

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

**(CONVENIENCE TRANSLATION OF CONSOLIDATED  
FINANCIAL STATEMENTS AND INDEPENDENT  
AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)**

## INDEPENDENT AUDITORS' REVIEW REPORT ON CONSOLIDATED INTERIM FINANCIAL INFORMATION

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

### *Introduction*

We have reviewed the accompanying consolidated statement of financial position of Kuveyt Türk Katılım Bankası A.Ş. ("the Bank") and its consolidated subsidiaries (together will be referred as "the Group") as at 31 March 2025, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity and consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated interim financial information provided in the Management's interim report included in section 8 of the accompanying consolidated financial statements, is not presented fairly, in all material respects, and is not consistent with the reviewed consolidated interim financial statements and the explanatory notes.

### *Additional paragraph for convenience translation to English*

BRSA Accounting and Reporting Regulations explained in detail in Section 3 differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

**DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.**  
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Sunay Anıktar  
Partner

İstanbul, 13 May 2025

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**THE CONSOLIDATED FINANCIAL REPORT OF KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ  
FOR THE THREE-MONTH PERIOD THEN ENDED 31 MARCH 2025**

Address of The Parent Bank's Head Office : Büyükdere Cad. No: 129/1 34394 Esentepe Şişli / ISTANBUL  
The Parent Bank's Phone and Fax Number : 0 212 354 11 11 – 0 212 354 12 12  
The Parent Bank's Web page : www.kuveytturk.com.tr  
Contact E-mail address : kuveytturk@kuveytturk.com.tr

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

- General Information About the Parent Bank
- Consolidated Financial Statements of The Parent Bank
- Explanations on Accounting Policies Applied in The Period
- Information on Financial Structure of the Group Which Is Under Consolidation
- Disclosures and Explanations on Consolidated Financial Statements
- Other Explanations
- Independent Auditors' Limited Review Report
- Consolidated Interim Activity Report

The subsidiaries, associates and jointly controlled partners which are consolidated within the framework of this financial report are as follows.

	Subsidiaries	Associates	Jointly Controlled Partners	Mutual Funds
1.	KT Sukuk Varlık Kiralama A.Ş.		Katılım Emeklilik ve Hayat A.Ş.	Kuveyt Türk Portföy Kuveyt Türk Yabancı Katılım Serbest Özel Fon
2.	KT Kira Sertifikaları Varlık Kiralama A.Ş.			Kuveyt Türk Portföy Birinci Katılım Serbest(TL) Fon
3.	Körfez Gayrimenkul Yatırım Ortaklığı A.Ş.			Kuveyt Türk Portföy Birinci Katılım Serbest(Döviz-Avro) Özel Fon
4.	KT Bank AG.			Kuveyt Türk Portföy Yönetimi A.Ş. Kobi Girişim Sermayesi Yatırım Fonu
5.	Kuveyt Türk Portföy Yönetimi A.Ş.			Kuveyt Türk Portföy Lonca Girişim Sermayesi Yatırım Fonu
6.	Neova Katılım Sigorta A.Ş.			Kuveyt Türk Portföy Neova Katılım Serbest Özel(TL) Fon
7.	Kuveyt Türk Yatırım Menkul Değerler A.Ş.			Kuveyt Türk Portföy Yönetimi A.Ş. Neova Katılım Sigorta Özel Girişim Sermayesi Yatırım Fonu
8.	Sağlam Finansal Teknolojiler A.Ş.			Kuveyt Türk Portföy NKS Katılım Serbest(TL) Özel Fon
9.				Kuveyt Türk Portföy Birinci Katılım Serbest(Döviz-Abd Doları) Özel Fon
10.				Kuveyt Türk Portföy NKV Kısa Vadeli Katılım Serbest Özel Fon

The consolidated financial statements for the three-month period and related disclosures and footnotes that are subject to independent review, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidance, and in compliance with the financial records of our Bank and, unless stated otherwise, presented in thousands of Turkish Lira.

Hamad Abdulmohsen AL-MARZOUQ  
Chairman of the Board of Directors

Shadi Ahmed Yacoub ZAHARAN  
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  
Chief Financial Officer

Mehmed Tahir KAPLAN  
Budget and Reporting Group  
Manager

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

Name-Surname/Position : Samet ÖZCAN / Subsidiary Consolidation Manager  
Telephone No : 0212 354 10 86  
Fax No : 0212 354 11 03

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**EXPLANATIONS AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT 31 MARCH 2025**

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

**SECTION ONE**  
**GENERAL INFORMATION**

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

Kuveyt Türk Katılım Bankası A.Ş. (“The Parent 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 Parent 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 Parent 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. The Parent Bank and its consolidated financial subsidiaries are named together as “Group”.

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

As of 31 March 2025, 57.81% of the Parent 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 Parent 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 YACOB ZAHARAN	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			PhD	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			PhD	-
Bahattin Akca	Head 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 Parent Bank’s share capital (31 December 2024 - 0.11%).

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**EXPLANATIONS AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT 31 MARCH 2025**

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

**4. Information on qualified shareholders**

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

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

Name / Commercial Name	Share Amount
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%
<b>Total</b>	<b>100.00%</b>

**5. Explanations of the Parent Bank's services and field of operations**

The Parent Bank's field of operations includes corporate banking, international banking services, and retail banking and credit card services. The Parent 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 Group is operating through 455 domestic branches (31 December 2024 – 453) with 7,311 employees (31 December 2024 – 7,122). Summary of some of the Parent 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 travellers' 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 Parent Bank for the order and benefit of the society.

