

# **Albaraka Türk Katılım Bankası Anonim Şirketi**

**Unconsolidated financial statements  
and related disclosures at September 30, 2024  
together with limited review report**

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



## AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

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

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

### *Introduction*

We have reviewed the unconsolidated balance sheet of Albaraka Türk Katılım Bankası Anonim Şirketi (“the Bank”) at 30 September 2024 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the nine-month period then ended. The Bank management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial Reporting Legislation which includes “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 “Interim Financial Reporting” for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these interim financial information based on our review.

### *Scope of Review*

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

### *Basis for the Qualified Conclusion*

As explained in Section Five Part II. 5.b of Explanations and Notes to the Unconsolidated Financial Statements; the accompanying unconsolidated financial statements as at 30 September 2024 include a free provision amounting to TL 5.213.000 thousand provided in prior periods by the Bank management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation.



### *Qualified Conclusion*

Based on our review, except for the effects of the matter on the unconsolidated financial statements described in the basis for the qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial information do not present fairly in all material respects the unconsolidated financial position of Albaraka Türk Katılım Bankası Anonim Şirketi at 30 September 2024 and its unconsolidated financial performance and its unconsolidated cash flows for the nine-months period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

### *Report on other regulatory requirements arising from legislation*

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

### *Additional Paragraph for Convenience Translation:*

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 September 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, 8 November 2024

**UNCONSOLIDATED FINANCIAL REPORT OF ALBARAKA TÜRK KATILIM BANKASI A.Ş.  
AS OF AND FOR THE NINE-MONTH SEPTEMBER 30, 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  
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The unconsolidated interim financial report prepared in accordance with the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to Public by Banks as regulated by the Banking Regulation and Supervision Agency is comprised of the following sections.

- GENERAL INFORMATION ABOUT THE 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
- LIMITED REVIEW REPORT
- INTERIM 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 reviewed and presented as attached.

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**Housseem BEN HAJ AMOR**  
Chairman of the Board of  
Directors

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**Malek Khodr TEMSAH**  
General Manager

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**Umut ÇAKMAK**  
Assistant  
General Manager

---

**Fehmi GÖL**  
Financial Affairs  
Manager

---

**Mustafa BÜYÜKABACI**  
Chairman of the Audit  
Committee

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**Mohamed Ali CHATTI**  
Member of the Audit  
Committee

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**Khaled A. Mohamed ATEEQ**  
Member of the Audit  
Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:  
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Vice Manager  
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**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
**NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF SEPTEMBER 30, 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 2.555 (December 31, 2023: 2.723) staff as of September 30, 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 September 30, 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 SEPTEMBER 30, 2024**

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

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

Title	Name and Surname	Administrative Function and Responsibility	Educational Degree	Ownership Percentage (%)
<b>Chairman of the Board of Directors (BOD):</b>	Housseem BEN HAJ AMOR	Chairman of BOD	Bachelor	-
<b>Members of BOD:</b>	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	-
<b>General Manager:</b>	Malek Khodr TEMSAH	Member of BOD/ General Manager	Master	-
<b>Assistant General Managers:</b>	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	-
<b>Audit Committee:</b>	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 SEPTEMBER 30, 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 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

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

ASSETS	Notes (Section Five-I)	CURRENT PERIOD September 30, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
<b>I. FINANCIAL ASSETS (Net)</b>		<b>46.781.454</b>	<b>76.003.495</b>	<b>122.784.949</b>	<b>33.759.226</b>	<b>56.966.566</b>	<b>90.725.792</b>
1.1 Cash and Cash Equivalents	(1)	26.610.709	63.478.836	90.089.545	23.405.932	39.954.247	63.360.179
1.1.1 Cash and Balances with Central Bank		20.594.957	42.851.416	63.446.373	16.760.819	32.323.373	49.084.192
1.1.2 Banks		6.217.324	20.714.215	26.931.539	6.867.754	7.717.726	14.585.480
1.1.3 Money Market Placements		-	-	-	-	-	-
1.1.4 Expected Credit Losses (-)		201.572	86.795	288.367	222.641	86.852	309.493
1.2 Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	(2)	10.369.058	7.224.797	17.593.855	6.894.578	12.886.675	19.781.253
1.2.1 Government Securities		282.328	7.102.106	7.384.434	282.362	12.191.540	12.473.902
1.2.2 Equity Securities		-	107.952	107.952	-	74.650	74.650
1.2.3 Other Financial Assets		10.086.730	14.739	10.101.469	6.612.216	620.485	7.232.701
1.3 Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	(3)	9.787.050	5.277.743	15.064.793	3.414.078	4.118.013	7.532.091
1.3.1 Government Securities		9.605.697	1.937.005	11.542.702	3.273.543	1.187.016	4.460.559
1.3.2 Equity Securities		7.667	43.246	50.913	7.667	37.594	45.261
1.3.3 Other Financial Assets		173.686	3.297.492	3.471.178	132.868	2.893.403	3.026.271
1.4 Derivative Financial Assets	(5)	14.637	22.119	36.756	44.638	7.631	52.269
1.4.1 Derivative Financial Assets Measured at Fair Value through Profit/Loss		14.637	22.119	36.756	44.638	7.631	52.269
1.4.2 Derivative Financial Assets Measured at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
<b>II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (NET)</b>		<b>91.815.392</b>	<b>67.562.745</b>	<b>159.378.137</b>	<b>82.100.490</b>	<b>51.489.567</b>	<b>133.590.057</b>
2.1 Loans	(6)	77.433.485	51.342.362	128.775.847	68.988.788	35.631.066	104.619.854
2.2 Lease Receivables	(7)	3.612.463	1.078.682	4.691.145	3.815.109	733.902	4.549.011
2.3 Financial Assets Measured at Amortised Cost	(4)	12.715.079	16.363.818	29.078.897	11.533.660	17.318.883	28.852.543
2.3.1 Government Securities		12.715.079	16.363.818	29.078.897	11.533.660	17.318.883	28.852.543
2.3.2 Other Financial Assets		-	-	-	-	-	-
2.4 Expected Credit Losses (-)	(6)	1.945.635	1.222.117	3.167.752	2.237.067	2.194.284	4.431.351
<b>III. ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)</b>	(8)	<b>4.093.728</b>	<b>118.173</b>	<b>4.211.901</b>	<b>641.631</b>	<b>-</b>	<b>641.631</b>
3.1 Asset Held for Resale		4.093.728	-	4.093.728	641.631	-	641.631
3.2 Assets of Discontinued Operations		-	118.173	118.173	-	-	-
<b>IV. OWNERSHIP INVESTMENTS (Net)</b>	(9)	<b>92.600</b>	<b>-</b>	<b>92.600</b>	<b>47.600</b>	<b>64.221</b>	<b>111.821</b>
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
<b>V. TANGIBLE ASSETS (Net)</b>	(10)	<b>5.094.234</b>	<b>79.469</b>	<b>5.173.703</b>	<b>4.448.035</b>	<b>66.241</b>	<b>4.514.276</b>
<b>VI. INTANGIBLE ASSETS (Net)</b>	(11)	<b>624.891</b>	<b>-</b>	<b>624.891</b>	<b>357.219</b>	<b>-</b>	<b>357.219</b>
6.1 Goodwill		-	-	-	-	-	-
6.2 Others		624.891	-	624.891	357.219	-	357.219
<b>VII. INVESTMENT PROPERTY (Net)</b>	(12)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. CURRENT TAX ASSET</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX. DEFERRED TAX ASSET</b>	(13)	<b>1.118.070</b>	<b>-</b>	<b>1.118.070</b>	<b>1.194.755</b>	<b>-</b>	<b>1,194.755</b>
<b>X. OTHER ASSETS</b>	(14)	<b>3.215.988</b>	<b>406.550</b>	<b>3,622.538</b>	<b>668.743</b>	<b>365.201</b>	<b>1,033.944</b>
<b>TOTAL ASSETS</b>		<b>152.836.357</b>	<b>144.170.432</b>	<b>297.006.789</b>	<b>123.217.699</b>	<b>108.951.796</b>	<b>232.169.495</b>

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 SEPTEMBER 30, 2024**  
*(Thousand of Turkish Lira (TL) unless otherwise stated)*

LIABILITIES	Notes (Section Five-II)	CURRENT PERIOD September 30, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
<b>I. FUNDS COLLECTED</b>	(1)	103.207.064	93.228.495	196.435.559	81.304.541	80.501.315	161.805.856
<b>II. FUNDS BORROWED</b>	(2)	14.156.677	40.012.913	54.169.590	2.178.308	28.357.631	30.535.939
<b>III. BORROWINGS FROM MONEY MARKETS</b>		-	-	-	-	-	-
<b>IV. SECURITIES ISSUED (Net)</b>		-	-	-	-	-	-
<b>V. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS</b>		-	-	-	-	-	-
<b>VI. DERIVATIVE FINANCIAL LIABILITIES</b>	(3)	213.609	38.304	251.913	114.039	7.337	121.376
6.1 Derivative Financial Liabilities at Fair Value through Profit or Loss		213.609	38.304	251.913	114.039	7.337	121.376
6.2 Derivative Financial Liabilities at Fair Value through Other Comprehensive Income		-	-	-	-	-	-
<b>VII. LEASE PAYABLES</b>	(4)	1.014.360	71.127	1.085.487	702.237	72.516	774.753
<b>VIII. PROVISIONS</b>	(5)	5.941.723	66.803	6.008.526	6.525.366	43.598	6.568.964
8.1 Restructuring Reserves		-	-	-	-	-	-
8.2 Reserve for Employee Benefits		580.927	-	580.927	1.202.524	-	1.202.524
8.3 Insurance Technical Reserves (Net)		-	-	-	-	-	-
8.4 Other Provisions		5.360.796	66.803	5.427.599	5.322.842	43.598	5.366.440
<b>IX. CURRENT TAX LIABILITY</b>	(6)	489.574	885	490.459	1.095.841	96.074	1.191.915
<b>X. DEFERRED TAX LIABILITY</b>		-	-	-	-	-	-
<b>XI. LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)</b>	(7)	-	-	-	-	-	-
11.1 Assets Held for Sale		-	-	-	-	-	-
11.2 Assets of Discontinued Operations		-	-	-	-	-	-
<b>XII. SUBORDINATED LOANS</b>	(8)	-	9.530.381	9.530.381	-	8.896.597	8.896.597
12.1 Loans		-	9.530.381	9.530.381	-	8.896.597	8.896.597
12.2 Other Debt Instruments		-	-	-	-	-	-
<b>XIII. OTHER LIABILITIES</b>	(9)	8.937.433	4.038.723	12.976.156	4.355.660	4.531.016	8.886.676
<b>XIV. SHAREHOLDERS' EQUITY</b>	(10)	15.923.036	135.682	16.058.718	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		4.349.491	-	4.349.491	4.080.011	-	4.080.011
14.2.1 Share Premium		23.278	-	23.278	23.278	-	23.278
14.2.2 Share Cancellation Profits		-	-	-	-	-	-
14.2.3 Other Capital Reserves		4.326.213	-	4.326.213	4.056.733	-	4.056.733
14.3 Accumulated Other Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss		1.544.033	-	1.544.033	1.579.623	-	1.579.623
14.4 Accumulated Other Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		1.555.612	135.682	1.691.294	1.318.028	60.811	1.378.839
14.5 Profit Reserves		4.946.772	-	4.946.772	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		3.761.963	-	3.761.963	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		1.027.128	-	1.027.128	2.315.560	-	2.315.560
14.6.1 Prior Years Profit/(Loss)		(1.636.969)	-	(1.636.969)	(1.112.998)	-	(1.112.998)
14.6.2 Current Year Profit/(Loss)		2.664.097	-	2.664.097	3.428.558	-	3.428.558
<b>TOTAL LIABILITIES</b>		<b>149.883.476</b>	<b>147.123.313</b>	<b>297.006.789</b>	<b>109.602.600</b>	<b>122.566.895</b>	<b>232.169.495</b>

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 SEPTEMBER 30, 2024**

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

STATEMENT OF OFF-BALANCE SHEET	Notes (Section Five-III)	CURRENT PERIOD September 30, 2024			PRIOR PERIOD December 31, 2023		
		TL	FC	Total	TL	FC	Total
<b>A. OFF BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>33.602.947</b>	<b>30.902.712</b>	<b>64.505.659</b>	<b>38.792.293</b>	<b>33.545.326</b>	<b>72.337.619</b>
<b>I. GUARANTEES AND SURETIES</b>	<b>(1)</b>	<b>19.443.882</b>	<b>16.741.116</b>	<b>36.184.998</b>	<b>15.325.346</b>	<b>14.746.594</b>	<b>30.071.940</b>
1.1. Letters of Guarantees		19.332.500	10.152.973	29.485.473	15.172.970	9.438.213	24.611.183
1.1.1. Guarantees Subject to State Tender Law		2.187.316	461.552	2.648.868	2.023.770	400.715	2.424.485
1.1.2. Guarantees Given for Foreign Trade Operations		390	3.774.156	3.774.546	390	3.389.192	3.389.582
1.1.3. Other Letters of Guarantee		17.144.794	5.917.265	23.062.059	13.148.810	5.648.306	18.797.116
1.2. Bank Loans		-	22.177	22.177	-	137.121	137.121
1.2.1. Import Letter of Acceptances		-	22.177	22.177	-	137.121	137.121
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letter of Credits		3.811	6.514.733	6.518.544	12.800	5.141.798	5.154.598
1.3.1. Documentary Letter of Credits		-	-	-	-	-	-
1.3.2. Other Letter of Credits		3.811	6.514.733	6.518.544	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		-	51.233	51.233	-	29.462	29.462
1.7. Other Collaterals		107.571	-	107.571	139.576	-	139.576
<b>II. COMMITMENTS</b>	<b>(1)</b>	<b>10.442.165</b>	<b>2.792.793</b>	<b>13.234.958</b>	<b>7.273.434</b>	<b>1.748.585</b>	<b>9.022.019</b>
2.1. Irrevocable Commitments		10.397.665	2.792.793	13.190.458	7.228.934	1.748.585	8.977.519
2.1.1. Asset Purchase and Sale Commitments		1.286.303	2.792.793	4.079.096	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		622.033	-	622.033	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		2.152.038	-	2.152.038	1.628.852	-	1.628.852
2.1.7. Tax And Fund Liabilities from Export Commitments		117.123	-	117.123	78.574	-	78.574
2.1.8. Commitments for Credit Card Expenditure Limits		6.196.298	-	6.196.298	3.797.263	-	3.797.263
2.1.9. Commitments for Promotions Related with Credit Cards and Banking Activities		805	-	805	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		565	-	565	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
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>(2)</b>	<b>3.716.900</b>	<b>11.368.803</b>	<b>15.085.703</b>	<b>16.193.513</b>	<b>17.050.147</b>	<b>33.243.660</b>
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		3.716.900	11.368.803	15.085.703	16.193.513	17.050.147	33.243.660
3.2.1. Forward Foreign Currency Buy/Sell Transactions		-	976.705	976.705	167.848	1.764.017	1.931.865
3.2.1.1. Forward Foreign Currency Transactions-Buy		-	488.375	488.375	127.947	743.016	870.963
3.2.1.2. Forward Foreign Currency Transactions-Sell		-	488.330	488.330	39.901	1.021.001	1.060.902
3.2.2. Other Forward Buy/Sell Transactions		3.716.900	10.392.098	14.108.998	16.025.665	15.286.130	31.311.795
3.3. Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>655.121.599</b>	<b>178.322.048</b>	<b>833.443.647</b>	<b>365.308.886</b>	<b>122.192.080</b>	<b>487.500.96</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>28.760.989</b>	<b>105.853.737</b>	<b>134.614.726</b>	<b>17.450.435</b>	<b>61.975.672</b>	<b>79.426.107</b>
4.1. Assets Under Management		15.769.131	-	15.769.131	5.251.693	-	5.251.693
4.2. Investment Securities Held in Custody		4.417	29.429.933	29.434.350	9.124	21.282.784	21.291.908
4.3. Cheques Received for Collection		9.725.366	364.042	10.089.408	9.196.163	346.474	9.542.637
4.4. Commercial Notes Received for Collection		2.939.893	1.111.876	4.051.769	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		218.626	3.600.936	3.819.562	218.626	2.340.384	2.559.010
4.8. Custodians		103.453	71.346.950	71.450.403	57.025	37.718.161	37.775.186
<b>V. PLEDGED ITEMS</b>		<b>626.360.610</b>	<b>72.468.311</b>	<b>698.828.921</b>	<b>347.858.451</b>	<b>60.216.408</b>	<b>9</b>
5.1. Marketable Securities		23.231.352	16.628.272	39.859.624	19.249.676	16.891.614	36.141.290
5.2. Guarantee Notes		7.457.061	263.103	7.720.164	5.618.532	187.917	5.806.449
5.3. Commodity		76.481.372	5.137.450	81.618.822	52.109.951	4.711.743	56.821.694
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		-	-	-	-	-	275.230.89
5.6. Other Pledged Items		452.853.793	44.657.119	497.510.912	242.386.120	32.844.770	0
5.7. Pledged Items-Depository		65.955.160	5.753.291	71.708.451	28.274.636	5.565.022	33.839.658
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)</b>		<b>688.724.546</b>	<b>209.224.760</b>	<b>897.949.306</b>	<b>404.101.179</b>	<b>155.737.406</b>	<b>59.838.585</b>

