

**KUVEYT TRK KATILIM BANKASI A..
REVIEW REPORT, FINANCIAL
STATEMENTS AND NOTES TO THE FINANCIAL
STATEMENTS FOR THE INTERIM ACCOUNTING
PERIOD ENDED 31 MARCH 2025**

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

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the General Assembly of Kuveyt Türk Katılım Bankası A.Ş.

Introduction

We have reviewed the accompanying unconsolidated statement of financial position of Kuveyt Türk Katılım Bankası A.Ş. (“the Bank”) as at 31 March 2025, and the unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders’ equity and unconsolidated statement of cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Bank management is responsible for the preparation and fair presentation of the accompanying unconsolidated interim financial information in accordance with “the Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial Reporting Regulations” including the regulation on “The Procedures and Principles Regarding Banks’ Accounting Practices and Maintaining Documents” published in the Official Gazette dated 1 November 2006 with No. 26333, and other regulations on accounting records of banks published by the Banking Regulation and Supervision Board and circulars and pronouncements published by the BRSA and Turkish Accounting Standard 34 “Interim Financial Reporting” principles for the matters not legislated by the aforementioned regulations. Our responsibility is to express a conclusion on this unconsolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Independent Auditing Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit conducted in accordance with 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 audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated interim financial information does not present fairly, in all material respects, the financial position as of 31 March 2025, and of the results of their operations and their cash flows for the three-month period then ended in accordance with the BRSA Accounting and Financial Reporting Regulations.

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 unconsolidated interim financial information provided in the Management’s interim report included in section seven of the accompanying unconsolidated financial statements, is not presented fairly, in all material respects, and is not consistent with the reviewed unconsolidated interim financial statements and the explanatory notes.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of DELOITTE TOUCHE TOHMATSU LIMITED

Sunay Anıktar

Partner

İstanbul, 13 May 2025

Section one
General information

I.	History of the bank including its corporation date, initial legal status and amendments to legal status	1
II.	Explanation about the Bank's capital structure, shareholders of the bank who are in charge of the management and auditing of the bank directly or indirectly, changes in these matters (if any) and the group the bank belongs to	1
III.	Information on the Bank's chairman and members of the board of directors, members of the audit committee, general manager and vice presidents, changes in these matters (if any) and shares of the bank they possess and responsibilities their responsibilities	1
IV.	Information about the persons and institutions that have qualified shares attributable to the Bank	2
V.	Summary information on the Bank's activities and services	2
VI.	Current or likely, actual or legal barriers to immediate transfer of equity or repayment of debts between bank and its subsidiaries	2

Section two
Unconsolidated financial statements

I.	Unconsolidated balance sheet (statement of financial position)	3
II.	Unconsolidated statement of off-balance sheet accounts	5
III.	Unconsolidated statement of income (statements of profit or loss)	6
IV.	Unconsolidated statement of profit or loss and other comprehensive income	7
V.	Unconsolidated statement of changes in shareholders' equity	8
VI.	Unconsolidated statement of cash flows	9

Section three
Accounting policies

I.	Basis of presentation	10
II.	Explanations on strategy of using financial instruments and foreign currency transactions	13
III.	Explanations on associations and subsidiaries	13
IV.	Explanations on futures and options contracts and derivative instruments	13
V.	Explanations on profit share income and expenses	14
VI.	Explanations on fee and commission income and expense	14
VII.	Explanations and notes on financial assets	14
VIII.	Explanations on offsetting of financial instruments	16
IX.	Explanations on sales and repurchase agreements and securities lending transactions	16
X.	Information on non-current assets held for sale and held from discontinued operations and explanations on liabilities related with these assets	16
XI.	Explanations on goodwill and other intangible assets	17
XII.	Explanations on tangible assets	17
XIII.	Explanations on leasing transactions	18
XIV.	Explanations on provisions and contingent liabilities	18
XV.	Explanations on obligations related to employee benefits	19
XVI.	Explanations on taxation	19
XVII.	Explanations on borrowing	21
XVIII.	Explanations on issuance of share certificates	21
XIX.	Explanations on availed drafts and acceptances	21
XX.	Explanations on government grants	21
XXI.	Explanations on segment reporting	21
XXII.	Explanations on other matters	21

Section four
Explanations Related to Financial Position and Risk Management

I.	Explanations on the components of shareholders' equity	22
II.	Explanations on the credit risk	27
III.	Explanations on the currency risk	27
IV.	Explanations on the share position risk	30
V.	Explanations on liquidity risk management, liquidity coverage ratio and net stable funding rate	31
VI.	Explanations on leverage ratio	40
VII.	Explanations on presentation of financial assets and liabilities at fair value	40
VIII.	Explanations on transactions made on behalf and account of others, transactions based on faith	40
IX.	Explanations on hedge accounting	40
X.	Explanations on risk management	41
XI.	Explanations on securitization	42
XII.	Transactions made on behalf and account of others, transactions based on faith	42
XIII.	Qualitative information to be disclosed about market risk	42
XIV.	Explanations on operating segments	42

Section five
Explanations and disclosures related to unconsolidated financial statements

I.	Explanations and notes related to assets	44
II.	Explanations and notes related to liabilities	58
III.	Explanations and notes related to off-balance sheet accounts	65
IV.	Explanations and notes related to statement of income	66
V.	Explanations and notes related to the statement of changes in shareholders' equity	71
VI.	Explanations and notes related to the statement of cash flows	71
VII.	Explanations and notes related to risk group that the Bank belongs to	71
VIII.	Information on domestic, foreign, offshore branches and foreign representative offices of the Bank	72
IX.	Explanations related to subsequent events	72

Section six
Other explanations

I.	Other matters which must be explained in terms of explicitness, interpretability and understandability of the balance sheet	73
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Section seven
Independent review report

I.	Matters related to review report	73
II.	Explanations and notes prepared by the independent auditor	73

Section eight
Interim Activity Report

I.	Interim period activity report included chairman of the board of directors and CEO's assessments for the interim activities	73
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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
FINANCIAL STATEMENTS AND AUDITORS' REVIEW REPORT ORIGINALLY ISSUED IN
TURKISH**

**THE THREE-MONTH AUDIT REPORT OF
KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
AS OF 31 MARCH 2025**

The Bank's Address of Headquarter : Büyükdere Cad. No:129/1 34394 Esentepe-Şişli / İSTANBUL
The Bank's Telephone and Fax : 0212 354 11 11 - 0212 354 12 12
The Bank's Web Site : www.kuveytturk.com.tr
E-Mail Address for Contact : kuveytturk@kuveytturk.com.tr

The financial report for the three-months period ended prepared in accordance with the "Communiqué on the Financial Statements and Related Policies and Disclosures to be Publicly Announced as regulated by the Banking Regulation and Supervision Agency", is consist of the section listed below.

- General Information About the Bank
- Unconsolidated Financial Statements of the Bank
- Explanations on the Accounting Policies Applied in the Related Period
- Information on the Financial Structure and Risk Management of the Bank
- Explanations and Disclosures Related to the Unconsolidated Financial Statements
- Other Explanations
- Auditor's Review Report
- Interim Activity Report

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

Hamad Abdulmohsen AL-MARZOUQ
Chairman of the Board of Directors

Shadi Ahmed Yacoub ZAHRAN
Chairman of the Audit
Committee

Nadir ALPASLAN
Member of the Audit Committee

Mohamed Hedi MEJAI
Member of the Audit
Committee

Ufuk UYAN
General Manager

Ahmet KARACA
Vice General Manager
of Financial Affairs

Mehmed Tahir KAPLAN
Budget and Reporting Group
Manager

For the questions regarding this financial report, contact details of the personnel in charge are presented below;

Name-Surname / Title : Samet ÖZCAN / Associate Consolidation Manager
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KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED EXPLANATIONS AND NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY-31 MARCH 2025

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

SECTION ONE
GENERAL INFORMATION

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

Kuveyt Türk Katılım Bankası A.Ş. ("The Bank") was incorporated with the approval of the Central Bank of the Republic of Türkiye (CBRT) on 28 February 1989 and commenced its operations on 31 March 1989, with the name of Kuveyt Türk Evkaf Finans Kurumu A.Ş. To comply with the Banking Act 5411, the title of the Bank has been changed to Kuveyt Türk Katılım Bankası A.Ş. with a change in the Articles of Association which was approved in the annual general meeting dated 26 April 2006. Main field of operation is, in addition to the Bank's equity, to collect funds from domestic and foreign customers through "Current Accounts" and "Profit/ Loss Sharing Accounts" and allocate such funds to the economy, to perform all kinds of financing activities in accordance with the regulations, to encourage the investments of all individuals and legal entities operating in agricultural, industrial, trading and service industries, participating into the operations of these entities or individuals and to form joint business partnerships and to perform all these activities in a non-interest environment.

2. Shareholding structure, shareholders jointly or individually having direct or indirect control over the management and supervision of the Bank and the disclosures on any related changes in the current period, if any, and information about the Group that the Bank belongs to

As of 31 March 2025, 57.81% of the Bank's shares are owned by Kuwait Finance House located in Kuwait, 24.49% by Vakıflar Genel Müdürlüğü Mazbut Vakıfları, 8.36% by Wafra International Investment Company in Kuwait and 8.36% by Islamic Development Bank whereas the remaining 0.98% of the shares are owned by other real persons and legal entities.

3. Explanations regarding the chairman and the members of board of directors, audit committee members, general manager and assistant general managers and their shares in the bank

Name	Title	Date of Assignment	Date of Audit Committee Assignments	Audit Committee End Date	Educational Degree	Ownership Percentage
Hamad A H D MARZOUQ	Head of the BOD	25/06/2014			Master	-
Shadi Ahmed YACoub ZAHran	Member of BOD and chairman of the Audit Committee	25/09/2020	04/11/2020		Master	-
Nadir ALPASLAN	Vice President of BOD and member of Audit Committee	15/04/2011	24/12/2019		Bachelor	-
Ahmad S A A ALKHARJI	Member of BOD	26/03/2014	24/09/2014	09/09/2020	Master	-
Mohamed Hedi MEJAI	Member of BOD and Audit Committee	25/03/2021	04/05/2021		Master	-
Gehad Mohamed ELBENDARY ANANY	Member of BOD	25/09/2020	09/09/2020	04/11/2020	Bachelor	-
Sinan AKSU	Member of BOD	08/05/2023			Bachelor	-
Ufuk UYAN	Member of BOD and General Manager	10/05/1999			Master	0.057%
Ahmet KARACA	Assistant General Manager, Financial Control.	12/07/2006			Master	0.001%
Bilal SAYIN	Assistant General Manager, Lending.	20/08/2003			Bachelor	0.004%
İrfan YILMAZ	Assistant General Manager, Banking Services	27/10/2005			Bachelor	0.019%
Dr. Ruşen Ahmet ALBAYRAK	Assistant General Manager, Corporate and Commercial Banking	05/05/2005			Doctorate	0.007%
Nurettin KOLAÇ	Assistant General Manager, Legal and Risk Follow Up	20/04/2010			Bachelor	-
Aslan DEMİR	Assistant General Manager, Treasury and International Banking	08/10/2012			Bachelor	0.006%
Mehmet ORAL	Assistant General Manager, Retail Banking	01/10/2012			Bachelor	0.005%
Abdurrahman DELİPOYRAZ	Assistant General Manager, SME Banking	09/01/2015			Bachelor	0.005%
Hüseyin Cevdet YILMAZ	Head of the Risk, Control and Compliance Group	16/12/2003			Bachelor	0.001%
Dr. Okan Acar	Assistant General Manager, Digital Banking and Payment Systems	01/01/2025			Doctorate	-
Bahattin Akca	Chairman of the Inspection Board	01/08/2007			Bachelor	0.001%
Semih Sel	Assistant General Manager, Human Resources and Strategy	01/01/2025			Bachelor	0.001%

Chairman and members of the Board of Directors, Members of Auditing Committee, General Manager and Assistant General Managers own 0.11% of the Bank's share capital (31 December 2024 - 0.11%).

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED EXPLANATIONS AND NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY-31 MARCH 2025

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

4. Information about the persons and institutions that have qualified shares attributable to the Bank

Name / Commercial Name	Share amount (Nominal)	Shareholding percentage	Paid shares (Nominal)	Unpaid shares
Kuwait Finance House	2,863,098	57.81%	2,863,098	-
Vakıflar Genel Müdürlüğü Mazbut Vakıfları	1,212,608	24.49%	1,212,608	-
Total	4,075,706	82.30%	4,075,706	-

As of 31 March 2025, the shareholding structure of Kuwait Finance House, the main shareholder of the Bank, is as follows.

Name / Commercial Name	Share rates
Kuwait Investment Authority	15.67%
The Public Institution for Social Security & Group	9.05%
The Public Authority for Minors Affairs	6.82%
Public Shares	68.46%
Total	100.00%

5. Summary information on the Bank's activities and services

The Bank's field of operations includes corporate banking, international banking services, and retail banking and credit card services. The Bank's core business is operating in accordance with the principles of interest-free banking as a participation bank by collecting funds through current and profit/loss sharing accounts and lending such funds to its customers.

As of 31 March 2025, the Bank is operating through 451 domestic branches (31 December 2024 - 449) with 6,257 employees (31 December 2024 - 6,112). Summary of some of the Bank's operations described in the Articles of Association are as follows;

- To collect funds through "Current Accounts" and "Profit/Loss Sharing Accounts" and special fund pools in line with the regulations,
- To allocate funds to the economy and provide all kinds of cash, non-cash loans within the principles of non-interest banking,
- To offer financial and operational leasing,
- To handle all kinds of deposits and payments, including travelers' checks, credit cards and other payment instruments, provide member business services (POS), consulting, advisory, and safe deposit box services,
- To purchase financial instruments on money and capital markets in cash or installments, sell and mediate the sale and trade on the stock exchange in accordance with legislation and principles of non-interest banking,
- To purchase, acquire and construct any kind of real estate and if necessary, lease or transfer ownership to other persons,
- To act as a representative, deputy or agent for corporations and enterprises (including insurance companies),
- To provide socially purposed assistance within the scope of the legislation within the principles of the Bank for the order and benefit of the society.

The Bank's activities are not limited to the list above. If another transaction is decided to be beneficial to the Bank, the transaction must be recommended by the Board of Directors, approved by the General Assembly and authorized by relevant legal authorities after whom it also needs to be approved by the Ministry of Trade since it constitutes an amendment of the Article of Association. Decisions that have been approved through all these channels will be included to the Article of Association.

6. Current or likely actual legal barriers to immediate transfer of equity or repayment of debts between Bank and its subsidiaries

None.

SECTION TWO
UNCONSOLIDATED FINANCIAL STATEMENTS

- I. Unconsolidated Balance Sheet- Assets (Statement of Financial Position)
- II. Unconsolidated Statement of Off-Balance Sheet Items
- III. Unconsolidated Statement of Profit or Loss (Income Statement)
- 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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2025
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

1. BALANCE SHEET – ASSETS (STATEMENT OF FINANCIAL POSITION)

			Reviewed Current Period 31.03.2025			Audited Prior Period 31.12.2024		
	ASSETS	Notes	TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (Net)		122,852,373	273,732,233	396,584,606	113,004,326	231,439,362	344,443,688
1.1.	Cash and Cash Equivalents		67,724,307	226,524,026	294,248,333	59,569,581	190,460,115	250,029,696
1.1.1.	Cash and Balances with Central Bank	(5.1.1.)	67,680,697	187,380,653	255,061,350	59,543,446	163,449,279	222,992,725
1.1.2.	Banks	(5.1.3.)	45,316	39,146,417	39,191,733	27,753	27,014,929	27,042,682
1.1.3.	Money Markets Placements		-	-	-	1,019	-	1,019
1.1.4.	Expected Credit Loss (-)		1,706	3,044	4,750	2,637	4,093	6,730
1.2.	Financial Assets at Fair Value Through Profit or Loss		15,250,261	18,736,431	33,986,692	15,070,891	17,269,448	32,340,339
1.2.1.	Government Debt Securities		324,294	12,598,132	12,922,426	475,948	11,956,887	12,432,835
1.2.2.	Equity Instruments		-	25,396	25,396	-	18,828	18,828
1.2.3.	Other Financial Assets		14,925,967	6,112,903	21,038,870	14,594,943	5,293,733	19,888,676
1.3.	Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.4.)	39,484,126	23,641,571	63,125,697	38,046,620	22,911,647	60,958,267
1.3.1.	Government Debt Securities		39,346,762	23,187,382	62,534,144	37,933,533	22,251,047	60,184,580
1.3.2.	Equity Instruments		128,087	454,189	582,276	105,587	382,853	488,440
1.3.3.	Other Financial Assets		9,277	-	9,277	7,500	277,747	285,247
1.4.	Derivative Financial Assets		393,679	4,830,205	5,223,884	317,234	798,152	1,115,386
1.4.1.	Derivative Financial Assets at Fair Value Through Profit or Loss	(5.1.2.)	393,679	4,830,205	5,223,884	317,234	798,152	1,115,386
1.4.2.	Derivative Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.11.)	-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED WITH AMORTISED COSTS (Net)	(5.1.5.)	288,757,913	238,484,038	527,241,951	264,276,514	213,507,764	477,784,278
2.1.	Loans		249,563,662	172,468,388	422,032,050	227,378,754	156,856,799	384,235,553
2.2.	Lease Receivables	(5.1.10.)	17,657,024	42,826,336	60,483,360	15,662,731	34,843,891	50,506,622
2.3.	Other Financial Assets Measured at Amortized Cost	(5.1.6.)	30,468,767	27,091,349	57,560,116	30,475,591	25,548,284	56,023,875
2.3.1.	Government Debt Securities		30,468,767	27,091,349	57,560,116	30,475,591	25,548,284	56,023,875
2.3.2.	Other Financial Assets		-	-	-	-	-	-
2.4.	Expected Loss Provision (-)		8,931,540	3,902,035	12,833,575	9,240,562	3,741,210	12,981,772
III.	NON-CURRENT ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)	(5.1.16.)	512,549	-	512,549	522,743	-	522,743
3.1.	Held for Sale Purpose		512,549	-	512,549	522,743	-	522,743
3.2.	Held from Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		12,892,212	-	12,892,212	4,142,212	-	4,142,212
4.1.	Associates (Net)	(5.1.7.)	-	-	-	-	-	-
4.1.1.	Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2.	Unconsolidated Associates		-	-	-	-	-	-
4.2.	Subsidiaries (Net)	(5.1.8.)	12,872,212	-	12,872,212	4,122,212	-	4,122,212
4.2.1.	Unconsolidated Financial Subsidiaries		4,748,532	-	4,748,532	3,998,532	-	3,998,532
4.2.2.	Unconsolidated Non-Financial Subsidiaries		8,123,680	-	8,123,680	123,680	-	123,680
4.3.	Joint Ventures (Net)	(5.1.9.)	20,000	-	20,000	20,000	-	20,000
4.3.1.	Joint Ventures Valued Based on Equity Method		20,000	-	20,000	20,000	-	20,000
4.3.2.	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	TANGIBLE ASSETS (Net)	(5.1.12.)	5,997,445	4,701	6,002,146	5,357,578	4,852	5,362,430
VI.	INTANGIBLE ASSETS (Net)	(5.1.13.)	2,779,855	235	2,780,090	2,314,602	247	2,314,849
6.1.	Goodwill		-	-	-	-	-	-
6.2.	Other		2,779,855	235	2,780,090	2,314,602	247	2,314,849
VII.	INVESTMENT PROPERTIES (Net)	(5.1.14.)	-	-	-	-	-	-
VIII.	CURRENT TAX ASSET		-	-	-	-	-	-
IX.	DEFERRED TAX ASSET	(5.1.15.)	7,786,667	-	7,786,667	8,340,450	-	8,340,450
X.	OTHER ASSETS	(5.1.17.)	4,000,554	164,659	4,165,213	9,065,395	144,358	9,209,753
	TOTAL ASSETS		445,579,568	512,385,866	957,965,434	407,023,820	445,096,583	852,120,403

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2025

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

1. BALANCE SHEET – LIABILITIES AND EQUITY (STATEMENT OF FINANCIAL POSITION)

			Reviewed Current Period 31.03.2025			Audited Prior Period 31.12.2024		
	LIABILITIES	Notes	TL	FC	Total	TL	FC	Total
I.	FUNDS COLLECTED	(5.2.1.)	286,201,175	363,524,694	649,725,869	284,192,520	301,371,393	585,563,913
II.	FUNDS BORROWED	(5.2.3.)	18,128,219	127,652,870	145,781,089	4,147,337	117,773,649	121,920,986
III.	MONEY MARKETS		23,676,516	-	23,676,516	17,719,258	-	17,719,258
IV.	SECURITIES ISSUED (Net)		-	-	-	-	-	-
V.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VI.	DERIVATIVE FINANCIAL LIABILITIES		1,162,586	582,691	1,745,277	1,399,910	1,453,023	2,852,933
6.1.	Derivative Financial Liabilities at Fair Value Through Profit or Loss	(5.2.2.)	1,162,586	582,691	1,745,277	1,399,910	1,453,023	2,852,933
6.2.	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(5.2.6.)	-	-	-	-	-	-
VII.	LEASE PAYABLES (Net)	(5.2.5.)	1,751,400	9,025	1,760,425	1,457,178	8,845	1,466,023
VIII.	PROVISIONS	(5.2.7.)	4,917,295	1,532,090	6,449,385	5,319,973	2,077,631	7,397,604
8.1.	Restructuring Provision		-	-	-	-	-	-
8.2.	Reserves for Employee Benefits		3,049,313	423,097	3,472,410	3,514,580	347,300	3,861,880
8.3.	Insurance for Technical Provision (Net)		-	-	-	-	-	-
8.4.	Other Provisions		1,867,982	1,108,993	2,976,975	1,805,393	1,730,331	3,535,724
IX.	CURRENT TAX LIABILITIES	(5.2.8.1.)	7,945,992	-	7,945,992	5,716,978	-	5,716,978
X.	DEFERRED TAX LIABILITIES		-	-	-	-	-	-
XI.	LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(5.2.9.)	-	-	-	-	-	-
11.1.	Held for Sale		-	-	-	-	-	-
11.2.	Related to Discontinued Operations		-	-	-	-	-	-
XII.	SUBORDINATED DEBT INSTRUMENTS	(5.2.10.)	-	15,352,327	15,352,327	-	14,186,285	14,186,285
12.1.	Loans		-	-	-	-	-	-
12.2.	Other Debt Instruments		-	15,352,327	15,352,327	-	14,186,285	14,186,285
XIII.	OTHER LIABILITIES	(5.2.4.)	8,876,162	5,081,801	13,957,963	10,781,402	2,287,527	13,068,929
XIV.	SHAREHOLDERS' EQUITY	(5.2.11.)	91,311,795	258,796	91,570,591	81,954,307	273,187	82,227,494
14.1.	Paid-in Capital		4,947,336	-	4,947,336	4,947,336	-	4,947,336
14.2.	Capital Reserves		6,375,380	-	6,375,380	6,375,380	-	6,375,380
14.2.1.	Share Premiums		6,373,506	-	6,373,506	6,373,506	-	6,373,506
14.2.2.	Share Cancellation Profit		1,874	-	1,874	1,874	-	1,874
14.2.3.	Other Capital Reserves		-	-	-	-	-	-
14.3.	Other Accumulated Comprehensive Income or Loss That Will Not Be Reclassified Through Profit or Loss		(553,764)	-	(553,764)	(553,764)	-	(553,764)
14.4.	Other Accumulated Comprehensive Income or Loss That Will Be Reclassified Through Profit or Loss		(6,865,717)	258,796	(6,606,921)	(5,732,435)	273,187	(5,459,248)
14.5.	Profit Reserves		42,203,357	-	42,203,357	42,203,716	-	42,203,716
14.5.1.	Legal Reserves		2,944,691	-	2,944,691	2,944,691	-	2,944,691
14.5.2.	Statutory Reserves		-	-	-	-	-	-
14.5.3.	Extraordinary Reserves		38,978,346	-	38,978,346	38,978,346	-	38,978,346
14.5.4.	Other Profit Reserves		280,320	-	280,320	280,679	-	280,679
14.6.	Profit or Loss		45,205,203	-	45,205,203	34,714,074	-	34,714,074
14.6.1.	Prior Years' Profit or Loss		34,714,074	-	34,714,074	60,618	-	60,618
14.6.2.	Net Profit or Loss for the Period		10,491,129	-	10,491,129	34,653,456	-	34,653,456
14.7.	Minority Shares	(5.2.12.)	-	-	-	-	-	-
	TOTAL LIABILITIES		443,971,140	513,994,294	957,965,434	412,688,863	439,431,540	852,120,403

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET AS OF 31 MARCH 2025
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

