAX LIABILITY	(7)	-	-	-	-	-	-
XI. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)		-	7.448	7.448	-	-	-
11.1 Assets Held for Sale	(8)	-	-	-	-	-	-
11.2 Assets of Discontinued Operations		-	7.448	7.448	-	-	-
XII. SUBORDINATED LOANS		-	9.025.516	9.025.516	-	8.896.597	8.896.597
12.1 Loans	(9)	-	9.025.516	9.025.516	-	8.896.597	8.896.597
12.2 Other Debt Instruments		-	-	-	-	-	-
XIII. OTHER LIABILITIES		4.992.051	5.194.002	10.186.053	4.622.741	4.611.810	9.234.551
XIV. SHAREHOLDERS' EQUITY	(10)	16.685.965	59.273	16.745.238	14.287.593	60.811	14.348.404
14.1 Paid-In Capital	(11)	2.500.000	-	2.500.000	2.500.000	-	2.500.000
14.2 Capital Reserves		4.256.663	-	4.256.663	4.080.011	-	4.080.011
14.2.1 Share Premium		23.278	-	23.278	23.278	-	23.278
14.2.2 Share Cancellation Profits		-	-	-	-	-	-
14.2.3 Other Capital Reserves		4.233.385	-	4.233.385	4.056.733	-	4.056.733
14.3 Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss		1.555.897	-	1.555.897	1.579.623	-	1.579.623
14.4 Accumulated Other Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		1.395.190	59.273	1.454.463	1.327.294	60.811	1.388.105
14.5 Profit Reserves		5.014.429	-	5.014.429	1.550.632	-	1.550.632
14.5.1 Legal Reserves		486.890	-	486.890	302.401	-	302.401
14.5.2 Status Reserves		-	-	-	-	-	-
14.5.3 Extraordinary Reserves		3.777.270	-	3.777.270	1.020.005	-	1.020.005
14.5.4 Other Profit Reserves		750.269	-	750.269	228.226	-	228.226
14.6 Profit or Loss		1.833.012	-	1.833.012	2.966.253	-	2.966.253
14.6.1 Prior Years Profit/(Loss)		(724.881)	-	(724.881)	(1.003.030)	-	(1.003.030)
14.6.2 Current Year Profit/(Loss)		2.557.893	-	2.557.893	3.969.283	-	3.969.283
14.7 Minority Shares		130.774	-	130.774	283.780	-	283.780
TOTAL LIABILITIES		136.417.168	133.281.729	269.698.897	110.598.120	122.638.863	233.236.983

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF OFF- BALANCE SHEET
AS OF JUNE 30 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF OFF-BALANCE SHEET	Notes (Section Five-III)	CURRENT PERIOD JUNE 30, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)		32.004.658	24.549.729	56.554.387	38.792.293	33.545.326	72.337.619
I. GUARANTEES AND SURETIES	(1)	17.842.273	15.026.439	32.868.712	15.325.346	14.746.594	30.071.940
1.1. Letters of Guarantees		17.722.084	8.778.202	26.500.286	15.172.970	9.438.213	24.611.183
1.1.1. Guarantees Subject to State Tender Law		2.106.527	436.882	2.543.409	2.023.770	400.715	2.424.485
1.1.2. Guarantees Given for Foreign Trade Operations		390	3.442.907	3.443.297	390	3.389.192	3.389.582
1.1.3. Other Letters of Guarantee		15.615.167	4.898.413	20.513.580	13.148.810	5.648.306	18.797.116
1.2. Bank Loans		-	40.383	40.383	-	137.121	137.121
1.2.1. Import Letter of Acceptances		-	40.383	40.383	-	137.121	137.121
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letter of Credits		10.890	6.160.852	6.171.742	12.800	5.141.798	5.154.598
1.3.1. Documentary Letter of Credits		-	-	-	-	-	-
1.3.2. Other Letter of Credits		10.890	6.160.852	6.171.742	12.800	5.141.798	5.154.598
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Other Guarantees		-	47.002	47.002	-	29.462	29.462
1.7. Other Collaterals		109.299	-	109.299	139.576	-	139.576
II. COMMITMENTS	(1)	8.879.204	438.440	9.317.644	7.273.434	1.748.585	9.022.019
2.1. Irrevocable Commitments		8.834.704	438.440	9.273.144	7.228.934	1.748.585	8.977.519
2.1.1. Asset Purchase and Sale Commitments		294.311	438.440	732.751	1.050.506	1.748.585	2.799.091
2.1.2. Share Capital Commitment to Associates and Subsidiaries		45.000	-	45.000	67.500	-	67.500
2.1.3. Loan Granting Commitments		612.704	-	612.704	605.190	-	605.190
2.1.4. Securities Underwriting Commitments		-	-	-	-	-	-
2.1.5. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.6. Payment Commitment for Cheques		2.268.821	-	2.268.821	1.628.852	-	1.628.852
2.1.7. Tax And Fund Liabilities from Export Commitments		102.366	-	102.366	78.574	-	78.574
2.1.8. Commitments for Credit Card Expenditure Limits		5.509.996	-	5.509.996	3.797.263	-	3.797.263
2.1.9. Commitments for Promotions Related with Credit Cards and Banking Activities		942	-	942	492	-	492
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		564	-	564	557	-	557
2.2. Revocable Commitments		44.500	-	44.500	44.500	-	44.500
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		44.500	-	44.500	44.500	-	44.500
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)	5.283.181	9.084.850	14.368.031	16.193.513	17.050.147	33.243.660
3.1. Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1. Fair Value Hedge		-	-	-	-	-	-
3.1.2. Cash Flow Hedge		-	-	-	-	-	-
3.1.3. Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2. Held for Trading Transactions		5.283.181	9.084.850	14.368.031	16.193.513	17.050.147	33.243.660
3.2.1. Forward Foreign Currency Buy/Sell Transactions		267.647	2.706.128	2.973.775	167.848	1.764.017	1.931.865
3.2.1.1. Forward Foreign Currency Transactions-Buy		142.690	1.345.664	1.488.354	127.947	743.016	870.963
3.2.1.2. Forward Foreign Currency Transactions-Sell		124.957	1.360.464	1.485.421	39.901	1.021.001	1.060.902
3.2.2. Other Forward Buy/Sell Transactions		5.015.534	6.378.722	11.394.256	16.025.665	15.286.130	31.311.795
3.3. Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		606.582.690	150.292.978	756.875.668	365.308.886	122.192.080	487.500.966
IV. ITEMS HELD IN CUSTODY		23.055.554	85.138.352	108.193.906	17.450.435	61.975.672	79.426.107
4.1. Assets Under Management		9.383.617	-	9.383.617	5.251.693	-	5.251.693
4.2. Investment Securities Held in Custody		431	25.375.716	25.376.147	9.124	21.282.784	21.291.908
4.3. Cheques Received for Collection		10.595.424	336.163	10.931.587	9.196.163	346.474	9.542.637
4.4. Commercial Notes Received for Collection		2.770.059	1.113.016	3.883.075	2.717.701	287.869	3.005.570
4.5. Other Assets Received for Collection		103	-	103	103	-	103
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items Under Custody		226.395	3.270.644	3.497.039	218.626	2.340.384	2.559.010
4.8. Custodians		79.525	55.042.813	55.122.338	57.025	37.718.161	37.775.186
V. PLEDGED ITEMS		583.527.136	65.154.626	648.681.762	347.858.451	60.216.408	408.074.859
5.1. Marketable Securities		19.483.515	19.201.074	38.684.589	19.249.676	16.891.614	36.141.290
5.2. Guarantee Notes		7.946.344	239.086	8.185.430	5.618.532	187.917	5.806.449
5.3. Commodity		72.709.122	5.393.322	78.102.444	52.109.951	4.711.743	56.821.694
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		412.645.055	34.290.436	446.935.491	242.386.120	32.844.770	275.230.890
5.6. Other Pledged Items		70.361.946	6.002.944	76.364.890	28.274.636	5.565.022	33.839.658
5.7. Pledged Items-Depository		381.154	27.764	408.918	219.536	15.342	234.878
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF BALANCE SHEET ACCOUNTS (A+B)		638.587.348	174.842.707	813.430.055	404.101.179	155.737.406	559.838.585

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF PROFIT OR LOSS		Notes (Section Five-IV)	CURRENT PERIOD January 1- June 30, 2024	PRIOR PERIOD January 1- June 30, 2023	CURRENT PERIOD April 1- June 30, 2024	PRIOR PERIOD April 1- June 30, 2023
I.	PROFIT SHARE INCOME	(1)	18.190.910	6.942.266	10.175.623	3.699.253
1.1	Profit Share on Loans		12.968.611	5.136.109	7.013.568	2.756.709
1.2	Income Received from Reserve Deposits		992.637	16.866	989.903	15.820
1.3	Income Received from Banks		1.081	39	94	29
1.4	Income Received from Money Market Placements		40.455	5.588	18.250	1.627
1.5	Income Received from Marketable Securities Portfolio		3.218.990	1.651.481	1.701.817	839.394
1.5.1	Financial Assets at Fair Value Through Profit and Loss		187.682	561.565	117.211	278.913
1.5.2	Financial Assets at Fair Value through Other Comprehensive Income		1.052.693	147.283	592.376	67.791
1.5.3	Financial Assets Measured at Amortised Cost		1.978.615	942.633	992.230	492.690
1.6	Finance Lease Income		843.784	110.960	446.393	85.514
1.7	Other Profit Share Income		125.352	21.223	5.598	160
II.	PROFIT SHARE EXPENSE	(2)	13.394.152	3.846.253	7.642.753	2.050.509
2.1	Expense on Profit Sharing Accounts		10.296.515	3.087.977	5.655.693	1.579.174
2.2	Profit Share Expense on Funds Borrowed		1.722.446	570.191	999.380	365.942
2.3	Profit Share Expense on Money Market Borrowings		444.443	29.487	332.419	16.459
2.4	Profit Share Expense on Securities Issued		854.703	87.554	615.043	62.675
2.5	Finance Lease Expense		69.327	44.369	36.328	23.321
2.6	Other Profit Share Expense		6.718	26.675	3.890	2.938
III.	NET PROFIT SHARE INCOME (I – II)		4.796.758	3.096.013	2.532.870	1.648.744
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSES		1.790.779	826.603	962.661	589.515
4.1	Fees and Commissions Received		2.096.497	1.125.309	1.113.623	695.731
4.1.1	Non-Cash Loans		217.825	147.750	112.188	76.680
4.1.2	Other	(3)	1.878.672	977.559	1.001.435	619.051
4.2	Fees and Commissions Paid (-)		305.718	298.706	150.962	106.216
4.2.1	Non-Cash Loans		347	278	198	175
4.2.2	Other	(3)	305.371	298.428	150.764	106.041
V.	DIVIDEND INCOME	(4)	356	166	205	86
VI.	TRADING INCOME/LOSS(net)	(5)	(1.897.460)	1.719.036	(956.998)	1.403.622
6.1	Capital Market Transaction Income/(Loss)		863.924	(268.909)	208.483	(171.021)
6.2	Profit/(Loss) from Derivative Financial Instruments		(3.984.381)	1.223.735	(2.368.187)	1.223.795
6.3	Foreign Exchange Income/(Loss)		1.222.997	764.210	1.202.706	350.848
VII.	OTHER OPERATING INCOME	(6)	2.893.401	1.419.917	1.026.143	525.506
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		7.583.834	7.061.735	3.564.881	4.167.473
IX.	EXPECTED CREDIT LOSS (-)	(7)	445.102	2.236.831	130.818	996.937
X.	OTHER PROVISION EXPENSES (-)	(7)	96.048	763.907	46.351	661.286
XI.	PERSONNEL EXPENSES (-)		2.484.181	1.218.302	1.007.828	537.436
XII.	OTHER OPERATING EXPENSES (-)	(8)	1.744.932	936.129	871.547	489.430
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		2.813.571	1.906.566	1.508.337	1.482.384
XIV.	EXCESS AMOUNT RECORDED AS GAIN AFTER MERGER		-	-	-	-
XV.	PROFIT/(LOSS) ON EQUITY METHOD		150.674	71.789	77.287	59.812
XVI.	PROFIT/(LOSS) ON NET MONETARY POSITION		-	-	-	-
XVII.	PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	(9)	2.964.245	1.978.355	1.585.624	1.542.196
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(10)	392.587	632.832	108.212	563.880
18.1	Provision for Current Taxes		120.272	24.884	89.359	(72.816)
18.2	Deferred Tax Expense Effect (+)		1.581.169	1.356.921	708.510	973.865
18.3	Deferred Tax Income Effect (-)		1.308.854	748.973	689.657	337.169
XIX.	NET INCOME/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)	(11)	2.571.658	1.345.523	1.477.412	978.316
XX.	INCOME FROM DISCONTINUED OPERATIONS	(11)	779	-	779	-
20.1	Income from Assets Held For Sale		-	-	-	-
20.2	Income from Sale Of Associates, Subsidiaries And Jointly Controlled Entities (Joint Vent.)		-	-	-	-
20.3	Income from Other Discontinued Operations		779	-	779	-
XXI.	LOSS FROM DISCONTINUED OPERATIONS (-)		1.084	-	1.084	-
21.1	Loss from Assets Held for Sale		-	-	-	-
21.2	Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-	-	-
21.3	Loss from Other Discontinued Operations		1.084	-	1.084	-
XXII.	PROFIT/(LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)		(305)	-	(305)	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
23.1	Provision for Current Taxes		-	-	-	-
23.2	Deferred Tax Expense Effect (+)		-	-	-	-
23.3	Deferred Tax Income Effect (-)		-	-	-	-
XXIV.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		(305)	-	(305)	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	(12)	2.571.353	1.345.523	1.477.107	978.316
25.1	Group's Income/Profit		2.557.893	1.336.776	1.471.446	973.141
25.2	Minority Shares Profit/Loss (-)		13.460	8.747	5.661	5.175
	Earnings Per Share		1,02316	0,53471	0,59084	0,38926

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	CURRENT PERIOD January 1- June 30, 2024	PRIOR PERIOD January 1- June 30, 2023
I. CURRENT PERIOD PROFIT/LOSS	2.571.353	1.345.523
II. OTHER COMPREHENSIVE INCOME	42.632	330.729
2.1 Other Income/Expense Items not to be Recycled to Profit or Loss	(23.726)	(27.548)
2.1.1 Revaluation Surplus on Tangible Assets	(33.894)	(16.574)
2.1.2 Revaluation Surplus on Intangible Assets	-	-
2.1.3 Defined Benefit Plans' Actuarial Gains/Losses	-	-
2.1.4 Other Income/Expense Items not to be Recycled to Profit or Loss	-	(10.974)
2.1.5 Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	10.168	-
2.2 Other Income/Expense Items to be Recycled to Profit or Loss	66.358	358.277
2.2.1 Exchange Rate Conversion Differences	137.461	366.757
2.2.2 Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at Fair Value through Other Comprehensive Income	(101.576)	(11.307)
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 Deferred Taxes on Other Comprehensive Income to be Recycled to Profit or Loss	30.473	2.827
III. TOTAL COMPREHENSIVE INCOME (I+II)	2.613.985	1.676.252

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY						Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
	Notes (Section Five-V)	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves ⁽¹⁾	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Before Minority Shares	Minority Shares	Total Shareholders' Equity
CURRENT PERIOD																	
(January 1 – June 30, 2024)																	
I. Closing balance		2.500.000	23.278	-	4.056.733	1.804.567	(224.944)	-	1.126.105	262.000	-	1.550.632	(1.003.030)	3.969.283	14.064.624	283.780	14.348.404
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balances at Beginning Of Period (I-II)		2.500.000	23.278	-	4.056.733	1.804.567	(224.944)	-	1.126.105	262.000	-	1.550.632	(1.003.030)	3.969.283	14.064.624	283.780	14.348.404
IV. Total Comprehensive Income		-	-	-	-	(23.726)	-	-	137.461	(71.103)	-	-	-	2.557.893	2.600.525	13.460	2.613.985
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Others Changes		-	-	-	176.652	-	-	-	-	-	-	50.545	(277.882) ⁽²⁾	-	(50.685)	(166.466)	(217.151)
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	3.413.252	556.031	(3.969.283)	-	-	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	3.413.252	(3.413.252)	-	-	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	3.969.283	(3.969.283)	-	-	-
Balances at end of the period (III+IV...+X+XI)		2.500.000	23.278	-	4.233.385	1.780.841	(224.944)	-	1.263.566	190.897	-	5.014.429	(724.881)	2.557.893	16.614.464	130.774	16.745.238

⁽¹⁾ The Parent Bank has recognized undated additional tier 1 capital amounting to USD 205.000.000 issued through "Bereket One Ltd" under "other capital reserves" as per TAS 32: "Financial Instruments: Presentation" standard.

⁽²⁾ The Parent Bank has paid TL 359.384 in February 2024, the coupon payment amount of undated additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 115.776, the deferred tax expense related to the payment has been recognized under "prior periods' profit/ loss" as well.

1. Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/Losses on Remeasurements of Defined Benefit Plans,
3. Others (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 Other Comprehensive Income that will not be Reclassified to Profit or Loss)
4. Exchange Rate Conversion Differences,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Others (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 Other Comprehensive Income that will be Reclassified to Profit or Loss)

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF JUNE 30, 2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY						Other Comprehensive Income/Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/Expense Items to be Recycled to Profit or Loss								
	Notes (Section Five-V)	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves ⁽¹⁾	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity Before Minority Shares	Minority Shares	Total Shareholders' Equity
PRIOR PERIOD																	
(January 1 - June 30, 2023)																	
I. Closing balance		2.500.000	23.278	-	1.585.124	1.034.726	(193.239)	-	530.140	191.121	-	1.839.959	(639.809)	1.699.161	8.570.461	777.327	9.347.788
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Balances at Beginning Of Period (I+II)		2.500.000	23.278	-	1.585.124	1.034.726	(193.239)	-	530.140	191.121	-	1.839.959	(639.809)	1.699.161	8.570.461	777.327	9.347.788
IV. Total Comprehensive Income		-	-	-	-	(27.548)	-	-	366.757	(8.480)	-	-	-	1.336.776	1.667.505	8.747	1.676.252
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Others Changes		-	-	-	2.048.135	-	-	-	-	-	-	(1.661.263)	(499.941) ⁽²⁾	-	(113.069)	(708.953)	(822.022)
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	1.362.354	336.807	(1.699.161)	-	-	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	1.362.354	(1.362.354)	-	-	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	1.699.161	(1.699.161)	-	-	-
Balances at end of the period (III+IV...+X+XI)		2.500.000	23.278	-	3.633.259	1.007.178	(193.239)	-	896.897	182.641	-	1.541.050	(802.943)	1.336.776	10.124.897	77.121	10.202.018

⁽¹⁾ The Parent Bank has recognized undated additional tier 1 capital amounting to USD 205.000.000 issued through "Bereket One Ltd" under "other capital reserves" as per TAS 32: "Financial Instruments: Presentation" standart.

⁽²⁾ The Parent Bank has paid TL 193.028 in February 2023, the coupon payment amount of undated additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 68.522, the deferred tax expense related to the payment has been recognized under "prior periods' profit/ loss" as well.

1. Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/Losses on Remeasurements of Defined Benefit Plans,
3. Others (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 Other Comprehensive Income that will not be Reclassified to Profit or Loss)
4. Exchange Rate Conversion Differences,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Others (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 Other Comprehensive Income that will be Reclassified to Profit or Loss)

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
CONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CASH FLOWS		Notes (Section Five-VI)	CURRENT PERIOD January 1- June 30, 2024	PRIOR PERIOD January 1- June 30, 2023
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes In Operating Assets And Liabilities		(110.754)	895.663
1.1.1	Profit Share Income Received		16.289.707	6.175.717
1.1.2	Profit Share Expense Paid		(13.092.431)	(3.314.636)
1.1.3	Dividend Received		356	166
1.1.4	Fees and Commissions Received		1.646.755	912.239
1.1.5	Other Income		1.701.265	1.007.090
1.1.6	Collections from Previously Written Off Loans		93.197	139.751
1.1.7	Payments to Personnel and Service Suppliers		(2.780.962)	(1.602.033)
1.1.8	Taxes Paid		(294.046)	(195.113)
1.1.9	Others		(3.674.595)	(2.227.518)
1.2	Changes In Operating Assets And Liabilities		(6.240.825)	(5.358.682)
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		3.382.139	(3.026.693)
1.2.2	Net (Increase) Decrease in Due From Banks and Other Financial Institutions		(6.781.256)	(79.328)
1.2.3	Net (Increase) Decrease in Loans		(7.615.713)	(15.767.294)
1.2.4	Net (Increase) Decrease in Other Assets		(6.388.072)	356.492
1.2.5	Net Increase (Decrease) in Bank Deposits		(660.578)	129.121
1.2.6	Net Increase (Decrease) in Other Deposits		13.896.674	14.831.819
1.2.7	Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value Through Profit or Loss		-	-
1.2.8	Net Increase (Decrease) in Funds Borrowed		-	-
1.2.9	Net Increase (Decrease) in Matured Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities		(2.074.019)	(1.802.799)
I.	Net Cash Flow From Banking Operations		(6.351.579)	(4.463.019)
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash flow from investing activities		(1.092.220)	2.066.589
2.1	Cash Paid For Acquisition of Investments, Associates and Subsidiaries		(22.500)	(227.500)
2.2	Cash Obtained From Disposal of Investments, Associates and Subsidiaries		-	-
2.3	Purchases of Property and Equipment		(411.110)	(198.566)
2.4	Disposals of Property and Equipment		30.971	91.329
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(11.708.208)	(8.018.204)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		8.143.820	9.650.537
2.7	Purchase of Financial Assets Measured at Amortised Cost		(5.154.480)	(1.270.643)
2.8	Sale of Financial Assets Measured at Amortised Cost		8.029.287	2.039.636
2.9	Other		-	-
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Flow From Financing Activities		15.405.364	9.215.532
3.1	Cash Obtained from Funds Borrowed and Securities Issued		91.913.273	32.713.037
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued		(76.048.306)	(23.237.074)
3.3	Issued Capital Instruments		-	-
3.4	Dividends Paid		-	-
3.5	Payments for Leases		(100.219)	(67.403)
3.6	Other		(359.384)	(193.028)
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		264.198	3.085.419
V.	Net (Decrease) Increase in Cash and Cash Equivalents		8.225.763	9.904.521
VI.	Cash and Cash Equivalents at the Beginning of the Period		31.859.321	13.520.568
VII.	Cash and Cash Equivalents at the End of the Period		40.085.084	23.425.089

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

SECTION THREE

Accounting Policies

I. Explanations on basis of presentation:

a) The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks' Accounting Application and Safeguarding of Documents:

The Parent Bank prepares its financial statements in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Regulation which includes the regulation on "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette dated 1 November 2006 with No. 26333, and other regulations on accounting records of banks, circulars and pronouncements published by the BRSA and Turkish Accounting Standards 34 ("TAS 34") Interim Financial Reporting Standards and Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA").

The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette numbered 28337, dated June 28, 2012, and amendments to this Communiqué. The Parent Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

The consolidated financial statements have been prepared in TL, under the historical cost convention except for the financial assets, liabilities, revalued real estates and investment properties carried at fair value.

Public Oversight Accounting and Auditing Standards Authority ("POA"), with its announcement dated 23 November 2023, financial statements of the entities implementing the Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in compliance with the Financial Reporting in Hyperinflationary Economies Standard ("TAS 29"), however, institutions or organisations authorised to regulate and audit in their fields may determine different transition dates for the implementation of TAS 29. Based on this announcement of the POA, BRSA, with its decision dated 12 December 2023 and numbered 10744, determined that banks and financial leasing, factoring, financing, savings financing, and asset management companies will be required to implement inflation accounting as of 1 January 2025. Thus, no inflation adjustment has been made in the financial statements dated 30 June 2024 and 31 December 2023 in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies.

TFRS 17 "Insurance Contracts" standard, published by POA on 16.02.2019 to be applied for accounting periods starting after 31.12.2022, determines the principles regarding the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The purpose of TFRS 17 is to ensure that entities display these contracts fairly. POA has decided to apply TFRS 17 on consolidated and individual financial statements of companies as of 01.01.2024. Based on the POA's letter dated February 15, 2024 and numbered 22667, the effective date of TFRS 17 has been postponed to January 1, 2025.

b) Additional paragraph for convenience translation:

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

c) Accounting policies and valuation principles applied in the preparation of consolidated financial statements:

The accounting policies and valuation principles applied in the preparation of consolidated financial statements, are determined and applied in accordance with regulations, communiqués, explanations and circulars on accounting and financial reporting principles published by the BRSA, and in case where there is no special regulation made by the BRSA, in accordance with principles in the context of TFRS. As of June 30, 2024, ownership investment accounted using equity method is Katılım Emeklilik ve Hayat A.Ş. The subsidiaries, real estate funds, venture capital investment funds accounted using full consolidation method are Bereket Varlık Kiralama A.Ş., Değer Varlık Kiralama A.Ş., Albaraka Portföy Yönetimi A.Ş., Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Bereket Katılım Gayrimenkul Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu, Albaraka Portföy Yönetimi A.Ş. İkinci Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu and Albaraka Portföy Yönetimi A.Ş. İnşa Girişim Sermayesi Yatırım Fonu respectively.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

I. Explanations on basis of presentation (continued):

c) Accounting policies and valuation principles applied in the preparation of consolidated financial statements (continued):

The preparation of the consolidated financial statements according to BRSA Reporting and Accounting Legislation requires the Group's management to make estimates and assumptions related to assets and liabilities in the balance sheet and contingent issues as of the balance sheet date. Such estimates and assumptions include the fair value calculations of the financial instruments, deferred tax assets and liabilities provisions for the lawsuits, impairment of the financial assets and revaluation of immovables and reviewed periodically and when adjustments are considered necessary they are reflected in the financial statements. The assumptions and estimates used are explained in the related notes. Accounting policies and evaluation principles in preparing Financial statements are determined and applied as per the principles stated in "BRSA Accounting and Financial Reporting Legislation" and consistent with the accounting policies applied for December 31, 2023 financial statements.

d) Restatement of the financial statements according to the current purchasing power of money:

Accompanying financial statements are subjected to TAS 29 "Financial Reporting in Hyperinflationary Economies" until December 31, 2004 and with regard to this the BRSA explained with its decision numbered 1623 and dated April 21, 2005 and its circular dated April 28, 2005 that the conditions for applying inflation accounting was no longer applicable and accordingly inflation accounting has not been applied in the accompanying financial statements starting from January 1, 2005.

e) Comparative information and classifications:

The changes in accounting policies are applied retrospectively and previous period financial statements are restated. The Financial statements of the Parent bank are prepared comparative to the previous term in order to determine its financial position and performans trends. If appropriate, the comparative information are restated in order to provide comparativeness to the statements of current period financial statements.

II. Explanations on strategy of using financial instruments and foreign currency transactions:

The Group creates its strategies on financial instruments considering its sources of financing. The main financing sources consist of current and profit-sharing accounts. Other than current and profit-sharing accounts, the Parent Bank's most important funding sources are its equity and borrowings from foreign financial institutions. The Parent Bank sustains its liquidity to cover matured liabilities by holding adequate level of cash and cash equivalents.

