

Albaraka Türk Katılım Bankası Anonim Şirketi

**Unconsolidated financial statements
and related disclosures at December 31, 2024
together with independent auditor's report**

(Convenience translation of the independent auditor's report and
financial statements originally issued in Turkish – see section three Note I.b)



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH
(See Note I.b of Section Three)
INDEPENDENT AUDITOR'S REPORT**

To the General Assembly of Albaraka Türk Katılım Bankası Anonim Şirketi

A. Audit of the Unconsolidated Financial Statements

1. Qualified Opinion

We have audited the accompanying unconsolidated financial statements of Albaraka Türk Katılım Bankası Anonim Şirketi (the "Bank"), which comprise the statement of unconsolidated balance sheet as at 31 December 2024, unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows for the year then ended and the notes to the unconsolidated financial statements and a summary of significant accounting policies and unconsolidated financial statement notes.

In our opinion, except for the effect of the matter on the unconsolidated financial statements described in the Basis For Qualified Opinion paragraph below, the unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of the Bank as at 31 December 2024, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended 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 Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.



2. Basis for Qualified Opinion

As explained in Section Five Part II. 5.b of Explanations and Notes to the Unconsolidated Financial Statements; the accompanying unconsolidated financial statements as at 31 December 2024 include a free provision under other provisions amounting to TL 7.300.000 thousand which consist of TL 5.213.000 thousand provided in prior years and TL 2.087.000 thousand recognized in the current year by the Bank management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation. If the mentioned free provision were not provided, the other provisions would decrease by TL 7.300.000 thousand, net profit and shareholders' equity would increase by TL 2.087.000 thousand and TL 6.700.000 thousand as of 31 December 2024 respectively.

Our audit was conducted in accordance with the "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements" section of our report. We hereby declare that we are independent of the Bank in accordance with the Ethical Rules for Independent Auditors (including International Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our qualified opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion Section we have determined the matters described below to be key audit matters to be communicated in our report.



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Expected credit losses for loans and receivables</p> <p>The Bank has total expected credit losses provision for loans and receivables amounting to TL 4.465.233 thousand in respect to total loans and receivables amounting to TL 148.483.514 thousand which represent a significant portion of the Bank’s total assets in its unconsolidated financial statements as at 31 December 2024. Explanations and notes regarding the provision for impairment of loans are represented in Notes VII of Section Three, II.1 and X.c of Section Four and 1.6 of Section Five of the accompanying unconsolidated financial statements as at 31 December 2024.</p> <p>The Bank recognizes provision for impairment in accordance with “TFRS 9 Financial Instruments” (“TFRS 9”) requirements and the “Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided” as published in the Official Gazette dated 22 June 2016 numbered 29750. The Bank exercises significant decisions using subjective judgement, interpretation and assumptions over when and how much to record as loan impairment.</p> <p>The Bank uses complex models for determining significant increase in credit risk and calculation of TFRS 9 expected credit losses. Historical events and information used in current conditions and macro-economic expectations considered in expected loss accounting should be reasonable and supportable.</p>	<p>Within our audit procedures, we assessed policies and procedures together with the overall governance established by the Bank with respect to classification of loans and the calculation of expected credit losses in accordance with the applicable regulations. We tested the design and the operating effectiveness of relevant systems and processes implemented in accordance with these principles.</p> <p>We checked appropriateness of matters considered in methodology applied by the Bank with TFRS 9 for calculation of the provision amount through stage classification of loans and receivables. For forward looking assumptions made by the Bank’s management in its expected credit losses calculations, we held discussions with management and evaluated the assumptions using publicly available information. Regarding expected credit losses methodology; we have assessed reasonability and tested model segmentation, lifetime probability of default model, exposure at default calculation, loss given default model and the approaches to reflecting macroeconomic expectations with our financial risk experts. We have assessed interpretation of expert opinion regarding reasonable and supportable forward looking expectations (including macroeconomic factors)</p>



<i>Key Audit Matters</i>	<i>How the key audit matter was addressed in the audit</i>
<p>Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as historical loss experiences, current conditions, macro-economic expectations; the significance of the loans and receivables balances, the classification of loans and receivables as per their credit risk (staging) and the importance of determination of the associated expected credit loss. Timely and correct identification of default event and significant increase in credit risk and level of judgements and estimations made by the management have significant impacts on the amount of impairment provisions for loans and receivables. Therefore, this area is considered as key audit matter.</p>	<p>Our procedures also included the following:</p> <ul style="list-style-type: none"> • Together with our financial risk experts, we evaluated and tested reasonableness of the changes in the expected credit loss allowance methodology and the performance of the impairment models used. • For a selected sample, we checked expected credit losses and receivables determined based on individual assessment per Bank’s policy by means of supporting data, and evaluated appropriateness via communications with management. • We checked key data sources for data used in expected credit losses calculations. We tested reliability and completeness of the data used in expected credit losses calculations with our information systems specialists. • We checked accuracy of resultant expected credit losses calculations on a sample basis. • To assess appropriateness of the Bank’s determination of staging for credit risk in the framework of existing regulations, identification of impairment and timely and appropriate provisioning for impairment we have performed loan review procedures based on a selected sample. • We evaluated the adequacy of the disclosures made in the unconsolidated financial statements regarding the provision for impairment of loans and receivables.



4. Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

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

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

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

5. Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

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



B. Other Responsibilities Arising From Regulatory Requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Bank's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Bank's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

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 31 December 2024. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

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

Didem Demer Kaya, SMMM
Independent Auditor

Istanbul, 14 February 2025

**UNCONSOLIDATED FINANCIAL REPORT OF ALBARAKA TÜRK KATILIM BANKASI A.Ş.
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

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

The unconsolidated year ended 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 BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING PRINCIPLES APPLIED IN THE RELATED PERIOD
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- INDEPENDENT AUDITOR'S REPORT

The unconsolidated 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 independently audited and presented as attached.

Housseem BEN HAJ AMOR	Malek Khodr TEMSAH	Umut ÇAKMAK	Yasin KAYNAR
Chairman of the Board of Directors	General Manager	Assistant General Manager	Acting Manager of Financial Reports and Budget Management
Mustafa BÜYÜKABACI	Mohamed Ali CHATTI	Khaled A. Mohamed ATEEQ	
Chairman of the Audit Committee	Member of the Audit Committee	Member of the Audit Committee	

Contact information of the personnel in charge of the addressing of questions about this financial report:
Name-Surname/Title : Tugay BİNGÜL/ Financial Reporting and Budget Management/
Vice Manager
Telephone : 00 90 216 666 07 32
Facsimile : 00 90 216 666 16 11

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ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

SECTION ONE

GENERAL INFORMATION

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

Albaraka Türk Katılım Bankası Anonim Şirketi (the 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 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 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 Bank was changed as “Albaraka Türk Katılım Bankası A.Ş.”. The change in the title was registered in İstanbul Trade Registry on December 22, 2005 and published in the Trade Registry Gazette dated December 27, 2005, numbered 6461.

The Bank’s head office is located in İstanbul and is operating through 223 (December 31, 2023: 223) local branches and 2 (December 31, 2023: 2) foreign branches and with 2.761 (December 31, 2023: 2.723) staff as of December 31, 2024.

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

As of December 31, 2024, 43,37% (December 31, 2023: 43,37%) of the 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, 42,04% (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 UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 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 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 A. 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 Bank's qualified shareholders:

The 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 UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

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

The Bank operates in accordance with the principles of interest-free banking as a participation bank. The 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. 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 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, semiannual 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 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 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 Hayat ve Emeklilik and Hayat 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 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 Bank are not limited to the clauses listed above. If any activities other than those mentioned are considered as beneficial to the 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. The existing or potential, actual or legal obstacles on immediate transfer of equity or reimbursement of liabilities between the Bank and its subsidiaries:

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

SECTION TWO

The unconsolidated financial statements

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF DECEMBER 31,2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

ASSETS	Notes (Section Five-I)	CURRENT PERIOD December 31, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		55.669.525	67.952.923	123.622.448	33.759.226	56.966.566	90.725.792
1.1 Cash and Cash Equivalents	(1)	28.420.827	55.362.681	83.783.508	23.405.932	39.954.247	63.360.179
1.1.1 Cash and Balances with Central Bank		22.027.725	39.233.688	61.261.413	16.760.819	32.323.373	49.084.192
1.1.2 Banks		6.603.030	16.207.071	22.810.101	6.867.754	7.717.726	14.585.480
1.1.3 Money Market Placements		-	-	-	-	-	-
1.1.4. Expected Credit Losses (-)		209.928	78.078	288.006	222.641	86.852	309.493
1.2 Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	(2)	15.307.552	6.509.878	21.817.430	6.894.578	12.886.675	19.781.253
1.2.1 Government Securities		316.052	5.667.966	5.984.018	282.362	12.191.540	12.473.902
1.2.2 Equity Securities		-	126.498	126.498	-	74.650	74.650
1.2.3 Other Financial Assets		14.991.500	715.414	15.706.914	6.612.216	620.485	7.232.701
1.3 Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	(3)	11.895.869	5.983.238	17.879.107	3.414.078	4.118.013	7.532.091
1.3.1 Government Securities		11.673.678	3.668.942	15.342.620	3.273.543	1.187.016	4.460.559
1.3.2 Equity Securities		7.667	44.521	52.188	7.667	37.594	45.261
1.3.3 Other Financial Assets		214.524	2.269.775	2.484.299	132.868	2.893.403	3.026.271
1.4 Derivative Financial Assets	(5)	45.277	97.126	142.403	44.638	7.631	52.269
1.4.1 Derivative Financial Assets Measured at Fair Value through Profit/Loss		45.277	97.126	142.403	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)		94.515.819	76.275.789	170.791.608	82.100.490	51.489.567	133.590.057
2.1 Loans	(6)	81.279.520	61.987.447	143.266.967	68.988.788	35.631.066	104.619.854
2.2 Lease Receivables	(7)	3.254.454	1.962.093	5.216.547	3.815.109	733.902	4.549.011
2.3 Financial Assets Measured at Amortised Cost	(4)	12.398.909	14.374.418	26.773.327	11.533.660	17.318.883	28.852.543
2.3.1 Government Securities		12.398.909	14.374.418	26.773.327	11.533.660	17.318.883	28.852.543
2.3.2 Other Financial Assets		-	-	-	-	-	-
2.4 Expected Credit Losses (-)	(6)	2.417.064	2.048.169	4.465.233	2.237.067	2.194.284	4.431.351
III. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(8)	4.127.302	118.173	4.245.475	641.631	-	641.631
3.1 Asset Held for Resale		4.127.302	-	4.127.302	641.631	-	641.631
3.2 Assets of Discontinued Operations		-	118.173	118.173	-	-	-
IV. OWNERSHIP INVESTMENTS (Net)	(9)	92.600	-	92.600	47.600	64.221	111.821
4.1 Associates (Net)		67.500	-	67.500	22.500	-	22.500
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		67.500	-	67.500	22.500	-	22.500
4.2 Subsidiaries (Net)		5.100	-	5.100	5.100	64.221	69.321
4.2.1 Unconsolidated Financial Investments in Subsidiaries		5.100	-	5.100	5.100	64.221	69.321
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)		20.000	-	20.000	20.000	-	20.000
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2 Unconsolidated Joint-Ventures		20.000	-	20.000	20.000	-	20.000
V. TANGIBLE ASSETS (Net)	(10)	6.152.750	81.936	6.234.686	4.448.035	66.241	4.514.276
VI. INTANGIBLE ASSETS (Net)	(11)	713.793	-	713.793	357.219	-	357.219
6.1 Goodwill		-	-	-	-	-	-
6.2 Others		713.793	-	713.793	357.219	-	357.219
VII. INVESTMENT PROPERTY (Net)	(12)	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		8.161	-	8.161	-	-	-
IX. DEFERRED TAX ASSET	(13)	1.785.466	-	1.785.466	1.194.755	-	1.194.755
X. OTHER ASSETS	(14)	2.480.716	573.008	3.053.724	668.743	365.201	1.033.944
TOTAL ASSETS		165.546.132	145.001.829	310.547.961	123.217.699	108.951.796	232.169.495

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF DECEMBER 31,2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

LIABILITIES	Notes (Section Five-II)	CURRENT PERIOD December 31, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
I. FUNDS COLLECTED	(1)	107.915.855	96.850.726	204.766.581	81.304.541	80.501.315	161.805.856
II. FUNDS BORROWED	(2)	17.187.212	33.049.580	50.236.792	2.178.308	28.357.631	30.535.939
III. BORROWINGS FROM MONEY MARKETS		-	-	-	-	-	-
IV. SECURITIES ISSUED (Net)		-	-	-	-	-	-
V. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS		-	-	-	-	-	-
VI. DERIVATIVE FINANCIAL LIABILITIES	(3)	112.184	6.105	118.289	114.039	7.337	121.376
6.1 Derivative Financial Liabilities at Fair Value through Profit or Loss		112.184	6.105	118.289	114.039	7.337	121.376
6.2 Derivative Financial Liabilities at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
VII. LEASE PAYABLES	(4)	1.107.778	73.257	1.181.035	702.237	72.516	774.753
VIII. PROVISIONS	(5)	9.384.032	35.439	9.419.471	6.525.366	43.598	6.568.964
8.1 Restructuring Reserves		-	-	-	-	-	-
8.2 Reserve for Employee Benefits		1.954.693	-	1.954.693	1.202.524	-	1.202.524
8.3 Insurance Technical Reserves (Net)		-	-	-	-	-	-
8.4 Other Provisions		7.429.339	35.439	7.464.778	5.322.842	43.598	5.366.440
IX. CURRENT TAX LIABILITY	(6)	553.652	132.055	685.707	1.095.841	96.074	1.191.915
X. DEFERRED TAX LIABILITY		-	-	-	-	-	-
XI. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(7)	-	-	-	-	-	-
11.1 Assets Held for Sale		-	-	-	-	-	-
11.2 Assets of Discontinued Operations		-	-	-	-	-	-
XII. SUBORDINATED LOANS	(8)	-	14.007.315	14.007.315	-	8.896.597	8.896.597
12.1 Loans		-	14.007.315	14.007.315	-	8.896.597	8.896.597
12.2 Other Debt Instruments		-	-	-	-	-	-
XIII. OTHER LIABILITIES	(9)	8.000.501	3.703.326	11.703.827	4.355.660	4.531.016	8.886.676
XIV. SHAREHOLDERS' EQUITY	(10)	18.320.659	108.285	18.428.944	13.326.608	60.811	13.387.419
14.1 Paid-In Capital		2.500.000	-	2.500.000	2.500.000	-	2.500.000
14.2 Capital Reserves		2.688.530	-	2.688.530	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		2.665.252	-	2.665.252	4.056.733	-	4.056.733
14.3 Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss		2.110.996	-	2.110.996	1.579.623	-	1.579.623
14.4 Accumulated Other Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		1.593.637	108.285	1.701.922	1.318.028	60.811	1.378.839
14.5 Profit Reserves		6.679.763	-	6.679.763	1.533.386	-	1.533.386
14.5.1 Legal Reserves		464.809	-	464.809	293.381	-	293.381
14.5.2 Status Reserves		-	-	-	-	-	-
14.5.3 Extraordinary Reserves		5.494.954	-	5.494.954	1.020.005	-	1.020.005
14.5.4 Other Profit Reserves		720.000	-	720.000	220.000	-	220.000
14.6 Profit or Loss		2.747.733	-	2.747.733	2.315.560	-	2.315.560
14.6.1 Prior Years Profit/(Loss)		(1.562.715)	-	(1.562.715)	(1.112.998)	-	(1.112.998)
14.6.2 Current Year Profit/(Loss)		4.310.448	-	4.310.448	3.428.558	-	3.428.558
TOTAL LIABILITIES		162.581.873	147.966.088	310.547.961	109.602.600	122.566.895	232.169.495

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET
AS OF DECEMBER 31, 2024

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

STATEMENT OF OFF-BALANCE SHEET	Notes (Section Five-III)	CURRENT PERIOD December 31, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS (I+II+III)		40.565.170	46.534.249	87.099.419	38.792.293	33.545.326	72.337.619
I. GUARANTEES AND SURETIES	(1)	23.342.299	17.053.338	40.395.637	15.325.346	14.746.594	30.071.940
1.1. Letters of Guarantees		23.096.458	10.398.647	33.495.105	15.172.970	9.438.213	24.611.183
1.1.1. Guarantees Subject to State Tender Law		2.317.179	504.278	2.821.457	2.023.770	400.715	2.424.485
1.1.2. Guarantees Given for Foreign Trade Operations		390	3.415.338	3.415.728	390	3.389.192	3.389.582
1.1.3. Other Letters of Guarantee		20.778.889	6.479.031	27.257.920	13.148.810	5.648.306	18.797.116
1.2. Bank Loans		-	171.087	171.087	-	137.121	137.121
1.2.1. Import Letter of Acceptances		-	171.087	171.087	-	137.121	137.121
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letter of Credits		67.629	6.434.310	6.501.939	12.800	5.141.798	5.154.598
1.3.1. Documentary Letter of Credits		-	-	-	-	-	-
1.3.2. Other Letter of Credits		67.629	6.434.310	6.501.939	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		-	49.294	49.294	-	29.462	29.462
1.7. Other Collaterals		178.212	-	178.212	139.576	-	139.576
II. COMMITMENTS	(1)	11.042.295	1.341.379	12.383.674	7.273.434	1.748.585	9.022.019
2.1. Irrevocable Commitments		10.997.795	1.341.379	12.339.174	7.228.934	1.748.585	8.977.519
2.1.1. Asset Purchase and Sale Commitments		848.079	1.341.379	2.189.458	1.050.506	1.748.585	2.799.091
2.1.2. Share Capital Commitment to Associates and Subsidiaries		22.500	-	22.500	67.500	-	67.500
2.1.3. Loan Granting Commitments		626.280	-	626.280	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		2.174.162	-	2.174.162	1.628.852	-	1.628.852
2.1.7. Tax And Fund Liabilities from Export Commitments		134.211	-	134.211	78.574	-	78.574
2.1.8. Commitments for Credit Card Expenditure Limits		7.191.304	-	7.191.304	3.797.263	-	3.797.263
2.1.9. Commitments for Promotions Related with Credit Cards and Banking Activities		698	-	698	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		561	-	561	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)	6.180.576	28.139.532	34.320.108	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		6.180.576	28.139.532	34.320.108	16.193.513	17.050.147	33.243.660
3.2.1. Forward Foreign Currency Buy/Sell Transactions		306.312	755.364	1.061.676	167.848	1.764.017	1.931.865
3.2.1.1. Forward Foreign Currency Transactions-Buy		197.595	335.799	533.394	127.947	743.016	870.963
3.2.1.2. Forward Foreign Currency Transactions-Sell		108.717	419.565	528.282	39.901	1.021.001	1.060.902
3.2.2. Other Forward Buy/Sell Transactions		5.874.264	27.384.168	33.258.432	16.025.665	15.286.130	31.311.795
3.3. Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		593.395.337	185.847.893	779.243.230	365.308.886	122.192.080	487.500.966
IV. ITEMS HELD IN CUSTODY		30.840.723	111.112.171	141.952.894	17.450.435	61.975.672	79.426.107
4.1. Assets Under Management		14.371.807	-	14.371.807	5.251.693	-	5.251.693
4.2. Investment Securities Held in Custody		5.675	32.988.820	32.994.495	9.124	21.282.784	21.291.908
4.3. Cheques Received for Collection		13.003.919	335.290	13.339.209	9.196.163	346.474	9.542.637
4.4. Commercial Notes Received for Collection		3.090.972	1.132.703	4.223.675	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		264.794	4.224.585	4.489.379	218.626	2.340.384	2.559.010
4.8. Custodians		103.453	72.430.773	72.534.226	57.025	37.718.161	37.775.186
V. PLEDGED ITEMS		562.554.614	74.735.722	637.290.336	347.858.451	60.216.408	408.074.859
5.1. Marketable Securities		21.821.520	16.378.836	38.200.356	19.249.676	16.891.614	36.141.290
5.2. Guarantee Notes		9.259.361	259.091	9.518.452	5.618.532	187.917	5.806.449
5.3. Commodity		90.720.131	6.416.222	97.136.353	52.109.951	4.711.743	56.821.694
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		421.629.326	45.388.628	467.017.954	242.386.120	32.844.770	275.230.890
5.6. Other Pledged Items		18.749.005	6.262.880	25.011.885	28.274.636	5.565.022	33.839.658
5.7. Pledged Items-Depository		375.271	30.065	405.336	219.536	15.342	234.878
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		633.960.507	232.382.142	866.342.649	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.
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
AS OF DECEMBER 31, 2024

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

STATEMENT OF PROFIT OR LOSS		Notes (Section Five-IV)	CURRENT PERIOD January 1- December 31, 2024	PRIOR PERIOD January 1- December 31, 2023
I.	PROFIT SHARE INCOME	(1)	42.060.352	20.074.424
1.1	Profit Share on Loans		29.758.919	14.978.830
1.2	Income Received from Reserve Deposits		3.396.748	34.863
1.3	Income Received from Banks		1.112	201
1.4	Income Received from Money Market Placements		68.177	59.972
1.5	Income Received from Marketable Securities Portfolio		7.003.776	4.292.704
1.5.1	Financial Assets at Fair Value Through Profit and Loss		529.021	1.458.907
1.5.2	Financial Assets at Fair Value through Other Comprehensive Income		2.634.094	540.315
1.5.3	Financial Assets Measured at Amortised Cost		3.840.661	2.293.482
1.6	Finance Lease Income		1.703.442	686.415
1.7	Other Profit Share Income		128.178	21.439
II.	PROFIT SHARE EXPENSE	(2)	34.609.034	11.544.245
2.1	Expense on Profit Sharing Accounts		25.836.494	9.443.208
2.2	Profit Share Expense on Funds Borrowed		7.271.483	1.933.269
2.3	Profit Share Expense on Money Market Borrowings		1.332.023	35.262
2.4	Profit Share Expense on Securities Issued		-	-
2.5	Finance Lease Expense		156.412	100.183
2.6	Other Profit Share Expense		12.622	32.323
III.	NET PROFIT SHARE INCOME (I – II)		7.451.318	8.530.179
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSES		3.392.012	2.251.403
4.1	Fees and Commissions Received		4.023.488	2.765.873
4.1.1	Non-Cash Loans		455.518	330.810
4.1.2	Other	(3)	3.567.970	2.435.063
4.2	Fees and Commissions Paid (-)		631.476	514.470
4.2.1	Non-Cash Loans		1.068	514
4.2.2	Other	(3)	630.408	513.956
V.	DIVIDEND INCOME	(4)	2.926	1.129
VI.	TRADING INCOME/LOSS(net)	(5)	4.299.344	4.882.532
6.1	Capital Market Transaction Income/(Loss)		6.925.700	2.797.443
6.2	Profit/(Loss) from Derivative Financial Instruments		(4.628.376)	(457.803)
6.3	Foreign Exchange Income/(Loss)		2.002.020	2.542.892
VII.	OTHER OPERATING INCOME	(6)	3.258.001	1.948.855
VIII.	TOTAL OPERATING INCOME (III+IV+V+VI+VII)		18.403.601	17.614.098
IX.	EXPECTED CREDIT LOSS (-)	(7)	2.447.130	3.599.967
X.	OTHER PROVISION EXPENSES (-)	(7)	3.363.197	4.223.947
XI.	PERSONNEL EXPENSES (-)		4.487.176	2.515.247
XII.	OTHER OPERATING EXPENSES (-)	(8)	3.698.026	2.191.305
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		4.408.072	5.083.632
XIV.	EXCESS AMOUNT RECORDED AS GAIN AFTER MERGER		-	-
XV.	PROFIT/(LOSS) ON EQUITY METHOD		-	-
XVI.	PROFIT/(LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	(9)	4.408.072	5.083.632
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(10)	97.624	1.655.074
18.1	Provision for Current Taxes		172.194	1.606.614
18.2	Deferred Tax Expense Effect (+)		3.326.434	3.139.794
18.3	Deferred Tax Income Effect (-)		3.401.004	3.091.334
XIX.	NET INCOME/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)	(11)	4.310.448	3.428.558
XX.	INCOME FROM DISCONTINUED OPERATIONS	(11)	-	-
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		-	-
XXI.	LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
21.1	Loss from Assets Held for Sale		-	-
21.2	Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-
21.3	Loss from Other Discontinued Operations		-	-
XXII.	PROFIT/(LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Provision for Current Taxes		-	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		-	-
XXIV.	NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	(12)	4.310.448	3.428.558
	Earnings Per Share		1,72418	1,37142