2. STATEMENT OF OFF-BALANCE SHEET ITEMS

			Reviewed Current Period 31.03.2025			Audited Prior Period 31.12.2024		
		Notes	TL	FC	Total	TL	FC	Total
A.	COMMITMENTS AND CONTINGENCIES (I+II+III)		311,088,844	457,370,202	768,459,046	248,076,321	297,568,524	545,644,845
I.	GUARANTEES AND WARRANTIES	(5.3.1.)	77,735,681	43,741,076	121,476,757	69,514,466	35,653,962	105,168,428
1.1.	Letters of Guarantee		71,521,337	23,525,899	95,047,236	64,564,321	21,083,692	85,648,013
1.1.1.	Guarantees Subject to State Tender Law		1,003,865	27,761	1,031,626	990,082	27,987	1,018,069
1.1.2.	Guarantees Given for Foreign Trade Operations		3,078,216	271,030	3,349,246	2,948,213	166,991	3,115,204
1.1.3.	Other Letters of Guarantee		67,439,256	23,227,108	90,666,364	60,626,026	20,888,714	81,514,740
1.2.	Bank Loans		101,380	904,747	1,006,127	93,099	634,440	727,539
1.2.1.	Import Letter of Acceptances		101,380	904,747	1,006,127	93,099	634,440	727,539
1.2.2.	Other Bank Acceptances		-	-	-	-	-	-
1.3.	Letters of Credit		33,031	18,896,656	18,929,687	30,972	13,550,814	13,581,786
1.3.1.	Documentary Letters of Credit		-	2,466,964	2,466,964	4,784	1,480,135	1,484,919
1.3.2.	Other Letters of Credit		33,031	16,429,692	16,462,723	26,188	12,070,679	12,096,867
1.4.	Guaranteed Refinancing		-	-	-	-	-	-
1.5.	Endorsements		-	-	-	-	-	-
1.5.1.	Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2.	Other Endorsements		-	-	-	-	-	-
1.6.	Other Guarantees		6,079,933	413,774	6,493,707	4,826,074	385,016	5,211,090
1.7.	Other Warrantees		-	-	-	-	-	-
II.	COMMITMENTS	(5.3.1.)	135,909,919	57,471,536	193,381,455	96,030,796	13,707,495	109,738,291
2.1.	Irrevocable Commitments		135,909,919	57,471,536	193,381,455	96,030,796	13,707,495	109,738,291
2.1.1.	Forward Asset Purchase and Sales Commitments		25,931,172	57,470,006	83,401,178	7,573,069	13,707,495	21,280,564
2.1.2.	Share Capital Commitment to Associates and Subsidiaries		-	-	-	22,500	-	22,500
2.1.3.	Loan Granting Commitments		6,066,314	-	6,066,314	5,708,160	-	5,708,160
2.1.4.	Securities Underwriting Commitments		-	-	-	-	-	-
2.1.5.	Commitments For Reserve Deposits Requirements		-	-	-	-	-	-
2.1.6.	Payment Commitments for Checks		8,208,584	-	8,208,584	5,864,748	-	5,864,748
2.1.7.	Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.8.	Commitments For Credit Card Expenditure Limits		95,141,910	-	95,141,910	76,389,710	-	76,389,710
2.1.9.	Commitments For Credit Cards and Banking Services Promotions		-	-	-	-	-	-
2.1.10.	Receivables From Short Sale Commitments		-	-	-	-	-	-
2.1.11.	Payables For Short Sale Commitments		-	-	-	-	-	-
2.1.12.	Other Irrevocable Commitments		561,939	1,530	563,469	472,609	-	472,609
2.2.	Revocable Commitments		-	-	-	-	-	-
2.2.1.	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2.	Other Revocable Commitments		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	(5.3.2.)	97,443,244	356,157,590	453,600,834	82,531,059	248,207,067	330,738,126
3.1	Derivative Financial Instruments Held for Risk Management		-	-	-	-	-	-
3.1.1	Fair Value Hedges		-	-	-	-	-	-
3.1.2	Cash Flow Hedges		-	-	-	-	-	-
3.1.3	Hedge of Net Investment in Foreign Operations		-	-	-	-	-	-
3.2	Held For Trading Transactions		97,443,244	356,157,590	453,600,834	82,531,059	248,207,067	330,738,126
3.2.1	Forward Foreign Currency Buy/Sell Transactions		7,710,109	18,113,366	25,823,475	7,499,657	11,975,720	19,475,377
3.2.1.1	Forward Foreign Currency Buy Transactions		3,215,786	9,733,754	12,949,540	4,305,649	5,511,268	9,816,917
3.2.1.2	Forward Foreign Currency Sell Transactions		4,494,323	8,379,612	12,873,935	3,194,008	6,464,452	9,658,460
3.2.2	Other Forward Buy/Sell Transactions		89,733,135	338,044,224	427,777,359	75,031,402	236,231,347	311,262,749
3.3	Other		-	-	-	-	-	-
B.	CUSTODY AND PLEDGES SECURITIES (IV+V+VI)		4,727,468,981	6,748,778,307	11,476,247,288	4,152,268,333	5,573,608,289	9,725,876,622
IV.	ITEMS HELD IN CUSTODY		250,456,065	5,803,735,306	6,054,191,371	203,063,073	4,699,808,964	4,902,872,037
4.1.	Customers' Securities Held		-	-	-	-	-	-
4.2.	Investment Securities Held in Custody		63,257,099	5,736,670,047	5,799,927,146	47,479,628	4,636,308,727	4,683,788,355
4.3.	Checks Received for Collection		102,448,244	2,091,271	104,539,515	79,818,813	1,735,102	81,553,915
4.4.	Commercial Notes Received for Collection		7,897,382	2,884,745	10,782,127	7,049,650	2,677,302	9,726,952
4.5.	Other Assets Received for Collection		-	-	-	-	-	-
4.6.	Assets Received for Public Offering		-	-	-	-	-	-
4.7.	Other Items Under Custody		-	-	-	-	-	-
4.8.	Custodians		76,853,340	62,089,243	138,942,583	68,714,982	59,087,833	127,802,815
V.	PLEDGED ITEMS		4,475,732,923	944,421,061	5,420,153,984	3,947,957,092	873,242,903	4,821,199,995
5.1.	Marketable Securities		6,220,406	4,651,254	10,871,660	5,797,660	3,150,772	8,948,432
5.2.	Guarantee Notes		100,927	16,010,960	16,111,887	100,977	14,953,279	15,054,256
5.3.	Commodity		154,773,889	67,545,474	222,319,363	133,357,236	54,581,832	187,939,068
5.4.	Warranty		-	-	-	-	-	-
5.5.	Properties		1,020,327,446	41,888,512	1,062,215,958	914,931,926	37,315,693	952,247,619
5.6.	Other Pledged Items		3,294,310,255	814,324,861	4,108,635,116	2,893,769,293	763,241,327	3,657,010,620
5.7.	Pledged Items-Depository		-	-	-	-	-	-
VI.	ACCEPTED GUARANTEES AND WARRANTIES		1,279,993	621,940	1,901,933	1,248,168	556,422	1,804,590
	TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		5,038,557,825	7,206,148,509	12,244,706,334	4,400,344,654	5,871,176,813	10,271,521,467

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (STATEMENT OF INCOME)
FOR THE PERIOD ENDED 31 MARCH 2025

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

3. STATEMENT OF PROFIT OR LOSS (STATEMENT OF INCOME)

			Reviewed Current Period 01.01.2025-31.03.2025	Reviewed Prior Period 01.01.2024-31.03.2024
	INCOME AND EXPENSE ITEMS	Notes		
I.	PROFIT SHARE INCOME	(5.4.1.)	35,526,828	26,967,996
1.1.	Profit Share on Loans		23,332,154	18,787,048
1.2.	Profit Share on Reserve Deposits		3,695,707	-
1.3.	Profit Share on Banks		35,463	156,741
1.4.	Profit Share on Money Market Placements		-	-
1.5.	Profit Share on Marketable Securities Portfolio		5,682,919	5,790,581
1.5.1.	Fair Value Through Profit or Loss		268,875	291,324
1.5.2.	Fair Value Through Other Comprehensive Income		3,351,918	2,769,677
1.5.3.	Measured at Amortized Cost		2,062,126	2,729,580
1.6.	Finance Lease Income		2,461,393	2,144,890
1.7.	Other Profit Share Income		319,192	88,736
II.	PROFIT SHARE EXPENSES (-)		23,547,987	17,340,806
2.1.	Expense on Profit Sharing Accounts	(5.4.4.)	16,916,827	13,751,380
2.2.	Profit Share Expense on Funds Borrowed	(5.4.2.)	2,629,457	2,716,303
2.3.	Profit Share Expense on Money Market Borrowings		3,910,229	824,939
2.4.	Expense on Securities Issued		-	-
2.5.	Profit Share Expense on Lease		91,474	48,184
2.6.	Other Profit Share Expense		-	-
III.	NET PROFIT SHARE INCOME (I - II)		11,978,841	9,627,190
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		3,113,762	1,911,188
4.1.	Fees and Commissions Received		6,803,974	3,805,651
4.1.1.	Non-Cash Loans		256,196	156,859
4.1.2.	Other	(5.4.13)	6,547,778	3,648,792
4.2.	Fees and Commissions Paid (-)		3,690,212	1,894,463
4.2.1.	Non-Cash Loans		4,750	932
4.2.2.	Other	(5.4.13.)	3,685,462	1,893,531
V.	DIVIDEND INCOME	(5.4.3.)	574	431
VI.	TRADE PROFIT / LOSS (Net)	(5.4.5.)	6,675,845	1,833,272
6.1.	Capital Market Transaction Gains/Losses		1,501,581	1,135,837
6.2.	Gains/Losses from Derivative Financial Instruments		4,976,202	2,789,669
6.3.	Foreign Exchange Gains/Losses		198,062	(2,092,234)
VII.	OTHER OPERATING INCOME	(5.4.6.)	2,941,165	3,484,454
VIII.	GROSS OPERATING PROFIT (III+IV+V+VI+VII)		24,710,187	16,856,535
IX.	EXPECTED LOSS PROVISIONS (-)	(5.4.7.)	2,616,146	1,868,982
X.	OTHER PROVISIONS (-)	(5.4.7.)	317,848	282,966
XI.	PERSONNEL EXPENSES (-)		4,562,414	2,737,585
XII.	OTHER OPERATING EXPENSES (-)	(5.4.8.)	3,447,993	2,219,028
XIII.	NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		13,765,786	9,747,974
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XV.	PROFIT/LOSS FROM INVESTMENTS IN SUBSIDIARIES		-	-
	CONSOLIDATED BASED ON EQUITY METHOD		-	-
XVI.	PROFIT/LOSS ON NET MONETARY POSITION		-	-
XVII.	PROFIT/LOSS FROM CONTINUED OPERATIONS BEFORE TAXES	(5.4.9.)	13,765,786	9,747,974
	(XII+...+XV)			
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(5.4.10)	(3,274,657)	(2,402,545)
18.1.	Current Tax Provision		2,229,014	3,176,627
18.2.	Deferred Tax Expense Effect (+)		1,196,969	231,830
18.3.	Deferred Tax Income Effect (-)		151,326	1,005,912
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS	(5.4.11.)	10,491,129	7,345,429
	(XVII±XVIII)			
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1.	Income on Non-Current Assets Held for Sale		-	-
20.2.	Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-
20.3.	Income on Other Discontinued Operations		-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1.	Expenses from Non-Current Assets Held for Sale		-	-
21.2.	Expenses from Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-
21.3.	Expenses From Other Discontinued Operations		-	-
XXII.	PROFIT / LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS		-	-
	(XX-XXI)			
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1.	Current Tax Provision		-	-
23.2.	Deferred Tax Expense Effect (+)		-	-
23.3.	Deferred Tax Income Effect (-)		-	-
XXIV.	CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV.	NET PROFIT/LOSS FOR THE PERIOD (XIX+XXIV)	(5.4.12.)	10,491,129	7,345,429
25.1.	Group's Profit/Loss		10,491,129	7,345,429
25.2.	Minority Interest Profit/Loss (-)		-	-
	Earnings Per Share Profit/Loss (Full TL)		2.1185	1.5968

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2025

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

4. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Reviewed Current Period 01.01.2025-31.03.2025	Reviewed Prior Period 01.01.2024-31.03.2024
I.	CURRENT PERIOD PROFIT/LOSS	10,491,129	7,345,429
II.	OTHER COMPREHENSIVE INCOME	(1,147,673)	(613,080)
2.1	Not Reclassified Through Profit or Loss	-	-
2.1.1	Tangible Assets Revaluation Increase/Decrease	-	-
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Plan Remeasurement Gain/Loss	-	-
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.2	Reclassified Through Profit or Loss	(1,147,673)	(613,080)
2.2.1	Foreign Currency Translation Differences	-	-
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(1,639,533)	(875,789)
2.2.3	Cash Flow Hedge Income/Expenses	-	-
2.2.4	Foreign Net Investment Hedge Income/Expenses	-	-
2.2.5	Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6	Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	491,860	262,709
III.	TOTAL COMPREHENSIVE INCOME (I+II)	9,343,456	6,732,349

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2025

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

5. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

							Accumulated Other Income or Loss That Will Not Be Reclassified to Profit or Loss			Accumulated Other Income or Loss That Will Be Reclassified to Profit or Loss								
		Notes	Paid-in Capital	Share Premiums	Share Cancellation Profit	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit / (Loss)	Net Profit/Loss for the Period	Total Shareholders' Equity Less Minority Shares	Minority Shares	Total Shareholders' Equity
I.	Prior Period (01/01/2024 – 31/03/2024)																	
	Prior Period Ending Balance		4,595,131	23,250	1,874	-	-	(513,980)	-	-	(1,044,479)	-	18,253,903	60,618	26,609,371	47,985,688	-	47,985,688
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I-II)		4,595,131	23,250	1,874	-	-	(513,980)	-	-	(1,044,479)	-	18,253,903	60,618	26,609,371	47,985,688	-	47,985,688
IV.	Total Comprehensive Income					-	-	-	-	-	(613,080)	-			7,345,429	6,732,349	-	6,732,349
V.	Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid in Capital Inflation Adjustment Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Share		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase / Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	(359)	-	-	(359)	-	(359)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	26,609,371	(26,609,371)	-	-	-
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	26,609,371	(26,609,371)	-	-	-
	Balances at End of the Period (III+IV+.....+X+XI)	(5.2.11.)	4,595,131	23,250	1,874	-	-	(513,980)	-	-	(1,657,559)	-	18,253,544	26,669,989	7,345,429	54,717,678	-	54,717,678
I.	Current Period (01/01/2025 – 31/03/2025)																	
	Prior Period Ending Balance		4,947,336	6,373,506	1,874	-	-	(553,764)	-	-	(5,459,248)	-	42,203,716	60,618	34,653,456	82,227,494	-	82,227,494
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I-II)		4,947,336	6,373,506	1,874	-	-	(553,764)	-	-	(5,459,248)	-	42,203,716	60,618	34,653,456	82,227,494	-	82,227,494
IV.	Total Comprehensive Income					-	-	-	-	-	(1,147,673)	-			10,491,129	9,343,456	-	9,343,456
V.	Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid in Capital Inflation Adjustment Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Share		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase / Decrease by Other Changes		-	-	-	-	-	-	-	-	-	-	(359)	-	-	(359)	-	(359)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	34,653,456	(34,653,456)	-	-	-
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	34,653,456	(34,653,456)	-	-	-
	Balances at End of the Period (III+IV+.....+X+XI)	(5.2.11.)	4,947,336	6,373,506	1,874	-	-	(553,764)	-	-	(6,606,921)	-	42,203,357	34,714,074	10,491,129	91,570,591	-	91,570,591

1. Accumulated revaluation increase / decrease of fixed assets,

2. Accumulated remeasurement gain / loss of defined benefit pension plan,

3. Other (shares of investments valued by equity method in other comprehensive income not classified through profit or loss and other accumulated amounts of other comprehensive income items not reclassified through other profit or loss)

4. Foreign currency translation differences

5. Accumulated revaluation and/or reclassification gains/losses of financial assets at fair value through other comprehensive income

6. Other (cash flow hedge gains/losses, shares of other comprehensive income of investments accounted through equity method that will be reclassified to profit or loss and accumulated amounts of other comprehensive income items that will be reclassified to other profit or loss)

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2025

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

6. STATEMENT OF CASH FLOWS

		Notes	Reviewed Current Period	Reviewed Prior Period
			01.01.2025-31.03.2025	01.01.2024-31.03.2024
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes in Assets and Liabilities from Banking Operations		23,680,424	5,566,251
1.1.1	Profit Share Income Received		35,108,948	23,146,571
1.1.2	Profit Share Expense Paid		(25,253,700)	(14,252,287)
1.1.3	Dividends Received		574	431
1.1.4	Fees and Commissions Received		6,803,974	3,805,651
1.1.5	Other Income		2,941,165	3,484,454
1.1.6	Collections from Previously Written Off Loans		3,903,088	164,634
1.1.7	Payments to Personnel and Service Suppliers		(4,951,884)	(3,042,515)
1.1.8	Taxes Paid		(7,488,804)	(6,619,284)
1.1.9	Others		12,617,063	(1,121,404)
1.2	Changes in Assets and Liabilities from Banking Operations		(8,547,215)	(9,648,158)
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		2,005,741	29,276,424
1.2.2	Net (Increase) Decrease in Due from Banks and Other Financial Institutions		(15,986,912)	(30,874,618)
1.2.3	Net (Increase) Decrease in Loans		(17,396,204)	(42,589,303)
1.2.4	Net (Increase) Decrease in Other Assets		12,331,109	(334,143)
1.2.5	Net Increase (Decrease) in Bank Deposits		163,011	170,087
1.2.6	Net Increase (Decrease) in Other Deposits		536,141	(16,690,757)
1.2.7	Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value Through Profit or Loss		(1)	-
1.2.8	Net Increase (Decrease) in Funds Borrowed		(3,009,000)	38,933,106
1.2.9	Net Increase (Decrease) in Due Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities		12,808,900	12,461,046
I.	Net Cash Provided From Banking Operations		15,133,209	(4,081,907)
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net Cash Provided from Investing Activities		(10,766,770)	9,304,320
2.1	Cash Paid for Purchase Jointly Controlled Operations, Associates and Subsidiaries		(8,772,500)	(522,500)
2.2	Cash Obtained from Sale of Jointly Controlled Operations, Associates and Subsidiaries		-	-
2.3	Fixed Assets Purchases		(968,720)	(549,253)
2.4	Fixed Assets Sales		389,556	98,918
2.5	Cash Paid for Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(1,696,156)	(2,868,158)
2.6	Cash Obtained from Sale of Financial Assets at Fair Value Through Other Comprehensive Income		600,821	12,405,436
2.7	Cash Paid for Purchase of Investment Securities		-	(500,000)
2.8	Cash Obtained from Sale of Investment Securities		-	1,654,657
2.9	Other		(319,771)	(414,780)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Provided from Financing Activities		(91,474)	(48,184)
3.1	Cash Obtained from Funds Borrowed and Securities Issued		-	-
3.2	Cash Used for Repayments of Funds Borrowed and Securities Issued		-	-
3.3	Equity Instruments Issued		-	-
3.4	Dividends Paid		-	-
3.5	Payments for Finance Leases		(91,474)	(48,184)
3.6	Other		-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		22,709,708	10,900,800
V.	Net Increase in Cash and Cash Equivalents		26,984,673	16,075,029
VI.	Cash and Cash Equivalents at the Beginning of the Period		125,488,388	71,638,421
VII.	Cash and Cash Equivalents at the End of the Period		152,473,061	87,713,450

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

1. Explanations on basis of presentation

1.1 The preparation of the financial statements and related notes and explanations in accordance with The Turkish accounting standards and regulation on accounting applications for banks and safeguarding of documents

The Bank prepares its financial statements in accordance with the “Regulation on The Procedures and Principles for Accounting Practices and Retention of Documents by Banks” published in the Official Gazette dated 1 November 2006 with numbered 26333, and other regulations on accounting records of banks published by the Banking Regulation and Supervision Agency (“BRSA”) as well as the circulars and pronouncements published by the BRSA. For matters not regulated by the aforementioned legislations, the Bank prepares its financial statements in accordance with the BRSA Accounting and Financial Reporting Legislation, which comprises the terms of the Turkish Financial Reporting Standards issued by the Public Oversight Accounting and Auditing Standards Authority.

1.2 Accounting policies and valuation principles applied in the preparation of financial statements

The financial statements have been prepared on the historical cost basis except for the financial instruments at fair value through profit or loss, and the financial assets and liabilities at fair value through other comprehensive income that are measured at fair values.

The preparation of financial statements in conformity with BRSA Accounting and Financial Reporting Legislation requires the Bank management to make assumptions and estimates with respect to the assets and liabilities on the balance sheet and contingent issues outstanding as of the balance sheet date. These assumptions and estimates mainly consist of calculations of the fair values of financial instruments and the impairment on assets. The assumptions and estimates are reviewed regularly and, when necessary, appropriate corrections are made and the effects of such corrections are reflected on the income statement.

POA, on 23 November 2023, published an announcement regarding that companies that apply Turkish Financial Reporting Standards should present their financial statements for the annual reporting period ending on or after 31 December 2023 in accordance with the relevant accounting principles in “Turkish Accounting Standard 29 Financial Reporting in Economies with High Inflation”, adjusted for the effect of inflation. However, institutions or organizations authorized to regulate and supervise their own fields may determine transition dates different from those foreseen above for the implementation of the provisions in TAS 29. Based on this announcement, BRSA, in accordance with its decision dated 12 December 2023 and numbered 10744, has decided that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA decision dated 11 January 2024 and numbered 10825, banks, financial leasing, factoring, financing, savings financing and asset management companies are required to apply inflation accounting as of 1 January 2025. Therefore, no inflation adjustment has been made in accordance with TAS 29 in the preparation of the financial statements as at 31 March 2025.

1.3 Changes in accounting estimates, errors and classifications

If changes in accounting estimates are related to only one period, they are applied in the current period in which the change is made, and if they are related to future periods, they are applied both prospectively and in the future periods. Significant accounting errors are applied retrospectively and prior period financial statements are restated. There were no significant changes in the accounting estimates of the Bank in the current year. Comparative information is restated when deemed necessary in order to comply with the presentation of the current period financial statements.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.4 Preparation of the financial statements as regards to the current purchasing power of money

The financial statements of the Bank have been subject to inflation adjustment in accordance with TAS 29 “Turkish Accounting Standard for Financial Reporting in Hyperinflationary Economies” until 31 December 2004. POA, on 23 November 2023, published an announcement regarding that companies that apply Turkish Financial Reporting Standards should present their financial statements for the annual reporting period ending on or after 31 December 2023 in accordance with the relevant accounting principles in “Turkish Accounting Standard 29 Financial Reporting in Economies with High Inflation”, adjusted for the effect of inflation. However, institutions or organizations authorized to regulate and supervise their own fields may determine transition dates different from those foreseen above for the implementation of the provisions in TAS 29. Based on this announcement, BRSA, in accordance with its decision dated 12 December 2023 and numbered 10744, has decided that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA 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 shall transition to inflation accounting as of 1 January 2025. However, pursuant to the BRSA's decision dated 5 December 2024 and numbered 11021, it has been announced that inflation accounting shall not be applied in 2025. Therefore, no inflation adjustment has been made in accordance with TAS 29 in the preparation of the financial statements as at 31 March 2025.

1.5 Disclosures regarding TFRS 9 financial instruments

TFRS 9 “Financial Instruments”, which is effective as of 1 January 2018 is published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) in the Official Gazette numbered 29953 dated 19 January 2017. As of 1 January 2018, the application of TFRS 9 replaced “TAS 39: Financial Instruments: Recognition and Measurement.” standard.

TFRS 9 also includes new principles for general hedge accounting which aims to harmonize hedge accounting with risk management applications. In the admission of the accounting policies, TFRS 9 presents the option of postponing the adoption of TFRS 9 hedge accounting and continuing to apply the hedge accounting provisions of TAS 39.

All recognized financial assets that are within the scope of TFRS 9 are required to be initially measured at amortized cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and profit share on the principal amount outstanding, are generally measured at Fair Value Through Other Comprehensive Income (“FVTOCI”). All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under TFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment in other comprehensive income, with only dividend income generally recognized in profit or loss.

Dividends obtained from such investments are accounted in the financial statements as profit or loss unless they are evidently a part of the recoverable cost of investment.

As a result of the combination of contractual cash flow characteristics and business models, the differences in the classification of financial assets are reflected in the financial statements compared to the current classification in TAS 39.

During the first recognition of a financial asset into the financial statements, business model determined by the Bank management and the nature of contractual cash flows of the financial asset are taken into consideration.

Classification and measurement of financial instruments

According to TFRS 9 requirements, classification and measurement of financial assets will depend on the business model within which financial assets are managed and their contractual cash flow characteristics whether the cash flows represent solely payments of principal and profit share.

Upon initial recognition each financial asset shall be classified as either fair value through profit or loss (“FVTPL”) amortized cost or fair value through other comprehensive income (“FVTOCI”). As for the classification and measurement of financial liabilities, the application of the existing terms of TAS 39 remain largely unchanged.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Explanations on expected credit loss

As of 1 January 2018, the Parent Bank will recognize provisions for impairment in accordance with the 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. The expected credit loss estimates are required to be unbiased, probability-weighted and should include supportable information about past events, current conditions, and forecasts of future economic conditions.