The Parent Bank's transactions in foreign currencies are accounted in accordance with the TAS 21 "Accounting Standard on the Effect of Changes in Foreign Currency Rates", and converted with the exchange rate ruling at the transaction date into Turkish Lira. Foreign currency assets and liabilities have been converted into Turkish Lira at the rate of exchange rates ruling at the balance sheet date announced by the Parent Bank. Gains or losses arising from foreign currency transactions and conversion of foreign currency assets and liabilities are reflected in the income statement as foreign exchange gain or loss.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

II. Explanations on strategy of using financial instruments and foreign currency transactions (continued):

If the loans recognized in the foreign currency accounts are switched to non-performing, they are continued to be recognized in the foreign currency accounts and evaluated with the current exchange rates.

The foreign currency exchange differences resulting from the conversion of debt securities issued and monetary financial assets into Turkish Lira are included in the income statement.

The balance sheet items of the foreign branches and foreign subsidiary of the Parent Bank included in the financial statements are converted into Turkish lira at the exchange rate ruling at the balance sheet date announced by the Parent Bank. Income statement items are converted into Turkish lira by exchange rate ruling at the transaction date and all exchange differences arising from conversion are accounted in other capital reserves under equity according to TAS 21.

Precious metals (gold and silver) accounted under assets and liabilities, which do not have fixed maturity, are converted into Turkish lira by using the buying rate at the balance sheet date announced by the Parent Bank and resulting evaluation differences are reflected as foreign exchange gain or loss.

There are no foreign currency differences capitalized by the Group.

III. Information on consolidated associates:

Consolidated financial statements are prepared in accordance with the decrees, notes and explanations set forth in Communiqué on "Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette dated November 8, 2006, numbered 26340 and "Turkish Accounting Standard for Consolidated Financial Statements" ("TFRS 10").

a) Consolidation principles on joint ventures:

The joint venture is an entity in which the Parent Bank participates in its capital and has joint control and whose main operation is private pension and insurance and operates according to special legislation with permission and license and is established in Türkiye. The related joint venture has been consolidated through equity method. Where necessary, accounting policies of the joint venture have been harmonized to ensure consistency with the policies adopted by the Parent Bank.

Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in a joint venture from the changes in the participated joint venture's shareholders' equity during the period attributable to the portion of the investor and the deduction of the dividend received from the associate from the revised value of the joint venture amount.

The joint venture included in consolidation, its title, its place of incorporation, main activities and effective shareholding rates are as follows:

Title	Operation Center (City/Country)	Main Activities	Effective Rates (%)	Direct and Indirect Rates (%)
Katılım Emeklilik ve Hayat A.Ş.	Istanbul/Türkiye	Private pension and insurance	50,00	50,00

b) Consolidation principles on subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Parent Bank. Subsidiaries are consolidated using the full consolidation method considering materiality principle, taking account the operation results, size of asset and shareholders' equity. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the Parent Bank.

Control is accepted as when Parent Bank has power over its investee, or exposed to, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the full consolidation method, 100% of subsidiaries' assets, liabilities, income, expense and off-balance sheet items are combined with the Parent Bank's assets, liabilities, and income, expense and off-balance sheet items. The carrying amount of the Group's investment in each subsidiary and the Group's portion of the cost value of the capital of each subsidiary are eliminated. Intragroup balances and intragroup transactions and resulting unrealized profits and losses are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Parent Bank.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024

(Thousand of Turkish Lira (TL) unless otherwise stated)

III. Information on consolidated associates (continued):

b) Consolidation principles on subsidiaries (continued):

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

Title	Operation Center (City/Country)	Main Activities	Effective Partnership Rates (%)	Direct and Indirect Partnership Rates (%)
Bereket Varlık Kiralama A.Ş.	Istanbul/Türkiye	Sukuk Issue	100,00	100,00
Değer Varlık Kiralama A.Ş.	Istanbul/Türkiye	Sukuk Issue	100,00	100,00
Albaraka Portföy Yönetimi A.Ş.	Istanbul/Türkiye	Investment Fund Foundation and Management	100,00	100,00

c) Consolidation principles on investment funds:

The investment funds, founded by the Parent Bank's subsidiary "Albaraka Portföy Yönetimi A.Ş." over which the Group has control as per procedures and principles stated in TFRS 10 "Turkish Financial Reporting Standards on consolidated Financial Statements", are accounted as per full consolidation method. For investment funds over which the Parent Bank does not have full control, minority shares are calculated separately under income statement and shareholders' equity. The information on the funds is represented as follows:

Title	Operation Center (City/Country)	Main Activities	Parent Bank's Effective Percentage of Shares (%)	Group's Direct and Indirect Effective Percentage of Shares (%)
Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu	Istanbul/Türkiye	Buy real estate and rights based on real estates, rent, lease and sell	95,04	95,04
Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu	Istanbul/Türkiye	Buy real estate and rights based on real estates, rent, lease and sell	99,16	100,00
Albaraka Portföy Yönetimi A.Ş. Bereket Katılım Gayrimenkul Yatırım Fonu	Istanbul/Türkiye	Buy real estate and rights based on real estates, rent, lease and sell	100,00	100,00
Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu	Istanbul/Türkiye	To invest in company shares that can be financially and institutionally structured and developed, and to terminate the investment in the development or further stages of the company through methods such as sales, merger, and public offering.	100,00	100,00
Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu ^(*)	Istanbul/Türkiye	To invest in the initial stages of technology and innovation companies that provide products or services to Fintech venture companies or financial companies or to terminate the investment in the advanced stages by methods such as sale, merger and public offering.	0,00	100,00
Albaraka Portföy Yönetimi A.Ş. Inovasyon Girişim Sermayesi Yatırım Fonu ^(*)	Istanbul/Türkiye	To incorporate innovative fintech projects inside the Parent Bank as co-founder or make the fintech projects more flexible and active in present companies by becoming their partner, to invest these companies' shares and terminate the investment in the development or advanced phase by sale, merger, public offer.	0,00	100,00
Albaraka Portföy Yönetimi A.Ş. İkinci Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu ^(*)	Istanbul/Türkiye	The main investment strategy of the fund is to invest in lease certificates, of which venture companies whose shares are not traded on the stock exchange are the fund users, provided that they comply with the principles of participation financing. In this context, at least 80% of the total value of the fund consists of lease certificates (sukuk), which are in the nature of venture capital investment.	0,00	100,00
Albaraka Portföy Yönetimi A.Ş. İnşa Girişim Sermayesi Yatırım Fonu ^(*)	Istanbul/Türkiye	The Fund's investment strategy is to invest primarily in İnşa Ventures Teknoloji Geliştirme ve Pazarlama A.Ş. (İnşa Ventures) and the companies in which İnşa Ventures invests, and to terminate the investment in the later stages of the companies through methods such as sale, merger or public offering.	0,00	100,00

^(*) Relevant funds are controlled by the funds which are consolidated and controlled by the Parent Bank. Therefore, The Parent Bank has indirect control over these funds.

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III. Information on consolidated associates (continued):

d) Presentation of consolidated subsidiaries, associates and joint ventures in consolidated financial statements:

The associates and subsidiaries which are not under the scope of consolidation are accounted at cost value, less any impairment, in accordance with "Turkish Accounting Standards for Individual Financial Statements ("TAS 27")" in the consolidated financial statements.

In the consolidated financial statements, credit institutions, which are not included in consolidation, or subsidiaries, which are not financial institutions, are accounted at cost value, less any impairment in the consolidated financial statements.

If the cost amount exceeds the recoverable amount (the higher of an asset's fair value less costs of disposal and its value in use) the value of the related associates and subsidiaries is equal to the recoverable amount.

IV. Explanations on forward, option contracts and derivative instruments:

The derivative financial instruments of the Group generally consist of forward foreign currency, forward security and swap agreements. Derivative transactions portfolio may change as per market conditions in related terms. The Group records the spot foreign currency transactions in asset purchase and sale commitments.

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values. Derivative transactions are initially recorded at their fair values. In the periods following the recognizing of derivative transactions, depending on whether the fair value is positive or negative, the portion which is reflected to Income Statement for derivative assets and derivative liabilities are represented in Balance Sheet. Differences in fair values as a result of the valuation are recognized in trading income/loss line in the Income Statement as profit (loss) from derivative financial instruments and foreign exchange income (loss)

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V. Explanations on profit share income and expenses:

Profit share income

Profit share income is accounted in accordance with the internal rate of return method, which is equal to the net present value of the future cash flows of the financial asset determined in TFRS 9 and reflected to the accrual basis.

Profit-loss Investment projects are recognized under the “Loans” account in the balance sheet. Profit and loss investment projects are subject to valuation periodically every year and positive differences related to valuation are represented under “Profit Share on Loans”.

The Parent Bank has begun to calculate accrual for non-performing loans as of January 1, 2018. Net book value of non-performing receivables (Gross Book Value- Expected Loss Provision) is accounted at the gross book value of accruals with effective profit share rate.

Profit share expense

The Parent Bank records profit share expenses on accrual basis. The profit share expense accrual calculated in accordance with the unit value method on profit sharing accounts has been included under the account “Funds Collected” in the balance sheet.

VI. Explanations on fees, commission income and expenses:

Other than commission income and fees and expenses for various banking services that are reflected as income/expense when collected/paid, fees and commission income and expenses are reflected to income statement depending on the term of the related transaction.

The commissions and fees other than those, whose amortised costs are integral part of their effective profit rate, are accounted for in accordance with the TFRS 15 Revenue From Contracts With Customers Standard.

In accordance with provisions of TFRS, the portion of the commission and fees which are related to the reporting period and collected in advance for cash and non-cash loans granted is reflected to the income statement by using the internal rate of return method and straight line methods, respectively over the commission period of the related loan, respectively. Fees and commissions collected in advance which are related to the future periods are recorded under the account “Unearned Revenues” and included in “Other Liabilities” in the balance sheet. The commission received from cash loans corresponding to the current period is presented in “Profit Share from Loans” in the statement of profit or loss.

In the correspondence of BRSA dated June 8, 2012 and numbered B.02.1.BDK.0.13.00.0-91.11-12061, it has been stated that there is no objection to recording the commissions received from long term non-cash loans collected in quarterly periods or periods less than a quarter directly as income. Consequently, the Parent Bank records the related cash and non-cash loans commissions directly as income.

VII. Explanations on financial assets:

Financial assets are recognized or derecognized according to TFRS 9 section 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 Parent Bank, if the Parent Bank is a legal party to these instruments.

On which category financial instruments shall be classified at initial recognition depends on both the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Assessment of business model:

As per TFRS 9, the Parent Bank’s business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Parent Bank’s business model does not depend on management’s intentions for an individual instrument. Accordingly, this condition is not a classification approach on the basis of a financial instrument but an evaluation by combining financial assets.

The Parent Bank’s business models are divided into three categories. These categories are defined below:

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VII. Explanations on financial assets (continued):

a) The Business model whose objective is to hold assets in order to collect contractual cash flows:

A business model whose objective is to hold assets of The Parent Bank in order to collect contractual cash flows over the life of the instrument. The financial assets that are held within the scope of this business model are measured at amortised cost when the contractual terms of the financial asset meet the cash flow test that includes profit share payments arising only from principal and principal amount at specific dates.

b) The Business model whose objective is achieved by both collecting contractual cash flows and selling financial assets:

The Parent Bank may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Fair value changes of the financial assets that are held within the scope of this business model are accounted under other comprehensive income when the contractual terms of the financial asset meet the cash flows test that includes profit share payments arising only from principal and principal amount at specific dates.

c) Other business models:

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Contractual cash flows that contains solely payments of principal and profit share:

As per TFRS 9, the Parent Bank classifies a financial asset on the basis of its contractual cash flow characteristics if the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets at the fair value through profit or loss:

Financial assets at fair value through profit/loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and profit share at certain date; that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement. The Parent Bank recognizes profit and loss investments under "loans" as per BRSA uniform chart of accounts and measures them at fair value considering TFRS 9 provisions. The fair value measurements of profit and loss investments are based on the valuation reports prepared by the valuation experts.

In evaluating profit share investment projects various assumptions and estimations have been used. Work projects, discount rates and fair value parameters may fluctuate and sensitive to economical conjuncture, sectoral position and other market conditions.

Sukuk (lease certificates) which are represented under Financial Assets Measured at Fair Value through Profit/Loss are evaluated with the weighted average clearing prices in Istanbul Stock Exchange and which are not quoted in Istanbul Stock Exchange evaluated with their prices determined in Central Bank of Türkiye.

As per the correspondence by BRSA numbered E-43890421-101.02.02-7182, the accounting of outright repurchase and sales of investment funds under Financial Assets Measured at Fair Value through Profit/Loss are approved Parent Bank's Advisory Committee in accordance with its decisions on condition that there is no agreement and/or condition with the customer regarding repurchase/resale and there is not even a custom that there is an obligation to repurchase/resale. Profits or losses arising from buying and selling are accounted in Capital Market Transaction Income/(Loss) under Trading income/ loss.

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VII. Explanations on financial assets (continued):

c) Other business models (continued):

Financial assets at fair value through other comprehensive income (continued):

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and profit share at certain dates, they are classified as fair value through other comprehensive income. 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 effective profit share rate 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 value corresponding to 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. The accumulated fair value differences that are reflected in shareholders’ equity are reflected in the income statement when the stated securities are collected or disposed.

Equity securities, which are classified as financial assets at fair value through other comprehensive income are accounted for at fair value when they are traded in an organized market and / or the fair value can be reliably measured and these financial assets are not subject to expected losses recognition. The valuation differences of the mentioned securities are accounted under the “Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss” in shareholders’ equity

Financial assets measured at amortized cost:

Financial assets that are held for collection of contractual cash flows within the scope of business model where those cash flows represent solely payments of principal and profit share on certain dates are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs, which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective internal rate of return method. Profit share income obtained from financial assets measured at amortized cost is accounted in income statement.

Loans:

Loans are non derivative financial assets that have fixed or determinable payments terms and are not quoted in an active market. Stated loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the “Effective Profit Share Rate (internal rate of return) Method”.

The Parent Bank’s all loans including profit and loss investments are recorded under the “Measured at Amortized Cost” account. As per BRSA uniform chart of accounts, the Parent Bank recognizes profit and loss investments under “loans” and considering TFRS 9 provisions, measures them at fair value.

Granted cash loans are accounted by using the relevant accounts in accordance with the principles set out in the “Uniform Chart of Accounts to be Applied by the Participation Banks” and published in the Official Gazette dated September 20, 2017 and numbered 30186.

The Parent Bank periodically evaluates the provisions allocated for loans and other receivables as per TFRS 9 retrospectively and as a result of those evaluations, if appropriate, updates the classification rules and parameters on allocation of provisions.

VIII. Explanations on expected credit losses:

The Parent Bank allocates impairment for expected loss on financial assets measured at amortized cost and measured at fair value through other comprehensive income. As of January 1, 2018, the Parent Bank recognizes provisions for impairment in accordance with TFRS 9 requirements according to the “Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside” published in the Official Gazette dated 22 June 2016 numbered 29750. In this framework, as of January 1, 2018, method of provisions for impairment as set out in accordance with the related legislation of BRSA is changed by applying the expected credit loss model under TFRS 9.

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VIII. Explanations on expected credit losses (continued):

The provisions written back are credited to “provision expenses”, and if such write backs are arising from previous year they are accounted under “other operating income”. 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 finance lease receivables) and, in addition, financial lease receivables that are not measured at fair value through profit or loss, credit commitments and financial guarantee contracts.

As stated in the note of significant estimates and assumptions in preparing financial statements, The Parent Bank has reflected the estimations and judgments used in the calculation of credit losses as of June 30, 2024, using the best estimation method with the maximum effort principle.

-In provisioning parameters, base scenario rate has been updated as 80% negative condition scenario rate has been updated as 20% and positive condition scenario has been revoked.

-In order to calculate the impact of macroeconomical factors to lifetime expected credit losses, the model has been set by using approximately 13 years of data from first quarter of 2010 to the year end of 2023. In this model NPL rates of the banks operating in the same sector has been used and supportive data from previous terms have been received. As a result of model update works, the parameters of unemployment and gross national product have been found meaningful.

Under this context, the approach used through 2023 has been maintained and will be reviewed in the coming reporting periods by considering the changes in credit portfolio and expectations related to the future.

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,
- 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.

Provisions for these financial assets are calculated using two different approaches: 12-month expected loss and expected lifetime loss. Credit risk parameters used in the calculations are as follows:

Parameters used when calculating expected credit losses:

Probability of Default (PD):

PD refers to the likelihood that a loan will default within a specified time horizon. Based on TFRS 9, the Parent Bank uses two different PDs in order to calculate expected credit losses:

- 12-Months PD: As the estimated probability of default occurring within the next 12 months following the reporting date.
- Lifetime PD: As the estimated probability of default occurring over the remaining life of the financial instrument.

Loss Given Default (LGD):

If a loan default occurs, it represents the economic loss incurred on the loan. It is expressed as a percentage.

Exposure at Default (EAD):

For cash loans, it corresponds to the amount of loan granted as of the reporting date. For non-cash loans and commitments, it is the value calculated through using credit conversion factors. Credit conversion rate corresponds to the factor which adjust the potential increase of the exposure between the current date and the default date.

Financial Assets are divided into the following three categories depending on observable increases in their credit risks:

12 Month Expected Credit Losses (Stage 1):

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition and the delay days do not exceed 30 days. Impairment for credit risk 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 month 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.

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VIII. Explanations on expected credit losses (continued):

Significant Increase in Credit Risk (Stage 2):

In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses.

The Parent Bank classifies financial assets as Level 2 by considering the following criteria:

- Loans with a delay over 30 days but not exceed 90 days
- The data obtained from the early warning system and the evaluation that the Parent Bank will make in this case
- The Parent Bank management's conclusion that there is significant increase in credit risk. At this point the Parent Bank compares probability of default of the loan in its origination with current status.
- Loans for which the repayment amount is fully collateralized and the collateral falls below the net realizable value.

Default (Stage 3/Specific Provision):

If the following conditions exist in accordance with the Parent Bank's internal procedures, the related financial asset is evaluated as default:

- Loans past 90 days from the last installment date
- Loans restructured and classified as performing receivables and restructured in the 1-year monitoring period at least once again and & or loans whose principal / profit payment is 30 days overdue.

The collective assessment of financial instruments is performed by building on homogeneous group assets arising from portfolio segmentation based on similar credit risk and product characteristics. This section provides an overview of the risk parameter estimation methods associated with the expected loss calculation approach for each stage on a common basis.

Loans whose cash flows differ or have different characteristics from other loans can be evaluated individually instead of collectively. Expected credit loss can be defined as the difference between all contractual cash flows due as per the whole contract and cash flows expected to be collected that have been discounted with the original effective profit ratio. When measuring expected credit losses, the Bank shall consider the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the possibility of a credit loss occurring is very low. The Bank makes such assessment by reflecting the estimate of expected credit loss which is unbiased and probability-weighted determined by evaluating a range of possible outcomes.

The following situations are taken into account when estimating cash flows.

- The conditions of the contract during the expected life of the financial instrument,
- Cash flows expected to be obtained from collateral sales.

Behavioral Maturity Calculation Methodology

Expected loss provision is calculated until end of the maturity for stage one loans whose remaining maturity is less than one year and calculated yearly for stage one loans whose remaining maturity is more than one year. For second group loans, it is calculated lifelong (until the end of maturity). 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, for products without real maturity information, behavioral maturity is calculated by analyzing historical data. Expected loss provision calculations are made over these maturities, depending on the type of loan.

Write-Off Policy

Within the framework of the provisions of the " Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions to be set aside for them" published in the Official Gazette dated July 6 ,2021 and numbered 31533, the portion of the loans that are classified under "Fifth Group-Loans with a Loss Qualification" and for which a lifetime expected loan loss provision or special provision is made due to the default of the borrower, for which there are no reasonable expectations for the recovery of the loans, as of the first reporting period following their classification in this Group, are written off from the records in an appropriate time determined by the bank, taking into account the situation of the debtor within the scope of TFRS 9. Writing off loans from the records is an accounting practice and does not result in waiving the right to the receivable.

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IX. Explanations on offsetting of financial instruments:

Financial instruments are offset when the Group has a legally enforceable right to net off the recognized amounts, and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. The sukuk investments issued by the Group which are repurchased has been offset in financial assets measured at fair value through other comprehensive income and subordinated loan accounts.

X. Explanations on sale and repurchase agreements and lending of securities:

Securities subject to repurchase agreement are classified as “Financial Assets Measured at Fair Value through Profit/Loss”, “Financial Assets Measured at Fair Value through Other Comprehensive Income” and “Financial Assets Measured at Amortised Cost” according to the investment purposes of the Group and measured according to the portfolio to which they belong. Funds obtained from the related agreements are accounted under “Borrowings from Money Markets” in liabilities and the difference between the sale and repurchase price is accrued over the life of the agreements using the internal rate of return method. Profit share expense on such transactions is recorded under “Profit Share Expense on Money Market Borrowings” in the income statement.

XI. Explanations on assets held for sale and discontinued operations and liabilities related to these assets:

Assets held for sale (or disposal group) are measured at the lower of the carrying amount of assets and fair value less any cost to be incurred for disposal and the amortising for these assets is stopped. In order to classify an asset as held for sale, the possibility of sale should be highly probable and the asset (or disposal group) should be available for immediate sale in its present condition. Highly saleable condition requires a plan designed by an appropriate level of management regarding the sale of the asset to be disposed of together with an active program for the determination of buyers as well as for the completion of the plan. Also, the asset shall be actively marketed in conformity with its fair value.

In addition, the sale is expected to be recognized as a completed sale within one year after the classification date and the necessary transactions and procedures to complete the plan should demonstrate the fact that there is remote possibility of making any significant changes in the plan or cancellation of the plan.

The Group has assets that are possessed due to receivables and debtors' obligations to the Parent Bank and classified as assets held for sale. In the case that the Group has not disposed of such assets within a year of receipt or failed to produce a solid plan for sale of the assets, they are reclassified as fixed assets. The Group transfers such assets from assets held for sale and discontinued operations to tangible assets.

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

XII. Explanations on goodwill and other intangible assets:

Goodwill and other intangible assets are recorded at cost in accordance with TAS 38 “Turkish Accounting Standards for Intangible Assets”. As of the balance sheet date, there is no goodwill in the financial statements of the Group. The Group's intangible assets consist of softwares, capitalized information technology services and intangible rights.

The costs of the intangible assets purchased before December 31, 2004 have been restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. Intangible assets purchased after this date have been recorded at their historical costs. Intangible assets are amortised by the Parent Bank over their estimated economic useful lives in equal amounts on a straight-line basis. Useful lives of the Parent Bank's software have been determined as 3 to 4 years and other intangible assets' useful lives have been determined as 15 years.

If there is objective evidence of group impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 “Turkish Accounting Standard for Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is provided.

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XIII. Explanations on tangible assets:

The cost of the tangible assets purchased before December 31, 2004 have been restated by inflationary index from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The tangible assets purchased after this date are recorded at their historical costs. Tangible assets are recorded at cost less accumulated depreciation and provision for impairment, if any in compliance with the ("TAS 16") "Turkish Accounting Standards for Tangible Assets" in the financial statements.

As of March 31, 2009, the Parent Bank has made a change in accounting policy and adopted revaluation model for real estates in accordance TAS 16 and reflected the results of appraisal reports prepared by an authorized real estate appraisal firm to the financial statements.

As of December 31, 2023, the Parent Bank has revalued its immovables and reflected the results of appraisal reports prepared by independent real estate appraiser firms using comparison of similar items method to the financial statements. The revaluation fund mentioned cannot be distributed as dividend to shareholders. Current period depreciation charge relating to the revaluation has been transferred to retained earnings from revaluation fund reserve.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets.

There are no changes in the accounting estimates which are expected to have an impact in the current or subsequent periods.

Depreciation is calculated on a straight-line basis. Depreciation rates used are determined by considering the estimated economic useful life of the assets. The annual rates used are as follows:

	Depreciation Rate %
Buildings	2
Motor vehicles	20 – 25
Furniture, fixture and office equipment	4 – 33
Safe-deposit boxes	2 – 20
Operational lease improvement costs (Leasehold improvements)	Leasing period - 5 years
Leased assets	1- 10 years

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. Leasehold improvements are depreciated over their estimated economic useful lives in equal amounts. The estimated economic useful lives cannot exceed the leasing period. In cases where the leasing period is not certain, the useful life is determined as five years. After January 1, 2010 in cases where leasing period is more than five years, the useful life is determined as five years.

If there is an indication for impairment, the Group estimates the recoverable amount of the tangible asset in accordance with TAS 36 "Turkish Accounting Standard for Impairment of Assets" and if the recoverable amount is less than its carrying value, provides for an impairment loss. Fixed assets which are carried at fair value in the financial statements are revalued by independent Capital Markets Board licensed firms in accordance with TFRS 13.

Gain or loss resulting from disposals of the tangible assets is calculated as the difference between the net proceeds from the sale and the net book value of the related asset.

The repair and maintenance costs of the tangible assets are capitalized, if the expenditure increases the economic life of the asset. Other repair and maintenance costs are expensed.

In accordance with TFRS 16, right-of-use asset is represented under tangible assets in the balance sheet.

XIV. Explanations on investment property:

Investment properties are retained in order to benefit for administrative purposes and production and supply of goods or services either or both obtain rental income or appreciation gain instead of selling them in ordinary workflow. Investment properties are accounted initially at cost then at fair value for the coming periods and changes are recognized in statement of profit or loss.

The cost includes the expenses directly associated with the purchase.

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XIV. Explanations on investment property (continued):

If the investment property is sold, all profits and losses incurred (referring the difference between sale price and carrying value of the asset) are recognized in statement of profit or loss. If the investment properties

which are recognized as fixed assets beforehand are sold, their revaluation differences (if there are any) under equity are transferred to prior year profits.

If a real estate's intended purpose amended and it is recognized again under fixed assets, the fair value at the date of the amendment becomes the cost for the next accounting transaction.

XV. Explanations on leasing transactions:

Assets acquired under finance lease contracts are recorded both as an asset and as a liability at the beginning date of the lease. The basis for the determination of the balances recorded in the balance sheet as asset and liability is the lower of fair value of the leased asset at the inception of the lease and the present value of the lease payments. Finance charges arising from lease contracts are expensed in the related periods taking into consideration the internal rate of return over the period of the lease.

Assets acquired under finance lease contracts are depreciated over their useful lives and impairment provision is provided in case a decrease in recoverable amount has been determined. The Parent Bank, as a participation bank, acts as a lessor in finance leasing transactions. The Parent Bank presents finance leased assets as a receivable equal to the net investment in the lease. Financial income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding.

With the "IFRS 16 Leases" standard, which became effective as of 1 January 2019, the difference between the operating lease and financial lease was removed and the lease transactions were started to be recognised under "Tangible Fixed Assets" as an asset (tenure) and under "Lease Payables" as a liability.

IFRS 16 Leases standard abolishes the dual accounting model currently applied for lessees through recognizing finance leases in the balance sheet whereas not recognizing operational lease. Instead, it is set forth a single model similar to the accounting of finance leases (on balance sheet). For lessors, the accounting remains almost the same.

The Parent Bank has the exemption for not applying this standard to short-term leaseings (leases with a rental period of 12 months or less) or to leases where the underlying asset is of low value (eg personal computers, some office equipment, etc.). At the effective date of the lease, the Parent Bank measures its leasing liability at the present value of the lease payments not paid at that time and depreciates the existence of the right to use as of the same date and is amortized over the lease term. If this ratio can be determined easily, lease payments are discounted using the Parent Bank's average profit rate.