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 SEPTEMBER 30, 2024**

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

STATEMENT OF PROFIT OR LOSS	Notes (Section Five-IV)	CURRENT PERIOD January 1- September 30, 2024	PRIOR PERIOD January 1- September 30, 2023	CURRENT PERIOD (3 Months) July 1- September 30, 2024	PRIOR PERIOD (3 Months) July 1- September 30, 2023
<b>I. PROFIT SHARE INCOME</b>	<b>(1)</b>	<b>28.879.308</b>	<b>11.541.042</b>	<b>10.614.731</b>	<b>4.608.499</b>
1.1 Profit Share on Loans		20.488.166	8.352.043	7.519.555	3.215.934
1.2 Income Received from Reserve Deposits		1.859.423	31.511	866.786	14.645
1.3 Income Received from Banks		1.112	99	31	60
1.4 Income Received from Money Market Placements		55.569	16.221	15.114	10.633
1.5 Income Received from Marketable Securities Portfolio		5.051.016	2.788.802	<b>1.758.359</b>	1.147.044
1.5.1 Financial Assets at Fair Value Through Profit and Loss		398.574	957.621	137.225	405.779
1.5.2 Financial Assets at Fair Value through Other Comprehensive Income		1.732.580	271.930	679.887	124.647
1.5.3 Financial Assets Measured at Amortised Cost		2.919.862	1.559.251	941.247	616.618
1.6 Finance Lease Income		1.298.115	331.079	454.331	220.119
1.7 Other Profit Share Income		125.907	21.287	555	64
<b>II. PROFIT SHARE EXPENSE</b>	<b>(2)</b>	<b>23.419.002</b>	<b>6.652.405</b>	<b>9.869.893</b>	<b>2.782.838</b>
2.1 Expense on Profit Sharing Accounts		17.373.845	5.301.594	7.073.047	2.211.783
2.2 Profit Share Expense on Funds Borrowed		4.976.902	1.219.758	2.249.079	540.533
2.3 Profit Share Expense on Money Market Borrowings		946.245	30.709	501.802	1.222
2.4 Profit Share Expense on Securities Issued		-	-	-	-
2.5 Finance Lease Expense		109.751	69.982	40.424	25.613
2.6 Other Profit Share Expense		12.259	30.362	5.541	3.687
<b>III. NET PROFIT SHARE INCOME (I – II)</b>		<b>5.460.306</b>	<b>4.888.637</b>	<b>744.838</b>	<b>1.825.661</b>
<b>IV. NET FEES AND COMMISSIONS INCOME/EXPENSES</b>		<b>2.420.502</b>	<b>1.547.183</b>	<b>855.613</b>	<b>783.315</b>
4.1 Fees and Commissions Received		2.883.209	1.951.906	1.012.602	889.332
4.1.1 Non-Cash Loans		327.395	233.018	109.570	85.268
4.1.2 Other		2.555.814	1.718.888	903.032	804.064
4.2 Fees and Commissions Paid (-)		462.707	404.723	156.989	106.017
4.2.1 Non-Cash Loans		619	394	272	116
4.2.2 Other		462.088	404.329	156.717	105.901
<b>V. DIVIDEND INCOME</b>	<b>(4)</b>	<b>2.740</b>	<b>991</b>	<b>2.384</b>	<b>825</b>
<b>VI. TRADING INCOME/LOSS(net)</b>	<b>(5)</b>	<b>(247.244)</b>	<b>3.370.748</b>	<b>1.034.465</b>	<b>956.390</b>
6.1 Capital Market Transaction Income/(Loss)		2.497.581	1.005.806	1.017.911	579.402
6.2 Profit/(Loss) from Derivative Financial Instruments		(4.410.704)	102.019	(426.323)	(1.121.716)
6.3 Foreign Exchange Income/(Loss)		1.665.879	2.262.923	442.877	1.498.704
<b>VII. OTHER OPERATING INCOME</b>	<b>(6)</b>	<b>2.631.242</b>	<b>1.270.466</b>	<b>744.211</b>	<b>299.830</b>
<b>VIII. TOTAL OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>10.267.546</b>	<b>11.078.025</b>	<b>3.381.511</b>	<b>3.866.021</b>
<b>IX. EXPECTED CREDIT LOSS (-)</b>	<b>(7)</b>	<b>842.526</b>	<b>2.868.432</b>	<b>397.424</b>	<b>631.601</b>
<b>X. OTHER PROVISION EXPENSES (-)</b>	<b>(7)</b>	<b>120.642</b>	<b>1.079.241</b>	<b>24.594</b>	<b>315.334</b>
<b>XI. PERSONNEL EXPENSES (-)</b>		<b>3.463.260</b>	<b>1.836.508</b>	<b>1.011.553</b>	<b>633.109</b>
<b>XII. OTHER OPERATING EXPENSES (-)</b>	<b>(8)</b>	<b>2.642.548</b>	<b>1.461.515</b>	<b>943.181</b>	<b>561.280</b>
<b>XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)</b>		<b>3.198.570</b>	<b>3.832.329</b>	<b>1.004.759</b>	<b>1.724.697</b>
<b>XIV. EXCESS AMOUNT RECORDED AS GAIN AFTER MERGER</b>		-	-	-	-
<b>XV. PROFIT/(LOSS) ON EQUITY METHOD</b>		-	-	-	-
<b>XVI. PROFIT/(LOSS) ON NET MONETARY POSITION</b>		-	-	-	-
<b>XVII. PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)</b>	<b>(9)</b>	<b>3.198.570</b>	<b>3.832.329</b>	<b>1.004.759</b>	<b>1.724.697</b>
<b>XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	<b>(10)</b>	<b>534.473</b>	<b>1.371.826</b>	<b>211.142</b>	<b>757.387</b>
18.1 Provision for Current Taxes		-	696.711	(51.016)	690.220
18.2 Deferred Tax Expense Effect (+)		2.517.044	2.479.054	935.875	1.122.133
18.3 Deferred Tax Income Effect (-)		1.982.571	1.803.939	673.717	1.054.966
<b>XIX. NET INCOME/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	<b>(11)</b>	<b>2.664.097</b>	<b>2.460.503</b>	<b>793.617</b>	<b>967.310</b>
<b>XX. INCOME FROM DISCONTINUED OPERATIONS</b>	<b>(11)</b>	-	-	-	-
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		-	-	-	-
<b>XXI. LOSS FROM DISCONTINUED OPERATIONS (-)</b>		-	-	-	-
21.1 Loss from Assets Held for Sale		-	-	-	-
21.2 Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-	-	-
21.3 Loss from Other Discontinued Operations		-	-	-	-
<b>XXII. PROFIT/(LOSS) ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)</b>		-	-	-	-
<b>XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-	-	-
23.1 Provision for Current Taxes		-	-	-	-
23.2 Deferred Tax Expense Effect (+)		-	-	-	-
23.3 Deferred Tax Income Effect (-)		-	-	-	-
<b>XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)</b>		-	-	-	-
<b>XXV. NET PROFIT/LOSS (XIX+XXIV)</b>	<b>(12)</b>	<b>2.664.097</b>	<b>2.460.503</b>	<b>793.617</b>	<b>967.310</b>
Earnings Per Share		1,06564	0,98420	0,31745	0,38692

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 SEPTEMBER 30, 2024**

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

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	CURRENT PERIOD January 1- September 30, 2024	PRIOR PERIOD January 1- September 30, 2023
<b>I. CURRENT PERIOD PROFIT/LOSS</b>	<b>2.664.097</b>	<b>2.460.503</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>276.865</b>	<b>314.902</b>
<b>2.1 Other Income/Expense Items not to be Recycled to Profit or Loss</b>	<b>(35.590)</b>	<b>(48.590)</b>
2.1.1 Revaluation Surplus on Tangible Assets	(50.843)	(16.574)
2.1.2 Revaluation Surplus on Intangible Assets	-	-
2.1.3 Defined Benefit Plans' Actuarial Gains/Losses	-	-
2.1.4 Other Income/Expense Items not to be Recycled to Profit or Loss	-	(44.897)
2.1.5 Deferred Taxes on Other Comprehensive Income not to be Recycled to Profit or Loss	15.253	12.881
<b>2.2 Other Income/Expense Items to be Recycled to Profit or Loss</b>	<b>312.455</b>	<b>363.492</b>
2.2.1 Exchange Rate Conversion Differences	336.848	386.772
2.2.2 Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at Fair Value through Other Comprehensive Income	(34.847)	(15.009)
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	10.454	(8.271)
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>2.940.962</b>	<b>2.775.405</b>

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 SEPTEMBER 30, 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 <sup>(1)</sup>	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Shareholders' Equity
<b>CURRENT PERIOD</b>															
<b>(January 1 – September 30, 2024)</b>															
<b>I. Closing balance</b>		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
<b>II. Correction made as per TAS 8</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Adjusted Balances at Beginning of Period (I+II)</b>		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
<b>IV. Total Comprehensive Income</b>		-	-	-	-	(35.590)	-	-	336.848	(24.393)	-	-	-	2.664.097	2.940.962
<b>V. Capital Increase in Cash</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI. Capital Increase from Internal Sources</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Capital Reserves from Inflation Adjustments to Paid-in Capital</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible Bonds</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated Liabilities</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Others Changes</b>		-	-	-	269.480	-	-	-	-	-	-	135	(539.278) <sup>(2)</sup>	-	(269.663)
<b>XI. Profit Distribution</b>		-	-	-	-	-	-	-	-	-	-	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)	-
<b>Balances at end of the period (III+IV...+X+XI)</b>		<b>2.500.000</b>	<b>23.278</b>	<b>-</b>	<b>4.326.213</b>	<b>1.768.977</b>	<b>(224.944)</b>	<b>-</b>	<b>1.453.687</b>	<b>237.607</b>	<b>-</b>	<b>4.946.772</b>	<b>(1.636.969)</b>	<b>2.664.097</b>	<b>16.058.718</b>

<sup>(1)</sup> 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.

<sup>(2)</sup> 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 178.149 the deferred tax expense related to the payment has been recognized under "prior periods' profit/ loss" as well.

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

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



**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
**UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**AS OF SEPTEMBER 30, 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 <sup>(*)</sup>	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Shareholders' Equity
<b>PRIOR PERIOD</b>															
<b>(January 1 – September 30, 2023)</b>															
<b>I. Closing balance</b>		<b>2.500.000</b>	<b>23.278</b>	-	<b>1.585.124</b>	<b>1.034.726</b>	<b>(193.239)</b>	-	<b>518.506</b>	<b>191.121</b>	-	<b>1.832.302</b>	<b>(738.341)</b>	<b>1.365.496</b>	<b>8.118.973</b>
<b>II. Correction made as per TAS 8</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1. Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Adjusted Balances at Beginning of Period (I+II)</b>		<b>2.500.000</b>	<b>23.278</b>	-	<b>1.585.124</b>	<b>1.034.726</b>	<b>(193.239)</b>	-	<b>518.506</b>	<b>191.121</b>	-	<b>1.832.302</b>	<b>(738.341)</b>	<b>1.365.496</b>	<b>8.118.973</b>
<b>IV. Total Comprehensive Income</b>		-	-	-	-	<b>(61.473)</b>	<b>12.883</b>	-	<b>386.772</b>	<b>(23.280)</b>	-	-	-	<b>2.460.503</b>	<b>2.775.405</b>
<b>V. Capital Increase in Cash</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI. Capital Increase from Internal Sources</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Capital Reserves from Inflation Adjustments to Paid-in Capital</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible Bonds</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated Liabilities</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Others Changes</b>		-	-	-	<b>2.361.732</b>	-	-	-	-	-	-	<b>(1.661.263)</b>	<b>(437.260)<sup>(**)</sup></b>	-	<b>263.209</b>
<b>XI. Profit Distribution</b>		-	-	-	-	-	-	-	-	-	-	<b>1.352.765</b>	<b>12.731</b>	<b>(1.365.496)</b>	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	<b>1.352.765</b>	<b>(1.352.765)</b>	-	-
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	<b>1.365.496</b>	<b>(1.365.496)</b>	-
<b>Balances at end of the period (III+IV...+X+XI)</b>		<b>2.500.000</b>	<b>23.278</b>	-	<b>3.946.856</b>	<b>973.253</b>	<b>(180.356)</b>	-	<b>905.278</b>	<b>167.841</b>	-	<b>1.523.804</b>	<b>(1.162.870)</b>	<b>2.460.503</b>	<b>11.157.587</b>

<sup>(\*)</sup> 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.

<sup>(\*\*)</sup> 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 133.295 the deferred tax expense related to the payment has been recognized under "prior periods' profit/ loss" as well.

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

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

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
**UNCONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS**  
**AS OF SEPTEMBER 30, 2024**  
*(Thousand of Turkish Lira (TL) unless otherwise stated)*

STATEMENT OF CASH FLOWS		Notes (Section Five-VI)	CURRENT PERIOD January 1- September 30, 2024	PRIOR PERIOD January 1- September 30, 2023
<b>A.</b>	<b>CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1</b>	<b>Operating Profit Before Changes In Operating Assets And Liabilities</b>		<b>(660.136)</b>	<b>2.567.588</b>
1.1.1	Profit Share Income Received		26.310.766	10.240.971
1.1.2	Profit Share Expense Paid		(23.294.207)	(5.505.025)
1.1.3	Dividend Received		2.740	991
1.1.4	Fees and Commissions Received		2.544.935	1.712.784
1.1.5	Other Income		1.213.156	781.249
1.1.6	Collections from Previously Written Off Loans		141.689	182.283
1.1.7	Payments to Personnel and Service Suppliers		(3.917.777)	(2.478.471)
1.1.8	Taxes Paid		(538.873)	(268.380)
1.1.9	Others		(3.122.565)	(2.098.814)
<b>1.2</b>	<b>Changes In Operating Assets And Liabilities</b>		<b>4.855.575</b>	<b>(538.544)</b>
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		2.963.750	(4.187.527)
1.2.2	Net (Increase) Decrease in Due From Banks and Other Financial Institutions		(8.552.639)	(4.860.043)
1.2.3	Net (Increase) Decrease in Loans		(23.382.576)	(13.600.452)
1.2.4	Net (Increase) Decrease in Other Assets		(6.804.990)	(1.623.000)
1.2.5	Net Increase (Decrease) in Bank Deposits		4.015.492	(463.371)
1.2.6	Net Increase (Decrease) in Other Deposits		29.551.173	23.560.404
1.2.7	Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value Through Profit or Loss		-	-
1.2.8	Net Increase (Decrease) in Funds Borrowed		-	-
1.2.9	Net Increase (Decrease) in Matured Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities		7.065.365	635.445
<b>I.</b>	<b>Net Cash Flow From Banking Operations</b>		<b>4.195.439</b>	<b>2.029.044</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II.</b>	<b>Net cash flow from investing activities</b>		<b>(4.165.293)</b>	<b>(1.330.857)</b>
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		(743.578)	(653.639)
2.4	Disposals of Property and Equipment		96.786	128.434
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(19.529.743)	(12.488.154)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		13.235.387	11.138.331
2.7	Purchase of Financial Assets Measured at Amortised Cost		(5.154.480)	(3.068.122)
2.8	Sale of Financial Assets Measured at Amortised Cost		8.029.287	3.634.793
2.9	Other		-	-
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III.</b>	<b>Net Cash Flow From Financing Activities</b>		<b>11.178.665</b>	<b>11.191.561</b>
3.1	Cash Obtained from Funds Borrowed and Securities Issued		188.803.903	44.761.845
3.2	Cash Used for Repayment of Funds Borrowed and Securities Issued		(176.707.782)	(32.950.014)
3.3	Issued Capital Instruments		-	-
3.4	Dividends Paid		-	-
3.5	Leases Paid		(164.573)	(110.341)
3.6	Other		(752.883)	(509.929)
<b>IV.</b>	<b>Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>2.893.463</b>	<b>1.845.702</b>
<b>V.</b>	<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>		<b>14.102.274</b>	<b>13.735.450</b>
<b>VI.</b>	<b>Cash and Cash Equivalents at the Beginning of the Period</b>		<b>31.859.321</b>	<b>13.519.909</b>
<b>VII.</b>	<b>Cash and Cash Equivalents at the End of the Period</b>		<b>45.961.595</b>	<b>27.255.359</b>

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 SEPTEMBER 30, 2024**

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

**SECTION THREE**

**Accounting Policies**

**I. Explanations on basis of presentation:**

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

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

The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette numbered 28337, dated June 28, 2012, and amendments to this Communiqué. The 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. Accordingly, the Bank has not applied the inflation accounting required by TAS 29 in its financial statements for the year ended September 30, 2024.