Modelling studies were carried out on the principal components of the Expected Loan Loss calculation and the default probability (PD) models were developed on various loan portfolios. Credit portfolios are determined according to customer segments that form the basis of banking activities. The cyclical default probabilities generated by these models developed for use in the Internal Rating Based Approach (IDD) are translated into the Instantaneous Default Probabilities and these instantaneous default probabilities are used when calculating the Expected Loan Loss on TFRS 9 Calculation on Default (LGD) calculation reflects the legal deduction rates and the Bank's past collection performance on unsecured loans. Default Amount (EAD) corresponds to the balance used in cash at the reporting date for cash loans, non-cash loans and balance after application of the loan to commitment risks.

Macroeconomic scenarios affect PD values. The expected credit loss amount is calculated by weighting 3 different scenarios as Base, Good and Bad scenarios. The probability of default of the debtors and the loss rates in default vary with each scenario.

As of 31 March 2025, the Bank has been exposed to recession, geopolitical risks, inflation, unemployment, exchange rate risk, etc. with the effect of current internal and external conditions in order to reflect the macroeconomic outlook and the upward risks that factors may pose on the bank's loan portfolio, it has revised its macroeconomic expectations and its calculations made considering the change in PD along with the update in the EDF model have been reflected in the financial statements. By its nature, the model effects are reflected in the financial statements with a delay due to the occurrence of the events and their effects at different times. For this reason, the Bank is establishing additional provisions for the Wholesale and Retail Trade, Build, Construction, Contracting and Tourism sectors, whose PD is more sensitive to the current macroeconomic and geopolitical conjuncture among the sectors that are declining. The Bank maintains this approach as of 31 March 2025. When deemed necessary, the future will review these assumptions according to the course of economic and geopolitical risks.

The expected credit loss estimates are required to be unbiased, probability-weighted and include supportable information about past events, current conditions, and forecast of future economic conditions.

The Bank applies a ‘three-stage’ impairment model depending on the gradual increase in credit risk observed since initial recognition:

Stage 1: Includes financial assets not having significant increase in their credit risk from initial recognition till the following reporting date or financial assets having low credit risk at the reporting date. It is recognized 12-month expected credit losses for such financial assets.

Stage 2: Includes financial assets having significant increase in their credit risk subsequent to the initial recognition, but not having objective evidence about impairment. It is recognized lifetime expected credit losses for such financial assets.

In this context, the basic considerations that are considered in determining the significant increase in the credit risk of a financial asset and its transfer to Phase 2 are, but are not limited to, the following.

- Delayed by more than 30 days as of the reporting date
- Restructuring
- Close Monitoring
- Evaluation of distortion in Rating Note

The definition of the deterioration in the rating is the comparison of the credit rating at the opening date and the rating date at the reporting date by using the Parent Bank's internal rating-based credit rating models. If the rating calculated for the loan at the reporting date exceeds the specified threshold values, the rating is deemed as deterioration.

Stage 3: Includes financial assets having objective evidence about impairment at the reporting date. It is recognized lifetime expected credit losses for such financial assets.

The Bank periodically evaluates the provisions of loans and other receivables in accordance with TFRS 9 retrospectively on the basis of their results and, if deemed necessary, revises the basketing rules and the parameters used in the calculation of the related provision balances.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.6 Revenue from TFRS 15 disclosures regarding the standard of revenue from customer contracts

TFRS 15 Revenue from Customer Contracts provides a single, comprehensive model and guidance on the recognition of revenue and is recorded in accordance with income with TFRS 15 Revenue from Customer Contracts.

1.7 Explanations on TFRS 16 leases standard

The leasing transactions are presented by the lessees as assets (right-of-use assets) and liabilities from leasing transactions. TFRS 16 Standard eliminates the dual accounting model of leasing transactions on balance sheet and operational leasing transactions as direct expense except balance sheet.

Within the scope of TFRS 16, the Bank reflects the existence of a lease obligation and a right of use to the financial statements at the date of initial application. The Bank measures the leasing liability on the present value of the remaining lease payments, discounted at their present value using the alternative borrowing cost ratio at the date of initial application of the Bank. In addition, the Bank measures the existence of the right to use of such right at an amount equal to the lease obligation, which is reflected in the statement of financial position immediately after the first application date, adjusted for the amount of all prepaid or accrued lease payments.

As of 31 March 2025, the right-of-use assets classified tangible assets gross amounting to TL 2,408,012 in the balance sheet of The Bank and lease liabilities classified in the item of liabilities from lease transactions amounting to gross TL 2,816,011. In the three-month period that ended as of the same date, financial expenses amounting to TL 91,474 and depreciation expenses amounting to TL 150,029 were incurred.

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

The Bank follows an asset-liability management strategy that mitigates risk and increases earnings by balancing the funds borrowed and the investments in various financial assets. The main objective of asset-liability management is to limit the Bank's exposure to liquidity risk, currency risk and credit risk while increasing profitability and strengthening the Bank's equity. The assets-liabilities committee (ALC) manages the assets and liabilities within the trading limits on the level of exposure placed by the Executive Risk Committee.

Gains and losses arising from foreign currency transactions have been recorded in the period in which the transaction took place. Foreign currency denominated monetary assets and liabilities are valued with the period end exchange rates published by the Central Bank of Türkiye converting them into Turkish Lira and valuation differences of foreign currencies have been recognized in the income statement under the net foreign exchange income/expense account.

The foreign currency exchange differences resulting from the translation of debt securities issued and monetary financial instruments into Turkish Lira are included in the income statement. There are no foreign currency differences capitalized by the Bank.

3. Investments in associates and subsidiaries

Subsidiaries and associates denominated in Turkish currency are accounted for at cost in accordance with the "Turkish Accounting Standard on Consolidated and Separate Financial Statements" ("TAS 27") and are reflected in the unconsolidated financial statements after deducting the provision for impairment, if any.

4. Explanations on forward transactions and option contracts and derivative instruments

The Bank engages in foreign currency futures transactions in order to reduce foreign currency position risk and manage foreign currency liquidity. The Bank's derivatives are classified as "Hedging Purposes" and "Financial Asset with Fair Value (GUD) Reflected in Profit/Loss". Accordingly, although some derivative transactions provide effective protection against risks for the Bank economically, those that cannot be defined accountably for hedging purposes are recognized as "Financial Assets Reflected in Fair Value (GUD) Profit/Loss" and tracked in the "Derivative Financial Assets/Liabilities" account on the balance sheet with their fair value.

Obligations and receivables arising from derivative transactions are recorded in the accounts based on the contract amounts. The fair value of currency futures and swaps is calculated using the discounted cash flow model. Differences in the fair value of derivative transactions for trading purposes are recognized in the " Trading Income/Loss " item in the income statement.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Embedded derivatives are separated from the host contract if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and the hybrid instrument is not measured at fair value with changes in fair value recognized in profit or loss. Embedded derivatives are accounted as derivative instruments in-line with TFRS 9. If the embedded derivatives are closely related with the host contract, embedded derivatives are accounted for in-line with the relevant standard applicable for the host contract.

As of 31 March 2025, the Bank's has no cash flow hedging transaction.

Benchmark Rate Reform - Stage 2, which introduces amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16, effective from January 2021, was published in December 2020 and early application of the changes is permitted. With the amendments made, certain exceptions are provided in the basis used in determining the contractual cash flows and in the hedge accounting provisions. The changes came into effect from 1 January 2021. Loans given from items indexed to benchmark interest rates in the Bank's financial statements and securities assets; Securities issued, derivative transactions and loans obtained through repo constitute liabilities. These changes do not have a significant impact on the Bank's financial position or performance. As of 31 March 2025, the Bank has no hedging transactions based on the benchmark interest rate.

5. Explanations on profit share income and expense

Profit share income is recognized in the income statement on an accrual basis by using the method of internal rate of return and is accounted under profit share income account in the financial statements. While applying the internal rate of return method, the Bank amortizes the fees included in the account of the effective profit rate over the expected life of the financial instrument. If the financial asset is impaired and classified as a non-performing loan, profit accruals and rediscount calculations for these customers within the scope of TFRS 9 Financial Instruments Standard.

The Bank calculates expense accrual in accordance with the unit value calculation method on profit/loss sharing accounts and reflects these amounts in "Funds Collected" account on the balance sheet.

6. Explanations on fees and commission income and expenses

Other than fees and commission income and expenses received from certain banking transactions that are recorded as income or expense in the period they are collected, fees and commission income and expenses are recognized in the income statement depending on the duration of the transaction. Except for fees and commissions that are integral part of the effective interest rates of financial instruments measured at amortized costs, the fees and commissions are accounted for in accordance with TFRS 15 Revenue from Contracts with Customers.

Except for certain fees related with certain banking transactions and recognized when the related service is given, fees and commissions received or paid, and other fees and commissions paid to financial institutions are accounted under accrual basis of accounting throughout the service period.

In accordance with the provisions of TAS, commission and fees collected in advance for loans used by the Bank granted are deferred and reflected to the income statement by using the internal rate of return method. Unearned portion of the commission and fees relating to the future periods are recorded to the "Unearned Revenues" account under "Other Liabilities" on the balance sheet.

7. Explanations on financial assets

The Bank classifies and accounts for its financial assets as 'Fair Value Through Profit/Loss', 'Fair Value Through Other Comprehensive Income,' or 'Amortized Cost.' Such financial assets are recognized and derecognized as per the terms of "Recognition and Derecognition in Financial Statements" under the section three of the "TFRS 9 Financial Instruments" regarding the classification and measurements of financial instruments, published in the Official Gazette numbered 29953 and dated 19 January 2017 by Public Oversight, Accounting and Auditing Standards Authority ("POA"). When financial assets are included in the financial statements for the first time, they are measured at fair value. Transaction costs are initially added to fair value or deducted from fair value at the initial measurement of financial assets other than the "Fair Value at Fair Value Through Profit or Loss".

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

The Bank recognizes a financial asset in the financial statements only when it becomes a party to the contractual terms of a financial instrument. During the initial recognition of a financial asset, the business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Bank management is changed, all affected financial assets are reclassified and this reclassification is applied prospectively. In such cases, no adjustments are made to gains, losses or profit shares that were previously recorded in the financial statements.

7.1 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets that are managed within a business model other than the business model whose objective is achieved by holding contractual cashflows for collection and the business model whose objective is achieved by collecting and selling contractual cash flows. Also, in case that the contractual terms of financial assets do not give rise on specified dates to cash flows that are solely payments of principal and profit share on the principal amount, such assets are those that are, obtained with the aim of providing profit from the short-term price or other factor fluctuations in the market or are part of a portfolio aiming to obtain short-term profit, regardless of the reason of acquisition. Financial assets at fair value through profit or loss are initially recognized at fair value and subsequently remeasured at fair value. Gains and losses arising from the valuation are recognized in profit or loss.

7.2 Financial assets at fair value through other comprehensive income

A financial asset is classified as at fair value through other comprehensive income when the asset is managed within a business model whose objective is achieved by collecting contractual cash flows and selling the financial asset, as well as when the contractual terms of the financial asset give rise on specified dates to cash flows are solely payments of principal and profit share on the principal amount.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition costs that reflect 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 method regarding the financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "Unrealized gains and losses," which is the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income, are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, or the impairment of the asset. "Unrealized gains and losses" 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 recognized under equity when the securities are collected or disposed of are recognized in the statements of income.

Equity securities, which are classified as financial assets at fair value through other comprehensive income, are carried at fair value, in the case that the securities have a quoted market price in an active market and/or the fair values of the securities can be reliably measured. In contrary case, the securities are carried at cost, less provision for impairment.

During initial recognition an entity can make an irrevocable election regarding the presentation of the subsequent changes in the fair value of the investment in an equity instrument, that is not held for trading purposes, in the other comprehensive income. In the case that the entity elects to present the changes as described, dividends arising from the investment is accounted in the financial statements as profit or loss.

7.3 Financial assets measured at amortized cost

In the case that a financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and that the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and profit share on the principal amount, the financial asset is classified as financial asset measured at amortized cost.

Financial Assets Measured at Amortized Cost; are financial assets, other than loans and receivables, which are held for the purpose of custody until maturity, with conditions necessary for such assets to be held until contractual maturity met, including funding ability; and which have fixed or determinable payments and fixed maturities. Financial assets measured at amortized cost are initially recognized at cost and subsequently measured at amortized cost using the internal rate of return method. Profit share income related to Financial Assets measured at amortized cost is reflected in the income statement.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

7.4 Derivative financial assets

The major derivative instruments utilized by the Bank are foreign currency swaps, cross currency swaps and currency forwards.

Payables and receivables arising from the derivative instruments are recorded in the off-balance sheet accounts at their contractual values.

Derivative transactions are valued at their fair values subsequent to their acquisition. In accordance with the classification of derivative financial instruments, the fair value amounts are classified as "Derivative Financial Assets Designated at Fair Value Through Profit or Loss." The fair value differences of derivative financial instruments are recognized in the income statement under trading profit/loss line in profit/loss from derivative financial transactions. The fair value of derivative instruments is calculated by considering the market value of the derivatives or by using the discounted cash flow model.

7.5 Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. 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".

8. Explanations on offsetting of financial assets and liabilities

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

9. Explanations on sale and repurchase agreements and lending of securities

Central Bank of the Republic of Türkiye ("CBRT") made some changes on orders for open market transactions ("OMT") and prepared an additional frame contract for participation banks in order to present rent certificates to open market operations of CBRT in accordance with the principles of participation banks. According to this agreement, a new type of transaction was formed which enables participation banks to resell or repurchase rent certificates on their portfolio to CBRT when they need funding or in attempt to evaluate the excess liquidity. In this context, OMT were carried out with the CBRT for the first time on 14 June 2013, by subjecting the Treasury Lease Certificates, which were include in assets, to the repurchase transactions. From this date, the Bank performs sale transactions of treasury lease certificates that are recognized in the assets of the balance sheet in return for conditional repurchasing by tendering to purchase auctions held by CBRT with various maturities; and thusly raises funds.

As of 31 March 2025, the Bank has repurchased agreement amounting to TL 23,676,516 (31 December 2024 - TL 17,719,258).

10. Explanations on assets held for sale and discontinued operations and related liabilities

As mandated by the Banking Act 5411 Article 57 "banks cannot participate in commercial real-estate and commodity trade with the exception of real-estate and commodity based agreements within the scope of Capital Markets Act No. 2499, and precious metal trade as seen appropriate by the board, and cannot participate in partnerships with firms whose main business activity is commercial real-estate, with the exception of real-estate investment partnerships and companies that finance mortgaged residential estates. The rules and procedures regarding the sales of real-estate and commodities that were acquired due to receivables and debtors' obligations to the bank are determined by the board."

Assets that meet the criteria for classification as assets held for sale are measured at the lower of the carrying amount of assets and fair value less any costs to be incurred for disposal. Assets held for sale are not amortized and presented in the financial statements separately. In order to classify an asset as held for sale, the 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 by the management regarding the sale of the asset (or the disposal group) together with an active program for the determination of buyers as well as for the completion of the plan. Also, the asset (or the disposal group) should be actively in the market at a price consistent with its fair value.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

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. Various events and conditions may extend the completion period of the disposal over one year. If such delay arises from any events and conditions beyond the control of the entity and there is sufficient evidence that the entity has an ongoing disposal plan for these assets, such assets (or disposal group) can remain to be classified as assets (or disposal group) held for sale. Extension of the period necessary to complete the sale, does not avoid the classification of the related asset (or disposal group) to be classified as asset held for sale.

A discontinued operation is a part of the Bank's that either has been disposed of or is classified as held for sale. Discontinued operations are presented separately in the income statement. The Bank's has no discontinued operations.

11. Explanations on goodwill and other intangible assets

Intangible assets are stated at cost adjusted for inflation until 31 December 2004, less provision for impairment, if any, and accumulated amortization and amortized with straight-line method.

The other intangible assets of the Bank comprise mainly computer software. The useful lives of such assets acquired prior to 2004 have been determined as 5 years and for the year 2004 and forthcoming years, as 3 years. The amortization period of the licenses is determined on the basis of the duration of the license agreements.

12. Explanations on tangible assets

Fixed assets are stated at cost adjusted for inflation until 31 December 2004, less accumulated depreciation and provision for impairment, if any.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets. The annual rates used for amortization are as follows:

Property	2%
Movables, leased assets	6.67% - 20%

Depreciation is calculated on a pro-rata basis for the assets that have been placed in use for less than one year as of the balance sheet date. Leasehold improvements are depreciated over the term of the lease agreements by straight-line method.

If the recoverable amount (the higher of value in use and fair value) of a tangible asset is less than it is carrying value, impairment loss is provided and the carrying value is written down to its recoverable amount.

Gains or losses resulting from disposals of the fixed assets are recorded in the income statement as the difference between the net proceeds and net book value of the asset.

Expenses for repair costs are capitalized if the expenditure increases economic life of the asset; other repair costs are expensed as incurred.

The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalized on the cost of the tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product, or to decrease the costs.

Property held for long-term rental yields and/or capital appreciation is classified as investment property. Investment properties are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives of the properties.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

13. Explanations on leasing transactions

For contracts concluded prior to 1 January 2019, the Bank assesses whether the contract has a lease qualification or include a lease transaction.

- (a) The right to obtain almost all of the economic benefits from the use of the leased asset and,
- (b) Whether the leased asset which has the right to manage its use is evaluated

The Bank has started implementing the TFRS 16 - Leases standard from 1 January 2019, the first date of the TFRS 16 standard. At the commencement date of the lease, the Bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments are discounted by using the Bank's alternative borrowing profit rate.

The right of the use asset

The Bank reflects the existence of a right of use and a lease obligation to the financial statements at the date the lease is commenced.

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

- (a) The first measurement amount of the lease obligation,
- (b) The amount obtained by deducting all rental incentives received from all lease payments made at or before the date of the rental,

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

- (a) Accumulated depreciation and accumulated impairment losses are deducted and
- (b) Measures the restatement of the lease obligation over the adjusted cost.

The Bank applies the depreciation liabilities in TAS 16 Tangible Assets while depreciating the right of use asset.

The Bank determines whether the right of use has been impaired and recognizes any identified impairment losses in accordance with TAS 36 Impairment of Assets.

Lease liability

At the effective date of the lease, the Bank measures the leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Bank's alternative borrowing profit share rate.

The profit share on the lease liability for each period of the lease term is the amount found by applying a fixed periodic profit share rate to the remaining balance of the lease liability. Periodic profit share rate is the Bank's borrowing profit share rate.

After the beginning of a contract, the Bank remeasures its lease liability to reflect changes in lease payments. The Bank reflects the restatement amount of the lease obligation to the financial statements as revised in the presence of the right of use.

14. Explanations on provisions and contingent liabilities

Provisions and contingent liabilities are accounted for in accordance with "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" (TAS 37).

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

As per the "Matching Principle," a provision is provided for the liabilities arising as a result of past events in the period they arise, if it is probable that the liability will be settled and a reliable estimate for the liability amount can be made.

When a reliable estimate of the amount of the obligation cannot be made or it is not probable that an outflow of the Bank resources will be required to settle the obligation, the obligation is considered as a "Contingent" liability and is disclosed in the related notes to the financial statements.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

15. Explanations on liabilities relating to employee benefits

15.1 Defined benefit plans

In accordance with existing social legislation, the Bank is required to make severance pay to each employee who has completed over one year of service with the Bank and who retires or quits the employment to receive old age or disability benefits, to fulfil the compulsory military service, because of the marriage (for females) or because of the other compulsive reasons as defined in the laws and whose employment is terminated due to reasons other than resignation or misconduct.

Liabilities amount which is related to “Turkish Accounting Standard on Employee Benefits” (“TAS 19”) is reflected accompanying financial statements and these liabilities are calculated by an independent actuary firm. The Bank is accounted all actuarial profit and loss under Statement of other Comprehensive Income.

The Bank’s employees are not members of any pension fund, foundations, union or other similar entities.

15.2 Defined contribution plans

The Bank pays defined contribution plans to publicly administered Social Security Funds for its employees as mandated by the Social Security Association. The Bank has no further payment obligations other than this contribution share. The contributions are recognized as employee benefit expense when they are due.

15.3 Short-term benefits to employees

In accordance with “TAS 19”, vacation pay liabilities are defined as “Short-Term Benefits to Employees” and accrued as earned.

The Bank management calculates bonus accrual if it foresees that the budgeted year-end figures approved by the Board of Directors are attainable.

16. Explanations on taxation

Current tax

According to Article 21 of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, starting from the declarations to be submitted as of 1 October 2023, the corporate tax rate of 25% on the corporate earnings of banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies has been increased from 25% to 30% to be applied to the earnings of the institutions in 2023 and the following taxation periods.

This rate is applied to the tax base to be found as a result of adding expenses that are not accepted as deductible in accordance with the tax laws to the commercial earnings of the corporations and deducting the exemptions and deductions in the tax laws. If the profit is not distributed, no other tax is paid. Starting from the declarations that must be submitted as of 1 October 2023 in accordance with the tax legislation; It entered into force on 15 July 2023 to be applied to the corporate income in 2023 and subsequent taxation periods, and to the earnings of corporations subject to the special accounting period starting in the 2023 calendar year and the following taxation periods. The provisional tax rate will be paid at the rate of 30% on the bases formed as of quarterly periods, and the provisional taxes paid during the year are deducted from the corporate tax calculated on the annual corporate tax return of that year.

The exemption provided for the income obtained by institutions from other investment funds, except for the exception provided for the income obtained from the participation shares of venture capital investment funds and the shares of venture capital investment trusts, has been abolished. This regulation has entered into force to be applied to mutual fund participation shares acquired as of 15 July 2023.

With the Presidential Decision No. 9286 published in the Official Gazette on 22 December 2024, and as a result of the amendments made in the relevant articles of the Ministerial Decisions annexed to the decision concerning the withholding tax rates in Article 94 of the Income Tax Law No. 193 and the tax withholding rates in Articles 15 and 30 of the Corporate Tax Law No. 5520, the withholding tax rate applied by full taxpayer corporations on profit shares distributed to full taxpayer individuals, individuals who are not subject to income or corporate tax, and those exempt from income tax, as well as on profit shares distributed to limited taxpayer individuals and limited taxpayers exempt from income tax, has been increased from 10% to 15%. Additionally, the withholding tax rate applies to the profit shares distributed to tax-exempt institutions, as well as to the profit shares distributed by full taxpayer corporations to limited taxpayer institutions or limited taxpayers exempt from corporate tax, except for those earning profit shares through a permanent establishment or a representative in Türkiye. The withholding tax rate increase also applies to the amount transferred to the head office by limited taxpayer institutions making annual or special declarations, after the

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

corporate tax has been deducted from their corporate income, before applying any discounts or exemptions. This Decision came into effect on 22 December 2024. In the application of withholding tax rates on profit distributions to limited taxpayer institutions and individuals, the provisions of the relevant double taxation treaties are also taken into consideration. The addition of profit to the capital is not considered a profit distribution and therefore is not subject to withholding tax.

With the Communiqué Amending the General Communiqué on Tax Procedure Law (order no. 547) published in the Official Gazette numbered 32073 on 14 January 2023, the procedures and principles of the articles allowing the revaluation of real estates and depreciation units have been redrawn. By taking into consideration aforementioned Communiqué, the Bank, has been revaluated real estate and depreciation units within its balance sheet by providing conditions in the provisions of Tax Procedure Law's provisional Article 32 and duplicated Article 298/ç. Accordingly, corporate income tax has calculated with respect to revaluated real estate and depreciation units.

For the purpose of issuance of certificate of leasing immovables to resource institutions, with the sale of asset leasing companies, the scope of Financial Leasing, Factoring and Financing Companies Law No.6361, dated 21 November 2012 in order to lease it back and in case of taking back at the end of the contract, with the sale of financial leasing companies and asset leasing by asset leasing companies, for profit from the sale of the immovable property inherited from the institution applies this rate as 100% and for the immovable is not compulsory to be in assets at least for a period of two years. But the mentioned immovable's; except in case of failure to fulfil the obligations arising from the source institution, the lesser or leasing agreement, immovable in question by the asset leasing company, in case of selling a third person or institutions, these immovable's with the carrying value before its transfer to resource institution or asset leasing in lesser or asset leasing company, in mentioned institutions taking into consideration the total amount of depreciation is taxable for corporation engaged in the sale.

Corporate tax returns are filed by the thirty days of the fourth month following the balance sheet date and taxes is paid in one instalment by the end of that month. Corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. However, losses cannot be carried back to offset profits from previous periods. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

In Türkiye, there is no procedure for a final and definite agreement on tax assessments.

Profit/loss difference arising from inflation adjustment made by banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law dated 21 November 2021 and numbered 6361, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in the 2024 and 2025 accounting periods, including temporary tax periods, will not be taken into account in the determination of earnings.