If the ratio cannot be easily determined, the Parent Bank uses its own alternative borrowing rate. The profit share expense on the lease liability and the depreciation charge of the right to use is recorded separately. The lessee re-measures the lease obligation if certain events occur (for example, changes in lease duration, forward lease payments due to changes in a particular index or rate, etc.). In this case, the lessee records the reassignment effect of the lease obligation as a correction on the right to use.

Right to use asset:

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

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

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

- Accumulated depreciation and accumulated impairment losses are deducted and
- Measures the restatement of the lease obligation at the restated cost.

While the Parent Bank is depreciating the right- to- use asset it utilizes the provisions for depreciation in TAS 16 Tangible Assets Standard.

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XV. Explanations on leasing transactions (continued):

The lease liabilities:

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

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

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

- Increases the book value to reflect the profit share rate on the lease obligation,
- Reduces the book value to reflect the lease payments made,
- Measures the book value to reflect reassessments and restructuring, or reflect the fixed lease payments, which is revised but inherently fixed. The profit rate on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic profit rate to the remaining balance of the lease liability.

XVI. Explanations on provisions and contingent liabilities:

Provisions and contingent liabilities, excluding the expected loss provisions for loans, are accounted in accordance with TAS 37: "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognized when the Parent Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the cut-off principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Parent Bank; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XVII. Explanations on liabilities regarding employee rights:

i) Defined benefit plans:

Provision for employee severance benefits has been accounted for in accordance with TAS 19 "Employee Benefits".

In accordance with the existing social legislation in Türkiye, the Group is required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated for reasons other than misconduct or due to resignation. The retirement pay is calculated for every working year within the Group over salary for 30 days or the official ceiling amount per year of employment and the notice pay is calculated for the relevant notice period time as determined based on the number of years worked for the Group.

The Group has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, The Group recognizes all actuarial gains and losses immediately through other comprehensive income. As of June 30, 2024, there is an actuarial loss amounts to TL 321.348 before deferred tax calculation (December 31, 2023: TL 321.348 actuarial loss).

Provision for the employees' unused vacations have been booked in accordance with TAS 19 and reflected to the financial statements.

There are no foundations, pension funds or similar associations of which the Group's employees are members.

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XVII. Explanations on liabilities regarding employee rights (continued):

ii) Defined contribution plans:

The Group pays defined contribution plans to publicly administered Social Security Funds for its employees. The Group has not any further payment obligations other than this contribution share. The contributions are recognized as personnel expenses when they accrue.

iii) Short term benefits to employees:

In accordance with TAS 19, the Group measures the expected costs of the cumulative annual leaves as additional amounts anticipate to pay accumulated and unused rights as of reporting period.

XVIII. Explanations on taxation:

Current tax:

The Group is subject to tax laws and legislation effective in Türkiye.

In the financial statements as of June 30, 2024, the corporate tax rate is applied 30%. The corporate tax rate has been permanently increased to 25% for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in accordance with the publication of the Law No. 7394 in the Official Gazette dated April 15, 2022. However, with the Law No. 7456 published on 15 July 2023, the rate has been increased to 30% in order to be applied to the cumulative bases included in the declarations to be submitted as of 1 October 2023; the corporate tax rate is applied as 30% as of this date.

Dividends paid to the resident institutions are not subject to withholding tax in Türkiye. Withholding tax rate on the dividend payments other than these is 10%. Appropriation of the retained earnings to capital is not considered as profit distribution and accordingly is not subject to withholding tax.

Corporations calculate advance tax with their current rate on quarterly profits and pay until the evening of the same day by declaring until the 17th day of the second month following that period. The prepaid taxes can be deducted from the annual corporate tax calculated on the annual corporate income. The remaining prepaid tax, if any after deduction, can be refunded in cash or deducted from other financial liabilities to the government.

75% portion of the capital gains derived from the sale of equity investments and 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years. However, with the Law No. 7456 published on July 15 ,2023, this exception has been abolished for real estate to be acquired after the publication date of the decision; If the real estates acquired before this date are sold after the effective date of the decision, 25% of the real estate sales revenue will be exempt from corporate tax.

In accordance with the tax legislation, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In Türkiye, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns until the last day of the following fourth month after the closing of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings and carry out sectorial investigations.

Considering the participation accounts' part in general loan loss provision as expense for tax calculation, Finance Ministry initiated a sector-specific review. The relevant documents and calculations have been requested from the Parent Bank. As of report date, there is no information or written report transmitted to the Parent Bank.

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 regulation made with the Law No. 7352 dated January 20, 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; TPL financial statements for the 2021 and 2022 accounting periods have not been subjected to inflation adjustment, and the TPL financial statements dated December 31, 2023 have been subjected to inflation adjustment in a way that will not affect corporate tax base. Additionally; With the law number 7491 published in the Official Gazette numbered 32413 dated December 28, 2023, banks, payment and electronic money

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XVIII. Explanations on taxation (continued):

Current tax (continued):

institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be subject to inflation adjustments in the 2024 and 2025 accounting periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base.

Within the scope of the temporary article 32 of the Tax Procedure Law Numbered 213, depreciable assets were revalued and additional tax amount of 2% is levied over the revaluation difference. Assets that are included in the scope pursuant to duplicate article 298 are valued with the revaluation rate announced in the relevant year and no tax is levied over this revaluation increase.

Deferred tax:

The Group calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with TAS 12 "Turkish Accounting Standard for Income Taxes". Deferred tax asset is calculated on all temporary differences to the extent that is probable that taxable profit will be available and deferred tax liability is calculated for all temporary differences. Deferred tax asset and liabilities are represented in the accompanying financial statements on a net basis. In the deferred tax calculation, the enacted tax rate is used as of the balance sheet date by estimating when the temporary differences will be taxable / deductible in accordance with the current tax legislation.

Deferred tax asset had not been provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004. However, deferred tax rate calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles from 1 January 2018. Deferred tax calculation is not made for free provisions.

As explained in detailed note under "XIX Additional explanations on borrowings", deferred tax is calculated for exchange difference and coupon payment for Tier 1 under equity and deferred tax expenses. If loss occurs in the income statement prepared as per Turkish Tax Legislation, The Parent Bank recognizes deferred tax. While making this calculation, The Parent Bank's growth projections in its budget, reinforceable estimates on income statement and expectations on inflation, currency and interest rates by Central Bank of Türkiye are considered.

Law No. 7491 on the Amendment of Certain Laws and Decree Laws The profit / loss due to the inflation adjustment to be made in the differences of the 2024 and 2025 accounting periods will be excluded from the determination of earnings. In accordance with the TPL General Communiqué No. 560 published in the Official Gazette dated 30 April 2024 and numbered 32532, it has been declared that it is appropriate not to implement inflation adjustment in the temporary tax period of the first accounting period of 2024. In accordance with the Provisional Article 33 of the Tax Procedure Law, the financial statements as of 30 June 2024 have been restated for the inflation adjustment as of 30 June 2024, which is included in the deferred tax calculation, and restated in accordance with TPL.

Transfer pricing:

Transfer pricing is regulated through the article 13 of Corporate Tax Law titled "Disguised Profit Distribution by way of Transfer Pricing". Detailed information for the practice regarding the subject is found in the "General Communiqué on Disguised Profit Distribution by way of Transfer Pricing".

According to the related regulation, in the case of making purchase or sales of goods or services with related persons/corporations at a price that is determined against "the arm's length principle", the gain is considered to be distributed implicitly through transfer pricing and such distribution of gains is not deductible in calculation of corporate tax.

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XIX. Additional explanations on borrowings:

The Group accounts its debt instruments in accordance with TFRS 9 “Financial Instruments”. In the following periods, all financial liabilities are carried at amortized cost by using the internal rate of return method. The Parent 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 Parent Bank. The Parent Bank has issued borrowings through its subsidiary Bereket Varlık Kiralama A.Ş. and its structured entities Bereket One Ltd., Albaraka Sukuk Ltd., Albaraka CT One Ltd and Albaraka Mtn Ltd.

The Parent Bank has subordinated loans borrowed through sukuk issuance, which has unconvertible nature to the shares.

Additional tier 1 capital borrowings:

Undated sukuk transaction in foreign currency is issued and included in the additional capital account by the Parent Bank’s structured entity “Bereket One Ltd.”. Stated transaction evaluated as non-monetary item and accounted over historical cost in Turkish Lira under equities in the “other capital reserves” accordance with TAS 32.

XX. Explanations on share issued and share certificates:

Share issuance related to costs is recognized as expenses. Dividend income related with the equity shares are determined by the General Assembly of the Shareholders.

Weighted average number of shares outstanding is taken into account in the calculation of earnings per share. In case the number of shares increases by way of bonus issues as a result of the capital increases made by using the internal sources, the calculation of earnings per share is made by adjusting the weighted average number of shares, which were previously calculated as at the comparable periods. The adjustment means that the number of shares used in calculation is taken into consideration as if the bonus issue occurred at the beginning of the comparable period. In case such changes in the number of shares occur after the balance sheet date, but before the ratification of the financial statements to be published, the calculation of earnings per share are based on the number of new shares. The Bank’s earnings per share calculations taking place in the income statements are as follows:

	Cari Dönem	Önceki Dönem
Net profit/(loss) distributable to ordinary shareholders	2.557.893	1.336.776
Weighted average number of ordinary shares in issue (in thousands)	2.500.000	2.500.000
Earnings per share (full TL)	1,02316	0,53471

XXI. Explanations on acceptances and availed drafts:

Acceptances and availed drafts are realized simultaneously by the Parent Bank with the payment dates of the customers and they are presented as commitments in the off-balance sheet accounts.

XXII. Explanations on government grants:

As of the balance sheet date, there are no government grants received by the Group.

XXIII. Explanations on segment reporting:

Business segment is a component of the Parent Bank that engages in business activities from which the Group may earn revenues and incur expenses, whose operating results are regularly reviewed by the Parent Bank’s chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial available.

Segment reporting is disclosed in Section Four, Note X.

XXIV. Explanations on other matters:

There are no other matters.

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SECTION FOUR

Information on Consolidated Financial Structure and Risk Management of the Group

I. Explanations on consolidated capital adequacy standard ratio:

Total capital and capital adequacy ratio have been calculated in accordance with the “Regulation on Equity of Banks” and “Regulation on Measurement and Assessment of Capital Adequacy of Banks”. As of June 30, 2024, the Parent Bank’s total capital has been calculated as TL 19.592.551 and capital adequacy standard ratio is 13,37%. As of December 31, 2023, the Parent Bank’s total capital amounted to TL 18.521.998 and capital adequacy ratio was 16,81%. The Parent Bank’s capital adequacy standard ratio is above the minimum ratio required by the legislation.

a. Information on consolidated capital:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	2.500.000	2.500.000
Share issue premiums	23.278	23.278
Reserves	4.289.548	547.602
Gains recognized in equity as per TAS	4.972.495	6.547.588
Profit	2.557.893	3.969.283
Current Period Profit	2.557.893	3.969.283
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
Minority Share	-	-
Common Equity Tier 1 Capital Before Deductions	14.343.214	13.587.751
Deductions from Common Equity Tier 1 Capital	-	-
Common Equity as per the 1 st 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	224.944	224.944
Improvement costs for operating leasing	46.688	38.257
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	505.305	342.756
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 4 th clause of the 56 th 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	-	275.842
Amount exceeding 15% of the common equity as per the 2 nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions From Common Equity Tier 1 Capital	776.937	881.799
Total Common Equity Tier 1 Capital	13.566.277	12.705.952

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I. Explanations on consolidated capital adequacy standard ratio (continued):
a. Information on consolidated capital (continued):

	Current Period	Prior Period
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	775.720	775.720
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Third parties' share in the Additional Tier I capital	-	-
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	-
Additional Tier I Capital before Deductions	775.720	775.720
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	775.720	775.720
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	14.341.997	13.481.672
TIER II CAPITAL	-	-
Debt instruments and share issue premiums deemed suitable by the BRSA	4.344.092	4.089.830
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Third parties' share in the Tier II Capital	-	-
Third parties' share in the Tier II Capital (Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	910.821	1.081.054
Tier II Capital Before Deductions	5.254.913	5.170.884
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	6	122.468
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	6	122.468
Total Tier II Capital	5.254.907	5.048.416
Total Capital (The sum of Tier I Capital and Tier II Capital)	19.596.904	18.530.088
The sum of Tier I Capital and Tier II Capital (Total Capital)	-	-
Deductions from Capital Loans granted contrary to the 50 th and 51 th 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	4.353	8.090

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I. Explanations on consolidated capital adequacy standard ratio (continued):

a. Information on consolidated capital (continued):

	Current Period	Prior Period
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 Core Capital and Supplementary Capital)	19.592.551	18.521.998
Total risk weighted amounts	148.284.266	110.208.737
Capital Adequacy Ratios		
Consolidated Core Capital Adequacy Ratio (%)	9,31	11,53
Consolidated Tier 1 Capital Adequacy Ratio (%)	9,83	12,24
Consolidated Capital Adequacy Ratio (%)	13,37	16,81
BUFFERS		
The total additional capital requirement ratio (a + b + c)	2,50	2,50
a) Capital conservation buffer requirement (%)	2,50	2,50
b) Bank specific counter-cyclical buffer requirement (%)	0,00	0,00
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 (%)	5,81	7,03
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 deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation	1.368.092	1.298.179
Limits related to provisions considered in Tier II calculation	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	910.821	1.081.054
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	910.821	1.081.054
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 January 1, 2018 and January 1, 2022)	-	-
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

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I. Explanations on consolidated capital adequacy standard ratio (continued):

In calculating credit risk as per Regulation on Measurement and Evaluation of Capital Adequacy of Banks, it is possible that Central Bank buying exchange rates of June 26, 2023 can be used in calculating the revalued amounts of monetary and non monetary items and their specific provisions. The items which are carried at cost is out of scope. As of June 30, 2024, the Parent Bank has utilized this facility in calculating capital adequacy ratio.

b. Details on subordinated liabilities:

Issuer	Albaraka Sukuk Ltd.	Albaraka CT One Ltd.	Bereket One Ltd.
Unique Identifier (CUSIP, ISIN etc.)	XS1301525207	XS2594992914	XS17 72390628
Governing Law(s) of the Instrument	English Law	English Law	English Law
Special Consideration in the Calculation of Equity			
As of January 1, 2015, consideration to be subject to a 10% reduction application status	No	No	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Sukuk Wakala	Sukuk Wakala	Sukuk Mudaraba
Amount recognized in regulatory capital (as of most recent reporting date)	TL 1.130.992	TL 3.213.100	TL 775.720 ⁽¹⁾
Par Value of Instrument	TL 5.654.960	TL 3.213.100	TL 775.720
Accounting Classification	Subordinated Loan	Subordinated Loan	Equity
Original date of Issuance	November 30, 2015	February 28, 2023	February 20, 2018
Perpetual or dated	Dated	Dated	Undated
Maturity date	November 30, 2025	February 28, 2033	Undated
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date: November 30, 2025 Total Repayment Amount of Profit Share: USD 131.250.000 (first 5 years), USD 98.481.619 (second 5 years) Coupon Repayment Period: 6 months Principal Payment: USD 175.997.000	Last Payment Date: February 28, 2023 Total Repayment Amount of Profit Share: USD 50.000.000 (first 5 years), USD 50.000.000 (second 5 years) Coupon Repayment Period: 6 months Principal Payment: USD 100.000.000	Last Payment Date: None First refund option date: February 20, 2023 Total Repayment Amount of Profit Share: USD 102.500.000 (First 5 year) USD 117.075.500 (Second 5 year) Coupon Repayment Period: 6 months Principal Payment: USD 205.000.000
Subsequent call dates	-	-	-
Profit Share/Dividends			
Fixed or floating profit share/dividend	Fixed	Fixed	Fixed
Profit share rate and any related index	9,371 % (first 5 years:10,50%)	10%	11,422 % (first 5 years:10%)
Existence of a dividend stopper	As per BRSA regulations and Communiqués it is payable	As per BRSA regulations and Communiqués it is payable	As per BRSA regulations and Communiqués it is payable
Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Optional
Existence of step up or other incentive to redeem	-	-	-
Noncumulative or cumulative	Cumulative	Cumulative	Noncumulative
Convertible or Non-convertible			
If convertible, conversion trigger	Not Convertible	Not Convertible	Not Convertible
If convertible, fully or partially	Not Convertible	Not Convertible	Not Convertible
If convertible, conversion rate	Not Convertible	Not Convertible	Not Convertible
If convertible, mandatory or optional conversion	Not Convertible	Not Convertible	Not Convertible
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)	Non-sustainability	Non-sustainability	Non-sustainability-The ratio of Core Capital to below 5,125%
If write-down, full or partial	Full or Partial	Full or Partial	At least to ensure that the core capital ratio exceeds 5,125%
If write down, permanent or temporary	Permanent	Permanent	Permanent and Temporary
If temporary write-down, description of write-up mechanism	-	-	In case of the ratio of core capital exceeds 5,125%
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After all creditors and participation fund owners	After all creditors and participation fund owners	After participation fund owners, other borrowers and the debt instruments included in the Tier II capital calculation
In compliance with article number 7 and 8 of "Own fund regulation"	No	No	No
Details of incompliances with article number 7 and 8 of "Own fund regulation"	No	No	No

⁽¹⁾ Represented as historical cost.

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I. Explanations on consolidated capital adequacy standard ratio (continued):

c. Information on reconciliation of total capital and equity:

The difference between Consolidated Total Capital and Equity in the consolidated balance sheet mainly arises from Stage 1 and Stage 2 expected credit losses, debt instruments and share issue premiums deemed suitable by the BRSA. In the calculation of Total Capital, Stage 1 and Stage 2 expected credit losses up to 1,25% of the credit risk is taken into consideration as Tier II Capital. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities and other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. Explanations on consolidated credit risk:

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

III. Explanations on consolidated currency risk:

Foreign currency risk arises from the Group’s possible exposure to the changes in foreign currencies.

a. The Parent Bank is exposed to currency risks as a market risk and tries to balance the currency risks by avoiding to keep any long or short positions. The currency risk of the Parent Bank is monitored on a daily basis. Net foreign currency position/shareholders’ equity ratio is also controlled on a daily basis. All foreign currency assets, liabilities and foreign currency forward transactions are taken into consideration while capital requirement to be employed for foreign currency risk is calculated. Standard Method used in legal reporting and amount subject to risk is calculated on a monthly basis.

b. The Group does not have any derivative financial instruments held for hedging purposes.

c. As a result of the uncertainty and volatility in the markets, foreign currency position is kept at a balance, and accordingly, no currency risk is anticipated. The Parent Bank takes necessary measures to keep the currency risk at a minimum level.

ç. Foreign exchange buying rates of the last five working days before the balance sheet date as publicly announced by the Parent Bank are as follows:

	USD	EUR
As of June 30, 2024 - Balance sheet evaluation rate	32,131	34,434
As of June 28, 2024	32,131	34,434
As of June 27, 2024	32,190	34,478
As of June 26, 2024	32,215	34,405
As of June 25, 2024	32,315	34,573
As of June 24, 2024	32,247	34,594

d. The simple arithmetical average of the major foreign exchange buying rates of the Parent Bank for the thirty days before the balance sheet date is TL 32,012 for 1 USD (December 2023: TL 28,847), TL 34,416 for 1 EUR (December 2023: TL 31,481).

The Parent Bank is mainly exposed to EUR and USD currency risks.

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III. Explanations on consolidated currency risk (continued):

Information on currency risk of the Group:

	EUR	USD	Other FC ^(*)	Total
Current Period				
Assets				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	6.223.395	24.843.942	9.924.882	40.992.219
Banks	1.797.962	4.242.607	11.637.422	17.677.991
Financial assets at fair value through profit and loss ^(**)	4.147.178	2.217.536	1.269.509	7.634.223
Money market placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	73.973	4.345.028	16.170	4.435.171
Loans and financial lease receivables ^(***)	10.203.596	31.278.069	805.710	42.287.375
Subsidiaries, associates and joint ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	-	15.640.549	-	15.640.549
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	-	79.887	79.887
Intangible assets	-	-	-	-
Other assets ^(****)	27.799	201.664	18.791	248.254
Total assets	22.473.903	82.769.395	23.752.371	128.995.669
Liabilities				
Current account and funds collected from banks via participation accounts	327.657	395.757	135.838	859.252
Other current and profit sharing accounts	16.347.628	45.639.940	20.421.158	82.408.726
Money market borrowings	-	-	-	-
Funds provided from other financial institutions and subordinated loans	2.412.888	35.566.869	-	37.979.757
Marketable securities issued	1.729.885	4.872.169	-	6.602.054
Miscellaneous payables	571.025	3.810.343	812.634	5.194.002
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities	43.357	133.799	1.509	178.665
Total liabilities	21.432.440	90.418.877	21.371.139	133.222.456
Net balance sheet position	1.041.463	(7.649.482)	2.381.232	(4.226.787)
Net off balance sheet position	(965.739)	5.414.706	(29.711)	4.419.256
Derivative financial instruments assets ^(*****)	630.612	6.323.257	17.404	6.971.273
Derivative financial instruments liabilities ^(*****)	1.596.351	908.551	47.115	2.552.017
Non-cash loans ^(*****)	3.710.823	11.239.873	75.743	15.026.439
Prior Period				
Total assets	19.773.266	71.100.345	18.202.863	109.076.474
Total liabilities	20.835.475	85.176.487	16.566.090	122.578.052
Net balance sheet position	(1.062.209)	(14.076.142)	1.636.773	(13.501.578)
Net off balance sheet position	1.127.717	13.308.159	(142.396)	14.293.480
Derivative financial instruments assets	2.621.225	13.857.127	67.754	16.546.106
Derivative financial instruments liabilities	1.493.508	548.968	210.150	2.252.626
Non-cash loans ^(*****)	3.746.868	10.623.174	376.552	14.746.594

^(*) TL 8.942.778 (December 31, 2023: TL 3.995.133) of the balance in Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye in other FC column represent precious metals, TL 7.383.744 (December 31, 2023: TL 1.442.617) of the balance in Banks in other FC column represent precious metals accounts with banks, TL 16.748.062 (December 31, 2023: TL 12.825.369) of the balance in Other current and profit sharing accounts in other FC column represent precious metals deposits accounts, TL 1.269.509 (December 31, 2023: TL 8.458.542) of the balance in other FC column in financial assets at fair value through profit and loss represents gold-indexed lease certificates (sukuk)

^(**) Derivative financial instruments are included.

^(***) The balance includes foreign currency indexed loans and financial lease receivables of TL 82.181 (December 31, 202: TL 134.276).

^(****) Foreign currency indexed receivables from commission and fees of non-cash loans amounting to TL 6.628 is included in other assets. (December 31, 2023: TL 6.157)

^(*****) In the current period, derivative financial instruments assets include foreign currency purchase commitment in the amount of TL 107.736 (December 31, 2023: TL 516.960) and derivative financial instruments liabilities include foreign currency sale commitment in the amount of TL 330.704 (December 31, 2023: TL 1.231.625).

^(*****) Does not have any effect on the net off-balance sheet position.

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III. Explanations on consolidated currency risk (continued):

Other issues related to currency risk:

Since the Parent Bank has issued undated additional tier 1 capital amount to USD 205.000.000 (Historical cost: TL 775.720) and recognized under the equity as “Other Capital Reserves”, this stated amount is not included in the above table.

IV. Explanations on consolidated position risk of equity securities in banking book:

The Parent Bank does not have any associate and subsidiary quoted at Borsa İstanbul.

The Parent Bank’s equity securities which are not quoted at Borsa İstanbul are recognized at fair values and if the fair values are not measured reliably, they are recognized at cost.

The equity securities under banking book calculated as per credit risk standard method amount to TL 1.056.182. 100% risk weight is applied to related whole amount (December 31, 2023: TL 854.573).

V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio:

Liquidity risk is managed by Asset and Liability Committee (“ALCO”) in line with risk management policies and risk appetite approved by the Board of Directors in order to take the necessary measures in a timely and correct manner against possible liquidity shortages that may result from market conditions and balance sheet structure of the Parent Bank. Under stressed conditions, liquidity risk is managed within the Contingency Funding Plan framework.

The Board of Directors reviews the liquidity risk management strategy, policy and practices and approves the liquidity strategy and policies within the framework of risk management strategy and policies, ensures the effective of practice of policies and integrations with Parent Bank’s risk management strategy. The Board of Directors determines the basic metrics in liquidity risk measurement and monitoring. The Board of Directors establishes risk appetite of the Parent Bank in liquidity risk management, identifies the risk limits in accordance with the risk appetite, and reviews it regularly.

ALCO takes necessary decisions which will be executed by related departments by assessing the liquidity risk that the Parent Bank is exposed to and considering the Parent Bank’s strategy and conditions of competition and pursues the implementations.

Risk Management Department defines the Parent Bank’s liquidity risk, measures and monitors the risks with liquidity risk measurement methods that are in compliance with legal legislation, presents measurement results periodically to related departments, committees and senior management. Risk Management Department coordinates related parties in order to ensure compliance of risk management process in accordance with the Parent Bank’s risk profile, operation environment and strategic plan with regulations. The liquidity risk analysis and the important early warning signals are reported periodically to related senior management. Additionally, analysis and monitored internal reserve limit ratios related to liquidity risk are presented in ALCO report. Reserve limit ratios and alert levels approved by the Board of Directors are monitored and reported regularly to related parties.

The Parent Bank’s funding management is carried out in compliance with the ALCO decisions in the direction of the Fund Transfer Pricing (FTP) committee. Funding and placement strategies are developed by assessing liquidity of the Parent Bank. In liquidity risk management actions that will be taken and procedures are determined by considering normal economic conditions and stress conditions.

Diversification of assets and liabilities is assured to be able to continuously meet the obligations, also considering the relevant currencies. Funding sources are monitored actively during identification of concentration risk related to funding. The Parent Bank’s funding base of funds collected and other borrowing transactions are diversified in order to prevent the concentration of a particular funding source. Factors that could trigger the sudden and significant run off in funds or impair the accessibility of the funding sources are analyzed.

In the context of TL and foreign currencies liquidity management, the Parent Bank monitors the cash flows regarding assets and liabilities and forecasts the required liquidity in future periods. In cash flow analysis, stress is applied to items that affect the liquidity by volume and rate of change from a liquidity management point of view. Liquidity risk exposed by the Parent Bank is managed by establishing risk appetite, effective control environment and closely monitoring by limits.

The results of liquidity risk stress testing are taken into consideration in the assessment of liquidity adequacy and identification of strategy, policy and procedures regarding liquidity risk and contingency funding plan is prepared within this framework. There exists “Liquidity Risk Management Contingency Funding Plan” in the Parent Bank including mechanisms to prevent increase in liquidity risk during normal and liquidity crisis scenarios for different conditions and levels.