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS OF DECEMBER 31, 2024

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

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	CURRENT PERIOD January 1- December 31, 2024	PRIOR PERIOD January 1- December 31, 2023
I. CURRENT PERIOD PROFIT/LOSS	4.310.448	3.428.558
II. OTHER COMPREHENSIVE INCOME	854.456	1.407.348
2.1 Other Income/Expense Items not to be Recycled to Profit or Loss	531.373	738.136
2.1.1 Revaluation Surplus on Tangible Assets	867.490	998.797
2.1.2 Revaluation Surplus on Intangible Assets	-	-
2.1.3 Defined Benefit Plans' Actuarial Gains/Losses	(201.769)	(63.697)
2.1.4 Other Income/Expense Items not to be Recycled to Profit or Loss	(47.454)	(44.080)
2.1.5 Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	(86.894)	(152.884)
2.2 Other Income/Expense Items to be Recycled to Profit or Loss	323.083	669.212
2.2.1 Exchange Rate Conversion Differences	372.916	598.333
2.2.2 Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at Financial Assets Measured at Fair Value through Other Comprehensive Income	(71.191)	119.504
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	21.358	(48.625)
III. TOTAL COMPREHENSIVE INCOME (I+II)	5.164.904	4.835.906

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF DECEMBER 31, 2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Notes (Section Five-V)					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						
		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 Shareholders' Equity
CURRENT PERIOD															
(January 1 – December 31, 2024)															
I. Closing balance	(V)	2.500.000	23.278	-	4.056.733	1.804.567	(224.944)	-	1.116.839	262.000	-	1.533.386	(1.112.998)	3.428.558	13.387.419
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)	-	1.116.839	262.000	-	1.533.386	(1.112.998)	3.428.558	13.387.419
IV. Total Comprehensive Income		-	-	-	-	672.611	(141.238)	-	372.916	(49.833)	-	-	-	4.310.448	5.164.904
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		-	-	-	(1.391.481)	-	-	-	-	-	-	1.733.126	(465.024) ⁽²⁾	-	(123.379)
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	3.413.251	15.307	(3.428.558)	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	3.413.251	(3.413.251)	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	3.428.558	(3.428.558)	-
Balances at end of the period (III+IV...+X+XI)		2.500.000	23.278	-	2.665.252	2.477.178	(366.182)	-	1.489.755	212.167	-	6.679.763	(1.562.715)	4.310.448	18.428.944

⁽¹⁾ The 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 Bank has paid TL 752.883 in February and August 2024, the coupon payment amount of undated additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 240.540 the 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.
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF DECEMBER 31, 2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Notes (Section Five-V)					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						
		Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves ^(*)	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Shareholders' Equity
PRIOR PERIOD															
(January 1 – December 31, 2023)															
I. Closing balance	(V)	2.500.000	23.278	-	1.585.124	1.034.726	(193.239)	-	518.506	191.121	-	1.832.302	(738.341)	1.365.496	8.118.973
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)	-	518.506	191.121	-	1.832.302	(738.341)	1.365.496	8.118.973
IV. Total Comprehensive Income		-	-	-	-	769.841	(31.705)	-	598.333	70.879	-	-	-	3.428.558	4.835.906
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		-	-	-	2.471.609	-	-	-	-	-	-	(1.651.681)	(387.388) ^(**)	-	432.540
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	1.352.765	12.731	(1.365.496)	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	1.352.765	(1.352.765)	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	1.365.496	(1.365.496)	-
Balances at end of the period (III+IV...+X+XI)		2.500.000	23.278	-	4.056.733	1.804.567	(224.944)	-	1.116.839	262.000	-	1.533.386	(1.112.998)	3.428.558	13.387.419

^(*) The 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.

^(**) The Bank has paid TL 509.929 in February and August 2023, the coupon payment amount of undated additional tier 1 capital Sukuk and has recognized it under "prior periods' profit / loss". TL 186.514 the 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.
UNCONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS
AS OF DECEMBER 31, 2024
(Thousand of Turkish Lira (TL) unless otherwise stated)

STATEMENT OF CASH FLOWS		Notes (Section Five-VI)	CURRENT PERIOD January 1- December 31, 2024	CURRENT PERIOD January 1- December 31, 2023
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes In Operating Assets And Liabilities		(657.014)	2.676.421
1.1.1	Profit Share Income Received		38.596.303	15.746.163
1.1.2	Profit Share Expense Paid		(35.341.899)	(9.099.764)
1.1.3	Dividend Received		2.926	1.129
1.1.4	Fees and Commissions Received		3.534.889	2.421.717
1.1.5	Other Income		1.717.175	1.346.163
1.1.6	Collections from Previously Written Off Loans	(V-I-6,h2)	299.212	994.473
1.1.7	Payments to Personnel and Service Suppliers		(5.122.561)	(3.477.265)
1.1.8	Taxes Paid		(655.707)	(1.106.081)
1.1.9	Others	(V-VI-3)	(3.687.352)	(4.150.114)
1.2	Changes In Operating Assets And Liabilities		(2.716.906)	2.427.932
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		2.985.972	(4.464.921)
1.2.2	Net (Increase) Decrease in Due From Banks and Other Financial Institutions		(9.640.157)	(10.273.082)
1.2.3	Net (Increase) Decrease in Loans		(36.242.544)	(23.035.343)
1.2.4	Net (Increase) Decrease in Other Assets		(8.382.259)	129.124
1.2.5	Net Increase (Decrease) in Bank Deposits		2.510.355	193.650
1.2.6	Net Increase (Decrease) in Other Deposits		39.465.620	37.767.967
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		3.378.591	-
1.2.9	Net Increase (Decrease) in Matured Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities	(V-VI-3)	3.207.516	2.110.537
I.	Net Cash Flow From Banking Operations		(3.373.920)	5.104.353
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash flow from investing activities		(1.484.711)	(5.979.042)
2.1	Cash Paid For Acquisition of Investments, Associates and Subsidiaries		(98.952)	(22.500)
2.2	Cash Obtained From Disposal of Investments, Associates and Subsidiaries		-	-
2.3	Purchases of Property and Equipment		(809.131)	(980.813)
2.4	Disposals of Property and Equipment		217.408	129.192
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(19.529.743)	(21.934.692)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		13.235.387	17.743.314
2.7	Purchase of Financial Assets Measured at Amortised Cost	(V-I-4)	(6.171.172)	(5.228.236)
2.8	Sale of Financial Assets Measured at Amortised Cost	(V-I-4)	11.671.492	4.314.693
2.9	Other		-	-
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Flow From Financing Activities		11.178.665	17.064.904
3.1	Cash Obtained from Funds Borrowed and Securities Issued		188.803.903	58.693.693
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued		(176.707.782)	(40.965.622)
3.3	Issued Capital Instruments		-	-
3.4	Dividends Paid		-	-
3.5	Leases Paid		(164.573)	(153.238)
3.6	Other		(752.883)	(509.929)
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(V-VI-3)	1.390.298	2.149.197
V.	Net (Decrease) Increase in Cash and Cash Equivalents		7.710.332	18.339.412
VI.	Cash and Cash Equivalents at the Beginning of the Period	(V-VI-a)	31.859.321	13.519.909
VII.	Cash and Cash Equivalents at the End of the Period	(V-VI-b)	39.569.653	31.859.321

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

STATEMENT OF PROFIT APPROPRIATION	CURRENT PERIOD December 31, 2024	PRIOR PERIOD December 31, 2023
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1. CURRENT YEAR INCOME	4.408.072	5.083.632
1.2. TAXES AND DUTIES PAYABLE (-)	97.624	1.655.074
1.2.1. Corporate tax (Income tax)	172.194	1.606.614
1.2.2. Income withholding tax	-	-
1.2.3. Other taxes and legal liabilities (*)	(74.570)	48.460
A. NET INCOME FOR THE YEAR (1.1-1.2)	4.310.448	3.428.558
1.3. PRIOR YEAR LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVES (-)	-	171.427
1.5. OTHER STATUTORY RESERVES (-)	-	15.307
B. DISTRIBUTABLE NET PERIOD INCOME [(A)-(1.3+1.4+1.5)] (**)	4.310.448	3.241.824
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1. To owners of ordinary shares	-	-
1.6.2. To owners of preferred shares	-	-
1.6.3. To owners of preferred shares (Preemptive rights)	-	-
1.6.4. To Profit sharing bonds	-	-
1.6.5. To owners of the profit /loss sharing certificates	-	-
1.7. DIVIDEND TO PERSONNEL (-)	-	-
1.8. DIVIDEND TO BOARD OF DIRECTORS (-)	-	-
1.9. SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1. To owners of ordinary shares	-	-
1.9.2. To owners of preferred shares	-	-
1.9.3. To owners of preferred shares (Preemptive rights)	-	-
1.9.4. To profit sharing bonds	-	-
1.9.5. To owners of the profit /loss sharing Certificates	-	-
1.10. SECOND LEGAL RESERVE (-)	-	-
1.11. STATUS RESERVES (-)	-	-
1.12. EXTRAORDINARY RESERVES	-	3.241.824
1.13. OTHER RESERVES	-	-
1.14. SPECIAL FUNDS	-	-
II. DISTRIBUTION FROM RESERVES		
2.1. DISTRIBUTED RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. SHARE TO SHAREHOLDERS (-)	-	-
2.3.1. To owners of ordinary shares	-	-
2.3.2. To owners of preferred shares	-	-
2.3.3. To owners of preferred shares (Preemptive rights)	-	-
2.3.4. To profit sharing bonds	-	-
2.3.5. To owners of the profit /loss sharing certificates	-	-
2.4. SHARE TO PERSONNEL (-)	-	-
2.5. SHARE TO BOARD OF DIRECTORS (-)	-	-
III. EARNINGS PER SHARE		
3.1. TO OWNERS OF ORDINARY SHARES (***) (Full TL)	1,72	1,37
3.2. TO OWNERS OF ORDINARY SHARES (%)	172,00	137,00
3.3. TO OWNERS OF PREFERRED SHARES	-	-
3.4. TO OWNERS OF PREFERRED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1. TO OWNERS OF ORDINARY SHARES (Full TL)	-	-
4.2. TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3. TO OWNERS OF PREFERRED SHARES	-	-
4.4. TO OWNERS OF PREFERRED SHARES (%)	-	-

(*) Deferred tax income is presented in "other taxes and legal liabilities" line. Deferred tax income is not subject to profit appropriation; thus it is classified under extraordinary reserves.

(**) General Assembly of the Bank is the authorized body for the profit appropriation decisions. The Ordinary General Assembly Meeting has not been held as of the date of the preparation of these financial statements.

(***) Calculated by using the number of share certificates as of year-end.

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

SECTION THREE

Accounting Policies

I. Explanations on basis of presentation:

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 Bank has prepared its financial statements in accordance with the "Regulation on Principles and Procedures Regarding Accounting Applications of Banks and Safeguarding of Documents" published in the Official Gazette dated 1 November 2006 and numbered 26333, as well as other regulations regarding the accounting and recording systems of banks published by the Banking Regulation and Supervision Agency ("BRSA"), circulars, interpretations, and the "BRSA Accounting and Financial Reporting Legislation" which includes provisions of the Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight Accounting and Auditing Standards Authority ("KGK") for matters not covered by these regulations. Additionally, the Communiqué on Financial Statements to be Announced to the Public by Banks and the Related Explanations and Footnotes" and the "Communiqué on Disclosures to be Made to the Public by Banks on Risk Management" published in the Official Gazette dated 28 June 2012 and numbered 28337, as well as the communiqués supplementing and amending these, have been considered in the preparation of the financial statements."

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 Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

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

Public Oversight Accounting and Auditing Standards Authority ("POA"), with its announcement dated 23 November 2023, applied that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies ("TAS 29"), however, institutions or organizations authorized to regulate and supervise in their own fields may determine different transition dates for the applying of TAS 29. Based on this announcement of POA, BRSA, with its decision dated 12 December 2023 and numbered 10744, decided that the financial statements dated December 31, 2023 of banks and financial leasing, factoring, financing, savings financing and asset management companies should not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA's decision dated 11 January 2024 and numbered 10825, it has been decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will be applied inflation accounting as of 1 January 2025. Finally, BRSA's decision dated 11 January 2024 and numbered 10825, it has been decided that banks and financial leasing, factoring, financing, savings financing and asset management companies would not apply inflation accounting in 2025. Accordingly, the Bank has not applied the inflation accounting required by TAS 29 in its unconsolidated financial statements for the year ended December 31, 2024.

The TFRS 17 Insurance Contracts standard, published by the Public Oversight, Accounting and Auditing Standards Authority (KGK) on February 16, 2019, to be applied for financial periods starting after December 31, 2022, establishes the principles for the recognition, measurement, presentation, and disclosure of insurance contracts within its scope. The aim of TFRS 17 is to ensure that businesses present these contracts in a way that reflects their true nature. KGK has decided that TFRS 17 will be applied in the consolidated and individual financial statements of companies starting from January 1, 2024. However, according to KGK's letter dated February 15, 2024, and numbered 22667, the effective date of TFRS 17 has been postponed to January 1, 2025. With KGK's latest announcement, the mandatory effective date of the standard has been further postponed to financial periods beginning on or after January 1, 2026.

b. Accounting policies and valuation principles used in the preparation of financial statements:

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

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

I. Explanations on basis of presentation (continued):

b. Accounting policies and valuation principles applied in the preparation of financial statements: (Continued)

The preparation of the unconsolidated financial statements according to BRSA Reporting and Accounting Legislation requires the Bank'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, provisions for the lawsuits, deferred tax assets and liabilities, 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

The accounting policies and valuation principles applied in the preparation of unconsolidated 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.

c. 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.

d. Comparative information and classifications:

The changes in accounting policies are applied retrospectively and previous period financial statements are restated. The Financial statements of the Bank are prepared comparative to the previous term in order to determine its financial position and performance 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 Bank 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 Bank's most important funding sources are its equity and borrowings from foreign financial institutions. The Bank sustains its liquidity to cover matured liabilities by holding adequate level of cash and cash equivalents.

The 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 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.

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 of the Bank included in the financial statements are converted into Turkish lira at the exchange rate ruling at the balance sheet date announced by the 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.

In converting the financial statements of the Bank's branches abroad into TL, the end-of-period Bank foreign exchange buying rate was taken as basis for the currencies. Profit and loss items are converted into TL using the bank's foreign exchange buying rate on the date of the transaction, and all exchange differences arising from the translation are accounted for in the "Accumulated Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss" account under equity in accordance with TAS 21.

There are no foreign currency differences capitalized by the Bank.

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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

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

The derivative financial instruments of the Bank, generally, consist of forward foreign currency, forward security and swap agreements. Derivative transactions portfolio may change as per market conditions in related terms. The Bank 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).

IV. 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 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 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.

V. 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 Bank records the related cash and non-cash loans commissions directly as income.

VI. 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 Bank, if the 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.

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VI. Explanations on financial assets (continued):

Assessment of business model:

As per TFRS 9, the 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 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 Bank's business models are divided into three categories. These categories are defined below:

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 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 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 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 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.

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VI. Explanations on financial assets (continued):

Financial assets at the fair value through profit or loss (continued):

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 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.

Financial assets at fair value through other comprehensive income:

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 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 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 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.

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VII. Explanations on expected credit losses:

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

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 Bank has reflected the estimations and judgments used in the calculation of credit losses as of December 31, 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 2024. 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 2024 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 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.

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VII. Explanations on expected credit losses (continued):

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.

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 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 bank will make in this case
- The Bank management's conclusion that there is significant increase in credit risk. At this point, the 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 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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VIII. Explanations on offsetting of financial instruments:

Financial instruments are offset when the Bank 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 Bank which are repurchased has been offset in financial assets measured at fair value through other comprehensive income and subordinated loan accounts.

IX. 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 Bank 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.

X. 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 Bank has assets that are possessed due to receivables and debtors' obligations to the Bank and classified as assets held for sale. In the case that the Bank 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 Bank transfers such assets from assets held for sale and discounted operations to tangible assets.

A discontinued operation is a part of the Bank'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. 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.

XI. 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 Bank. The Bank'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 Bank over their estimated economic useful lives in equal amounts on a straight-line basis.

Useful lives of the 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 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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XII. 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 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, 2024, the Bank has revalued its immovables and reflected the results of appraisal reports prepared by an 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 Bank 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

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XIII. 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 Bank, as a participation bank, acts as a lessor in finance leasing transactions. The 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 continues almost the same.

The 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 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 Bank's average profit rate.

If the ratio cannot be easily determined, the 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 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 Bank is depreciating the right-to-use asset, it utilizes the provisions for depreciation in TAS 16 Tangible Assets Standard

The lease liabilities:

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

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XIII. Explanations on leasing transactions (continued):

After the effective date of the lease, the 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.

XIV. 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 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 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.

XV. 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 Bank 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 Bank 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 Bank.

The Bank has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, The Bank recognizes all actuarial gains and losses immediately through other comprehensive income. As of December 31, 2024, there is a total actuarial loss of TL 523,117 before deferred tax under equity (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 employees are members.

ii) *Defined contribution plans:*

The Bank pays defined contribution plans to publicly administered Social Security Funds for its employees. The Bank 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, Bank measures the expected costs of the cumulative annual leaves as additional amounts anticipate to pay accumulated and unused rights as of reporting period.

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XVI. Explanations on taxation:

Current tax:

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

In the financial statements as of 31 December, 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 5 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 Bank. As of report date, there is no information or written report transmitted to the Bank.

Within the framework of the provision of Article 298/A of the Tax Procedure Law, the conditions required for inflation adjustment in the corporate tax calculation have been met as of the end of the 2021 calendar year. However, with the regulation made by Law No. 7352 dated January 20, 2022, the inflation adjustment application in the corporate tax calculation was postponed to 2025. Accordingly, The TPL financial statements for the 2021, 2022 and 2023 accounting periods have not been subject to inflation correction and will be applied to the financial statements dated December 31, 2024, and the profit/loss difference resulting from the inflation correction will be shown in the previous years' profit/loss account and will not be subject to tax.

With the law number 7491 published in the Official Gazette numbered 32413 dated December 28, 2023, banks, payment and electronic money 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 considered 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.

Domestic Minimum Corporate Tax Regulation

Türkiye has implemented the Domestic Minimum Corporate Tax through the laws published in the Official Gazette on August 2, 2024. This tax will be applied starting from the 2025 fiscal year. With the Law No. 7524, the Minimum Corporate Tax system has been introduced, and it stipulates that the calculated corporate tax, before deductions and exemptions, cannot be less than 10% of the corporate income. The regulation will come into effect on the publication date and will apply to corporate profits for the 2025 tax period. Additionally, the Corporate Tax General Communiqué No. 23 has been published on the subject.

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XVI. Explanations on taxation (continued):

Deferred tax:

The Bank 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 “XVII 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 Bank recognizes deferred tax. While making this calculation, The 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 temporary Article 33 of the Tax Procedure Law, in the financial statements dated 30 September 2024, tax effects arising from the inflation adjustment of corporate tax are included in the deferred tax calculation as of 31 December 2024. As of December 31, 2024, deferred tax calculation has been made for assets and liabilities at a rate of 30%.

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.

Global Minimum Corporate Tax

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

The exception regarding the non-recognition and non-disclosure of deferred taxes within this scope, as well as the provision that the exception has been applied, will be implemented with the publication of the change in the regulation.

With a Bill presented to the Grand National Assembly of Turkey (TBMM) on July 16, 2024, Turkey has started to adopt the OECD’s Global Minimum Tax for Multinational Enterprises regulations (Pillar two). These regulations came into effect with laws published in the Official Gazette on August 2, 2024. The implementation in Turkey is largely aligned with the OECD’s Pillar 2 Model Rules, showing similarities in areas such as scope, exemptions, consolidation, tax calculations, and filing deadlines. While secondary regulations regarding calculation details and implementation methods have not yet been published, preliminary assessments, considering the regulations published by the OECD, continue to evaluate the impact of these regulations on financials. Furthermore, legal changes in Turkey and in other countries where the Bank operates are being monitored.

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XVII. Additional explanations on borrowings:

The Bank 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 Bank has no borrowings that require hedging techniques for accounting and revaluation of debt instruments and liabilities representing the borrowings.

There are no debt securities issued by the Bank. The Bank has issued borrowings 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 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 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.

XVIII. Explanations on issued 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:

	Current Period	PRIOR PERIOD
Net profit/(loss) distributable to ordinary shareholders	4.310.448	3.428.558
Weighted average number of ordinary shares in issue (in thousands)	2.500.000	2.500.000
Earnings per share (full TL)	1,72418	1,37142

XIX. Explanations on acceptances and availed drafts:

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

XX. Explanations on government grants:

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

XXI. Explanations on segment reporting:

Business segment is a component of the Bank that engages in business activities from which the Bank may earn revenues and incur expenses, whose operating results are regularly reviewed by the 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.

XXII. Explanations on investments in associates, subsidiaries and joint ventures:

The subsidiaries and associates are accounted at cost less provisions for impairment losses (if any) in the unconsolidated financial statements accordance with TAS 27 “Turkish Accounting Standards for Individual Financial Statements”.

XXIII. Explanations on other matters:

There are no other matters.

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SECTION FOUR

Information on Financial Structure and Risk Management

I. Explanations on 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 December 31, 2024, the Bank’s total capital has been calculated as TL 26.167.415 and capital adequacy standard ratio is 17,15 %. As of December 31, 2023, Bank’s total capital amounted to TL 17.706.314 and capital adequacy ratio was 17,25%. The Bank’s capital adequacy standard ratio is above the minimum ratio required by the legislation.

a. Information on 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	5.117.048	420.388
Gains recognized in equity as per TAS	6.065.435	6.538.322
Profit	4.310.448	3.428.558
Current Period Profit	4.310.448	3.428.558
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	18.016.209	12.910.546
Deductions from Common Equity Tier 1 Capital	-	-
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods’ losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	366.182	224.944
Improvement costs for operating leasing	72.670	38.257
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	618.647	328.505
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	361.233	342.136
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions From Common Equity Tier 1 Capital	1.418.732	933.842
Total Common Equity Tier 1 Capital	16.597.477	11.976.704

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

a. Information on 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)	-	-
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)	17.373.197	12.752.424
TIER II CAPITAL	-	-
Debt instruments and share issue premiums deemed suitable by the BRSA	7.657.100	4.089.830
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	1.139.978	994.618
Tier II Capital Before Deductions	8.797.078	5.084.448
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	18	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	18	122.468
Total Tier II Capital	8.797.060	4.961.980
Total Capital (The sum of Tier I Capital and Tier II Capital)	26.170.257	17.714.404
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	2.842	8.090

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

a. Information on 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 Tier1 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)	26.167.415	17.706.314
Total risk weighted amounts	152.596.337	102.661.068
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	10,88	11,67
Tier 1 Capital Adequacy Ratio (%)	11,39	12,42
Capital Adequacy Ratio (%)	17,15	17,25
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 (%)	-	-
c) Systemic significant bank buffer ratio (%)	-	-
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 (%)	6,38	7,17
Amounts below the Excess Limits as per the Deduction Principles	2,50	-
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	1.695.871	1.231.885
Limits related to provisions considered in Tier II calculation	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	1.139.978	994.618
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	1.139.978	994.618
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	-	-

(¹) Amounts in this column represents the amounts of items that are subject to transition provisions.