Pillar 2 regulations agreed upon by OECD member countries entered into force in Türkiye with the Law No. 7524 on Amendments to Tax Laws, Certain Laws and Decree Law No. 375 published in the Official Gazette dated 2 August 2024. Although secondary legislation on the subject has not been published, preliminary assessments based on the regulations published by the OECD indicate that these regulations will not have any material impact on the financials. However, legislative changes in Türkiye and other countries where Kuveyt Türk Katılım Bankası A.Ş. operates are monitored.

Deferred tax

For taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts, as per the provisions of "Turkish Accounting Standard on Income Taxes" ("TAS 12"), the Bank calculates deferred tax liability over all taxable temporary differences and deferred tax asset over taxable temporary differences, apart from the provisions for due to participation accounts Expected Credit Losses for 12-Months (Stage 1) and for due to participation accounts Lifetime Credit Losses (Stage 2) with significant increase in the credit risk after initial recognition, to the extent that is probable that taxable profit will be available in subsequent periods. Deferred tax asset and liabilities are shown in the accompanying financial statements on a net basis. The tax effect regarding the items directly accounted in equity are also reflected in equity. Updated tax rates in the upcoming periods will be taken into account in the calculation of deferred tax assets and liabilities.

Under the provisions of Article 32 of the Tax Procedure Law and Duplicated Article 298/ç, the revaluation of immovables and depreciable economic assets has been subject to deferred taxation.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

17. Explanations on additional disclosures on borrowings

Borrowings other than funds collected are measured at amortized cost using the internal rate of return method after the initial recognition. The Bank does not apply hedging techniques on related borrowings.

The Bank has not issued convertible bonds.

18. Explanations on share certificates issued

There is no significant amount of transaction costs on Bank about share certificates.

19. 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 off-balance sheet accounts.

20. Explanations on government grants

There are no government grants received by the Bank.

21. Explanations on segment reporting

The Bank conducts its activities in three separate segments: Corporate and Commercial Banking, Retail Banking, Treasury and International Banking. Each department serves with its own products and the results of the activities are monitored on the basis of these departments.

Segment reporting is disclosed in Section Four, Note 14.

22. Explanations on other matters

The Bank has no disclosures on other matters.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK

1. Explanations on equity items

Shareholders' equity and capital adequacy ratio were calculated within the framework of “Regulation on Banks' Equity” and “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”. As of 31 March 2025, the Bank's total shareholders' equity is calculated as TL 112,350,110 (31 December 2024: TL 97,272,056), and the capital adequacy ratio is 22.93% (31 December 2024: 24.46%).

In the calculation of the amount subject to credit risk in accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks published in the Official Gazette dated 23.10.2015 and numbered 29511, specified in the BRSA Board Decision dated 12.12.2023 and numbered 10747; the practice of using the foreign exchange buying rate of the Central Bank of the Republic of Turkey (Central Bank) dated 26.06.2023 for the calculation of monetary assets and non-monetary assets, except for foreign currency denominated items measured at historical cost in accordance with the Turkish Accounting Standards and the related specific provision amounts; the Central Bank of the Republic of Turkey (Central Bank) foreign exchange buying rate dated 28.06.2024 to be applied as of 01.01.2025 in accordance with the Board Decision dated 19.12.2024, until a Board Decision to the contrary is taken.

Furthermore, within the scope of the regulations announced by the BRSA on 12 December 2021, if the net valuation differences of the securities in the portfolio of marketable securities accounted for in other comprehensive income are negative, the possibility has been granted to not take into account these differences in the equity amount to be used for the capital adequacy ratio.

The Bank's legal capital adequacy ratio calculation has been made by taking into account the regulation changes mentioned above as of 31 March 2025.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.1 Explanations on the components of shareholder's equity

	Current Period Amount	Prior Period Amount
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	4,952,205	4,952,205
Share issue premiums	6,373,506	6,373,506
Reserves	42,203,357	42,203,716
Gains recognized in equity as per Turkish Accounting Standards (TAS)	341,113	348,081
Profit	45,205,203	34,714,074
Current Period Profit	10,491,129	34,653,456
Prior Periods' Profit	34,714,074	60,618
Shares acquired free of charge from associates, subsidiaries and joint ventures and cannot be recognized within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	99,075,384	88,591,582
Deductions from Common Equity Tier 1 Capital	-	-
Common Equity as per the (i) clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	1,704,212	5,761,052
Improvement costs for operating leasing	493,921	429,260
Goodwill remaining after offsetting with the relevant deferred tax liability	-	-
Other intangible assets remaining after offsetting with the related deferred tax liability, excluding the rights to provide mortgage service	2,735,460	2,215,572
The remaining part of the deferred tax asset based on taxable income to be obtained in future periods, excluding the deferred tax assets based on temporary differences, after deducting with the related deferred 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	553,764	553,764
Direct and indirect investments of the Bank in its own Common Equity	4,869	4,869
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 more than 10% of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
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 more than 10% of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions from Common Equity Tier I Capital	5,492,226	8,964,517
Total Common Equity Tier I Capital	93,583,158	79,627,065

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

ADDITIONAL TIER I CAPITAL		
Preferred stock not included in common equity Tier I Capital and the related share premiums	-	-
Debt instruments and premiums approved by BRSA	1,889,490	1,763,557
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	1,889,490	1,763,557
Deductions from Additional Tier I Capital	-	-
Direct and indirect investments of the Bank on its own Additional Tier I Capital (-)	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the Bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I Capital	-	-
The total of net long position of the direct or indirect investments in Additional Tier I Capital of unconsolidated banks and financial institutions where the Bank owns more than 10% of the issued share capital	-	-
Other Items to be defined by the BRSA	-	-
Transition from the Core Capital to Continue to deduce Components	-	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions from Additional Tier I Capital	-	-
Total Additional Tier I Capital	1,889,490	1,763,557
Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)	95,472,648	81,390,623
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	13,226,427	12,344,896
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	3,788,147	3,726,449
Tier II Capital Before Deductions	17,014,574	16,071,345
Deductions from Tier II Capital	-	-
Direct and indirect investments of the bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	17,014,574	16,071,345
Total Capital (The sum of Tier I Capital and Tier II Capital)	112,487,222	97,461,968

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Total Capital (The sum of Tier I Capital and Tier II Capital)		
Deductions from Capital Loans granted contrary to the 50th and 51st 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	99,518	180,626
Other items to be defined by the BRSA	37,594	9,286
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components	-	
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns 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 owns 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 and second sub-paragraph of the first paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	112,350,110	97,272,056
Total Risk Weighted Assets	489,951,757	397,708,358
CAPITAL ADEQUACY RATIOS		
CET 1 Capital Ratio (%)	19.10	20.02
Tier I Capital Ratio (%)	19.49	20.47
Capital Adequacy Ratio (%)	22.93	24.46
BUFFERS		
Total additional core capital requirement ratio	2.53	2.52
Capital conservation buffer requirement (%)	2.50	2.50
Bank specific countercyclical buffer requirement (%)	0.03	0.03
Additional CET 1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation	13.49	14.46
Amounts Lower than Excesses as per Deduction Rules		
Remaining 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	-	-
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	-	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	-	-
Limits for Provisions Used in Tier II Capital Calculation		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per the thousand	3,788,147	4,918,196
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	3,788,147	3,726,449
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
Debt Instruments Covered by Temporary Article 4 (effective between 1 January 2018-1 January 2022)		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Information on debt instruments to be included in equity calculation:		
Issuer	KT AT One Company Limited	KT21 T2 Company Limited
Instrument Code (CUSIP, ISIN vb.)	XS2227803819	XS2384355520
Legislation to which the Instrument is subject	BRSA regulation on Shareholders ' Equity	BRSA regulation on Shareholders ' Equity
Consideration In Equity Calculation		
Subject to consideration application reduced by 10% from 1/1/2015	Not Being Subject	Not Being Subject
Validity on a consolidated or unconsolidated basis or both consolidated and unconsolidated basis	Current on both consolidated and unconsolidated basis	Current on both consolidated and unconsolidated basis
Instruments Type	Subordinated Sukuk (Additional Tier I Capital)	Subordinated Sukuk (Tier II Capital)
Amount taken into account in equity calculation (as of last reporting date-TL million)	1,889	13,226
Nominal value of the Instrument (TL million)	1,889	13,226
The account in which the Instrument is followed accounting	3470003	3470003
Export date of the Instrument	28/09/2020	16/09/2021
Maturity structure of the Instrument (demand/term)	Demand	10 Years and 3 Months Term
Initial maturity of the Instrument	5 Years (Due Date: 28/09/2025)	5 Years and 3 Months (Due:16/12/2026)
Whether the issuer has the right to refund subject to BRSA approval	Yes	Yes
Date of repayment option, contingent repayment options and amount to be paid back	28/09/2025 - Complete	16/12/2026 - Complete
Subsequent repayment option dates	28/09/2025	16/12/2026
Dividend payments		
Fixed or variable dividend payments	Fixed Dividend payments	Fixed Dividend payments
Dividend ratio and index value for dividend ratio	9.95%	6.125%
Whether there are any restrictions that stop paying dividends	None	None
The ability to be completely optional, partially optional or mandatory	Mandatory	Mandatory
Whether there is an element to encourage repayment, such as a dividend rate hike	None	None
Non-accumulative or cumulative property	Noncumulative	Noncumulative
Ability to convert to stock		
Trigger events/events that would cause conversion if converted to stock	Cannot be converted into stock	Cannot be converted into stock
Fully or partially convert property if it can be converted to stock	Cannot be converted into stock	Cannot be converted into stock
If it can be converted to stock, the conversion rate	Cannot be converted into stock	Cannot be converted into stock
Forced or optional conversion property if it can be converted to stock	Cannot be converted into stock	Cannot be converted into stock
Types of convertible Instruments if convertible to stock	Cannot be converted into stock	Cannot be converted into stock
Issuer of the debt instrument to be converted if it can be converted to stock	Cannot be converted into stock	Cannot be converted into stock
Value reduction feature		
Trigger events/events to cause reduction if value reduction is enabled	No Value Reduction	No Value Reduction
If it has a value reduction feature, it has a total or partial value reduction feature	No Value Reduction	No Value Reduction
If the value reduction property is continuous or transient	No Value Reduction	No Value Reduction
If the value can be temporarily reduced, the value increment mechanism	No Value Reduction	No Value Reduction
In the case of liquidation, which is in the order in respect of the right of receivables (the instrument which is located just above this instrument of borrowing))	Tier - 2	Senior Unsecured
Whether or not the provisions of Articles 7 and 8 of the regulation on the shareholders ' equity of the banks are not met	None	None
Which of the conditions contained in Articles 7 and 8 of the regulation on the shareholders ' equity of the banks are not met	None	None

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.2 Approaches applied to assess the adequacy of internal capital requirement in terms of current and future activities

Internal evaluation process is established for continuously evaluating and maintaining the types, components and distribution of the adequate level of capital in order to provide for various risks exposed to or to be exposed to. The final purpose of the evaluation process of the internal capital requirement, is to define and evaluate all the risks included or not in the calculations of the legal capital requirements, within the frame of the activities of the Bank, and to provide the availability of adequate capital in order to cover these risks and the application of the risk management techniques. The results obtained in this evaluation process by taking into consideration, the Banks' growth strategy, assets-liabilities structure, funding sources, liquidity position, foreign currency position, the effect of the price and market fluctuations on the capital, which are among the variables of the economy, aim to provide the continuity of the mentioned capital adequacy level at the determined level in compliance with the Banks' risk profile and risk appetite.

Within this scope, capital structure is reviewed as based on the frame of the activities and risks exposed to, and the internal capital requirement, probable to occur within the direction of targets and strategies of the Bank is evaluated. This evaluation includes interest rate risk, concentration risk, liquidation risk, reputation risk, residual risk, country risk and strategic risk arising of the banking books as well as market, credit and operational risks. Capital requirement internal evaluation is evaluated to be a developing process and the development areas for the future period are determined and plans are prepared.

2. Explanations and disclosures related to credit risk

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

3. Explanations on currency risk

Foreign currency risk represents the Bank's exposure to loss due to the changes in foreign currency exchange rates. All foreign currency assets, liabilities and foreign currency forward transactions are considered in calculation of capital to be employed for foreign currency risk according to standard method. The "standard method" and the "value at risk method" used in legal reporting are used to measure the exchange rate risk of the Bank. Measurements made under the standard method are carried out on a monthly basis and measurements made under the risk-exposed Value Method are carried out on a daily basis.

The Bank monitors daily the designated limits set by the Board of Directors and additionally observes the possible value changes in foreign currency positions. The limits are determined and followed both for the net foreign currency position and for the cross-exchange rate risk within the position. As a tool of foreign currency risk management, foreign currency forward transactions are used when necessary to mitigate the risk.

As of 31 March 2025, the Bank has a closed position of TL 3,060,384 (31 December 2024 - TL 9,121,278 closed) consisting of TL 1,776,812 balance sheet open position (31 December 2024 - TL 17,439,595 open) and TL 4,837,196 off-balance sheet closed position (31 December 2024 - TL 8,318,317 open).

The announced current foreign exchange buying rates of the Bank on the date of the financial statements and the previous five working days are as follows (full TL)

	24/03/2025	25/03/2025	26/03/2025	27/03/2025	28/03/2025	Balance sheet valuation rate
USD	37.88293	37.93475	37.96091	37.96374	37.78979	37.78979
EUR	41.06674	40.99717	40.94979	40.91441	40.74520	40.74520
GBP	49.06981	49.06195	49.01090	49.07620	48.92721	48.92721
CHF	42.96077	42.97855	42.95183	42.96161	42.82807	42.82807
JPY	0.25315	0.25237	0.25247	0.25190	0.25096	0.25096

The simple arithmetic averages of the major current foreign exchange buying rates of the Bank for the thirty days preceding the balance sheet date are as follows (full TL)

	FC Purchase Rate
USD	37.07981
EUR	39.99300
GBP	47.81495
CHF	41.92831
JPY	0.24853

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Currency risk of the Bank

Current Period	EUR	USD	Other FC	Total
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye (****)	21,600,595	61,940,786	103,837,283	187,378,664
Banks (*****)	2,875,087	12,325,136	23,945,139	39,145,362
Financial assets at fair value through profit and loss	42,961	15,714,818	2,978,652	18,736,431
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	9,674	23,631,897	-	23,641,571
Loans and finance lease receivables (*)	92,320,398	119,901,863	47,706	212,269,967
Subsidiaries, associates and joint ventures (**)	1,592,030	-	-	1,592,030
Financial assets at amortized cost (*****)	-	27,076,383	-	27,076,383
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	4,701	-	4,701
Intangible assets	-	235	-	235
Other assets	92,669	59,665	9,384	161,718
Total Assets	118,533,414	260,655,484	130,818,164	510,007,062
Liabilities				
Current account and funds collected from Banks via participation accounts	21,896	412,935	2,030,850	2,465,681
Current and profit-sharing accounts FC (****)	51,702,545	134,442,052	174,914,416	361,059,013
Money market borrowings	-	-	-	-
Funds provided from other financial institutions	13,517,553	118,163,854	11,323,790	143,005,197
Marketable securities issued	-	-	-	-
Miscellaneous payables	1,364,123	3,200,275	16,953	4,581,351
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities (*****)	823,159	1,000,829	132,216	1,956,204
Total Liabilities	67,429,276	257,219,945	188,418,225	513,067,446
Net balance sheet position	51,104,138	3,435,539	(57,600,061)	(3,060,384)
Net off-balance sheet position	(56,032,931)	(3,710,705)	57,966,824	(1,776,812)
Financial derivative assets	11,782,086	59,235,066	134,908,240	205,925,392
Financial derivative liabilities	67,815,017	62,945,771	76,941,416	207,702,204
Non-cash loans (***)	11,227,245	26,081,280	6,432,551	43,741,076
Prior Period				
Total assets	98,870,006	247,845,914	100,110,561	446,826,481
Total liabilities	60,593,946	227,940,064	149,171,193	437,705,203
Net balance sheet position	38,276,060	19,905,850	(49,060,632)	9,121,278
Net off-balance sheet position	(43,380,945)	(23,204,388)	49,145,738	(17,439,595)
Financial derivative assets	4,531,990	40,080,292	77,625,201	122,237,484
Financial derivative liabilities	47,912,935	63,284,680	28,479,463	139,677,078
Non-cash loans (***)	9,914,129	20,082,670	5,657,163	35,653,962

(*) Includes foreign currency indexed loans amounting to TL 862,312 (31 December 2024 - TL 939,403) followed as TL on the balance sheet and expected credit loss amounting to TL 3,887,069.

(**) TL 1,592,030 (31 December 2024 - TL 1,592,030) of the subsidiaries amounting to TL 12,872,212 in the balance sheet include foreign currency subsidiaries and associates.

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

(****) Precious metals are included in "Other FC" column.

(***** Other liabilities at fair value through TL 98,616 in the calculation of profit / loss of securities are not included in the foreign currency risk of impairment provisions. It also includes a provision for foreign currency indexed loans amounting to TL 13,255.

(***** Includes provisions for expected losses amounting to TL 3,044 were deducted from the cash values and the relevant lines from the Central Bank and Banks accounts.

(***** Provisions are included in the relevant amount.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Foreign currency amounts that are not included in the currency risk table due to the legislation related to calculation of foreign currency net position to equity standard ratio, are explained by their gradation in the financial statements below;

- Derivative financial assets held for trading: TL 4,830,205 (31 December 2024 - TL 798,152)
- Prepaid expenses: TL 2,941 (31 December 2024 - TL 3,383)
- Derivative financial liabilities held for trading: TL 582,691 (31 December 2024 - TL 1,453,023)
- Foreign currency valuation differences: (272,451) TL (31 December 2024 - TL (301,804))

Receivables/Payables related to derivative financial instruments include foreign currency purchase/sale transactions and forward precious metal purchases that are amounting to.

- Foreign exchange buying transactions with value date: TL 40,323,977 (31 December 2024 - TL 7,019,428)
- Foreign exchange sales transactions with value date: TL 17,146,029 (31 December 2024 - TL 6,688,067)
- Precious metal purchase transactions: TL 105,373,989 (31 December 2024 - TL 72,552,364)
- Precious metal sales transactions: TL 58,470,292 (31 December 2024 - TL 26,609,412)

Currency risk sensitivity

The Bank is mainly exposed to foreign currency risk in EURO, USD and GOLD.

The following table shows the Bank's sensitivity to 10% change in both USD, Euro and Gold exchange rate.

	% changes on foreign currency	Effects on Profit / Loss		Effects on equity	
		Current Period	Prior Period	Current Period	Prior Period
USD	10%	(27,517)	(329,854)	(171,592)	(516,433)
EURO	10%	(492,879)	(510,489)	(226,156)	(318,163)
Gold	10%	1,244,745	972,593	1,244,745	972,593

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

4. Explanations related to stock position risk

4.1 Relation of risks with gains accounted under equity and analyzing according to their aims including strategic reasons and the accounting policies applied and general information about valuation techniques with assumptions in this application, the elements that manipulate valuation and important changes

The Bank's non-quoted securities are accounted for fair value. When the fair value cannot be reliably measured, the cost method is used.

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

Current Period		Comparison	
Equity Securities Investments	Carrying Value	Fair Value	Market Value
Securities at fair value through other comprehensive income	582,276	-	582,276
Quoted securities	-	-	-
Investments in Associates	-	-	-
Quoted securities	-	-	-
Investment in Subsidiaries	12,872,212	3,894,000	3,894,000
Quoted securities	52,706	3,894,000	3,894,000
Other	20,000	-	-
Quoted securities	-	-	-
Prior Period		Comparison	
Equity Securities Investments	Carrying Value	Fair Value	Market Value
Securities at fair value through other comprehensive income	488,440	-	488,440
Quoted securities	-	-	-
Investments in Associates	-	-	-
Quoted securities	-	-	-
Investment in Subsidiaries	4,122,212	2,603,700	2,603,700
Quoted securities	52,706	2,603,700	2,603,700
Other	20,000	-	-
Quoted securities	-	-	-

4.3 Realized gains/losses, revaluation surplus, unrealized gains/losses on equity securities and results included in core and supplementary capitals

None.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

5. Liquidity risk management and liquidity coverage ratio

The liquidity risk of the Bank is the risk of being unable to fulfil its payment obligations on time due to not having enough cash sources or cash inflows to finance its cash outflows fully and on time due to cash flow instabilities. It has been evaluated in two main categories:

Funding Liquidity Risk: It is a kind of risk which does not meet the any unexpected loss and non-defaulting debts and liabilities.

Market Liquidity Risk: It is a kind of risk which consists of the position that cannot be sold without affecting market price due to insufficient market depth or market conditions' deterioration or that cannot be completed with the position of market price for any reasons.

Liquidity risk is managed by the Asset - Liability Committee (ALCO) and related business units within the framework of the Liquidity Risk Policy and risk appetite approved by the Board of Directors. In liquidity risk management, the measures to be taken and the practices to be carried out are determined by taking into account normal economic conditions and stress conditions. The Bank defines liquidity risk, measures risks with liquidity risk measurement methods in accordance with international standards, monitors them and periodically presents them to the interested parties. Liquidity risk stress tests are performed during monthly periods. An Emergency Funding Plan (liquidity contingency plan) has been created to regulate the procedures and principles for the Bank to maintain and maintain adequate liquidity levels under stress conditions.

5.1 Information on risk capacity of the Bank, Responsibilities and structure of liquidity risk management, the Bank's internal liquidity risk reporting, communication between the Board of Directors and business lines on liquidity risk strategy, policy and application

The applications and responsibilities related to the liquidity risk has been determined according to the Treasury Liquidity and Market Management Policies and Practices approved by Board of Directors. The Bank's liquidity and funding policy is to own sufficient liquidity reserve and funding opportunities to meet its liabilities even in cases of stress, resulting from the market conditions or other conditions specific to the Bank.

The Bank has a strong capital structure and is supported by its main shareholder is Kuwait Finance House; also its current and participation accounts are spread to the base and are stable, and its sources of foreign borrowing are diversified. Hence, by the virtue of the aforementioned facts, the Bank has a high risk capacity. In addition, the Liquidity Coverage Ratio of the Bank which insures its cash outflows with the high-quality liquid assets is deemed high. The Bank also has limits available for use at Central Bank of Türkiye and other financial institutions.

Indicators regarding the liquidity position are analyzed and liquidity risk is evaluated at the ALCO meetings attended by the senior management. Furthermore, the Board of Directors are informed through the Audit Committee.

For the management of liquidity risk, the Risk Management Department follows the funding and liquidity risks, market conditions, in the participating accounts, the distribution of different currencies, maturity, cost and expected future cash flow requirements (particularly with regard to large deposits). Reports on the liquidity gap analysis prepared weekly by Budget and Management Reporting and monitored by the Asset and Liability Committee. These units also estimate the possible liquidity needs of the Bank in case of urgent situations and generate action plans based on these estimates. Risk Management Department follows the limits on liquidity risk determined by the Board of Directors. Risk Management Department, in addition to these, is implementing monthly liquidity stress tests to measure the effects of negative scenarios on liquidity position of the Bank. The Treasury Bank Management manages the liquidity risk and funding risk in order to prevent insufficiencies of funding relating to any time or any source and makes reports related with the liquidity position to Asset and Liability Committee regularly. Official and International Reporting Directorate tracks the liquidity coverage ratio and the results are reported to the BRSA.

5.2 Information on the centralization degree of liquidity management and funding strategy and the functioning between the Bank and the Bank's subsidiaries

The Bank's liquidity management is performed by the Asset and Liability Management. Depending on the Bank's consolidated subsidiaries are subject to liquidity risk is managed in-house, but the necessary communication and coordination within the Assistant General Manager in charge of Treasury and International Banking are provided.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

5.3 Information on the Bank's funding strategy including the policies on funding types and variety of maturities

Bank spread to the base of current and participation accounts and that a stable, long-term diversification and aims to be the source of the funds used. Ratio of liquid assets to total assets ratio and risk indicators related to liquidity, credit and the ratio of funds, issues such as the concentration in collected funds are being closely monitored.

5.4 Information on liquidity management on the basis of currencies constituting a minimum of five percent of the Bank's total liabilities

Almost all liabilities of the Bank are denominated in Turkish Lira, American Dollar, Euro or Gold. The TL denominated liquidity of the Bank is managed through the open market transactions implemented by the Central Bank of the Turkish Republic and interbank operations. Liabilities denominated in TL are used in order to fund assets that are denominated in TL, assets denominated in TL are generated through foreign exchange based funds with swap operations if necessary. Foreign currency funds are provided with the foreign sourced credits denominated in foreign currency and sukuk-financial certificates issued. Liquidity denominated in foreign currency is kept at the interbank operations and accounts of the corresponding bonds within the limits. Liabilities denominated in Gold are kept at the required reserve accounts of the Central Bank of the Turkish substantially.