TFRS 17 "Insurance Contracts" standard, published by POA on February 16, 2019 to be applied for accounting periods starting after December 31, 2022, determines the principles regarding the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The purpose of TFRS 17 is to ensure that entities display these contracts fairly. POA has decided to apply TFRS 17 on consolidated and individual financial statements of companies as of January 1, 2024. Based on the POA's letter dated February 15, 2024 and numbered 22667, the effective date of TFRS 17 has been postponed to January 1, 2025.

**b. Additional paragraph for convenience translation:**

The differences between accounting principles, as described in 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 SEPTEMBER 30, 2024**

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

**I. Explanations on basis of presentation (continued):**

**c. Accounting policies and valuation principles applied in the preparation of 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.

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.

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

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

**e. Comparative information and classifications:**

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

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

The 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.

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

There are no foreign currency differences capitalized by the Bank.

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
**NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF SEPTEMBER 30, 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 September 30, 2024, using the best estimation method with the maximum effort principle.

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

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

Under this context, the approach used through 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 discontinued 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, 2023, 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:

	<b>Depreciation Rate (%)</b>
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 September 30, 2024, there is no actuarial loss before deferred tax calculation (December 31, 2023: TL 321.348 actuarial loss).

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

There are no foundations, pension funds or similar associations of which the 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 30 September, 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.

As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the Law No. 7352 dated January 20, 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; TPL financial statements for the 2021 and 2022 accounting periods have not been subjected to inflation adjustment, and the TPL financial statements dated December 31, 2023 have been subjected to inflation adjustment in a way that will not affect corporate tax base. Additionally; With the law number 7491 published in the Official Gazette numbered 32413 dated December 28, 2023, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be subject to inflation adjustments in the 2024 and 2025 accounting periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base.

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

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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 30 September 2024.

**Transfer pricing:**

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

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

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**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:

	<b>Current Period</b>	<b>PRIOR PERIOD</b>
Net profit/(loss) distributable to ordinary shareholders	2.664.097	2.460.503
Weighted average number of ordinary shares in issue (in thousands)	2.500.000	2.500.000
<b>Earnings per share (full TL)</b>	<b>1,06564</b>	<b>0,98420</b>

**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 September 30, 2024, the Bank’s total capital has been calculated as TL 20.896.321 and capital adequacy standard ratio is 13,75 %. 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
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
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	3.309.803	420.388
Gains recognized in equity as per TAS	7.007.642	6.538.322
Profit	2.664.097	3.428.558
Current Period Profit	2.664.097	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	-	-
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>15.504.820</b>	<b>12.910.546</b>
<b>Deductions from Common Equity Tier 1 Capital</b>	<b>-</b>	<b>-</b>
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods’ losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	224.944	224.944
Improvement costs for operating leasing	50.945	38.257
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	571.902	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	-	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	-	-
<b>Total Deductions From Common Equity Tier 1 Capital</b>	<b>847.791</b>	<b>933.842</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>14.657.029</b>	<b>11.976.704</b>

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

**a. Information on capital (continued):**

	Current Period	Prior Period
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	775.720	775.720
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>775.720</b>	<b>775.720</b>
<b>Deductions from Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>	<b>-</b>	<b>-</b>
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions From Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
<b>Total Additional Tier I Capital</b>	<b>775.720</b>	<b>775.720</b>
<b>Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)</b>	<b>15.432.749</b>	<b>12.752.424</b>
<b>TIER II CAPITAL</b>	<b>-</b>	<b>-</b>
Debt instruments and share issue premiums deemed suitable by the BRSA	4.547.432	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)	920.014	994.618
<b>Tier II Capital Before Deductions</b>	<b>5.467.446</b>	<b>5.084.448</b>
<b>Deductions From Tier II Capital</b>	<b>-</b>	<b>-</b>
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 (-)	-	-
<b>Total Deductions from Tier II Capital</b>	<b>18</b>	<b>122.468</b>
<b>Total Tier II Capital</b>	<b>5.467.428</b>	<b>4.961.980</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>20.900.177</b>	<b>17.714.404</b>
<b>The sum of Tier I Capital and Tier II Capital (Total Capital)</b>	<b>-</b>	<b>-</b>
Deductions from Capital Loans granted contrary to the 50 <sup>th</sup> and 51 <sup>th</sup> 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	3.856	8.090

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

**a. Information on capital (continued):**

	Current Period	Prior Period
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>	-	-
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
<b>Total Capital (Total Core Capital and Supplementary Capital)</b>	<b>20.896.321</b>	<b>17.706.314</b>
<b>Total risk weighted amounts</b>	<b>151.976.201</b>	<b>102.661.068</b>
<b>Capital Adequacy Ratios</b>		
Core Capital Adequacy Ratio (%)	9,64	11,67
Tier 1 Capital Adequacy Ratio (%)	10,15	12,42
Capital Adequacy Ratio (%)	13,75	17,25
<b>BUFFERS</b>		
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 (%)	5,14	7,17
<b>Amounts below the Excess Limits as per the Deduction Principles</b>	-	-
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation	1.376.972	1.231.885
<b>Limits related to provisions considered in Tier II calculation</b>	-	-
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	920.014	994.618
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	920.014	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	-	-
<b>Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)</b>	-	-
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

(<sup>1</sup>) 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 September 30, 2024, the Bank has utilized this facility in calculating capital adequacy ratio.

**b. Details on subordinated liabilities:**

Issuer	Albaraka Sukuk Ltd.	Albaraka CT One Ltd.	Bereket One Ltd.
Unique Identifier (CUSIP, ISIN etc.)	XS1301525207	XS2594992914	XS17 72390628
Governing Law(s) of the Instrument	English Law	English Law	English Law
<b>Special Consideration in the Calculation of Equity</b>			
As of January 1, 2015, consideration to be subject to a 10% reduction application status	No	No	No
Eligible at Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated	Unconsolidated/Consolidated
Instrument Type	Sukuk Wakala	Sukuk Wakala	Sukuk Mudaraba
Amount recognized in regulatory capital (as of most recent reporting date)	TL 1.183.932	TL 3.363.500	TL 775.720 <sup>(1)</sup>
Par Value of Instrument	TL 5.919.659	TL 3.363.500	TL 775.720
Accounting Classification	Subordinated Loan	Subordinated Loan	Equity
Original date of Issuance	November 30, 2015	February 28, 2023	February 20, 2018
Perpetual or dated	Dated	Dated	Undated
Maturity date	November 30, 2025	February 28, 2033	Undated
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	Last Payment Date: November 30, 2025 Total Repayment Amount of Profit Share: USD 131.250.000 (first 5 years), USD 98.481.619 (second 5 years) Coupon Repayment Period: 6 months Principal Payment: USD 175.997.000	Last Payment Date: February 28, 2023 Total Repayment Amount of Profit Share: USD 50.000.000 (first 5 years), USD 50.000.000 (second 5 years) Coupon Repayment Period: 6 months Principal Payment: USD 100.000.000	Last Payment Date: None First refund option date: February 20, 2023 Total Repayment Amount of Profit Share: USD 102.500.000 (First 5 year) USD 117.075.500 (Second 5 year) Coupon Repayment Period: 6 months Principal Payment: USD 205.000.000
Subsequent call dates	-	-	-
<b>Profit Share/Dividends</b>			
Fixed or floating profit share/dividend	Fixed	Fixed	Fixed
Profit share rate and any related index	9,371 % (first 5 years:10,50%)	10 %	11,422 % (first 5 years:10%)
Existence of a dividend stopper	As per BRSA regulations and Communiqués it is payable	As per BRSA regulations and Communiqués it is payable	As per BRSA regulations and Communiqués it is payable
Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Optional
Existence of step up or other incentive to redeem	-	-	-
Noncumulative or cumulative	Cumulative	Cumulative	Noncumulative
<b>Convertible or Non-convertible</b>			
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	-	-	-
<b>Write-down feature</b>			
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

<sup>(1)</sup> 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:**

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

**III. Explanations on currency risk:**

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 September 30, 2024 - Balance sheet evaluation rate	33,635	37,533
As of September 27, 2024	33,607	37,565
As of September 26, 2024	33,595	37,508
As of September 25, 2024	33,570	37,497
As of September 24, 2024	33,575	37,436
As of September 23, 2024	33,590	37,385

- 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 33,502 for 1 USD (December 2023: TL 28,847), TL 37,214 for 1 EUR (December 2023: TL 31,481). The Bank is mainly exposed to EUR and USD currency risks.

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**III. Explanations on currency risk (continued):**

**Information on currency risk of the Bank:**

Current Period	EUR	USD	Other FC <sup>(1)</sup>	Total
<b>Assets</b>				
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	7.299.842	24.153.338	11.398.236	42.851.416
Banks	773.071	1.290.743	18.563.606	20.627.420
Financial assets at fair value through profit and loss <sup>(**)</sup>	4.564.615	2.682.301	-	7.246.916
Money market placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	83.151	5.177.664	16.928	5.277.743
Loans and financial lease receivables <sup>(***)</sup>	13.789.238	36.475.857	1.000.405	51.265.500
Subsidiaries, associates and joint ventures	-	-	-	-
Financial Assets Measured at Amortised Cost	-	16.363.526	-	16.363.526
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	-	79.469	79.469
Intangible assets	-	-	-	-
Other assets <sup>(****)</sup>	328.735	183.210	19.501	531.446
<b>Total assets</b>	<b>26.838.652</b>	<b>86.326.639</b>	<b>31.078.145</b>	<b>144.243.436</b>
<b>Liabilities</b>				
Current account and funds collected from banks via participation accounts	483.295	850.904	4.168.591	5.502.790
Other current and profit sharing accounts	17.122.284	46.812.246	23.791.175	87.725.705
Money market borrowings	-	-	-	-
Funds provided from other financial institutions and subordinated loans	5.228.484	44.314.810	-	49.543.294
Marketable securities issued	-	-	-	-
Miscellaneous payables	356.437	2.813.518	868.768	4.038.723
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities	21.107	154.555	1.457	177.119
<b>Total liabilities</b>	<b>23.211.607</b>	<b>94.946.033</b>	<b>28.829.991</b>	<b>146.987.631</b>
<b>Net balance sheet position</b>	<b>3.627.045</b>	<b>(8.619.394)</b>	<b>2.248.154</b>	<b>(2.744.195)</b>
<b>Net off balance sheet position</b>	<b>(3.426.150)</b>	<b>6.860.699</b>	<b>(344.257)</b>	<b>3.090.292</b>
Derivative financial instruments assets <sup>(*****)</sup>	595.587	7.812.309	218.048	8.625.944
Derivative financial instruments liabilities <sup>(*****)</sup>	4.021.737	951.610	562.305	5.535.652
Non-cash loans <sup>(*****)</sup>	3.882.586	12.141.360	717.170	16.741.116
<b>Prior Period</b>				
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
<b>Net balance sheet position</b>	<b>(974.486)</b>	<b>(14.076.142)</b>	<b>1.636.773</b>	<b>(13.413.855)</b>
<b>Net off balance sheet position</b>	<b>1.127.717</b>	<b>13.308.159</b>	<b>(142.396)</b>	<b>14.293.480</b>
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 <sup>(*****)</sup>	3.746.868	10.623.174	376.552	14.746.594

<sup>(1)</sup> TL 10.757.120 (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 11.450.197 (December 31, 2023: TL 1.442.617) of the balance in Banks in other FC column represent precious metals accounts with banks, TL 21.072.357 (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. As of balance sheet date, Bank does not have any balance in other FC column in financial assets at fair value through profit and loss represents gold-indexed lease certificates (sukuk). (December 31, 2023: TL 8.458.542).

<sup>(\*\*)</sup> Derivative financial instruments are included.

<sup>(\*\*\*)</sup> The balance includes foreign currency indexed loans and financial lease receivables of TL 66.573 (December 31, 2023: TL 134.276).

<sup>(\*\*\*\*)</sup> Foreign currency indexed receivables from commission and fees of non-cash loans amounting to TL 6.431 is included in other assets. (December 31, 2023: TL 6.157). Includes the balance of Getinsha GMBH amounting to TL 118.173, which has ceased operations.

<sup>(\*\*\*\*\*)</sup> In the current period, derivative financial instruments assets include foreign currency purchase commitment in the amount of TL 1.272.419 (December 31, 2023: TL 516.960) and derivative financial instruments liabilities include foreign currency sale commitment in the amount of TL 1.520.374 (December 31, 2023: TL 1.231.625).

<sup>(\*\*\*\*\*)</sup> Does not have any effect on the net off-balance sheet position.

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**III. 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.

**IV. 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 Istanbul 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 135.231. 100% risk weight is applied to related whole amount (December 31, 2023: TL 143.657).

**V. 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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**V. Explanations on liquidity risk (continued):**

**Liquidity Coverage Ratio:**

	Current Period	Rate of "Percentage to be taken into account" not Implemented Total Value <sup>(*)</sup>		Rate of "Percentage to be taken into account" Implemented Total Value <sup>(*)</sup>	
		TL+FC	FC	TL+FC	FC
	<b>HIGH QUALITY LIQUID ASSETS (HQLA)</b>				
1	HIGH QUALITY LIQUID ASSETS			77.194.405	43.074.916
	<b>CASH OUTFLOWS</b>				
2	Retail and Small Business Funds Collected	90.552.478	58.889.450	8.448.501	5.888.945
3	Stable Funds Collected	12.134.927	-	606.746	-
4	Less stable Funds Collected	78.417.551	58.889.450	7.841.755	5.888.945
5	Unsecured Funding other than Retail and Small Business Customers Deposits	95.998.071	49.935.331	68.900.683	30.376.145
6	Operational Funds Collected	28.962.607	21.199.900	7.240.652	5.299.975
7	Non-Operational Funds Collected	29.083.278	1.070.539	25.466.766	491.425
8	Other Unsecured Funding	37.952.186	27.664.892	36.193.265	24.584.745
9	Secured funding			-	-
10	Other Cash Outflows	5.860.597	3.513.944	5.860.597	3.513.944
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	5.860.597	3.513.944	5.860.597	3.513.944
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	41.979.370	16.072.232	3.881.695	2.052.226
16	<b>TOTAL CASH OUTFLOWS</b>			<b>87.091.476</b>	<b>41.831.260</b>
	<b>CASH INFLOWS</b>				
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	45.305.097	28.182.348	38.651.447	23.471.124
19	Other contractual cash inflows	5.769.405	5.360.282	5.769.405	5.360.282
20	<b>TOTAL CASH INFLOWS</b>	<b>51.074.502</b>	<b>33.542.630</b>	<b>44.420.852</b>	<b>28.831.406</b>
				Upper limit applied amounts	
21	<b>TOTAL HQLA</b>			<b>77.194.405</b>	<b>43.074.916</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>			<b>42.670.624</b>	<b>12.999.854</b>
23	<b>Liquidity Coverage Ratio (%)</b>			<b>180,91</b>	<b>331,35</b>

(\*) 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	111,79	213,37
Date	July 31, 2024	August 10, 2024
Highest	325,76	509,53
Date	August 2, 2024	August 2, 2024
Average	180,91	331,35



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**V. Explanations on liquidity risk (continued):**

**Liquidity Coverage Ratio (continued):**

	Prior period	Rate of "Percentage to be taken into account" not Implemented Total Value <sup>(*)</sup>		Rate of "Percentage to be taken into account" Implemented Total Value <sup>(*)</sup>	
		TL+FC	FC	TL+FC	FC
	<b>HIGH QUALITY LIQUID ASSETS (HQLA)</b>				
1	HIGH QUALITY LIQUID ASSETS			59.933.974	38.099.863
	<b>CASH OUTFLOWS</b>				
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	<b>TOTAL CASH OUTFLOWS</b>			<b>48.044.844</b>	<b>31.968.008</b>
	<b>CASH INFLOWS</b>				
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	<b>TOTAL CASH INFLOWS</b>	<b>34.808.722</b>	<b>19.099.869</b>	<b>28.259.715</b>	<b>17.052.361</b>
				<b>Upper limit applied amounts</b>	
21	<b>TOTAL HQLA</b>			<b>59.933.974</b>	<b>38.099.863</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>			<b>19.785.129</b>	<b>14.915.647</b>
23	<b>Liquidity Coverage Ratio (%)</b>			<b>302,92</b>	<b>255,44</b>