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V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio (continued):

Consolidated liquidity coverage ratio:

		Rate of "Percentage to be taken into account" not Implemented Total Value ^(*)		Rate of "Percentage to be taken into account" Implemented Total Value ^(*)	
		TL+FC	FC	TL+FC	FC
	Current Period				
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			72.234.523	43.276.917
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	86.184.583	56.896.287	8.051.446	5.689.629
3	Stable Funds Collected	11.340.240	-	567.012	-
4	Less stable Funds Collected	74.844.343	56.896.287	7.484.434	5.689.629
5	Unsecured Funding other than Retail and Small Business Customers Deposits	77.789.615	46.446.951	63.770.501	35.984.885
6	Operational Funds Collected	27.481.476	19.878.407	6.870.369	4.969.602
7	Non-Operational Funds Collected	19.699.350	1.008.836	15.913.634	463.009
8	Other Unsecured Funding	30.608.789	25.559.708	40.986.498	30.552.274
9	Secured funding				
10	Other Cash Outflows	13.487.229	2.209.587	13.487.229	2.209.587
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	13.487.229	2.209.587	13.487.229	2.209.587
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15	Other irrevocable or conditionally revocable commitments	38.680.393	14.609.963	3.631.091	1.943.321
16	TOTAL CASH OUTFLOWS			88.940.267	45.827.422
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	39.965.728	23.614.788	33.559.804	22.288.967
19	Other contractual cash inflows	12.962.758	11.739.708	12.962.758	11.739.708
20	TOTAL CASH INFLOWS	52.928.486	35.354.496	46.522.562	34.028.675
				Upper Limit Applied Values	
21	TOTAL HQLA			72.234.523	43.276.917
22	TOTAL NET CASH OUTFLOWS			42.417.704	11.798.747
23	Liquidity Coverage Ratio (%)			170,293	366,792

^(*) Calculated from the average amounts of the last three months (calculated as of end of the months).

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated March 21, 2014, the dates on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months are as follows:

Liquidity Coverage Ratio (%)	Current Period	
	TL+FC	FC
Lowest	155,37	338,49
Date	April 30, 2024	June 30, 2024
Highest	179,00	394,01
Date	May 31, 2024	May 31, 2024
Average	170,29	366,79

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V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio (continued):

Consolidated liquidity coverage ratio (continued):

		Rate of "Percentage to be taken into account" not Implemented Total Value ^(*)		Rate of "Percentage to be taken into account" Implemented Total Value ^(*)	
		TL+FC	FC	TL+FC	FC
	Prior Period				
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			63.572.682	40.331.658
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	80.821.137	53.230.027	7.620.068	5.323.003
3	Stable Funds Collected	9.240.907	-	462.045	-
4	Less stable Funds Collected	71.580.230	53.230.027	7.158.023	5.323.003
5	Unsecured Funding other than Retail and Small Business Customers Deposits	50.092.579	37.867.791	36.096.889	26.208.720
6	Operational Funds Collected	26.702.616	20.088.851	6.675.654	5.022.213
7	Non-Operational Funds Collected	6.555.582	1.046.575	4.016.246	453.039
8	Other Unsecured Funding	16.834.381	16.732.365	25.404.989	20.733.468
9	Secured funding			-	-
10	Other Cash Outflows	8.252.964	2.055.316	8.252.964	2.055.316
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	8.252.964	2.055.316	8.252.964	2.055.316
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	-	-	-	-
15	Other irrevocable or conditionally revocable commitments	34.080.994	14.309.155	3.294.295	1.890.325
16	TOTAL CASH OUTFLOWS			55.264.216	35.477.364
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	27.209.785	12.468.196	20.724.447	10.381.180
19	Other contractual cash inflows	8.297.537	7.398.840	8.297.537	7.398.840
20	TOTAL CASH INFLOWS	35.507.322	19.867.036	29.021.984	17.780.020
				Upper limit applied amounts	
21	TOTAL HQLA			63.572.682	40.331.658
22	TOTAL NET CASH OUTFLOWS			26.242.232	17.697.344
23	Liquidity Coverage Ratio (%)			242,25	227,90

^(*) Calculated from the average amounts of the last three months (calculated as of end of the month).

As per "Regulation on Liquidity Coverage Ratio Calculation" published in the Official Gazette numbered 28948, dated March 21, 2014, the dates on which the minimum and maximum liquidity coverage ratios have been calculated for the last three months for 2023 are as follows:

Liquidity Coverage Ratio (%)	Prior Period	
	TL+FC	FC
Lowest	232,18	217,34
Date	October 31, 2023	October 31, 2023
Highest	262,4	249,01
Date	November 30, 2023	November 30, 2023
Average	242,25	227,90

Consolidated liquidity coverage ratio is calculated by comparing the high-quality liquid assets owned by the Parent Bank to net cash outflow in 30 days maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, banks receivables, funds collected, funds borrowed. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

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V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio (continued):

High quality liquid assets consist of cash, deposits in central banks and securities considered as high quality liquid assets. Reserve deposits are included in high quality liquid assets, limited by the amount that is allowed by central bank to use in liquidity shortages. Group's high quality liquid assets are composed of 3,99% cash, 65,31% deposits in central banks and 30,71% securities considered as high-quality liquid assets.

Group's main funding sources are funds collected, funds borrowed, borrowings from money market, issued securities and subordinated loans. Funding source composition in report date is 76,27% funds collected, 23,73% funds borrowed, borrowings from money market, subordinated loans and securities issued.

Cash flows of derivatives that will take place within 30 days are considered in calculation of liquidity coverage ratio. Cash outflows of derivatives that arise from margin obligations, are reflected to the results in accordance with the methodology articulated in the related legislation.

The Parent Bank manages all the transactions with its foreign branches and subsidiaries consolidated in the framework of central bank, markets and related legislation of the country in which the institutions are located. Consolidated liquidity risk of the Parent Bank, its foreign branches and subsidiaries that are to be consolidated are managed within the regulatory limits and in accordance with group strategies. The liquidity positions of consolidated subsidiaries are continuously monitored by the Parent Bank.

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V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio (continued):

Presentation of assets and liabilities according to their remaining maturities:

	Demand ⁽¹⁾	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated ^(****) ^(*****)	Total
Current Period								
Assets								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye Banks	25.658.413 17.020.562	33.779.459 5.697.422	- 878.073	- -	- -	- -	- -	59.437.872 23.596.057
Financial Assets at Fair Value Through Profit and Loss ^(**)	-	1.137.514	33.987	1.248.363	6.362.653	-	-	8.782.517
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	48.861	2.766.687	527.146	554.674	8.220.245	57	-	12.117.670
Loans ^(***)	342.607	22.852.426	16.269.612	48.549.645	26.388.882	1.153.891	99.113	115.656.176
Financial Assets Measured at Amortised Cost	-	233.254	192.581	5.002.404	19.060.457	3.668.703	-	28.157.399
Other Assets	-	-	7.019	22.149	495.192	573.720	20.853.126	21.951.206
Total Assets	43.070.443	66.466.762	17.908.418	55.377.235	60.527.429	5.396.371	20.952.239	269.698.897
Liabilities								
Current account and funds collected from banks via participation accounts	838.255	48.988	53	-	-	-	-	887.296
Other current and profit-sharing accounts	79.181.669	67.446.089	14.247.814	16.760.887	668.355	-	-	178.304.814
Funds provided from other financial institutions and subordinated loans	-	23.817.959	1.332.271	1.730.202	13.885.558	-	-	40.765.990
Money Market Borrowings	-	1.006.791	-	-	-	-	-	1.006.791
Marketable securities issued	-	1.260.011	4.064.747	8.653.796	-	-	-	13.978.554
Miscellaneous payables	-	2.262.836	402.359	71.311	-	-	7.449.547	10.186.053
Other liabilities	775.720	-	539	5.176	354.133	508.557	22.925.274	24.569.399
Total Liabilities	80.795.644	95.842.674	20.047.783	27.221.372	14.908.046	508.557	30.374.821	269.698.897
Net Liquidity Gap	(37.725.201)	(29.375.912)	(2.139.365)	28.155.863	45.619.383	4.887.814	(9.422.582)	-
Net Off-Balance Sheet Position	-	(227.895)	(127.736)	52	-	-	-	(355.579)
Financial Derivative Assets	-	4.373.283	2.185.020	447.923	-	-	-	7.006.226
Financial Derivative Liabilities	-	4.601.178	2.312.756	447.871	-	-	-	7.361.805
Non-Cash Loans	28.496.487	201.581	596.217	2.795.575	778.561	291	-	32.868.712
Prior Period								
Total Assets	32.108.921	49.361.477	30.155.400	53.529.548	47.564.364	6.680.105	13.837.168	233.236.983
Total Liabilities	76.426.507	63.146.842	20.105.459	29.590.373	14.597.049	400.158	28.970.595	233.236.983
Net Liquidity Gap	(44.317.586)	(13.785.365)	10.049.941	23.939.175	32.967.315	6.279.947	(15.133.427)	-
Net Off-Balance Sheet Position	-	(35.043)	(106.618)	321	-	-	-	(141.340)
Financial Derivative Assets	-	6.894.198	8.894.828	762.134	-	-	-	16.551.160
Financial Derivative Liabilities	-	6.929.241	9.001.446	761.813	-	-	-	16.692.500
Non-Cash Loans	17.980.823	468.296	1.964.741	6.969.341	2.663.932	24.807	-	30.071.940

⁽¹⁾ Loans include accruals, other liabilities include undated additional Tier 1 Capital accounted under Shareholders' Equity.

^(**) Derivative financial instruments are included.

^(***) Leasing receivables are included under loans. Unallocated amount represents the net non-performing loans

^(****) Certain assets in the balance sheet that are necessary for the banking operations but cannot be readily convertible into cash in the near future, such as tangible assets, right of use of movables and real estates, investments in associates and subsidiaries, stationary supplies, prepaid expenses are included here.

^(*****) The unallocated other liabilities column consists of equity, provisions and (if any) deferred tax liabilities.

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V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio (continued):

Net Stable Funding Ratio:

Net stable funding ratio (NSFR) is calculated by dividing the available stable funding amount by the required stable funding amount. Available stable funding includes the portion of banks' liabilities and capital that are expected to be permanent; and required stable funding refers to the portion of banks' on balance sheet assets and off-balance sheet liabilities that are expected to be refunded.

Available stable funding amount is calculated by summing the amounts to be found after applying the relevant consideration rates determined within the scope of the legislation to the amounts of banks' liabilities and capital items valued in accordance with IFRS. Required stable funding amount will be found after applying the relevant consideration rates determined within the scope of the legislation to the value calculated by deducting the special provisions set aside in accordance with the Regulation on the Procedures and Principles on the Classification of Loans and the Provisions from the amounts of the banks' on-balance sheet assets and off-balance sheet liabilities valued in accordance with IFRS.

The three-month simple arithmetic average of the consolidated and unconsolidated NSFR calculated monthly as of capital calculation periods as of March, June, September and December cannot be less than one hundred percent.

As of 30 June 2024, NSFR is calculated as 154,30% (previous period: 183,92%). Considering the amounts to which the consideration rate is applied, Capital items corresponds to 15,16% of Available Stable Funding amount (previous period: 14,20%) and Real Person and Retail Customer Deposits corresponds to 62,91% of Available Stable Funding amount. (previous period: 67,32%), where those two refers to items to which the highest consideration rates are applied within the scope of the legislation. Performing Receivables, which have the largest share in Required Stable Funding, constitute 45,81% (previous period: 52,09%) of Required Stable Fund amount.

Factors such as the development of major balance sheet items such as Loans and Deposits, the change in balance sheet maturity structure and asset encumbrance are effective in the development of the ratio between the periods.

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V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio (continued):

Net Stable Funding Ratio (continued):

Current Period	Unweighted Amount According to Residual Maturity				Total Weighted Amount
	a	b	c	ç	
	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
Available stable funding					
1 Capital Instruments	26.615.499	-	-	-	26.615.499
2 Tier 1 Capital and Tier 2 Capital	26.615.499	-	-	-	26.615.499
3 Other Capital Instruments	-	-	-	-	-
4 Real-person and Retail Customer Deposits	51.872.810	-	68.879.707	853.450	110.410.013
5 Stable Deposits	4.275.601	-	14.758.053	259.195	18.328.206
6 Less Stable Deposits	47.597.209	-	54.121.654	594.256	92.081.807
7 Other Obligations	-	-	62.445.808	-	31.222.904
8 Operational deposits	-	-	32.541.584	-	16.270.792
9 Other Obligations	-	-	29.904.224	-	14.952.112
10 Liabilities equivalent to interconnected assets					
11 Other Liabilities	7.046.473	232.060	447.430	-	7.270.188
12 Derivative liabilities			232.060		
13 All other equity not included in the above categories	7.046.473	-	447.430	-	7.270.188
14 Available stable funding					175.518.604
Required stable funding					
15 High Quality Liquid Assets					-
16 Deposits held at financial institutions for operational purposes					-
17 Performing Loans	100.263.188	62.986.821	-	5.844.507	52.111.277
18 Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19 Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	42.451.373	-	2.256.016	8.623.722
20 Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	100.059.897	20.535.448	-	-	40.982.239
21 Loans with a risk weight of less than or equal to %35	857.785	-	-	-	557.560
22 Residential mortgages	-	-	-	3.588.491	2.332.519
23 Residential mortgages with a risk weight of less than or equal to %35	-	-	-	3.588.491	2.332.519
24 Securities that are not in default and do not qualify as HQLA and exchange-traded equities	203.291	-	-	-	172.797
25 Assets equivalent to interconnected liabilities					
26 Other Assets	61.161.722	736.181	-	-	59.569.983
27 Physical traded commodities, including gold	4.483.934				3.811.344
28 Initial margin posted or given guarantee fund to central counterparty				-	-
29 Derivative Assets				-	-
30 Derivative Liabilities before the deduction of the variation margin				736.181	736.181
31 Other Assets not included above	56.677.788	-	-	-	55.022.458
32 Off-balance sheet commitments		41.453.600	-	-	2.072.680
33 Total Required stable funding					113.753.939
34 Net Stable Funding Ratio (%)					154,30

NSFR ratio development in the second 3 months of 2024 is shown in the table below:

Period	Ratio
April 30, 2024	152,09
May 31, 2024	149,68
June 30, 2024	154,30
3 Month Average	152,02

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V. Explanations on consolidated liquidity coverage ratio and net stable funding ratio (continued):

Net Stable Funding Ratio (continued):

Prior Period	Unweighted Amount According to Residual Maturity				Total Weighted Amount
	a	b	c	c	
	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
Available stable funding					
1	Capital Instruments	24.190.056	-	-	24.190.056
2	Tier 1 Capital and Tier 2 Capital	24.190.056	-	-	24.190.056
3	Other Capital Instruments	-	-	-	-
4	Real-person and Retail Customer Deposits	48.244.161	-	76.817.187	114.667.561
5	Stable Deposits	3.524.731	-	13.176.982	16.197.936
6	Less Stable Deposits	44.719.430	-	63.640.204	98.469.625
7	Other Obligations	-	-	42.169.686	21.084.843
8	Operational deposits	-	-	32.033.228	16.016.614
9	Other Obligations	-	-	10.136.458	5.068.229
10	Liabilities equivalent to interconnected assets	-	-	-	-
11	Other Liabilities	6.807.858	69.107	7.146.028	10.380.872
12	Derivative liabilities	-	-	69.107	-
13	All other equity not included in the above categories	6.807.858	-	7.146.028	10.380.872
14	Available stable funding				170.323.332
Required stable funding					
15	High Quality Liquid Assets	-	-	-	-
16	Deposits held at financial institutions for operational purposes	-	-	-	-
17	Performing Loans	91.002.350	49.503.088	-	48.238.027
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	18.883.660	-	4.841.602
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	90.146.321	30.619.428	-	40.336.281
21	Loans with a risk weight of less than or equal to %35	857.785	-	-	557.560
22	Residential mortgages	-	-	-	2.332.519
23	Residential mortgages with a risk weight of less than or equal to %35	-	-	-	2.332.519
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	856.029	-	-	727.625
25	Assets equivalent to interconnected liabilities	-	-	-	-
26	Other Assets	42.844.003	1.688.463	-	42.555.618
27	Physical traded commodities, including gold	582.252	-	-	494.914
28	Initial margin posted or given guarantee fund to central counterparty	-	-	-	-
29	Derivative Assets	-	-	-	-
30	Derivative Liabilities before the deduction of the variation margin	-	-	1.688.463	-
31	Other Assets not included above	42.261.751	-	-	40.372.241
32	Off-balance sheet commitments	-	36.294.860	-	1.814.743
33	Total Required stable funding				92.608.388
34	Net Stable Funding Ratio (%)				183,92

NSFR ratio development in the last 3 months of 2023 is shown in the table below.

Period	Ratio
October 31, 2023	191,33
November 3, 2023	189,60
December, 2023	183,92
3 Month Average	188,28

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VI. Explanations on consolidated leverage ratio:

	Current Period^(*)	Prior Period^(**)
Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards ⁽¹⁾	263.899.032	222.955.480
The difference between total assets prepared in accordance with Turkish Accounting Standards and total assets in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements"	-	-
The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	32.481.362	30.862.742
The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such instruments	9.171.660	4.311.119
The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	72.930	69.370
Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué "Preparation of Consolidated Financial Statements" and risk amounts of such items	-	-
Total Risk Amount	321.745.568	289.384.295

⁽¹⁾ Consolidated financial statements prepared in compliance with the paragraph 6 of article 5 of the communiqué "Preparation of Consolidated Financial Statements".

^(**) Represents average of the three months.

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VI. Explanations on consolidated leverage ratio (continued):

As of June 30, 2024, consolidated leverage ratio of the Group calculated from the arithmetic average of the last three months is 4,80% (December 31, 2023: 4,40%). Leverage ratio is required to remain minimum 3% as per “Communiqué on Measurement and Evaluation for Leverage Ratios of Banks”. The reason for the difference in leverage ratio between current and previous period is that increase in average capital amount is lower than increase in average total risk amount.

	Current Period ^(*)	Prior Period ^(*)
Balance sheet assets		
1 Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	266.763.854	227.188.809
2 (Assets deducted from Core capital)	(531.713)	(337.558)
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	266.232.141	226.851.251
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	78.662	160.474
5 Potential credit risk amount of derivative financial assets and credit derivatives	159.801	154.420
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	238.463	314.894
Financing transactions secured by marketable security or commodity		
7 Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	13.367.054	25.437.098
8 Risk amount arising from intermediary transactions	-	-
9 Total risk amount of financing transactions secured by marketable security or commodity (sum of lines 7 and 8)	13.367.054	25.437.098
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	41.947.960	36.821.102
11 (Correction amount due to multiplication with credit conversion rates)	(40.050)	(40.050)
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	41.907.910	36.781.052
Capital and total risk		
13 Core Capital	15.440.107	12.740.463
14 Total risk amount (sum of lines 3, 6, 9 and 12)	321.745.568	289.384.295
Leverage ratio		
15 Leverage ratio (%)	4,80	4,40

^(*) The average of the last three months in the related periods

VII. Explanations on presentation of consolidated financial assets and liabilities at fair value:

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

VIII. Explanations regarding the activities carried out on behalf and account of other persons:

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

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IX. Explanations on consolidated 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 numbered 29511 dated October 23, 2015 and became effective as of March 31, 2016. Due to usage of standard approach for the calculation of capital adequacy ratio by the Parent Bank, tables which have to be prepared within the scope of Internal rating-based (IRB) approach have not been presented.

a. Consolidated risk management strategy and risk weighted amounts:

a.1. Risk management strategy:

Not prepared in compliance with the “Regulation on Calculation of Risk Management Disclosures”.

a.2. Risk weighted amounts:

	Risk Weighted Amount		Minimum capital requirement
	Current Period	Prior Period	Current Period
1 Credit risk (excluding counterparty credit risk) (CCR)	111.041.547	86.098.617	8.883.324
2 Standardised approach (SA)	111.041.547	86.098.617	8.883.324
3 Internal rating-based (IRB) approach	-	-	-
4 Counterparty credit risk	155.198	385.679	12.416
5 Standardised approach for counterparty credit risk (SA-CCR)	155.198	385.679	12.416
6 Internal model method (IMM)	-	-	-
7 Basic risk weight approach to internal models equity position in the banking account	-	-	-
8 Investments made in collective investment companies – look-through approach	-	-	-
9 Investments made in collective investment companies – mandate-based approach	-	-	-
10 Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11 Settlement risk	-	-	-
12 Securitization positions in banking accounts	-	-	-
13 IRB ratings-based approach (RBA)	-	-	-
14 IRB Supervisory Formula Approach (SFA)	-	-	-
15 SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	18.607.328	14.270.625	1.488.586
17 Standardised approach (SA)	18.607.328	14.270.625	1.488.586
18 Internal model approaches (IMM)	-	-	-
19 Operational Risk	18.480.193	9.453.816	1.478.415
20 Basic Indicator Approach	18.480.193	9.453.816	1.478.415
21 Standard Approach	-	-	-
22 Advanced measurement approach	-	-	-
23 The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24 Floor adjustment	-	-	-
25 Total (1+4+7+8+9+10+11+12+16+19+23+24)	148.284.266	110.208.737	11.862.741

b. Financial statements and regulatory exposures reconciliation:

Not prepared in compliance with the “Regulation on Calculation of Risk Management Disclosures”.

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IX. Explanations on consolidated risk management (continued):

c. Consolidated credit risk:

c.1. General information on credit risk:

c.1.1. General qualitative information on credit risk:

Not prepared in compliance with the “Regulation on Calculation of Risk Management Disclosures”.

c.1.2. Credit quality of assets:

	Current Period	Gross carrying value in financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/ amortisation and impairments	Net values
		Defaulted	Non-defaulted		
1	Loans	1.975.220	117.078.431	3.397.475	115.656.176
2	Debt securities	-	40.198.251	9.239	40.189.012
3	Off-balance sheet exposures	26.691	42.159.665	97.645	42.088.711
4	Total	2.001.911	199.436.347	3.504.359	197.933.899

	Prior Period	Gross carrying value in financial statements prepared in accordance with Turkish Accounting Standards (TAS)		Allowances/ amortisation and impairments	Net values
		Defaulted	Non-defaulted		
1	Loans	1.805.574	107.378.273	4.446.351	104.737.496
2	Debt securities	-	43.711.993	17.027	43.694.966
3	Off-balance sheet exposures	24.962	39.068.997	62.583	39.031.376
4	Total	1.830.536	190.159.263	4.525.961	187.463.838

c.1.3. Changes in stock of default loans and debt securities:

	Current Period	Prior Period
1 Defaulted loans and debt securities at end of the previous reporting period	1.830.536	1.483.337
2 Loans and debt securities that have defaulted since the last reporting period	283.299	2.756.577
3 Receivables back to non-defaulted status	(1.962)	(10.956)
4 Amounts written off	(18.494)	(1.413.551)
5 Other changes	(91.468)	(984.871)
6 Defaulted loans and debt securities at end of the reporting period	2.001.911	1.830.536

c.1.4. Additional information on credit quality of assets:

Not prepared in compliance with the “Regulation on Calculation of Risk Management Disclosures”.

c.2. Credit risk mitigation

c.2.1. Qualitative disclosure on credit risk mitigation techniques:

Not prepared in compliance with the “Regulation on Calculation of Risk Management Disclosures”.

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IX. Explanations on consolidated risk management (continued):

c.2.2. Credit risk mitigation techniques:

Current Period		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	77.860.473	37.795.703	14.880.916	7.707.518	874.060	-	-
2	Debt securities	40.189.012	-	-	-	-	-	-
3	Total	118.049.485	37.795.703	14.880.916	7.707.518	874.060	-	-
4	Of which defaulted	10.078	89.035	50.982	-	-	-	-

Prior Period		Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1	Loans	61.438.348	43.299.148	14.470.637	13.598.588	610.421	-	-
2	Debt securities	43.694.966	-	-	-	-	-	-
3	Total	105.133.314	43.299.148	14.470.637	13.598.588	610.421	-	-
4	Of which defaulted	54.524	32.966	21.657	1.743.505	-	-	-

c.3. Credit risk under standardised approach:

c.3.1. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk:

Not prepared in compliance with the "Regulation on Calculation of Risk Management Disclosures".

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IX. Explanations on consolidated risk management (continued):

c.3.2. Credit risk exposure and credit risk mitigation techniques:

Current Period	Exposures before Credit Conversion Rate and Credit Risk Mitigation		Credit Risk Mitigation and Exposures post-Credit Conversion Rate		Risk Weighted Average and Risk Weighted Average Density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Risk classes						
1	Receivables from central governments or central banks	59.115.170	-	59.115.170	-	0,00%
2	Receivables from regional or local governments	5.145	587	5.145	294	10.235 188,18%
3	Receivables from administrative units and non-commercial enterprises	83.142	276.783	83.142	134.963	196.415 90,06%
4	Receivables from multilateral development banks	-	-	-	-	- 0,00%
5	Receivables from international organizations	-	-	-	-	- 0,00%
6	Receivables from banks and brokerage houses	25.913.323	1.719.166	25.913.323	1.273.172	7.982.667 29,36%
7	Receivables from corporates	53.471.115	16.166.571	53.471.115	8.781.281	57.315.470 92,07%
8	Retail receivables	12.846.967	14.706.467	12.846.967	4.497.752	12.308.526 70,96%
9	Receivables secured by mortgages on property	4.895.804	1.052.579	4.895.804	450.968	3.671.390 68,67%
10	Receivables secured by mortgages on commercial property	11.378.990	4.618.895	11.378.990	2.145.843	9.506.433 70,29%
11	Past due receivables	40.083	-	40.083	-	38.183 95,26%
12	Receivables defined in high risk category by BRSA	-	-	-	-	- 0,00%
13	Collateralized Securities	-	-	-	-	- 0,00%
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	- 0,00%
15	Investments similar to collective investment funds	-	-	-	-	- 0,00%
16	Other receivables	29.075.376	-	29.075.376	-	18.956.046 65,20%
17	Equity share investments	1.056.182	-	1.056.182	-	1.056.182 100,00%
18	Total	197.881.297	38.541.048	197.881.297	17.284.273	111.041.547 51,61%

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IX. Explanations on consolidated risk management (continued):

c.3.2. Credit risk exposure and credit risk mitigation techniques (continued):

Prior Period	Exposures before Credit Conversion Rate and Credit Risk Mitigation		Credit Risk Mitigation and Exposures post-Credit Conversion Rate		Risk Weighted Average and Risk Weighted Average Density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Risk classes						
1	Receivables from central governments or central banks	45.922.339	-	45.922.339	-	0,00%
2	Receivables from regional or local governments	8.895	2.747	8.895	1.374	18,397
3	Receivables from administrative units and non-commercial enterprises	33.596	31.694	33.596	12.748	45,202
4	Receivables from multilateral development banks	-	-	-	-	0,00%
5	Receivables from international organizations	-	-	-	-	0,00%
6	Receivables from banks and brokerage houses	13.670.161	1.331.550	13.670.161	980.405	5,193,943
7	Receivables from corporates	52.551.777	12.000.176	52.551.777	5.467.289	48,090,512
8	Retail receivables	13.260.629	13.023.148	13.260.629	4.372.038	11,117,804
9	Receivables secured by mortgages on property	3.686.608	797.629	3.686.608	343.866	2,014,201
10	Receivables secured by mortgages on commercial property	9.366.057	3.688.124	9.366.057	1.683.911	6,671,367
11	Past due receivables	38.538	-	38.538	-	47,085
12	Receivables defined in high risk category by BRSA	-	-	-	-	0,00%
13	Securities collateralized by mortgages	-	-	-	-	0,00%
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	0,00%
15	Investments similar to collective investment funds	-	-	-	-	0,00%
16	Other receivables	16.807.860	-	16.807.860	-	12,045,533
17	Equity share investments	854.573	-	854.573	-	854,573
18	Total	156.201.033	30.875.068	156.201.033	12.861.631	86,098,617
						50,92%

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IX. Explanations on consolidated risk management (continued):

c.3.3 Exposures by asset classes and risk weights:

Current Period												Total risk amount (post-CCF and CRM)
Risk Classes/Risk Weighted	0%	10%	20%	35% secured by Property mortgage	50%	75%	100%	150%	250%	Others ^(*)		
1	Receivables from central governments or central banks	59.115.170	-	-	-	-	-	-	-	-	-	59.115.170
2	Receivables from regional or local governments	-	-	-	-	428	-	-	-	-	5.011	5.439
3	Receivables from administrative units and non-commercial enterprises	46.718	-	2.828	-	-	-	141.269	-	-	27.290	218.105
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	2.748.860	-	20.519.891	-	78.117	-	3.839.627	-	-	-	27.186.495
7	Receivables from corporates	14.236.261	-	1.732.368	-	2.922.598	-	31.269.591	19.819	-	12.071.759	62.252.396
8	Retail receivables	1.652.635	-	560.201	-	10.436	14.123.589	-	794.279	-	203.579	17.344.719
9	Receivables secured by mortgages on property	-	-	850	3.860.037	4.850	-	4.070	1.280.432	-	196.533	5.346.772
10	Receivables secured by mortgages on commercial property	-	-	32.256	-	11.429.541	106.490	3.924	407.650	-	1.544.972	13.524.833
11	Past due receivables	102	-	150	-	20.043	-	3.101	16.687	-	-	40.083
12	Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-
13	Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Other receivables	7.705.783	-	3.016.933	-	-	-	18.352.660	-	-	-	29.075.376
17	Equity share investments	-	-	-	-	-	-	1.056.182	-	-	-	1.056.182
18	Total	85.505.529	-	25.865.477	3.860.037	14.466.013	14.230.079	54.670.424	2.518.867	-	14.049.144	215.165.570

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IX. Explanations on risk management (continued):

c.3.3 Exposures by asset classes and risk weights (continued):

Prior Period	Risk Classes/Risk Weighted	35% secured by Property mortgage										Total risk amount (post-CCF and CRM)
		0%	10%	20%	50%	75%	100%	150%	250%	Others(*)		
1	Receivables from central governments or central banks	45.922.339	-	-	-	-	-	-	-	-	-	45.922.339
2	Receivables from regional or local governments	-	-	-	-	1.427	-	-	-	-	8.842	10.269
3	Receivables from administrative units and non-commercial enterprises	15.624	-	2.013	-	-	-	12.615	-	-	16.092	46.344
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	1.302.333	-	9.459.164	-	1.173.923	-	2.715.146	-	-	-	14.650.566
7	Receivables from corporates	19.490.476	-	1.963.790	-	874.995	-	24.409.734	1.835	-	11.278.236	58.019.066
8	Retail receivables	4.750.656	-	447.714	-	29.589	9.451.557	1.490.023	1.394.533	-	68.595	17.632.667
9	Receivables secured by mortgages on property	-	-	-	3.539.614	3.108	-	2.663	398.118	-	86.971	4.030.474
10	Receivables secured by mortgages on commercial property	-	-	2	-	10.214.117	-	7.892	198.997	-	628.960	11.049.968
11	Past due receivables	19	-	-	-	17.073	-	4.776	14.165	-	2.505	38.538
12	Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-
13	Securities collateralized by mortgages	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Other receivables	3.623.974	-	1.422.939	-	-	-	11.760.947	-	-	-	16.807.860
17	Equity share investments	-	-	-	-	-	-	854.573	-	-	-	854.573
18	Total	75.105.421	-	13.295.622	3.539.614	12.314.232	9.451.557	41.258.369	2.007.648	-	12.090.201	169.062.664

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IX. Explanations on consolidated risk management (continued):

ç. Consolidated counterparty credit risk:

ç.1. Qualitative disclosure on counterparty credit risk:

Not prepared in compliance with the “Regulation on Calculation of Risk Management Disclosures”.