5.5 Information on liquidity risk mitigation techniques

Liquidity risk is mitigated by using techniques such as maintaining high quality liquid asset buffer to cover possible fund outflows, diversification of funding sources so far as possible and inclusion to the base, homogenizing the maturity distribution of repayments as far as possible, obtaining limits from funding institutions to use when necessary and ensuring that a determined portion of funding sources are comprised of deposits. In addition, core deposit analysis is performed and concentration on collected funds are closely monitored.

5.6 Information on the use of stress tests

In order to analyze the source of the possible liquidity insufficiencies and whether conformably move exists on existing off-balance sheet and balance sheet positions relevant with liquidity risk expectation, 3 types of liquidity stress tests are applied by Risk Management Directorate. These includes stress test scenarios are special to the Bank, related with the overall market or scenarios take in consideration both of the situations. Stress tests related with liquidity risk are repeated at monthly periods. Results are tracked with key risk indicators and monitored by Senior Management.

5.7 General information about the contingency funding plan

Necessary strategy and procedures for the management of possible liquidity crisis are determined with the Contingency Funding Plan, which is approved and reviewed every year by the Executive Risk Committee. The actions to be taken favor the benefits of depositors, creditors of the Bank and shareholders. Indicators of Contingency Funding Plan were determined, in case of unexpected progress at the liquidity situation occur or at situations trigger of other indicators, plan is put into use. After Liquidity Contingency Plan is put into use, Liquidity Contingency Management Committee is responsible from the determination of actions to be taken.

5.8 Presentation of financial liabilities according to contractual maturities

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

5.9 Liquidity coverage ratio

Current Period		Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets	258,517,927	181,608,744	258,500,021	181,590,838
CASH OUTFLOWS					
2	Retail and small business customers, of which;	283,734,217	100,744,034	25,657,548	10,074,403
3	Stable deposits	54,317,466	-	2,715,873	-
4	Less stable deposits	229,416,751	100,744,034	22,941,675	10,074,403
5	Unsecured debts other than real person deposits and retail deposits	139,816,319	69,482,889	66,257,079	31,789,754
6	Operational deposit	-	-	-	-
7	Non-operational deposits	129,696,439	66,458,658	56,137,199	28,765,523
8	Other unsecured funding	10,119,880	3,024,231	10,119,880	3,024,231
9	Secured funding			-	-
10	Other cash outflows	229,990,449	216,571,205	229,990,449	216,571,205
11	Derivative liabilities and collateral fulfilment obligations	153,717,176	140,900,237	153,717,176	140,900,237
12	Obligations related to structured financial products	76,273,273	75,670,968	76,273,273	75,670,968
13	Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
14	Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
15	Other irrevocable or conditionally revocable off-balance sheet obligations	208,716,334	38,199,032	16,376,394	2,042,091
16	TOTAL CASH OUTFLOWS			338,281,470	260,477,453
CASH INFLOWS					
17	Secured lending	-	-	-	-
18	Unsecured lending	86,337,271	51,516,098	61,271,232	41,600,076
19	Other cash inflows	158,310,107	87,417,775	158,310,107	87,417,775
20	TOTAL CASH INFLOWS	244,647,378	138,933,873	219,581,339	129,017,851
				Upper Limit Applied Value	
21	TOTAL HQLA STOCK			258,500,021	181,590,838
22	TOTAL NET CASH OUTFLOWS			118,700,131	131,459,602
23	LIQUIDITY COVERAGE RATIO (%)			217.78	138.13

(*) The simple arithmetic average of the values calculated by taking the weekly simple arithmetic average for the last three months.

For the period 1 January - 31 March 2025, the lowest, highest and average liquidity coverage ratios calculated on a monthly basis are presented in the table below:

	Highest	Date	Lowest	Date	Average
TL+FC	254.66	21/02/2025	167.79	31/01/2025	216.56
FC	161.64	28/03/2025	96.14	31/01/2025	136.66

The liquidity coverage rate is calculated by the proportion of high-quality liquid assets held by the Bank to its one-month maturity cash outflows. Important balance sheet items that determine the rate; Compulsory provisions held by the CBRT, repo / non-repurchase securities, institutional qualified participation accounts, funds from abroad and receivables from banks. These items have more impact on the liquidity coverage ratio than the liquidity assets and net cash outflows because they have a high share of the current cointegration, high concentration and variability over time.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Prior Period		Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets	202,912,497	128,792,058	202,840,451	128,720,011
CASH OUTFLOWS					
2	Retail and small business customers, of which;	203,344,021	22,844,938	17,644,538	2,284,494
3	Stable deposits	53,797,292	-	2,689,865	-
4	Less stable deposits	149,546,729	22,844,938	14,954,673	2,284,494
5	Unsecured debts other than real person deposits and retail deposits	118,411,515	63,898,446	56,660,997	29,575,647
6	Operational deposit	-	-	-	-
7	Non-operational deposits	109,275,598	60,564,199	47,525,080	26,241,400
8	Other unsecured funding	9,135,917	3,334,247	9,135,917	3,334,247
9	Secured funding			-	-
10	Other cash outflows	180,221,376	167,022,189	180,221,376	167,022,189
11	Derivative liabilities and collateral fulfilment obligations	97,774,752	88,161,348	97,774,752	88,161,348
12	Obligations related to structured financial products	82,446,624	78,860,841	82,446,624	78,860,841
13	Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
14	Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
15	Other irrevocable or conditionally revocable off-balance sheet obligations	182,393,700	34,514,007	15,231,352	2,360,354
16	TOTAL CASH OUTFLOWS			269,758,263	201,242,684
CASH INFLOWS					
17	Secured lending	-	-	-	-
18	Unsecured lending	96,959,007	63,556,483	73,529,016	55,633,016
19	Other cash inflows	99,132,567	68,220,072	99,132,567	68,220,072
20	TOTAL CASH INFLOWS	196,091,574	131,776,555	172,661,583	123,853,088
				Upper Limit Applied Value	
21	TOTAL HQLA STOCK			202,840,451	128,720,011
22	TOTAL NET CASH OUTFLOWS			97,096,680	77,389,596
23	LIQUIDITY COVERAGE RATIO (%)			208.91	166.33

(*) The simple arithmetic average of the values calculated by taking the weekly simple arithmetic average for the last three months.

For the period 1 October- 31 December 2024, the lowest, highest and average liquidity coverage ratios calculated on a monthly basis are presented in the table below:

	Highest	Date	Lowest	Date	Average
TL+FC	237.83	08/11/2024	179.81	20/12/2024	212.80
FC	223.68	04/10/2024	128.06	20/12/2024	175.87

The liquidity coverage ratio is calculated by the ratio of the high-quality liquid assets of the Bank to the net cash outflows within the one-month maturity window. Important balance sheet items which are influential over the ratio may be specified as required reserves held in the presence of CBRT, securities not subject to repo/assurance, institutional qualified participation accounts, funds of foreign origins and receivables from banks. These items have a higher influence over the liquidity coverage ratio as their amounts have a higher share of liquid assets and net cash outflows, their consideration rate is higher, and they may show variability over time.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Presentation of assets and liabilities according to their remaining maturities

End of Current Period	Demand	Up to 1 month	1-3 Months	3-12 months	1-5 Years	Over 5 years	Unallocated (***)	Total
Assets								
Cash (cash in vault, effectives, cash in transit, Cheques purchased) and balances with the Central Bank of the Republic of Türkiye	153,185,833	101,875,517	-	-	-	-	(1,692)	255,059,658
Banks (*)	39,191,733	-	-	-	-	-	(3,058)	39,188,675
Financial assets at fair value through profit and loss	-	5,265	13,939	5,785,376	6,926,608	3,675,644	17,579,860	33,986,692
Money market placements	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	16,376,296	-	1,104,626	29,422,128	15,640,370	582,277	63,125,697
Loans (**)	-	115,437,575	70,528,434	175,751,346	107,624,988	4,836,474	(4,464,908)	469,713,909
Financial assets measured at amortized cost	-	2,972,328	-	5,134,448	41,398,741	8,054,599	(32,074)	57,528,042
Other assets (***)	993,728	2,979,558	50,638	-	7,786,667	-	27,552,170	39,362,761
Total Assets	193,371,294	239,646,539	70,593,011	187,775,796	193,159,132	32,207,087	41,212,575	957,965,434
Liabilities								
Current account and funds collected from banks via participation accounts	2,640,757	49	-	-	-	-	-	2,640,806
Current and profit sharing accounts	374,240,537	203,612,899	48,496,694	19,305,333	1,420,491	9,109	-	647,085,063
Funds provided from other financial institutions	-	85,165,347	20,753,335	34,830,990	6,922,891	13,460,853	-	161,133,416
Money market borrowings	-	23,676,516	-	-	-	-	-	23,676,516
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	6,413,816	2,506,042	-	-	-	-	-	8,919,858
Other liabilities (****)	-	6,500,314	8,180,611	598,683	1,124,813	85,374	98,019,980	114,509,775
Total Liabilities	383,295,110	321,461,167	77,430,640	54,735,006	9,468,195	13,555,336	98,019,980	957,965,434
Net liquidity gap	(189,923,816)	(81,814,628)	(6,837,629)	133,040,790	183,690,937	18,651,751	(56,807,405)	-
Prior Period								
Total Assets		213,703,659	74,539,340	169,980,390	175,401,749	31,154,881	23,868,733	852,120,403
Total liabilities	323,767,015	290,467,483	75,836,151	49,431,535	10,446,287	12,457,054	89,714,878	852,120,403
Net liquidity gap	(160,295,364)	(76,763,824)	(1,296,811)	120,548,855	164,955,462	18,697,827	(65,846,145)	-

(*) Expected losses are netted off with provision.

(**) Includes receivables from leasing transactions and presented with netting off with the expected credit loss.

(***) Certain assets in the balance sheet that are necessary for the banking operations but cannot be readily convertible into cash soon, such as tangible assets, investments in associates and subsidiaries, stationary supplies and prepaid expenses are included under unallocated assets.

(****) The unallocated other liabilities consist of equity and provisions balances.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

5.10 Net stable funding ratio

The net stable funding ratio (NSFR) is calculated by dividing the available stable funding amount by the required stable funding amount. Available stable funding is the portion of banks' liabilities and equity expected to be permanent, while required stable funding is the portion of banks' on-balance sheet assets and off-balance sheet liabilities expected to be refinanced.

The amount of available stable funds is calculated by adding the amounts to be found after applying the relevant consideration rates determined in accordance with the legislation to the amounts of the banks' liabilities and equity components valued in accordance with TFRS. The required amount of stable funds is calculated by adding the amounts calculated by deducting the specific provisions set aside in accordance with the Regulation on the Procedures and Principles Regarding the Classification of Loans and the Provisions to be set aside from the amounts of banks' on-balance sheet assets and off-balance sheet liabilities valued in accordance with TFRS, after applying the relevant consideration rates determined in accordance with the legislation.

The three-month simple arithmetic average of the consolidated and unconsolidated NSFR calculated monthly as of the equity calculation periods cannot be less than 100% as of March, June, September and December.

The simple arithmetic average of the Net Stable Funding Rate for the last three months including 31 March 2025 was 123.79% (31 December 2024 - 135.65%). As of 31 March 2025, the current stable fund amount in our bank's Net Stable Funding Table is TL 748,094,842 (31 December 2024 - TL 672,785,640), while the required stable fund amount is TL 604,340,680 (31 December 2024 - TL 495,958,022) and our Net Stable Funding Rate is 123.79% (31 December 2024 - 135.65%).

The NSFR development for the first quarter of 2025 is shown in the table below.

Period	Rate
31 January 2025	127.52%
28 February 2025	124.86%
31 March 2025	123.79%
3-month average	125.39%

Current Period		a	b	c	ç	d
		Unweighted value by residual maturity				Weighted value
		Demand *	Less than 6 Months	6 Months and Longer than 6 Months Less than 1 Year	1 Year and More than 1 Year	
Available Stable Fund						
1	Equity Items	117,420,814	-	-	-	117,420,814
2	Tier 1 and Tier 2 capital	117,420,814	-	-	-	117,420,814
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	374,635,511	258,684,067	11,901,601	999,938	610,761,199
5	Stable deposit/participation fund	332,846,088	238,375,233	11,347,298	675,253	554,081,678
6	Low stable deposit/participation fund	41,789,423	20,308,834	554,303	324,685	56,679,521
7	Payables to other persons	-	-	-	-	-
8	Operational deposits/participation funds	-	-	-	-	-
9	Other payables	-	-	-	-	-
10	Liabilities equivalent to linked assets					
11	Other liabilities	10,940,368	148,005,589	25,979,875	-	12,989,938

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

12	Derivative liabilities				-	
13	Other equity items and liabilities not included above	75,895,654	-	-	6,922,892	6,922,891
14	Available Stable Fund					748,094,842
	Required Stable Funding					
15	High-quality liquid assets					3,132,236
16	Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
17	Live receivables	24,451,100	57,969,295	100,741,569	354,241,507	402,094,932
18	Receivables from credit institutions or financial institutions with first quality liquid assets as collateral	-	-	-	-	-
19	Unsecured receivables from credit institutions or financial institutions or secured receivables whose collateral is not first quality liquid assets	2,075	293,763	-	-	44,376
20	Receivables from corporate customers, institutions, real persons and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	6,286,888	57,666,255	100,741,569	329,141,642	370,460,255
21	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	24,930,917	16,205,096
22	Receivables collateralized by mortgages on residential real estate	-	-	-	-	-
23	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	-	-
24	Quoted equities and debt instruments that do not qualify as high quality liquid assets	18,162,137	9,277	-	168,948	15,385,205
25	Assets equivalent to interconnected liabilities					
26	Other assets	146,216,283	48,838,691	-	14,803,171	193,039,675
27	Commodities with physical delivery including gold	13,435,324				11,420,025
28	Initial margin for derivative contracts or guarantee fund given to central counterparty				-	-
29	Derivative assets				3,478,607	3,478,607
30	Derivative liabilities before deduction of variation margin				45,360,084	45,360,084
31	Other assets not included above	132,780,959	-	-	14,803,171	132,780,959
32	Off-balance sheet payables		121,476,757	-	-	6,073,838
33	Required Stable Funding					604,340,680
34	Net Stable Funding Ratio (%)					123.79

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

The NSFR development for the first quarter of 2024 is shown in the table below.

Period	Rate
31 October 2024	129.61%
30 November 2024	133.30%
31 December 2024	135.65%
3-month average	132.85%

Prior Period		a	b	c	ç	d
		Unweighted value by residual maturity				Weighted value
		Demand *	Less than 6 Months	6 Months and Longer than 6 Months Less than 1 Year	1 Year and More than 1 Year	
Available Stable Fund						
1	Equity Items	105,867,852	-	-	-	105,867,852
2	Tier 1 and Tier 2 capital	105,867,852	-	-	-	105,867,852
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	318,854,051	251,314,165	11,498,696	1,331,487	550,910,127
5	Stable deposit/participation fund	279,608,939	232,662,410	11,096,475	863,533	498,019,789
6	Low stable deposit/participation fund	39,245,112	18,651,755	402,221	467,954	52,890,338
7	Payables to other persons	-	-	-	-	-
8	Operational deposits/participation funds	-	-	-	-	-
9	Other payables	-	-	-	-	-
10	Liabilities equivalent to linked assets					
11	Other liabilities	6,459,329	122,219,654	19,390,815	-	9,695,407
12	Derivative liabilities					
13	Other equity items and liabilities not included above	65,945,567	-	-	6,312,254	6,312,254
14	Available Stable Fund					672,785,640
Required Stable Funding						
15	High-quality liquid assets					3,410,497
16	Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
17	Live receivables	20,234,040	82,392,090	82,173,247	275,487,654	331,370,324
18	Receivables from credit institutions or financial institutions with first quality liquid assets as collateral	-	-	-	-	-
19	Unsecured receivables from credit institutions or financial institutions or secured receivables whose collateral is not first quality liquid assets	2,075	3,220,597	-	-	483,401

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

20	Receivables from corporate customers, institutions, real persons and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	4,013,663	79,163,136	81,476,893	254,445,364	302,806,811
21	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	20,126,195	13,082,026
22	Receivables collateralized by mortgages on residential real estate	-	-	-	-	-
23	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	-	-
24	Quoted equities and debt instruments that do not qualify as high quality liquid assets	16,218,302	8,357	696,354	916,095	14,998,086
25	Assets equivalent to interconnected liabilities					
26	Other assets	124,661,443	33,073,813	-	32,788,304	155,918,780
27	Commodities with physical delivery including gold	12,109,841				10,293,365
28	Initial margin for derivative contracts or guarantee fund given to central counterparty				-	-
29	Derivative assets				-	-
30	Derivative liabilities before deduction of variation margin				33,073,813	33,073,813
31	Other assets not included above	112,551,602	-	-	32,788,304	112,551,602
32	Off-balance sheet payables		105,168,427	-	-	5,258,421
33	Required Stable Funding					495,958,022
34	Net Stable Funding Ratio (%)					135.65

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

6. Explanations on leverage ratio

Disclosure of leverage ratio template

The leverage ratio table prepared in accordance with the communiqué “Regulation on Measurement and Assessment of Leverage Ratios of Banks” published in the Official Gazette no. 28812 dated 5 November 2013 is presented below.

	On-balance sheet assets (*)	Current Period	Prior Period
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	931,451,685	843,750,928
2	(Assets deducted in determining Tier I Capital)	(5,948,716)	(9,087,996)
3	Total on-balance sheet risks (sum of lines 1 and 2)	925,502,969	834,662,932
	Derivative financial instruments and credit derivatives		
4	Replacement cost associated with all derivative instruments and credit derivatives	3,044,760	1,698,299
5	Add-on amounts for PFE associated with all derivative instruments and credit derivatives	2,250,236	1,271,782
6	Total risks of derivative financial instruments and credit derivatives (sum of lines 4 to 5)	5,294,996	2,970,081
	Securities or commodity financing transactions (SCFT)		
7	Risks from SCFT assets (excluding on-balance sheet)	(10,776,800)	(2,341,046)
8	Risks from brokerage activities related exposures	-	-
9	Total risks related with securities or commodity financing transactions (sum of lines 7 to 8)	(10,776,800)	(2,341,046)
	Other off-balance sheet transactions		
10	Gross notional amounts of off-balance sheet transactions	812,292,150	377,210,385
11	(Adjustments for conversion to credit equivalent amounts)	(492,561,243)	(153,868,221)
12	Total risks of off-balance sheet items (sum of lines 10 and 11)	319,730,907	223,342,164
	Capital and total risks		
13	Tier I Capital	91,144,792	78,154,085
14	Total risks (sum of lines 3, 6, 9 and 12)	1,239,752,072	1,058,634,131
	Leverage ratio		
15	Leverage ratio	7.35	7.38

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

As of the Bank's unconsolidated balance sheet date, the leverage ratio calculated based on the arithmetic average of the values found at the end of the month in the previous three months was 7.35% (31 December 2024 - 7.38%). The main reason for the change compared to the previous period is that the increase in capital, on-balance sheet assets and derivative financial assets and credit derivatives items is higher than other items. Accordingly, capital increased by 17% from profit for the period, while on-balance sheet risk increased by 11%, off-balance sheet items increased by 43%. Accordingly, there is an increase of 3 basis points in the leverage ratio in the current period compared to the previous period.

7. Explanations on fair values of financial assets and liabilities

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

8. Explanations on the activities carried out on behalf and account of other persons

Not prepared in accordance with the Article 25 of the Communiqué on Financial Statements and Related Disclosures and Notes to be Announced to Public by Banks

9. Explanations on hedge accounting practices

None (31 December 2024 - None).

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

10. Explanations on risk management

Risk Management System refers to the Board of Directors, the Audit Committee, the Risk Management Committee, Asset-Liability Committee (“ALCO”) and the Risk Management Department (“RMD”) which has been composed in order to manage systemic risks that the Bank is exposed. The Board of Directors is the owner of the Bank's Risk Management System and ensures the establishment of an effective, sufficient and appropriate risk management system as well as the continuity of the system. The main objective of the Bank's Risk Management System is to identify, measure, monitor and control the risks that the Bank is exposed to, by determining the policies, limits and procedures to control, to monitor, and if necessary to change the risk-return structure of the Bank's future cash flows and the level & the quality of related activities.

10.1. GB1 - Overview of risk weighted amounts

		Risk Weighted Amounts		Minimum Capital Requirements
		Current Period 31/03/2025	Prior Period 31/12/2024	Current Period 31/03/2025
1	Credit risk (excluding counterparty credit risk)	352,355,418	296,488,495	28,188,433
2	Standardized approach	352,355,418	296,488,495	28,188,433
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	4,206,802	1,627,418	336,544
5	Standardized approach for counterparty credit risk	4,206,802	1,627,418	336,544
6	Internal model method	-	-	-
7	Basic risk weight approach to internal model's 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% risk weighting approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization exposures in banking book	-	-	-
13	IRB ratings-based approach	-	-	-
14	IRB supervisory formula approach	-	-	-
15	SA/simplified supervisory formula approach	-	-	-
16	Market risk	44,627,313	44,449,178	3,570,185
17	Standardized approach	44,627,313	44,449,178	3,570,185
18	Internal model approaches	-	-	-
19	Operational risk	88,762,224	55,143,267	7,100,978
20	Basic indicator approach	88,762,224	55,143,267	7,100,978
21	Standardized approach	-	-	-
22	Advanced measurement approach	-	-	-
23	Amounts below the thresholds for deduction from capital (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	489,951,757	397,708,358	39,196,140

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

11. Securitization positions

None.

12. Explanations on the activities carried out on behalf and account of other persons, fiduciary-based transactions

The Bank does not perform purchases, sales and custody services in the name of others. The Bank has no fiduciary-based transaction agreements.

13. Qualitative explanations on market risk

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

14. Explanations on operating segments

The Bank operates in Corporate and Commercial Banking, Retail Banking, Treasury and International Banking sectors.

Corporate and Commercial Banking: Special cash flow and financial solutions are provided to customers through loans, non-cash loans, foreign trade financing services and similar customized products to meet the financial needs of the customers. Domestic and foreign business opportunities are supported by using different corporate banking instruments to serve the sustainability of the production of entities.

Retail Banking includes fund collection, instalment commercial loans, business loans, non-cash loans, consumer financing and credit cards. The Bank serves in the range of products areas of profit share accounts creation, banking services, trade finance, checks, POS services, credit cards, ATM services, online banking and mobile banking in these fields.