<sup>(\*)</sup> 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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**V. 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 4,18% cash, 66,24% deposits in central banks and 29,58% 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 75,51% funds collected, 24,49% 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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**V. Explanations on liquidity risk (continued):**

**Presentation of assets and liabilities according to their remaining maturities:**

Current Period	Demand <sup>(1)</sup>	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Unallocated <sup>(****)(*****)</sup>	Total
<b>Assets</b>								
Cash (cash in vault, foreign currency, money in transit, cheques purchased) and balances with the Central Bank of Republic of Türkiye	29.413.930	34.031.749	-	-	-	-	-	63.445.679
Banks	19.545.776	6.203.726	894.364	-	-	-	-	26.643.866
Financial Assets at Fair Value Through Profit and Loss (**)	6.686.265	359.571	1.219.559	3.410.048	5.878.069	77.099	-	17.630.611
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	50.913	3.229.801	1.598.261	738.011	9.447.746	61	-	15.064.793
Loans <sup>(***)</sup>	398.011	31.077.847	18.994.439	50.430.872	27.847.624	1.269.181	281.266	130.299.240
Financial Assets Measured at Amortised Cost	-	1.770.622	3.906.924	90.852	19.645.437	3.665.062	-	29.078.897
Other Assets	-	-	-	42.519	555.422	674.776	13.570.986	14.843.703
<b>Total Assets</b>	<b>56.094.895</b>	<b>76.673.316</b>	<b>26.613.547</b>	<b>54.712.302</b>	<b>63.374.298</b>	<b>5.686.179</b>	<b>13.852.252</b>	<b>297.006.789</b>
<b>Liabilities</b>								
Current account and funds collected from banks via participation accounts	5.474.833	51.429	-	-	-	-	-	5.526.262
Other current and profit sharing accounts	84.179.241	82.124.450	13.351.439	10.878.718	375.449	-	-	190.909.297
Funds provided from other financial institutions and subordinated loans	-	29.814.002	15.159.547	4.215.821	14.510.601	-	-	63.699.971
Money Market Borrowings	-	-	-	-	-	-	-	-
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	2.191.487	228.355	68.925	-	-	10.487.389	12.976.156
Other liabilities	775.720	-	-	12.099	403.790	598.471	22.105.023	23.895.103
<b>Total Liabilities</b>	<b>90.429.794</b>	<b>114.181.368</b>	<b>28.739.341</b>	<b>15.175.563</b>	<b>15.289.840</b>	<b>598.471</b>	<b>32.592.412</b>	<b>297.006.789</b>
<b>Net Liquidity Gap</b>	<b>(34.334.899)</b>	<b>(37.508.052)</b>	<b>(2.125.794)</b>	<b>39.536.739</b>	<b>48.084.458</b>	<b>5.087.708</b>	<b>(18.740.160)</b>	<b>-</b>
<b>Net Off-balance sheet Position</b>	<b>-</b>	<b>(171.511)</b>	<b>(207.150)</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(378.653)</b>
Financial Derivative Assets	-	5.560.411	1.681.750	111.364	-	-	-	7.353.525
Financial Derivative Liabilities	-	5.731.922	1.888.900	111.356	-	-	-	7.732.178
<b>Non-cash Loans</b>	<b>21.969.815</b>	<b>770.657</b>	<b>1.658.648</b>	<b>8.402.937</b>	<b>3.339.766</b>	<b>43.175</b>	<b>-</b>	<b>36.184.998</b>
<b>Prior period</b>								
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
<b>Net Liquidity Gap</b>	<b>(40.269.703)</b>	<b>(13.871.619)</b>	<b>9.698.831</b>	<b>23.939.175</b>	<b>34.778.686</b>	<b>6.280.228</b>	<b>(20.555.598)</b>	<b>-</b>
<b>Net Off-balance sheet Position</b>	<b>-</b>	<b>(35.043)</b>	<b>(106.618)</b>	<b>321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(141.340)</b>
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
<b>Non-cash Loans</b>	<b>17.980.823</b>	<b>468.296</b>	<b>1.964.741</b>	<b>6.969.341</b>	<b>2.663.932</b>	<b>24.807</b>	<b>-</b>	<b>30.071.940</b>

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

<sup>(\*\*)</sup> Derivative financial instruments are included.

<sup>(\*\*\*)</sup> Leasing receivables are included under loans. Unallocated amount represents the net non-performing loans.

<sup>(\*\*\*\*)</sup> 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.

<sup>(\*\*\*\*\*)</sup> The unallocated other liabilities column consists of equity, provisions and (if any) deferred tax liabilities.

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**V. 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 30 September 2024, NSFR is calculated as 176,32 % (previous period: 190,94%). Considering the amounts to which the consideration rate is applied, Capital items corresponds to 14,37% of Available Stable Funding amount (previous period: 13,32%) and Real Person and Retail Customer Deposits corresponds to 59,22% 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 66,86% (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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**V. Explanations on liquidity risk (continued):**

**Net Stable Funding Ratio (continued):**

Current Period		a	b	c	ç	d
		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
<b>Available stable funding</b>						
1	Capital Instruments	26.483.713	-	-	-	26.483.713
2	Tier 1 Capital and Tier 2 Capital	26.483.713	-	-	-	26.483.713
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	57.420.242	-	62.369.563	458.968	109.154.226
5	Stable Deposits	4.502.973	-	13.961.065	142.569	17.676.277
6	Less Stable Deposits	52.917.269	-	48.408.498	316.399	91.477.949
7	Other Obligations	-	-	79.721.574	-	39.860.787
8	Operational deposits	-	-	35.812.384	-	17.906.192
9	Other Obligations	-	-	43.909.190	-	21.954.595
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	6.928.969	241.265	3.755.830	-	8.806.884
12	Derivative liabilities			241.265		
13	All other equity not included in the above categories	6.928.969	-	3.755.830	-	8.806.884
14	<b>Available stable funding</b>					<b>184.305.610</b>
<b>Required stable funding</b>						
15	High Quality Liquid Assets					
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	132.255.605	53.762.840	-	10.120.935	69.890.234
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	-	30.122.127	-	2.342.677	6.860.996
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	132.044.987	23.640.713	-	-	57.794.345
21	Loans with a risk weight of less than or equal to %35	2.391.092	-	-	-	1.554.210
22	Residential mortgages	-	-	-	7.778.258	5.055.868
23	Residential mortgages with a risk weight of less than or equal to %35	-	-	-	7.778.258	5.055.868
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	210.618	-	-	-	179.025
25	Assets equivalent to interconnected liabilities					
26	Other Assets	34.207.595	773.218	-	-	32.371.990
27	Physical traded commodities, including gold	4.917.821				4.180.148
28	Initial margin posted or given guarantee fund to central counterparty			-		-
29	Derivative Assets			-		-
30	Derivative Liabilities before the deduction of the variation margin			773.218		773.218
31	Other Assets not included above	29.289.774	-	-	-	27.418.624
32	Off-balance sheet commitments		45.340.860	-	-	2.267.043
33	<b>Total Required stable funding</b>					<b>104.529.267</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>176,32</b>

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

Current Period	Ratio
July 31, 2024	174,54
August 31, 2024	168,96
September 30, 2024	176,32
<b>3 Month Average</b>	<b>173,27</b>

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**V. Explanations on liquidity risk (continued):**

**Net Stable Funding Ratio (continued):**

Prior 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	
<b>Available stable funding</b>					
1	Capital Instruments	22.058.323	-	-	22.058.323
2	Tier 1 Capital and Tier 2 Capital	22.058.323	-	-	22.058.323
3	Other Capital Instruments	-	-	-	-
4	Real-person and Retail Customer Deposits	46.773.190	-	75.928.911	112.596.868
5	Stable Deposits	3.542.575	-	12.928.557	15.968.512
6	Less Stable Deposits	43.230.616	-	63.000.353	96.628.356
7	Other Obligations	-	-	39.853.016	19.926.508
8	Operational deposits	-	-	30.113.871	15.056.935
9	Other Obligations	-	-	9.739.145	4.869.573
10	Liabilities equivalent to interconnected assets	-	-	-	-
11	Other Liabilities	8.467.988	23.036	5.018.059	10.977.018
12	Derivative liabilities	-	-	23.036	-
13	All other equity not included in the above categories	8.467.988	-	5.018.059	10.977.018
14	<b>Available stable funding</b>				<b>165.558.717</b>
<b>Required stable funding</b>					
15	High Quality Liquid Assets	-	-	-	-
16	Deposits held at financial institutions for operational purposes	-	-	-	-
17	Performing Loans	94.087.755	47.910.183	-	49.962.971
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	-	18.161.967	-	4.749.197
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	93.634.027	29.748.217	-	42.436.438
21	Loans with a risk weight of less than or equal to 35%	1.077.418	-	-	700.322
22	Residential mortgages	-	-	-	2.391.668
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	2.391.668
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	453.728	-	-	385.669
25	Assets equivalent to interconnected liabilities	-	-	-	-
26	Other Assets	33.077.425	1.695.322	-	32.994.005
27	Physical traded commodities, including gold	716.353	-	-	608.900
28	Initial margin posted or given guarantee fund to central Counterparty	-	-	-	-
29	Derivative Assets	-	-	121.757	-
30	Derivative Liabilities before the deduction of the variation margin	-	-	1.573.565	-
31	Other Assets not included above	32.361.072	-	-	30.689.783
32	Off-balance sheet commitments	-	34.917.273	-	1.745.864
33	<b>Total Required stable funding</b>				<b>84.702.840</b>
34	<b>Net Stable Funding Ratio (%)</b>				<b>195,46</b>

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
<b>3 Month Average</b>	<b>195,46</b>

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**VI. Explanations on leverage ratio:**

As of September 30, 2024, leverage ratio of the Bank calculated from the arithmetic average of the last three months is 4,32% (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 <sup>(*)</sup>	Prior Period <sup>(*)</sup>
<b>Balance sheet assets</b>		
1 Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	285.584.669	225.684.518
2 (Assets deducted from Core capital)	(767.430)	(594.417)
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	284.817.239	225.090.101
<b>Derivative financial assets and credit derivatives</b>		
4 Cost of replenishment for derivative financial assets and credit derivatives	13.844	160.474
5 Potential credit risk amount of derivative financial assets and credit derivatives	81.012	154.420
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	94.856	314.894
<b>Financing transactions secured by marketable security or commodity</b>		
7 Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	11.078.449	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)	11.078.449	25.437.098
<b>Off-balance sheet transactions</b>		
10 Gross notional amount of off-balance sheet transactions	46.756.489	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)	46.716.439	36.781.052
<b>Capital and total risk</b>		
13 Core Capital	14.812.465	11.725.174
14 Total risk amount (sum of lines 3, 6, 9 and 12)	342.706.983	287.623.145
<b>Leverage ratio</b>		
15 Leverage ratio (%)	4,32	4,07

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

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

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

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

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

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**IX. Explanations on 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:**

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

**a.2. Risk weighted amounts:**

		Risk Weighted Amount		Minimum capital requirement
		Current Period	Prior Period	Current Period
1	Credit risk (excluding counterparty credit risk) (CCR)	113.315.026	79.183.530	9.065.202
2	Standardised approach (SA)	113.315.026	79.183.530	9.065.202
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	160.043	385.679	12.803
5	Standardised approach for counterparty credit risk (SA-CCR)	160.043	385.679	12.803
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	21.447.766	14.629.329	1.715.821
17	Standardised approach (SA)	21.447.766	14.629.329	1.715.821
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	-	-	-
<b>25</b>	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>151.976.201</b>	<b>102.661.068</b>	<b>12.158.095</b>



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**X. Explanations on business segments:**

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

<b>Current Period</b>	<b>Retail</b>	<b>Commercial and Corporate</b>	<b>Treasury</b>	<b>Undistributed</b>	<b>Total</b>
Operating Income	4.116.269	20.511.776	11.797.431	2.402.004	38.827.480
Operating Expenses	(10.928.532)	(12.605.806)	(10.806.609)	(1.287.963)	(35.628.910)
Operating Income/Expenses	(6.812.263)	7.905.970	990.822	1.114.041	3.198.570
Profit/(Loss) Before Tax	(6.812.263)	7.905.970	990.822	1.114.041	3.198.570
Tax Income (Expense)	-	-	-	(534.473)	(534.473)
<b>Current Year Profit/(Loss)</b>	<b>(6.812.263)</b>	<b>7.905.970</b>	<b>990.822</b>	<b>579.568</b>	<b>2.664.097</b>
<b>Total Assets</b>	<b>11.179.899</b>	<b>124.399.577</b>	<b>145.336.943</b>	<b>16.090.370</b>	<b>297.006.789</b>
<b>Total Liabilities</b>	<b>115.183.979</b>	<b>95.658.337</b>	<b>63.618.055</b>	<b>22.546.418</b>	<b>297.006.789</b>

<b>Prior Period</b>	<b>Retail</b>	<b>Commercial and Corporate</b>	<b>Treasury</b>	<b>Undistributed</b>	<b>Total</b>
Operating Income	(1.568.663)	7.089.456	6.386.096	520.837	12.427.726
Operating Expenses	(2.538.119)	(3.568.965)	(1.513.736)	(974.577)	(8.595.397)
Operating Income/Expenses	(4.106.782)	3.520.491	4.872.360	(453.740)	3.832.329
Profit/(Loss) Before Tax	(4.106.782)	3.520.491	4.872.360	(453.740)	3.832.329
Tax Income (Expense)	-	-	-	(1.371.826)	(1.371.826)
<b>Current Year Profit/(Loss)</b>	<b>(4.106.782)</b>	<b>3.520.491</b>	<b>4.872.360</b>	<b>(1.825.566)</b>	<b>2.460.503</b>
<b>Total Assets</b>	<b>9.597.842</b>	<b>98.606.455</b>	<b>117.146.214</b>	<b>6.818.984</b>	<b>232.169.495</b>
<b>Total Liabilities</b>	<b>119.310.064</b>	<b>55.584.829</b>	<b>39.885.246</b>	<b>17.389.356</b>	<b>232.169.495</b>

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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	414.786	4.282.830	360.378	2.831.114
CBRT	19.784.004	32.530.692	16.171.014	27.092.237
Other <sup>(*)</sup>	396.167	6.037.894	229.427	2.400.022
<b>Total</b>	<b>20.594.957</b>	<b>42.851.416</b>	<b>16.760.819</b>	<b>32.323.373</b>

<sup>(\*)</sup> Includes precious metals amounting to TL 4.198.689 (December 31, 2023: TL 494.914) and cash in transit amounting to TL 2.235.372 (December 31, 2023: TL 2.134.535) as of September 30, 2024.

**b. Information related to CBRT:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand deposit	13.347.402	4.934.851	13.638.723	4.825.517
Unrestricted time deposit	-	-	-	-
Restricted time deposit <sup>(*)</sup>	6.436.602	27.595.841	2.532.291	22.266.720
<b>Total</b>	<b>19.784.004</b>	<b>32.530.692</b>	<b>16.171.014</b>	<b>27.092.237</b>

<sup>(\*)</sup> As of September 30, 2024, the reserve requirement held in standard gold is TL 5.948.518 (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 September 30, 2024, the Bank's applicable rates for Turkish lira required reserves are between 0% and 33%, depending on the maturity structure for participation funds and other liabilities and the applicable rates for FX required reserves are between 5% and 30%, depending on the maturity structure of participation funds and other liabilities.

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

**c.1. Information on Banks:**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>				
Domestic <sup>(*)</sup>	6.217.298	10.963.726	6.867.754	1.474.602
Abroad	26	9.750.489	-	6.243.124
Foreign head offices and branches	-	-	-	-
<b>Total</b>	<b>6.217.324</b>	<b>20.714.215</b>	<b>6.867.754</b>	<b>7.717.726</b>

<sup>(\*)</sup> Includes blockaged amount TL 6.203.726 TL(December 31, 2023: TL 6.516.426) booked under TL accounts arising from POS transactions.

**c.2. Information on foreign bank accounts:**

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

**2. 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 September 30, 2024, there is not any investment amount subject to repurchase. (December 31, 2023: None).