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

a. Information on capital (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 December 31, 2024, the Bank has utilized this facility in calculating capital adequacy ratio.

b. Details on subordinated liabilities:

Issuer	Albaraka CT One Ltd.	Albaraka MTN Ltd.	Bereket One Ltd.
Unique Identifier (CUSIP, ISIN etc.)	XS2594992914	XS2930602409	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 3.480.500	TL 4.176.600	TL 775.720 ⁽¹⁾
Par Value of Instrument	TL 3.480.500	TL 4.176.600	TL 775.720
Accounting Classification	Subordinated Loan	Subordinated Loan	Equity
Original date of Issuance	February 28, 2023	October 30, 2024	February 20, 2018
Perpetual or dated	Dated	Dated	Undated
Maturity date	February 28, 2033	October 28, 2034	Undated
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date: February 28, 2033 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: October 30, 2024 Total Repayment Amount of Profit Share: USD 42.000.000 (first 5 years), USD 42.000.000 (second 5 years) Coupon Repayment Period: 6 months Principal Payment: USD 120.000.000	Last Payment Date: None First refund option date February 20, 2018 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	10 %	7 %	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 capital adequacy standard ratio (continued):

c. Information on reconciliation of total capital and equity:

The difference between Total Capital and Equity in the unconsolidated 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 their related deferred tax liabilities and other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. Explanations on credit risk:

- 1) Credit risk represents the Bank's risk or losses arising from corporate and individual loan customers who have cash or non-cash credit relations with the Bank not fulfilling the terms of their agreements partially or in full. Limit assignment authority primarily belongs to the Board of Directors and based on the authority given by the Board of Directors, the risk limits of the Bank are determined by Head-office Loan Committee, Loan Committee and Board of Directors. Head-office Loan Committee may exercise such authority partially through units of the Bank or branches. Proposal for loans are presented in a written format to the Loan Committee and Board of Directors.

Regarding the credit risk, debtors or group of debtors is subject to risk limitations. Credit limits are determined separately for each individual customer, company, group of companies, and risk groups. While determining credit risk several criteria such as the customers' financial strength, commercial capacities, sectors, geographical areas and capital structure are evaluated collectively.

In accordance with the decision taken by the Board of Directors of the Bank, the Bank cannot grant loans above 15% of its equity to a real person or legal entity (Exception to this decision is subject to the decision of the Board of Directors). Distributing the risk in a balanced manner to the sectors is observed, therefore in their marketing operations the branches strive for reaching various firms existing in different sectors. As a principle, each branch oversees the balanced distribution of the total risk to the sectors and progress of the firms existing in critical sectors.

The credibility of the debtors of loans are monitored periodically in accordance with related legislation. The financial documents for loans are obtained, audited and updated as necessary as stipulated in the related legislation. Credit limits of customers are renewed periodically according to the Bank's credit limit renewal procedure. The Bank obtains necessary collaterals for loans by analyzing the creditworthiness of corporate and individual loans according to its credit policy. Main collaterals obtained for credit risk are mortgage on real estate, cash blockage, pledges on vehicle and machinery.

Limits defined by the Board of Directors and Loan Committee for each bank are followed-up by Treasury Management on a daily basis for the transactions related with placements or treasury operations like foreign currency purchase and sales with domestic and foreign correspondent banks.

As of 1 January 2018, the Bank recognizes provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. Related classifications are mentioned in the third section under the heading of Accounting Policies, in No.VII. "Explanations on expected credit loss provisions by Banks".

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II. Explanations on credit risk (continued):

The amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types, are disclosed below for the relevant period:

Risk Categories	Current Period Risk Amount	Average Risk Amount^(*)
Receivables from central governments or central banks	69.343.975	66.590.309
Receivables from regional or local governments	49.229	13.232
Receivables from administrative units and non-commercial enterprises	36.115	83.277
Receivables from multilateral development banks	-	-
Receivables from international organizations	-	-
Receivables from banks and brokerage houses	31.204.289	25.809.078
Receivables from corporates	85.564.996	58.308.173
Retail receivables	20.983.550	18.326.737
Receivables secured by mortgages on property	28.002.635	21.252.852
Past due receivables	95.814	67.971
Receivables defined in high risk category by BRSA	-	-
Collateralized Securities	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-
Investments similar to collective investment funds	-	-
Other receivables	22.530.153	19.791.824
Equity share investments	144.638	397.493
TOTAL^(*)	257.955.394	210.640.946

^(*) Average risk amount was tested by taking the arithmetic average of monthly risk amounts for 2024.

- (2) The credit risk undertaken for forwards, options and similar agreements is managed together with the risks arising from market movements.
- (3) The risks of forwards, options and similar agreements are followed regularly and the Bank utilizes risk mitigation methods if needed.
- (4) Indemnified non-cash loans are subject to the same risk weight as overdue loans. Rescheduled or restructured loans are followed in accordance with the principles of credit risk management and follow-up principle of the Bank. Financial position and commercial operations of those customers are analyzed continuously and the principal and profit payments based on the restructured payment plan are monitored by the related departments.
- The Bank considers that long-term commitments are exposed to more credit risk than short-term commitments and matters such as defining risk limits and obtaining collateral for long-term risks are addressed more extensively as compared to short-term risks.
- (5) The Bank has credit lines in different countries within the scope of its banking activity and due inquiries (economic, cyclical, etc.) are carried out during the allocation and revision of such credit lines.
- For the banks where correspondent activity and international commodity transactions are intended to be carried out, credit limits are allocated by the related credit committees taking into account the size of the correspondent bank and the size of Bank itself and concentration of risk is avoided. The Bank does not carry any serious risk in this respect.
- (6) Share of cash receivables of the Bank from its top 100 and top 200 cash loan customers in total cash loans is 39% (December 31, 2023: 43%) and 48% (December 31, 2023: 51%) respectively.
- Share of non- cash receivables of the Bank from its top 100 and top 200 non-cash loan customers in total non-cash loans is 35% (December 31, 2023: 38%) and 44% (December 31, 2023: 47%) respectively.
- Share of cash and non-cash receivables of the Bank from its top 100 and top 200 loan and non-cash loan customers in total of balance sheet and off-balance sheet commitments is 34% (December 31, 2023: 38%) and 42% (December 31, 2023: 45%) respectively.
- (7) The Bank's expected credit loss (except non-cash loans) amount for its credit risk (Stage 1 and 2) is TL 2.981.056 (December 31, 2023: TL 3.022.760).

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II. Explanations on credit risk (continued):

(8) Profile on significant risks in significant regions:

Current Period	Risk Categories ^(*)												Total
	1	2	3	4	5	6	7	8	9	10	11	12	
Domestic	69.343.975	49.229	36.115	-	10.670.164	61.921.134	20.679.287	27.335.952	94.340	-	22.528.104	100.268	212.758.568
EU Countries	-	-	-	-	450.309	16.521	21.948	23.934	6	-	-	2.910	515.628
OECD Countries ^(**)	-	-	-	-	6.024.262	0	3.352	5.395	1	-	-	-	6.033.010
Off-shore banking regions	-	-	-	-	4.306.041	285.316	169	189.245	-	-	-	-	4.780.771
USA, Canada	-	-	-	-	882.258	0	1.039	917	13	-	-	-	884.227
Other countries	-	-	-	-	8.871.255	23.342.025	277.755	447.192	1.454	-	2.049	41.460	32.983.190
Associates, subsidiaries and jointly controlled entities	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated assets/liabilities ^(***)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	69.343.975	49.229	36.115	0	31.204.289	85.564.996	20.983.550	28.002.635	95.814	-	22.530.153	144.638	257.955.394
Prior Period	1	2	3	4	5	6	7	8	9	10	11	12	Total
Domestic	45.922.339	10.269	46.344	-	8.051.344	54.205.328	17.474.249	14.913.081	38.018	-	10.715.292	55.267	151.431.531
EU Countries	-	-	-	-	441.828	33.408	22.595	10.975	5	-	29.247	65.873	603.931
OECD Countries ^(**)	-	-	-	-	367.692	1	4.183	6.486	-	-	-	-	378.362
Off-shore banking regions	-	-	-	-	1.295.151	144.281	144	132	-	-	-	-	1.439.708
USA, Canada	-	-	-	-	416.871	13.655	924	2.114	11	-	-	-	433.575
Other countries	-	-	-	-	3.939.398	3.622.411	130.573	147.655	504	-	1.292	22.517	7.864.350
Associates, subsidiaries and jointly controlled entities	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated assets/liabilities ^(***)	-	-	-	-	-	-	-	-	-	-	-	-	-
	45.922.339	10.269	46.344	-	14.512.284	58.019.084	17.632.668	15.080.443	38.538	-	10.745.831	143.657	162.151.457

^(*) Risk classifications in the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" will be used.

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

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

- 1- Receivables from central governments or central banks
- 2- Receivables from regional or local governments
- 3- Receivables from administrative units and non-commercial enterprises
- 4- Receivables from multilateral development banks
- 5- Receivables from banks and brokerage houses
- 6- Receivables from corporates
- 7- Retail receivables
- 8- Receivables secured by mortgages on property
- 9- Past due receivables
- 10- Investments as collective investment enterprises
- 11- Other receivables
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II. Explanations on credit risk (continued):

Risk Profile according to sectors and counterparties:

Sectors / Counterparties (Current Period)	Risk Categories												TL	FC	Total
	1	2	3	4	5	6	7	8	9	10	11	12			
1 Agriculture	-	-	-	-	-	77.313	67.125	42.986	639	-	-	-	147.766	40.297	188.063
1.1 Farming and stockbreeding	-	-	-	-	-	62.360	55.062	33.850	639	-	-	-	111.822	40.089	151.911
1.2 Forestry	-	-	-	-	-	4.468	10.192	5.564	0	-	-	-	20.223	1	20.224
1.3 Fishery	-	-	-	-	-	10.485	1.871	3.572	0	-	-	-	15.721	207	15.928
2 Manufacturing	-	-	74	-	296.876	6.179.926	1.570.765	2.177.318	9.103	-	-	2.911	4.258.456	5.978.517	10.236.973
2.1 Mining	-	-	0	-	0	58.041	22.019	23.311	1	-	-	0	62.389	40.983	103.372
2.2 Production	-	-	19	-	296.876	5.154.757	1.507.409	2.133.007	8.842	-	-	2.911	3.246.929	5.856.892	9.103.821
2.3 Electricity, gas, water	-	-	55	-	0	967.128	41.337	21.000	260	-	-	-	949.138	80.642	1.029.780
3 Construction	-	6	7.824	-	4.161.510	11.141.868	2.589.490	3.825.796	14.582	-	2.170.571	-	8.389.310	15.522.337	23.911.647
4 Services	28.806.338	37	20.472	-	21.780.524	44.069.108	9.587.618	11.919.202	53.690	-	20.358.622	54.177	69.591.473	67.058.315	136.649.788
4.1 Wholesale and retail trade	-	4	1.172	-	72.674	3.012.329	1.609.938	1.648.303	11.520	-	727	50	3.903.193	2.453.524	6.356.717
4.2 Hotel, food and beverage services	-	-	-	-	-	334.183	60.341	55.026	175	-	-	-	105.142	344.583	449.725
4.3 Transportation and telecommunication	-	-	48	-	2.776.756	689.296	332.334	270.970	463	-	13	-	839.185	3.230.695	4.069.880
4.4 Financial institutions	-	-	-	-	-	384.776	113.055	190.596	604	-	-	-	495.567	193.464	689.031
4.5 Real estate and renting services	28.806.336	27	18.381	-	18.931.094	39.215.895	7.082.342	9.463.266	39.292	-	20.357.882	54.127	63.592.745	60.375.897	123.968.642
4.6 Self-employment services	-	-	15	-	-	172.579	191.613	138.371	551	-	-	-	382.106	121.023	503.129
4.7 Education services	-	-	723	-	-	8.895	16.818	37.332	8	-	-	-	62.119	1.657	63.776
4.8 Health and social services	2	6	133	-	-	251.155	181.177	115.338	1.077	-	-	-	211.416	337.472	548.888
5 Other	40.537.637	49.186	7.745	-	4.965.379	24.096.781	7.168.552	10.037.333	17.800	-	960	87.550	47.966.815	39.002.108	86.968.923
6 Total	69.343.975	49.229	36.115	-	31.204.289	85.564.996	20.983.550	28.002.635	95.814	-	22.530.153	144.638	130.353.820	127.601.574	257.955.394

- 1- Receivables from central governments or central banks
2- Receivables from regional or local governments alacaklar
3- Receivables from administrative units and non-commercial enterprises
4- Receivables from multilateral development banks
5- Receivables from banks and brokerage houses
6- Receivables from corporates
7- Retail receivables
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II. Explanations on credit risk (continued):

Risk Profile according to sectors and counterparties:

Sectors / Counterparties (Prior Period)	Risk Categories												TL	FC	Total
	1	2	3	4	5	6	7	8	9	10	11	12			
1 Agriculture	-	-	-	-	-	986.192	212.819	111.709	86	-	-	-	1.184.696	126.110	1.310.806
1.1 Farming and stockbreeding	-	-	-	-	-	699.501	120.063	70.921	42	-	-	-	798.585	91.942	890.527
1.2 Forestry	-	-	-	-	-	280.315	66.390	24.283	44	-	-	-	362.457	8.575	371.032
1.3 Fishery	-	-	-	-	-	6.376	26.366	16.505	-	-	-	-	23.654	25.593	49.247
2 Manufacturing	-	-	6.964	-	-	11.697.792	3.796.483	1.925.282	10.135	-	-	-	10.575.382	6.861.274	17.436.656
2.1 Mining	-	-	-	-	-	252.686	94.222	28.704	-	-	-	-	357.755	17.857	375.612
2.2 Production	-	-	6.963	-	-	9.754.022	3.520.864	1.843.874	10.083	-	-	-	9.123.095	6.012.711	15.135.806
2.3 Electricity, gas, water	-	-	1	-	-	1.691.084	181.397	52.704	52	-	-	-	1.094.532	830.706	1.925.238
3 Construction	-	-	27	-	-	5.596.361	2.466.657	5.090.806	4.988	-	17	-	8.648.575	4.510.281	13.158.856
4 Services	45.922.204	10.242	37.323	-	11.835.541	37.908.881	9.474.831	6.434.341	22.893	-	1.446.746	143.607	65.333.627	47.902.982	113.236.609
4.1 Wholesale and retail trade	-	-	2	-	-	9.407.555	4.294.641	2.500.165	14.176	-	-	-	13.122.324	3.094.215	16.216.539
4.2 Hotel, food and beverage services	-	-	-	-	-	270.824	203.128	95.489	191	-	-	-	344.686	224.946	569.632
4.3 Transportation and telecommunication	-	-	50	-	-	963.591	812.480	336.115	3.209	-	-	-	1.168.079	947.366	2.115.445
4.4 Financial institutions	45.922.204	-	-	-	10.992.950	19.424.994	52.628	369.835	-	-	29.247	116.107	38.205.438	38.702.527	76.907.965
4.5 Real estate and renting services	-	-	26.731	-	842.591	6.430.208	3.376.220	2.785.626	4.084	-	1.417.499	5.000	10.709.253	4.178.706	14.887.959
4.6 Self-employment services	-	-	5.510	-	-	401.381	399.008	243.009	1.105	-	-	-	979.918	70.095	1.050.013
4.7 Education services	-	-	1.387	-	-	953	53.478	4.992	2	-	-	-	60.749	63	60.812
4.8 Health and social services	-	10.242	3.643	-	-	1.009.375	283.248	99.110	126	-	-	22.500	743.180	685.064	1.428.244
5 Other	135	27	2.030	-	2.676.743	1.829.858	1.681.878	1.518.305	436	-	9.299.068	50	11.223.784	5.784.746	17.008.530
6 Total	45.922.339	10.269	46.344	-	14.512.284	58.019.084	17.632.668	15.080.443	38.538	-	10.745.831	143.657	96.966.064	65.185.393	162.151.457

- 1- Receivables from central governments or central banks
- 2- Receivables from regional or local governments alacaklar
- 3- Receivables from administrative units and non-commercial enterprises
- 4- Receivables from multilateral development banks
- 5- Receivables from banks and brokerage houses
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II. Explanations on credit risk (continued):

Distribution of risks with term structure according to remaining maturities:

		Time to Maturity				1 year and over
	Risk Categories (Current Period)	1 month	1–3 months	3–6 months	6–12 months	
1	Receivables from central governments or central banks	-	-	-	80.923	69.263.052
2	Receivables from regional or local governments	-	-	-	-	49.229
3	Receivables from administrative units and non-commercial enterprises	-	-	-	5.837	30.278
4	Receivables from multilateral development banks	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-
6	Receivables from banks and brokerage houses	-	-	-	1.557.437	29.646.852
7	Receivables from corporates	17.739.721	38.565	113.296	27.319.359	40.354.055
8	Retail receivables	9.682	13	384	5.099.137	15.874.334
9	Receivables secured by mortgages on property	11.430	5.271	14.382	7.881.419	20.090.133
10	Past due receivables	25.269	8.382	9.731	16.868	35.564
11	Receivables defined in high risk category by BRSA	-	-	-	-	-
12	Collateralized Securities	-	-	-	-	-
13	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-
14	Investments similar to collective investment funds	-	-	-	-	-
15	Other receivables	20.357.003	-	-	-	2.173.150
16	Equity share investments	52.038	-	-	-	92.600
17	TOTAL	38.195.143	52.231	137.793	41.960.980	177.609.247

		Time to Maturity				1 year and over
	Risk Categories (Prior Period)	1 month	1–3 months	3–6 months	6–12 months	
1	Receivables from central governments or central banks	14.579.108	3.927.227	3.449.296	2.559.194	21.407.514
2	Receivables from regional or local governments	53	-	-	8.842	1.374
3	Receivables from administrative units and non-commercial enterprises	8	810	5.947	1.022	38.557
4	Receivables from multilateral development banks	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-
6	Receivables from banks and brokerage houses	11.973.776	309.918	238.654	15.010	1.974.926
7	Receivables from corporates	19.777.476	5.938.516	8.270.471	8.974.392	15.058.229
8	Retail receivables	730.858	1.849.746	3.813.699	4.004.684	7.233.681
9	Receivables secured by mortgages on property	562.193	2.637.100	1.259.553	2.748.697	7.872.900
10	Past due receivables	20.840	2.578	1.606	1.686	11.828
11	Receivables defined in high risk category by BRSA	-	-	-	-	-
12	Collateralized Securities	-	-	-	-	-
13	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-
14	Investments similar to collective investment funds	-	-	-	-	-
15	Other receivables	10.745.831	-	-	-	-
16	Equity share investments	143.657	-	-	-	-
17	TOTAL	58.533.800	14.665.895	17.039.226	18.313.527	53.599.009

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III. Explanations on credit risk (continued):

Distribution of risks with term structure according to remaining maturities (continued):

- (9) While determining risk weights of receivables from banks and receivables from central banks and central governments indicated in the sixth article of “Regulation on Measurement and Assessment of Capital Adequacy of Banks”, rating grades obtained from rating agencies commissioned by customers are being used. Resident banks and intermediary firms are evaluated as unrated and credit rating agencies’ ratings are considered for non resident counterparties. The ratings by IIRA (Islamic International Rating Agency) are considered for receivables from central governments or central banks. Other receivables in the regulation are considered as unrated while calculating capital adequacy.

The match-up of the ratings by rating agencies are represented in “credit quality stages” in the following table:

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II. Explanations on credit risk (continued):

		Credit Quality stage	Fitch Ratings	Moody's Investor Service	S&P Ratings Services	Japan Credit Rating Agency	DBRS	IIRA
		The match-up of the ratings	Long term credit ratings	1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA-
2	A+ to A-			A1 to A3	A+ to A-	A+ to A-	A (high) to A (low)	A+ to A-
3	BBB+ to BBB-			Baa1 to Baa3	BBB+ to BBB-	BBB+ to BBB-	BBB (high) to BBB (low)	BBB+ to BBB-
4	BB+ to BB-			Ba1 to Ba3	BB+ to BB-	BB+ to BB-	BB (high) to BB (low)	BB+ to BB-
5	B+ to B-			B1 to B3	B+ to B-	B+ to B-	B (high) to B (low)	B+ to B-
6	CCC+ and lower			Caa1 and lower	CCC+ and lower	CCC and lower	CCC (high) and lower	CCC+ and lower
Short term credit ratings	1		F1+ to F1	P-1	A-1+ to A-1	J-1	R-1 (high) to R-1 (low)	A-1+ to A-1
	2		F2	P-2	A-2	J-2	R-2 (high) to R-2 (low)	A-2
	3		F3	P-3	A-3	J-3	R-3	A-3
	4		F3 lower	NP	A-3 lower	J-3 lower	R-3 lower	A-3 lower
	5		-	-	-	-	---	-
	6		-	-	-	-	---	-
Ratings for long term securitization positions	1		AAA to AA-	Aaa to Aa3	AAA to AA-	-	AAA to AA (low)	AAA to AA-
	2		A+ to A-	A1 to A3	A+ to A-	-	A (high) to A (low)	A+ to A-
	3		BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	-	BBB (high) to BBB (low)	BBB+ to BBB-
	4		BB+ to BB-	Ba1 to Ba3	BB+ to BB-	-	BB (high) to BB (low)	BB+ to BB-
	5		B+ and lower	B1 and lower	B+ and lower	-	B (high) and lower	B+ and lower
Ratings for short term securitization positions	1		F1+ to F1	P-1	A-1+ to A-1	-	R-1 (high) to R-1 (low)	A-1+ to A-1
	2		F2	P-2	A-2	-	R-2 (high) to R-2 (low)	A-2
	3		F3	P-3	A-3	-	R-3	A-3
	Diğerleri		F3 lower	NP	A-3 lower	-	R-3	A-3 lower
The match-up for collective investment undertakings	1		AAA to AA-	Aaa to Aa3	FCQR: AAAf to AA-f; PSFR: AAAm to AA-m	-	-	-
	2		A+ to A-	A1 to A3	FCQR: A+f to A-f; PSFR: A+m to A-m	-	-	-
	3		BBB+ to BBB-	Baa1 to Baa3	FCQR: BBB+f to BBB-f; PSFR: BBB+m to BBB-m	-	-	-
	4	BB+ to BB-	Ba1 to Ba3	FCQR: BB+f to BB-f; PSFR: BB+m to BB-m	-	-	-	
	5	B+ to B-	B1 to B3	FCQR: B+f to B-f; PSFR: B+m to B-m	-	-	-	
	6	CCC+ and lower	Caa1 and lower	FCQR: CCC+f and lower; PSFR: CCC+m and lower	-	-	-	

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II. Explanations on credit risk (continued):

Total exposure amount before and after applying risk mitigation techniques and total amounts deducted from the capital which are calculated in accordance with the Appendix-1 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratio of Banks" are presented below:

Risk Weights (Current Period)	0%	10%	20%	35%	50%	75%	100%	150%	Others ^(*)	Deductions from
										Shareholders' Equity
1 Amount before credit risk mitigation	101.788.426	0	23.971.706	9.601.473	28.443.937	20.983.550	73.088.140	58.627	19.535	694.159
2 Amount after credit risk mitigation	103.702.414	0	26.302.600	9.601.473	28.723.441	19.592.268	69.956.860	56.805	19.533	694.159

(*) Represents 500% risk weight.

Risk Weights (Prior Period)	0%	10%	20%	35%	50%	75%	100%	150%	Others ^(*)	Deductions from
										Shareholders' Equity
1 Amount before credit risk mitigation	67.532.576	-	12.513.001	3.539.614	12.147.310	14.638.171	37.682.920	2.007.666	12.090.199	374.852
2 Amount after credit risk mitigation	75.105.284	-	13.300.622	3.539.614	12.314.232	9.451.557	34.342.299	2.007.648	12.090.201	374.852

(*) Represents 200% and 500% risk weight.

(10) Amounts of impaired loans and past due receivables, value adjustments and provisions, current period value adjustments and provisions according to sectors or counterparties individually:

As of December 31, 2024, the Bank has allocated expected lifetime loss provision for loans classified as Stage 2 based on the risk assessments made under TFRS 9. For the loans which are determined as impaired by being classified in the third stage, the expected lifetime loss provision has been allocated for such loans as well.