ç.2. Counterparty credit risk (CCR) approach analysis:

Current Period	Replacement cost	Potential future exposure	EEPE ⁽¹⁾	Alpha used for computing regulatory exposure at default	EAD post-CRM	RWA
1 Standardised Approach - CCR (for derivatives)	16.875	138.323		-	155.198	152.527
2 Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
3 Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
4 Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
5 Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions						
6 Total						152.527

⁽¹⁾ Effective Expected Positive Exposure

Prior Period	Replacement cost	Potential future exposure	EEPE ⁽¹⁾	Alpha used for computing regulatory exposure at default	EAD post-CRM	RWA
1 Standardised Approach - CCR (for derivatives)	52.269	333.410		-	385.679	384.621
2 Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
3 Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
4 Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
5 Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions						
6 Total						384.621

⁽¹⁾ Effective Expected Positive Exposure

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IX. Explanations on consolidated risk management (continued):

ç.3. Capital requirement for credit valuation adjustment (CVA):

	Current Period		Prior Period	
	EAD post- CRM	RWA	EAD post-CRM	RWA
Total portfolios subject to the Advanced CVA capital obligation	-	-	-	-
1 (i) VaR component (including the 3xmultiplier)		-		-
2 (ii) Stressed VaR component (including the 3xmultiplier)		-		-
3 All portfolios subject to the Standardised CVA capital obligation	155.198	2.671	385.679	1.058
4 Total subject to the CVA capital obligation	155.198	2.671	385.679	1.058

ç.4. CCR exposures by risk class and risk weights:

Risk Classes	Current Period											Total credit exposure ^(*)
	Risk Weighted											
	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other	
Receivables from central governments or central banks	-	-	-	-	-	-	-	10.134	-	-	-	10.134
Receivables from regional or local governments	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and brokerage houses	2.671	-	-	-	-	-	-	9.004	-	-	-	11.675
Receivables from corporates	-	-	-	-	-	-	-	133.389	-	-	-	133.389
Retail receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables secured by mortgages on property	-	-	-	-	-	-	-	-	-	-	-	-
Past due receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-
Total^(*)	2.671	-	-	-	-	-	-	152.527	-	-	-	155.198

(*) Total credit risk: Represents the amount relating to CAR calculation after application of counterparty risk measurement techniques.

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IX. Explanations on consolidated risk management (continued):

ç.4. CCR exposures by risk class and risk weights (continued):

Risk Classes	Prior Period											Total credit exposure ⁽¹⁾
	Risk Weighted											
	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other	
Receivables from central governments or central banks	-	-	-	-	-	-	-	335.352	-	-	-	335.352
Receivables from regional or local governments	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and brokerage houses	1.058	-	-	-	-	-	-	5.852	-	-	-	6.910
Receivables from corporates	-	-	-	-	-	-	-	43.417	-	-	-	43.417
Retail receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables secured by mortgages on property	-	-	-	-	-	-	-	-	-	-	-	-
Past due receivables	-	-	-	-	-	-	-	-	-	-	-	-
Receivables defined in high risk category by BRSA	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisation positions	-	-	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-
Total	1.058	-	-	-	-	-	-	384.621	-	-	-	385.679

⁽¹⁾ Total credit risk: Represents the amount relating to CAR calculation after application of counterparty risk measurement techniques.

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IX. Explanations on consolidated risk management (continued):

ç.5. Collaterals for CCR:

Current Period	Collateral for derivative transactions				Collateral for other transactions	
	Collaterals received		Collaterals granted		Collaterals received	Collaterals granted
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	-	-
Cash-foreign currency	-	-	-	-	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	-	-

Prior Period	Collateral for derivative transactions				Collateral for other transactions	
	Collaterals received		Collaterals granted		Collaterals received	Collaterals granted
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	-	-
Cash-foreign currency	-	-	-	-	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	-	-

ç.6. Information on the risks of the Parent Bank arising from purchased or sold credit derivatives

The Parent Bank does not have any risks arising from purchased or sold credit derivatives (December 31, 2023: None).

ç.7. Information on risks of the Parent Bank arising from central counterparty

The Parent Bank does not have any risks arising from central counterparty (December 31, 2023: None).

d. Information on securitizations:

There is not any information to be announced to public on securitization (December 31, 2023: None).

e. Consolidated market risk

e.1. Qualitative disclosure to be announced to public on market risk:

Not prepared in compliance with the "Regulation on Calculation of Risk Management Disclosures".

e.2. Market risk under standardised approach:

		Current Period	Prior Period
		RWA	RWA
Outright products			
1	Profit rate risk (general and specific)	14.123.436	11.145.057
2	Equity risk (general and specific)	503.601	355.654
3	Foreign exchange risk	3.006.316	2.039.835
4	Commodity risk	973.975	730.079
Options			
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitisation	-	-
9	Total	18.607.328	14.270.625

f. Consolidated operational risk:

Not prepared in compliance with the "Regulation on Calculation of Risk Management Disclosures"

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X. Explanations on consolidated business segments:

The Parent Bank operates in retail, commercial and corporate banking segments via profit/loss sharing method in accordance with its mission.

Current Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income	2.573.587	14.455.010	7.464.660	1.772.201	26.265.458
Operating Expenses	(7.325.540)	(6.996.240)	(8.153.512)	(826.226)	(23.301.518)
Operating Income/Expenses	(4.751.953)	7.458.770	(688.852)	945.975	2.963.940
Profit/(Loss) Before Tax	(4.751.953)	7.458.770	(688.852)	945.975	2.963.940
Tax Income (Expense)	-	-	-	(392.587)	(392.587)
Current Year Profit/(Loss)	(4.751.953)	7.458.770	(688.852)	553.388	2.571.353
Total Assets	10.286.764	116.266.305	130.092.841	13.052.987	269.698.897
Total Liabilities	115.301.408	77.816.695	55.830.699	20.750.095	269.698.897

Prior Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income	(832.231)	4.935.148	4.469.371	299.871	8.872.159
Operating Expenses	(1.642.517)	(2.717.308)	(1.815.720)	(718.259)	(6.893.804)
Operating Income/Expenses	(2.474.748)	2.217.840	2.653.651	(418.388)	1.978.355
Profit/(Loss) Before Tax	(2.474.748)	2.217.840	2.653.651	(418.388)	1.978.355
Tax Income (Expense)	-	-	-	(632.832)	(632.832)
Current Year Profit/(Loss)	(2.474.748)	2.217.840	2.653.651	(1.051.220)	1.345.523
Total Assets	9.597.842	100.756.822	116.063.335	6.818.984	233.236.983
Total Liabilities	119.310.064	56.939.221	39.598.342	17.389.356	233.236.983

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SECTION FIVE

Explanations and notes on the consolidated financial statements

I. Explanations and notes related to consolidated assets:

1. a. Cash and balances with the Central Bank of Republic of Türkiye (CBRT):

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Foreign currency	316.051	3.641.758	360.378	2.831.114
CBRT	17.873.454	30.119.336	16.171.014	27.092.237
Other ^(*)	256.760	7.231.125	229.427	2.400.022
Total	18.446.265	40.992.219	16.760.819	32.323.373

^(*) Includes precious metals amounting to TL 3.811.344 (December 31, 2023: TL 494.914) and cash in transit amounting to TL 3.676.541 (December 31, 2023: TL 2.134.535) as of June 30, 2024.

b. Information related to CBRT:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	9.594.402	4.618.317	13.638.723	4.825.517
Unrestricted time deposit	-	-	-	-
Restricted time deposit ^(*)	8.279.052	25.501.019	2.532.291	22.266.720
Total	17.873.454	30.119.336	16.171.014	27.092.237

^(*) As of June 30, 2024, the reserve requirement held in standard gold is TL 4.654.227 (December 31, 2023: TL 3.500.219).

In accordance with the "Communiqué Regarding the Reserve Requirements numbered 2005/1", banks operating in Türkiye are required to maintain reserves in CBRT for TL and foreign currency liabilities. According to the Communiqué Regarding the Reserve Requirements, reserve requirements can be maintained in TL, USD and/or EURO and standard gold.

As of June 30, 2024, the Parent Bank's applicable rates for Turkish lira required reserves are between 0% and 33%, depending on the maturity structure for participation funds and other liabilities and the applicable rates for FX required reserves are between 5% and 30%, depending on the maturity structure of participation funds and other liabilities.

c.1. Information on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic ^(*)	6.113.072	7.261.122	6.999.489	1.474.602
Abroad	26	10.509.353	-	6.249.670
Foreign head offices and branches	-	-	-	-
Total	6.113.098	17.770.475	6.999.489	7.724.272

^(*) Includes blockaged amount TL 5.658.313 (December 31, 2023: TL 6.516.426) booked under TL accounts arising from POS transactions

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I. Explanations and notes related to consolidated assets (continued):

c.2. Information on foreign bank accounts:

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

2. Information on financial assets measured at fair value through profit/loss:

a. Information on financial assets measured at fair value through profit/loss subject to repurchase transactions and given as collateral or blocked:

As of June 30, 2024, there is not any investment amount subject to repurchase agreements (December 31, 2023: None).

As of June 30, 2024, the collateralized /blocked nominal investment amount is TL 5.595.088 (December 31, 2023: TL 10.198.797).

b. Information on financial assets measured at fair value through profit/loss:

	Current Period		Prior Period	
	TL	FC	TL	FC
Sukuk	828.686	7.511.769	852.252	12.783.452
Equity Securities	297.591	82.648	181.698	74.650
Others	6.246	30.183	2.658	28.573
Total	1.132.523	7.624.600	1.036.608	12.886.675

3. Information on financial assets measured at fair value through other comprehensive income:

a. Information on financial assets measured at fair value through other comprehensive income subject to repurchase transactions, given as collateral or blocked:

As of June 30, 2024, there is not any investment amount subject to repurchase agreements (December 31, 2023: None).

As of June 30, 2024, the collateralized /blocked nominal investment amount is TL 386.840 (December 31, 2023: TL 1.415.409).

b. Detailed table of financial assets measured at fair value through other comprehensive income:

	Current Period	Prior Period
Debt securities	12.068.889	7.486.911
Quoted on a stock exchange	12.068.889	7.486.911
Unquoted	-	-
Investment Funds	-	-
Quoted on a stock exchange	-	-
Unquoted	-	-
Share certificates	48.861	45.261
Quoted on a stock exchange	-	-
Unquoted	48.861	45.261
Impairment provision (-)	80	81
Total	12.117.670	7.532.091

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I. Explanations and notes related to consolidated assets (continued):

4. Information on financial assets measured at amortised cost:

a. Information on financial assets measured at amortised cost subject to repurchase transactions, given as collateral or blocked:

As of June 30, 2024, the nominal investment amount subject to repurchase agreements is TL 1.088.950 (December 31, 2023: None).

As of June 30, 2024, the collateralized/blocked nominal investment amount is TL 14.078.638 (December 31, 2023: TL 17.968.416).

b. Information on related to debt securities measured at amortised cost:

	Current Period	Prior Period
Government Bonds	-	-
Treasury Bills	-	-
Other Government Securities ^(*)	28.157.399	28.852.543
Other Debt Securities	-	-
Total	28.157.399	28.852.543

^(*) Consists of Sukuk certificates issued by Ministry of Treasury and Finance of Türkiye.

c. Information related to financial assets measured at amortised cost:

	Current Period	Prior Period
Debt Securities	28.157.399	28.852.543
Quoted on a stock exchange	28.157.399	28.852.543
Unquoted	-	-
Impairment provision (-)	-	-
Total	28.157.399	28.852.543

ç. Movements of the financial investments measured at amortised cost:

	Current Period	Prior Period
Balance at beginning of period	28.852.543	19.450.929
Foreign currency differences on monetary assets	1.469.636	7.975.560
Purchases during period ^(*)	5.154.480	5.228.236
Disposals through sales and redemptions ^(*)	(8.029.287)	(4.314.693)
Impairment provision (-)	-	-
Reclassifications	-	-
Increases (decreases) in income accruals	710.027	512.511
Closing balance	28.157.399	28.852.543

^(*) Represented on nominal values.

5. Information on derivative financial assets:

a. Table of positive differences related to derivative financial assets:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	15.771	9.623	2.366	7.631
Swap Transactions	-	-	42.272	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	15.771	9.623	44.638	7.631

The Parent Bank has not any derivative financial assets for hedging purposes (December 31, 20223 None).

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans:

a. Information on all types of loans and advances given to shareholders and employees of the Parent Bank:

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	892.634	6.014	379.560	5.808
Corporate shareholders	890.125	5.664	376.786	5.458
Real person shareholders	2.509	350	2.774	350
Indirect loans granted to shareholders	1.102	82.958	84	119.373
Loans granted to employees	187.705	135	104.598	85
Total	1.081.441	89.107	484.242	125.266

b. Information on standard loans and loans under close monitoring including restructured or rescheduled loans:

b1. Detailed table for standard loans and loans under close monitoring including restructured or rescheduled loans:

Current Period		Loans Under Close Monitoring		
		Not under the scope of restructuring or rescheduling	Restructured	
			Amendments to the Terms of Contracts	Refinancing
	Cash Loans	Standard loans		
Loans				
	Export loans	11.368.627	54.465	-
	Import loans	5.620.776	30.003	-
	Business loans	45.414.601	1.440.708	2.496.116
	Consumer loans	9.273.013	204.483	567
	Credit cards	2.276.219	27.117	-
	Loans given to financial sector	3.960.954	-	-
	Other ^(*)	27.785.308	393.128	364.671
Other receivables		-	-	-
Total		105.699.498	2.149.904	2.861.354
				1.374.966

^(*) Details of other loans are provided below:

Commercial loans with installments	8.204.384
Other investment credits	3.508.309
Loans given to abroad	9.497.440
Profit and loss sharing investments ^(**)	6.440.460
Loans for purchase of marketable securities for customer	814.517
Other	77.997
Total	28.543.107

^(**) As of June 30, 2024, the related balance represents profit and loss sharing investment projects (3 projects) which are real estate development projects in various regions of Istanbul. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the Parent Bank and the counterparty after the cost of the projects is clarified and net profit of projects is determined once the project/stages of the project are completed. In case the transaction subject to the profit and loss sharing investment project results in a loss, the Parent Bank's share of loss is limited with the funds invested in the project by the Parent Bank. As of June 30, 2024, the profit and loss partnership investments are evaluated as financial assets measured at fair value through profit or loss, based on the valuation of December 31, 2023. Total cumulative valuation profit is TL 2.680.846 for profit and loss sharing investments.

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans (continued):

b. Information on standard loans and loans under close monitoring including restructured or rescheduled loans (continued):

b1. Detailed table for standard loans and loans under close monitoring including restructured or rescheduled loans (continued):

Prior Period	Standard Loans	Loans Under Close Monitoring		
		Not Under the Scope of Restructuring or Rescheduling	Amendments to the Terms of Contracts	Restructured Refinancing
Cash Loans				
Loans				
Export loans	8.869.510	4.322	-	-
Import loans	5.704.330	19.066	-	-
Business loans	45.022.517	1.170.881	4.049.437	1.078.855
Consumer loans	8.853.598	149.034	1.817	-
Credit cards	2.035.914	15.872	-	-
Loans given to financial sector	2.792.028	-	-	-
Other ^(*)	22.171.511	422.748	292.425	160.397
Other receivables	-	-	-	-
Total	95.449.408	1.781.923	4.343.679	1.239.252

(*) Details of other loans are provided below:

Commercial loans with installments	7.160.431
Other investment credits	2.972.685
Loans given to abroad	5.306.504
Profit and loss sharing investments ^(**)	6.538.964
Loans for purchase of marketable securities for customer	954.835
Other	113.662
Total	23.047.081

(**) As of December 31, 2023, the related balance represents profit and loss sharing investment projects (4 projects) which are real estate development projects in various regions of Istanbul. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the Parent Bank and the counterparty after the cost of the projects is clarified and net profit of projects is determined once the project/stages of the project are completed. In case the transaction subject to the profit and loss sharing investment project results in a loss, the Parent Bank's share of loss is limited with the funds invested in the project by the Parent Bank. As of December 31, 2023, the profit and loss partnership investments are evaluated as financial assets measured at fair value through profit or loss, and the net profit amounts to TL 1.594.291 for 2023 (TL 2.047.049 valuation profit, TL 452.758 valuation profit reversal) between the total risk of the Parent Bank and independent valuation reports of the related projects is reflected to the profit and loss statement. Total cumulative valuation profit is TL 2.680.846 and valuation loss is TL 15.000 for profit and loss sharing investments. As of December 31, 2023, the risks of profit and loss sharing investments have TL 5.395.608 as corporate finance loans classified under business loans as standard loans in the table above as well.

b2. Information on expected credit losses for standard loans and loans under close monitoring:

Current Period	Standard Loans	Loans under close monitoring
12 Month Expected Credit Losses	204.807	-
Significant Increase in Credit Risk	-	1.316.561
Prior Period	Standard Loans	Loans under close monitoring
12 Month Expected Credit Losses	1.204.137	-
Significant Increase in Credit Risk	-	1.509.130

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I. Explanations and notes related to consolidated assets (continued):

6. Information on loans (continued):

c. Maturity analysis of cash loans:

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

ç. Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards:

Current Period	Short-term	Medium and long-term	Total
Consumer loans-TL	369.044	8.923.389	9.292.433
Housing loans	27.055	6.055.288	6.082.343
Vehicle loans	124.138	1.453.158	1.577.296
Consumer loans	217.851	1.414.943	1.632.794
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	25.098	25.098
Housing loans	-	11.582	11.582
Vehicle loans	-	-	-
Consumer loans	-	13.516	13.516
Other	-	-	-
Retail credit cards-TL	821.230	4	821.234
With installment	160.992	3	160.995
Without installment	660.238	1	660.239
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	145.173	15.359	160.532
Housing loans	-	3354	3354
Vehicle loans	2434	9354	11788
Consumer loans	142.739	2651	145.390
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-TL	27.173	-	27.173
With installment	8.424	-	8.424
Without installment	18.749	-	18.749
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (real person)	-	-	-
Overdraft account-FC (real person)	-	-	-
Total	1.362.620	8.963.850	10.326.470

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I. Explanations and notes related to consolidated assets (continued):

ç. Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards (continued):

Prior Period	Short-term	Medium and long-term	Total
Consumer loans-TL	449.178	8.442.724	8.891.902
Housing loans	40.210	5.123.039	5.163.249
Vehicle loans	181.459	1.586.029	1.767.488
Consumer loans	227.509	1.733.656	1.961.165
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	29.482	29.482
Housing loans	-	13.671	13.671
Vehicle loans	-	-	-
Consumer loans	-	15.811	15.811
Other	-	-	-
Retail credit cards-TL	690.171	33	690.204
With installment	216.297	19	216.316
Without installment	473.874	14	473.888
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	56.629	26.436	83.065
Housing loans	-	2.614	2.614
Vehicle loans	7.519	18.948	26.467
Consumer loans	49.110	4.874	53.984
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-TL	21.533	-	21.533
With installment	9.115	-	9.115
Without installment	12.418	-	12.418
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (Real Person)	-	-	-
Overdraft account-FC (Real Person)	-	-	-
Total	1.217.511	8.498.675	9.716.186

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I. Explanations and notes related to consolidated assets (continued):

d. Information on commercial loans with installments and corporate credit cards:

Current Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	1.796.268	5.063.725	6.859.993
Business loans	122.935	661.183	784.118
Vehicle loans	1.590.579	3.616.781	5.207.360
Consumer loans	82.754	785.761	868.515
Other	-	-	-
Commercial installment loans-FC indexed	-	257	257
Business loans	-	251	251
Vehicle loans	-	5	5
Consumer loans	-	1	1
Other	-	-	-
Commercial installment Loans-FC	40.579	1.303.555	1.344.134
Business loans	-	298.987	298.987
Vehicle loans	40.579	859.154	899.733
Consumer loans	-	145.414	145.414
Other	-	-	-
Corporate credit cards-TL	1.454.165	764	1.454.929
With installment	109.213	623	109.836
Without installment	1.344.952	141	1.345.093
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (legal Entity)	-	-	-
Overdraft account-FC (legal Entity)	-	-	-
Total	3.291.012	6.368.301	9.659.313

Prior Period	Short-term	Medium and long-term	Total
Commercial installment loans-TL	2.588.326	3.262.694	5.851.020
Business loans	157.223	611.874	769.097
Vehicle loans	2.077.220	2.055.121	4.132.341
Consumer loans	353.883	595.699	949.582
Other	-	-	-
Commercial installment loans-FC indexed	-	3.119	3.119
Business loans	-	3.119	3.119
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Commercial installment Loans-FC	21.817	1.284.475	1.306.292
Business loans	-	329.230	329.230
Vehicle loans	21.817	787.001	808.818
Consumer loans	-	168.244	168.244
Other	-	-	-
Corporate credit cards-TL	1.337.148	2.901	1.340.049
With installment	251.278	2.408	253.686
Without installment	1.085.870	493	1.086.363
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	-	-	-
Overdraft account-FC (Legal Entity)	-	-	-
Total	3.947.291	4.553.189	8.500.480

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I. Explanations and notes related to consolidated assets (continued):

e. Allocation of loans by customers:

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”.

f. Breakdown of domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	102.588.282	97.507.758
Foreign loans	9.497.440	5.306.504
Total	112.085.722	102.814.262

g. Loans granted to subsidiaries and associates:

	Current Period		Prior Period	
	TL	FC	TL	FC
Direct Loans Granted to Subsidiaries and Associates	-	-	-	-
Indirect Loans Granted to Subsidiaries and Associates	-	-	-	-
Total	-	-	-	-

ğ. Specific provisions for loans or provisions for default loans (stage 3):

	Current Period	Prior Period
Loans with limited collectability	80.396	372.915
Loans with doubtful collectability	478.552	144.253
Uncollectible loans	1.317.159	1.200.916
Total	1.876.107	1.718.084

Specific provisions in the amount of TL 1.876.107 (December 31, 2023: TL 1.718.084) comprise TL 403.778 (December 31, 2023: TL 284.286) of participation account share of loans provided from participation accounts.

h. Information on non-performing loans (net):

h.1. Information on non-performing and restructured loans:

	Group III Loans with limited collectability	Group IV Loans with doubtful collectability	Group V Uncollectable loans
Current period			
Gross amount before specific provisions	1.954	7.420	32.586
Restructured loans	1.954	7.420	32.586
Prior period			
Gross amount before specific provisions	6.783	32.440	1.422
Restructured loans	6.783	32.440	1.422

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I. Explanations and notes related to consolidated assets (continued):

h.2. Movements of total non-performing loans:

	Group III	Group IV	Group V
Current Period	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Closing balance of prior period	420.050	161.098	1.224.426
Additions in the current period (+)	244.876	10.953	27.470
Transfers from other categories of non-performing loans (+)	-	511.914	142.267
Transfers to other categories of non-performing loans (-)	511.914	142.267	-
Collections in the current period (-)	17.093	37.814	38.290
Transfers to standard loans and write off (-) ⁽¹⁾	1.563	26	18.867
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	134.356	503.858	1.337.006
Provisions (-)	80.396	478.552	1.317.159
Net balance at the balance sheet	53.960	25.306	19.847

⁽¹⁾ According to "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated November 27, 2019 numbered 30961, the amount which has been carried to performing loans is TL 1.962. Since there is no reasonable expectation regarding its recovery, TL 18.494 has been deleted from the accounting records in the scope of the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" together with its 100% specific provision. The impact of the write-off under TFRS 9 on the NPL ratio is 1 basis points.

Non-performing loans in the amount of TL 1.975.220 comprise TL 479.040 of participation account share of loans provided from participation accounts.