As of September 30, 2024, the collateralized /blocked nominal investment amount is TL 6.351.731 (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)	9.900.099	-	6.608.895	-
Sukuk	468.959	7.100.592	283.025	12.783.452
Equity Securities	-	107.952	-	74.650
Other	-	16.253	2.658	28.573
<b>Total</b>	<b>10.369.058</b>	<b>7.224.797</b>	<b>6.894.578</b>	<b>12.886.675</b>

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

As of September 30, 2024, the collateralized /blocked nominal investment amount is TL 519.511 (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
<b>Debt Securities</b>	<b>15.032.446</b>	<b>7.486.911</b>
Quoted on a stock exchange	15.032.446	7.486.911
Unquoted	-	-
<b>Investment Funds</b>	-	-
Quoted on a stock exchange	-	-
Unquoted	-	-
<b>Share Certificates</b>	<b>50.913</b>	<b>45.261</b>
Quoted on a stock exchange	-	-
Unquoted	50.913	45.261
<b>Impairment Provision (-)</b>	<b>18.566</b>	<b>81</b>
<b>Total</b>	<b>15.064.793</b>	<b>7.532.091</b>

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 September 30, 2024, the nominal investment amount subject to repurchase agreements is none. (December 31, 2023: None).

As of September 30, 2024, the collateralized/blocked nominal investment amount is TL 16.199.028 (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 <sup>(*)</sup>	29.078.897	28.852.543
Other Debt Securities	-	-
<b>Total</b>	<b>29.078.897</b>	<b>28.852.543</b>

<sup>(\*)</sup> 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	29.078.897	28.852.543
Quoted on a stock exchange	29.078.897	28.852.543
Unquoted	-	-
Impairment provision (-)	-	-
<b>Total</b>	<b>29.078.897</b>	<b>28.852.543</b>

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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	2.187.224	7.975.560
Purchases during period <sup>(*)</sup>	5.154.480	5.228.236
Disposals through sales and redemptions <sup>(*)</sup>	(8.029.287)	(4.314.693)
Impairment provision (-)	-	-
Reclassifications	-	-
Increases (decreases) in income accruals	913.937	512.511
<b>Closing balance</b>	<b>29.078.897</b>	<b>28.852.543</b>

<sup>(\*)</sup> 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	-	5.812	2.366	7.631
Swap Transactions	-	4.836	42.272	-
Futures Transactions	-	-	-	-
Options	-	-	-	-
Others <sup>(*)</sup>	14.637	11.471	-	-
<b>Total</b>	<b>14.637</b>	<b>22.119</b>	<b>44.638</b>	<b>7.631</b>

<sup>(\*)</sup> 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	1.343.252	11.267	379.560	5.808
Corporate shareholders	1.341.283	10.917	376.786	5.458
Real person shareholders	1.969	350	2.774	350
Indirect loans granted to shareholders	1.292	76.245	84	119.373
Loans granted to employees	202.014	135	104.598	85
<b>Total</b>	<b>1.546.558</b>	<b>87.647</b>	<b>484.242</b>	<b>125.266</b>

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

**6. Information on loans (continued):**

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

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

Current Period	Loans Under Close Monitoring				
	Cash Loans	Standard Loans	Not Under the Scope of	Restructured	
				Restructuring or Rescheduling	Amendments to the Terms of Contracts
<b>Loans</b>					
Export loans	12.454.806		154.185	-	-
Import loans	5.915.850		36.984	-	-
Business loans <sup>(**)</sup>	49.302.524		1.912.563	2.565.600	1.509.494
Consumer loans	10.259.533		189.155	601	-
Credit cards	2.389.930		36.520	-	-
Loans given to financial sector	8.353.278		-	-	-
Other <sup>(*)</sup>	30.742.418		595.878	406.800	11.872
<b>Other receivables</b>	-		-	-	-
<b>Total</b>	<b>119.418.339</b>		<b>2.925.285</b>	<b>2.973.001</b>	<b>1.521.366</b>

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

Commercial loans with installments	9.420.710
Other investment credits	4.231.534
Loans given to abroad	10.833.329
Profit and loss sharing investments <sup>(**)</sup>	6.456.200
Loans for purchase of marketable securities for customer	788.917
Other	26.278
<b>Total</b>	<b>31.756.968</b>

(\*\*) As of September 30, 2024, the related balance represents profit and loss sharing investment projects (3 projects) which are real estate development projects in various regions of Istanbul. Revenue sharing of profit and loss sharing investment projects is done within the framework of the signed contract between the 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 September 30, 2024, the profit and loss partnership investments are evaluated as financial assets measured at fair value through profit or loss, based on the valuation of December 31, 2023. Total cumulative valuation profit is TL 2.680.846 for profit and loss sharing investments.

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- I. Explanations and notes related to 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
<b>Loans</b>				
Export loans	8.869.510	4.322	-	-
Import loans	5.704.330	19.066	-	-
Business loans <sup>(**)</sup>	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 <sup>(*)</sup>	22.171.511	422.748	292.425	160.397
<b>Other receivables</b>	-	-	-	-
<b>Total</b>	<b>95.449.426</b>	<b>1.781.923</b>	<b>4.343.679</b>	<b>1.239.252</b>

(\*) 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 <sup>(**)</sup>	6.538.964
Loans for purchase of marketable securities for customer	954.835
Other	113.662
<b>Total</b>	<b>23.047.081</b>

(\*\*) 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	361.958	-
Significant Increase in Credit Risk	-	1.149.204
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:**

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:**

<b>Current Period</b>	<b>Short-term</b>	<b>Medium and long-term</b>	<b>Total</b>
<b>Consumer loans-TL</b>	<b>329.440</b>	<b>9.921.019</b>	<b>10.250.459</b>
Housing loans	36.183	7.425.594	7.461.777
Vehicle loans	83.861	1.230.583	1.314.444
Consumer loans	209.396	1.264.842	1.474.238
Other	-	-	-
<b>Consumer loans-FC indexed</b>	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Consumer loans-FC</b>	-	<b>23.227</b>	<b>23.227</b>
Housing loans	-	10.828	10.828
Vehicle loans	-	-	-
Consumer loans	-	12.399	12.399
Other	-	-	-
<b>Retail credit cards-TL</b>	<b>816.614</b>	-	<b>816.614</b>
With installment	110.754	-	110.754
Without installment	705.860	-	705.860
<b>Retail credit cards-FC</b>	-	-	-
With installment	-	-	-
Without installment	-	-	-
<b>Personnel loans-TL</b>	<b>101.052</b>	<b>74.551</b>	<b>175.603</b>
Housing loans	-	7.725	7.725
Vehicle loans	454	5.093	5.547
Consumer loans	100.598	61.733	162.331
Other	-	-	-
<b>Personnel loans-FC indexed</b>	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel loans-FC</b>	-	-	-
Housing loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel credit cards-TL</b>	<b>26.411</b>	-	<b>26.411</b>
With installment	5.365	-	5.365
Without installment	21.046	-	21.046
<b>Personnel credit cards-FC</b>	-	-	-
With installment	-	-	-
Without-installment	-	-	-
<b>Overdraft account-TL (Real Person)</b>	-	-	-
<b>Overdraft account-FC (Real Person)</b>	-	-	-
<b>Total</b>	<b>1.273.517</b>	<b>10.018.797</b>	<b>11.292.314</b>



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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):**

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

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

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

<b>Current Period</b>	<b>Short-term</b>	<b>Medium and long-term</b>	<b>Total</b>
<b>Commercial installment loans-TL</b>	<b>1.654.332</b>	<b>5.937.353</b>	<b>7.591.685</b>
Business loans	140.743	727.614	868.357
Vehicle loans	1.401.146	4.274.457	5.675.603
Consumer loans	112.443	935.282	1.047.725
Other	-	-	-
<b>Commercial installment loans-FC indexed</b>	<b>-</b>	<b>256</b>	<b>256</b>
Business loans	-	252	252
Vehicle loans	-	4	4
Consumer loans	-	-	-
Other	-	-	-
<b>Commercial installment Loans-FC</b>	<b>34.842</b>	<b>1.793.927</b>	<b>1.828.769</b>
Business loans	-	621.143	621.143
Vehicle loans	34.842	982.003	1.016.845
Consumer loans	-	190.781	190.781
Other	-	-	-
<b>Corporate credit cards-TL</b>	<b>1.583.008</b>	<b>417</b>	<b>1.583.425</b>
With installment	36.434	331	36.765
Without installment	<b>1.546.574</b>	<b>86</b>	<b>1.546.660</b>
<b>Corporate credit cards-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
With installment	-	-	-
Without installment	-	-	-
<b>Overdraft account-TL (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Overdraft account-FC (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3.272.182</b>	<b>7.731.953</b>	<b>11.004.135</b>

<b>Prior Period</b>	<b>Short-term</b>	<b>Medium and long-term</b>	<b>Total</b>
<b>Commercial installment loans-TL</b>	<b>2.588.326</b>	<b>3.262.694</b>	<b>5.851.020</b>
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	-	-	-
<b>Commercial installment loans-FC indexed</b>	<b>-</b>	<b>3.119</b>	<b>3.119</b>
Business loans	-	3.119	3.119
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Commercial installment Loans-FC</b>	<b>21.817</b>	<b>1.284.475</b>	<b>1.306.292</b>
Business loans	-	329.230	329.230
Vehicle loans	21.817	787.001	808.818
Consumer loans	-	168.244	168.244
Other	-	-	-
<b>Corporate credit cards-TL</b>	<b>1.337.166</b>	<b>2.901</b>	<b>1.340.067</b>
With installment	251.296	2.408	253.704
Without installment	<b>1.085.870</b>	<b>493</b>	<b>1.086.363</b>
<b>Corporate credit cards-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
With installment	-	-	-
Without installment	-	-	-
<b>Overdraft account-TL (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Overdraft account-FC (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3.947.309</b>	<b>4.553.189</b>	<b>8.500.498</b>

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

**e. Allocation of loans by customers:**

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

**f. Breakdown of domestic and foreign loans:**

	Current Period	Prior Period
Domestic loans	116.004.662	97.507.776
Foreign loans	10.833.329	5.306.504
<b>Total</b>	<b>126.837.991</b>	<b>102.814.280</b>

**g. Loans granted to subsidiaries and associates:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Direct Loans Granted to Subsidiaries and Associates	5	-	18	-
Indirect Loans Granted to Subsidiaries and Associates	-	-	-	-
<b>Total</b>	<b>5</b>	<b>-</b>	<b>18</b>	<b>-</b>

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

	Current Period	Prior Period
Loans with limited collectability	149.632	372.915
Loans with doubtful collectability	332.904	144.253
Uncollectible loans	1.174.054	1.200.916
<b>Total</b>	<b>1.656.590</b>	<b>1.718.084</b>

Specific provisions in the amount of TL 1.656.590 (December 31, 2023: TL 1.718.084) comprise TL 494.671 (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
<b>Current period</b>			
Gross amount before specific provisions	-	1.829	40.108
Restructured loans	-	1.829	40.108
<b>Prior Period</b>			
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:**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
<b>Current Period</b>	<b>Loans with limited collectability</b>	<b>Loans with doubtful collectability</b>	<b>Uncollectable loans</b>
<b>Closing balance of prior period</b>	<b>420.050</b>	<b>161.098</b>	<b>1.224.426</b>
Additions in the current period (+)	516.123	22.173	42.937
Transfers from other categories of non-performing loans (+)	-	608.255	361.886
Transfers to other categories of non-performing loans (-)	608.255	361.886	-
Collections in the current period (-)	31.005	55.757	55.182
Transfers to standard loans and write off(-) <sup>(*)</sup>	2.581	30	304.396
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
<b>Closing balance of the current period</b>	<b>294.332</b>	<b>373.853</b>	<b>1.269.671</b>
Provisions (-)	149.632	332.904	1.174.054
<b>Net balance at the balance sheet</b>	<b>144.700</b>	<b>40.949</b>	<b>95.617</b>

<sup>(\*)</sup> 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 304.022. Since there is no reasonable expectation regarding its recovery, TL 2.985 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 23 basis points

Non-performing loans in the amount of TL 1.937.856 comprise TL 667.809 of participation account share of loans provided from participation accounts.

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
<b>Prior Period</b>	<b>Loans and receivables with limited collectability</b>	<b>Loans and receivables with doubtful collectability</b>	<b>Uncollectable loans and receivables</b>
<b>Closing balance of prior period</b>	<b>212.750</b>	<b>453.980</b>	<b>801.247</b>
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 (-) <sup>(*)</sup>	271.741	316.414	836.352
Dispose of (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
<b>Closing balance of the current period</b>	<b>420.050</b>	<b>161.098</b>	<b>1.224.426</b>
Specific provisions (-)	372.915	144.253	1.200.916
<b>Net balance at the balance sheet</b>	<b>47.135</b>	<b>16.845</b>	<b>23.510</b>

<sup>(\*)</sup> 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:**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Loans with limited collectability</b>	<b>Loans with doubtful collectability</b>	<b>Uncollectable loans</b>
<b>Current period:</b>			
Period end balance	17.945	17.610	235.090
Provision (-)	10.333	13.713	215.147
<b>Net balance</b>	<b>7.612</b>	<b>3.897</b>	<b>19.943</b>
<b>Prior period:</b>			
Period end balance	151.872	26.087	30.787
Provision (-)	140.939	26.087	28.303
<b>Net balance</b>	<b>10.933</b>	<b>-</b>	<b>2.484</b>

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

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Loans with limited collectability</b>	<b>Loans with doubtful collectability</b>	<b>Uncollectable loans</b>
<b>Current period (net)</b>	<b>144.700</b>	<b>40.949</b>	<b>95.617</b>
Loans to individuals and corporates (gross)	294.332	373.853	1.269.671
Provision (-)	149.632	332.904	1.174.054
<b>Loans to individuals and corporates (net)</b>	<b>144.700</b>	<b>40.949</b>	<b>95.617</b>
Banks (gross)	-	-	-
Provision (-)	-	-	-
<b>Banks (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other loans and receivables (gross)	-	-	-
Provision (-)	-	-	-
<b>Other loans (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Prior period (net)</b>	<b>47.135</b>	<b>16.845</b>	<b>23.510</b>
Loans to individuals and corporates (gross)	420.050	161.098	1.224.426
Provision (-)	372.915	144.253	1.200.916
<b>Loans to individuals and corporates (net)</b>	<b>47.135</b>	<b>16.845</b>	<b>23.510</b>
Banks (gross)	-	-	-
Provision (-)	-	-	-
<b>Banks (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other loans (gross)	-	-	-
Provision (-)	-	-	-
<b>Other loans (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>

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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
<b>Current Period (Net)</b>	<b>15.613</b>	<b>6.722</b>	<b>9.889</b>
Profit Share Accruals and Valuation Differences	32.137	26.928	46.162
Provision (-)	16.524	20.206	36.273
<b>Prior Period (Net)</b>	<b>22.805</b>	<b>3.528</b>	<b>5.460</b>
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:**

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

**i. Information on write-off policies:**

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

**7. Information on lease receivables (net):**

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

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than a year	1.857.540	1.633.352	1.331.900	1.206.071
1 to 4 years	4.242.429	3.057.793	4.700.373	3.273.855
More than 4 years	-	-	69.085	69.085
<b>Total</b>	<b>6.099.969</b>	<b>4.691.145</b>	<b>6.101.358</b>	<b>4.549.011</b>

**b. Information on net investments through finance lease:**

	Current Period	Prior Period
Financial lease receivables (Gross)	6.099.969	6.101.358
Unearned financial lease receivable (-)	1.408.824	1.552.347
<b>Net receivable from financial leases</b>	<b>4.691.145</b>	<b>4.549.011</b>

**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:

	Loans Under Close Monitoring			
	Standard Loans	Not Under the Scope of Restructuring or Rescheduling	Restructured	
		Loans with Revised Contract Terms	Refinancing	
<b>Current Period</b>				
Financial lease receivables (Net)	4.573.802	111.177	6.166	-
<b>Prior Period</b>				
Financial lease receivables (Net)	4.509.179	32.916	6.916	-

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

**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.

	<b>Current Period</b>	<b>Prior Period</b>
Opening Balance	641.631	341.132
Additions	4.068.829	672.801
Real Estate Acquired	3.950.656	672.801
Discontinued Operations	118.173	-
Disposals	(16.333)	(76.956)
Transfers <sup>(*)</sup>	(482.226)	(283.684)
Impairment Provision(-)/Reversal of Impairment Provision	-	(11.662)
<b>Net closing balance</b>	<b>4.211.901</b>	<b>641.631</b>

<sup>(\*)</sup> The transfers and impairments related to the transfers (if any) have been moved to assets to be sold under tangible assets.

As of September 30, 2024, TL 4.092.228 (December 31, 2023: TL 639.881) of the assets held for sale is comprised of real estates, TL 1.500 (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 September 30, 2024, the capital of the company is EUR 124.155.083 (full balance in original currency) equivalent to TL 118.173 as historical cost in the Balance Sheet.