As of December 31, 2024, the credit risks of the loans which has not increased at first recognition or thereafter, are classified as stage 1 and 12 months expected credit loss has been allocated for such loans.

Sectors / Counterparties	Loans		Provisions
	Impaired Value (TFRS 9)		Provisions for Credit Losses (TFRS 9)
	Significant increase in credit risk (Stage 2)	Default (Stage 3)	
(Current Period)			
1 Agriculture	50.743	30.668	26.815
1.1 Farming and stockbreeding	44.417	25.470	22.851
1.2 Forestry	6.326	5.198	3.964
1.3 Fishery	-	-	-
2 Manufacturing	3.015.688	1.019.069	2.003.900
2.1 Mining	4.311	1.862	1.862
2.2 Production	1.599.533	356.568	587.776
2.3 Electricity, gas, water	1.411.844	660.639	1.414.262
3 Construction	1.842.550	157.884	541.134
4 Services	2.970.316	567.228	1.213.653
4.1 Wholesale and retail trade	2.503.121	447.755	1.066.534
4.2 Hotel, food and beverage services	122.046	2.900	19.304
4.3 Transportation and telecommunication	193.580	13.783	42.151
4.4 Financial institutions	-	-	-
4.5 Real estate and renting services	40.387	30.803	23.902
4.6 Self-employment services	89.921	70.388	60.564
4.7 Education services	3.328	31	27
4.8 Health and social services	17.933	1.568	1.171
5 Other	648.841	244.820	170.591
6 Total	8.528.138	2.019.669	3.956.093

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- III. Explanations on credit risk (continued):
(10) Amounts of impaired loans and past due receivables, value adjustments and provisions, current period value adjustments and provisions according to sectors or counterparties individually (continued):

Sectors / Counterparties	Loans		Provisions
	Impaired Value (TFRS 9)		Provisions for Credit Losses (TFRS 9)
(Prior Period)	Significant increase in credit risk (Stage 2)	Default (Stage 3)	
1 Agriculture	29.281	4.819	4.081
1.1 Farming and stockbreeding	21.928	842	783
1.2 Forestry	7.353	3.977	3.298
1.3 Fishery	-	-	-
2 Manufacturing	2.950.983	1.326.365	2.212.478
2.1 Mining	2.862	4.025	4.017
2.2 Production	1.496.406	200.849	368.019
2.3 Electricity, gas, water	1.451.715	1.121.491	1.840.442
3 Construction	1.960.543	127.421	438.824
4 Services	2.068.500	284.986	515.738
4.1 Wholesale and retail trade	1.713.626	147.645	292.943
4.2 Hotel, food and beverage services	148.763	48.983	95.133
4.3 Transportation and telecommunication	127.955	25.449	69.654
4.4 Financial institutions	-	-	-
4.5 Real estate and renting services	16.828	16.914	16.365
4.6 Self-employment services	48.155	40.996	37.978
4.7 Education services	10.199	22	20
4.8 Health and social services	2.974	4.977	3.645
5 Other	395.379	61.983	56.093
6 Total	7.404.686	1.805.574	3.227.214

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II. Explanations on credit risk (continued):

(11) Information related to value adjustments and credit provisions:

Current Period

Risk Weight	Opening Balance	Provision made during the period	Reversal of Provisions	Other Adjustments ^(*)	Closing Balance
1. Stage 3 Provisions	1.718.084	872.674	(721.783) ^(**)	(96.792)	1.772.183
2. Stage 1 and 2 Provisions	2.713.267	1.501.353	(485.131)	(1.036.439)	2.693.050

^(*) Determined according to currency differences.

^(**) Includes reversal of provisions related to write off amounts to TL 488.359.

Prior Period

Risk Weight	Opening Balance	Provision made during the period	Reversal of Provisions	Other Adjustments ^(*)	Closing Balance
1. Stage 3 Provisions	1.302.670	2.069.994	(1.702.853) ^(**)	48.273	1.718.084
2. Stage 1 and 2 Provisions	1.577.061	1.314.025	(203.731)	25.912	2.713.267

^(*) Determined according to currency differences.

^(**) Includes reversal of provisions related to write off amounts to TL 1.413.551.

III. Explanations on risks including countercyclical capital buffer calculation:

Explanations on receivables from consolidated private sector:

Country where risk is ultimately taken (Current Period)	Private sector loans in banking books	Risk weighted amount calculated within trading book	Total
Türkiye	192.352.337	53.969.520	246.321.857
Iraq	5.026.430	-	5.026.430
Marshall Islands	843.813	-	843.813
Libya	414.124	-	414.124
Pakistan	2.016	-	2.016
Algeria	238.920	-	238.920
Malta	8	-	8
Tunisia	126.267	-	126.267
Georgia	19.631	-	19.631
Italy	136.665	-	136.665
Singapore	93.401	-	93.401
United States of America	839.820	137.508	977.328

Country where risk is ultimately taken (Prior Period)	Private sector loans in banking books	Risk weighted amount calculated within trading book	Total
Türkiye	120.472.372	36.267.777	156.740.149
Iraq	3.892.950	-	3.892.950
Marshall Islands	593.271	-	593.271
Libya	204.959	-	204.959
Pakistan	2.302	-	2.302
Algeria	182.422	-	182.422
Malta	104	-	104
Tunisia	57.712	-	57.712
Georgia	28.833	-	28.833
Italy	61.829	-	61.829
Singapore	39.821	-	39.821
United States of America	401.150	65.072	466.222

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IV. Explanations on currency risk:

Foreign currency risk arises from the Bank's possible exposure to the changes in foreign currencies.

- a.** The 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 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 Bank 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 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 Bank are as follows:

	USD	EUR
As of December 31, 2024 - Balance sheet evaluation rate	34,805	36,113
As of December 30, 2024	34,776	36,180
As of December 27, 2024	34,673	36,150
As of December 26, 2024	34,565	35,954
As of December 25, 2024	34,722	36,145
As of December 24, 2024	34,705	36,107

- d.** The simple arithmetical average of the major foreign exchange buying rates of the Bank for the thirty days before the balance sheet date is TL 34,453 for 1 USD (December 2023: TL 28,847), TL 36,080 for 1 EUR (December 2023: TL 31,481). The Bank is mainly exposed to EUR and USD currency risks.

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IV . Explanations on currency risk (continued):

Information on currency risk of the Bank:

Current Period	EUR	USD	Other FC^(*)	Total
Assets				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	7.609.464	23.199.148	8.425.076	39.233.688
Banks	571.041	1.501.386	14.056.566	16.128.993
Financial assets at fair value through profit and loss ^(**)	4.349.052	2.257.501	451	6.607.004
Money market placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	77.938	5.887.788	17.512	5.983.238
Loans and financial lease receivables ^(***)	17.561.057	40.506.549	3.881.806	61.949.412
Subsidiaries, associates and joint ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	-	13.788.110	586.308	14.374.418
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	-	81.936	81.936
Intangible assets	-	-	-	-
Other assets ^(****)	355.407	214.217	127.303	696.927
Total assets	30.523.959	87.354.699	27.176.958	145.055.616
Liabilities				
Current account and funds collected from banks via participation accounts	325.769	580.858	3.099.641	4.006.268
Other current and profit sharing accounts	17.726.554	48.227.027	26.890.877	92.844.458
Money market borrowings	-	-	-	-
Funds provided from other financial institutions and subordinated loans	4.530.940	42.525.955	-	47.056.895
Marketable securities issued	-	-	-	-
Miscellaneous payables	453.777	2.326.446	923.103	3.703.326
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities	2.943	110.828	133.085	246.856
Total liabilities	23.039.983	93.771.114	31.046.706	147.857.803
Net balance sheet position	7.483.976	(6.416.415)	(3.869.748)	(2.802.187)
Net off balance sheet position	(7.423.686)	3.676.500	5.911.445	2.164.259
Derivative financial instruments assets ^(*****)	247.034	9.351.426	6.224.125	15.822.585
Derivative financial instruments liabilities ^(*****)	7.670.720	5.674.926	312.680	13.658.326
Non-cash loans ^(*****)	4.206.443	11.741.901	1.104.994	17.053.338
Prior Period				
Total assets	19.789.021	71.100.345	18.202.863	109.092.229
Total liabilities	20.763.507	85.176.487	16.566.090	122.506.084
Net balance sheet position	(974.486)	(14.076.142)	1.636.773	(13.413.855)
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 8.188.589 (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 10.942.153 (December 31, 2023: TL 1.442.617) of the balance in Banks in other FC column represent precious metals accounts with banks, TL 22.525.860 (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. In the current period, the balance presented as other FC in financial assets at fair value through profit or loss is TL 451 (December 31, 2023: TL 8.458.542).

(**) Derivative financial instruments are included.

(***) The balance includes foreign currency indexed loans and financial lease receivables of TL 48.041 (December 31, 2023: TL 134.276).

(****) Foreign currency indexed receivables from commission and fees of non-cash loans amounting to TL 5.746 is included in other assets (December 31, 2023: TL 6.157). Includes the balance of şGetinsha GMBH amounting to TL 118.173, which has ceased operations.

(*****) In the current period, derivative financial instruments assets include foreign currency purchase commitment in the amount of TL 270.769 (December 31, 2023: TL 516.960) and derivative financial instruments liabilities include foreign currency sale commitment in the amount of TL 1.070.610 (December 31, 2023: TL 1.231.625).

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

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IV. Explanations on currency risk (continued):

Other issues related to currency risk:

Since the 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", related amount is not included in the above table.

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

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

The 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 144.638 100% risk weight is applied to related whole amount (December 31, 2023: TL 143.657).

VI. Explanations on liquidity risk:

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 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 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 Bank in liquidity risk management and 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 Bank is exposed to and considering the Bank's strategy and conditions of competition and pursues the implementations.

Risk Management Department defines the 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 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 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 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 taking into account the relevant currencies. Funding sources are monitored actively during identification of concentration risk related to funding. The 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 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 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 Bank including mechanisms to prevent increase in liquidity risk during normal and liquidity crisis scenarios for different conditions and levels. Available liquidity sources are determined by considering the liquidity squeezes. Within the framework of this plan, the Bank monitors liquidity risk in terms of early warning indicators in each stress.

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VI. Explanations on liquidity risk (continued):

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			78.452.135	41.488.630
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	98.686.029	63.213.223	9.164.792	6.321.322
3	Stable Funds Collected	14.076.204	-	703.810	-
4	Less stable Funds Collected	84.609.825	63.213.223	8.460.982	6.321.322
5	Unsecured Funding other than Retail and Small Business Customers Deposits	109.788.291	53.518.717	82.819.547	35.919.382
6	Operational Funds Collected	30.328.781	21.748.466	7.582.195	5.437.116
7	Non-Operational Funds Collected	38.730.360	1.079.440	35.654.598	508.011
8	Other Unsecured Funding	40.729.150	30.690.811	39.582.754	29.974.255
9	Secured funding			-	-
10	Other Cash Outflows	8.054.703	5.650.490	8.054.703	5.650.490
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	8.054.703	5.650.490	8.054.703	5.650.490
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	45.528.203	16.705.358	4.081.905	2.027.002
16	TOTAL CASH OUTFLOWS			104.120.947	49.918.196
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	47.583.459	29.019.639	40.124.995	27.105.026
19	Other contractual cash inflows	7.942.436	6.569.762	7.942.436	6.569.762
20	TOTAL CASH INFLOWS	55.525.895	35.589.401	48.067.431	33.674.788
				Upper limit applied amounts	
21	TOTAL HQLA			78.452.135	41.488.630
22	TOTAL NET CASH OUTFLOWS			56.053.516	16.243.408
23	Liquidity Coverage Ratio (%)			139,96	255,42

^(*) Average of the last three months of liquidity coverage ratios calculated considering weekly simple arithmetic averages.

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	114,35	138,95
Date	November 4, 2024	December 27, 2024
Highest	200,73	458,87
Date	October 8, 2024	October 27, 2024
Average	139,96	255,42

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VI. Explanations on liquidity risk (continued):

Liquidity Coverage Ratio (continued):

	Prior period	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
	HIGH QUALITY LIQUID ASSETS (HQLA)				
1	HIGH QUALITY LIQUID ASSETS			59.933.974	38.099.863
	CASH OUTFLOWS				
2	Retail and Small Business Funds Collected	75.715.764	50.769.481	7.138.006	5.076.948
3	Stable Funds Collected	8.671.416	-	433.571	-
4	Less stable Funds Collected	67.044.348	50.769.481	6.704.435	5.076.948
5	Unsecured Funding other than Retail and Small Business Customers Deposits	51.701.468	37.090.286	30.231.980	22.339.172
6	Operational Funds Collected	24.966.387	18.291.079	6.241.597	4.572.770
7	Non-Operational Funds Collected	5.428.979	1.158.213	3.150.748	589.078
8	Other Unsecured Funding	21.306.102	17.640.994	20.839.635	17.177.324
9	Secured funding			-	-
10	Other Cash Outflows	7.498.744	2.732.935	7.498.744	2.732.935
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	7.498.744	2.732.935	7.498.744	2.732.935
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	32.713.947	13.601.883	3.176.114	1.818.953
16	TOTAL CASH OUTFLOWS			48.044.844	31.968.008
	CASH INFLOWS				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	27.231.700	12.202.406	20.682.693	10.154.898
19	Other contractual cash inflows	7.577.022	6.897.463	7.577.022	6.897.463
20	TOTAL CASH INFLOWS	34.808.722	19.099.869	28.259.715	17.052.361
				Upper limit applied amounts	
21	TOTAL HQLA			59.933.974	38.099.863
22	TOTAL NET CASH OUTFLOWS			19.785.129	14.915.647
23	Liquidity Coverage Ratio (%)			302,92	255,44

^(*) Average of the last three months of liquidity coverage ratios calculated considering weekly simple arithmetic averages.

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	232,26	183,73
Date	December 31, 2023	October 1, 2023
Highest	556,26	449,27
Date	October 17, 2023	October 18, 2023
Average	302,92	255,44

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VI. Explanations on liquidity risk (continued):

Liquidity Coverage Ratio (continued):

Liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the 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.

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. The Bank's high quality liquid assets are composed of 3,84% cash, 66,90% deposits in central banks and 29,26% securities considered as high quality liquid assets.

The Bank's main funding sources are funds collected, funds borrowed, borrowings from money market and subordinated loans. Funding source composition in report date is 76,12% funds collected, 23,88% funds borrowed, borrowings from money market and subordinated loans.

Cash flows of derivatives that will take place within 30 days are taken into account 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 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. Liquidity risk of the 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 Bank.

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VI. Explanations on liquidity risk (continued):

Presentation of assets and liabilities according to their remaining maturities:

Current Period	Demand ⁽¹⁾	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated ^{(****)(*****)}	Total
Assets								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	26.154.674	35.106.052	-	-	-	-	-	61.260.726
Banks	15.052.354	6.464.574	1.005.854	-	-	-	-	22.522.782
Financial Assets at Fair Value Through Profit and Loss (**)	5.705.222	380.951	34.560	7.298.697	8.540.392	11	-	21.959.833
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	52.188	3.242.162	188.426	1.278.002	12.336.439	781.890	-	17.879.107
Loans(***)	390.147	29.517.003	24.176.037	53.633.868	34.795.775	1.257.965	247.486	144.018.281
Financial Assets Measured at Amortised Cost	-	240.994	109.204	2.568.604	20.146.553	3.707.972	-	26.773.327
Other Assets	-	-	4.533	48.549	609.617	741.319	14.729.887	16.133.905
Total Assets	47.354.585	74.951.736	25.518.614	64.827.720	76.428.776	6.489.157	14.977.373	310.547.961
Liabilities								
Current account and funds collected from banks via participation accounts	3.976.567	53.312	-	-	-	-	-	4.029.879
Other current and profit sharing accounts	97.624.388	78.564.454	14.066.196	10.370.883	110.781	-	-	200.736.702
Funds provided from other financial institutions and subordinated loans	-	29.296.028	10.697.970	11.160.147	13.089.962	-	-	64.244.107
Money Market Borrowings	-	-	-	-	-	-	-	-
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	2.034.224	201.821	45.528	-	-	9.422.254	11.703.827
Other liabilities	775.720	-	301	11.664	436.836	658.975	27.949.950	29.833.446
Total Liabilities	102.376.675	109.948.018	24.966.288	21.588.222	13.637.579	658.975	37.372.204	310.547.961
Net Liquidity Gap	(55.022.090)	(34.996.282)	552.326	43.239.498	62.791.197	5.830.182	(22.394.831)	-
Net Off-balance sheet Position	-	93.051	(155.375)	(325.602)	-	-	-	(387.926)
Financial Derivative Assets	-	12.669.945	1.740.250	2.555.896	-	-	-	16.966.091
Financial Derivative Liabilities	-	12.576.894	1.895.625	2.881.498	-	-	-	17.354.017
Non-cash Loans	35.740.812	215.435	570.635	3.465.533	402.931	291	-	40.395.637
Prior period								
Total Assets	36.167.717	49.275.223	30.091.194	53.529.548	49.375.735	6.680.386	7.049.692	232.169.495
Total Liabilities	76.437.420	63.146.842	20.392.363	29.590.373	14.597.049	400.158	27.605.290	232.169.495
Net Liquidity Gap	(40.269.703)	(13.871.619)	9.698.831	23.939.175	34.778.686	6.280.228	(20.555.598)	-
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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VI. Explanations on liquidity risk (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 31 December 2024, NSFR is calculated as 154,72 % (previous period: 190,94%). Considering the amounts to which the consideration rate is applied, Capital items correspond to 16,75% of Available Stable Funding amount (previous period: 13,32%) and Real Person and Retail Customer Deposits corresponds to 53,81% of Available Stable Funding amount (previous period: 68,01%), 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 52,18% (previous period: 58,99%) 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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VI. Explanations on liquidity risk (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	33.714.583	-	-	-	33.714.583
2	Tier 1 Capital and Tier 2 Capital	33.714.583	-	-	-	33.714.583
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	61.343.595	-	57.897.801	124.164	108.319.462
5	Stable Deposits	4.881.303	-	12.887.241	40.617	16.918.703
6	Less Stable Deposits	56.462.292	-	45.010.560	83.547	91.400.759
7	Other Obligations	-	-	89.163.556	-	44.581.778
8	Operational deposits	-	-	44.246.670	-	22.123.335
9	Other Obligations	-	-	44.916.886	-	22.458.443
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	6.821.356	-	15.762.036	-	14.702.374
12	Derivative liabilities					
13	All other equity not included in the above categories	6.821.356	-	15.762.036	-	14.702.374
14	Available stable funding					201.318.197
Required stable funding						
15	High Quality Liquid Assets					-
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	128.255.024	49.770.672	-	9.976.012	67.891.008
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	-	25.634.820	-	2.254.407	6.099.630
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	127.891.944	24.135.852	-	-	56.463.717
21	Loans with a risk weight of less than or equal to 35%	2.816.865	-	-	-	1.830.962
22	Residential mortgages	-	-	-	7.721.605	5.019.043
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	7.721.605	5.019.043
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	363.080	-	-	-	308.618
25	Assets equivalent to interconnected liabilities					
26	Other Assets	59.978.927	1.743.148	-	-	59.693.655
27	Physical traded commodities, including gold	2.579.789				2.192.821
28	Initial margin posted or given guarantee fund to central counterparty					-
29	Derivative Assets					7.746
30	Derivative Liabilities before the deduction of the variation margin					1.735.402
31	Other Assets not included above	57.399.138	-	-	-	55.757.686
32	Off-balance sheet commitments			50.589.860	-	2.529.493
33	Total Required stable funding					130.114.156
34	Net Stable Funding Ratio (%)					154,72

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

Current Period	Ratio
October 31, 2024	181,44
November 30, 2024	163,68
December 31, 2024	154,72
3 Month Average	166,61

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VI. Explanations on liquidity risk (continued):

Net Stable Funding Ratio (continued):

Prior Period		a	b	c	ç	d
		Unweighted Amount According to Residual Maturity				
		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	Total Weighted Amount
Available stable funding						
1	Capital Instruments	23.426.832	-	-	-	23.426.832
2	Tier 1 Capital and Tier 2 Capital	23.426.832	-	-	-	23.426.832
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	48.244.161	-	76.817.187	1.399.806	114.667.561
5	Stable Deposits	3.524.731	-	13.176.982	348.746	16.197.936
6	Less Stable Deposits	44.719.430	-	63.640.204	1.051.060	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	7.411.326	-	10.513.521
12	Derivative liabilities			69.107		
13	All other equity not included in the above categories	6.807.858	-	7.411.326	-	10.513.521
14	Available stable funding					169.692.757
Required stable funding						
15	High Quality Liquid Assets					-
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	96.623.599	49.501.235	-	7.269.064	52.431.220
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	-	18.881.807	-	2.009.053	4.841.324
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	95.767.570	30.619.428	-	-	43.443.264
21	Loans with a risk weight of less than or equal to 35%	1.313.722	-	-	-	853.919
22	Residential mortgages	-	-	-	5.260.011	3.419.007
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	5.260.011	3.419.007
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	34.916.956	1.688.463	-	-	34.628.571
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			1.688.463
31	Other Assets not included above	34.334.705	-	-	-	32.445.194
32	Off-balance sheet commitments		36.294.860	-	-	1.814.743
33	Total Required stable funding					88.874.535
34	Net Stable Funding Ratio (%)					190,94

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

Prior Period	Ratio
October 31, 2023	198,28
November 30, 2023	197,51
December 31, 2023	190,94
3 Month Average	195,58

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VII. Explanations on leverage ratio:

As of December 31,2024, leverage ratio of the Bank calculated from the arithmetic average of the last three months is 4,38% (December 31, 2023: 4,07%). 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 higher 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)	301.352.868	225.684.518
2 (Assets deducted from Core capital)	(835.763)	(594.417)
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	300.517.105	225.090.101
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	65.045	160.474
5 Potential credit risk amount of derivative financial assets and credit derivatives	115.642	154.420
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	180.687	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)	14.159.912	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)	14.159.912	25.437.098
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	52.103.643	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)	52.063.593	36.781.052
Capital and total risk		
13 Core Capital	16.094.192	11.725.174
14 Total risk amount (sum of lines 3, 6, 9 and 12)	366.921.297	287.623.145
Leverage ratio		
15 Leverage ratio (%)	4,38	4,07

(*) The average amounts for the last three months.

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

a. Information on fair value of financial assets and liabilities:

The following table summarizes the carrying values and fair values of financial assets and liabilities. The carrying value represents the acquisition costs and accumulated profit share accruals of corresponding financial assets or liabilities.

The fair values of financial assets and liabilities are calculated based on the following principles:

The fair values of financial investments measured at amortised cost are determined based on market prices.

The fair value of loans is determined by calculating the discounted cash flows using the current market profit share rates.

Carrying value of funds collected via special current accounts and participation accounts is assumed to approximate their fair value as they are valued at year-end unit values.

The fair values of funds collected from financial institutions are determined by calculating the discounted cash flows using the current market profit share rates.”

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VIII. Explanations on presentation of financial assets and liabilities at fair value (continued):

a. Information on fair value of financial assets and liabilities:

	Carrying value		Fair value	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Financial Assets				
Money market placements	-	-	-	-
Banks	22.810.101	14.585.480	22.810.101	14.585.480
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	21.817.430	19.781.253	21.817.430	19.781.253
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	17.879.107	7.532.091	17.879.107	7.532.091
Financial Assets Measured at Amortised Cost	26.773.327	28.852.543	23.540.244	32.113.874
Loans and financial lease receivables	144.018.281	104.737.514	113.700.380	95.674.364
Financial Liabilities				
Funds collected from banks via current accounts and profit sharing accounts	4.029.878	1.492.016	4.029.878	1.492.016
Other current and profit sharing accounts	200.736.702	160.313.840	200.736.702	160.313.840
Funds provided from other financial institutions	64.244.107	39.432.536	64.076.651	39.371.350
Marketable securities issued	-	-	-	-
Miscellaneous payables	11.703.827	8.886.676	11.703.827	8.886.676

b. Information on fair value measurement recognized in the financial statements:

IFRS 7 "Financial Instruments: Turkish Financial Reporting Standard Related to Explanations" sets a hierarchy of valuation techniques according to the observability of data used in valuation techniques which establish a basis for fair value measurement. Aforesaid fair value hierarchy is determined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level I);
- Directly (by way of prices) or indirectly (derived from prices) data for the assets or liabilities, other than quoted prices in Level 1 (Level II);
- Data not based on observable data regarding assets and liabilities (Level III).