In Treasury and International Banking, the relationships with foreign correspondent banks and investment institutes are executed directly or via branches abroad, representative offices and agencies. The firms, which are exceed size limits, are classified “corporate” customers and directed to the Corporate Banking. The products are the same with the Commercial Banking. The aim of international banking is to enable foreign trade financing and develop mutual long-term financing agreements with foreign banks. Besides supplying syndicated loans and issue the Sukuk for the Bank, investment banking also supplies syndicated loans in corporate basis for the firms and Banks in Türkiye. The project finance function is also performed by Investment Banking. In addition to monitoring the foreign currency position and cash flows on behalf of the Bank, the Treasury carries out spot and forward TL and foreign currency trading, derivative transactions (Forward, Swap) with banks and customers, stock trading within the scope of BIST membership, murabaha transactions with foreign banks and gold trading transactions.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Selected balance sheet and income statement items according to segments

Current Period					
1 January 2025-31 March 2025	Retail Banking	Corporate and Commercial Banking	Treasury and international Banking	Unallocated	Bank's total operation
Operating income	29,685,011	12,247,121	10,016,254	-	51,948,386
Operating expenses (-)	16,788,139	7,019,750	6,894,065	7,480,646	38,182,600
Transfers between segments	16,826,839	(7,853,258)	(8,973,581)	-	-
Net operating income / loss	29,723,711	(2,625,887)	(5,851,392)	(7,480,646)	13,765,786
Income from associates using equity method	-	-	-	-	-
Profit before tax	29,723,711	(2,625,887)	(5,851,392)	(7,480,646)	13,765,786
Provision for taxation (-)	-	-	-	3,274,657	3,274,657
Net profit for the period	29,723,711	(2,625,887)	(5,851,392)	(10,755,303)	10,491,129
Current Period					
31 March 2025					
Segment assets	204,667,635	263,647,004	456,024,467	-	924,339,106
Associates, subsidiaries and joint ventures	-	-	-	12,892,212	12,892,212
Undistributed assets	-	-	-	20,734,116	20,734,116
Total assets	204,667,635	263,647,004	456,024,467	33,626,328	957,965,434
Segment liabilities	501,028,834	148,697,035	188,315,634	-	838,041,503
Undistributed liabilities	-	-	-	28,353,340	28,353,340
Shareholders' equity	-	-	-	91,570,591	91,570,591
Total liabilities	501,028,834	148,697,035	188,315,634	119,923,931	957,965,434
Prior Period					
1 January 2024-31 March 2024	Retail Banking	Corporate and Commercial Banking	Treasury and international Banking	Unallocated	Bank's total operation
Operating income	19,095,497	15,859,863	1,136,444	-	36,091,804
Operating expenses (-)	14,820,054	5,514,105	1,439,695	4,569,976	26,343,830
Transfers between segments	10,617,942	(3,851,986)	(6,765,956)	-	-
Net operating income / loss	14,893,385	6,493,772	(7,069,207)	(4,569,976)	9,747,974
Income from associates using equity method	-	-	-	-	-
Profit before tax	14,893,385	6,493,772	(7,069,207)	(4,569,976)	9,747,974
Provision for taxation (-)	-	-	-	2,402,545	2,402,545
Net profit for the period	14,893,385	6,493,772	(7,069,207)	(6,972,521)	7,345,429
Current Period					
31 December 2024					
Segment assets	161,029,683	260,169,927	401,551,099	-	822,750,709
Associates, subsidiaries and joint ventures	-	-	-	4,142,212	4,142,212
Undistributed assets	-	-	-	25,227,482	25,227,482
Total liabilities	161,029,683	260,169,927	401,551,099	29,369,694	852,120,403
Prior Period					
31 December 2024					
Segment liabilities	445,912,051	139,651,862	158,145,485	-	743,709,398
Undistributed liabilities	-	-	-	26,183,511	26,183,511
Shareholders' equity	-	-	-	82,227,494	82,227,494
Total liabilities	445,912,051	139,651,862	158,145,485	108,411,005	852,120,403

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

SECTION FIVE

EXPLANATIONS AND NOTES ON THE FINANCIAL STATEMENTS

1. Explanations and notes related to assets

1.1 Information regarding the cash assets and the Central Bank of Republic of Türkiye

1.1.1 Cash and balances with the Central Bank of Republic of Türkiye

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/foreign currency	3,164,476	8,499,343	3,622,738	9,463,215
The Central Bank of Republic of Türkiye	64,438,026	165,524,182	55,920,535	141,876,397
Other (*)	78,195	13,357,128	173	12,109,667
Total	67,680,697	187,380,653	59,543,446	163,449,279

(*) As of 31 March 2025, precious metal account amounting to TL 13,354,738 (31 December 2024 - TL 12,109,667) and money in transit amounting to TL 80,585 (31 December 2024 - TL 173) are presented in this line

1.1.2 Information about CBRT

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	37,888,260	63,648,665	30,806,892	54,551,669
Restricted Time Deposit	-	-	-	-
Unrestricted Time Deposit	26,549,766	101,875,517	25,113,643	87,324,728
Total	64,438,026	165,524,182	55,920,535	141,876,397

In accordance with the Communiqué No. 2013/15 on Reserve Requirements, the Bank establishes reserve requirements at the CBRT for its Turkish Lira and foreign currency liabilities. According to the “Communiqué on Required Reserves”, required reserves can be held at the CBRT in Turkish Lira, US Dollars and/or Euros and standard gold.

As of 31 March 2025, the Bank maintains reserve requirements for Turkish Lira participation funds and other liabilities at 3% to 17% (22% to 33% for accounts with currency hedging support), for foreign currency participation funds and other liabilities at 5% to 30%, and for precious metal deposit accounts at 22% to 26% depending on the maturity structure. The additional reserve requirement ratio for foreign currency participation funds (excluding participation funds of foreign banks and precious metal deposit accounts) is 4%.

1.2 Information on financial assets at fair value through profit and loss

As of 31 March 2025, there are no financial assets at fair value through profit or loss subject to repurchase agreements (31 December 2024 – None). The amount given as collateral and blocked is TL 5,430,918 (31 December 2024 – TL 4,424,962).

Positive differences related to marketable derivative financial assets:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	96,167	241,454	164,392	103,355
Swap transactions	297,512	4,588,751	152,842	694,797
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	393,679	4,830,205	317,234	798,152

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.3 Information on Banks

1.3.1. Information on Banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	45,316	39,146,417	27,753	27,014,929
Domestic	45,316	661,966	27,753	512,475
Foreign	-	38,484,451	-	26,502,454
Headquarters and branches abroad	-	-	-	-
Other Financial Institutions	-	-	-	-
Total	45,316	39,146,417	27,753	27,014,929

1.3.2. Information on foreign banks account

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

1.4 Information on financial assets at fair value through other comprehensive income

	Current Period	Prior Period
Debt Securities	70,959,392	67,313,502
Quoted on Stock Exchange	60,745,134	57,564,834
Not Quoted on Stock Exchange	10,214,258	9,748,668
Share Certificates/Investment Funds	200,435	172,796
Quoted on Stock Exchange	61,884	57,759
Not Quoted on Stock Exchange	138,551	115,037
Impairment Provision (-)	8,034,130	6,528,031
Total	63,125,697	60,958,267

1.4.1. Information on financial assets given as collateral or blocked at fair value reflected in other comprehensive income

As of the balance sheet date, there are financial assets given TL 25,544,481 (31 December 2024 - TL 22,504,948) as collateral whose fair value difference is reflected to other comprehensive income.

1.4.2. Information on financial assets whose fair value difference subject to repo transaction is reflected to other comprehensive income

As of the balance sheet date, there are financial assets subject to sale transactions with the promise of repurchase, of which TL 14,266,398 (31 December 2024 - TL 5,781,119) is reflected to other comprehensive income.

1.5 Explanations on financial assets measured at amortized cost

1.5.1 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	59,973	117,993	31,373	104,629
Corporate Shareholders	19,339	117,074	2,080	104,169
Real Person Shareholders	40,634	919	29,293	460
Indirect Loans Granted to Shareholders	2,444	3,688	1,117	3,505
Loans Granted to Employees	389,427	21,482	331,765	5,782
Total	451,844	143,163	364,255	113,916

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5.2 Information on standard loans, loans under close monitoring and restructured loans under close monitoring

Current Period - Cash Loans	Standard Loans	Loans Under Close Monitoring		
		Not Subject to Restructuring	Restructured Loans	
			Revised Contract Terms	Refinance
Loans	383,818,170	25,703,269	4,136,578	-
Export Loans	58,604,112	1,334,338	-	-
Import Loans	18,462,261	423,363	-	-
Corporation Loans	193,945,624	17,071,659	3,611,026	-
Consumer Loans	23,817,311	787,051	6,966	-
Credit Cards	54,989,749	5,485,599	212,309	-
Loans given to financial sector	615,978	-	-	-
Other	33,383,135	601,259	306,277	-
Other Receivables	6,333	63,181	-	-
Total	383,824,503	25,766,450	4,136,578	-

Prior Period - Cash Loans	Standard Loans	Loans Under Close Monitoring		
		Not Subject to Restructuring	Restructured Loans	
			Revised Contract Terms	Refinance
Loans	350,387,220	22,876,571	3,909,491	-
Export Loans	56,243,452	1,030,894	-	-
Import Loans	18,028,033	340,620	-	-
Corporation Loans	176,124,416	15,321,535	3,504,424	-
Consumer Loans	20,522,311	799,233	3,265	-
Credit Cards	47,479,935	4,906,271	136,378	-
Loans given to financial sector	3,451,488	-	-	-
Other	28,537,586	478,018	265,424	-
Other Receivables	3,295	18,305	-	-
Total	350,390,516	22,894,876	3,909,491	-

Information on standard loans and loans under close monitoring and restructured loans under close monitoring regarding provision

	Standard Loans Current Period	Loans Under Close Monitoring Current Period	Standard Loans Prior Period	Loans Under Close Monitoring Prior Period
12 Month Expected Credit Losses	2,137,912	-	2,696,490	-
Expected Loss Provision for Other Financial Assets Measured at Amortized Cost	32,074	-	63,024	-
Significant Increase in Credit Risk	-	3,907,535	-	4,242,520
Total	2,169,986	3,907,535	2,759,514	4,242,520

1.5.3 Distribution of cash loans and other receivables according to their maturities

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5.4 Information on consumer loans, retail credit cards, loans given to personnel and personnel credit cards

Current Period	Short Term	Medium and Long Term	Total
Consumer Loans-TL	2,007,759	22,372,250	24,380,009
Housing Loans	91,587	17,082,194	17,173,781
Vehicle Loans	704,580	3,984,924	4,689,504
Consumer Loans	1,204,755	728,614	1,933,369
Other	6,837	576,518	583,355
Consumer Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	12,829	12,829
Housing Loans	-	12,829	12,829
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Retail Credit Cards-TL	18,303,645	24	18,303,669
With Instalment	4,763,409	24	4,763,433
Without Instalment	13,540,236	-	13,540,236
Retail Credit Cards-FC	-	-	-
With Instalment	-	-	-
Without Instalment	-	-	-
Personnel Loans-TL	90,686	127,804	218,490
Housing Loans	132	21,695	21,827
Vehicle Loans	18,936	50,784	69,720
Consumer Loans	71,618	55,325	126,943
Other	-	-	-
Personnel Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	200,681	2	200,683
With Instalment	79,372	2	79,374
Without Instalment	121,309	-	121,309
Personnel Credit Cards-FC	-	-	-
With Instalment	-	-	-
Without-instalment	-	-	-
Overdraft Account-TL (Real Person)	-	-	-
Overdraft Account-FC (Real Person)	-	-	-
Total	20,602,771	22,512,909	43,115,680

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Prior Period	Short Term	Medium and Long Term	Total
Consumer Loans-TL	1,852,591	19,262,736	21,115,327
Housing Loans	69,324	13,331,667	13,400,991
Vehicle Loans	616,279	4,535,322	5,151,601
Consumer Loans	1,149,941	714,189	1,864,130
Other	17,047	681,558	698,605
Consumer Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	16,396	16,396
Housing Loans	-	16,396	16,396
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Retail Credit Cards-TL	16,193,511	24	16,193,535
With Instalment	4,142,089	24	4,142,113
Without Instalment	12,051,422	-	12,051,422
Retail Credit Cards-FC	-	-	-
With Instalment	-	-	-
Without Instalment	-	-	-
Personnel Loans-TL	81,304	111,782	193,086
Housing Loans	423	15,521	15,944
Vehicle Loans	15,956	41,569	57,525
Consumer Loans	64,923	54,692	119,615
Other	2	-	2
Personnel Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	159,943	2	159,945
With Instalment	66,931	2	66,933
Without Instalment	93,012	-	93,012
Personnel Credit Cards-FC	-	-	-
With Instalment	-	-	-
Without-instalment	-	-	-
Overdraft Account-TL (Real Person)	-	-	-
Overdraft Account-FC (Real Person)	-	-	-
Total	18,287,349	19,390,940	37,678,289

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5.5 Information on commercial installment loans and corporate credit cards

Current Period	Short Term	Medium and Long Term	Total
Commercial Installment Loans-TL	7,753,098	52,354,212	60,107,310
Business Loans	54,821	3,696,260	3,751,081
Vehicle Loans	6,138,418	39,708,368	45,846,786
Consumer Loans	1,559,859	8,949,584	10,509,443
Other	-	-	-
Commercial Installment Loans-FC Indexed	18,710	175,967	194,677
Business Loans	18,710	-	18,710
Vehicle Loans	-	-	-
Consumer Loans	-	175,967	175,967
Other	-	-	-
Commercial Installment Loans-FC	83,449	11,309,303	11,392,752
Business Loans	-	2,057,330	2,057,330
Vehicle Loans	83,449	9,251,973	9,335,422
Consumer Loans	-	-	-
Other	-	-	-
Corporate Credit Cards-TL	42,183,305	-	42,183,305
With Installment	18,530,208	-	18,530,208
Without Installment	23,653,097	-	23,653,097
Corporate Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Overdraft Account-TL (Legal Entity)	-	-	-
Total	50,038,562	63,839,482	113,878,044

Prior Period	Short Term	Medium and Long Term	Total
Commercial Installment Loans-TL	8,401,563	41,961,903	50,363,466
Business Loans	204,525	2,959,097	3,163,622
Vehicle Loans	6,582,599	32,188,908	38,771,507
Consumer Loans	1,614,439	6,813,898	8,428,337
Other	-	-	-
Commercial Installment Loans-FC Indexed	5,489	201,814	207,303
Business Loans	5,489	-	5,489
Vehicle Loans	-	-	-
Consumer Loans	-	201,814	201,814
Other	-	-	-
Commercial Installment Loans-FC	27,458	8,876,162	8,903,620
Business Loans	-	1,773,606	1,773,606
Vehicle Loans	27,458	7,102,556	7,130,014
Consumer Loans	-	-	-
Other	-	-	-
Corporate Credit Cards-TL	36,169,104	-	36,169,104
With Installment	15,847,479	-	15,847,479
Without Installment	20,321,625	-	20,321,625
Corporate Credit Cards-FC	-	-	-
With Installment	-	-	-
Without Installment	-	-	-
Overdraft Account-TL (Legal Entity)	-	-	-
Overdraft Account-FC (Legal Entity)	-	-	-
Total	44,603,614	51,039,879	95,643,493

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5.6. Breakdown of loans by users

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

1.5.7 Breakdown of domestic and foreign loans

	Current Period	Prior Period
Domestic Loans	407,165,265	369,452,118
Foreign Loans	6,562,266	7,742,765
Total	413,727,531	377,194,883

1.5.8 Loans granted to subsidiaries and associates

	Current Period	Prior Period
Loans Granted Directly to Subsidiaries and Associates	113,407	111,135
Loans Granted Indirectly to Subsidiaries and Associates	-	-
Total	113,407	111,135

1.5.9 Specific provisions for loans or default (third stage) provisions

	Current Period	Prior Period
Loans and Receivables with Limited Collectability	1,215,572	1,226,003
Loans and Receivables with Doubtful Collectability	2,559,037	1,387,051
Uncollectible Loans and Receivables	2,981,445	3,366,684
Total	6,756,054	5,979,738

1.5.10. Information on non-performing loans (Net)

1.5.10.1 Information on loans and other receivables included in loans under follow-up account, which are restructured or rescheduled

	Group III	Group IV	Group V
	Loans and	Loans and	
	Receivables with	Receivables with	Uncollectible
	Limited	Doubtful	Loans and
	Collectability	Collectability	Receivables
Current Period			
Gross Amount Before Specific Provisions	-	-	2,298
Restructured Loans and Receivables	-	-	2,298
Prior Period			
Gross Amount Before Specific Provisions	-	-	2,463
Restructured Loans and Receivables	-	-	2,463

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5.10.2. Information on the movement of total non-performing loans

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period			
Ending balance of prior period 31.12.2024	1,710,851	1,696,519	3,633,300
Additions in the current period (+)	1,105,172	2,082,967	3,167,808
Transfers from other categories of non-performing loans (+)	-	785,254	317,449
Transfers to other categories of non-performing loans (-)	785,254	317,449	-
Collections in the current period (-)	457,121	998,525	2,447,442
Write-offs (-)	-	-	1,189,010
Sold Portfolio (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Ending balance of the current period	1,573,648	3,248,766	3,482,105
Specific provisions (-)	1,215,572	2,559,037	2,981,445
Net balances on balance sheet	358,076	689,729	500,660

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Prior Period			
Ending balance of prior period 31.12.2023	231,744	434,254	2,937,343
Additions in the current period (+)	1,638,924	1,913,853	3,012,977
Transfers from other categories of non-performing loans (+)	-	108,379	721,212
Transfers to other categories of non-performing loans (-)	108,379	721,212	-
Collections in the current period (-)	51,438	38,755	1,646,099
Write-offs (-)	-	-	1,392,133
Sold Portfolio (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Ending balance of the current period	1,710,851	1,696,519	3,633,300
Specific provisions (-)	1,226,003	1,387,051	3,366,684
Net balances on balance sheet	484,848	309,468	266,616

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5.10.3 Information on non-performing loans granted as foreign currency loans

	Group III	Group IV	Group V
Current Period			
Ending balance of the current period	369,249	433,973	623,572
Provision amount (-)	256,767	383,145	557,708
Net balance at the balance sheet	112,482	50,828	65,864
Prior Period			
Ending balance of the current period	191,875	99,372	521,991
Provision amount (-)	154,919	72,473	492,098
Net balance at the balance sheet	36,956	26,899	29,893

1.5.10.4. Gross and net amounts of non-performing loans with respect to user groups

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period (Net)	358,076	689,729	500,660
Loans granted to real persons and legal entities (Gross)	1,573,648	3,248,766	3,482,105
Specific provision (-)	1,215,572	2,559,037	2,981,445
Loans to real persons and legal entities (Net)	358,076	689,729	500,660
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other loans and receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other loans and receivables (Net)	-	-	-
Prior Period (Net)	484,848	309,468	266,616
Loans granted to real persons and legal entities (Gross)	1,710,851	1,696,519	3,633,300
Specific provision (-)	1,226,003	1,387,051	3,366,684
Loans to real persons and legal entities (Net)	484,848	309,468	266,616
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other loans and receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other loans and receivables (Net)	-	-	-

The Bank has collaterals such as cash, mortgages, pledges, and checks of customer issued for non-performing loans.

1.5.10.5. In terms of financial instrument classes, the aging analysis of past due but not impaired financial assets is as follows

This footnote has not been prepared in accordance with Article 25 of The Communiqué on the Financial Statements about disclosures to be announced to Public by The Banks.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5.10.6 Information on profit share accruals, rediscounts and valuation differences computed for non-performing loans and their provision

	Group III	Group IV	Group V
	Loans and Other Receivables with Limited Collectability	Loans and Other Receivables with Doubtful Collectability	Uncollectible Loans and Other Receivables
Current Period (Net)	38,956	66,894	41,394
Profit share accruals, rediscount and valuation differences	137,371	288,022	355,185
Provision (-)	98,415	221,128	313,791

	Group III	Group IV	Group V
	Loans and Other Receivables with Limited Collectability	Loans and Other Receivables with Doubtful Collectability	Uncollectible Loans and Other Receivables
Prior Period (Net)	48,718	32,168	18,059
Profit share accruals, rediscount and valuation differences	161,000	130,529	380,009
Provision (-)	112,282	98,361	361,950

1.5.11. Main guidelines for liquidation process of uncollectible loans and other receivables

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

1.5.12. Information on the write-off policy

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

1.6 Information on financial assets measured at amortized cost

1.6.1 Information on other financial assets measured at amortized cost

	Current Period	Prior Period
Debt Securities	57,560,116	56,023,875
Quoted on a Stock Exchange	57,560,116	56,023,875
Not Quoted	-	-
Total	57,560,116	56,023,875

1.6.2 Movements of other financial assets measured at amortized cost during the year

	Current Period	Prior Period
Opening Balance	56,023,875	63,203,644
Foreign Exchange Gain/Loss	1,780,670	4,127,728
Purchases During the Year	-	3,660,000
Disposals Through Sales and Redemptions (-)	-	8,560,000
Transfers	-	(6,325,000)
Income Accruals and Discounts	(244,429)	(82,497)
Total	57,560,116	56,023,875

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.7 Information on investment in associates (Net)

1.7.1 The 1.49% ownership of the shares of Kredi Garanti Fonu A.Ş. amounting to TL 4,897 (31 December 2024 - TL 4,897), ownership of the shares of Katılım Finans Kefalet A.Ş. amounting to TL 90,000, which corresponds to 15% in (31 December 2024 - TL 67,500), Swift shares amounting to TL 9,674 (31 December 2024 - TL 8,713) and 0.0035% ownership of the shares traded in Borsa İstanbul A.Ş. amounting to TL 15 (31 December 2024 - TL 15), 2.86% ownership of the shares of JCR Avrasya Derecelendirme A.Ş. amounting to TL 2,755 (31 December 2024 - TL 2,755), The 0.82% ownership of the shares of İhracatı Geliştirme A.Ş. amounting to TL 30,420 (31 December 2024 - TL 30,420), VISA shares amounting to TL 444,515 (31 December 2024 - TL 374,140) are classified as financial assets at fair value through other comprehensive income and the Bank does not have a significant influence on these entities.

1.7.2 Information about investments in unconsolidated associates: None (31 December 2024 - None).

1.7.3 Information related to consolidated associates: None (31 December 2024 - None).

1.8 Information on subsidiaries (Net)

1.8.1 Although the Bank has control power over the management and capital of its non-financial subsidiaries, Körfez Tatil Beldesi Turistik Tesisler ve Devremülk İşletmeciliği San. Ve Tic. A.Ş. and Architech Bilişim Sistemleri ve Pazarlama Tic A.Ş. and KT Sağlam Gayrimenkul A.Ş. does not confirm to the definition of financial subsidiary in accordance with “Regulation related to the Preparation of Consolidated Financial Statements by Banks” published in the Official Gazette No. 26340 dated 8 November 2006; hence this subsidiary has not been consolidated.

1.8.2 Information on subsidiaries

	Title	Address (City/Country)	Bank's share percentage, if different-voting percentage (%)	Bank's risk group share percentage (%)
1	KT Bank AG(*)	Frankfurt/Germany	100	100
2	Neova Katılım Sigorta A.Ş.(***)	İstanbul/Türkiye	100	100
3	KT Kira Sertifikaları Varlık Kiralama A.Ş.	İstanbul/Türkiye	100	100
4	KT Sukuk Varlık Kiralama A.Ş.	İstanbul/Türkiye	100	100
5	Kuveyt Türk Portföy Yönetimi A.Ş.	İstanbul/Türkiye	100	100
6	Körfez Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul/Türkiye	74	74
7	Architech Bilişim Sistemleri ve Pazarlama Tic A.Ş.(**)	İstanbul/Türkiye	100	100
8	Körfez Tatil Beldesi Turistik Tesisler ve Devremülk İşletmeciliği San.ve Tic. A.Ş.(**)	İstanbul/Türkiye	99.99	99.99
9	Kuveyt Türk Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	100	100
10	Sağlam Finansal Teknolojiler A.Ş.	İstanbul/Türkiye	100	100
11	KT Sağlam Gayrimenkul A.Ş.	İstanbul/Türkiye	100	100

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Information on subsidiaries in the order listed above

	Total assets	Equity	Total fixed assets	Profit share income	Income from marketable securities	Current period profit/loss	Prior period profit /loss	Fair value
1 (*)	35,444,049	6,478,438	626,798	297,358	40,249	5,745	(28,197)	-
2 (***)	30,793,630	4,776,641	725,084	1,594,929	1,550,056	473,519	367,211	-
3	14,086,211	1,147	-	-	-	133	171	-
4	2,971,368	1,259	-	-	-	72	113	-
5	1,435,800	1,202,605	27,227	-	-	287,002	99,370	-
6	915,201	757,670	9,616	16	-	4,645	8,339	-
7 (**)	1,056,713	835,248	91,030	61,190	60,837	319,563	41,560	-
8 (**)	308,577	228,220	561	-	-	1,702	5,134	-
9	1,012,302	430,053	51,933	29,500	-	27,087	5,278	-
10	221,063	217,581	2,920	-	-	11,124	-	-
11	8,012,091	7,900,073	-	-	-	(392)	-	-

(*) As of 31 March 2025, financial figures for this entity in the table above are based on the financial information prepared in accordance with the local regulations of the country in which this entity operates.

(**) These are the amounts in the statutory financial statements dated 31 March 2025, regulated according to the Turkish Commercial Code.

(***) According to Article 10 of the Regulation on the Measurement and Evaluation of Capital Adequacy of Insurance and Reinsurance and Pension Companies, Neova Katılım Sigorta A.Ş. calculates a minimum required equity capital twice a year, in June and December periods, and the capital deficiency on 31 March 2025, is TL 350,492 (31 December 2024: Capital deficiency TL 738,368). In addition, the shareholder of Neova Katılım Sigorta A.Ş. has the financial power and management understanding to eliminate any financial risk.

Movement regarding the subsidiaries

	Current Period	Prior Period
Balance at the beginning of the year	4,122,212	3,192,925
Movements during the year	8,750,000	929,287
Purchases (*)	8,750,000	929,287
Transfers from subsidiaries(net)	-	-
Bonus shares	-	-
Dividends from current year income	-	-
Sales	-	-
Revaluation increase	-	-
Impairment	-	-
Capital commitment payments	-	-
Balance at the end of the year	12,872,212	4,122,212
Capital commitments	-	22,500
Share percentage at the end of the year (%)	-	-

(*) The Bank established KT Sağlam Gayrimenkul A.Ş., a subsidiary, on 24 February 2025, with a capital of TL 8,000,000,000 (full amount). The capital of Neova Katılım Sigorta A.Ş., a subsidiary of the Bank, which was TL 1,651,796,000 (full amount) as of 31 March 2025, with a registration date of 2 April 2025, increasing it by TL 750,000,000 (full amount) to TL 2,401,796,000 (full amount).

Sectoral information on consolidated subsidiaries and the related carrying amounts

	Current Period	Prior Period
Banks	1,592,030	1,592,030
Insurance Companies	2,401,796	1,651,796
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Subsidiaries	754,706	754,706
Total	4,748,532	3,998,532

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Subsidiaries that are quoted on the stock exchange

	Current Period	Prior Period
Quoted in Domestic Stock Exchange	52,706	52,706
Quoted in Foreign Stock Exchange	-	-
Total	52,706	52,706

1.8.3 Information on capital adequacies of major subsidiaries

The shareholder's equity of KT Bank AG, the bank's subsidiary in Germany, calculated as of 31 March 2025, is EUR 159,115,261 (Full EUR amount) and the capital adequacy ratio is 24.2%.