As of September 30, 2024, unreviewed financial statements of Getinsha GmbH is as follows:

<b>Name</b>	<b>Address (City/Country)</b>	<b>Bank's share percentage- If different voting percentage (%)</b>	<b>Risk share percentage of other shareholders (%)</b>
Getinsha GmbH	Berlin / Germany	100,00	-

<b>Total assets</b>	<b>Shareholders' equity</b>	<b>Total fixed assets</b>	<b>Dividend or profit share income</b>	<b>Income from marketable securities</b>	<b>Current period profit/loss</b>	<b>Prior years profit/loss</b>	<b>Fair value</b>
393.425 €	-	-	-	(22.985) €	(22.985) €	(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 September 30, 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 unreviewed and TAS29 not applied financial statements as of September 30, 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
8.408.375	307	-	-	-	71	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 unreviewed and TAS29 not applied financial statements as of September 30, 2024.

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

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value
284.266	9.554	-	-	-	4.068	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 September 30, 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 unreviewed and TAS29 not applied financial statements as of September 30, 2024.

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

Total assets	Shareholders' equity	Total fixed assets	Dividend or profit share income	Income from marketable securities	Current period profit/loss	Prior years profit/loss	Fair value	
819.797	755.668	4.363	17.419	-	278.046	245.292	-	819.797

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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	-	-
<b>Share of the capital at the end of the period (%)</b>	<b>100</b>	<b>100</b>

(\*)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 unreviewed and TAS29 not applied financial statements as of September 30, 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%	2.975.592	30.584.677	30.528.970	2.884.961	2.386.692

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:**

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

**11. Information on intangible assets:**

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

**12. Information on investment property:**

None (December 31, 2023: None)

**13. Information related to deferred tax asset:**

As of September 30, 2024, the Bank calculated net deferred tax asset of TL 1.118.070 (December 31, 2023: TL 1.194.755) by netting off deferred tax asset of TL 2.394.386 (December 31, 2023: TL 2.358.300) and deferred tax liability of TL 1.276.316 (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.

	<b>Current Period</b>	<b>Prior Period</b>
Rediscount on profit share and prepaid fees and commission income and unearned revenues	257.809	192.301
Provisions for retirement premium and vacation pay liabilities	334.956	363.385
Difference between carrying value and tax base of tangible assets (amortisation differences)	179.176	218.425
Provisions for cases on trial	28.249	22.376
Provisions	265.775	619.079
Leasing profit share expenses	131.613	99.054
Other <sup>(*)</sup>	1.196.808	843.680
<b>Deferred tax asset</b>	<b>2.394.386</b>	<b>2.358.300</b>
Revaluation difference of property	307.682	322.935
Rediscount on profit share	165.937	143.214
Right of use assets	252.725	190.808
Derivative financial liabilities	3.195	15.681
Investment funds	427.443	371.861
Other <sup>(**)</sup>	119.334	119.046
<b>Deferred tax liability</b>	<b>1.276.316</b>	<b>1.163.545</b>
<b>Deferred tax asset (net)</b>	<b>1.118.070</b>	<b>1.194.755</b>

<sup>(\*)</sup> Includes TL 1.116.635 (December 31, 2023: TL 812.992) arising from the inflation indexation of non-monetary assets in accordance with the Tax Procedure Law.

<sup>(\*\*)</sup> Includes TL 102.042, 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 3.622.538 (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
<b>I. Real Persons Current Accounts</b>									
<b>Non-Trade TL</b>	<b>6.581.148</b>	-	-	-	-	-	-	-	<b>6.581.148</b>
<b>II. Real Persons Participation Accounts Non-Trade TL</b>	-	<b>4.763.820</b>	<b>21.895.378</b>	<b>1.276.037</b>	-	<b>59.184</b>	<b>14.152.818</b>	<b>19.670</b>	<b>42.166.907</b>
<b>III. Current Account other-TL</b>	<b>9.948.589</b>	-	-	-	-	-	-	-	<b>9.948.589</b>
Public Sector	411.970	-	-	-	-	-	-	-	411.970
Commercial Institutions	8.890.135	-	-	-	-	-	-	-	8.890.135
Other Institutions	598.857	-	-	-	-	-	-	-	598.857
Commercial and Other Institutions	24.213	-	-	-	-	-	-	-	24.213
Banks and Participation Banks	23.414	-	-	-	-	-	-	-	23.414
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	2	-	-	-	-	-	-	-	2
Foreign Banks	23.241	-	-	-	-	-	-	-	23.241
Participation Banks	171	-	-	-	-	-	-	-	171
Other	-	-	-	-	-	-	-	-	-
<b>IV. Participation Accounts-TL</b>	-	<b>34.396.845</b>	<b>7.772.745</b>	<b>636.893</b>	-	<b>312.647</b>	<b>1.390.955</b>	<b>335</b>	<b>44.510.420</b>
Public Sector	-	-	1.991	-	-	-	-	-	1.991
Commercial Institutions	-	34.192.773	6.927.844	410.302	-	34.430	1.334.628	335	42.900.312
Other Institutions	-	204.039	842.279	220.414	-	278.217	56.327	-	1.601.276
Commercial and Other Institutions	-	33	574	6.177	-	-	-	-	6.784
Banks and Participation Banks	-	-	57	-	-	-	-	-	57
<b>V. Real Persons Current Accounts Non-Trade FC</b>	<b>29.621.859</b>	-	-	-	-	-	-	-	<b>29.621.859</b>
<b>VI. Real Persons Participation Accounts Non-Trade FC</b>	-	<b>7.605.592</b>	<b>6.203.856</b>	<b>632.289</b>	-	<b>42.195</b>	<b>1.815.266</b>	<b>17.564</b>	<b>16.316.762</b>
<b>VII. Other Current Accounts FC</b>	<b>24.446.285</b>	-	-	-	-	-	-	-	<b>24.446.285</b>
Residents in Türkiye-Corporate	13.472.119	-	-	-	-	-	-	-	13.472.119
Residents Abroad-Corporate	5.522.746	-	-	-	-	-	-	-	5.522.746
Banks and Participation Banks	5.451.420	-	-	-	-	-	-	-	5.451.420
Central Bank of Türkiye	469.668	-	-	-	-	-	-	-	469.668
Domestic Banks	195	-	-	-	-	-	-	-	195
Foreign Banks	4.968.997	-	-	-	-	-	-	-	4.968.997
Participation Banks	12.560	-	-	-	-	-	-	-	12.560
Other	-	-	-	-	-	-	-	-	-
<b>VIII. Participation Accounts other-FC</b>	-	<b>429.790</b>	<b>639.590</b>	<b>694.189</b>	-	<b>136</b>	<b>5.913</b>	<b>1.614</b>	<b>1.771.232</b>
Public sector	-	-	-	-	-	-	-	-	-
Commercial institutions	-	357.698	546.070	691.837	-	136	3.426	1.614	1.600.781
Other institutions	-	16.403	32.636	851	-	-	-	-	49.890
Commercial and Other Institutions	-	4.319	60.884	1.501	-	-	2.487	-	69.191
Banks and Participation Banks	-	51.370	-	-	-	-	-	-	51.370
<b>IX. Precious Metals Deposits</b>	<b>19.056.193</b>	<b>496.866</b>	<b>703.338</b>	<b>541.402</b>	-	<b>76.206</b>	<b>192.382</b>	<b>5.970</b>	<b>21.072.357</b>
<b>X. Participation Accounts Special Fund Pools TL</b>	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
<b>XI. Participation Accounts Special Fund Pools – FC</b>	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
<b>Total (I+II+.....+IX+X+XI)</b>	<b>89.654.074</b>	<b>47.692.913</b>	<b>37.214.907</b>	<b>3.780.810</b>	-	<b>490.368</b>	<b>17.557.334</b>	<b>45.153</b>	<b>196.435.559</b>

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 September 30, 2024, TL participation accounts include TL 21.131.918 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
<b>I. Real Persons Current Accounts Non-Trade TL</b>	<b>5.582.161</b>	-	-	-	-	-	-	-	<b>5.582.161</b>
<b>II. Real Persons Participation Accounts Non-Trade TL</b>	-	<b>3.565.694</b>	<b>25.482.294</b>	<b>2.977.568</b>	-	<b>127.860</b>	<b>23.724.196</b>	<b>15.599</b>	<b>55.893.211</b>
<b>III. Current Account other-TL</b>	<b>9.467.258</b>	-	-	-	-	-	-	-	<b>9.467.258</b>
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	-	-	-	-	-	-	-	-	-
<b>IV. Participation Accounts-TL</b>	-	<b>3.163.160</b>	<b>5.127.710</b>	<b>898.250</b>	-	<b>622</b>	<b>1.171.472</b>	<b>697</b>	<b>10.361.911</b>
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
<b>V. Real Persons Current Accounts Non-Trade FC</b>	<b>27.567.137</b>	-	-	-	-	-	-	-	<b>27.567.137</b>
<b>VI. Real Persons Participation Accounts Non-Trade FC</b>	-	<b>7.212.694</b>	<b>6.479.480</b>	<b>640.908</b>	-	<b>64.016</b>	<b>2.318.109</b>	<b>31.203</b>	<b>16.746.410</b>
<b>VII. Other Current Accounts FC</b>	<b>21.695.954</b>	-	-	-	-	-	-	-	<b>21.695.954</b>
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	-	-	-	-	-	-	-	-	-
<b>VIII. Participation Accounts other- FC</b>	-	<b>452.522</b>	<b>528.987</b>	<b>621.738</b>	-	<b>44.696</b>	<b>17.162</b>	<b>1.340</b>	<b>1.666.445</b>
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
<b>IX. Precious Metals Deposits</b>	<b>11.349.190</b>	<b>393.191</b>	<b>580.154</b>	<b>343.209</b>	-	<b>23.880</b>	<b>131.521</b>	<b>4.224</b>	<b>12.825.369</b>
<b>X. Participation Accounts Special Fund Pools TL</b>	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
<b>XI. Participation Accounts Special Fund Pools -FC</b>	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents abroad	-	-	-	-	-	-	-	-	-
<b>Total (I+II+.....+IX+X+XI)</b>	<b>75.661.700</b>	<b>14.787.261</b>	<b>38.198.625</b>	<b>5.481.673</b>	-	<b>261.074</b>	<b>27.362.460</b>	<b>53.063</b>	<b>161.805.856</b>

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 guarantee of Insurance	Under the guarantee of Insurance	Exceeding the guarantee of Insurance	Exceeding the guarantee of Insurance
	Current Period	Prior Period	Current Period	Prior Period
Real persons' current and participation accounts not subject to trading transactions				
Turkish Lira accounts	16.020.577	13.769.278	32.722.577	47.706.096
Foreign currency accounts	23.818.110	17.267.434	41.834.789	39.423.065
Foreign branches' deposits subject to foreign authorities' insurance	56.455	40.043	179.667	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 7.680.702 (December 31,2023: TL 6.252.084), amounts exceeding the insurance limit is TL 32.851.881 (December 31,2023: TL 34.374.420) and the mentioned amount is not included in the footnote.

Funds collected by Participation Banks (except belonging to official institutions, credit institutions and financial institutions) from current and participation accounts denominated in Turkish Lira or foreign currency up to a limit of maximum TL 650 (including both 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	11.929	19.411
Profit Sharing Accounts and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Profit Sharing Accounts in Participation Banks Established in Türkiye in order to engage solely in Off-Shore Banking Activities	-	-

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

**2. Information on borrowings:**

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from CBRT	-	-	-	-
Loans from domestic banks and institutions	10.134.841	25.266.201	2.178.308	15.091.430
Loans from foreign banks, institutions and funds	4.021.836	14.746.712	-	13.266.201
<b>Total</b>	<b>14.156.677</b>	<b>40.012.913</b>	<b>2.178.308</b>	<b>28.357.631</b>

**a.2. Maturity analysis of funds borrowed:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	9.900.343	27.409.179	957.276	17.678.203
Medium and Long-Term	4.256.334	12.603.734	1.221.032	10.679.428
<b>Total</b>	<b>14.156.677</b>	<b>40.012.913</b>	<b>2.178.308</b>	<b>28.357.631</b>

**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	-	5.785	732	7.337
Swap transactions	213.609	32.519	113.307	-
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>213.609</b>	<b>38.304</b>	<b>114.039</b>	<b>7.337</b>

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

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

**4. Lease payables (Net):**

	Current Period		Prior Period	
	TL	FC	TL	FC
Less than a year	12.099	-	4.569	-
1 to 5 years	403.790	27.763	297.509	40.972
Over 5 years	598.471	43.364	400.159	31.544
<b>Total</b>	<b>1.014.360</b>	<b>71.127</b>	<b>702.237</b>	<b>72.516</b>

**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 520.474 (December 31, 2023: TL 412.474), vacation pay liability amounting to TL 60.453 (December 31, 2023: TL 40.050) and there is no provision for performance bonuses (December 31, 2023: TL 750.000) totaling to TL 580.927 (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	321.032
Allocation the in period	108.000	57.200
Actuarial (gain)/loss	-	34.242
<b>Balance at the end of the period</b>	<b>520.474</b>	<b>412.474</b>

**b. Other provisions:**

	Current Period	Prior Period
Non-cash loans first and second stage expected loss provisions	39.675	28.486
Provisions allocated from profit shares to be distributed to profit sharing accounts	18.627	4.588
Third stage expected loss provisions for unindemnified letter of guarantees	25.385	24.962
Third stage expected loss provisions for cheques commitments	9.964	4.547
Provisions for promotions related with credit cards and promotion of banking services	1.208	578
Provisions for cases on trial	94.163	74.587
Accrual for purchase and sale commitments	9.529	1.734
Free provisions allocated for possible losses <sup>(*)</sup>	5.213.000	5.213.000
Other	16.048	13.958
<b>Total</b>	<b>5.427.599</b>	<b>5.366.440</b>

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



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

**5. Information on provisions (continued):**

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

As of September 30, 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 September 30, 2024, the Bank's remaining tax liability after deducting the temporary taxes paid from corporate tax amounts to TL 22.526 (December 31, 2023: TL 912.087).

**a.2. Information on taxes payable:**

	Current Period	Prior Period
Corporate taxes payable	22.526	912.087
Banking insurance transaction tax	182.446	118.812
Taxation on securities income	124.876	28.876
Value added tax payable	17.268	15.314
Taxation on real estate income	4.646	3.037
Foreign exchange transaction tax	4.433	4.872
Income tax deducted from wages	54.616	46.486
Other	5.053	7.623
<b>Total</b>	<b>415.864</b>	<b>1.137.107</b>

**a.3. Information on premiums:**

	Current Period	Prior Period
Social security premiums-employee	32.084	23.710
Social security premiums-employer	35.654	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	2.286	1.689
Unemployment insurance-employer	4.571	3.379
Other	-	-
<b>Total</b>	<b>74.595</b>	<b>54.808</b>

**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	-	9.530.381	-	8.896.597
Subordinated loans	-	9.530.381	-	8.896.597
Subordinated debt instruments	-	-	-	-
<b>Total</b>	-	<b>9.530.381</b>	-	<b>8.896.597</b>

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 %.

**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 12.976.156 (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.