	Group III	Group IV	Group V
Prior Period	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectable loans and receivables
Closing balance of prior period	212.750	453.980	801.247
Additions in the current period (+)	2.436.353	15.551	304.673
Transfers from other categories of non-performing loans (+)	-	1.124.593	1.075.136
Transfers to other categories of non-performing loans (-)	1.124.593	1.075.136	-
Collections in the current period (-)	832.719	41.476	120.278
Transfers to standard loans and write off(-) ⁽¹⁾	271.741	316.414	836.352
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	420.050	161.098	1.224.426
Specific provisions (-)	372.915	144.253	1.200.916
Net balance at the balance sheet	47.135	16.845	23.510

⁽¹⁾ According to "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated November 27, 2019 numbered 30961, the amount which has been carried to performing loans is TL 10.956. Since there is no reasonable expectation regarding its recovery, TL 1.413.551 has been deleted from the accounting records in the scope of the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" together with its 100% specific provision. The impact of the write-off under TFRS 9 on the NPL ratio is 126 basis points.

Non-performing loans in the amount of TL 1.805.574 comprise TL 348.036 of participation account share of loans provided from participation accounts.

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I. Explanations and notes related to consolidated assets (continued):

h.3. Non-performing loans and other receivables in foreign currencies:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current period:			
Period end balance	10.601	173.087	55.689
Provision (-)	7.661	165.832	54.012
Net balance	2.940	7.255	1.677
Prior period:			
Period end balance	151.872	26.087	30.787
Provision (-)	140.939	26.087	28.303
Net balance	10.933	-	2.484

h.4. Gross and net amounts of non-performing loans according to user groups:

	Group III	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current period (net)	53.960	25.306	19.847
Loans to individuals and corporates (gross)	134.356	503.858	1.337.006
Provision (-)	80.396	478.552	1.317.159
Loans to individuals and corporates (net)	53.960	25.306	19.847
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	-
Provision (-)	-	-	-
Other loans (net)	-	-	-
Prior period (net)	47.135	16.845	23.510
Loans to individuals and corporates (gross)	420.050	161.098	1.224.426
Provision (-)	372.915	144.253	1.200.916
Loans to individuals and corporates (net)	47.135	16.845	23.510
Banks (gross)	-	-	-
Provision (-)	-	-	-
Banks (net)	-	-	-
Other loans (gross)	-	-	-
Provision (-)	-	-	-
Other loans (net)	-	-	-

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I. Explanations and notes related to consolidated assets (continued):

h.5. 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	Group IV	Group V
	Loans with limited collectability	Loans with doubtful collectability	Uncollectable loans
Current Period (Net)	8.028	25.487	45.169
Profit Share Accruals and Valuation Differences	11.567	25.487	45.169
Provision (-)	3.539	-	-
Prior Period (Net)	18.134	9.648	39.149
Profit Share Accruals and Valuation Differences	34.600	9.648	39.149
Provision (-)	16.466	-	-

i. Liquidation policy for uncollectable loans:

Loans determined as uncollectible are liquidated through starting legal follow up and by converting the guarantees into cash.

i. Information on “Write-off” policies:

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

7. Information on lease receivables (net):

a. Presentation of remaining maturities of funds lent under finance lease method:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than a year	1.631.746	1.477.603	1.331.900	1.206.071
1 to 4 years	4.940.478	3.501.752	4.700.373	3.273.855
More than 4 years	17.536	13.354	69.085	69.085
Total	6.589.760	4.992.709	6.101.358	4.549.011

b. Information on net investments through finance lease:

	Current Period	Prior Period
Financial lease receivables (Gross)	6.589.760	6.101.358
Unearned financial lease receivable (-)	1.597.051	1.552.347
Net receivable from financial leases	4.992.709	4.549.011

c. General explanation on finance lease contracts:

Finance lease contracts are realized in accordance with the related articles of Finance Lease, Factoring and Financing Companies Act numbered 6361. There are no restrictions due to finance lease contracts, no renewals or contingent rent payments that materially affect the financial statements.

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I. Explanations and notes related to consolidated assets (continued):

c. General explanation on finance lease contracts (continued):

Information on leasing receivables:

	Standard Loans	Loans Under Close Monitoring		
		Not Under the Scope of Restructuring or Rescheduling	Restructured Loans with Revised Contract Terms	Restructured Refinancing
Current Period				
Financial lease receivables (Net)	4.903.792	82.561	6.356	-
Prior Period				
Financial lease receivables (Net)	4.509.179	32.916	6.916	-

8. Information on assets held for sale and assets of discontinued operations:

a. Fixed assets held for sale:

Assets held for sale consist of tangible assets, which have been acquired due to non-performing loans.

	Current Period	Prior Period
Opening Balance	641.631	341.132
Additions ^(*)	3.934.590	672.801
Disposals	(8.624)	(76.956)
Transfers ^(**)	(473.714)	(283.684)
Impairment Provision(-)/Reversal of Impairment Provision	-	(11.662)
Net closing balance	4.093.883	641.631

^(*) TL 3.895.920 under additions are comprised of real estates.

^(**) The transfers and impairments related to the transfers (if any) have been moved to assets to be sold under tangible assets.

As of June 30 2024, TL 4.092.133 (December 31, 2023: TL 639.881) of the assets held for sale is comprised of real estates, TL 1.750 (December 31, 2023: 1.750) is comprised of other tangible assets. The Parent Bank has not any discontinued operations and assets of discontinued operations.

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8. Information on assets held for sale and assets of discontinued operations (continued):

b. Explanations on discontinued operations:

As stated in the Public Disclosure Platform(PDP) material event disclosure dated April 3, 2024, with the initiation of the liquidation process of Getinsha GMBH, a subsidiary of the Bank, the related subsidiary has been classified as discontinued operations. Getinsha GmbH has been established in Berlin (Germany) in 2018 in order to provide digital participation banking services through the banking license of Solarisbank AG to collect funds through mentioned license (mudaraba method) and to evaluate funds in accordance with the interest-free finance principles of the signed contract. The statement of assets, liabilities and profit/loss from discontinued operations is presented below:

	Current Period
Banks	7.753
Assets Related to Discontinued Operations	7.753
	Current Period
Other Liabilities	7.448
Liabilities Related to Discontinued Operations	7.448
	Current Period
Gross Profit/(Loss)	779
Operational expenses (-)	1.084
Profit/(Loss) from Discontinued Operations	(305)

Profit/(Loss) Per Share from Discontinued Operations:

	Current Period
Paid-In Capital	2.500.000
Profit/(Loss) attributable to the Parent Bank	(305)
Earnings Per Share	-0,00012

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments:

a. Associates:

a.1. Information on unconsolidated associates:

The Parent Bank has become a shareholder in Katılım Finans Kefalet A.Ş., which was established in order to establish a surety system in accordance with the principles of Participation Banking, by paying TL 22.500 on April 30, 2023 and TL 22.500 on January 31, 2024, with a total fee of TL 45.000. The total capital of the company is TL 600.000 and the Parent Bank's total participation share is TL 90.000 corresponding to 15%. The remaining TL 45.000 will be paid within 2 years. There is a board member representing the Parent Bank's shares in the company.

Name	Address (City/Country)	Parent Bank's share percentage-If different voting percentage (%)	Risk share percentage of other shareholders (%)
Katılım Finans Kefalet A.Ş.	İstanbul/Türkiye	15%	85%

a.2. Information on consolidated associates:

None (December 31, 2023: None).

b. Information on subsidiaries (net):

b.1. Information on unconsolidated non-financial subsidiaries:

The subsidiary investments Albaraka Teknoloji Bilişim Sistemleri A.Ş. and Albaraka Kültür Sanat ve Yayımcılık A.Ş. of Parent Bank controlled Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Fonu, İnsha Ventures Teknoloji Geliştirme ve Pazarlama A.Ş. of Parent Bank controlled Albaraka Portföy Yönetimi A.Ş. İnsha Girişim Sermayesi Yatırım Fonu and Albaraka Portföy Yönetimi Girişim Teknoloji A.Ş. of Parent Bank controlled İkinci Kira Sertifikası Girişim Sermayesi Yatırım Fonu have not been consolidated since they are non-financial entities. The financial information related to those companies as of June 30, 2024 is as follows:

Title	Operation Center (City/Country)	Main Activities	Capital	Share Percentage of the Fund (%)	Fair value of the amount invested by the Fund ^(*)
Albaraka Teknoloji Bilişim Sistemleri. A.Ş. ^(*)	İstanbul / Türkiye	Information Technologies	33.000	100	141.752
Albaraka Kültür Sanat ve Yayımcılık A.Ş. ^(*)	İstanbul / Türkiye	Publication	10.500	100	5.270
İnsha Ventures Teknoloji Geliştirme ve Pazarlama A.Ş. ^(*)	İstanbul / Türkiye	Information Technologies	10.000	100	136.012
Albaraka Portföy Yönetimi Girişim Teknoloji A.Ş. ^(*)	İstanbul/Türkiye	Information Technologies	10.000	100	10.576
Natura Gıda Sanayi ve Ticaret A.Ş.	İstanbul/Türkiye	Food	464.055	84	1.378.818

^(*) The fair values are represented as of December 31, 2023.

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I. Explanations and notes related to consolidated assets (continued):

b. Information on subsidiaries (net) (continued):

b.1. Information on unconsolidated subsidiaries (continued):

Natura Gıda Sanayi ve Ticaret A.Ş, which is a subsidiary investment of “Değer Girişim Sermayesi Yatırım Fonu” controlled by the Parent Bank, has not been consolidated since it is a non-financial entity.

Name	Address (City/Country)	Parent Bank’s share percentage- If different voting percentage (%)	(Fund) Share Rate (%)
Natura Gıda Sanayi ve Ticaret A.Ş	Istanbul/Türkiye	-	88,61

The balances of Natura Gıda Sanayi ve Ticaret A.Ş. presented in the table below have been obtained from the audited financial statements as of December 31, 2022.

Total assets	Shareholders’ equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss
2.201.259	478.242	1.705.391	-	-	88.265	(1.167.106)

b.2. Information on consolidated subsidiaries:

Bereket Varlık Kiralama A.Ş and Değer Varlık Kiralama A.Ş. which are subject to consolidation by the Parent Bank, the purpose of which are to obtain rental income by taking over the assets of the source institution and leasing them back to the source institution, issue rent certificates based on said rental income and pass on the related assets to source institution by the end of the rental period. Bereket Varlık Kiralama A.Ş. and Değer Varlık Kiralama A.Ş. have been founded to operate according to rulings of Turkish Trade Law about foundations of incorporations and complying with Communiqué on “Principles Related to Rent Certificates and Asset Leasing Companies” dated April 1, 2010 and numbered 27539 serial: 3 no:43 published in Official Gazette by Capital Markets Board of Türkiye and other related regulations. The founding capital of each company is TL 50. As of June 30, 2024, the capital of each company is TL 50. Bereket Varlık Kiralama A.Ş. and Değer Varlık Kiralama A.Ş. are consolidated using full consolidation method as of June 30, 2024.

i). The balances of Bereket Varlık Kiralama A.Ş. presented in the table below have been obtained from unreviewed and TAS29 not applied financial statements as of June 30, 2024.

Name	Address (City/Country)	Parent Bank’s share percentage-If different voting percentage (%)	Risk share percentage of other shareholders (%)
Bereket Varlık Kiralama A.Ş.	Istanbul/Türkiye	100,00	-

Total assets	Shareholders’ equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
7.871.746	395	-	-	-	159	176	-

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

b.2. Information on consolidated subsidiaries (continued):

ii) The balances of Değer Varlık Kiralama A.Ş. presented in the table below have been obtained from unreviewed and TAS29 not applied financial statements as of June 30, 2024.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Değer Varlık Kiralama A.Ş.	İstanbul / Türkiye	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
275.309	7.126	-	-	-	1.640	5.426	-

iii) In the Board of Directors meeting dated February 25, 2015, the Parent Bank has taken a resolution on establishment a real estate portfolio management company with the name of "Albaraka Gayrimenkul Portföy Yönetimi A.Ş." whose capital is TL 5.000. The company is registered on June 3, 2015 and the foundation of the company is published on Trade Registry Gazette dated June 9, 2015 numbered 8837. The title of the company was changed to "Albaraka Portföy Yönetimi A.Ş." upon the decision of "2018 Extraordinary General Assembly" dated December 20, 2017. As of December 31, 2023, the capital of the company is TL 180.000. The balances of Albaraka Portföy Yönetimi A.Ş. presented in the table below have been obtained from reviewed and TAS29 not applied financial statements as of June 30, 2024.

Name	Address (City/Country)	The Parent Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Albaraka Portföy Yön. A.Ş.	İstanbul/Türkiye	100,00	-

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
701.852	648.897	3.842	13.876	-	171.275	245.292	-

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şl. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

b.2. Information on consolidated subsidiaries (continued):

v) Movement and Sectoral Information on consolidated subsidiaries:

	Current Period	Prior Period
Amount at the beginning of the period	491.359	281.359
Movements inside the term	-	-
Purchases/new incorporations/capital increases	10.000	-
Bonus shares	-	-
Profit received from current year share	-	210.000
Sales/capital decreases (-)	-	-
Revaluation increases	-	-
Impairments	-	-
Amount at the end of the period	501.359	491.359
Capital commitments	-	-
Share of the capital at the end of the period (%)	100	100

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	501.359	491.359

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I. Explanations and notes related to consolidated assets (continued):

9. Ownership investments (continued):

c. Information on investments in joint- ventures:

c.1. Information on unconsolidated investments in joint-ventures:

The Group does not have unconsolidated investments in joint-ventures as of the balance sheet date.

c.2. Information on consolidated investments in joint- ventures:

The Parent Bank founded Katılım Emeklilik ve Hayat A.Ş. ("Company") a private pension and insurance company through equal partnership with Kuveyt Turk Katılım Bankası A.Ş. in the form of joint venture in accordance with Board of Directors' decision dated May 10, 2013 numbered 1186, and permission of BRSA dated September 24, 2013 numbered 4389041421.91.11-24049. The Company was registered on December 17, 2013 and noticed in Trade registry gazette dated December 23, 2013 and numbered 8470. As of June 30, 2024, Katılım Emeklilik ve Hayat A.Ş. has been consolidated by the Parent Bank using equity method. The financial data from reviewed financial statements as of June 30, 2024 are below:

Joint-Ventures	The Parent Bank's shareholding percentage (%)	Group's shareholding percentage (%)	Current Assets	Non-Current Assets	Long Term Debts	Income	Expense
Katılım Emeklilik ve Hayat A.Ş.	50%	50%	2.831.073	26.037.137	25.990.811	1.868.817	1.571.991

c.3. Information on consolidated investment funds:

The financial information of the investment funds consolidated by the Parent Bank using full consolidation method as of June 30, 2024 are as follows:

Investment Funds	Share of Parent Bank (%)	Share of Group (%)	Investment Amount of Group (TL)	Income	Expenses	Net Profit /(Loss)
Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu ^(*)	95,04	95,04	2.506.156	296.369	24.920	271.449
Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu ^(*)	99,16	100,00	1.491.402	397.991	11.670	386.321
Albaraka Portföy Yönetimi A.Ş. Bereket Katılım Gayrimenkul Yatırım Fonu ^(*)	100,00	100,00	751.307	338.805	5.736	333.069
Albaraka Portföy Yönetimi A.Ş. Değer Girişim Sermayesi Yatırım Fonu ^(*)	100,00	100,00	3.084.909	106.585	15.875	90.710
Albaraka Portföy Yönetimi A.Ş. Fintech Girişim Sermayesi Yatırım Fonu ^(*)	0,00	100,00	156.439	2.666	2.099	567
Albaraka Portföy Yönetimi A.Ş. İnovasyon Girişim Sermayesi Yatırım Fonu ^(*)	0,00	100,00	160.349	2.443	2.016	427
Albaraka Portföy Yönetimi A.Ş. İkinci Kira Sertifikaları Katılım Girişim Sermayesi Yatırım Fonu ^(*)	0,00	100,00	1.697.103	124.341	1.339	123.002
Albaraka Portföy Yönetimi A.Ş. İnsha Girişim Sermayesi Yatırım Fonu ^(*)	0,00	100,00	165.128	1.122	1.914	(792)

^(*) Relevant financial data have been obtained from reviewed financial tables.

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I. Explanations and notes related to consolidated assets (continued):

10. Information on tangible assets:

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

11. Information on intangible assets:

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

12. Information on investment property:

	Current Period		Prior Period	
	TL	FC	TL	FC
Investment properties (*)	5.543.413	-	4.636.810	-
Total	5.543.413	-	4.636.810	-

(*) Includes investment properties of "Albaraka Portföy Yönetimi A.Ş. Dükkan Gayrimenkul Yatırım Fonu", "Albaraka Portföy Yönetimi A.Ş. Metropol Gayrimenkul Yatırım Fonu" and "Albaraka Portföy Yönetimi A.Ş. Bereket Katılım Gayrimenkul Yatırım Fonu"

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I. Explanations and notes related to consolidated assets (continued):

13. Information related to deferred tax asset:

As of June 30, 2024, the Group calculated net deferred tax asset of TL 1.245.952 (December 31, 2023: TL 1.199.059) by netting off deferred tax asset of TL 2.398.159 (December 31, 2023: TL 2.362.604) and deferred tax liability of TL 1.152.207 (December 31, 2023: TL 1.163.545) on all tax deductible/taxable temporary differences arising between the carrying amounts and the tax base of assets and liabilities in the financial statements that will be considered in the calculation of taxable earnings in the future periods.

	Current Period	Prior Period
Rediscount on profit share and prepaid fees and commission income and unearned revenues	246.103	192.301
Provisions for retirement premium and vacation pay liabilities	374.166	367.689
Difference between carrying value and tax base of tangible assets (amortization differences)	217.255	218.425
Provisions for cases on trial	24.428	22.376
Provisions	264.608	619.079
Leasing profit share expenses	119.492	99.054
Other ^(*)	1.152.107	843.680
Deferred tax asset	2.398.159	2.362.604
Revaluation difference of property	312.767	322.935
Rediscount on profit share	107.749	143.214
Right of use assets	229.342	190.808
Derivative financial liabilities	7.618	15.681
Investment funds	402.076	371.861
Other ^(**)	92.655	119.046
Deferred tax liability	1.152.207	1.163.545
Deferred tax asset (net)	1.245.952	1.199.059

^(*) Includes TL 1.070.403 (December 31, 2023: TL 812.992) arising from the inflation indexation of non-monetary assets in accordance with the Tax Procedure Law.

^(**) Includes TL 82.023, the deferred tax liability of securities revaluation at fair value through other comprehensive income (December 31, 2023: TL 112.496).

14. Information on other assets:

As of the balance sheet date, the Group's other assets balance is TL 4.406.039 (December 31, 2023: TL 2.444.847) and does not exceed 10% of total assets.

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II. Explanations and notes related to consolidated liabilities:

1. Information on funds collected:

a. Information on maturity structure of funds collected:

Current Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation on accounts	Total
I. Real Persons Current Accounts									
Non-Trade TL	6.185.479	-	-	-	-	-	-	-	6.185.479
II. Real Persons Participation Accounts Non-Trade TL									
Accounts Non-Trade TL	-	4.500.559	24.351.417	2.066.267	-	52.577	17.224.972	19.365	48.215.157
III. Current Account other-TL	10.248.844								10.248.844
Public Sector	154.078	-	-	-	-	-	-	-	154.078
Commercial Institutions	9.406.516	-	-	-	-	-	-	-	9.406.516
Other Institutions	649.351	-	-	-	-	-	-	-	649.351
Commercial and Other Institutions	10.908	-	-	-	-	-	-	-	10.908
Banks and Participation Banks	27.991	-	-	-	-	-	-	-	27.991
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	27.980	-	-	-	-	-	-	-	27.980
Participation Banks	9	-	-	-	-	-	-	-	9
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL		19.514.281	8.365.072	941.526		755.427	1.697.810	536	31.274.652
Public Sector	-	-	1.846	-	-	-	-	-	1.846
Commercial Institutions	-	19.354.626	7.779.699	731.485	-	85.058	1.644.851	326	29.596.045
Other Institutions	-	159.362	560.926	204.239	-	670.369	52.959	210	1.648.065
Commercial and Other Institutions	-	293	22.548	5.802	-	-	-	-	28.643
Banks and Participation Banks	-	-	53	-	-	-	-	-	53
V. Real Persons Current Accounts Non-Trade FC	27.775.165								27.775.165
VI. Real Persons Participation Accounts Non-Trade FC		7.558.149	6.108.301	630.196		69.845	2.003.836	33.150	16.403.477
VII. Other Current Accounts FC	20.763.523								20.763.523
Residents in Türkiye-Corporate	12.585.583	-	-	-	-	-	-	-	12.585.583
Residents Abroad-Corporate	7.367.676	-	-	-	-	-	-	-	7.367.676
Banks and Participation Banks	810.265	-	-	-	-	-	-	-	810.265
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	179	-	-	-	-	-	-	-	179
Foreign Banks	809.653	-	-	-	-	-	-	-	809.653
Participation Banks	433	-	-	-	-	-	-	-	433
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other- FC		444.433	412.155	659.734		49.116	10.832	1.481	1.577.751
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	426.933	384.000	658.618	-	129	7.974	1.481	1.479.135
Other institutions	-	13.326	24.091	1.116	-	-	-	-	38.533
Commercial and Other Institutions	-	4.174	4.064	-	-	-	2.858	-	11.096
Banks and Participation Banks	-	-	-	-	-	48.987	-	-	48.987
IX. Precious Metals Deposits	15.046.913	425.374	616.238	433.541		65.123	155.224	5.649	16.748.062
X. Participation Accounts Special Fund Pools TL									
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC									
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (I+II+...+IX+X+XI)	80.019.924	32.442.796	39.853.183	4.731.264		992.088	21.092.674	60.181	179.192.110

Foreign exchange-protected participation account instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL participation accounts are valued with profit rates and are protected against changes in foreign exchange rates, is offered to the Parent Bank customers. Within this scope, as of June 30, 2024, TL participation accounts include TL 28.718.309 foreign exchange-protected participation accounts.

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II. Explanations and notes related to consolidated liabilities (continued):

1. Information on funds collected (continued):

a. Information on maturity structure of funds collected (continued):

Prior Period	Demand	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Over 1 year	Accumulated participation accounts	Total
I. Real Persons Current Accounts									
Non-Trade TL	5.582.161	-	-	-	-	-	-	-	5.582.161
II. Real Persons Participation Accounts Non-Trade TL	-	3.565.694	25.482.294	2.977.568	-	127.860	23.724.196	15.599	55.893.211
III. Current Account other-TL	9.466.895	-	-	-	-	-	-	-	9.466.895
Public Sector	93.157	-	-	-	-	-	-	-	93.157
Commercial Institutions	8.980.848	-	-	-	-	-	-	-	8.980.848
Other Institutions	340.240	-	-	-	-	-	-	-	340.240
Commercial and Other Institutions	32.101	-	-	-	-	-	-	-	32.101
Banks and Participation Banks	20.549	-	-	-	-	-	-	-	20.549
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	20.537	-	-	-	-	-	-	-	20.537
Participation Banks	10	-	-	-	-	-	-	-	10
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	3.163.160	5.127.710	898.250	-	622	1.171.472	697	10.361.911
Public Sector	-	-	164	-	-	-	-	-	164
Commercial Institutions	-	3.087.413	4.453.896	881.486	-	611	1.123.543	675	9.547.624
Other Institutions	-	75.667	625.796	11.864	-	11	47.929	22	761.289
Commercial and Other Institutions	-	80	47.809	4.900	-	-	-	-	52.789
Banks and Participation Banks	-	-	45	-	-	-	-	-	45
V. Real Persons Current Accounts Non-Trade FC	27.567.137	-	-	-	-	-	-	-	27.567.137
VI. Real Persons Participation Accounts Non-Trade FC	-	7.212.694	6.479.480	640.908	-	64.016	2.318.109	31.203	16.746.410
VII. Other Current Accounts FC	21.685.404	-	-	-	-	-	-	-	21.685.404
Residents in Türkiye-Corporate	12.703.787	-	-	-	-	-	-	-	12.703.787
Residents abroad-Corporate	7.569.435	-	-	-	-	-	-	-	7.569.435
Banks and Participation Banks	1.412.182	-	-	-	-	-	-	-	1.412.182
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	168	-	-	-	-	-	-	-	168
Foreign Banks	1.411.621	-	-	-	-	-	-	-	1.411.621
Participation Banks	393	-	-	-	-	-	-	-	393
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other- FC	-	452.522	528.987	621.738	-	44.696	17.162	1.340	1.666.445
Public Sector	-	-	-	-	-	-	-	-	-
Commercial Institutions	-	419.199	435.396	605.940	-	232	13.583	1.340	1.475.690
Other Institutions	-	11.216	28.456	1.022	-	-	-	-	40.694
Commercial and Other Institutions	-	22.107	65.135	-	-	-	3.579	-	90.821
Banks and Participation Banks	-	-	-	14.776	-	44.464	-	-	59.240
IX. Precious Metals Deposits	11.349.190	393.191	580.154	343.209	-	23.880	131.521	4.224	12.825.369
X. Participation Accounts Special Fund Pools TL	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
XI. Participation Accounts Special Fund Pools – FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
Total (I+II+.....+IX+X+XI)	75.650.787	14.787.261	38.198.625	5.481.673	-	261.074	27.362.460	53.063	161.794.943

Foreign exchange-protected participation account instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL participation accounts are valued with profit rates and are protected against changes in foreign exchange rates, is offered to the Parent Bank customers. Within this scope, as of December 31, 2023, TL participation accounts include TL 45.209.939 foreign exchange-protected participation accounts.

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II. Explanations and notes related to consolidated liabilities (continued):

b. Information on participation fund under the guarantee of insurance:

b.1. Under the guarantee of Insurance and Exceeding the limit of insurance fund ^(*):

Information on real persons' current and participation accounts not subject to trading transactions under the guarantee of insurance and exceeding the limit of Insurance Fund:

	Under the guarantee of Insurance	Under the guarantee of Insurance	Exceeding the guarantee of Insurance	Exceeding the guarantee of Insurance
	Current Period	Prior Period	Current Period	Prior Period
Real persons' current and participation accounts not subject to trading transactions				
Turkish Lira accounts	15.967.713	13.769.278	38.432.922	47.706.096
Foreign currency accounts	23.237.521	17.267.434	37.397.726	39.423.065
Foreign branches' deposits subject to foreign authorities' insurance	49.635	40.043	143.176	175.915
Off-shore deposits under foreign authorities' insurance	-	-	-	-

^(*) In accordance with the "Regulation on Amending the Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated August 27, 2022 and numbered 31936, all deposit and participation funds have been insured except official institutions in the presence of credit institutions, credit institutions and financial institutions. In this context, commercial current and participation accounts covered by the insurance amount to TL 8.136.751 (December 31, 2023: TL 6.252.084), amounts exceeding the insurance limit is TL 36.897.085 (December 31, 2023: TL 34.374.420) and the mentioned amount is not included in the footnote.