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VIII. Explanations on presentation of financial assets and liabilities at fair value (continued):

Fair value hierarchy of the financial assets and liabilities of the Bank carried at fair value according to the foregoing principles are given in the table below:

Current period ^(*)	Level I	Level II	Level III	Total
Financial assets				
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)				
	12.966.332	193.982	8.657.116	21.817.430
Government Securities	5.984.018	-	-	5.984.018
Equity securities	126.498	-	-	126.498
Other Financial Assets	6.855.816	193.982	8.657.116	15.706.914
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)				
	15.342.620	2.484.299	-	17.826.919
Equity securities ^(**)	-	-	-	-
Government Securities	15.342.620	-	-	15.342.620
Other Financial Assets	-	2.484.299	-	2.484.299
Derivative Financial Assets	-	142.403	-	142.403
Financial Liabilities				
Derivative Financial Liabilities	-	118.289	-	118.289

^(*) In the current period, there is no classification between level I and level II. Venture capital investment funds are tracked within the third level.

^(**) Equity securities amounting to TL 52.188 under financial assets measured at fair value through other comprehensive income are not quoted in an active market and hence, they are accounted at cost in the financial statement and not represented above table.

Prior period ^(*)	Level I	Level II	Level III	Total
Financial assets				
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)				
	16.936.357	592.575	2.252.321	19.781.253
Government Securities	12.473.902	-	-	12.473.902
Equity securities	74.650	-	-	74.650
Other Financial Assets	4.387.805	592.575	2.252.321	7.232.701
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)				
	4.460.559	3.026.271	-	7.486.830
Equity securities ^(**)	-	-	-	-
Government Securities	4.460.559	-	-	4.460.559
Other Financial Assets	-	3.026.271	-	3.026.271
Derivative Financial Assets	-	52.269	-	52.269
Financial Liabilities				
Derivative Financial Liabilities	-	121.376	-	121.376

^(*) In the current period, there is no classification between level I and level II.

^(**) Equity securities amounting to TL 45.261 under financial assets measured at fair value through other comprehensive income are not quoted in an active market and hence, they are accounted at cost in the financial statement and not represented above table.

IX. 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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X. Explanations on risk management:

Notes and explanations in this section have been prepared in accordance with the Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks that have been published in Official Gazette 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 Bank, tables which have to be prepared within the scope of Internal rating-based (IRB) approach have not been presented.

a. Risk management strategy and weighted amounts:

a.1. Risk management strategy:

The aim of the Bank's Risk management system is basically to ensure identification, measurement, monitoring and controlling of risks exposed, through establishment of policies, implementation procedure and limits for monitoring, controlling and in case of need changing the risk/return structure of future cash flows, and accordingly nature and level of operations.

The Board of Directors has a responsibility of establishing and providing compatible, adequate and effective system on internal control, risk management and internal auditing as anticipated by the Banking Law for the purpose of monitoring and controlling risks emerging from operations.

The Board of Directors is responsible for establishing risk management policies and strategies. These policies are revised and evaluated periodically according to prevailing market conditions.

The general manager is responsible from ensuring that departments of the bank operate in accordance with the specified policies and strategies about risk management as determined by the Board of Directors.

The Board of Directors of the Bank takes an important part in the processes of risk management by following policies and strategies on consolidated and unconsolidated basis, setting up limit systems and procedures in the Bank.

The related limits are monitored, reported and maintained within the set limits by the units under the internal systems and the related departments in the bank. Risk Management Department, organized within the frame of Risk Management regulations, undertakes activities for measuring, monitoring, controlling and reporting of risks.

Ultimate goal of the bank's risk management system is to allocate capital in accordance with risks that functional activities have (economical capital), to maximize return on capital adjusted according to risk and to increase added value created.

In Asset and Liability Committee, asset-liability structure is managed via evaluating fund collection activities in line with risk management policies and domestic and foreign conditions regarding the bank's fund lending.

The risks that the Bank is exposed to or may be exposed to in the future are determined and the definition of these risks is made. Defined risks are measured and prioritized as far as possible. It is provided that all important risks are in the risk appetite considering the potential impact of the risks and the strategy arising from the bank's strategies to risk profile. The bank's strategies are integrated with risk profile and risk appetite. If it is expected that the risk profile is going to change in the future, this change is assessed with the degree of capital impact. While a risk profile is being developed, the risk profile is analyzed based on the risk type, the sector and/or the geographic location.

The bank's risk tolerance is the most comprehensive calculated risk amount which may be accepted in accordance with the determined mission and vision. In other words, before deciding on the necessity of taking measures, it is the bank's readiness to exposure of any risk amount. In this respect, the risk tolerance, in connection with the variety of services offered by the bank, is the level of risk it identifies as acceptable.

The bank's risk appetite means the amount of risk that can be accepted by the bank in order to reach the strategic targets, and it includes an acceptable variability around the targets as well.

The common feature of the bank's risk appetite and risk tolerance is to drive the lines regarding risk acceptance. However, risk tolerance is more comprehensive.

By means of "Risk Appetite Policy" approved by the board of directors, risk levels can be taken to implement risk strategies and to achieve the objectives of the Banks were identified. Limits, which are determined within the framework of risk profile of the bank in accordance with the bank's risk appetite and risk tolerance, and triggering functions, were described in detail.

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X. Explanations on risk management (continued):

Considering the bank's financial position, activity profile and the growth expectations of the future, the amount of capital needed for the strategic targets to be met have been calculated by the basis of static and dynamic stress tests and scenario analyses.

Considering the factors that may affect the bank operates market today and, in the future, stress tests and scenario analysis studies on the financial structure of the bank have been assessed together with the other financial indicators; in this context, a coordination based on harmony was created between prepared capital plans and processes of the bank.

Aiming to ensure capital allocation compatible with the risks of its functional operations and increase the capital yield set according to these risks to the maximum level, Albaraka Türk evaluates risks by classifying them as market risks, liquidity risk, credit risk, operational risk, strategic risk and credibility risk.

Market Risk

The Bank's market risk; refers to the probability of loss may be exposed to exchange rate risk, equity position risk, profit rate risk and commodity risk.

Within the coverage of market risk, Albaraka Türk calculates the foreign currency position risk and the security risk, as well as specific risks associated with market risk, by using the Standard approach and reports to it the authorities accordingly on a regular basis. Additionally, for test-purpose, foreign currency position risk of our Bank is measured by internal models. With backtesting applications, deviations between actual values and daily VaR values, predicted by internal models, are observed in order to control accuracy and performance of these models. Potential strength of portfolio against to unexpected risks is measured with stress tests including stress scenarios.

Whether the market risk of our Bank is in conformity with legal regulations and the determined limits is constantly monitored. Our foreign currency risk is discussed and evaluated at every Assets/Liabilities Committee meeting and our foreign currency strategy is based on holding this risk constant by holding to square foreign currency position (i.e. no short or long positions are taken).

Liquidity risk

The Bank's liquidity risk consists of funding related liquidity risk and market-related liquidity risk.

The liquidity risk is the situation whereby, as a result of any imbalances in the cash flows, there is a potential for not being able to meet the Participation Funds which have matured or other due liabilities in a timely manner due to shortage of liquid funds.

Market liquidity risk is an expression of the likelihood of the bank's suffering a loss because the bank is unable to close or cover a particular position at the market price owing to insufficient market depth or to excessive market volatility.

Liquidity risk could be caused by such factors as maturity mismatch, deterioration in the quality of assets, unexpected funding outflows, erosion in profitability levels and economic crisis.

In order to manage liquidity risk, the Bank monitors the cash flows on a daily basis and takes preventive and improving measures taken so that commitments are met duly in time. The Liquidity risk is also evaluated by ALCO on a weekly basis.

The Bank applies a policy whereby liquid assets are kept in sufficient volumes and qualities in consideration of the minimum liquidity coverage ratios determined by the related regulations and the liquidity experiences of the past in order to meet any liquidity requirement that could arise with unexpected volatilities in the markets.

Credit risk

Credit risk is defined as the probability of losses to the Bank due to customers failing to partially or completely pay their commitments to the Bank in a timely manner, in violation of the provisions of their credit contracts. This risk also contains any losses in the market value of the customers due to any deterioration in the financial position of the customer. The definition of credit risk includes not just the portfolios within the balance sheet, but also those kept off balance sheet.

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X. Explanations on risk management (continued):

The authority to approve credits belongs to the Board of Directors at our Bank. The Board of Directors determines the policies concerning the utilization, approval, risk management of the credits and other related management principles. It then ensures the implementation and supervision of these policies, taking required measures when necessary. The Board of Directors has transferred some of its authority in approving credit lines to the Credit Committee and General Management within the framework of the procedures and principles determined by the legal provisions. The General Management uses that authority to utilize credits by means of the credit departments and Bank branches. At our Bank, credit allocations are realized within those limits that are determined on the basis of each debtor and group of debtors.

It is systematically not possible for customers to exceed the predetermined and approved limit. Close attention is paid to prevent any sector concentration that might impair the health of the credit portfolio. Utmost care is given to the prevention of risks concentrating on a small number of customers. Credit risks are constantly monitored and reported by the internal systems units and risk management bodies. Credit risks are ensured to be in conformity to "Regulation on Credit Policies and Implementation Procedures".

Operational risk

Operational risk is a risk of loss caused by insufficient or unsuccessful internal processes, by persons and systems or external events, wherein the legal risks and compliance risks are included while the strategic (making wrong decisions at the wrong time) and reputational risk are excluded.

Operational risk is a type of risk present in all activities of the Bank. It could arise from errors of the staff or the system, from such transactions as may have been made based on insufficient or incorrect legal information or documents, due to impediments in the flow of information between the divisions in the organizational structure of the Bank, due to uncertainties in the definition of limits of authorities or from structural and/or operational changes, natural disasters, terror and frauds.

The Bank classifies operational risks into five groups according to their sources: staff risks, technological risks, organizational risks, legal and compliance risks and external risks.

The Bank also takes required measures to maintain operational risks at acceptable levels.

Other risks

The other risks that the Bank could encounter include strategic and reputational risk, counterparty credit risk, country risk, and concentration risk.

For the management of strategic risk, the Bank keeps a close watch on the domestic and international situation, on technological, financial, and social developments, on the legal and regulatory frameworks, and on the banking industry as a whole in order to make rational decisions and to change them as circumstances warrant.

The Bank regards reputational risk as anything that might lead to the Bank's suffering a loss on account of adverse developments such as a reduction in the confidence that is had in it or any impairment in its good standing due to unfavorable opinions that existing or potential customers, shareholders, competitors, regulatory agencies, or other outside or associated parties may have about it or due to any breach of existing laws and regulations. For the risk of reputation to be avoided and/or controlled by the Bank's Risk Management System, a proactive communication mechanism that gives the customer priority is established any time a condition that could detriment the Bank's reputation or image is detected. Preparations are made for the worst-case scenarios in advance. In the evaluation of the reputation risk, the relationship, level and impact of operational risks to the reputation risk are also taken into account.

Counterparty credit risk is an expression of the likelihood that the counterparty in any transaction that imposes an obligation on two parties will default on the obligation before the final payment in the transaction's

cash flow sequence. The Bank manages its counterparty credit risk exposure as required by laws and regulations, taking best practices into consideration, and compatibly with the volume, nature, and complexity of its operations.

Country risk is an expression of the likelihood that the bank will suffer a loss because debtors in another country fail to fulfill or avoid fulfilling their obligations owing to uncertainties in the economic, social, and/or political conditions of that country. The Bank enters into business relationships with foreign financial

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X. Explanations on risk management (continued):

institutions and/or the agencies of foreign countries taking legal and regulatory restrictions, market conditions, and customer satisfaction into consideration and on the basis of feasibility studies that take the country's economic conditions into account.

Concentration risk is defined as the likelihood that a single risk or several risks that have some attribute in common may, if realized, cause losses that are capable of endangering the bank itself or its ability to carry out its essential activities. Policies aimed at managing concentration risk are formulated so as to deal with particular aspects of it such as sectoral concentration, collateral concentration, market risk concentration, types of loss concentration, and creditor concentration.

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)	107.816.690	79.183.530	8.625.335
2	Standardised approach (SA)	107.816.690	79.183.530	8.625.335
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	353.803	385.679	28.304
5	Standardised approach for counterparty credit risk (SA-CCR)	353.803	385.679	28.304
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	27.372.478	14.629.329	2.189.798
17	Standardised approach (SA)	27.372.478	14.629.329	2.189.798
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	17.053.366	8.462.530	1.364.269
20	Basic Indicator Approach	17.053.366	8.462.530	1.364.269
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)	152.596.337	102.661.068	12.207.706

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X. Explanations on risk management (continued):

b. Financial statements and regulatory exposures reconciliation:

b.1. Differences and Matching Between Accounting-related Consolidation and Legal Consolidation:

Current Period	Carrying value reported in financial tables in accordance with Turkish Accounting Standards (TAS) ^(*)	Carrying values of items in accordance with Turkish Accounting Standards (TAS)				
		Subject to credit risk	Subject to counterparty credit risk	Securitization positions	Subject to market risk ^(**)	Not subject to capital requirements or deducted from capital
Assets						
Cash and cash equivalents	84.071.514	84.071.514	-	-	-	-
Financial assets at fair value through profit and loss	21.817.430	-	-	-	21.575.229	-
Financial Assets at Fair Value through Other Comprehensive Income	17.879.107	17.879.107	-	-	-	-
Financial Assets Measured at Amortised Cost	26.773.327	26.773.327	-	-	-	-
Derivative Financial Assets	142.403	142.403	142.403	-	142.403	-
Non Performing Financial Assets	-	-	-	-	-	-
Expected Credit Losses (-)	288.006	-	-	-	-	288.006
LOANS (Net)	144.018.281	144.018.281	-	-	-	(2.690.208)
Loans	141.247.298	141.247.298	-	-	-	2.842
Financial Lease Receivables	5.216.547	5.216.547	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Non Performing Receivables	2.019.669	2.019.669	-	-	-	-
Expected Credit Losses (-)	4.465.233	4.465.233	-	-	-	2.693.050
Assets Held for Sale and Assets of Discontinued Operations (Net)	4.245.475	4.245.475	-	-	-	-
Ownership Investments	92.600	92.600	-	-	-	-
Tangible Assets (Net)	6.234.686	6.234.686	-	-	-	72.670
Intangible Assets (Net)	713.793	713.793	-	-	-	618.647
Investment Property (Net)	-	-	-	-	-	-
Current Tax Asset	8.161	8.161	-	-	-	-
Deferred Tax Asset	1.785.466	1.785.466	-	-	-	-
Other Assets	3.053.724	3.053.724	-	-	-	-
Total assets	310.547.961	289.018.537	142.403	-	21.717.632	(2.286.897)
Liabilities						
Funds collected	204.766.581	-	-	-	-	204.766.581
Funds borrowed	50.236.792	-	-	-	-	50.236.792
Borrowings from money markets	-	-	-	-	-	-
Securities issued	-	-	-	-	-	-
Financial Liabilities At Fair Value Through Profit and Loss	-	-	-	-	-	-
Derivative Financial Liabilities	118.289	-	118.289	-	-	118.289
Lease Payables	1.181.035	-	-	-	-	1.181.035
Provisions	9.419.471	80.678	-	-	-	9.419.471
Current Tax Liability	685.707	-	-	-	-	685.707
Deferred Tax Liability	-	-	-	-	-	-
Liabilities For Assets Held For Sale and Assets of Discontinued (Net)	-	-	-	-	-	-
Subordinated Loans	14.007.315	-	-	-	-	14.007.315
Other Liabilities	11.703.827	-	-	-	-	11.703.827
Shareholders' equity	18.428.944	-	-	-	-	18.428.944
Total liabilities	310.547.961	80.678	118.289	-	-	310.547.961

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

(**) Market risk includes general market risk and specific risk items valued in accordance with TAS.

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X. Explanations on risk management (continued):

b. Financial statements and regulatory exposures reconciliation (continued):

b.1. Differences and Matching Between Accounting-related Consolidation and Legal Consolidation (continued):

Prior Period	Carrying value reported in financial tables in accordance with Turkish Accounting Standards (TAS) ^(*)	Carrying values of items in accordance with Turkish Accounting Standards (TAS)				
		Subject to credit risk	Subject to counterparty credit risk	Securitization positions	Subject to market risk ^(**)	Not subject to capital requirements or deducted from capital
Assets						
Cash and cash equivalents	63.669.672	63.669.672	-	-	-	-
Financial assets at fair value through profit and loss	19.781.253	-	-	-	18.134.958	-
Financial Assets at Fair Value through Other Comprehensive Income	7.532.091	7.532.091	-	-	-	-
Financial Assets Measured at Amortised Cost	28.852.543	28.852.543	-	-	-	-
Derivative Financial Assets	52.269	52.269	52.269	-	52.269	-
Non Performing Financial Assets	-	-	-	-	-	-
Expected Credit Losses (-)	309.493	-	-	-	-	309.493
LOANS (Net)	104.737.514	104.737.514	-	-	-	(2.705.177)
Loans	102.814.280	102.814.280	-	-	-	8.090
Financial Lease Receivables	4.549.011	4.549.011	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Non Performing Receivables	1.805.574	1.805.574	-	-	-	-
Expected Credit Losses (-)	4.431.351	4.431.351	-	-	-	2.713.267
Assets Held for Sale and Assets of Discontinued Operations (Net)	641.631	641.631	-	-	-	-
Ownership Investments	111.821	111.821	-	-	-	-
Tangible Assets (Net)	4.514.276	4.514.276	-	-	-	38.257
Intangible Assets (Net)	357.219	357.219	-	-	-	328.505
Investment Property (Net)	-	-	-	-	-	-
Current Tax Asset	-	-	-	-	-	-
Deferred Tax Asset	1.194.755	1.194.755	-	-	-	-
Other Assets	1.033.944	1.033.944	-	-	-	-
Total assets	232.169.495	212.697.735	52.269	-	18.187.227	(2.647.908)
Liabilities						
Funds collected	161.805.856	-	-	-	-	161.805.856
Funds borrowed	30.535.939	-	-	-	-	30.535.939
Borrowings from money markets	-	-	-	-	-	-
Securities issued	-	-	-	-	-	-
Financial Liabilities at Fair Value Through Profit and Loss	-	-	-	-	-	-
Derivative Financial Liabilities	121.376	-	121.376	-	-	121.376
Lease Payables	774.753	-	-	-	-	774.753
Provisions	6.568.964	57.995	-	-	-	6.568.964
Current Tax Liability	1.191.915	-	-	-	-	1.191.915
Deferred Tax Liability	-	-	-	-	-	-
Liabilities For Assets Held For Sale and Assets of Discontinued (Net)	-	-	-	-	-	-
Subordinated Loans	8.896.597	-	-	-	-	8.896.597
Other Liabilities	8.886.676	-	-	-	-	8.886.676
Shareholders' equity	13.387.419	-	-	-	-	13.387.419
Total liabilities	232.169.495	57.995	121.376	-	-	232.169.495

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

(**) Market risk includes general market risk and specific risk items valued in accordance with TAS.

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X. Explanations on risk management (continued):

b.2. Main reasons of the differences between the risk amounts and Carrying Value in accordance with Turkish Accounting Standards (TAS):

Current Period		Total	Subject to credit risk	Securitisation positions	Subject to counterparty credit risk	Subject to market risk ^(*)
1	Carrying value of assets within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	310.547.961	289.018.537	-	142.403	21.717.632
2	Carrying value of liabilities within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	-	80.678	-	-	-
3	Total net amount within the scope of legal consolidation	310.547.961	288.937.859	-	142.403	21.717.632
4	Off balance sheet amounts	87.099.419	20.858.783	-	211.400	-
5	Repo and similar transactions (**)	-	-	-	-	-
6	Differences in valuations	-	-	-	-	-
7	Differences arising from different netting rules (other than those set out in line 2)	-	-	-	-	-
8	Differences arising from consideration of provisions	-	-	-	-	-
9	Differences arising from BRSA's applications	-	(51.841.248)	-	-	-
10	Risk amounts	397.647.380	257.955.394	-	353.803	21.717.632

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

(**) In accordance with "Regulation on Measurement and Assessment of Capital Adequacy of Banks", it is counterparty credit risk amount calculated for repurchase agreements and similar transactions.

Prior Period		Total	Subject to credit risk	Securitisation positions	Subject to counterparty credit risk	Subject to market risk ^(*)
1	Carrying value of assets within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	232.169.495	212.697.735	-	52.269	18.187.227
2	Carrying value of liabilities within the scope of legal consolidation in accordance with Turkish Accounting Standard (as in template B1)	-	57.995	-	-	-
3	Total net amount within the scope of legal consolidation	232.169.495	212.639.740	-	52.269	18.187.227
4	Off balance sheet amounts	72.337.619	12.861.631	-	333.410	-
5	Repo and similar transactions (**)	-	-	-	-	-
6	Differences in valuations	-	-	-	-	-
7	Differences arising from different netting rules (other than those set out in line 2)	-	-	-	-	-
8	Differences arising from consideration of provisions	-	-	-	-	-
9	Differences arising from BRSA's applications	-	(63.349.914)	-	-	-
10	Risk amounts	304.507.114	162.151.457	-	385.679	18.187.227

(*) Represents the valued amounts of items subject to general market risk and specific risk according to Turkish Accounting Standards.

(**) In accordance with "Regulation on Measurement and Assessment of Capital Adequacy of Banks", it is counterparty credit risk amount calculated for repurchase agreements and similar transactions.

b.3. Explanations on differences between carrying values in accordance with Turkish Accounting Standards (TAS) and risk amounts:

There is no significant difference between the financial statement amounts of assets and liabilities and the amounts included in capital adequacy calculation.

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X. Explanations on risk management (continued):

c. Credit risk:

c.1. General information on credit risk:

c.1.1. General qualitative information on credit risk:

This information is already included in (II). Explanations on Credit Risk and (X.a.i) The Bank's risk management approach.

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	2.019.669	146.463.845	4.465.233	144.018.281
2 Debt securities	-	50.968.932	12.001	50.956.931
3 Off-balance sheet exposures	28.832	52.750.479	80.730	52.698.581
4 Total	2.048.501	250.183.256	4.557.964	247.673.793

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	107.378.291	4.446.351	104.737.514
2 Debt securities	-	49.569.963	17.027	49.552.936
3 Off-balance sheet exposures	24.962	39.068.997	62.583	39.031.376
4 Total	1.830.536	196.017.251	4.525.961	193.321.826

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	1.014.361	2.756.577
3 Receivables back to non-defaulted status	(12.695)	(10.956)
4 Amounts written off	(488.359)	(1.413.551)
5 Other changes	(295.342)	(984.871)
6 Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	2.048.501	1.830.536

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

The scope and definitions of past due receivables and the methods used by the bank to determine the provisions are mentioned in the Explanations on Credit risk.

The Bank may restructure not only non-performing credits but also the first and the second stage credits. Restructuring for the first and the second stage credits are made to improve the customer's ability to repay the credit or for changes in contractual terms upon the customer request regardless of the customer's credit risk. Restructuring for non-performing credits are made for providing collection possibility by establishing a new payment plan.

Breakdowns for receivables in terms of sectors are stated in "II. Explanations on credit risk", footnote 8 "Profile on significant risks in significant regions"

Breakdowns according to the remaining maturity for past due receivables and in terms of geographic locations receivables that specific provisions are set are represented below. In accordance with resolution of the Board of the Bank, TL 488.359 has been written off.