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

**10. Information on shareholders' equity (continued):**

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

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

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

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

**e. Estimated effects on the shareholders equity of the 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 <sup>(*)</sup>	101.925	135.682	201.189	60.811
Foreign exchange difference	-	-	-	-
<b>Total</b>	<b>101.925</b>	<b>135.682</b>	<b>201.189</b>	<b>60.811</b>

<sup>(\*)</sup> 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:**

	<b>Current Period</b>	<b>Prior Period</b>
Commitments for credit card limits	6.196.298	3.797.263
Payment commitments for cheques	2.152.038	1.628.852
Asset purchase and sale commitments	4.079.096	2.799.091
Loan granting commitments	622.033	605.190
Subsidiaries and Associates Commitments	22.500	67.500
Tax and funds liabilities arising from export commitments	117.123	78.574
Commitments for promotions related with credit cards and banking activities	805	492
Other irrevocable commitments	565	557
Other revocable commitments	44.500	44.500
<b>Total</b>	<b>13.234.958</b>	<b>9.022.019</b>

**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:**

	<b>Current Period</b>	<b>Prior Period</b>
Letters of guarantees	29.485.473	24.611.183
Bank loans	22.177	137.121
Letters of credit	6.518.544	5.154.598
Other guaranties and sureties	158.804	169.038
<b>Total</b>	<b>36.184.998</b>	<b>30.071.940</b>

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

	<b>Current Period</b>	<b>Prior Period</b>
Letters of guarantees	29.485.473	24.611.183
Long standing letters of guarantees	22.521.994	18.722.511
Temporary letters of guarantees	1.034.061	572.672
Advance letters of guarantees	1.697.607	1.091.679
Letters of guarantees given to customs	1.713.555	1.508.765
Letters of guarantees given for obtaining cash loans	2.518.256	2.715.556
Sureties and similar transactions	158.804	169.038
<b>Total</b>	<b>29.644.277</b>	<b>24.780.221</b>

**c. Within the Non-cash Loans**

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

	<b>Current Period</b>	<b>Prior Period</b>
Non-cash loans given against cash loans	2.518.256	2.715.556
With original maturity of 1 year or less	741.005	697.538
With original maturity of more than 1 year	1.777.251	2.018.018
Other non-cash loans	33.666.742	27.356.384
<b>Total</b>	<b>36.184.998</b>	<b>30.071.940</b>

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

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

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

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

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

**2. Explanations on derivative transactions:**

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

**3. Explanations on contingent assets and liabilities:**

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

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

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

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**IV. Explanations and notes related to the 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
<b>Profit share received from loans<sup>(*)</sup></b>				
Short Term Loans	9.196.281	1.063.944	3.546.731	454.743
Medium and Long Term Loans	8.940.692	1.224.882	3.443.323	842.650
Profit Share on Non-Performing Loans	59.787	2.580	62.152	2.444
Premiums Received from Resource Utilization Support Fund	-	-	-	-
<b>Total</b>	<b>18.196.760</b>	<b>2.291.406</b>	<b>7.052.206</b>	<b>1.299.837</b>

(\*) 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	1.859.423	-	31.511	-
Domestic Banks	1.112	-	99	-
Foreign Banks	-	-	-	-
Head Offices and Branches Abroad	-	-	-	-
<b>Total</b>	<b>1.860.535</b>	<b>-</b>	<b>31.610</b>	<b>-</b>

**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	171.701	226.873	729.160	228.461
Financial assets measured at fair value through other comprehensive income	1.573.918	158.662	193.261	78.669
Financial assets measured at amortised cost	2.135.430	784.432	930.561	628.690
<b>Total</b>	<b>3.881.049</b>	<b>1.169.967</b>	<b>1.852.982</b>	<b>935.820</b>

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share income received from associates and subsidiaries	93.751	-	23.111	-
<b>Total</b>	<b>93.751</b>	<b>-</b>	<b>23.111</b>	<b>-</b>

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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		
<b>TL</b>								
Funds collected from banks through current and profit sharing accounts	-	12	-	-	-	-	-	12
Real persons' non-trading profit sharing accounts	1.071.220	5.481.592	474.173	-	15.177	3.284.706	3.804	10.330.672
Public sector profit sharing accounts	-	243	-	-	-	-	-	243
Commercial sector profit sharing accounts	4.524.292	1.617.074	180.821	-	10.626	195.380	26	6.528.219
Other institutions profit sharing accounts	31.388	140.902	59.929	-	109.586	9.203	-	351.008
<b>Total</b>	<b>5.626.900</b>	<b>7.239.823</b>	<b>714.923</b>	<b>-</b>	<b>135.389</b>	<b>3.489.289</b>	<b>3.830</b>	<b>17.210.154</b>
<b>FC</b>								
Funds collected from banks through current and profit sharing accounts	105	-	27	-	473	-	-	605
Real persons' non-trading profit sharing accounts	67.844	55.347	4.982	-	500	18.239	517	147.429
Public sector profit sharing accounts	-	-	-	-	-	-	-	-
Commercial sector profit sharing accounts	3.610	3.581	7.826	-	2	85	16	15.120
Other institutions profit sharing accounts	177	340	8	-	-	12	-	537
Precious metals deposits	-	-	-	-	-	-	-	-
<b>Total</b>	<b>71.736</b>	<b>59.268</b>	<b>12.843</b>	<b>-</b>	<b>975</b>	<b>18.336</b>	<b>533</b>	<b>163.691</b>
<b>Grand total</b>	<b>5.698.636</b>	<b>7.299.091</b>	<b>727.766</b>	<b>-</b>	<b>136.364</b>	<b>3.507.625</b>	<b>4.363</b>	<b>17.373.845</b>
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		
<b>TL</b>								
Funds collected from banks through current and profit sharing accounts	-	5	-	-	-	-	-	5
Real persons' non-trading profit sharing accounts	326.040	2.604.422	336.556	-	2.481	999.078	1.404	4.269.981
Public sector profit sharing accounts	1	17	-	-	-	-	-	18
Commercial sector profit sharing accounts	107.357	478.753	76.257	-	110.011	33.385	4	805.767
Other institutions profit sharing accounts	9.253	58.527	2.776	-	8	2.327	-	72.891
<b>Total</b>	<b>442.651</b>	<b>3.141.724</b>	<b>415.589</b>	<b>-</b>	<b>112.500</b>	<b>1.034.790</b>	<b>1.408</b>	<b>5.148.662</b>
<b>FC</b>								
Funds collected from banks through current and profit sharing accounts	-	-	16	-	1.011	-	-	1.027
Real persons' non-trading profit sharing accounts	58.346	49.241	6.811	-	523	24.181	455	139.557
Public sector profit sharing accounts	-	-	-	-	-	-	-	-
Commercial sector profit sharing accounts	2.723	3.478	3.931	-	2	204	8	10.346
Other institutions profit sharing accounts	308	927	157	-	-	441	-	1.833
Precious metals deposits	25	52	7	-	1	82	2	169
<b>Total</b>	<b>61.402</b>	<b>53.698</b>	<b>10.922</b>	<b>-</b>	<b>1.537</b>	<b>24.908</b>	<b>465</b>	<b>152.932</b>
<b>Grand total</b>	<b>504.053</b>	<b>3.195.422</b>	<b>426.511</b>	<b>-</b>	<b>114.037</b>	<b>1.059.698</b>	<b>1.873</b>	<b>5.301.594</b>

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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	710.789	920.308	4.767	467.319
CBRT	-	-	-	-
Domestic banks	-	2.535	-	265
Foreign banks	710.789	917.773	4.767	467.054
Head offices and branches abroad	-	-	-	-
Other institutions	2.048.654	1.297.151	200.723	546.949
<b>Total</b>	<b>2.759.443</b>	<b>2.217.459</b>	<b>205.490</b>	<b>1.014.268</b>

**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	1.941.994	-	195.105	-
<b>Total</b>	<b>1.941.994</b>	<b>-</b>	<b>195.105</b>	<b>-</b>

**ç. Profit share expenses paid to marketable securities issued:**

None (September 30, 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
Clearing room fees and commissions	570.070	151.685
Member firm-POS fees and commissions	587.519	160.774
Commissions on money orders	215.407	170.325
Prepaid import commissions	263.299	130.350
Loan Limit Allocation Fees	81.493	123.317
Insurance and brokerage commissions	216.047	149.717
Service pack commissions	340.028	562.720
Appraisal fees	97.081	44.963
Export credit commissions	16.988	14.026
Advocacy service commissions and counsel fees	10.928	7.091
Checks and bills commissions	12.689	13.016
Fees and commissions from correspondent banks	4.169	5.907
Safe deposit box commissions	8.374	4.637
Pledge Put and Mortgage Release Fees	8.734	5.049
Enquiry fees received	1.641	3.701
Collection and Payment Commissions	24.401	25.812
Export Price Acceptance Certificate Transaction Fees	11.184	6.981
Commissions Received from Cash against Draft Export Transactions	6.730	5.166
Other	79.032	133.651
<b>Total</b>	<b>2.555.814</b>	<b>1.718.888</b>



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

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

<b>Other Fees and Commissions Paid</b>	<b>Current Period</b>	<b>Prior Period</b>
Required Reserves Commissions for CBRT in Foreign currency	-	107.780
Fees and commissions for Swift, EFT and money orders	112.797	80.410
Member firm-POS fees and commissions	134.546	100.660
Credit cards fees and commissions	127.527	78.447
Funds borrowed fees and commissions	10.207	8.774
Other	77.011	28.258
<b>Total</b>	<b>462.088</b>	<b>404.329</b>

**4. Information on dividend income:**

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	-	1.261	-	277
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	1.479	-	714	-
Other	-	-	-	-
<b>Total</b>	<b>1.479</b>	<b>1.261</b>	<b>714</b>	<b>277</b>

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

	<b>Current Period</b>	<b>Prior Period</b>
<b>Income</b>	<b>29.511.428</b>	<b>25.507.992</b>
Income from capital market transactions	2.550.139	2.163.403
Income from derivative financial instruments	214.963	263.414
Foreign exchange income	26.746.326	23.081.175
<b>Loss (-)</b>	<b>29.758.672</b>	<b>22.137.244</b>
Loss on capital market transactions	52.558	1.157.597
Loss on derivative financial instruments	4.625.667	161.395
Foreign exchange losses	25.080.447	20.818.252
<b>Trading Income/Loss (net)</b>	<b>(247.244)</b>	<b>3.370.748</b>

**6. Explanations related to other operating income:**

	<b>Current Period</b>	<b>Prior Period</b>
Reversal of prior year provisions	1.962.107	912.365
Income from sale of assets	155.122	158.887
Communication revenue	58.404	39.020
Cheque book charges	5.601	3.540
Operating Lease Income	122.035	52.692
Fund Management Fees	257.735	70.494
Other income	70.238	33.468
<b>Total</b>	<b>2.631.242</b>	<b>1.270.466</b>

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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:**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Expected Credit Loss</b>	<b>818.384</b>	<b>2.690.862</b>
12 month expected credit loss (stage 1)	246.570	811.235
Significant increase in credit risk (stage 2)	44.707	363.233
Non-performing loans (stage 3)	527.107	1.516.394
<b>Marketable Securities Impairment Expense</b>	<b>-</b>	<b>-</b>
Financial Assets Measured at Fair Value through Profit/Loss	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
<b>Impairment Provision for Associates, Subsidiaries and Joint Ventures</b>	<b>-</b>	<b>-</b>
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
<b>Miscellaneous Provisions</b>	<b>24.142</b>	<b>177.570</b>
Expected credit losses for 1st and 2nd group non-cash loans	11.824	9.058
Third stage expected loss provision for unindemnified non cash loans	5.974	12.660
Expected credit losses (stage 1) for banks	-	144.426
Profit and loss sharing investments' fair value provision.	-	-
Expected credit losses (stage 1) for other financial assets.	6.340	6.165
Expected credit losses for financial assets measured at amortized cost	4	5.261
<b>Total</b>	<b>842.526</b>	<b>2.868.432</b>

Expected credit losses amount to TL 842.526 (September 30, 2023: TL 2.868.432) includes TL 340.199 (September 30, 2023: TL 614.905) representing participation account share of expected credit losses of loans provided from participation accounts.

**Information on Other Provision Expenses**

	<b>Current Period</b>	<b>Prior Period</b>
Vacation pay provision expenses	20.403	23.171
Impairment on financial assets measured at fair value through profit/loss	14.462	8.183
Provisions for cases on trial	21.777	16.274
Free provisions allocated for possible losses	-	1.000.000
Provisions allocated from profit shares to be distributed to profit sharing accounts	64.000	31.613
<b>Total</b>	<b>120.642</b>	<b>1.079.241</b>

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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	108.000	46.800
Deficit provision for pension fund	-	-
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	322.393	153.834
Impairment expenses of intangible assets	-	-
Impairment expense of goodwill	-	-
Amortization expenses of intangible assets	189.065	84.908
Impairment provision for investments accounted for under equity method	-	-
Impairment expenses of assets to be disposed	-	-
Depreciation expenses of assets to be disposed	-	-
Impairment expenses of assets held for sale and assets of discontinued operations	-	-
Other business expenses	974.649	641.963
Leasing Expenses on TFRS 16 Exceptions	2.873	64.659
Maintenance and repair expenses	88.523	48.807
Advertisement expenses	100.602	26.372
Other expenses <sup>(*)</sup>	782.651	502.125
Loss on sale of assets	759	698
Other <sup>(**)</sup>	1.047.682	533.312
<b>Total</b>	<b>2.642.548</b>	<b>1.461.515</b>

<sup>(\*)</sup> The details of the "Other Expenses" balance under Other Operating Expenses are as follows:

	Current Period	Prior Period
Communication Expenses	103.524	86.727
Donations	24.306	29.789
Cleaning expenses	129.389	72.783
Heating, lighting and water expenses	56.695	56.179
Representation and Hosting expenses	31.092	17.279
Vehicle expenses	33.122	17.559
Lawsuit and court expenses	12.386	7.193
Movables Insurance Expenses	42.327	16.635
Stationery Expenses	11.224	11.430
Expense Share for Common Expenses	10.698	6.448
Subcontractor security service expenses	127.304	68.150
Cash and banknote group transportation service expenses	43.676	52.959
Credit Cards and Banking Services Promotion Expenses	59.495	12.741
Other	97.413	46.253
<b>Total</b>	<b>782.651</b>	<b>502.125</b>

<sup>(\*\*)</sup> Details of "other" balance are provided as below:

	Current Period	Prior Period
Saving Deposit Insurance Fund	326.940	241.420
Taxes, Duties, Charges and Funds	493.358	181.687
Expertise and Information Expenses	107.699	52.505
Audit and Consultancy Fees	46.395	22.880
Institution and Union participation share	38.694	24.319
Other	34.596	10.501
<b>Total</b>	<b>1.047.682</b>	<b>533.312</b>

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

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

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

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

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

As of September 30, 2024, the Bank has deferred tax income amounts to TL 1.982.571 (September 30, 2023: TL 1.803.939) and deferred tax expense amounts to TL 2.517.044 (September 30, 2023: TL 2.479.054). There is not any current tax provision (September 30, 2023: TL 696.711).

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

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

**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.

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

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

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

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

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**VII. Explanations related to the risk group of the 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 <sup>(*)</sup>	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
<b>Loans</b>						
Balance at the beginning of the period	19	5.701	379.644	125.181	1.297	74
Balance at the end of the period	7	5.941	843.222	-	1.319	76.245
<b>Profit share and commission income received</b>	-	<b>37</b>	<b>142.898</b>	<b>211</b>	-	<b>162</b>

**b. Prior period:**

Risk Group of the Bank <sup>(*)</sup>	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
<b>Loans and other receivables</b>						
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
<b>Profit share and commission income received</b>	-	<b>17</b>	<b>67.884</b>	<b>328</b>	-	<b>1</b>

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

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

Risk Group of the Bank <sup>(*)</sup>	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
<b>Current and profit sharing accounts</b>						
Balance at the beginning of period	15.586	15.374	316.055	688.843	6.077	28.403
Balance at the end of period	36.067	15.586	230.029	316.055	5.388	6.077
<b>Profit share expense</b>	-	<b>1.075</b>	<b>45</b>	-	-	-

<sup>(\*)</sup> As of September 30, 2024, wakala borrowings obtained from risk group of the Bank through investment purpose wakala contracts amount to USD 32.703.655 and EUR 5.681.417 (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 – September 30, 2024 is TL 24.174 (September 30, 2023: TL 11.836).

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

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

**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 September 30, 2024, the Bank has paid gross TL 107.805 to top management. (September 30, 2023: TL 29.851)

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

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

**IX. Explanations related to subsequent events:**

None.

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

None.

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**SECTION SIX**

**Limited review report**

**I. Explanations on independent auditor’s report:**

The Bank’s unconsolidated financial statements as of and for the period ended September 30, 2024 have been reviewed by “PWC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi” and the reviewed report dated November 8, 2024 is presented at the beginning of the financial statements and related notes.

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

None.

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**SECTION SEVEN**

**Information on Interim Report**

**I. General Information**

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

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

Albaraka Türk offers its 2,7 million customers a practical, fast and qualified banking experience with its 223 domestic and 2 foreign branches throughout Türkiye, as well as its extensive service network consisting of alternative distribution channels.

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

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

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

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

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

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

**2. Capital and Shareholder' Structure:**

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

<b>Bank's Capital Distribution as of September 30, 2024</b>		
<b>Partnership Structure</b>	<b>Share Amount (TL)</b>	<b>Rate (%)</b>
Albaraka Group*	1.084.167	43,37
Dallah Albaraka Holding	207.585	8,30
Other	157.314	6,29
Public	1.050.934	42,04
<b>Total</b>	<b>2.500.000</b>	<b>100,00</b>

(\*)Albaraka Group's publicly listed shares which amount to 1.72% of total capital are not included.



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**Explanations on the interim activity report (continued):**

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

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

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

**4. Branch and Personnel Information:**

As of September 30, 2024, the Bank's total number of branches is 225 and the total number of personnel is 2.555. It continues its activities with 223 domestic branches extended throughout the country and 2 branches abroad in Erbil and Baghdad.