Funds collected by Participation Banks (except belonging to official institutions, credit institutions and financial institutions) from current and participation accounts denominated in Turkish Lira or foreign currency up to a limit of maximum TL 650 (including both capital and profit shares) for each real person or legal person is under the guarantee of Saving Deposit Insurance Fund in accordance with the Banking Law numbered 5411.

b.2. Funds collected which are not under the guarantee of insurance fund:

Funds collected of real persons, which are not under the guarantee of insurance fund:

	Current Period	Prior Period
Foreign Branches' Profit Sharing Accounts and Other Accounts	-	-
Profit Sharing Accounts and Other Accounts of Controlling Shareholders and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	-	-
Profit Sharing Accounts and Other Accounts of Chairman and Members of Board Of Directors or Managers, General Manager and Assistant General Managers and Profit Sharing Accounts and Other Accounts of Their Mother, Father, Spouse, and Children in Care	11.120	19.411
Profit Sharing Accounts and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Profit Sharing Accounts in Participation Banks Established in Türkiye in order to engage solely in Off-Shore Banking Activities	-	-

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II. Explanations and notes related to consolidated liabilities (continued):

2. Information on borrowings:

a.1. Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from CBRT	-	-	-	-
Loans from domestic banks and institutions	18.030	21.631.721	39.957	15.091.430
Loans from foreign banks, institutions and funds	2.768.204	7.322.520	-	7.202.147
Total	2.786.234	28.954.241	39.957	22.293.577

a.2. Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	2.680.207	23.532.751	39.957	17.678.203
Medium and Long-Term	106.027	5.421.490	-	4.615.374
Total	2.786.234	28.954.241	39.957	22.293.577

b. Additional disclosures on concentration areas of The Parent Bank's liabilities:

The Parent Bank does not have concentration on customer or sector group providing funds (December 31, 2023: None).

3. Information on securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Sukuk issued	7.376.500	6.602.054	1.851.447	6.064.054
Total	7.376.500	6.602.054	1.851.447	6.064.054

4. Information on derivative financial liabilities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	13.593	9.364	732	7.337
Swap transactions	232.335	2.162	113.307	-
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	245.928	11.526	114.039	7.337

The Parent Bank has not any derivative financial liabilities for hedging purposes (December 31, 2023: None).

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II. Explanations and notes related to consolidated liabilities (continued):

5. Lease payables:

	Current Period		Prior Period	
	TL	FC	TL	FC
Less than a year	5.715	-	4.569	-
1 to 5 years	354.133	35.817	297.509	40.972
Over 5 years	508.556	42.515	400.159	31.544
Total	868.404	78.332	702.237	72.516

6. Information on provisions:

a. Information on provisions for employee rights:

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 486.390 (December 31, 2023: TL 414.390), vacation pay liability amounting to TL 97.587 (December 31, 2023: TL 40.050) and performance premium amounts to TL 127.875 (December 31, 2023: TL 763.441) totaling to TL 711.852 (December 31, 2023: TL 1.217.881). The Group's has calculated the reserve for employee termination benefits using actuarial valuation methods as indicated in TAS 19. Accordingly, following actuarial assumptions were used in the calculation of the total liability.

	Current Period	Prior Period
Discount rate (%)	25,00	25,00
Estimated increase rate of salary ceiling (%)	22,00	22,00

Movement of the reserve for employment termination benefits in the balance sheet is as follows:

	Current Period	Prior Period
Prior period ending balance	414.390	321.939
Allocation in the period	72.000	28.754
Actuarial (gain)/loss	-	63.697
Balance at the end of the period	486.390	414.390

b. Other provisions:

	Current Period	Prior Period
Non-cash loans first and second stage expected loss provisions	34.702	28.486
Provisions allocated from profit shares to be distributed to profit sharing accounts	30.536	4.588
Third stage expected loss provision for unindemnified letter of guarantees	26.692	24.962
Third stage expected loss provision for cheques commitments	5.715	4.547
Provision for promotions related with credit cards and promotion of banking services	1.113	578
Provisions for cases on trial	81.426	74.587
Accrual for purchase and sale commitments	825	1.734
Free provisions allocated for possible losses ^(*)	5.213.000	5.213.000
Other	18.836	15.682
Total	5.412.845	5.368.164

^(*) Includes free provision amounting to TL 5.213.000, which is set aside by the Parent Bank's management apart from the requirements of the BRSA Accounting and Financial Reporting Legislation. (December 31, 2023: 5.213.000 TL).

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II. Explanations and notes related to consolidated liabilities (continued):

6. Information on provisions:

c. Information on provisions for foreign exchange losses on foreign currency indexed loans and financial lease receivables:

As of June 30, 2024, there is no provision for exchange losses in foreign currency indexed loans and financial lease receivables (December 31, 2023: None).

7. Information on taxes payable:

a. Explanations on current tax liability:

a.1. Explanations on tax provisions:

As of June 30, 2024, the Group's remaining tax liability after deducting the temporary taxes paid from corporate tax amounts to TL 970.351 (December 31, 2023: TL 933.865).

a.2. Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	82.911	933.865
Banking insurance transaction tax	157.967	128.136
Taxation on securities income	90.796	28.876
Value added tax payable	17.881	22.209
Taxation on real estate income	3.932	3.037
Foreign exchange transaction tax	3.055	4.872
Income tax deducted from wages	52.782	47.188
Other	4.195	7.623
Total	413.519	1.175.806

a.3. Information on premiums:

	Current Period	Prior Period
Social security premiums-employee	32.021	23.984
Social security premiums-employer	35.448	26.367
Bank pension fund premium-employee	-	-
Bank pension fund premium-employer	-	-
Pension fund membership fees and provisions-employee	-	-
Pension fund membership fees and provisions-employer	-	-
Unemployment insurance-employee	2.279	1.707
Unemployment insurance-employer	4.558	3.415
Other	-	-
Total	74.306	55.473

8. Liabilities for assets held for sale and discontinued operations:

None (December 31, 2023: None).

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II. Explanations and notes related to consolidated liabilities (continued):

9. Detailed explanations on number, maturity, profit share rate, creditor and option to convert to share certificates; if any; of subordinated loans:

Information on subordinated loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments to be included in calculation of	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
Debt instruments to be included in calculation of Tier II	-	9.025.516	-	8.896.597
Subordinated loans	-	9.025.516	-	8.896.597
Subordinated debt instruments	-	-	-	-
Total	-	9.025.516	-	8.896.597

The Parent Bank has obtained subordinated loan on November 30, 2015 from the investors not resident in Türkiye through its structured entity Albaraka Sukuk Ltd. amounting to USD 250.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the subordinated loan with grace period of 5 years with 10 years total maturity was determined as 10,50 % for the first 5 years and 9,371% for the last 5 years (from May 2021). The Parent Bank has paid the amount of USD 22.928.000, the remaining issued amount is USD 175.997.000

The Parent Bank has obtained subordinated loan on February 28, 2023 from the investors not resident in Türkiye through its structured entity Albaraka CT One Ltd amounting to USD 100.000.000 with 10 years maturity with a grace period of 5 years. The profit rate of the Subordinated Loan is 10 %.

10. Breakdown of items in other liabilities, which exceed 10% of the balance sheet total, and breakdown of items, which constitute at least 20% of grand total:

As of the balance sheet date, the Group's other liabilities balance is TL 10.186.053 (December 31, 2023: TL 9.234.551) and does not exceed 10% of total liabilities.

11. Information on shareholders' equity:

a. Presentation of paid-in capital:

	Current Period	Prior Period
Common stock	2.500.000	2.500.000
Preferred stock	-	-

b. Paid-in capital amount, explanation as to whether the registered share capital system is applicable at the Parent Bank and if so, amount of the registered share capital ceiling:

In the Boards of Directors dated November 30, 2022, it has been decided that authorized share capital is TL 5.000.000 between 2023 and 2027 (5 years). Following the applications to legal authorities and their approval, The Bank's text of amendment to the main contract has been approved in the General Assembly dated March 27, 2023.

Share Capital System	Paid-in Capital	Ceiling
Registered Capital	2.500.000	5.000.000

c. Information on the share capital increases during the period and their sources; other information on increased capital in the current period:

There is no share capital increase in the current period.

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II. Explanations and notes related to consolidated liabilities (continued):

11. Information on shareholders' equity (continued):

ç. Information on share capital increases from capital reserves during the current period:

There is no share capital increase from capital reserves during the current period.

d. Capital commitments in the last fiscal year and by the end of the following interim period, general purpose of these commitments and projected resources required to meet these commitments:

There are no capital commitments until the end of the last fiscal year and following interim period.

e. Estimated effects on the shareholders equity of the Parent Bank, of predictions to be made by taking into account previous period indicators regarding the Parent Bank's income, profitability and liquidity, and uncertainties regarding such indicators:

The Parent Bank continues its operations in a profitable manner and majority of the profits are kept in shareholders' equity through transfer to reserves. Moreover, the Parent Bank's shareholders' equity is invested in liquid and earning assets.

f. Information on privileges given to stocks representing the capital:

There is no privilege given to stocks representing the capital.

g. Information on marketable securities valuation reserve:

	Current Period		Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	-	-	-	-
Valuation difference ⁽¹⁾	131.624	59.273	201.189	60.811
Foreign exchange difference	-	-	-	-
Total	131.624	59.273	201.189	60.811

⁽¹⁾The amount represents the net balance after deferred tax calculation.

ğ. Information on other capital reserves:

The Parent Bank has evaluated its undated sukuk transaction as non-monetary item as per TAS 32 which is issued by "Bereket One Ltd" quoted at Ireland Stock Exchange amount to USD 205.000.000 (Historical cost is TL 775.720) and compatible with Basel III criteria. In addition to this evaluation, considering BRSA's approval to add it to additional Tier 1 capital dated February 20, 2018, the Parent Bank recognized it in shareholders' equity under "other capital reserves" on historical cost. The settlement date of the sukuk transaction is February 20, 2023 and its yearly coupon payment of 11,422%, (10% for first five years with every six-month payment). The Parent Bank has option to cancel the expense amounts. If the Parent Bank uses this option, it is not obligatory to pay the amount it has not paid in the following periods.

The total coupon payment for the related transaction amounting to TL 1.661.518 (December 31, 2023: TL 1.302.134) has been recognized under prior years profit / loss.

h. Information on minority shares:

As of June 30, 2024, minority shares calculated for full-consolidated uncontrolled shares amount to TL 130.774 (December 31, 2023: TL 283.780).

i. Explanations on profit distribution:

According to the decision taken at the General Assembly of the Parent Bank for the year 2023 held on March 27, 2024, it has been decided to allocate TL 171.428 from the profit for the year 2023 amounting to TL 3.428.558 as first legal reserves and to add the remaining amount to the extraordinary reserves.

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III. Explanations and notes related to consolidated off-balance sheet:

1. Explanations on consolidated off-balance sheet:

a. Type and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card limits	5.509.996	3.797.263
Payment commitments for cheques	2.268.821	1.628.852
Asset purchase and sale commitments	732.751	2.799.091
Loan granting commitments	612.704	605.190
Subsidiaries and Associates Commitments	45.000	67.500
Tax and funds liabilities arising from export commitments	102.366	78.574
Commitments for promotions related with credit cards and banking activities	942	492
Other irrevocable commitments	564	557
Other revocable commitments	44.500	44.500
Total	9.317.644	9.022.019

b. Type and amount of possible losses and commitments arising from off-balance sheet items:

b.1. Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letters of credit:

	Current Period	Prior Period
Letters of guarantees	26.500.286	24.611.183
Bank loans	40.383	137.121
Letters of credit	6.171.742	5.154.598
Other guaranties and sureties	156.301	169.038
Total	32.868.712	30.071.940

b.2. Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period	Prior Period
Letters of guarantees	26.500.286	24.611.183
Long standing letters of guarantees	20.568.525	18.722.511
Temporary letters of guarantees	756.287	572.672
Advance letters of guarantees	1.087.543	1.091.679
Letters of guarantees given to customs	1.624.186	1.508.765
Letters of guarantees given for obtaining cash loans	2.463.745	2.715.556
Sureties and similar transactions	156.301	169.038
Total	26.656.587	24.780.221

c. Within the non-cash loans:

c.1. Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	2.463.745	2.715.556
With original maturity of 1 year or less	722.209	697.538
With original maturity of more than 1 year	1.741.536	2.018.018
Other non-cash loans	30.404.967	27.356.384
Total	32.868.712	30.071.940

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III. Explanations and notes related to consolidated off-balance sheet (continued):

1. Explanations on consolidated off-balance sheet (continued):

c.2. Sectoral risk concentration of non-cash loans:

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

c.3. Information on the non-cash loans classified in Group I and Group II:

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

2. Explanations on derivative transactions:

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

3. Explanations on contingent assets and liabilities:

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

4. Explanations on services rendered on behalf of third parties:

The Group has not any operations like money placements on behalf of real persons or legal entities, charitable foundations, retirement insurance funds and other institutions.

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IV. Explanations and notes related to the consolidated statement of profit or loss:

1. Information on profit share income:

a. Information on profit share income received from loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share received from loans⁽¹⁾				
Short Term Loans	6.045.696	667.721	2.127.642	249.379
Medium and Long-Term Loans	5.489.162	725.805	2.138.098	566.446
Profit Share on Non-Performing Loans	38.201	2.026	53.491	1.053
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	11.573.059	1.395.552	4.319.231	816.878

⁽¹⁾ Includes fees and commission income on cash loans.

b. Information on profit share income received from banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
CBRT	992.637	-	16.866	-
Domestic Banks	1.081	-	39	-
Foreign Banks	-	-	-	-
Head Offices and Branches Abroad	-	-	-	-
Total	993.718	-	16.905	-

c. Information on profit share income received from marketable securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss	50.968	136.714	418.647	142.918
Financial Assets Measured at Fair Value through Other				
Comprehensive Income	930.561	122.132	107.695	39.588
Financial Assets Measured at Amortised Cost	1.446.740	531.875	544.323	398.310
Total	2.428.269	790.721	1.070.665	580.816

ç. Information on profit share income received from associates and subsidiaries:

None (June 30, 2023: None).

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

2. Explanations on profit share expenses:

a. Distribution of profit share expense on funds collected based on maturity of funds collected:

Current Period		Profit sharing accounts						Accumul ated profit sharing account	Total
Account name	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	More than 1 year			
TL									
Funds collected from banks through current and profit-sharing accounts	-	8	-	-	-	-	-	8	
Real persons' non-trading profit sharing accounts	682.939	3.564.872	333.642	-	11.661	2.341.715	2.569	6.937.398	
Public sector profit-sharing accounts	-	86	-	-	-	-	-	86	
Commercial sector profit sharing accounts	1.801.538	1.009.328	126.392	-	6.959	124.279	13	3.068.509	
Other institutions profit sharing accounts	14.496	84.288	38.796	-	38.361	5.716	-	181.657	
Total	2.498.973	4.658.582	498.830	-	56.981	2.471.710	2.582	10.187.658	
FC									
Funds collected from banks through current and profit-sharing accounts	-	-	27	-	457	-	-	484	
Real persons' non-trading profit sharing accounts	44.171	36.471	3.247	-	346	13.556	383	98.174	
Public sector profit-sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	2.458	2.240	5.035	-	2	69	10	9.814	
Other institutions profit sharing accounts	119	250	7	-	-	9	-	385	
Precious metals deposits	-	-	-	-	-	-	-	-	
Total	46.748	38.961	8.316	-	805	13.634	393	108.857	
Grand total	2.545.721	4.697.543	507.146	-	57.786	2.485.344	2.975	10.296.515	
Prior Period		Profit sharing accounts						Accumul ated profit sharing account	Total
Account name	Up to 1 month	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	More than 1 year			
TL									
Funds collected from banks through current and profit sharing accounts	-	3	-	-	-	-	-	3	
Real persons' non-trading profit sharing accounts	206.625	1.512.984	175.564	-	1.368	481.264	865	2.378.670	
Public sector profit sharing accounts	1	10	-	-	-	-	-	11	
Commercial sector profit sharing accounts	78.269	298.001	48.907	-	121.641	15.425	1	562.244	
Other institutions profit sharing accounts	6.771	35.157	2.199	-	5	1.101	-	45.233	
Total	291.666	1.846.155	226.670	-	123.014	497.790	866	2.986.161	
FC									
Funds collected from banks through current and profit sharing accounts	-	-	-	-	672	-	-	672	
Real persons' non-trading profit sharing accounts	38.264	32.192	4.995	-	356	16.178	290	92.275	
Public sector profit sharing accounts	-	-	-	-	-	-	-	-	
Commercial sector profit sharing accounts	1.934	2.456	2.231	-	1	136	7	6.765	
Other institutions profit sharing accounts	198	790	108	-	-	844	-	1.940	
Precious metals deposits	24	52	7	-	1	78	2	164	
Total	40.420	35.490	7.341	-	1.030	17.236	299	101.816	
Grand total	332.086	1.881.645	234.011	-	124.044	515.026	1.165	3.087.977	

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

b. Information on profit share expense paid to funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	239.550	845.348	3.058	222.815
CBRT	-	-	-	-
Domestic banks	-	419	-	106
Foreign banks	239.550	844.929	3.058	222.709
Head offices and branches abroad	-	-	-	-
Other institutions	5.205	632.343	3.501	340.817
Total	244.755	1.477.691	6.559	563.632

c. Profit share expense paid to associates and subsidiaries:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share paid to investments in associates and subsidiaries	68.975	-	41	-
Total	68.975	-	41	-

ç. Profit share expenses paid to marketable securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share expenses paid to marketable securities issued	854.703	-	87.554	-
Total	854.703	-	87.554	-

3. The Other Items in Net Fees and Commission Income / Expenses, which constitute at least 20% of the total of other items, if the total of other items in income statement exceed 10% of the total of income statement:

	Current Period	Prior Period
Other Fees and Commissions Received		
Member firm-POS fees and commissions	356.272	81.440
Clearing room fees and commissions	342.495	70.970
Commissions on money orders	143.437	107.538
Prepaid import commissions	186.045	81.317
Loan Limit Allocation Fees	59.483	97.401
Insurance and brokerage commissions	165.862	81.126
Service pack commissions	223.378	243.126
Appraisal fees	57.123	29.881
Export credit commissions	10.296	8.514
Advocacy service commissions and counsel fees	6.925	4.354
Checks and bills commissions	8.087	9.302
Fees and commissions from correspondent banks	2.011	3.712
Safe deposit box commissions	5.111	2.830
Pledge Put and Mortgage Release Fees	5.315	3.763
Enquiry fees received	1.189	1.973
Portfolio management commissions	225.890	62.735
Collection and Payment Commissions	17.871	7.904
Export Price Acceptance Certificate Transaction Fees	7.045	4.175
Commissions Received from Cash against Draft Export Transactions	4.432	3.096
Other	50.405	72.402
Total	1.878.672	977.559

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

3. The Other Items in Net Fees and Commission Income / Expenses, which constitute at least 20% of the total of other items, if the total of other items in income statement exceed 10% of the total of income statement (continued):

Other Fees and Commissions Paid	Current Period	Prior Period
Required Reserves Commissions for CBRT in Foreign currency	-	107.780
Fees and commissions for Swift, EFT and money orders	75.027	47.852
Member firm-POS fees and commissions	90.723	64.939
Credit cards fees and commissions	84.544	50.120
Funds borrowed fees and commissions	5.887	7.931
Other	49.190	19.806
Total	305.371	298.428

4. Information on dividend income:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	-	-	-	166
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	52	304	-	-
Other	-	-	-	-
Total	52	304	-	166

5. Explanations on trading income/loss (net):

	Current Period	Prior Period
Income	19.587.063	14.966.406
Income from capital market transactions	905.359	666.732
Income from derivative financial instruments	189.513	1.325.234
Foreign exchange income	18.492.191	12.974.440
Loss (-)	21.484.523	13.247.370
Loss on capital market transactions	41.435	935.641
Loss on derivative financial instruments	4.173.894	101.499
Foreign exchange losses	17.269.194	12.210.230
Trading Income/Loss (net)	(1.897.460)	1.719.036

6. Explanations related to other operating income:

	Current Period	Prior Period
Reversal of prior year provisions	1.513.730	778.823
Income from sale of assets	58.787	81.203
Communication income	37.179	23.003
Cheque book charges	3.712	2.264
Operating Lease Income	79.909	36.083
Fund Management Fees	146.868	-
Real estate revaluation income ^(*)	933.053	313.979
Real estate rental income ^(*)	44.261	28.087
Real estate sales income ^(*)	13.154	43.425
Other income	62.748	113.050
Total	2.893.401	1.419.917

^(*) Represents the income from real estates' portfolio under real estate investment funds.

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

7. Informations on Expected Credit Losses and Other Provision Expenses:

	Current Period	Prior Period
Expected Credit Loss	432.307	2.170.587
12 month expected credit loss (stage 1)	94.994	755.971
Significant increase in credit risk (stage 2)	47.912	637.987
Non-performing loans (stage 3)	289.401	776.629
Marketable Securities Impairment Expense	-	-
Financial Assets Measured at Fair Value through Profit/Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Impairment Provision for Associates, Subsidiaries and Joint Ventures	-	-
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Miscellaneous Provisions	12.795	66.244
Expected credit losses for 1st and 2nd group non-cash loans	6.829	7.338
Third stage expected loss provision for unindemnified non cash loans	3.032	7.059
Expected credit losses (stage 1) for banks	-	49.847
Profit and loss sharing investments' fair value provision.	-	-
Expected credit losses (stage 1) for other financial assets.	2.934	2.000
Expected credit losses for financial assets measured at amortized cost	-	-
Total	445.102	2.236.831

Expected credit losses amount to TL 445.102 (June 30, 2023: TL 2.236.831 TL 193.750 (June 30, 2023: TL 614.905) representing participation account share of expected credit losses of loans provided from participation accounts.

8. Information on other provision expenses:

	Current Period	Prior Period
Vacation pay provision expenses	57.537	33.849
Impairment on financial assets measured at fair value through profit/loss	-	1.924
Provisions for cases on trial	9.040	12.088
Free provisions allocated for possible losses	-	700.000
Provisions allocated from profit shares to be distributed to profit sharing accounts	29.471	16.046
Total	96.048	763.907

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

8. Information on other operating expenses (continued):

	Current Period	Prior Period
Provision for retirement pay liability	72.000	31.200
Deficit provision for pension fund	-	-
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	208.075	96.767
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	114.888	52.864
Impairment provision for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	-	-
Depreciation expenses of assets to be disposed	-	-
Impairment expenses of assets held for sale and assets of discontinued operations	-	-
Other business expenses	657.450	384.451
Leasing Expenses on TFRS 16 Exceptions	3.262	35.313
Maintenance and repair expenses	52.903	30.760
Advertisement expenses	74.367	12.093
Other expenses ⁽¹⁾	526.918	306.285
Loss on sale of assets	647	664
Other ⁽²⁾	691.872	370.183
Total	1.744.932	936.129

⁽¹⁾ The details of the "Other Expenses" balance under Other Operating Expenses are as follows:

	Current Period	Prior Period
Communication Expenses	54.627	50.407
Donations	21.185	29.126
Cleaning expenses	88.301	41.253
Heating, lighting and water expenses	35.868	39.977
Representation and Hosting expenses	21.664	11.435
Vehicle expenses	23.585	8.566
Lawsuit and court expenses	6.884	4.617
Movables Insurance Expenses	30.483	10.454
Stationery Expenses	6.992	4.156
Expense Share for Common Expenses	6.672	4.161
Subcontractor security service expenses	84.985	39.282
Cash and banknote group transportation service expenses	29.255	30.591
Credit Cards and Banking Services Promotion Expenses	42.402	7.309
Other	74.015	24.951
Total	526.918	306.285

⁽²⁾ Details of "other" balance are provided as below:

	Current Period	Prior Period
Saving Deposit Insurance Fund	218.105	158.501
Taxes, Duties, Charges and Funds	294.046	101.621
Expertise and Information Expenses	61.698	37.488
Audit and Consultancy Fees	29.252	14.655
Institution and Union Participation Share Expense	30.793	19.858
Residence Expenses ⁽¹⁾	7.215	2.652
Shopping Mall expenses ⁽¹⁾	-	-
Shop and Office Expenses ⁽¹⁾	6.036	2.752
Other	44.727	32.656
Total	691.872	370.183

⁽¹⁾ Represents the expenses from real estates' portfolio under real estate investment funds.

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

9. Explanations on income/loss from continued operations before taxes:

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".

10. Explanations on tax provision for continued and discontinued operations:

Since the Parent Bank has no discontinued operations, there is no tax provision for this purpose.

As of June 30, 2024, the Parent Bank has deferred tax income of TL 1.308.854 (June 30, 2023: TL 748.973) and deferred tax expense of TL 1.581.169 (June 30, 2023: TL 1.356.921). The current tax provision is TL 120.272 (June 30, 2023: TL 24.884).

11. Explanations on net income/loss from continued and discontinued operations:

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

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IV. Explanations and notes related to the consolidated statement of profit or loss (continued):

12. Explanations on net income/loss:

- a. **The nature and amount of certain income and expense items from ordinary operations; if the disclosure for nature, amount and repetition rate of such items is required for a complete understanding of the Parent Bank's performance for the period:**

None.

- b. **The effect of the change in accounting estimates to the net income/loss; including the effects on the future period:**

None.

c. Income/loss of minority shares:

	Current Period	Prior Period
Net profit/(loss) of minority shares	13.460	8.747

V. Explanations and notes related to the consolidated statement of changes in shareholders' equity:

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

VI. Explanations and notes related to the consolidated statement of cash flows:

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

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VII. Explanations related to the risk group of the Group:

1. Information on the volume of transactions relating to the Group's risk group, outstanding loans and funds collected and income and expenses related to the period:

a. Current period:

Risk Group of the Group ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect shareholders of the Group		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-Cash
	Loans					
Balance at the beginning of the period	-	-	379.644	125.181	1.297	74
Balance at the end of the period	-	-	893.736	88.972	24	-
Profit share and commission income received	-	-	9.466	97	-	-

b. Prior period:

Risk Group of the Group ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect shareholders of the Group		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 the beginning of period	-	-	45.283	68.658	375	12
Balance at end of period	-	-	379.644	125.181	1.297	74
Profit share and commission income received	-	-	58.918	328	-	1

^(*) Defined under Banking Law numbered 5411 in article 49 and "Communiqué Related to Credit Operations of Banks" in article 4 published on November 1, 2006.

c.1. Information on current and profit sharing accounts of the Group's risk group:

Risk Group of the Group ^(*)	Investment in associates, subsidiaries and joint ventures (Business Partnerships)		Direct and indirect Shareholders of the Group		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
	Current and profit sharing accounts					
Balance at the beginning of period	15.586	15.374	316.055	688.843	6.077	28.403
Balance at the end of period	35.528	15.586	228.533	316.055	1.100	6.077
Profit share expense	-	1.075	-	-	-	172

^(*) As of June 30, 2024, wakala borrowings obtained from risk group of the Parent Bank through investment purpose wakala contracts amount to USD 37.510.948 and EUR ve 5.671.045 (December 31, 2023: USD 32.026.681 and EUR 5.644.353). The profit share expense relating to such borrowings for the period between January 1, 2024- June 30, 2024 is TL 20.728 (June 30, 2023: TL 11.836). USD 155 million of the additional Tier I capital amounting to USD 205 million, which was realized on February 20, 2018, belongs to Albaraka Group, the main shareholder of the company. The related amount is accounted under other capital reserves in the financial statements.

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VII. Explanations related to the risk group of the Group (continued):

c.1. Information on current and profit-sharing accounts of the Parent Bank's risk group (continued):

USD 155 million of the additional Tier I capital amounting to USD 205 million, which was realized on February 20, 2018, belongs to Albaraka Group, the main shareholder of the Parent Bank. The related amount is accounted under other capital reserves in the financial statements.

c.2. Information on forward, option agreements, and other similar agreements with related parties:

The Group does not have forward and option agreements with the risk group of the Parent Bank.

As of June 30, 2024, the Group has paid gross TL 99.175 (June 30, 2023: TL 25.954) to top management.