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X. Explanations on risk management (continued):

c.1.4. Additional information on credit quality of assets (continued):

Aging analysis for past due receivables:

As per Financial instruments segmentations, aging analysis of past due but not impaired financial assets is as follows:

	0-30 Day	31-90 Day	Total
Current Period	2.181.889	8.528.139	10.710.028

	0-30 Day	31-90 Day	Total
Prior Period	1.334.129	7.404.686	8.738.815

c.1.5. Receivables that provisions are set in terms of geographical region:

Current Period	Non-performing Loans⁽¹⁾	Specific Provision⁽¹⁾
Domestic	1.990.296	1.744.119
Off-shore Banking Countries	-	-
Other Countries	29.373	28.064
General Total	2.019.669	1.772.183

⁽¹⁾ Represents amounts for cash loans.

Prior Period	Non-performing Loans⁽¹⁾	Specific Provision⁽¹⁾
Domestic	1.773.481	1.688.529
Off-shore Banking Countries	-	-
Other Countries	32.093	29.555
General Total	1.805.574	1.718.084

⁽¹⁾ Represents amounts for cash loans.

c.2. Credit risk mitigation

c.2.1 Qualitative disclosure on credit risk mitigation techniques:

On and off balance sheet offsetting agreements are not utilized.

The risk mitigators that are used in credit process in compliance with Communiqué "The Risk Mitigation Techniques" which is published at September 6, 2014 are stated below.

- Financial Collaterals (Government Securities, Cash, Deposit or Participation Fund Pledge, Gold, Stock Pledge)
- Guarantees

The credibility of guarantors is monitored and evaluated within the framework of credit revision periods.

Collaterals obtained by the Bank are reviewed and appraised in accordance with related legislation as long as the credit relationship is outstanding.

If there are indicators on significant decreases of real estate's value in comparison to general market prices, the real estate's valuation is performed by the authorised valuation corporations authorised by Banking Regulation and Supervision Agency or Capital Markets Board of Türkiye.

The Bank monitors other banks' guarantees that are evaluated as risk mitigators within the framework of BRSA regulations on a regular basis and reviews the credibility of banks periodically.

The volatility in real estate market is monitored closely by the Bank and the market fluctuations are considered in credit activities.

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X. Explanations on 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	79.417.518	64.600.763	27.473.663	7.317.022	969.896	-	-
2 Debt securities	50.956.931	-	-	-	-	-	-
3 Total	130.374.449	64.600.763	27.473.663	7.317.022	969.896	-	-
4 Of which defaulted	(14.178)	261.664	154.747	-	-	-	-

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	61.438.366	43.299.148	14.470.637	13.598.588	610.421	-	-
2 Debt securities	49.552.936	-	-	-	-	-	-
3 Total	110.991.302	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:

Explanations on rating grades that the banks use for calculation of credit risk by the standardised approach are mentioned in the footnote numbered (IX) Explanations on Credit Risk.

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X. Explanations on 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
1	Receivables from central governments or central banks	69.343.976	-	69.343.976	-	0,00%
2	Receivables from regional or local governments	48.936	687	48.936	294	24,615
3	Receivables from administrative units and non-commercial enterprises	18.883	41.771	18.883	17.232	20,992
4	Receivables from multilateral development banks	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-
6	Receivables from banks and brokerage houses	29.784.014	1.863.884	29.784.014	1.420.275	9.736.475
7	Receivables from corporates	75.020.692	21.864.250	75.020.692	10.544.304	57.287.503
8	Retail receivables	15.444.424	18.621.106	15.444.424	5.539.126	14.823.073
9	Receivables secured by mortgages on property	9.055.974	1.402.133	9.055.974	576.722	3.386.010
10	Receivables secured by mortgages on commercial property	15.609.109	5.935.876	15.609.109	2.760.830	9.190.198
11	Past due receivables	95.814	-	95.814	-	62.588
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	22.530.151	-	22.530.151	-	13.140.598
17	Equity share investments	144.638	-	144.638	-	144.638
18	Total	237.096.611	49.729.707	237.096.612	20.858.783	107.816.690
						41,80%

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X. Explanations on 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
1	Receivables from central governments or central banks	45.922.339	-	45.922.339	-	-
2	Receivables from regional or local governments	8.895	2.747	8.895	1.374	18.397 179,15%
3	Receivables from administrative units and non-commercial enterprises	33.596	31.694	33.596	12.748	45.202 97,54%
4	Receivables from multilateral development banks	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-
6	Receivables from banks and brokerage houses	13.531.881	1.331.550	13.531.881	980.405	5.055.662 34,84%
7	Receivables from corporates	52.551.795	12.000.176	52.551.795	5.467.289	48.090.512 82,89%
8	Retail receivables	13.260.629	13.023.148	13.260.629	4.372.038	11.117.804 63,05%
9	Receivables secured by mortgages on property	3.686.608	797.629	3.686.608	343.866	2.014.201 49,97%
10	Receivables secured by mortgages on commercial property	9.366.057	3.688.124	9.366.057	1.683.911	6.671.367 60,37%
11	Past due receivables	38.538	-	38.538	-	47.085 122,18%
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	10.745.831	-	10.745.831	-	5.983.643 55,68%
17	Equity share investments	143.657	-	143.657	-	139.657 97,22%
18	Total	149.289.826	30.875.068	149.289.826	12.861.631	79.183.530 48,83%

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X. Explanations on risk management (continued):

c.3.3 Exposures by asset classes and risk weights:

Current Period		35% secured by Property mortgage										Total risk amount (post-CCF and CRM)
Risk Classes/Risk Weighted	0%	10%	20%	50%	75%	100%	150%	250%	Others ^(*)			
1	Receivables from central governments or central banks	69.343.976	-	-	-	-	-	-	-	-	-	69.343.976
2	Receivables from regional or local governments	-	-	-	-	49.230	-	-	-	-	-	49.230
3	Receivables from administrative units and non-commercial enterprises	12.468	-	3.318	-	-	-	20.329	-	-	-	36.115
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	3.484.441	-	19.427.341	-	4.883.007	-	3.409.500	-	-	-	31.204.289
7	Receivables from corporates	22.445.423	-	4.080.060	-	5.336.429	-	53.639.424	44.127	-	19.533	85.564.996
8	Retail receivables	766.833	-	611.179	-	13.270	19.592.268	-	-	-	-	20.983.550
9	Receivables secured by mortgages on property	-	-	-	9.601.473	11.457	-	19.766	-	-	-	9.632.696
10	Receivables secured by mortgages on commercial property	-	-	-	-	18.359.482	-	10.457	-	-	-	18.369.939
11	Past due receivables	2.936	-	1.682	-	70.566	-	7.952	12.678	-	-	95.814
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	7.646.337	-	2.179.020	-	-	-	12.704.794	-	-	-	22.530.151
17	Equity share investments	-	-	-	-	-	-	144.638	-	-	-	144.638
18	Total	103.702.414	-	26.302.600	9.601.473	28.723.441	19.592.268	69.956.860	56.805	-	19.533	257.955.394

^(*) Represents 500 % risk weight.

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X. Explanations on risk management (continued):

c.3.3 Exposures by asset classes and risk weights:

	Prior 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	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	-	2.576.866	-	-	-	-	14.512.286
7	Receivables from corporates	19.490.476	-	1.963.790	-	874.995	-	24.409.752	1.835	-	11.278.236	-	58.019.084
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	Collateralized Securities	-	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-	-
16	Other receivables	3.623.837	-	1.422.939	-	-	-	5.699.055	-	-	-	-	10.745.831
17	Equity share investments	-	-	5.000	-	-	-	138.657	-	-	-	-	143.657
18	Total	75.105.284	-	13.300.622	3.539.614	12.314.232	9.451.557	34.342.299	2.007.648	-	12.090.201	-	162.151.457

(*) Represents 200% and 500 % risk weight.

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X. Explanations on risk management (continued):

ç. Counterparty credit risk:

ç.1. Qualitative disclosure on counterparty credit risk:

Derivatives and repurchase transactions in the calculation of counterparty credit risk are calculated according to the fair value in accordance with "Appendix-2 of Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette dated October 23, 2015 and numbered 29511. The sum of potential future exposures and positive replacement costs is taken in the calculation of the risk amount related to derivative transactions.

The Bank prepared "Charter on the Counterparty Credit Risk Management Policy and Implementation Procedures" in order to determine the basic principles that manage the counterparty credit risk and this regulation was approved by the Board of Directors. The Board of Directors periodically reviews and assesses the related policy.

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

Current Period	Replacement cost	Potential Future exposure	EEPE ⁽¹⁾	Alpha	EAD post-CRM	RWA
				used for computing regulatory exposure at default		
1 Standardised Approach - CCR (for derivatives)	142.403	211.400		-	353.803	296.800
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						296.800

⁽¹⁾ Effective Expected Positive Exposure.

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X. Explanations on risk management (continued):

ç. Counterparty credit risk (continued):

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

Prior Period	Replacement cost	Potential Future exposure	EEPE ^(*)	Alpha	EAD post-CRM	RWA
				used for computing regulatory exposure at default		
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

(*) Effective Expected Positive Exposure.

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 3×multiplier)		-		-
2 (ii) Stressed VaR component (including the 3×multiplier)		-		-
3 All portfolios subject to the Standardised CVA capital obligation	353.803	57.003	385.679	1.058
4 Total subject to the CVA capital obligation	353.803	57.003	385.679	1.058

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X. Explanations on risk management (continued):

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

Current Period													
Risk Classes	Risk Weighted											Total credit exposure ^(*)	
	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other		
Receivables from central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-
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	57.003	-	-	-	-	-	-	37.197	-	-	-	-	94.200
Receivables from corporates	-	-	-	-	-	-	-	259.603	-	-	-	-	259.603
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	57.003	-	-	-	-	-	-	296.800	-	-	-	-	353.803

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

Prior Period													
Risk Classes	Risk Weighted											Total credit exposure ^(*)	
	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

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

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X. Explanations on 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 Bank arising from purchased or sold credit derivatives

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

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

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

d. Information to be announced to public on Securitization:

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

e. Market risk

e.1. Qualitative disclosure on market risk:

The Bank measures market risk by using the standard method in accordance with "Regulation on the Measurement and Assessment of the Capital Adequacy of Banks" dated October 23, 2015 and numbered 29511 and allocates legal capital on this basis. On the other hand, the market risk is also calculated by using the internal model for testing (Value at Risk) and the results found are supported by considering backtesting results. The market risk value (Value at Risk) calculated by using the internal model is calculated on a daily basis by using Variance-Covariance, EWMA, Monte Carlo and Historical Simulation methods and is reported to the top management.

The Board of Directors sets limits for these risks by considering the main risks and revises these limits periodically in line with market conditions and Bank's strategies. In addition, the Board of Directors ensures that the risk management unit and senior management take all necessary measures to identify, measure, prioritize, and reduce at an acceptable level and to manage the various risks that the Bank is exposed to.

The Board of Directors sets limits for these risks by considering the main risks and revises these limits periodically in line with market conditions and Bank's strategies. In addition, the Board of Directors ensures that the risk management unit and senior management take all necessary measures to identify, measure, prioritize, and reduce at an acceptable level and to manage the various risks that the Bank is exposed to.

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X. Explanations on risk management (continued):

Risks that positions held by the Bank under on-balance sheet and off-balance sheet accounts may occur due to fluctuations in financial markets are measured. Information about the market risk considered in the calculation of legal capital as follows.

e.2 Market risk under standardised approach:

		Current Period	Prior Period
		RWA	RWA
Outright products			
1	Profit rate risk (general and specific)	6.914.065	4.755.006
2	Equity risk (general and specific)	15.512.931	6.608.892
3	Foreign exchange risk	2.380.920	2.535.352
4	Commodity risk	2.564.562	730.079
Options			
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitisation	-	-
9	Total	27.372.478	14.629.329

f. Operational risk:

Capital requirement for operational risk is calculated annually by using the Basic Indicator Method in accordance with Article 24 of the Regulation on the Measurement and Assessment of Capital Adequacy of Banks. As of December 31, 2023, amount subject to operational risk and the calculation information are given below.

	2 PP Value	1 PP Value	CP Value	Total number of years for which gross income is positive	Rate (%)	Total
Gross Income	2.283.668,00	9.021.451,00	15.980.267,00	9.095.128,67	15%	1.364.269,30
Amount subject to Operational Risk (Total*12,5)						17.053.366,25

g. Qualitative disclosure on profit rate risk arising from banking books

a) Important assumptions including the nature of profit rate risk arising from banking books and the early repayment of loans and movements in deposits other than time deposits with measurement frequency of the profit rate risk

Profit rate risk arising from banking books measures profit rate risk arising from on-balance sheet and off-balance sheet positions in the Bank's banking books by standard shock method.

The Bank calculates and measures legal ratio for profit rate risk arising from banking books on a monthly basis in accordance with "Regulation on Measurement and Assessment of Interest Rate Risk arising from Banking Books by Standard Shock Method" that have been published in Official Gazette numbered 28034 and dated August 23, 2011.

Profit share-yield assets, liabilities that profit share is paid, restructuring risk, yield curve risk in banking books and changes in profit rates occurred in market conditions are monitored, assessed, measured and managed by the Bank in the calculations made within the scope of the related regulation.

Against the risk that these matters may affect the Bank's capital negatively, these risks are assessed and managed on a weekly basis within the scope of the Charters established by the Board of Directors.

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X. Explanations on risk management (continued):

b) Economic value differences arising from profit rate fluctuations in accordance with Regulation on Measurement and Assessment of Profit Rate Risk arising from Banking Books by Standard Shock Method:

Currency	Applied Shock (+/-x basis point)	Gains/ (Losses)	Gains/Equity (Losses/Equity) (%)
TL	(+) 500bp	(1.673.719)	(6,396)
TL	(-) 400bp	1.589.275	6,073
USD Dollar	(+) 200bp	(51.979)	(0,199)
USD Dollar	(-) 200bp	48.772	0,186
EUR	(+) 200bp	38.165	0,146
EUR	(-) 200bp	(35.964)	(0,137)
Total (For Negative Shocks)	-	1.602.083	6,122
Total (For Positive Shocks)	-	(1.687.533)	(6,449)

XI. Explanations on business segments:

The 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	5.975.767	29.612.532	20.231.069	2.916.096	58.735.464
Operating Expenses	(14.699.891)	(23.746.187)	(13.889.184)	(1.992.130)	(54.327.392)
Operating Income/Expenses	(8.724.124)	5.866.345	6.341.885	923.966	4.408.072
Profit/(Loss) Before Tax	(8.724.124)	5.866.345	6.341.885	923.966	4.408.072
Tax Income (Expense)	-	-	-	(97.624)	(97.624)
Current Year Profit/(Loss)	(8.724.124)	5.866.345	6.341.885	826.342	4.310.448
Total Assets	12.802.607	136.566.681	144.038.270	17.140.403	310.547.961
Total Liabilities	115.843.272	106.824.165	63.667.213	24.213.311	310.547.961

Prior Period	Retail	Commercial and Corporate	Treasury	Undistributed	Total
Operating Income	2.842.171	15.583.795	13.140.187	1.630.091	33.196.244
Operating Expenses	(8.196.471)	(13.710.923)	(5.922.325)	(282.893)	(28.112.612)
Operating Income/Expenses	(5.354.300)	1.872.872	7.217.862	1.347.198	5.083.632
Profit/(Loss) Before Tax	(5.354.300)	1.872.872	7.217.862	1.347.198	5.083.632
Tax Income (Expense)	-	-	-	(1.655.074)	(1.655.074)
Current Year Profit/(Loss)	(5.354.300)	1.872.872	7.217.862	(307.876)	3.428.558
Total Assets	9.597.842	98.606.455	117.146.214	6.818.984	232.169.495
Total Liabilities	119.310.064	55.584.829	39.885.246	17.389.356	232.169.495

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SECTION FIVE

Explanations and notes on the unconsolidated financial statements

I. Explanations and notes related to 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	394.690	3.764.971	360.378	2.831.114
CBRT	21.120.027	31.528.203	16.171.014	27.092.237
Other ^(*)	513.008	3.940.514	229.427	2.400.022
Total	22.027.725	39.233.688	16.760.819	32.323.373

^(*) Includes precious metals amounting to TL 2.192.821 (December 31, 2023: TL 494.914) and cash in transit amounting to TL 2.260.701 (December 31, 2023: TL 2.134.535) as of December 31, 2024.

b. Information related to CBRT:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	13.427.038	4.114.453	13.638.723	4.825.517
Unrestricted time deposit	-	-	-	-
Restricted time deposit ^(*)	7.692.989	27.413.750	2.532.291	22.266.720
Total	21.120.027	31.528.203	16.171.014	27.092.237

^(*) As of December 31, 2024, the reserve requirement held in standard gold is TL 5.995.768 (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 December 31, 2024, the Bank's applicable rates for Turkish lira required reserves are between 3% 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.

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

c.1. Information on Banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic ^(*)	6.474.356	4.405.600	6.867.754	1.474.602
Abroad	128.674	11.801.471	-	6.243.124
Foreign head offices and branches	-	-	-	-
Total	6.603.030	16.207.071	6.867.754	7.717.726

^(*) Includes blockaged amount TL 6.464.574 TL (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 assets (continued):

c.2. Information on foreign bank accounts:

	Current period		Prior Period	
	Unrestricted amount	Restricted amount	Unrestricted amount	Restricted amount
European Union Countries	3.554.581	-	1.150.339	-
USA and Canada	918.845	-	639.939	-
OECD Countries ^(*)	3.597.485	-	52.352	-
Off-shore banking regions	1.465	-	3.234	-
Other ^(**)	3.140.195	588.900	3.386.024	1.011.236
Total	11.212.571	588.900	5.231.888	1.011.236

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

^(**) Represents the balance amounts to TL 2.660.848 in Iraq Banks belonging to Bank's foreign branches "Erbil and Baghdad" (December 31, 2023: TL 3.964.602).

2. Financial assets measured at fair value through profit or 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 December 31, 2024, there is not any investment amount subject to repurchase (December 31, 2023: None).

As of December 31, 2024, the collateraled /blocked nominal investment amount is TL 8.225.509 (December 31, 2023: TL 10.198.797).

b. Financial assets measured at fair value through profit/loss

	Current Period		Prior Period	
	TL	FC	TL	FC
Investment fund participation certificates (Net)	14.816.830	696.100	6.608.895	-
Sukuk	490.722	5.667.982	283.025	12.783.452
Equity Securities	-	126.497	-	74.650
Other	-	19.299	2.658	28.573
Total	15.307.552	6.509.878	6.894.578	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 a collateral or blocked:

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

As of December 31, 2024, the collateraled /blocked nominal investment amount is TL 2.892.136 (December 31, 2023: TL 1.415.409).

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- I. Explanations and notes related to assets (continued):
3. Information on financial assets measured at fair value through other comprehensive income (continued):

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

	Current Period	Prior Period
Debt Securities	17.828.064	7.486.911
Quoted on a stock exchange	17.828.064	7.486.911
Unquoted	-	-
Investment Funds	-	-
Quoted on a stock exchange	-	-
Unquoted	-	-
Share Certificates	52.188	45.261
Quoted on a stock exchange	-	-
Unquoted	52.188	45.261
Impairment Provision (-)	1.145	81
Total	17.879.107	7.532.091

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 December 31, 2024, the nominal investment amount subject to repurchase agreements is none (December 31, 2023: None).

As of December 31, 2024, the collateralized/blocked nominal investment amount is TL 15.017.532 (December 31, 2023: TL 17.968.416).

b) Information on debt securities measured at amortised cost:

	Current Period	Prior Period
Government Bonds	-	-
Treasury Bills	-	-
Other Government Securities ^(*)	26.773.327	28.852.543
Other Debt Securities	-	-
Total	26.773.327	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	26.773.327	28.852.543
Quoted on a stock exchange	26.773.327	28.852.543
Unquoted	-	-
Impairment provision (-)	-	-
Total	26.773.327	28.852.543

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

4. Information on financial assets measured at amortised cost (continued):

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	2.162.058	7.975.560
Purchases during period ^(*)	6.171.172	5.228.236
Disposals through sales and redemptions ^(*)	(11.671.492)	(4.314.693)
Impairment provision (-)	-	-
Reclassifications	-	-
Increases (decreases) in income accruals	1.259.046	512.511
Closing balance	26.773.327	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	7.752	5.687	2.366	7.631
Swap Transactions	22.511	90.085	42.272	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Others ^(*)	15.014	1.354	-	-
Total	45.277	97.126	44.638	7.631

^(*) Represented spot rediscounts.

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

6. Information on loans:

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

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	3.136.891	40.502	379.560	5.808
Corporate shareholders	3.134.942	40.152	376.786	5.458
Real person shareholders	1.949	350	2.774	350
Indirect loans granted to shareholders	203	102	84	119.373
Loans granted to employees	240.868	135	104.598	85
Total	3.377.962	40.739	484.242	125.266

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

6. Information on loans (continued):

a. 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				
	Cash Loans	Standard Loans	Not Under the Scope of	Restructured	
				Restructuring or Rescheduling	Amendments to the Terms of Contracts
Loans					
Export loans	16.614.567		180.619	-	-
Import loans	10.185.675		59.472	-	-
Business loans ^(**)	52.563.946		2.302.842	2.537.368	1.655.923
Consumer loans	11.789.486		236.908	1.796	-
Credit cards	2.707.656		56.594	1.070	-
Loans given to financial sector	3.526.282		-	-	-
Other ^(*)	35.559.966		858.061	400.403	8.664
Other receivables	-		-	-	-
Total	132.947.578		3.694.496	2.940.637	1.664.587

(*) Details of other loans are provided below:

Commercial loans with installments	12.633.054
Other investment credits	4.780.184
Loans given to abroad	11.230.056
Profit and loss sharing investments ^(**)	7.477.789
Loans for purchase of marketable securities for customer	665.321
Other	40.690
Total	36.827.094

^(**) Related balance. As of December 31, 2024, the balance consists of funds allocated through profit and loss sharing investments (3). All of these projects are real estate development projects in various regions of Istanbul. Income sharing of the profit and loss sharing projects is made at the end of the project or at the end of the stage/section, after netting the related cost accounts and calculating the net profit, within the framework of the profit and loss sharing agreement signed between the parties. As of December 31, 2024, profit and loss partnership investments are treated as financial assets at fair value through profit or loss, and the net valuation gain amounting to TL 1.008.187 for 2024 (TL 1.042.603 valuation gain, TL 34.416 valuation gain reversal) between the project-based bank's risk and the assets based on independent valuation reports for that project is reflected in the statement of profit or loss. Total cumulative increase in value of investments in profit and loss partnerships amounting to TL 3.689.033.

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- I. Explanations and notes related to assets (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	Loans Under Close Monitoring			
	Cash Loans	Standard Loans	Not Under the Scope of	Restructured
Restructuring or Rescheduling			Amendments to the Terms of Contracts	Refinancing
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	2.035.932	15.872	-	-
Loans given to financial sector	2.792.028	-	-	-
Other ^(*)	22.171.511	422.748	292.425	160.397
Other receivables	-	-	-	-
Total	95.449.426	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 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 Bank's share of loss is limited with the funds invested in the project by the 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 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	509.140	-
Significant Increase in Credit Risk	-	2.183.910
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 assets (continued):

c. Maturity analysis of cash loans:

Cash Loans Current Period	Standard Loans	Loans Under Follow-Up	
		Non-restructured	Restructured
Short term loans	55.118.673	1.110.621	-
Medium and long-term loans ^(*)	77.828.905	2.583.875	4.605.224
Total	132.947.578	3.694.496	4.605.224

^(*) Loans with original maturities longer than a year are classified as "Medium and Long Term Loans".

Cash Loans Prior Period	Standard Loans	Loans Under Follow-Up	
		Non-restructured	Restructured
Short term loans	41.811.187	347.076	-
Medium and long-term loans ^(*)	53.638.239	1.434.847	5.582.931
Total	95.449.426	1.781.923	5.582.931

^(*) Loans with original maturities longer than a year are classified as "Medium and Long Term Loans".