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

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

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

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

**5. Top Management:**

Name surname	Function	Education status	Mission Start Date	Banking and/or Business Experience
Malek Khodr TEMSAH	Member of the Board of Directors and General Manager	Master	2021	21
Turgut SİMİTCİOĞLU	Chief Assistant General Manager	Master	2017	34
Dr. Ömer EMEÇ	Assistant General Manager	Doctorate	2022	14
Serhan YILDIRIM	Assistant General Manager	Bachelor	2022	15
Dr. M. Faruk TORLAK	Assistant General Manager	Doctorate	2022	17
Serhan AKYILDIZ	Assistant General Manager	Bachelor	2022	22
Mehmet Emin CONKAR	Assistant General Manager	Bachelor	2022	26
Umut ÇAKMAK	Assistant General Manager	Bachelor	2022	19
Muzaffer ÇÖLMEK	Assistant General Manager	Bachelor	2022	18
Yasemin AYDIN	Assistant General Manager	Master	2022	28
Mehmet ULUDAĞ	Assistant General Manager	Master	2022	20

**6. Managers of the Departments within Internal Systems:**

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

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

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

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**AUDIT COMMITTEE**

<b>Chairman:</b>	Mustafa BÜYÜKABACI
<b>Member:</b>	Mohamed Ali CHATTI
<b>Member:</b>	Khaled Abdulla Mohamed ATEEQ

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**CREDIT COMMITTEE**

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

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**CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE**

<b>Chairman:</b>	Ghassan Ahmed M AMODI
<b>Member:</b>	Akram "Mark" YASSIN
<b>Member:</b>	Seyfullah DEMİRLEK

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**REMUNERATION AND NOMINATION COMMITTEE**

<b>Chairman:</b>	Housseem BEN HAJ AMOR
<b>Member:</b>	Mustafa BÜYÜKABACI
<b>Member:</b>	Mohamed Ali CHATTI

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**INFORMATION TECHNOLOGIES GOVERNANCE COMMITTEE**

<b>Chairman:</b>	Khaled Abdulla Mohamed ATEEQ
<b>Member:</b>	Malek Khodr TEMSAH
<b>Member:</b>	Bekir PAKDEMİRLİ

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**RISK COMMITTEE**

<b>Chairman:</b>	Housseem BEN HAJ AMOR
<b>Member:</b>	Ghassan Ahmed M AMODI
<b>Member:</b>	Khaled Abdulla Mohamed ATEEQ

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

**II. Financial information and evaluations about the bank:**

**1. Major financial indicators:**

<b>ASSETS</b>	<b>Current Period</b>	<b>Previous Period</b>
Cash and Balances with Central Bank	63.446.373	49.084.192
Banks	26.931.539	14.585.480
Government Debt Securities	48.006.033	45.787.004
Credits	128.775.847	104.619.854
Financial Leasing Receivables	4.691.145	4.549.011
Other	25.155.852	13.543.954
<b>TOTAL ASSETS</b>	<b>297.006.789</b>	<b>232.169.495</b>

<b>LIABILITIES</b>	<b>Current Period</b>	<b>Previous Period</b>
Funds Collected	196.435.559	161.805.856
Funds Borrowed	54.169.590	30.535.939
Subordinated Debt Instruments	9.530.381	8.896.597
Equities	16.058.718	13.387.419
Other	20.812.541	17.543.684
<b>TOTAL LIABILITIES</b>	<b>297.006.789</b>	<b>232.169.495</b>

<b>INCOME AND EXPENSE ITEMS</b>	<b>Current Period</b>	<b>Previous Period</b>
Profit Share Income	28.879.308	11.541.042
Profit Share Expense	23.419.002	6.652.405
Net Profit Share Income / Expenses	5.460.306	4.888.637
Net Fee and Commission Income / Expenses	2.420.502	4.888.637
Trading Income /Loss (Net)	(247.244)	3.370.748
Other Operating Income	2.631.242	1.270.466
Net Operating Income / Loss	3.198.570	3.832.329
Tax Provisions for Continuing Operations (-+)	534.473	1.371.826
<b>NET PROFIT/LOSS FOR THE PERIOD</b>	<b>2.664.097</b>	<b>2.460.503</b>
Earnings/Loss per Share	1,06564	0,98420

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

**2. Message from the Chairman of the Board:**

Dear Stakeholders

In addition to significant achievements in the fight against inflation in the global economy, inflation figures in many countries are close to central bank target levels. With the decline in inflation and signs of cooling in economies, global central banks have also started the monetary easing cycle. With inflation in the US falling towards the 2 percent target, the Fed (US Federal Reserve) cut interest rates for the first time since 2020. In the Eurozone, the ECB (European Central Bank) decided to cut interest rates for the second time in a row in October and for the third time in 2024 as the economy slowed down while inflation fell below the target level.

In its latest economic outlook report, the IMF (International Monetary Fund) revised its global growth expectations only for 2025, and also updated country-based forecasts. Although the IMF's global growth forecast for 2024 remained unchanged at 3.2%, its forecast of 3.3% for 2025 was revised down to 3.2%. In the US, the growth forecast for 2024 was raised from 2.6% to 2.8% thanks to the strong increase in consumption and non-residential investment, while the growth forecast for 2025 was raised from 1.9% to 2.2%. In Europe, there was a modest downward revision in growth forecasts for 2024. Europe is expected to grow by 0.8% by the end of the year, rising to 1.2% in 2025 on the back of stronger domestic demand.

On the other hand, geopolitical and political risks increase uncertainty in the global economic outlook. Although the pressure on commodity prices from the ongoing tensions in the Middle East has eased, the pressure on gold prices in particular continues. Gold prices have been rising due to geopolitical uncertainties as well as expectations of a US interest rate cut. In addition to all these, the upcoming US Presidential elections and the uncertainties surrounding the elections continue to create uncertainty for both global markets and global politics.

Although inflation in Türkiye followed a trend in line with expectations in the first half of the year, it started to improve in the third quarter of this year. On an annualized basis, CPI has been on a downtrend since June, reaching 48.6% in October. However, on a monthly basis, the CPI increase is around 2.9% and in October it was above expectations. The decline in inflation is expected to continue until the end of the year, due to the positive base effect and the increasingly visible effects of tightening policies.

The banking sector, one of the major actors in the growth of the Turkish economy, continues to provide support to the economy in 2024. Participation banking, one of the important players of this support, has 8.0% share in the total assets of the Turkish banking sector in the first nine months of 2024.

While taking the necessary steps to maintain its high asset quality and profitability in this period, our Bank also continues to invest in digitalization, which is becoming more and more important every day. As Albaraka Türk, with the awareness and responsibility of being Türkiye's first and leading participation bank, we will continue to respond to the financial needs of our customers in all areas, as we always have. With our vision of "becoming the reliable, innovative, digital pioneer of participation finance", we will continue to grow even further and take firm steps forward. As Türkiye's leading participation bank, Albaraka Türk will continue to serve sustainable growth and development in the coming periods. I would like to take this opportunity to sincerely thank my colleagues, shareholders and all other stakeholders for their contribution to our success.

Kind regards,

**Housseem BEN HAJ AMOR**

**Chairman of Board of Directors**

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

**3. Message from the General Manager:**

Dear Stakeholders

In the past period, we witnessed an environment where monetary tightening remained stable for a long time in developed economies, while a roadmap for monetary easing was being outlined. In the United States, FED kept interest rates steady at 5.5% for over a year and then cut them by 50 basis points to 5% in September 2024. The expectation of another rate cut before the year's end has boosted confidence that inflation is heading toward the 2% target. Meanwhile, the ECB continued its easing cycle with successive rate cuts. In September, consumer inflation, driven by energy prices, tested below 2%, indicating that the disinflationary process is on track. However, indicators suggest that inflation in the Eurozone will rise until the end of the year and then decline.

In Türkiye, demand normalization continues gradually. The Purchasing Managers' Index (PMI) has remained below the 50-point threshold since March 2024. The recovery in the current account deficit has accelerated, aided by a favorable outlook in the trade balance. The annualized current account balance, which was \$33 billion in January, narrowed to around \$11 billion as of the most recent August data. The positive outlook for the current account balance is expected to continue in the coming months, driven by cooling demand. An important item on the financial agenda, the Central Bank of Türkiye's reserves, has continued to increase. Net reserves, excluding swaps, have maintained their positive position since May. Withdrawals from Currency Protected Deposit (FX Protected) accounts have been ongoing for over a year.

The Turkish banking sector, the economy's largest stakeholder, exhibited moderate growth in the first nine months of 2024, following the strong growth trend of 2023, influenced by tight monetary policy. By September 2024, the sector's total assets increased by 30% compared to the end of the previous year, reaching TL 30.5 trillion, while net profit for the first nine months amounted to TL 460.4 billion. Despite signs of economic cooling and tight monetary policy, Compared to the end of 2023, the non-performing loan ratio increased slightly by 62 basis points, reaching 1.62% as of September 2024.

Our Bank's total assets grew by 28% in the first nine months of 2024 compared to the end of the previous year, reaching TL 297 billion. During the same period, our total funded credit portfolio increased by 22.3%, amounting to TL 133.5 billion. The funds we collected through participation and special current accounts reached TL 196.4 billion. As of the end of September 2024, our net profit increased by 8.3% compared to the same period of the previous year, reaching TL 2.7 billion. We have continued to reflect our success in profitability on our asset quality. Our non-performing loan ratio, which was 1.65% at the end of 2023, decreased to 1.45% in September 2024.

We are strengthening our customer-centric approach to better meet the needs of our clients in accordance with the principles and values of participation finance. On this journey, we are committed to making financial services more accessible and innovative by taking significant steps in digitalization. We are also increasing our sustainability-focused projects to fulfill our responsibilities to society and the environment. As we build our achievements together, I extend my gratitude to all our team members and esteemed stakeholders, along with my heartfelt regards.

Kind regards,

**Malek Khodr TEMSAH**

**General Manager and Board Member**

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

**4. Activities in the Third Quarter of 2024:**

- In the first three quarters of 2024, our Total Assets amounted to TL 297.006.789
- In the first three quarters of 2024, the funds collected by our Bank through "Special Current Accounts" and "Profit and Loss Participation Accounts" amounted to TL 196.435.559. As of the first three quarters, participation accounts are realized as TL 106.781.484 and current accounts are TL 89.654.075.
- Fund Collection Activities of Our Bank; It is carried out through our bank's branches throughout the country and correspondent banks abroad.

TL and USD Equivalent	Current period		Previous period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
<b>TL Funds</b>	<b>103.207.064</b>	<b>3.068.443</b>	<b>81.304.541</b>	<b>2.778.882</b>	<b>26,94</b>	<b>10,42</b>
Current accounts	16.529.738	491.445	15.049.419	514.369	9,84	(4,46)
Participation Accounts	86.677.326	2.576.998	66.255.122	2.264.513	30,82	13,80
<b>FC Funds</b>	<b>93.228.495</b>	<b>2.771.770</b>	<b>80.501.315</b>	<b>2.751.429</b>	<b>15,81</b>	<b>0,74</b>
Current accounts	73.124.337	2.174.055	60.612.281	2.071.648	20,64	4,94
Participation Accounts	20.104.158	597.715	19.889.034	679.781	1,08	(12,07)
<b>TOTAL</b>	<b>196.435.559</b>	<b>5.840.213</b>	<b>161.805.856</b>	<b>5.530.311</b>	<b>21,40</b>	<b>5,60</b>

TL and USD Equivalent	Current period		Previous period		Change (%)	
	TL Equivalent	USD Equivalent	TL Equivalent	USD Equivalent	TL	USD
Credits (*)	131.529.136	3.910.484	107.363.291	3.669.536	22,51	6,57
Non-performing Loans	1.937.856	57.614	1.805.574	61.713	7,33	(6,64)
Provisions	(3.167.752)	(94.180)	(4.431.351)	(151.458)	(28,51)	(37,82)
<b>TOTAL</b>	<b>130.299.240</b>	<b>3.873.918</b>	<b>104.737.514</b>	<b>3.579.791</b>	<b>24,41</b>	<b>8,22</b>

(\*)Including financial leasing and joint venture projects.

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

Balance Sheet Period	USD/TL
As of September 30, 2024	33,635
As of December 31, 2023	29,258

**5. Evaluation of Financial Status, Profitability and Solvency:**

- Our Net Profit Share Income increased by 12% compared to the same period of the previous year and reached 5.460.306 TL.
- Our Net Fee Commission income increased by 56% compared to the same period of the previous year and reach to 2.420.502 TL.
- Our net profit increased by 8% compared to the same period of the previous year and reached 2.664.097 TL in the first half of the year.
- As of September 30, 2024, our capital adequacy ratio was 13,75%, above the legal obligation level.

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

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

- In our material event disclosure dated 13.02.2024; the name of the Investor Relations Department has been changed as "Investor Relations and Sustainability Department".
- In our material event disclosure dated 26.02.2024; permission has been obtained from the Ministry of Trade regarding the change of the "Company headquarters address" of our Bank.
- On 27.02.2024, International Credit Rating Agency Fitch Ratings upgraded our credit rating outlook from negative to stable.
- On 28.02.2024, the Bank's future expectations for the end of 2024 were announced.
- On 01.03.2024, the Corporate Governance Principles Compliance Rating Agreement between our Bank and DRC Rating Services A.Ş. (DRC RATING) was renewed for 1 year on 01.03.2024.
- 2023 Integrated Annual Report was published on 06.03.2024.
- 2023 Corporate Governance Compliance Report was published on 06.03.2024.
- 2023 Sustainability Compliance Report was published on 12.03.2024.
- On 15.03.2024, International Credit Rating Agency Fitch Ratings assigned the following ratings to our Bank; Long Term Credit Rating: B-, Credit Rating Outlook: Positive, Short Term Credit Rating: B.
- On March 27, 2024, the Articles of Association were amended at the Ordinary General Assembly of our Bank.
- At the General Assembly Meeting held on 27.03.2024, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was elected as the Independent Audit Firm/Auditor.
- In our material event disclosure dated 3.04.2024; it has been decided to initiate the liquidation process of Getinsha GMBH, a subsidiary of our Bank.
- On 4.04.2024, the results of the Bank's General Assembly, the amendment to the articles of association regarding the election of the audit company and change of address were registered.
- On 6.05.2024, following the upgrade of Türkiye's sovereign rating by the International Credit Rating Agency Fitch Ratings, Türkiye's national scale rating was readjusted; accordingly, our Bank's long-term national credit rating was revised as "BBB(tur)". The rating outlook was announced as "Positive".
- In our public disclosure announcement dated 16.05.2024; with the decision number 2624 of our Board of Directors dated 16.05.2024; it has been decided that our Company, Albaraka Türk Katılım Bankası A. Ş ("Fund User"), shall apply to the CMB and other relevant authorities to obtain the necessary approvals for the issuance of Lease Certificates with or without public offering, private placement and/or qualified investors, up to an amount of TL 20.000.000.000 (Twenty Billion Turkish Liras) in tranches with different maturities and by using one or more categories and types of Lease Certificates according to the Lease Certificate Communiqué.
- In our public disclosure announcement dated 16.05.2024; with the decision number 2623 at the Board of Directors of dated 16.05.2024; it has been decided that Albaraka Türk Katılım Bankası A. Ş shall establish "Medium Term Note" (MTN) Programme in which our company will act as fund user, which will enable the issuance of Lease Certificates abroad up to a maximum amount of US\$ 1 Billion or its equivalent in any other currency, with fixed and/or floating return, in one or more tranches and maturities, including the issuance of Tier 2 Capital Lease Certificates. In relation to this program, it has been decided to make the necessary applications both domestically and abroad, to determine all terms and conditions related to the issuance, to prepare, sign all contracts and other related documents, and to authorize the General Directorate for their follow-up.
- On 17.05.2024; DRC Rating Services A.Ş. assigned the CMB Corporate Governance Principles Compliance Rating Score of our Bank as 9,31.



**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
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**Explanations on the interim activity report (continued):**

- In our material event disclosure dated 01.08.2024; it was announced that the signature processes for the establishment of the Medium Term Note (MTN) program have been completed, and the preliminary credit ratings of the program evaluated by Fitch Rating are “Long Term Credit Rating: B-” and “Short Term Credit Rating: B”.
- In our material event disclosure dated 17.09.2024; Our Bank's Long Term Credit Rating of “B-” has been upgraded to “B”, Turkish Currency Long Term Credit Rating of “B-” has been upgraded to “B” and Financial Capacity Rating of “b-” has been upgraded to “b” by the International Credit Rating Agency Fitch Ratings. The Credit Rating Outlook was revised from “Positive” to “Stable”. Albaraka MTN Program's Long Term Credit Rating was upgraded to “B” from “B-”.

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

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

**ALBARAKA TÜRK KATILIM BANKASI A.Ş.**  
**NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS**  
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**Explanations on the interim activity report (continued):**

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

AGENDA:

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