1.9 Information on joint ventures (business partnerships) (Net)

	Bank's share percentage	Total assets	Equity	Total fixed assets	Current period profit/loss	Prior period profit /loss
Katılım Emeklilik ve Hayat A.Ş. (*)	50%	43,158,433	1,409,698	139,272	128,907	127,789

(*) In accordance with decision of the Bank's Board of Directors on 25 April 2013, Kuveyt Türk Katılım Bankası A.Ş. and Albaraka Türk Katılım Bankası A.Ş. decided to establish the Pension Company in line with main shares. Bank decided to establish that pension company with the equal share amounts with Albaraka Türk Katılım Bankası A.Ş. and that pension company is registered with the trade name "Katılım Emeklilik ve Hayat Anonim Şirketi", 895027 registry numbered dated 17 December 2013 by İstanbul Trade Registry Office.

1.10 Information on finance lease receivables (Net)

1.10.1 Presentation of remaining maturities of net finance leases

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	41,131,262	31,737,614	34,908,399	27,101,903
1 to 4 years	30,402,143	27,433,783	24,424,789	22,145,023
More than 4 years	1,365,132	1,311,963	1,270,489	1,259,696
Total	72,898,537	60,483,360	60,603,677	50,506,622

1.10.2 Net investments in finance leases

	Current Period	Prior Period
Gross Receivable from Finance Leases	72,898,536	60,603,677
Unearned Finance Lease Income (-)	12,415,176	10,097,055
Cancelled Rental Amounts (-)	-	-
Net Leasing Investment	60,483,360	50,506,622

1.10.3 Information on finance lease contracts

The Bank determines the settlements of the financial lease agreements in accordance with related legislations. Payment terms and amounts may be rearranged with additional agreements upon customers' requests. On the agreements, the Bank gives the customer the option to buy the related property. According to the Financial Lease Law, if a customer does not fulfill its obligations until 60 days, the Bank sends a notice to the customer and the Bank takes legal action against the customer if necessary. Non-performing finance lease receivables amounting to TL 1,187,945 are included in the non-performing loans in the balance sheet (31 December 2024 – TL 652,739).

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.11 Information on derivative financial assets for hedging purposes

None (31 December 2024 – None).

1.12. Information on tangible assets

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1.13. Explanations on intangible assets

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1.14. Explanations on investment properties

None (31 December 2024 – None).

1.15. Information on deferred tax asset

As of 31 March 2025, deferred tax is offset as TL 7,786,667 in the balance sheet (31 December 2024 - TL 8,340,450). The deferred tax asset is TL 9,236,901 (31 December 2024 - TL 9,115,487) and the deferred tax liability is TL 1,450,234 (31 December 2024 - TL 775,037).

	Current Period	Prior Period
TFRS 9 Provisions	1,659,257	1,794,065
Tangible assets valuation differences	2,433,152	1,997,385
Employee benefits liability	573,950	730,910
Deferred income	762,398	612,715
Severance pays liability	467,773	429,630
Discounts on derivative financial instruments	(1,089,296)	-
Valuation Difference of Marketable Securities	2,761,263	2,303,149
Other	218,170	472,596
Net Deferred Tax Asset	7,786,667	8,340,450

Table of deferred tax asset movement

	Current Period	Prior Period
As of 1 January	8,340,450	5,747,818
Deferred Tax (Expense)/Income	(1,045,643)	683,538
Deferred Tax Accounted Under Equity	491,860	1,909,094
Deferred tax asset	7,786,667	8,340,450

1.16. Explanations on assets held for sale and discontinued operations

	Current Period	Prior Period
Opening Balance	522,743	428,585
Additions	154,033	212,519
Transfers from Tangible Asset	-	-
Disposals (-), Net	164,227	118,361
Transfer to Tangible Assets	-	-
Amortization Cost (-)	-	-
Provision for Impairment (-)	-	-
Closing Net Book Value	512,549	522,743

1.17. Information on other assets

As of balance sheet date, the Bank's other assets amount to TL 4,165,213 (31 December 2024 - TL 9,209,753). Other assets balance does not exceed 10% of the total assets on the balance sheet excluding off balance sheet commitments.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

2. Explanations and Notes Related to Liabilities

2.1 Information on funds collected

2.1.1 Information on maturity structure of funds collected

Current Period	Demand	Up to 1 months	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	1 year and over	Accumulated profit sharing accounts	Total
I. Real persons current accounts-TL	48,451,721	-	-	-	-	-	-	-	48,451,721
II. Real persons profit sharing accounts TL	-	23,317,229	102,420,860	9,029,618	-	11,523,590	6,079,551	11,853	152,382,701
III. Another current accounts-TL	33,656,690	-	-	-	-	-	-	-	33,656,690
Public sector	958,866	-	-	-	-	-	-	-	958,866
Commercial sector	31,829,185	-	-	-	-	-	-	-	31,829,185
Other institutions	693,563	-	-	-	-	-	-	-	693,563
Commercial and other institutions	-	-	-	-	-	-	-	-	-
Banks and participation banks	175,076	-	-	-	-	-	-	-	175,076
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	174,470	-	-	-	-	-	-	-	174,470
Participation banks	563	-	-	-	-	-	-	-	563
Others	43	-	-	-	-	-	-	-	43
IV. Profit sharing accounts-TL	-	4,615,688	28,833,391	657,895	-	14,659,384	432,482	29	49,198,869
Public sector	-	7,036	59,211	-	-	1,153,789	-	-	1,220,036
Commercial sector	-	4,217,931	27,363,958	581,894	-	13,086,734	431,989	29	45,682,535
Other institutions	-	387,725	1,136,101	54,580	-	367,201	493	-	1,946,100
Commercial and other institutions	-	2,996	274,072	21,421	-	51,660	-	-	350,149
Banks and participation banks	-	-	49	-	-	-	-	-	49
V. Real persons current accounts-FC	109,373,529	-	-	-	-	-	-	-	109,373,529
VI. Real persons profit sharing accounts-FC	-	14,839,678	17,506,032	1,547,169	-	1,761,605	1,760,423	29,149	37,444,056
VII. Another current accounts-FC	43,852,866	-	-	-	-	-	-	-	43,852,866
Commercial residents in Türkiye	38,573,520	-	-	-	-	-	-	-	38,573,520
Commercial residents in Abroad	4,686,683	-	-	-	-	-	-	-	4,686,683
Banks and participation banks	592,663	-	-	-	-	-	-	-	592,663
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	588,227	-	-	-	-	-	-	-	588,227
Participation banks	4,436	-	-	-	-	-	-	-	4,436
Others	-	-	-	-	-	-	-	-	-
VIII. Profit sharing accounts- FC	-	1,047,155	1,202,720	42,312	-	202,243	133,602	307	2,628,339
Public sector	-	19	122,070	-	-	-	-	-	122,089
Commercial sector	-	674,648	846,826	37,768	-	202,136	133,602	307	1,895,287
Other institutions	-	20,162	35,168	2,570	-	107	-	-	58,007
Commercial and other institutions	-	352,326	198,656	1,974	-	-	-	-	552,956
Banks and participation banks	-	-	-	-	-	-	-	-	-
IX. Precious metal funds	141,546,488	18,020,692	8,018,049	1,623,166	-	942,876	74,633	-	170,225,904
X. Profit sharing accounts special funds - TL	-	-	-	41,975	-	1,610,427	858,792	-	2,511,194
Residents in Türkiye	-	-	-	41,975	-	1,456,139	505,205	-	2,003,319
Residents Abroad	-	-	-	-	-	154,288	353,587	-	507,875
XI. Profit sharing accounts special funds - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total	376,881,294	61,840,442	157,981,052	12,942,135	-	30,700,125	9,339,483	41,338	649,725,869

(*) There are no 7 days notification accounts of the Bank.

(**) As of 31 March 2025, the Bank has a total of TL 58,124,466 (31 December 2024: TL 62,001,875) foreign exchange-protected deposit instrument of which TL 5,094 (31 December 2024: TL 4,810) opened within the scope of the "Communique on Supporting the Conversion of Turkish lira Deposit and Participation Accounts" published by the CBRT in the Official Gazette dated 21 December 2021 and numbered 31696, TL 58,129,560 (31 December 2024: TL 62,006,685) opened within the scope of the announcement of the Ministry of Treasury and Finance ("Treasury") dated 24 December 2021.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

Prior Period	Demand	Up to 1 months	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	1 year and over	Accumulated profit sharing accounts	Total
I. Real persons current accounts-TL	39,469,231	-	-	-	-	-	-	-	39,469,231
II. Real persons profit sharing accounts TL	-	19,259,653	97,658,069	6,770,505	-	18,974,493	6,249,835	13,526	148,926,081
III. Another current accounts-TL	37,528,225	-	-	-	-	-	-	-	37,528,225
Public sector	2,424,752	-	-	-	-	-	-	-	2,424,752
Commercial sector	34,262,863	-	-	-	-	-	-	-	34,262,863
Other institutions	569,795	-	-	-	-	-	-	-	569,795
Commercial and other institutions	-	-	-	-	-	-	-	-	-
Banks and participation banks	270,815	-	-	-	-	-	-	-	270,815
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	270,641	-	-	-	-	-	-	-	270,641
Participation banks	144	-	-	-	-	-	-	-	144
Others	30	-	-	-	-	-	-	-	30
IV. Profit sharing accounts-TL	-	18,852,846	18,339,504	961,192	-	11,529,332	172,697	22	49,855,593
Public sector	-	6,948	52,425	-	-	789,834	-	-	849,207
Commercial sector	-	18,485,757	16,825,843	887,174	-	10,497,176	172,257	22	46,868,229
Other institutions	-	331,633	950,468	43,231	-	172,935	440	-	1,498,707
Commercial and other institutions	-	28,508	510,724	30,787	-	69,387	-	-	639,406
Banks and participation banks	-	-	44	-	-	-	-	-	44
V. Real persons current accounts-FC	95,969,664	-	-	-	-	-	-	-	95,969,664
VI. Real persons profit sharing accounts-FC	-	13,469,602	15,553,725	1,495,889	-	1,753,498	1,753,540	21,015	34,047,269
VII. Another current accounts-FC	36,154,741	-	-	-	-	-	-	-	36,154,741
Commercial residents in Türkiye	31,932,443	-	-	-	-	-	-	-	31,932,443
Commercial residents in Abroad	3,888,380	-	-	-	-	-	-	-	3,888,380
Banks and participation banks	333,918	-	-	-	-	-	-	-	333,918
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	329,317	-	-	-	-	-	-	-	329,317
Participation banks	4,601	-	-	-	-	-	-	-	4,601
Others	-	-	-	-	-	-	-	-	-
VIII. Profit sharing accounts- FC	-	459,009	1,004,573	38,849	-	195,514	160,402	249	1,858,596
Public sector	-	17	113,739	-	-	-	-	-	113,756
Commercial sector	-	402,718	767,263	34,679	-	195,349	160,402	249	1,560,660
Other institutions	-	16,702	32,416	2,395	-	165	-	-	51,678
Commercial and other institutions	-	39,572	91,155	1,775	-	-	-	-	132,502
Banks and participation banks	-	-	-	-	-	-	-	-	-
IX. Precious metal funds	111,405,414	13,520,895	6,368,941	1,206,213	-	786,663	52,997	-	133,341,123
X. Profit sharing accounts special funds - TL	-	-	39,624	47,875	-	7,199,963	1,125,928	-	8,413,390
Residents in Türkiye	-	-	39,624	47,875	-	6,549,974	377,937	-	7,015,410
Residents Abroad	-	-	-	-	-	649,989	747,991	-	1,397,980
XI. Profit sharing accounts special funds - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total	320,527,275	65,562,005	138,964,436	10,520,523	-	40,439,463	9,515,399	34,812	585,563,913

(*) There are no 7 days notification accounts of the Bank.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

2.1.2 Information's on current and profit share accounts that are in the scope of Saving Deposit/Saving Deposit Insurance Fund

2.1.2.1 Current and Participation Accounts Attributable to Real and Legal Entities/Persons under the Guarantee of Saving Deposit Insurance Fund Exceeding the Limit of the Deposit Insurance Fund

	Under the guarantee of saving deposit insurance		Exceeding the limit of saving Deposit	
	Current Period	Prior Period	Current period	Prior period
Real and legal persons current and profit-sharing accounts that are not subject to commercial activities				
TL accounts	125,007,219	96,653,891	160,720,595	185,753,070
FC accounts	169,214,259	130,301,005	193,717,244	170,350,795
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' under foreign authorities' insurance	-	-	-	-

Funds collected by Participation Banks (except for foreign branches) through current and profit share accounts which are opened by real and legal persons and denominated in Turkish Lira or foreign currency with a limit of maximum of TL 950 (including both capital and profit shares) for each person is under the guarantee of Saving Deposit Insurance Fund in accordance with the Banking Law No. 5411 which issued in official gazette no. 25893 on 1 November 2005.

2.1.2.2 If the headquarters of the Bank is abroad and the deposit account in its Turkish branch is in the scope of the insurance policy in the country of the headquarter of the Bank is founded, it should be explained

The headquarters of the Bank is in Türkiye.

2.1.2.3 Current and Profit Share Accounts of the real persons who are not in the scope of Saving Deposits Insurance Fund

The Bank has no current or profit-sharing accounts which are not under the guarantee of the Saving Deposit Insurance Fund except for the current and profit-sharing accounts of shareholders, member of Board of Directors, CEO, the Vice Presidents and their first-degree relatives.

	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 of their mother, father, spouse, children in care	-	-
Profit sharing account and other accounts of President and Members of Board of Directors, CEO and Vice Presidents and profit-sharing accounts of their mother, father, spouse and children in care	50,844	57,044
Profit sharing account and other accounts in scope of the property holdings derived from crime defined in article 282 of Turkish Criminal Law No:5237 dated 26 September 2004	-	-
Profit sharing accounts in participation banks which are established in Türkiye in order to engage in offshore banking activities solely	-	-

2.2 Information on derivative financial liabilities held for trading

Derivative financial liabilities held for trading

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	70,819	202,125	214,508	51,249
Swap transactions	1,091,767	380,566	1,185,402	1,401,774
Futures transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	1,162,586	582,691	1,399,910	1,453,023

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

2.3 Information on funds borrowed

2.3.1 Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Loans from The Central Bank of the Republic of Türkiye	-	-	-	-
From Domestic Banks and Institutions	14,308,066	88,647,923	3,547,337	85,667,578
From Foreign Banks, Institutions and Funds	3,820,153	39,004,947	600,000	32,106,071
Total	18,128,219	127,652,870	4,147,337	117,773,649

2.3.2 Information on maturity structure of borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	18,039,945	120,818,253	4,069,314	111,539,418
Medium and Long-Term	88,274	6,834,617	78,023	6,234,231
Total	18,128,219	127,652,870	4,147,337	117,773,649

2.3.4 Explanations related to the concentrations of the Bank's major liabilities

Most of the bank's loans consist of foreign currency loans. There is no risk concentration of the Bank's current and profit-sharing accounts.

2.4 Information on other liabilities and miscellaneous payables

As of 31 March 2025, other liabilities amount to TL 5,038,105 (31 December 2024 - TL 8,080,586), sundry creditors amount to TL 8,919,858 (31 December 2024 - TL 4,988,343), both do not exceed 10% of the balance sheet total.

2.5 Information on finance lease payables (net)

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	63,231	59,125	38,525	36,204
1 to 4 years	106,754	83,291	87,015	69,035
More than 4 years	2,646,026	1,618,009	2,170,589	1,360,784
Total	2,816,011	1,760,425	2,296,129	1,466,023

Bank used FTP (Fund Transfer Pricing) rates as an alternative borrowing rate of profit on 1 January 2019. Relevant ratios are revised and revised in 2-week periods after 1 January 2019. The change in Participation Bank payments uses an unmodified discount rate unless the variable profit share rate is related. If the change in the lease payments results from variable profit share rates (LIBOR, EURIBOR), the lessee used a revised discount rate reflecting changes in the profit share rate.

2.5.1. Explanations on contract changes and the new obligations these changes bring to the Bank

None (31 December 2024 – None).

2.5.1.1. Explanations on financial leasing obligations

None (31 December 2024 – None).

2.5.1.2. Explanations on operating lease

Leasing is classified as an operating lease in which the lessor holds all the risks and benefits of that asset. Such transactions include lease agreements belonging to branches, which can be cancelled with prior notice.

There are no significant obligations imposed by the changes in the contract related to the operating lease to the Bank.

The bank registers its lease payments based on operating lease agreements with equal amounts of expenses during the lease term.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

2.6. Information on hedging derivative financial liabilities

None (31 December 2024 – None).

2.7. Information on provisions

2.7.1 Information on provisions related with foreign currency evaluation difference of foreign currency indexed loans

None (31 December 2024 – None).

2.7.2 Information on other provisions

	Current Period	Prior Period
Specific provisions for non-cash loans that are not indemnified converted into cash	900,656	863,935
General Provisions for non-cash loans	387,208	483,337
Provision for profits will be allocated to participation accounts	701,094	1,526,885
Credit cards of banking services applications	5,914	5,478
Other (*)	982,103	656,089
Total	2,976,975	3,535,724

(*) The other item is mainly consisting of TL 588,576 (31 December 2024 – TL 509,045) litigation provision, TL 14,809 (31 December 2024 – TL 13,058) expense provision, TL 247,372 (31 December 2024 – TL 107,311) other provision.

2.7.3 Information on provisions for employee benefits

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 1,559,243 (31 December 2024 - TL 1,432,099), vacation pay liability amounting to TL 267,055 (31 December 2024 - TL 13,507), performance premium amounting to TL 565,739 (31 December 2024 - TL 1,442,087), retirement bonuses on payment of TL 868,490 (31 December 2024 - TL 808,924), committee fee amounting to TL 174,093 (31 December 2024 - TL 129,992) and other fees amounting to TL 37,790 (31 December 2024 - TL 35,271).

Under the Turkish Labor Law, the Bank is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or retires or earns the right to retire.

The compensation to be paid is up to one month's salary for each service year and this amount is limited to TL 46,655.43 (full TL amount) (31 December 2024 - TL 41,828.42 (full TL amount)). The liability is not funded, as there is no funding requirement.

The reserve has been calculated by estimating the present value of the future probable obligation of the Bank arising from the retirement of its employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability.

	Current Period	Prior Period
Discount rate (%)	26.67	26.67
Inflation rate (%)	23.49	23.49
Salary increases rate (%)	23.99	23.99

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

	Current Period	Prior Period
Balance at the end of the prior period	1,432,099	1,095,389
Provisions recognized during the period	143,078	477,530
Paid during the period	(15,934)	(197,655)
Actuarial loss	-	56,835
Balances at the end of the period	1,559,243	1,432,099

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

2.8. Explanations on tax liability

2.8.1. Explanations on current tax liability

2.8.1.1 Information on tax provision

As of the balance sheet date, the Bank has a corporate tax liability of TL 14,792,015 (31 December 2024: TL 12,563,001) and prepaid tax of TL 6,846,023 (31 December 2024: TL 6,846,023). The Bank clearly indicated the corporate tax liability and prepaid tax in the financial statements.

2.8.1.2. Information on taxes payable

	Current Period	Prior Period
Taxation of marketable securities	1,088,969	755,307
Taxation of immovable property	12,986	9,532
Banking Insurance Transaction Tax (BITT)	513,836	510,165
Foreign Exchange Transaction Tax	46,135	27,737
Value Added Tax Payable	51,382	42,622
Income tax deducted from wages	189,849	194,158
Income tax payable	-	-
Other	13,273	12,333
Total	1,916,430	1,551,854

2.8.1.3. Information on premiums (*)

	Current Period	Prior Period
Social Insurance Premiums-Employee	243,901	83,993
Social Insurance Premiums-Employer	291,933	94,214
Unemployment insurance-Employee	17,419	5,998
Unemployment insurance-Employer	36,359	12,544
Other	-	-
Total	589,612	196,749

(*) Included in Other Liabilities/Various Debts in the balance sheet.

2.8.1.4. Information on deferred tax liability

As of 31 March 2025, deferred tax has been netted off as TL 7,786,667 (31 December 2024 - TL 8,340,450) in the balance sheet within the scope of the relevant regulations. Deferred tax asset is calculated as TL 9,236,901 (31 December 2024 - TL 9,115,487) and deferred tax liability is TL 1,450,234 (31 December 2024 - TL 775,037).

2.9. Information on payables related to assets held for sale

None (31 December 2024 - None).

2.10. Information on subordinated loans

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

2.11. Information on shareholders' equity

2.11.1. Presentation of paid-in capital

	Current Period	Prior Period
Common shares	4,952,205	4,952,205
Preference shares	-	-
Repurchased shares amount (*)	(4,869)	(4,869)
Total	4,947,336	4,947,336

(*) It represents the Bank's acquisition of its own shares as a result of the Bank's shareholders not using their right of preference according to the commitment made in the capital increase in the Bank.

2.11.2 Amount of paid-in capital, disclosure on whether the Bank applies the registered share capital system, and, if so, the ceiling amount of the registered share capital

Registered capital system is not applied in the Bank.

2.11.3 Information on the share capital increases during the period and their sources, other information on increased capital shares in the current period

None.

2.11.4 Information on share capital increases from capital reserves during the current period

None.

2.11.5 Possible effect of estimations made for the Bank's revenues, profitability and liquidity on equity considering prior period indicators and uncertainties

Based on the evaluation made considering the Bank's prior and current period indicators related to net profit share and commission income, it is observed that the Bank continues its operations profitably.

2.11.6 Summary of privileges given to shares representing the capital

None (31 December 2024 - None).

2.11.7 Information on marketable securities value increase fund

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries and Entities Under Common Control (Joint Vent.)	-	-	-	-
Valuation Difference (*)	(6,838,828)	272,451	(5,682,248)	301,804
Foreign Exchange Difference	-	-	-	-
Total	(6,838,828)	272,451	(5,682,248)	301,804

(*) Valuation difference is calculated taking the tax effect of the rent certifications in the account, which are classified as "Government Debt Securities" and "Other Marketable Securities" under financial assets at fair value through other comprehensive income in the balance sheet.

2.12 Information on minority shares

None (31 December 2024 - None).

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

3. Explanations and Notes Related to Off-Balance Sheet Contingencies and Commitments

3.1 Explanations on off-balance sheet accounts

3.1.1 Types and amounts of irrevocable commitments: Commitment for credit card limits, as of 31 March 2025 amounts to TL 95,141,910 (31 December 2024 - TL 76,389,710); payment commitments for cheque books amounts to TL 8,208,584 (31 December 2024 - TL 5,864,748).

3.1.2 Types and amounts of probable losses and obligations arising from off-balance sheet items including below items

3.1.2.1 Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letter of credits

As of 31 March 2025, the Bank has guarantees and surety ships constituting of TL 95,047,236 (31 December 2024 - TL 85,648,013) of letters of guarantee; TL 1,006,127 (31 December 2024 - TL 727,539) of acceptances and TL 18,929,687 (31 December 2024 - TL 13,581,786) of letters of credit. Also, the Bank has other acceptances amounting to TL 6,493,707 (31 December 2024 - TL 5,211,090).

3.1.2.2 Revocable, irrevocable guarantees and other similar commitments and contingencies: There are no other than those explained in 2.i.).

3.1.3 Total amount of non-cash loans

	Current Period	Prior Period
Total amount of non-cash loans	668,140	426,120
Total amount of non-cash loans	668,140	426,120
Total amount of non-cash loans	-	-
Total amount of non-cash loans	120,808,617	104,742,308
Total	121,476,757	105,168,428

3.1.4. Information on sector-based risk concentration in non-cash loans

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

3.1.5. Information on non-cash loans classified in Stage I and II

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

3.2. Explanations on derivative transactions

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

3.3. Explanations on credit derivatives and their risks

None.

3.4. Explanations on contingent liabilities and assets

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

3.5. Explanations on services provided to other names and accounts

None.