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

b. 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	311.210	11.486.006	11.797.216
Housing loans	42.593	9.305.985	9.348.578
Vehicle loans	52.939	1.011.171	1.064.110
Consumer loans	215.678	1.168.850	1.384.528
Other	-	-	-
Consumer loans-FC indexed	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	-	21.035	21.035
Housing loans	-	9.451	9.451
Vehicle loans	-	-	-
Consumer loans	-	11.584	11.584
Other	-	-	-
Retail credit cards-TL	888.873	-	888.873
With installment	106.304	-	106.304
Without installment	782.569	-	782.569
Retail credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Personnel loans-TL	79.832	130.107	209.939
Housing loans	0	15.014	15.014
Vehicle loans	213	4.436	4.649
Consumer loans	79.619	110.657	190.276
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	30.929	-	30.929
With installment	4.148	-	4.148
Without installment	26.781	-	26.781
Personnel credit cards-FC	-	-	-
With installment	-	-	-
Without-installment	-	-	-
Overdraft account-TL (Real Person)	-	-	-
Overdraft account-FC (Real Person)	-	-	-
Total	1.310.844	11.637.148	12.947.992

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I. Explanations and notes related to 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 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	2.392.871	7.740.807	10.133.678
Business loans	87.473	837.534	925.007
Vehicle loans	2.189.486	6.022.235	8.211.721
Consumer loans	115.912	881.038	996.950
Other	-	-	-
Commercial installment loans-FC indexed	-	255	255
Business loans	-	251	251
Vehicle loans	-	4	4
Consumer loans	-	-	-
Other	-	-	-
Commercial installment Loans-FC	123.978	2.375.143	2.499.121
Business loans	34.469	897.600	932.069
Vehicle loans	89.509	1.290.805	1.380.314
Consumer loans	-	186.738	186.738
Other	-	-	-
Corporate credit cards-TL	1.845.312	206	1.845.518
With installment	28.622	149	28.771
Without installment	1.816.690	57	1.816.747
Corporate credit cards-FC	-	-	-
With installment	-	-	-
Without installment	-	-	-
Overdraft account-TL (Legal Entity)	-	-	-
Overdraft account-FC (Legal Entity)	-	-	-
Total	4.362.161	10.116.411	14.478.572

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	1.337.166	2.901	1.340.067
With installment	251.296	2.408	253.704
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	3.947.309	4.553.189	8.500.498

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AS OF DECEMBER 31, 2024

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

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

e. Allocation of loans by customers:

	Current Period	Prior Period
Public	8.817.181	376.742
Private	132.430.117	102.437.538
Total	141.247.298	102.814.280

f. Breakdown of domestic and foreign loans:

	Current Period	Prior Period
Domestic loans	130.017.242	97.507.776
Foreign loans	11.230.056	5.306.504
Total	141.247.298	102.814.280

g. Loans granted to subsidiaries and associates:

	Current Period		Prior Period	
	TL	FC	TL	FC
Direct Loans Granted to Subsidiaries and Associates	8	-	18	-
Indirect Loans Granted to Subsidiaries and Associates	-	-	-	-
Total	8	-	18	-

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

	Current Period	Prior Period
Loans with limited collectability	297.271	372.915
Loans with doubtful collectability	235.529	144.253
Uncollectible loans	1.239.383	1.200.916
Total	1.772.183	1.718.084

Specific provisions in the amount of TL 1.772.183 (December 31, 2023: TL 1.718.084) comprise TL 722.761 (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	-	1.505	33.439
Restructured loans	-	1.505	33.439
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 assets (continued):

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

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 (+)	931.706	26.390	56.265
Transfers from other categories of non-performing loans (+)	-	782.638	434.868
Transfers to other categories of non-performing loans (-)	782.638	434.868	-
Collections in the current period (-)	84.351	75.919	138.942
Transfers to standard loans and write off(-) ^(*)	5.410	189.496	306.148
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Closing balance of the current period	479.357	269.843	1.270.469
Provisions (-)	297.271	235.529	1.239.383
Net balance at the balance sheet	182.086	34.314	31.086

^(*) 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 12.695. Since there is no reasonable expectation regarding its recovery, TL 488.359 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 33 basis points

Non-performing loans in the amount of TL 2.019.669 comprise TL 914.488 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 (-) ^(*)	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

^(*) 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 assets (continued):

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

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	47.120	20.020	249.127
Provision (-)	27.864	16.258	238.820
Net balance	19.256	3.762	10.307
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)	182.086	34.314	31.086
Loans to individuals and corporates (gross)	479.357	269.843	1.270.469
Provision (-)	297.271	235.529	1.239.383
Loans to individuals and corporates (net)	182.086	34.314	31.086
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 assets (continued):

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

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 Loans with limited collectibility	Group IV Loans with doubtful collectibility	Group V Uncollectible loans
Current Period (Net)	17.595	11.519	9.388
Profit Share Accruals and Valuation Differences	55.957	43.171	54.441
Provision (-)	38.362	31.652	45.053
Prior Period (Net)	22.805	3.528	5.460
Profit Share Accruals and Valuation Differences	34.600	9.648	39.149
Provision (-)	11.795	6.120	33.689

i. Liquidation policy for uncollectible 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:

The write-off policy of the Bank for receivables under follow up is to retire the receivables from assets in case of determination of the inability of collection through follow-up by the decision of Bank management. As of December 31, 2023, loans which deemed uncollectible amounts to TL 488.359 have been written off as per the decision taken by the bank management (December 31, 2023: TL 1.413.551).

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	1.761.526	1.567.512	1.331.900	1.206.071
1 to 4 years	4.731.752	3.588.803	4.700.373	3.273.855
More than 4 years	64.654	60.232	69.085	69.085
Total	6.557.932	5.216.547	6.101.358	4.549.011

b. Information on net investments through finance lease:

	Current Period	Prior Period
Financial lease receivables (Gross)	6.557.932	6.101.358
Unearned financial lease receivable (-)	1.341.385	1.552.347
Net receivable from financial leases	5.216.547	4.549.011

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

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.

Information on leasing receivables:

	Standard Loans	Loans Under Close Monitoring		
		Not Under the Scope of Restructuring or Rescheduling	Loans with Revised Contract Terms	Restructured Refinancing
Current Period				
Financial lease receivables (Net)	4.988.129	222.474	5.944	-
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:

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	4.264.619	672.801
Real Estate Acquired	4.146.446	672.801
Discontinued Operations	118.173	-
Disposals	(31.546)	(76.956)
Transfers ^(*)	(640.891)	(283.684)
Impairment Provision(-)/Reversal of Impairment Provision	11.662	(11.662)
Net closing balance	4.245.475	641.631

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

As of December 31, 2024, TL 4.126.952 (December 31, 2023: TL 639.881) of the assets held for sale is comprised of real estates, TL 350 (December 31, 2023: 1.750) is comprised of other tangible assets. The Bank has not any discontinued operations and assets of 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. As of December 31, 2024, the capital of the company is EUR 7.551.715 (full balance in original currency) equivalent to TL 118.173 as historical cost in the Balance Sheet.

As of December 31, 2024, unaudited financial statements of Getinsha GmbH is as follows:

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Getinsha GmbH	Berlin / Germany	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
348.307 €	-	-	-	(41.255) €	(41.255) €	(7.173.498) €	-

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

9. Ownership investments:

a. Associates:

a.1. Information on unconsolidated associates:

The 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, TL 22.500 on January 31, 2024, and TL 22.500 on July 31, 2024 with a total fee of TL 67.500. The total capital of the company is TL 600.000 and the Bank's total participation share is TL 90.000 corresponding to 15%. The remaining TL 22.500 will be paid within 2 years. There is a board member representing the Bank's shares in the company.

Name	Address (City/Country)	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 (December31,2023: None)

b. Information on subsidiaries (net):

b1. Information on unconsolidated non financial subsidiaries:

As of balance sheet date, the Bank does not have any non financial subsidiaries (December31,2023: None)

b2. Information on subsidiaries:

Bereket Varlık Kiralama A.Ş and Değer Varlık Kiralama A.Ş., 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 December 31, 2024, the capital of each company is TL 50.

i. The balances of Bereket Varlık Kiralama A.Ş. presented in the table below have been obtained from unaudited and TAS29 not applied financial statements as of December 31, 2024.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Bereket 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
12.616.873	304	-	-	-	68	176	-

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

b2. Information on subsidiaries (continued):

ii. The balances of Değer Varlık Kiralama A.Ş. presented in the table below have been obtained from unaudited and TAS29 not applied financial statements as of December 31, 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
614.412	13.636	-	-	-	8.150	5.426	-

iii. In the Board of Directors meeting dated February 25, 2015, the 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, 2024, 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 unaudited and TAS29 not applied financial statements as of December 31, 2024.

Name	Address (City/Country)	Bank's share percentage- If different voting percentage (%)	Risk share percentage of other shareholders (%)
Albaraka Portföy Yönetimi 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
1.090.605	972.586	3.970	20.614	-	494.964	245.292	-

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

v. Movement and sectoral information on consolidated subsidiaries:

	Current Period	Prior Period
Amount at the beginning of the period	69.321	69.321
Movements inside the term	(64.221)	-
Purchases/new incorporations/capital increases	53.952	-
Bonus shares	-	-
Profit received from current year share	-	-
Sales / Capital decreases (-)(*)	(118.173)	-
Revaluation increases	-	-
Impairments	-	-
Amount at the end of the period	5.100	69.321
Capital commitments	-	-
Share of the capital at the end of the period (%)	100	100

(*)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.

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	5.100	69.321

c. Information on investments in joint-ventures:

The 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. The financial data from unaudited and TAS29 not applied financial statements as of December 31,2024 is as follows:

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%	3.068.363	31.984.767	31.934.848	3.897.163	3.211.098

Investment in joint venture in the unconsolidated financial statements is carried at cost amounts to TL 20.000.

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

10. Information on tangible assets:

Current period	Immovables^(*)	Leased tangible assets	Vehicles	Other	Assets to be sold	Total
Cost						
Opening balance: January 1, 2023	3.353.028	-	570.078	505.111	885.801	5.314.018
Additions	537.550	-	47.762	130.435	-	715.747
Revaluation differences	867.490	-	-	-	-	867.490
Disposals	-	-	(2.826)	(9.143)	(100.087)	(112.056)
Impairment losses(-)/Reversal of impairment losses	-	-	-	-	1.284	1.284
Transfers	-	-	-	-	640.891	640.891
Ending balance: December 31, 2023	4.758.068	-	615.014	626.403	1.427.889	7.427.374
Accumulated depreciation(-)						
Opening balance: January 1, 2023	422.874	-	32.226	344.469	173	799.742
Depreciation expense	221.037	-	118.207	63.274	-	402.518
Reversal of depreciation of the disposed assets	-	-	(424)	(9.140)	(8)	(9.572)
Transfers	-	-	-	-	-	-
Ending balance: December 31, 2023	643.911	-	150.009	398.603	165	1.192.688
Total cost at the end of the year	4.758.068	-	615.014	626.403	1.427.889	7.427.374
Total accumulated depreciation at the end of the year	(643.911)	-	(150.009)	(398.603)	(165)	(1.192.688)
Closing net book value	4.114.157	-	465.005	227.800	1.427.724	6.234.686
Prior period	Immovables^(*)	Leased tangible assets	Vehicles	Other	Assets to be sold	Total
Cost						
Opening balance: January 1, 2022	1.997.995	-	770	421.618	917.077	3.337.460
Additions	378.880	-	569.308	91.482	-	1.039.670
Revaluation differences	998.797	-	-	-	-	998.797
Disposals	(22.644)	-	-	(7.989)	(314.960)	(345.593)
Impairment losses(-)/Reversal of impairment losses	-	-	-	-	-	-
Transfers	-	-	-	-	283.684	283.684
Ending balance: December 31, 2022	3.353.028	-	570.078	505.111	885.801	5.314.018
Accumulated depreciation(-)						
Opening balance: January 1, 2022	289.513	-	393	314.688	175	604.769
Depreciation expense	138.205	-	31.833	36.585	-	206.623
Reversal of depreciation of the disposed assets	(4.844)	-	-	(6.804)	(2)	(11.650)
Transfers	-	-	-	-	-	-
Ending balance: December 31, 2022	422.874	-	32.226	344.469	173	799.742
Total cost at the end of the year	3.353.028	-	570.078	505.111	885.801	5.314.018
Total accumulated depreciation at the end of the year	(422.874)	-	(32.226)	(344.469)	(173)	(799.742)
Closing net book value	2.930.154	-	537.852	160.642	885.628	4.514.276

(*) As of December 31, 2023, the immovables of the Bank have been revalued by an independent valuer and revaluation fund of TL 867.490 in the current period (December 31, 2023: TL 998.797) has been reflected in the financial statements. After the revaluation, the total cost of the Bank's immovables is TL 3.255.371 (December 31, 2023: TL 2.380.197), their amortisation is TL 219.101 (December 31, 2023: TL 148.027), net carrying value is TL 3.036.270 (December 31, 2023: TL 2.232.170) .As of December 31,2023, the total cost of the immovables recognized as "right of use" under tangible assets in accordance with "IFRS 16 Leases" standard in the balance sheet of the Bank is TL 1.502.697 (December 31, 2023: TL 972.831) , related amortisation is TL 424.810 (December 31, 2023: TL 274.847), net carrying value is TL 1.077.887 (December 31, 2023: TL 697.984).

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

11. Information on intangible assets:

a) Opening and ending book values and accumulated depreciation balances:

	Current Period	Prior Period
Gross book value	1.348.814	768.705
Accumulated depreciation (-)	635.021	411.486
Total (net)	713.793	357.219

b) Intangible assets movement between the beginning and end of the period:

	Current Period	Prior Period
Opening balance	357.219	166.752
Additions	632.364	315.834
Disposals (-) (net)	-	64
Depreciation expense (-)	275.790	125.303
Closing net book value	713.793	357.219

12. Information on investment property:

None (December 31, 2023: None)

13. Information related to deferred tax asset:

As of December 31, 2024, the Bank calculated net deferred tax asset of TL 1.785.466 (December 31, 2023: TL 1.194.755) by netting off deferred tax asset of TL 2.895.923 (December 31, 2023: TL 2.358.300) and deferred tax liability of TL 1.110.457 (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	296.054	192.301
Provisions for retirement premium and vacation pay liabilities	743.045	363.385
Difference between carrying value and tax base of tangible assets (amortisation differences)	153.080	218.425
Provisions for cases on trial	24.132	22.376
Provisions	571.583	619.079
Leasing profit share expenses	145.448	99.054
Other ^(*)	962.581	843.680
Deferred tax asset	2.895.923	2.358.300
Revaluation difference of property	450.024	322.935
Rediscount on profit share	218.804	143.214
Right of use assets	279.951	190.808
Derivative financial liabilities	37.810	15.681
Investment funds	17.148	371.861
Other ^(**)	106.720	119.046
Deferred tax liability	1.110.457	1.163.545
Deferred tax asset (net)	1.785.466	1.194.755

^(*) Includes TL 933.964 (December 31, 2023: TL 812.992) arising from the inflation indexation of non-monetary assets in accordance with the Tax Procedure Law.

^(**) Includes TL 91.139, the deferred tax liability of securities revaluation at fair value through other comprehensive income (December 31, 2023: 112.496 TL).

14. Information on other assets:

As of the balance sheet date, the Bank's other assets balance is TL 3.053.724 (December 31, 2023: TL 1.033.944) and does not exceed 10% of total assets.

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II. Explanations and notes related to 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 accounts	Total
I. Real Persons Current Accounts									
Non-Trade TL	7.737.481	-	-	-	-	-	-	-	7.737.481
II. Real Persons Participation Accounts Non-Trade TL	-	5.797.298	23.086.762	856.921	-	23.817	8.398.159	23.156	38.186.113
III. Current Account other-TL	16.218.649	-	-	-	-	-	-	-	16.218.649
Public Sector	361.239	-	-	-	-	-	-	-	361.239
Commercial Institutions	15.186.452	-	-	-	-	-	-	-	15.186.452
Other Institutions	624.445	-	-	-	-	-	-	-	624.445
Commercial and Other Institutions	22.966	-	-	-	-	-	-	-	22.966
Banks and Participation Banks	23.547	-	-	-	-	-	-	-	23.547
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	23.537	-	-	-	-	-	-	-	23.537
Participation Banks	8	-	-	-	-	-	-	-	8
Other	-	-	-	-	-	-	-	-	-
IV. Participation Accounts-TL	-	32.409.323	6.889.212	2.078.969	-	3.006.724	1.389.042	342	45.773.612
Public Sector	-	-	614	-	-	-	-	-	614
Commercial Institutions	-	32.151.773	6.088.666	1.756.701	-	3.006.507	1.326.952	342	44.330.941
Other Institutions	-	233.728	799.543	315.720	-	217	62.090	-	1.411.298
Commercial and Other Institutions	-	23.822	326	6.548	-	-	-	-	30.696
Banks and Participation Banks	-	-	63	-	-	-	-	-	63
V. Real Persons Current Accounts Non-Trade FC	30.564.326	-	-	-	-	-	-	-	30.564.326
VI. Real Persons Participation Accounts Non-Trade FC	-	7.094.623	6.070.691	1.324.752	-	46.995	1.640.654	18.507	16.196.222
VII. Other Current Accounts FC	26.423.787	-	-	-	-	-	-	-	26.423.787
Residents in Türkiye-Corporate	14.939.959	-	-	-	-	-	-	-	14.939.959
Residents Abroad-Corporate	7.530.809	-	-	-	-	-	-	-	7.530.809
Banks and Participation Banks	3.953.019	-	-	-	-	-	-	-	3.953.019
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	187	-	-	-	-	-	-	-	187
Foreign Banks	3.951.953	-	-	-	-	-	-	-	3.951.953
Participation Banks	879	-	-	-	-	-	-	-	879
Other	-	-	-	-	-	-	-	-	-
VIII. Participation Accounts other-FC	-	577.392	540.370	6.006	-	7.527	3.383	5.854	1.140.532
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	491.801	515.692	3.237	-	7.527	3.383	5.854	1.027.494
Other institutions	-	26.654	22.010	1.319	-	-	-	-	49.983
Commercial and Other Institutions	-	5.688	2.668	1.450	-	-	-	-	9.806
Banks and Participation Banks	-	53.249	-	-	-	-	-	-	53.249
IX. Precious Metals Deposits	20.656.712	447.212	617.370	526.592	-	84.005	188.101	5.867	22.525.859
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)	101.600.955	46.325.848	37.204.405	4.793.240	-	3.169.068	11.619.339	53.726	204.766.581

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 bank customers. Within this scope, as of December 31, 2024, TL participation accounts include TL 13.066.157 foreign exchange-protected participation accounts.

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II. Explanations and notes related to liabilities (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	9.467.258	-	-	-	-	-	-	-	9.467.258
Public Sector	93.157	-	-	-	-	-	-	-	93.157
Commercial Institutions	8.981.211	-	-	-	-	-	-	-	8.981.211
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	21.695.954	-	-	-	-	-	-	-	21.695.954
Residents in Türkiye- Corporate	12.703.787	-	-	-	-	-	-	-	12.703.787
Residents abroad- Corporate	7.579.985	-	-	-	-	-	-	-	7.579.985
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)	75.661.700	14.787.261	38.198.625	5.481.673	-	261.074	27.362.460	53.063	161.805.856

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 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 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	Under the	Exceeding the	Exceeding the
	guarantee of	guarantee of	guarantee of	guarantee of
	Insurance	Insurance	Insurance	Insurance
	Current Period	Prior Period	Current Period	Prior Period
Real persons' current and participation accounts not subject to trading transactions				
Turkish Lira accounts	16.212.537	13.769.278	29.711.060	47.706.096
Foreign currency accounts	23.142.357	17.267.434	44.778.237	39.423.065
Foreign branches' deposits subject to foreign authorities' insurance	55.241	40.043	172.618	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 8.171.496 (December 31,2023: TL 6.252.084), amounts exceeding the insurance limit is TL 39.370.564 (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 950 (including both principal 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	12.733	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	-	-

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	14.565.230	25.419.723	2.178.308	15.091.430
Loans from foreign banks, institutions and funds	2.621.982	7.629.857	-	13.266.201
Total	17.187.212	33.049.580	2.178.308	28.357.631

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

a.2. Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	13.166.145	27.174.616	957.276	17.678.203
Medium and Long-Term	4.021.067	5.874.964	1.221.032	10.679.428
Total	17.187.212	33.049.580	2.178.308	28.357.631

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

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

3. Information on derivative financial liabilities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	2.866	5.691	732	7.337
Swap transactions	109.318	414	113.307	-
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	112.184	6.105	114.039	7.337

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

4. Lease payables (Net):

	Current Period		Prior Period	
	TL	FC	TL	FC
Less than a year	11.968	-	4.569	-
1 to 4 years	324.233	29.084	297.509	40.972
Over 4 years	771.577	44.173	400.159	31.544
Total	1.107.778	73.257	702.237	72.516

5. Information on provisions:

a. Information on provisions for employee rights:

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 692.940 (December 31, 2023: TL 412.474), vacation pay liability amounting to TL 61.753 (December 31, 2023: TL 40.050) and provision for performance bonuses TL 1.200.000 (December 31, 2023: TL 750.000) totaling to TL 1.954.693 (December 31, 2023: TL 1.202.524). The Bank 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	412.474	321.031
Allocation the in period	78.697	27.746
Actuarial (gain)/loss	201.769	63.697
Balance at the end of the period	692.940	412.474

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

b. Other provisions:

	Current Period	Prior Period
Non-cash loans first and second stage expected loss provisions	45.633	28.486
Provisions allocated from profit shares to be distributed to profit sharing accounts	54	4.588
Third stage expected loss provisions for unindemnified letter of guarantees	28.948	24.962
Third stage expected loss provisions for cheques commitments	6.095	4.547
Provisions for promotions related with credit cards and promotion of banking services	1.237	578
Provisions for cases on trial	80.440	74.587
Accrual for purchase and sale commitments	1.785	1.734
Free provisions allocated for possible losses ^(*)	7.300.000	5.213.000
Other	586	13.958
Total	7.464.778	5.366.440

^(*) Includes free provisions amounting to TL 7.300.000 thousand, of which TL 5.213.000 thousand was allocated by the Bank management in previous years and TL 2.087.000 thousand was allocated in the current year, except for the requirements of BRSA Accounting and Financial Reporting Legislation.

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

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

6. Information on taxes payable:

a. Explanations on current tax liability

a.1. Explanations on tax provisions:

As of December 31, 2024, the Bank's remaining tax liability after deducting the temporary taxes paid from corporate tax amounts to TL 122.521 (December 31, 2023: TL 912.087).

a.2. Information on taxes payable:

	Current Period	Prior Period
Corporate taxes payable	122.521	912.087
Banking insurance transaction tax	170.611	118.812
Taxation on securities income	206.793	28.876
Value added tax payable	22.817	15.314
Taxation on real estate income	4.821	3.037
Foreign exchange transaction tax	5.997	4.872
Income tax deducted from wages	61.190	46.486
Other	7.041	7.623
Total	601.791	1.137.107

a.3. Information on premiums:

	Current Period	Prior Period
Social security premiums-employee	31.310	23.710
Social security premiums-employer	38.079	26.030
Bank pension fund premium-employees	-	-
Bank pension fund premium-employer	-	-
Pension fund membership fees and provisions-employees	-	-
Pension fund membership fees and provisions-employer	-	-
Unemployment insurance-employee	2.122	1.689
Unemployment insurance-employer	4.244	3.379
Other	-	-
Total	75.755	54.808

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

None (December 31, 2023: None).

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

8. 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 additional Tier I Capital	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
Debt instruments to be included in calculation of Tier II Capital	-	14.007.315	-	8.896.597
Subordinated loans	-	14.007.315	-	8.896.597
Subordinated debt instruments	-	-	-	-
Total	-	14.007.315	-	8.896.597

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

The 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 %.