VIII. Explanations related to consolidated domestic, foreign and offshore branches or investments and foreign representative offices:

Information on the domestic and foreign branches and representative offices of the Parent Bank:

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

IX. Explanations related to subsequent events:

None.

X. Other issues that have significant effect on the balance sheet or that are ambiguous and/or open to interpretation and require clarification:

None.

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NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
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SECTION SIX

Limited review report

I. Explanations on limited review report:

The Group's consolidated financial statements as of and for the period ended June 30, 2024 have been reviewed by PwC Bağımsız Denetim ve SMMM A.Ş. and the reviewed report dated August 19, 2024 is presented at the beginning of the financial statements and related notes.

II. Other notes and explanations prepared by the independent auditors:

None.

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SECTION SEVEN

Information on Interim Report

I. Interim activity report including the evaluations of the chairman of the board of directors and the general manager of the Parent Bank regarding the interim activities

Summary Information about Albaraka Türk Katılım Bankası A.Ş.:

Albaraka Türk is the first participation bank to be established in Turkey and the only participation bank publicly traded on the Borsa Istanbul. Albaraka Türk was established in 1984 with the synergy between the Al Baraka Group (ABG), one of the most distinguished groups in the Middle East finance sector, the Islamic Development Bank (IDB) and a domestic industrial group which has been operating in the Turkish economy for more than half a century, and started to operate actively from 1985.

Albaraka Türk offers its 2,4 million customers a practical, fast and qualified banking experience with its 223 domestic and 2 foreign branches throughout Türkiye, as well as its extensive service network consisting of alternative distribution channels.

Backed by the substantial capital structure of its main partner ABG, Albaraka Türk is one of the key solution partners for Turkish industrialists and investors in global markets. With its two branches abroad, in Erbil and Baghdad in Iraq, and its digital bank, Getinsha, operating in Germany, Albaraka Türk is taking firm steps towards becoming a regional financial powerhouse in the Gulf, Middle East and North Africa regions.

Albaraka Türk supports the real economy by fulfilling its mission of financing production and trade in the most effective way in line with the principles of participation banking. The Bank collects funds through special current accounts and participation accounts, and directs funds to the real sector through individual finance, corporate finance, leasing and project-based profit/loss sharing.

A pioneer in the development of the start-up ecosystem in Turkey, Albaraka Türk provides incubation and acceleration opportunities to entrepreneurs with technology-based business ideas and projects with Albaraka Garage, which is a first for participation banks, offering a qualified contribution to the development of the enterprise ecosystem in Turkey.

Insha Ventures, which was founded by the Albaraka Portföy Yönetim A.Ş.'s Innovation Venture Capital Investment Fund in 2020, continues its activities with the aim of developing financial technology (fintech) projects, building and managing them.

Albaraka Türk reinforces its high service standards with its sincerity and friendly service approach. It carries out all its business processes within the scope of the ISO 9001:2015 Quality Certificate. The ISO 22301 Business Continuity Certificate, which Albaraka Türk has held since 2016, upholds the Bank's competencies and standards in the field of uninterrupted operation of business processes.

Albaraka Türk is a pioneering and leading participation bank which has completed important steps in the process of internalizing the concept of sustainability and ESG (environmental, social and governance). The Bank launched the Sustainable Banking Program with the support of its main partner ABG. Within the scope of the program, Albaraka Türk works with the aim of being a leading financial institution that is sensitive to people and the environment, supports economic and global development while working with all of its stakeholders to build a sustainable world. Acting with a responsible banking approach, Albaraka Türk is focused on fulfilling its obligations to the environment and society, and diligently applying the principles of sustainability and ESG in its activities.

2. Capital and Shareholder' Structure:

As of June 30, 2024, Albaraka Türk's paid-in capital is TL 2.500.000.

Bank's Capital Distribution as of June 30, 2024		
Partnership Structure	Share Amount (TL)	Rate (%)
Albaraka Group*	1.084.167	43,37
Dallah Albaraka Holding	207.585	8,30
Other	157.574	6,29
Public	1.050.674	42,04
Total	2.500.000	100,00

(*) 4,10% of the publicly traded portion belongs to Albaraka Group BSC. The share of Albaraka Group BSC in the total capital is 45,09%.

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Explanations on the interim activity report (continued):

3. Changes in the articles of association for the period 1 January 2023 – 30 June 2024:

The Amendment Text of the Articles of Association of our Bank was approved by the Capital Market Board of Türkiye and approved at the General Assembly of our Bank dated March 27, 2024. The old and new text of the relevant Articles of Association are given below.

OLD TEXT	NEW TEXT
<p>Head Office and Branches Article 5: (1) The Head Office of the Bank is located in the Ümraniye district of Istanbul city. Its address is registered in Istanbul, at Saray Mah. Dr. Adnan Büyükdeniz Street, No:6, 34768 Ümraniye. (2) If the registered address changes, the new address shall be registered and announced via Turkish Trade Registry Gazette, be notified to the Ministry of Customs and Trade, and Capital Markets Board. Failure of the Bank in registering and announcing its new address in time when it moves from the address already registered and announced, shall constitute a reason for dissolution. (3) Based on the resolution of the Board of Directors and within the framework of relevant legislation, the Bank may open or close such units as branches, offices, agents, or establish correspondent units or terminate correspondent banking relationships, either in Turkey or abroad. All such transactions shall be announced to the public pursuant to the provisions of the Capital Market Legislations.</p>	<p>Genel Merkez ve Şubeler Madde 5: (1) The Head Office of the Bank is located in the Ümraniye district of Istanbul city. Its address is registered at İnkılap Mah. Dr. Adnan Büyükdeniz Cad. Albaraka Türk Sitesi 1. Blok No: 6 İç Kapı No: 1 Ümraniye/İstanbul. (2) If the registered address changes, the new address shall be registered and announced via Turkish Trade Registry Gazette, be notified to the Ministry of Customs and Trade, and Capital Markets Board. Failure of the Bank in registering and announcing its new address in time when it moves from the address already registered and announced, shall constitute a reason for dissolution. (3) Based on the resolution of the Board of Directors and within the framework of relevant legislation, the Bank may open or close such units as branches, offices, agents, or establish correspondent units or terminate correspondent banking relationships, either in Turkey or abroad. All such transactions shall be announced to the public pursuant to the provisions of the Capital Market Legislations.</p>

4. Branch and Personnel Information:

As of June 30, 2024, the Bank's total number of branches is 225 and the total number of personnel is 2.731. It continues its activities with 223 domestic branches extended throughout the country and 2 branches abroad in Erbil and Baghdad.

Chairman and Members of the Board of Directors (*):

Name and surname	Function	Education Status	Mission Start Date	Banking and/or Business Experience
Housseem BEN HAJ AMOR	Chairman of the Board	Bachelor	2020	19
Dr. Bekir PAKDEMİRLİ	Deputy Chairman of the Board of Directors (Independent Board Member)	Doctorate	2022	27
Mustafa BÜYÜKABACI	Board Member	Master	2017	28
Dr. Mohamed Ali CHATTI	Board Member	Doctorate	2019	14
Azhar Aziz DOGAR	Board Member	Master	2022	30
Akram "Mark" YASSIN	Independent Member of BOD	Master	2022	37
Ghassan Ahmed M AMODI	Independent Member of BOD	Bachelor	2020	30
Dr. Khaled Abdulla M. ATEEEQ	Board Member	Doctorate	2023	26
Malek Khodr TEMSAH	Member of the Board of Directors and General Manager	Master	2021	21

(* Chairman and members of the Board of Directors included in the table were elected for 3 years at the ordinary general assembly meeting of our Bank dated 27.03.2023.

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Explanations on the interim activity report (continued):

5. Top Management:

Name surname	Function	Education status	Mission Start Date	Banking and/or Business Experience
Malek Khodr TEMSAH	Member of the Board of Directors and General Manager	Master	2021	21
Turgut SİMİTÇİOĞLU	Chief Assistant General Manager	Master	2017	34
Dr. Ömer EMEÇ	Assistant General Manager	Doctorate	2022	14
Serhan YILDIRIM	Assistant General Manager	Bachelor	2022	14
Dr. M. Faruk TORLAK	Assistant General Manager	Doctorate	2022	16
Serhan AKYILDIZ	Assistant General Manager	Bachelor	2022	21
Mehmet Emin CONKAR	Assistant General Manager	Bachelor	2022	25
Umut ÇAKMAK	Assistant General Manager	Bachelor	2022	18
Muzaffer ÇÖLMEK	Assistant General Manager	Bachelor	2022	17
Yasemin AYDIN	Assistant General Manager	Master	2022	28
Mehmet ULUDAĞ	Assistant General Manager	Master	2022	20

6. Managers of the Departments within Internal Systems:

Name surname	Professional Experience (Year)	Seniority at Albaraka Türk	Length of Services in His Area	Education status	Fields of Responsibility
Ahmet UYSAL	19	19	17 years	Master	Internal Audit
Erdal SEZER	22	22	1 years	Bachelor	Risk Management
Ahmet Faruk DEĞİRMENÇİ	17	17	7 years	Bachelor	Internal Control
Melih AYTAR	14	14	14 years	Master	Legislation and Compliance

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Explanations on the interim activity report (continued):

7. Committee and committee members formed after the distribution of duties among the members of the Board of Directors:

AUDIT COMMITTEE

Chairman:	Mustafa BÜYÜKABACI
Member:	Mohamed Ali CHATTI
Member:	Khaled Abdulla Mohamed ATEEQ

CREDIT COMMITTEE

Chairman:	Housseem BEN HAJ AMOR
Member:	Bekir PAKDEMİRLİ
Member:	Malek Khodr TEMSAH
Member:	Azhar Aziz DOGAR
Reserve Member:	Mohamed Ali CHATTI
Reserve Member:	Akram "Mark" YASSIN

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE

Chairman:	Ghassan Ahmed M AMODI
Member:	Akram "Mark" YASSIN
Member:	Seyfullah DEMİRLEK

REMUNERATION AND NOMINATION COMMITTEE

Chairman:	Housseem BEN HAJ AMOR
Member:	Mustafa BÜYÜKABACI
Member:	Mohamed Ali CHATTI

INFORMATION TECHNOLOGIES GOVERNANCE COMMITTEE

Chairman:	Khaled Abdulla Mohamed ATEEQ
Member:	Malek Khodr TEMSAH
Member:	Bekir PAKDEMİRLİ

RISK COMMITTEE

Chairman:	Housseem BEN HAJ AMOR
Member:	Ghassan Ahmed M AMODI
Member:	Khaled Abdulla Mohamed ATEEQ

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Explanations on the interim activity report (continued):

Financial information and evaluations about the Parent Bank:

1. Major financial indicators:

ASSETS	Current Period	Previous Period
Cash and Balances with Central Bank	59.438.484	49.084.192
Banks	23.883.573	14.723.761
Government Debt Securities	45.325.362	45.851.210
Credits	114.060.942	104.619.836
Financial Leasing Receivables	4.992.709	4.549.011
Other	21.997.827	14.408.973
TOTAL ASSETS	269.698.897	233.236.983
LIABILITIES	Current Period	Previous Period
Funds Collected	179.192.110	161.794.943
Funds Borrowed	31.740.475	22.333.534
Securities Issued (Net)	13.978.554	7.915.501
Subordinated Debt Instruments	9.025.516	8.896.597
Equities	16.745.238	14.348.404
Other	19.017.004	17.948.004
TOTAL LIABILITIES	269.698.897	233.236.983
INCOME AND EXPENSE ITEMS	Current Period	Previous Period
Profit Share Income	18.190.910	6.942.266
Profit Share Expense	13.394.152	3.846.253
Net Profit Share Income / Expenses	4.796.758	3.096.013
Net Fee and Commission Income / Expenses	1.790.779	826.603
Trading Income /Loss (Net)	(1.897.460)	1.719.036
Other Operating Income	2.893.401	1.419.917
Net Operating Income / Loss	2.813.571	1.906.566
Tax Provisions for Continuing Operations (++)	392.587	632.832
NET PROFIT/LOSS FOR THE PERIOD	2.571.353	1.345.523
Earnings/Loss per Share	1,02316	0,53471

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Explanations on the interim activity report (continued):

2. Message from the Chairman of the Board:

Dear Stakeholders

The dominant agenda of the first half of this year was the close monitoring of the disinflation process in the global economy and the debates over the future of monetary policies. In particular, the divergence of disinflation and growth paths in Europe and the US has created disagreements regarding monetary policy paths in the markets. As the disinflation process in the US did not realize at the expected level in the first half of the year, market expectations regarding the Fed's interest rate cut also changed, which had an impact on global markets. On the other hand, the European Central Bank, which gave messages of divergence from the Fed in terms of the pace of monetary policy easing throughout the year, started its easing cycle in June with its first rate cut after a long interval. In China, both the continued recovery in domestic consumption and positive signals in global trade led to an upward revision in growth forecasts.

IMF kept its global growth expectations unchanged in its recently published economic outlook report, but revised its country-based forecasts. The IMF's global growth forecast is 3.2% for 2024. The estimated growth rate was set at 3.3% for 2025. Weaker-than-expected growth figures in the US in the first part of the year led to a downward revision in growth expectations for 2024 and 2025, which were set at 2.6% for 2024 and 1.9% for 2025. In Europe, the strong outlook for services activity and the continued easing in monetary policy led to an upward revision in growth expectations. The IMF expects growth of 0.9% for 2024 and 1.5% for 2025.

On the other hand, geopolitical and political risks increase uncertainty in the global economic outlook. Although the pressure on commodity prices caused by the ongoing tension in the Middle East has eased, this effect still continues. Global trade is also affected by political tensions and supply chains are under pressure. The possibility that a possible policy change in the US could increase tensions in the Pacific stands out as one of the most important risk factors on global trade activities. In addition to all these, the upcoming US presidential elections and the uncertainties shaped around the elections remain one of the most serious points of uncertainty for both global markets and global politics.

In the first half of the year, inflation in Turkey followed a trend in line with the expectations of the economic management. Annual CPI, which increased until May, declined in June for the first time since the beginning of the year. CPI, which was 75.45% in May, fell to 71.6% in June. The fact that the expected slowdown in demand did not materialize, especially in the first quarter of the year, was one of the important factors that kept inflation high. On the other hand, considering the favorable base effect and the milder demand indicators from the second quarter onwards compared to the first quarter, annual CPI inflation is expected to continue on a downward trend in the coming months.

The banking sector, which has been one of the key drivers of growth in recent periods, continues to contribute to economic growth in 2024. On the other hand, participation banking continues to have a significant share in the Turkish banking sector with 8,1% in the first half of 2024.

In this period, while making moves that will positively affect its profitability by increasing its asset quality, our Bank continues to invest in digitalization in line with today's conditions. As Albaraka Türk, with the awareness and responsibility of being Turkey's first and pioneering Participation Bank, we will continue to respond to the financial needs of our customers in every field, as we always do. With our vision of "becoming the reliable, innovative, digital pioneer of participation finance", we will continue to grow even further and take firm steps forward.

With its employees and stakeholders, our Bank will continue to be a pioneer in the sector and serve sustainable growth and development in the coming periods. I would like to take this opportunity to sincerely thank my colleagues, shareholders and all other stakeholders for their contributions to our success.

Kind regards,

Housseem BEN HAJ AMOR

Chairman of Board of Directors

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Explanations on the interim activity report (continued):

3. Message from the Chairman of the Board:

Dear Stakeholders,

In the past period, we have witnessed an atmosphere in which monetary tightness was kept unchanged for a long period of time and the roadmap for monetary easing was being drawn in advanced economies. In the US, while the Federal Reserve (Fed) has kept interest rates unchanged at 5.5% since last year, better-than-expected inflation data and statements by officials have fueled the debates on how much interest rate cuts will be made this year. On the other hand, the European Central Bank (ECB) started its easing cycle by cutting its policy rate from 4.5% to 4.25% in June. On the expectations side, US officials' statements prompted the markets to price in at least two rate cuts until the end of the year. In particular, market expectations for the September meeting are heavily weighted towards a rate cut.

In Türkiye, the tightening measures continue to have an impact. In the first quarter of the year, New Year's wage hikes and earlier consumer demand prevented the expected improvement in economic indicators, but sectoral data and data on consumer demand showed that the economy responded to the tightening policies as expected in the second quarter. In fact, real sector expectations indicators such as PMI data points to a tightening outlook. Industrial production, which is an important backward-looking real sector indicator, also remained below market expectations and supported this outlook. On the consumer demand side, the latest retail trade data recorded the slowest annual increase since July 2022, confirming the extent of the weakening in demand. The recovery in the current account deficit accelerated thanks to the favorable outlook in the foreign trade deficit. The current account deficit, which was around USD 45 billion in December 2023, declined to USD 25.2 billion in the latest May 2024 data. In the coming months, the improvement in the current account deficit may become more remarkable due to the continued improvement in the foreign trade balance and the favorable impact of tourism. CBRT reserves, one of the most important agenda items of the financial outlook, have recovered very rapidly in recent months, and net reserves excluding swaps, which have increased by more than USD 80 billion since the beginning of April, moved into positive zone at the end of May. On the other hand, outflows from the FX Protected Accounts continue in a stable manner. As of July, the balance of the FX-Protected Accounts fell by about 52% from its peak. Due to the decline in residents' demand for FX, the share of TL deposits rose above 50% again after a long period of time.

The Turkish banking sector which is the largest stakeholder in the economy, showed a moderate growth performance in the first half of 2024 under the influence of tight monetary policy after the strong growth trend in 2023. In June 2024, total assets in the sector exceeded TL 28 trillion, increasing by 19% compared to the end of the year, while net profit in the first half of the year reached TL 314 billion. The positive trend in the asset quality of the banking sector continued in the first half of 2024; the non-performing loan ratio, which fell to 1.55% at the end of 2023, decreased to 1.47% in June 2024.

According to Albaraka Türk's first half financial results, the Bank's total assets increased by 15.6% compared to the end of 2023 and reached TL 269.7 billion. In the same period, our total loan portfolio increased by 7.7% to TL 115.7 billion. The funds we collected through participation accounts and special current accounts reached TL 179.5 billion. As of the end of June 2024, our Bank's net profit reached TL 2.6 billion, up 91% compared to the same period last year. In the first quarter of the year, we continued to reflect our success in profitability to our asset quality.

In 2023, we have defined our new vision and mission that will concretely reflect the transformation process and the new era of our Bank. Our vision in the new period will be to be the reliable, innovative, digital pioneer of participation finance by offering financial services with the best customer experience and to ensure sustainable profitable growth. Our mission for the new period is to meet the financial needs of society with a customer-centered approach in accordance with the principles of participation finance and moral values, and to provide high value to all our stakeholders in a solution-oriented manner by acting with a sense of social responsibility. As we continue to support the real sector, we will continue our digitalization-oriented journey without slowing down. At Albaraka Türk, we will strive to increase our sustainability activities, which we attach great importance to and carry out meticulously. We will continue to work without slowing down in line with our goal of providing the highest quality banking services to our customers.

As the Albaraka Türk family, I hope that our new mission, vision, and values will guide us as we achieve our strategic goals. I would like to take this opportunity to thank my colleagues, our customers, our shareholders and all our other stakeholders, and to extend my sincerest regards.

King Regards,

Malek Khodr TEMSAH

General Manager and Board Member

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Explanations on the interim activity report (continued):

4. Activities in the First Quarter of 2024:

- In the first three months of 2024, our Total Assets amounted to TL 269.698.897.
- In the first quarter of 2024, the funds collected by our Bank through "Special Current Accounts" and "Profit and Loss Participation Accounts" amounted to TL 179.192.110. As of the first quarter, participation accounts are realized as TL 99.172.186 and current accounts are 80.019.924 TL.
- Fund Collection Activities of Our Bank; It is carried out through our bank's branches throughout the country and correspondent banks abroad.

TL and USD Equivalent	Current period		Previous period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
TL Funds	95.924.132	2.985.408	81.304.178	2.778.870	17,98	7,62
Current accounts	16.434.323	511.479	15.049.056	514.357	9,21	(,39)
Participation Accounts	79.489.809	2.473.929	66.255.122	2.264.513	19,98	9,44
FC Funds	83.267.978	2.591.515	80.490.765	2.751.069	3,45	(5,64)
Current accounts	63.585.601	1.978.949	60.601.731	2.071.288	4,92	(4,29)
Participation Accounts	19.682.377	612.567	19.889.034	679.781	(1,04)	(9,73)
TOTAL	179.192.110	5.576.923	161.794.943	5.529.939	10,75	1,02

TL and USD Equivalent	Current period		Previous period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
Credits (*)	117.078.431	3.643.784	107.363.273	3.669.536	9,05	(,53)
Non-performing Loans	1.975.220	61.474	1.805.574	61.713	9,40	(,21)
Provisions	(3.397.475)	(105.738)	(4.431.351)	(151.458)	(23,33)	(30,07)
TOTAL	115.656.176	3.599.520	104.737.496	3.579.791	10,42	0,72

(*) Including financial leasing.

The rates in the preparation of the tables are as follows:

Balance Sheet Period	USD/TL
As of 31 March, 2024	32,131
As of 31 December, 2023	29,258

5. Evaluation of Financial Status, Profitability and Solvency:

- Our Operating Income increased by %55 compared to the same period of the previous year and reached TL 4.796.758.
- Our Net Fee Commission income increased by 117% compared to the same period of the previous year and reach to 1.790.779 TL.
- Our net profit increased by 91% compared to the same period of the previous year and reached 2.571.353 TL in the first half of the year.
- As of June 30, 2024, our capital adequacy ratio is 14,37%, above the legal obligation level.

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Explanations on the interim activity report (continued):

6. Explanations on Important Developments for the Period of 1 January 2024 – 30 June 2024:

- In our material event disclosure dated 13.02.2024; the name of the Investor Relations Department has been changed as "Investor Relations and Sustainability Department".
- In our material event disclosure dated 26.02.2024; permission has been obtained from the Ministry of Trade regarding the change of the "Company headquarters address" of our Bank.
- On 27.02.2024, International Credit Rating Agency Fitch Ratings upgraded our credit rating outlook from negative to stable.
- On 28.02.2024, the Bank's future expectations for the end of 2024 were announced.
- On 01.03.2024, the Corporate Governance Principles Compliance Rating Agreement between our Bank and DRC Rating Services A.Ş. (DRC RATING) was renewed for 1 year on 01.03.2024.
- 2023 Integrated Annual Report was published on 06.03.2024.
- 2023 Corporate Governance Compliance Report was published on 06.03.2024.
- 2023 Sustainability Compliance Report was published on 12.03.2024.
- On 15.03.2024, International Credit Rating Agency Fitch Ratings assigned the following ratings to our Bank; Long Term Credit Rating: B-, Credit Rating Outlook: Positive, Short Term Credit Rating: B.
- On March 27, 2024, the Articles of Association were amended at the Ordinary General Assembly of our Bank.
- At the General Assembly Meeting held on 27.03.2024, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was elected as the Independent Audit Firm/Auditor.
- In our material event disclosure dated 3.04.2024; it has been decided to initiate the liquidation process of Getinsha GMBH, a subsidiary of our Bank.
- On 4.04.2024, the results of the Bank's General Assembly, the amendment to the articles of association regarding the election of the audit company and change of address were registered.
- On 6.05.2024, following the upgrade of Turkey's sovereign rating by the International Credit Rating Agency Fitch Ratings, Turkey's national scale rating was readjusted; accordingly, our Bank's long-term national credit rating was revised as "BBB(tur)". The rating outlook was announced as "Positive".
- In our public disclosure announcement dated 16.05.2024; with the decision number 2624 of our Board of Directors dated 16.05.2024; it has been decided that our Company, Albaraka Türk Katılım Bankası A. Ş ("Fund User"), shall apply to the CMB and other relevant authorities to obtain the necessary approvals for the issuance of Lease Certificates with or without public offering, private placement and/or qualified investors, up to an amount of TRY 20,000,000,000 (Twenty Billion Turkish Liras) in tranches with different maturities and by using one or more categories and types of Lease Certificates according to the Lease Certificate Communiqué.
- In our public disclosure announcement dated 16.05.2024; with the decision number 2623 at the Board of Directors of dated 16.05.2024; it has been decided that Albaraka Türk Katılım Bankası A. Ş shall establish "Medium Term Note" (MTN) Programme in which our company will act as fund user, which will enable the issuance of Lease Certificates abroad up to a maximum amount of US\$ 1 Billion or its equivalent in any other currency, with fixed and/or floating return, in one or more tranches and maturities, including the issuance of Tier 2 Capital Lease Certificates. In relation to this program, it has been decided to make the necessary applications both domestically and abroad, to determine all terms and conditions related to the issuance, to prepare, sign all contracts and other related documents, and to authorize the General Directorate for their follow-up.
- On 17.05.2024; DRC Rating Services A.Ş. assigned the CMB Corporate Governance Principles Compliance Rating Score of our Bank as 9.31.

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Matters that occurred during the period of **1 January 2024 - 30 June 2024** were announced to the public and uploaded to the Public Disclosure Platform as a notification. All of these announcements are shared in the Investor Relations tab of the Albaraka Türk website.

<https://www.albaraka.com.tr/ozel-durum-aciklamalari.aspx>

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Explanations on the interim activity report (continued):

- Our Bank's Ordinary General Assembly Meeting was held on March 27, 2024, with the following agenda, as announced to our shareholders in the Public Disclosure Platform statement dated February 28, 2024.

AGENDA:

- 1 - Inauguration and formation of the Presiding Council.
- 2 - Authorizing the Presiding Council to sign the minutes of the General Assembly meeting.
- 3 - Reading and discussing the Annual Report of the Board of Directors (BoD) on the fiscal year 2023.
- 4 - Reading and discussing the Auditor's reports.
- 5 - Reading, discussing and approving the Financial Statements.
- 6 - Acquittal the Members of the BoD.
- 7 - Deciding on utilization and distribution of profit and dividend sharing through discussing the BoD's proposal on the utilization and distribution of the annual profit and dividends.
- 8 - Discussing the fiscal rights and benefits of the Board members such as salary & wages, per diems, bonus & premiums and alike.
- 9 - Election of the Auditor.
- 10 - Due to the decision of Ümraniye Municipality to include Saray Neighborhood, where our Bank Headquarters is located, into İnkılâp Neighborhood, discussing and deciding on the proposal of the Board of Directors regarding the amendment of our Bank's Articles of Association's 1st paragraph of Article 5 titled "Headquarters and Branches", to align our Headquarters' address stated in our Articles of Association with the current circumstance.
- 11 - Presenting information to the General Assembly about operations effected in scope of the buy-back Program for our Bank's own shares in 2023.
- 12 - Authorizing the BoD to be able to distribute profit to participation fund owners in loss occurring periods, in line with Article 6/10 of the "Regulation on Procedures and Principles regarding Acceptance and Withdrawal of Deposits and Participation Funds and Any Deposit, Participation Fund, The Bailed Goods and Receivable That Have Been Subjected to Prescription".
- 13 - Approval of reflecting those provisions set aside by our Bank for the participation accounts, on expense accounts in line with Article 19/2 of the "Regulation on Procedures and Principles for Classification of Loans and Provisions to be Set Aside".
- 14 - Permitting Members of the BoD with respect to articles 395 and 396 of Turkish Commercial Code.
- 15 - Presenting information to the shareholders pursuant to Principle no. 1.3.6. of the Capital Markets Board's Corporate Governance Communiqué.
- 16 - Presenting information to the General Assembly about donations made by our Bank in 2023.
- 17 - Remarks and requests.