3.6. Summary information on the rating of the bank to international rating agencies

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

4. Explanations and Notes Related to The Statement of Income

4.1 Information on profit share income

4.1.1 Information on profit share received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share on loans	19,866,697	3,465,457	16,805,028	1,982,020
Short-term loans	10,142,596	1,385,411	9,347,016	704,288
Medium and long-term loans	9,500,709	2,053,596	7,379,930	1,222,597
Profit share on non-performing loans	223,392	26,450	78,082	55,135
Premiums received from resource utilization support fund	-	-	-	-
Total	19,866,697	3,465,457	16,805,028	1,982,020

4.1.2 Information on profit share received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of the Republic of Türkiye	22	-	12,188	-
Domestic Banks	571	-	11,724	-
Foreign Banks	-	34,870	-	132,829
Branches and head office abroad	-	-	-	-
Total	593	34,870	23,912	132,829

4.1.3 Information on profit share income from securities portfolio

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value through Profit or Loss	33,129	235,746	28,945	262,379
Financial Assets at Fair Value Through Other Comprehensive Income	2,995,409	356,509	2,483,672	286,005
Financial Assets valued at Amortized Cost	1,528,944	533,182	2,261,835	467,745
Total	4,557,482	1,125,437	4,774,452	1,016,129

4.1.4 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		10,059		2,064

4.2 Information on profit share given to loans used

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	480,848	578,925	285,140	401,712
The Central Bank of the Republic of Türkiye	-	-	-	-
Domestic banks	191,572	22,713	278,493	5,427
Foreign banks	289,276	556,212	6,647	396,285
Branches and head office abroad	-	-	-	-
Other Institutions	688,207	881,477	1,062,985	966,466
Total	1,169,055	1,460,402	1,348,125	1,368,178

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

4.2.1 Profit share expense given to associates and subsidiaries

	Current Period	Prior Period
Profit share expenses given to associates and subsidiaries	742,234	801,451

4.2.2 Profit share expense paid to securities issued

None (1 January - 31 March 2024 - None).

4.3 Information on dividend income

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

4.4 Distribution of profit share on funds based on maturity of funds

Current Period		Profit Sharing Accounts						
Account name	Up to 1 months	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Above 1 year	Accumulated profit sharing accounts	Total
TL								
Collected funds from banks through current and profit share accounts	-	4	-	-	-	-	-	4
Real person's non-trading profit sharing account	1,796,184	8,626,757	621,221	-	1,947,299	640,454	1,002	13,632,917
Public-sector profit-sharing account	925	5,410	-	-	5,780	-	-	12,115
Commercial sector profit sharing account	385,488	2,375,251	57,913	-	171,536	14,269	-	3,004,457
Other institutions profit sharing account	26,893	125,541	6,123	-	19,074	40	-	177,671
Total	2,209,490	11,132,963	685,257	-	2,143,689	654,763	1,002	16,827,164
FC								
Banks	-	-	-	-	-	-	-	-
Real person's non-trading profit sharing account	31,903	34,601	3,073	-	3,522	3,576	89	76,764
Public-sector profit-sharing account	-	276	-	-	-	-	-	276
Commercial sector profit sharing account	913	1,495	71	-	228	19	-	2,726
Other institutions profit sharing account	149	443	9	-	-	-	-	601
Precious metal accounts	5,782	2,642	517	-	355	-	-	9,296
Total	38,747	39,457	3,670	-	4,105	3,595	89	89,663
Grand Total	2,248,237	11,172,420	688,927	-	2,147,794	658,358	1,091	16,916,827
Prior Period		Profit Sharing Accounts						
Account name	Up to 1 months	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	Above 1 year	Accumulated profit sharing accounts	Total
TL								
Collected funds from banks through current and profit share accounts	-	3	-	-	-	-	-	3
Real person's non-trading profit sharing account	990,649	5,682,953	376,249	-	4,144,038	499,706	251	11,693,846
Public-sector profit-sharing account	445	450	49	-	845	24	-	1,813
Commercial sector profit sharing account	119,607	587,144	522,987	-	540,118	41,023	-	1,810,879
Other institutions profit sharing account	17,451	111,448	2,928	-	9,306	85	-	141,218
Total	1,128,152	6,381,998	902,213	-	4,694,307	540,838	251	13,647,759
FC								
Banks	-	-	-	-	-	-	-	-
Real person's non-trading profit sharing account	39,149	33,546	3,868	-	7,310	6,112	172	90,157
Public-sector profit-sharing account	-	258	-	-	-	-	-	258
Commercial sector profit sharing account	2,090	2,629	81	-	33	18	-	4,851
Other institutions profit sharing account	1,033	1,309	6	-	-	-	-	2,348
Precious metal accounts	3,512	1,911	321	-	263	-	-	6,007
Total	45,784	39,653	4,276	-	7,606	6,130	172	103,621
Grand Total	1,173,936	6,421,651	906,489	-	4,701,913	546,968	423	13,751,380

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

4.5 Information on trading income/loss (Net)

	Current Period	Prior Period
Trading profit / loss (net)	6,675,845	1,833,272
Profit	61,212,388	46,552,620
Gain on capital market transactions	1,528,880	1,158,430
Gain on derivative financial instruments	24,067,980	10,880,257
Foreign exchange profit	35,615,528	34,513,933
Losses (-)	54,536,543	44,719,348
Losses on capital market transactions	27,299	22,593
Losses on derivative financial instruments	19,091,778	8,090,588
Foreign exchange losses	35,417,466	36,606,167

4.6 Information on other operating income

The details of other operating income are presented below. There are no unusual items in the other operating income which materially affect the income of the Bank.

	Current Period	Prior Period
Reversal of prior period provisions	1,795,709	2,994,258
Cancellations of Provisions from Profits to be Distributed to Participation Accounts	900,249	375,510
Income from sales of assets	165,423	88,713
Rental income	6,171	3,760
Other income	73,613	22,213
Total	2,941,165	3,484,454

4.7 Provisions for loan losses and other receivables of the Bank

	Current Period(*)	Prior Period(*)
Expected Credit Loss	2,616,146	1,868,982
12 month expected credit loss (Stage 1)	33,365	428,969
Significant increase in credit risk (Stage 2)	244,824	359,848
Non-performing loans (Stage 3)	2,337,957	1,080,165
Marketable Securities Impairment Expense	89,785	108,488
Financial Assets at Fair Value through Profit or Loss	89,785	108,488
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Impairment losses from Associates, Subsidiaries and Jointly Controlled Entities	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (**)	228,063	174,478
Total	2,933,994	2,151,948

(*) Includes the provisions in the "Other Provision Expenses" line in the Income Statement.

(**) Also includes provisions that can be allocated from profit to be distributed to participation accounts according to provisions regulation.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

4.8 Information on other operating expenses

	Current Period	Prior Period
Provision for retirement pay liability	127,144	96,124
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	328,974	194,968
Impairment Expenses of intangible fixed assets	-	-
Depreciation expenses of intangible assets	39,219	103,261
Depreciation expenses of assets held for sale	-	-
Other operating expenses	1,634,207	887,281
Lease Expenses Regarding TFRS 16 Exemptions	683	136
Maintenance expenses	471,231	158,171
Advertisement expenses	225,088	49,206
Communication expenses	133,607	101,999
Heating, electricity and water expenses	43,533	32,759
Cleaning expenses	23,867	15,882
Vehicle expenses	24,203	17,672
Stationery expenses	22,302	16,648
Other expenses (*)	689,693	494,808
Losses on sales of assets	58	147
Deposit insurance fund expenses	529,761	386,637
Other (*)	788,630	550,610
Total	3,447,993	2,219,028

(*) Other items as of 31 March 2025 primarily include TL 336,795 Bank and Insurance Transactions Tax, TL 194,949 in Financial Activities Fees, TL 49,291 in Banking Regulation and Supervision Authority Participation Share, and TL 45,495 in amounts related to the Contracted Legal Services and Legal Consultancy account.

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

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

4.10 Information on tax provision for continued and discontinued operations

Current period tax provision for the period amounting to TL 2,229,014 (1 January-31 March 2024 - TL 3,176,627), deferred tax income of TL 151,326 (1 January-31 March 2024 - TL 1,005,912) and TL 1,196,969 (1 January-31 March 2024 - TL 231,830) deferred tax expense is recognized.

4.11 Information on net income/loss from continued and discontinued operations

There is no profit/loss arising from discontinued operations within the operating profit/loss after tax.

4.12 Information on net profit/loss

4.12.1 The nature and amount of certain income and expense items from ordinary operations is disclosed 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

As of 31 March 2025, net profit share income is TL 11,978,841 (1 January - 31 March 2024 - TL 9,627,190), net fees and commission income is TL 3,113,762 (1 January - 31 March 2024 - TL 1,911,188).

4.12.2 Effect of changes in accounting estimates on income statement for the current and, if any for subsequent periods

None (1 January-31 March 2024 – None).

4.12.3 Profit/loss attributable to minority interest

None (31 March 2024 – None).

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

4.13 Details of sub accounts comprising at least 20% of other items in income statement, exceeding 10% of total income statements

As of 31 March 2025, other fees and commissions received is TL 6,547,778 (1 January - 31 March 2024 - TL 3,648,792), TL 2,608,242 of this amount is related with credit card fees and commissions (1 January - 31 March 2024 - TL 1,593,948), TL 2,379,181 of this amount is related with POS machine commissions (1 January - 31 March 2024 - TL 1,108,046) and TL 1,560,355 (1 January - 31 March 2024 - TL 946,798) of this amount is related with other commissions.

As of 31 March 2025, other fees and commissions given is TL 3,685,462 (1 January - 31 March 2024 - TL 1,893,531), TL 2,917,539 (1 January - 31 March 2024 - TL 1,419,553) of this amount is related with POS clearing commissions and installation expenses, TL 337,935 (1 January - 31 March 2024 - TL 177,459) of this amount is related with fees and commissions paid for credit cards and TL 429,988 (1 January - 31 March 2024 - TL 296,519) of this amount is related with commissions.

5. Explanations and Notes Related to Statement of Changes in Shareholders' Equity

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

6. Explanations and Notes Related to Statement of Cash Flows

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

7. Explanations and notes related to risk group of the Bank

7.1 The volume of transactions related to the risk group of the Bank, the loans and funds collected which have not been completed at the end of the period and the income and expenses related to the period

Current Period

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and other receivables						
Balance at beginning of period	111,135	199,233	31,373	104,629	1,117	3,505
Balance at end of period	113,407	339,400	59,973	117,993	2,444	3,688
Profit share and commission income	9,376	683	1,231	229	-	-

(*) Defined in the Subsection 2, Article 49 of the Banking Law No. 5411.

Prior Period

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and other receivables						
Balance at beginning of period	736,761	73,084	29,238	82,280	2,974,543	20,322
Balance at end of period	111,135	199,233	31,373	104,629	1,117	3,505
Profit share and commission income	44	44	967	186	111	-

(*) Defined in the Subsection 2, Article 49 of the Banking Law No. 5411.

7.2 Information on current and profit-sharing accounts of the Bank's risk group

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Current and profit-sharing accounts						
Balance at beginning of period	4,048,835	3,936,961	777,817	502,954	750,296	750,296
Balance at end of period	2,660,659	4,048,835	925,676	777,817	1,131,387	750,296
Profit share and commission income	46,758	36,001	28,116	7,980	977	491

(*) Defined in the Subsection 2, Article 49 of the Banking Law No. 5411. Dividends paid to associates and subsidiaries

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

7.3 Forward and option agreements and other similar agreements with the risk group of the Bank

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions at Fair Value through Profit or Loss						
Balance at beginning of period	4,668,605	3,758,803	1,459,578	2,361,778	-	-
Balance at end of period	7,075,799	4,668,605	901,809	1,459,578	-	-
Total Profit / (Loss)	79,746	(80,368)	1,297	1,109	-	-
Hedging Transactions						
Balance at beginning of period	-	-	-	-	-	-
Balance at end of period	-	-	-	-	-	-
Total Profit / (Loss)	-	-	-	-	-	-

(*) Defined in the Subsection 2, Article 49 of the Banking Law No. 5411.

7.4 Information on loans received from the Bank's risk group

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Borrowings						
Balance at beginning of period	15,194,096	26,557,884	14,649,976	9,195,276	-	-
Balance at end of period	27,800,348	15,194,096	19,540,050	14,649,976	-	-
Profit share expense	695,476	765,450	62,452	179,689	-	-

(*) Defined in the Subsection 2, Article 49 of the Banking Law No. 5411.

7.5 Information on subordinated loans used by the Bank's from its risk group

The entire equity-like additional principal capital (Tier-I) sukuk of USD 50,000,000 (full amount) realized by the Bank on 28 September 2020, belong to Kuwait Finance House. Of the USD 350,000,000 (full amount) of the capital-like contribution capital (Tier-II) of USD 35,000,000 (full amount) realized by the Bank on 16 September 2021, Kuwait Finance House owns it.

7.6 Information on remunerations provided to top management

As of 1 January - 31 March 2025, the Bank has paid TL 492,068 to top management (1 January - 31 March 2024 - TL 265,815).

8. Information about the branches of the Bank in domestic, foreign and coastal banking regions and their representative offices abroad

This footnote has not been prepared in accordance with Article 25 of the Communiqué on The Financial Statements about disclosures to be announced to Public by The Banks.

9. Significant events and matters arising subsequent to balance sheet date

In accordance with the decisions of our Bank's Ordinary General Assembly Meeting held on 28 March 2025, it has been decided to increase the paid-in capital of the Articles of Association, which has been approved by the Banking Regulation and Supervision Agency (BRSA) and the Ministry of Trade, by increasing the paid-in capital of TL 4,952,205 by TL 3,047,795 to TL 8,000,000. The relevant General Assembly Resolution was registered on 11 April 2025.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

SECTION SIX

OTHER EXPLANATIONS

- Other matters which must be explained in terms of explicitness, interpretability and understandability of the balance sheet:** None.

SECTION SEVEN

REVIEW REPORT

- Explanations on the limited review report**

The unconsolidated financial statements have been reviewed by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member Deloitte Touche Tohmatsu Limited) and the independent auditors' limited review report dated 13 May 2025 is presented preceding the financial statements.

- Notes and disclosures prepared by the independent auditor:** None.

SECTION EIGHT

INTERIM ACTIVITY REPORT

- Explanations on interim annual report including the evaluations of interim activities of the Chairman of the Board of Directors and General Manager**

- 1.1 About Kuveyt Türk**

Kuveyt Türk Katılım Bankası A.Ş. ("The Bank") was incorporated with the approval of the Central Bank of the Republic of Türkiye (CBRT) on 28 February 1989 and commenced its operations on 31 March 1989, with the name of Kuveyt Türk Evkaf Finans Kurumu A.Ş. To comply with the Banking Act 5411, the title of the Bank has been changed to Kuveyt Türk Katılım Bankası A.Ş. with a change in the Articles of Association which was approved in the annual general meeting dated 26 April 2006. Main field of operation is, in addition to the Bank's equity, to collect funds from domestic and foreign customers through "Current Accounts" and "Profit/ Loss Sharing Accounts" and allocate such funds to the economy, to perform all kinds of financing activities in accordance with the regulations, to encourage the investments of all individuals and legal entities operating in agricultural, industrial, trading and service industries, participating into the operations of these entities or individuals and to form joint business partnerships and to perform all these activities in a non-interest environment.

As of 31 March 2025, 57.81% of the Bank's shares are owned by Kuwait Finance House located in Kuwait, 24.49% by Vakıflar Genel Müdürlüğü Mazbut Vakıfları, 8.36% by Wafra International Investment Company in Kuwait and 8.36% by Islamic Development Bank whereas the remaining 0.98% of the shares are owned by other real persons and legal entities.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.2 Financial Information Summary

UNCONSOLIDATED BALANCE SHEET (SELECTED ITEMS)	31.03.2025	31.12.2024
CASH BALANCES AND CENTRAL BANK	255,061,350	222,992,725
BANKS	39,191,733	27,042,682
SECURITIES	154,672,505	149,322,481
LOANS AND RECEIVABLES	422,032,050	384,235,553
FINANCE LEASE RECEIVABLES (Net)	60,483,360	50,506,622
EXPECTED LOSS PROVISIONS (-)	12,838,325	12,988,502
TANGIBLE ASSETS (Net)	6,002,146	5,362,430
OTHER ASSETS	33,360,615	25,646,412
TOTAL ASSETS	957,965,434	852,120,403
FUND COLLECTED	649,725,869	585,563,913
FUNDS BORROWED	145,781,089	121,920,986
FINANCE LEASE PAYABLES (Net)	1,760,425	1,466,023
SUBORDINATED LOANS	15,352,327	14,186,285
OTHER LIABILITIES	53,775,133	46,755,702
EQUITY	91,570,591	82,227,494
TOTAL LIABILITIES	957,965,434	852,120,403

UNCONSOLIDATED STATEMENT OF INCOME	31.03.2025	31.03.2024
PROFIT SHARE INCOME	35,526,828	26,967,996
PROFIT SHARE EXPENSE	23,547,987	17,340,806
NET PROFIT SHARE INCOME/EXPENSE	11,978,841	9,627,190
NET FEES AND COMMISSION INCOME/EXPENSE	3,113,762	1,911,188
PERSONNEL EXPENSES	4,562,414	2,737,585
DIVIDEND INCOME	574	431
NET TRADING PROFIT / LOSS	6,675,845	1,833,272
OTHER OPERATING INCOME	2,941,165	3,484,454
EXPECTED CREDIT LOSS (-)	2,616,146	1,868,982
OTHER PROVISION EXPENSES (-)	317,848	282,966
OTHER OPERATING EXPENSES (-)	3,447,993	2,219,028
PROFIT/ LOSS BEFORE TAX	13,765,786	9,747,974
TAX CHARGE (-)	3,274,657	2,402,545
CURRENT PERIOD PROFIT/LOSSES	10,491,129	7,345,429

RATIOS	31.03.2025	31.12.2024
Total Loans/Total Assets*	50.37%	51.02%
Total Loans/Fund Collected*	74.26%	74.24%
Average Equity Profit **	48.29%	53.23%
Average Assets Profit **	4.64%	4.56%
Capital Adequacy Ratio	22.93%	24.46%

* Finance Lease Receivables is included in total loans.

** Related ratios calculated by included in interim periods' profit amounts to year-end balances.

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.3 Message from the Chairman

Dear Shareholders,

The outlook for global economic growth in the first quarter of 2025 is relatively slow. The OECD's Interim Economic Outlook Report published in March emphasized that despite signs of resilience in the global economy, downside risks have increased. In particular, tariff increases among leading global trading countries have emerged as an additional pressure on the growth outlook. Developments such as the US imposing additional tariffs of up to 145% on imports from China and China responding with tariffs of up to 125% have increased fragility in supply chains and caused a slowdown in international trade volumes. This situation, accompanied by currency fluctuations and rising financing costs, further reinforces downside risks to global economic activity in the short term.

In the United States, as of the first quarter of 2025, a balanced but fragile trend is observed, accompanied by a slowdown in inflation and a cautious monetary policy. The annual rate of increase in the Consumer Price Index declined from 3.0% in January to 2.8% in February and 2.4% in March, pointing to a gradual loss of momentum in headline inflation. This softening has reinforced the general expectation that the Fed will ease its policy rate, which it kept unchanged at 4.25–4.50% at its March meeting, by a little more later in the year.

The European Central Bank (ECB) continued its interest rate cuts in April, lowering its main refinancing rate from 2.65% to 2.40%, due to economic weakness and declining inflation in the Eurozone. This seventh cut in the last twelve months reflects growing confidence that inflation is moving sustainably toward the 2% target, while also highlighting the uncertainty created by global trade tensions, which are tightening financial conditions and weighing on the growth outlook. Interest rate decisions in the coming months are expected to be guided by inflation dynamics and the transmission effectiveness of monetary policy.

Asian economies continue to lead global growth despite global uncertainties. The Asian Development Bank's April forecast of 4.9% growth for the developing region points to a moderate but steady recovery path. China, the region's locomotive, grew by 5.4% in the first quarter, in line with its 5% growth target. On the other hand, new tariff regulations originating from the US and fragilities in China's real estate sector continue to pose downside risks for both China and Asia as a whole.

Economic data released since the beginning of 2025 shows that the disinflation trend in the Turkish economy is continuing, the unemployment rate has fallen to its lowest level in recent years, and growth momentum is on a balanced path. While the downward trend in inflation in the first quarter is considered a positive development in terms of economic stability, the interest rate hike in April, which was also influenced by the increased exchange rate pressure resulting from recent political developments, was perceived as an important message that the tight stance will continue. In this context, it is anticipated that policies supporting stability will continue under the current economic and financial conditions.

Our bank continued to make significant contributions to the Turkish economy and the participatory finance sector in the first quarter of the year, increasing its net profit by 43% compared to the same period last year to TL 10.4 billion. Compared to 2024, Kuveyt Türk's total funding base (funds collected and loans granted) increased by 12% to TL 795.5 billion, while the amount of funds disbursed increased by 11% to TL 482.5 billion. In addition, the bank increased its equity to TL 91.6 billion and its total assets to TL 958 billion, maintaining its leadership in terms of total assets among participation finance institutions and retaining its 10th position in the banking sector.

With our high asset quality, strong corporate governance framework, and customer-centric service model, we will continue to contribute to Türkiye's economic transformation process and enhance stakeholder value throughout 2025.

Regards,

Hamad Abdulmohsen ALMARZOUQ

Head of the BOD

Kuveyt Türk Katılım Bankası

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.4 Message from the General Manager

Dear Shareholders,

In the first quarter of 2025, while meaningful progress continued in the fight against inflation in the global economy, geopolitical tensions and rising trade barriers continued to weigh on the growth outlook. The OECD lowered its global growth forecast for 2025 and 2026 from 3.3% to 3.1% and 3.02%, respectively, while the IMF emphasized in its update prior to the publication of its World Economic Outlook report that the prolongation of trade wars increases downside risks. However, central banks' determination to fight inflation and gradual improvements in supply chains are keeping global financial conditions relatively stable.

The Turkish economy continued its stabilization process in the first quarter against this global backdrop. As of March, the annual CPI increase fell to 38.1%, indicating that the disinflation trend is continuing. The unemployment rate fell to 8.2% in February and 8.4% on an annual basis, reflecting the recovery in the labor market. The current account deficit stood at USD 4.41 billion in February 2025, with the upward trend in the trade deficit continuing.

Under this outlook, the Central Bank of the Republic of Türkiye, which has been gradually reducing interest rates for some time, raised the policy rate by 350 basis points to 46.0% at the Monetary Policy Committee meeting on 17 April 2025, in order to limit the deterioration in inflation expectations.

As Kuveyt Türk, we have continued to support the real sector with determination in the first quarter in line with our responsibility to contribute to our country's development goals. Thanks to our strong capital structure, high liquidity levels, and effective risk management practices, we have provided uninterrupted services to our customers in line with interest-free finance principles. By enhancing our digital banking infrastructure with artificial intelligence-based solutions and cloud technologies, we aim to provide our customers with a 24/7 accessible, secure, and user-friendly experience. In the coming period, we aim to maintain our sustainable profitability through prudent asset-liability management, increase our market share in the sector, and lead the growth of the participatory finance ecosystem. In the new period, we will continue to support the real economy with our innovative products while increasing social value through our social responsibility projects.

As Kuveyt Türk, we continue to provide uninterrupted support to the real economy with our strong technological infrastructure and expert team. Thanks to our innovative solutions in digital channels and customer-centric approach, we will continue to strengthen our leading role in participation finance. I would like to thank all our colleagues who have contributed significantly to our success and our valuable stakeholders who have always supported us.

Regards,

Ufuk UYAN

General Manager

Kuveyt Türk Katılım Bankası

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

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

1.5 Financial Position, Performance and Assessment of the Prospects for the Future

As of 31 March 2025, unconsolidated financial statements asset size is TL 957 billion 965 million, amount of the utilization of funds is TL 482 billion 515 million and funds collected amount is TL 649 billion 726 million. Due to the effect of the first three months of 2025 'profit of TL 10 billion 491 million thousand, the ratio of shareholder equity increased 11.36% by reaching TL 91 billion 571 million. As of 31 March 2025, unconsolidated capital adequacy ratio has been realized as 22.93%.

The expectations for growth and profitability will continue in the development line.

1.6 Announcement Regarding Important Developments within 3 Months

The Bank established KT Sağlam Gayrimenkul A.Ş., a subsidiary, with a capital of TL 8,000,000,000 (full amount) on 24 February 2025.

The Bank, KT Kira Sertifikaları Varlık Kiralama A.Ş. through four separate transactions, has issued sukuk with a total nominal value of TL 14 billion 500 million, with a minimum 34.52% and a maximum 39.45% cost in different maturity brackets in four separate transactions.

1.7 Assessment of the Expectations Related to the Subsequent Interim Period

The economic slowdown that began to be felt in the final quarter of 2024 continued to have a significant impact on domestic demand in the first quarter of 2025. During this period, the Central Bank of the Republic of Türkiye's decision to maintain its tight monetary policy stance, followed by a measured interest rate cut and subsequent increases, was among the key factors contributing to the economic slowdown. At the same time, the continuation of restrictions on credit card limits and installment numbers, as well as the implementation of macroprudential measures targeting credit growth, further strengthened the role of these factors in suppressing domestic demand.

Although 2025 is expected to be relatively less eventful than last year in terms of regulatory intensity amid the anticipated increase in new regulations and tightening measures in the banking sector, additional macroprudential measures are possible due to rising global geopolitical risks and domestic political balances. Fiscal policies, which are advancing in tandem with monetary policy, will seek to strike a delicate balance between sustaining economic growth and supporting disinflation. However, uncertainties surrounding wage increases, volatile exchange rates, and increasingly protectionist policies in global trade are emerging as key risk factors for the economic outlook in the remainder of the year.