On October 30, 2024, the Bank has completed the issuance of USD 120.000.000 Tier 2 Sukuk (Tier 2) in Tier 2 format from international markets through its structured entity Albaraka MTN Ltd. The total maturity of the issuance is 10 years with a call option at the end of 5 years and the coupon dividend rate is set at 7%

9. 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 Bank's other liabilities balance is TL 11.703.827 (December 31, 2023: TL 8.886.676) and does not exceed 10% of total liabilities.

10. 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 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 during the current period.

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.

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

10. Information on shareholders' equity (continued):

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

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

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

There are no privileges 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⁾	103.882	108.285	201.189	60.811
Foreign exchange difference	-	-	-	-
Total	103.882	108.285	201.189	60.811

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

ğ) Information on other capital reserves:

The 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 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 Bank has option to cancel the expense amounts. If the 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 2.055.017 (December 31, 2023: TL 1.302.134) has been recognized under prior years profit / loss.

h) 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 off-balance sheet:

1. Explanations on off balance sheet:

a. Type and amount of irrevocable loan commitments:

	Current Period	Prior Period
Commitments for credit card limits	7.191.304	3.797.263
Payment commitments for cheques	2.174.162	1.628.852
Asset purchase and sale commitments	2.189.458	2.799.091
Loan granting commitments	626.280	605.190
Subsidiaries and Associates Commitments	22.500	67.500
Tax and funds liabilities arising from export commitments	134.211	78.574
Commitments for promotions related with credit cards and banking activities	698	492
Other irrevocable commitments	561	557
Other revocable commitments	44.500	44.500
Total	12.383.674	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	33.495.105	24.611.183
Bank loans	171.087	137.121
Letters of credit	6.501.939	5.154.598
Other guaranties and sureties	227.506	169.038
Total	40.395.637	30.071.940

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

	Current Period	Prior Period
Letters of guarantees	33.495.105	24.611.183
Long standing letters of guarantees	25.284.845	18.722.511
Temporary letters of guarantees	2.179.427	572.672
Advance letters of guarantees	1.488.266	1.091.679
Letters of guarantees given to customs	2.135.075	1.508.765
Letters of guarantees given for obtaining cash loans	2.407.492	2.715.556
Sureties and similar transactions	227.506	169.038
Total	33.722.611	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	2.407.492	2.715.556
With original maturity of 1 year or less	746.019	697.538
With original maturity of more than 1 year	1.661.473	2.018.018
Other non-cash loans	37.988.145	27.356.384
Total	40.395.637	30.071.940

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

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

	Current period			
	TL	(%)	FC	(%)
Agricultural	424.488	1,82	63.835	0,37
Farming and stockbreeding	278.771	1,19	13.961	0,08
Forestry	140.302	0,60	49.874	0,29
Fishery	5.415	0,02	-	-
Manufacturing	5.308.049	22,74	6.087.920	35,70
Mining	88.954	0,38	47.555	0,28
Production	4.814.660	20,63	5.422.340	31,80
Electricity, gas and water	404.435	1,73	618.025	3,62
Construction	6.645.721	28,47	1.136.838	6,67
Services	10.660.363	45,67	9.263.984	54,32
Wholesale and retail trade	6.857.679	29,38	4.511.690	26,46
Hotel, food and beverage services	160.720	0,69	743.499	4,36
Transportation and telecommunication	786.574	3,37	1.095.512	6,42
Financial Institutions	747.741	3,20	2.025.397	11,88
Real estate and renting services	659.933	2,83	371.197	2,18
Self-employment services	855.638	3,67	315.095	1,85
Education services	74.332	0,32	4.287	0,03
Health and social services	517.746	2,22	197.307	1,16
Other	303.678	1,30	500.761	2,94
Total	23.342.299	100,00	17.053.338	100,00

	Prior period			
	TL	(%)	FC	(%)
Agricultural	380.907	2,49	22.745	0,15
Farming and stockbreeding	228.020	1,49	5.639	0,04
Forestry	149.564	0,98	17.106	0,11
Fishery	3.323	0,02	-	-
Manufacturing	3.696.597	24,12	5.720.493	38,79
Mining	96.689	0,63	37.527	0,25
Production	3.407.361	22,23	4.951.129	33,57
Electricity, gas and water	192.547	1,26	731.837	4,97
Construction	3.750.317	24,47	1.320.891	8,96
Services	7.186.830	46,90	6.878.649	46,65
Wholesale and retail trade	4.587.426	29,93	3.196.014	21,67
Hotel, food and beverage services	116.831	0,76	538.505	3,65
Transportation and telecommunication	485.453	3,17	548.056	3,72
Financial Institutions	569.023	3,71	2.019.722	13,70
Real estate and renting services	473.366	3,09	305.726	2,07
Self-employment services	505.623	3,30	166.203	1,13
Education services	46.814	0,31	186	0,00
Health and social services	402.294	2,63	104.237	0,71
Other	310.695	2,02	803.816	5,45
Total	15.325.346	100,00	14.746.594	100,00

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

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

Current Period	I st Group		II nd Group	
	TL	FC	TL	FC
Non-cash loans	22.879.586	16.473.548	462.713	579.790
Letters of guarantee	22.643.795	9.837.079	452.663	561.568
Bank loans	-	171.087	-	-
Letters of credit	67.629	6.416.088	-	18.222
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	168.162	49.294	10.050	-

Prior Period	I st Group		II nd Group	
	TL	FC	TL	FC
Non-cash loans	15.059.583	14.510.167	245.593	143.600
Letters of guarantee	14.907.207	9.201.786	245.593	143.600
Bank loans	-	137.121	-	-
Letters of credit	12.800	5.141.798	-	-
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	139.576	29.462	-	-

2. Explanations on derivative transactions:

	Derivative transactions according to purpose December 31, 2023	Derivative transactions according to purpose December 31, 2022
Trading Derivatives		
Foreign Currency Related Derivative Transactions (I)	34.320.108	33.243.660
Currency Forwards-Purchases, sales	1.061.676	1.931.865
Currency Swaps-Purchases, sales	33.258.432	31.311.795
Currency Futures	-	-
Currency Options-Purchases, sales	-	-
Profit share Rate Related Derivative Transactions (II)	-	-
Profit share rates forwards-Purchase, sales	-	-
Profit share rates swaps-Purchases, sales	-	-
Profit share rates options-Purchases, sales	-	-
Profit share rates futures-Purchases, sales	-	-
Other Trading Derivatives (III)	-	-
A. Total Trading Derivatives (I + II + III)	34.320.108	33.243.660
Hedging Derivatives	-	-
Fair value hedges	-	-
Cash flow hedges	-	-
Foreign currency investment hedges	-	-
B. Total Hedging Derivatives	-	-
Total Derivatives Transactions (A+B)	34.320.108	33.243.660

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

3. Explanations on contingent assets and liabilities:

The Bank has made a provision amounting to TL 80.440 (December 31, 2023: TL 74.587), as presented under "Other Provisions" note in Section Five Note II.5.b, for the lawsuits opened by various real persons and legal entities against the Bank with high probability of realization and cash outflows. Although there are other ongoing lawsuits against the Bank, the Bank considers the probability of a negative result in ongoing litigations resulting in cash outflows as remote.

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

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

IV. Explanations and notes related to the 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^(*)				
Short Term Loans	12.326.809	1.481.136	5.932.456	724.226
Medium and Long Term Loans ^(**)	14.019.933	1.791.935	7.101.847	1.138.176
Profit Share on Non-Performing Loans	135.942	3.164	77.187	4.938
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	26.482.684	3.276.235	13.111.490	1.867.340

(*) 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	3.396.748	-	34.863	-
Domestic Banks	1.112	-	201	-
Foreign Banks	-	-	-	-
Head Offices and Branches Abroad	-	-	-	-
Total	3.397.860	-	35.064	-

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	217.757	311.264	1.135.959	322.948
Financial assets measured at fair value through other comprehensive income	2.397.684	236.410	410.363	129.952
Financial assets measured at amortised cost	2.807.130	1.033.531	1.411.571	881.911
Total	5.422.571	1.581.205	2.957.893	1.334.811

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit shares income received from associates and subsidiaries	113.633	-	35.777	-
Total	113.633	-	35.777	-

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IV. Explanations and notes related to the 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					Accumulated 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	-	17	-	-	-	-	-	17
Real persons' non-trading profit sharing accounts	1.534.123	7.454.235	558.024	-	18.021	4.373.192	5.208	13.942.803
Public sector profit sharing accounts	-	379	-	-	-	-	-	379
Commercial sector profit sharing accounts	8.437.156	2.182.042	230.366	-	26.358	254.987	51	11.130.960
Other institutions profit sharing accounts	53.174	235.154	86.180	-	159.394	13.153	-	547.055
Total	10.024.453	9.871.827	874.570	-	203.773	4.641.332	5.259	25.621.214
FC								
Funds collected from banks through current and profit sharing accounts	228	-	27	-	473	-	-	728
Real persons' non-trading profit sharing accounts	90.496	73.408	8.543	-	617	22.203	582	195.849
Public sector profit sharing accounts	-	-	-	-	-	-	-	-
Commercial sector profit sharing accounts	4.722	4.928	8.191	-	3	98	25	17.967
Other institutions profit sharing accounts	259	448	16	-	-	13	-	736
Precious metals deposits	-	-	-	-	-	-	-	-
Total	95.705	78.784	16.777	-	1.093	22.314	607	215.280
Grand total	10.120.158	9.950.611	891.347	-	204.866	4.663.646	5.866	25.836.494
Prior Period		Profit sharing accounts					Accumulated 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	579.685	4.403.566	567.761	-	7.815	2.096.212	2.485	7.657.524
Public sector profit sharing accounts	2	29	-	-	-	-	-	31
Commercial sector profit sharing accounts	205.258	925.496	131.656	-	108.750	81.025	8	1.452.193
Other institutions profit sharing accounts	14.270	107.438	3.851	-	15	4.713	-	130.287
Total	799.215	5.436.537	703.268	-	116.580	2.181.950	2.493	9.240.043
FC								
Funds collected from banks through current and profit sharing accounts	-	-	56	-	1.358	-	-	1.414
Real persons' non-trading profit sharing accounts	77.784	65.905	8.326	-	690	31.962	612	185.279
Public sector profit sharing accounts	-	-	-	-	-	-	-	-
Commercial sector profit sharing accounts	3.656	4.472	5.849	-	2	250	11	14.240
Other institutions profit sharing accounts	394	1.093	123	-	-	452	-	2.062
Precious metals deposits	24	52	7	-	1	84	2	170
Total	81.858	71.522	14.361	-	2.051	32.748	625	203.165
Grand total	881.073	5.508.059	717.629	-	118.631	2.214.698	3.118	9.443.208

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

2. Explanations on profit share expenses (continued):

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	1.267.679	918.127	4.767	762.567
CBRT	-	-	-	-
Domestic banks	-	2.626	-	450
Foreign banks	1.267.679	915.501	4.767	762.117
Head offices and branches abroad	-	-	-	-
Other institutions	3.090.195	1.995.482	349.809	816.126
Total	4.357.874	2.913.609	354.576	1.578.693

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	2.794.743	-	344.258	-
Total	2.794.743	-	344.258	-

ç. Profit share expenses paid to marketable securities issued:

None (December 31, 2023: None).

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:

Other Fees and Commissions Received	Current Period	Prior Period
Member firm-POS fees and commissions	840.051	282.713
Clearing room fees and commissions	826.771	286.979
Commissions on money orders	290.416	230.024
Prepaid import commissions	300.666	194.758
Loan Limit Allocation Fees	116.009	143.937
Insurance and brokerage commissions	292.012	218.411
Service pack commissions	476.258	717.973
Appraisal fees	149.447	65.089
Export credit commissions	23.579	19.109
Advocacy service commissions and counsel fees	15.848	10.206
Checks and bills commissions	16.879	16.239
Fees and commissions from correspondent banks	7.518	7.594
Safe deposit box commissions	12.162	6.737
Pledge Put and Mortgage Release Fees	12.368	7.260
Enquiry fees received	3.661	4.011
Collection and Payment Commissions	29.904	32.853
Export Price Acceptance Certificate Transaction Fees	15.789	10.669
Commissions Received from Cash against Draft Export Transactions	9.545	7.268
Other	129.087	173.233
Total	3.567.970	2.435.063
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	160.471	106.689
Member firm-POS fees and commissions	178.270	130.127
Credit cards fees and commissions	164.999	114.919
Funds borrowed fees and commissions	15.123	9.858
Other	111.545	44.583
Total	630.408	513.956

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

4. Information on dividend income:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	-	1.447	-	415
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	1.479	-	714	-
Other	-	-	-	-
Total	1.479	1.447	714	415

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

	Current Period	Prior Period
Income	41.889.899	35.601.997
Income from capital market transactions ^(*)	6.983.222	5.673.320
Income from derivative financial instruments	405.455	189.751
Foreign exchange income	34.501.222	29.738.926
Loss (-)	(37.590.555)	30.719.465
Loss on capital market transactions	(57.522)	2.875.877
Loss on derivative financial instruments	(5.033.831)	647.554
Foreign exchange losses	(32.499.202)	27.196.034
Trading Income/Loss (net)	4.299.344	4.882.532

^(*) The amount of 6.718.068 TL includes sales and valuation income from investment funds.

6. Explanations related to other operating income:

	Current Period	Prior Period
Reversal of prior year provisions	2.260.435	1.371.897
Income from sale of assets	261.872	261.504
Communication revenue	78.952	55.407
Cheque book charges	8.000	5.044
Operating Lease Income	163.507	74.774
Fund Management Fees	386.713	116.908
Other income	98.522	63.321
Total	3.258.001	1.948.855

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

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

	Current Period	Prior Period
Expected Credit Loss	2.374.027	3.384.019
12 month expected credit loss (stage 1)	390.314	960.005
Significant increase in credit risk (stage 2)	1.111.039	354.020
Non-performing loans (stage 3)	872.674	2.069.994
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	73.103	215.948
Expected credit losses for 1st and 2nd group non-cash loans	18.310	12.087
Third stage expected loss provision for unindemnified non cash loans	5.724	13.639
Expected credit losses (stage 1) for banks	-	187.115
Profit and loss sharing investments' fair value provision.	34.416	-
Expected credit losses (stage 1) for other financial assets.	5.953	3.107
Expected credit losses for financial assets measured at amortized cost	8.700	-
Total	2.447.130	3.599.967

Expected credit losses amount to TL 2.447.130 (December 31, 2023: TL 3.599.967) includes TL 1.446.137 (December 31, 2023: TL 1.288.640) representing participation account share of expected credit losses of loans provided from participation accounts.

Information on Other Provision Expenses

	Current Period	Prior Period
Performance bonus expense	1.200.000	750.000
Vacation pay provision expenses	21.703	25.505
Impairment on financial assets measured at fair value through profit/loss	-	1.924
Provisions for cases on trial	8.054	32.658
Free provisions allocated for possible losses	2.087.000	3.413.000
Provisions allocated from profit shares to be distributed to profit sharing accounts	46.440	860
Total	3.363.197	4.223.947

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

8. Information on other operating expenses:

	Current Period	Prior Period
Provision for retirement pay liability	78.697	27.746
Deficit provision for pension fund	-	-
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	448.577	237.782
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	275.790	125.303
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	-	11.912
Other business expenses	1.525.679	962.018
Leasing Expenses on TFRS 16 Exceptions	3.764	84.827
Maintenance and repair expenses	129.431	73.522
Advertisement expenses	263.771	74.173
Other expenses ^(*)	1.128.713	729.496
Loss on sale of assets	921	698
Other ^(**)	1.368.362	825.846
Total	3.698.026	2.191.305

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

	Current Period	Prior Period
Communication Expenses	156.110	111.080
Donations	38.623	46.925
Cleaning expenses	177.297	102.141
Heating, lighting and water expenses	78.143	71.984
Representation and Hosting expenses	49.755	27.698
Vehicle expenses	46.417	30.715
Lawsuit and court expenses	16.053	9.649
Movables Insurance Expenses	55.829	27.214
Stationery Expenses	15.123	21.260
Expense Share for Common Expenses	14.834	9.245
Subcontractor security service expenses	168.344	94.772
Cash and banknote group transportation service expenses	62.349	68.502
Credit Cards and Banking Services Promotion Expenses	78.996	26.901
Computer Usage Expenses	77.593	19.731
Other	93.247	61.679
Total	1.128.713	729.496

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

	Current Period	Prior Period
Saving Deposit Insurance Fund	610.192	340.368
Taxes, Duties, Charges and Funds	435.836	326.769
Expertise and Information Expenses	159.580	79.255
Audit and Consultancy Fees	68.946	34.480
Institution and Union participation share	51.844	31.622
Other	41.964	13.352
Total	1.368.362	825.846

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

As per the decision by Public Oversight Accounting and Auditing Standards Authority dated March 26,2021 ,the following table represents the fees for the services received from the auditor or independent audit firm for reporting period. The audit fees of the associates of the Bank are included as well. The fees in the table does not include Value Added Tax.

Current Period	Audit services provided by Group auditor	Audit services provided by other audit firms
Independent Audit fee for reporting period ^(*)	18.145	2.748
Fees for tax consultancy	-	260
Other assurance services' fees	4.458	-
Other service fees other than independent audit.	-	-
Total	22.603	3.008

Prior Period	Audit services provided by Group auditor	Audit services provided by other audit firms
Indenependent Audit fee for reporting period ^(*)	10.625	900
Fees for tax consultancy	-	170
Other assurance services' fees	425	-
Other service fees other than independent audit.	-	-
Total	11.050	1.070

^(*) For foreign currency independent audit fees, buying fx rates of the Bank as of December 31, 2024 and December 31, 2023 have been used

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

As the Bank does not have any discontinued operations, there is no explanation related to income/loss from discontinued operations before taxes.

The Bank's income before tax increased TL 4.408.072 (December 31, 2023: TL 5.083.632). Income before tax comprises net profit share income in the amount of TL 7.451.318 (December 31, 2023: TL 8.530.179) and fees and commission income in the amount of TL 3.392.012 (December 31, 2023: TL 2.251.403). Total other operating expenses amount to TL 3.698.026 (December 31, 2023: TL 2.191.305).

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

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

As of December 31, 2024, the Bank has deferred tax income amounts to TL 3.401.004 (December 31, 2023: TL 3.091.334) and deferred tax expense amounts to TL 3.326.434 (December 31, 2023: TL 3.139.794). The Bank's current tax provision is TL 172.194 (December 31, 2023: TL 1.606.614).

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

The Bank has no discontinued operations. Net income for the period has been realized as TL 4.408.072 (December 31, 2023: TL: 5.083.632) by deducting tax expense amounting to TL 97.624 (December 31, 2023: TL 1.655.074) from profit from continued operations amounting to TL 4.310.448 (December 31, 2023: TL 3.428.558).

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 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.

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

- a) There is no declaration of dividends made subsequent to the balance sheet date, and prior to the announcement of the financial statements.
- Decision related to the dividend distribution will be taken in the General Assembly. General Assembly has not been held as of the date of finalization of the accompanying financial statements.
- b) "Unrealized gains and losses" arising from changes in the fair value of securities classified as financial assets measured at fair value through other comprehensive income are recognized in the "Accumulated Other Comprehensive Income or Expenses that will be Reclassified to Profit or Loss" account under equity, until the financial assets are sold, disposed of or impaired at which time they are transferred to the statement of income. TL (71.191) decrease (before deferred tax) has occurred after the revaluation of financial assets measured at fair value through other comprehensive income (December 31, 2023: TL : 119.504 increase).
- c) Revaluation amounts related to tangible and intangible assets are accounted under equity in revaluation reserve on tangible assets and revaluation reserve on intangible assets.
- d) Foreign exchange differences arising from translation of income statement of foreign branch of the Bank are accounted in other capital reserves amounts to TL 372.916 as increase (December 31, 2023: TL 598.333 increase).
- e) The correction amounts arising from TPL-298 valuation differences have been transferred from "other capital reserves" to "profit "reserves".

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

"Cash" is defined as cash in vault and foreign currency cash, money in transit, cheques purchased, unrestricted balance with the Central Bank and demand deposits at banks. "Cash equivalents" is defined as money market placements and time deposits at banks with original maturities less than three months (a) Cash and cash equivalents at the beginning of the period:

- (a) Cash and cash equivalents at the beginning of the period:

	Current Period	Pior Period
Cash	23.790.267	8.567.744
Cash in TL/foreign currency	3.191.492	1.931.106
Cash in transit	2.134.535	1.219.631
CBRT	18.464.240	5.417.007
Cash equivalents	8.069.054	4.952.165
Domestic banks	1.825.930	1.643.031
Foreign banks	6.243.124	3.309.134
Total cash and cash equivalents	31.859.321	13.519.909

- (b) Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
Cash	23.961.853	23.790.267
Cash in TL/foreign currency	4.159.661	3.191.492
Cash in transit	2.260.701	2.134.535
CBRT	17.541.491	18.464.240
Cash equivalents	15.607.800	8.069.054
Domestic banks	3.677.655	1.825.930
Foreign banks	11.930.145	6.243.124
Total cash and cash equivalents	39.569.653	31.859.321

2. Cash and cash equivalent items which are restricted for the usage of the Bank by legal or other limitations:

Restricted time deposits held at the Central Bank of Türkiye and blockaged amount arising from POS are not considered as cash and cash equivalent items.

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VI. Explanations and notes related to the statement of cash flows (continued):

3. Explanation about other cash flow items and the effect of the changes in foreign exchange rates on cash and cash equivalents:

The “Others” item under “Operating profit before changes in operating assets and liabilities” amounting to TL (3.687.352) (December 31, 2023: TL (4.150.114)) mainly comprises other operating expenses excluding personnel expenses and amortization expenses.

The “Net increase/decrease in other liabilities” item under “Changes in operating assets and liabilities” amounting to TL 3.229.738 (December 31, 2023: TL 2.110.537) mainly comprises changes in miscellaneous payables, other liabilities and taxes and other duties payable.

Effect of the changes in foreign currency rates on cash and cash equivalents has been calculated approximately as TL 1.390.298 as of December 31, 2023 (December 31, 2023: TL 2.149.197).

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

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

a. Current period:

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans						
Balance at the beginning of the period	19	5.701	379.644	125.181	1.297	74
Balance at the end of the period	22	13.437	2.435.037	20.985	3.808	88.660
Profit share and commission income received	-	43	134.782	149	104	-

b. Prior period:

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of period	6	1.418	45.283	68.658	375	12
Balance at end of period	19	5.701	379.644	125.181	1.297	74
Profit share and commission income received	-	25	79.368	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.

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

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

Risk Group of the Bank ^(*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
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	32.351	15.586	242.780	316.055	17.711	6.077
Profit share expense	-	-	-	-	232	-

^(*) As of December 31, 2024, wakala borrowings obtained from risk group of the Bank through investment purpose wakala contracts amount to USD 31.607.054 and EUR 5.691.146 (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 – December 31, 2024 is TL 30.611 (December 31, 2023: TL 26.367).

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.

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

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

As of December 31, 2023, the Bank has paid gross TL 143.110 (December 31, 2023: TL 45.184) to top management.

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

1. Information regarding the Bank's domestic and international branches and representative offices:

	Number	Number of Personnel			
Domestic Branches	223	2.724			
			Country		
Foreign Representation Office	-	-			
				Total Assets (Thousand TL)	Statutory Share Capital
Foreign Branches	2	37	Iraq	7.181.795	USD 80.000.000
Off-Shore Branches	-	-		-	-

2. Information on the Bank's branch or representative office openings, closings, significant changes in the organizational structure:

The Bank did not open or close any domestic branches in 2023. The Bank did not open or close any branches abroad in 2023.

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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SECTION SIX

Other explanations

I. Other explanations regarding the Bank's operations

None.

SECTION SEVEN

Independent auditor's report

I. Explanations on independent auditor's report:

The Bank's unconsolidated financial statements as of and for the period ended December 31, 2024 have been audited by "PWC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi" and the audit report dated February 14, 2025 is presented at the beginning of the financial statements and related notes.

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

None.