The Parent Bank's activities are not limited to the list above. If another transaction is decided to be beneficial to the Parent 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. Disclosures on the differences between the Communiqué on the Preparation of Consolidated Financial Statements of Banks and the consolidation transactions made in accordance with the Turkish Accounting Standards and the entities subject to full or proportionate consolidation, deducted from equity or not included in these three methods: According to the Communiqué on the Preparation of the Consolidated Financial Statements of Banks, only While financial partnerships are included in the scope of consolidation, all financial and non-financial partnerships should be included in the scope of consolidation in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards.

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

None.

**SECTION TWO**  
**THE CONSOLIDATED FINANCIAL STATEMENTS**

- I. Consolidated Balance Sheet- Assets (Statement of Financial Position)
- II. Consolidated Statement of Off-Balance Sheet Items
- III. Consolidated Statement of Profit or Loss (Income Statement)
- IV. Consolidated Statement of Profit or Loss and Other Comprehensive Income
- V. Consolidated Statement of Changes in Shareholders' Equity
- VI. Consolidated Statement of Cash Flows

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**CONSOLIDATED 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		
			TL	FC	Total	TL	FC	Total
	<b>ASSETS</b>	<b>Notes</b>						
<b>I.</b>	<b>FINANCIAL ASSETS (Net)</b>		<b>141,697,744</b>	<b>284,859,084</b>	<b>426,556,828</b>	<b>128,395,216</b>	<b>239,151,497</b>	<b>367,546,713</b>
<b>1.1.</b>	<b>Cash and Cash Equivalents</b>		<b>86,468,714</b>	<b>231,060,111</b>	<b>317,528,825</b>	<b>79,201,599</b>	<b>194,060,570</b>	<b>273,262,169</b>
1.1.1.	Cash and Balances with Central Bank	(5.1.1.)	67,680,697	191,953,776	259,634,473	59,543,446	167,156,918	226,700,364
1.1.2.	Banks	(5.1.3.)	12,277,721	39,109,379	51,387,100	12,418,838	26,907,745	39,326,583
1.1.3.	Money Markets Placements		6,512,002	-	6,512,002	7,241,952	-	7,241,952
1.1.4.	Expected Credit Loss (-)		1,706	3,044	4,750	2,637	4,093	6,730
<b>1.2.</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>		<b>11,733,453</b>	<b>18,732,313</b>	<b>30,465,766</b>	<b>7,661,871</b>	<b>17,265,515</b>	<b>24,927,386</b>
1.2.1.	Government Debt Securities		588,094	12,598,132	13,186,226	775,372	11,956,887	12,732,259
1.2.2.	Equity Instruments		1,142,414	25,396	1,167,810	1,301,568	18,828	1,320,396
1.2.3.	Other Financial Assets		10,002,945	6,108,785	16,111,730	5,584,931	5,289,800	10,874,731
<b>1.3.</b>	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>	<b>(5.1.4.)</b>	<b>42,685,678</b>	<b>30,238,229</b>	<b>72,923,907</b>	<b>40,632,058</b>	<b>27,027,260</b>	<b>67,659,318</b>
1.3.1.	Government Debt Securities		41,128,661	29,169,238	70,297,899	40,455,600	25,552,171	66,007,771
1.3.2.	Equity Instruments		161,227	454,189	615,416	138,727	382,853	521,580
1.3.3.	Other Financial Assets		1,395,790	614,802	2,010,592	37,731	1,092,236	1,129,967
<b>1.4.</b>	<b>Derivative Financial Assets</b>		<b>809,899</b>	<b>4,828,431</b>	<b>5,638,330</b>	<b>899,688</b>	<b>798,152</b>	<b>1,697,840</b>
1.4.1.	Derivative Financial Assets at Fair Value Through Profit or Loss	(5.1.2.)	809,899	4,828,431	5,638,330	899,688	798,152	1,697,840
1.4.2.	Derivative Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.11.)	-	-	-	-	-	-
<b>II.</b>	<b>FINANCIAL ASSETS MEASURED WITH AMORTISED COSTS (Net)</b>	<b>(5.1.5.)</b>	<b>289,281,780</b>	<b>266,798,029</b>	<b>556,079,809</b>	<b>264,666,995</b>	<b>238,755,801</b>	<b>503,422,796</b>
<b>2.1.</b>	<b>Loans</b>		<b>249,563,662</b>	<b>197,848,231</b>	<b>447,411,893</b>	<b>227,283,754</b>	<b>180,153,271</b>	<b>407,437,025</b>
<b>2.2.</b>	<b>Leasing Receivables</b>	<b>(5.1.10.)</b>	<b>17,657,024</b>	<b>42,826,336</b>	<b>60,483,360</b>	<b>15,662,731</b>	<b>34,843,891</b>	<b>50,506,622</b>
<b>2.3.</b>	<b>Financial Assets Measured at Amortized Cost</b>	<b>(5.1.6.)</b>	<b>30,992,634</b>	<b>30,204,275</b>	<b>61,196,909</b>	<b>30,961,072</b>	<b>27,653,350</b>	<b>58,614,422</b>
2.3.1.	Government Debt Securities		30,992,634	28,222,624	59,215,258	30,961,072	26,632,039	57,593,111
2.3.2.	Other Financial Assets		-	1,981,651	1,981,651	-	1,021,311	1,021,311
<b>2.4.</b>	<b>Expected Credit Loss (-)</b>		<b>8,931,540</b>	<b>4,080,813</b>	<b>13,012,353</b>	<b>9,240,562</b>	<b>3,894,711</b>	<b>13,135,273</b>
<b>III.</b>	<b>PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS(NET)</b>	<b>(5.1.16.)</b>	<b>512,549</b>	<b>-</b>	<b>512,549</b>	<b>522,743</b>	<b>-</b>	<b>522,743</b>
3.1.	Held for Sale		512,549	-	512,549	522,743	-	522,743
3.2.	Related to Discontinued Operations		-	-	-	-	-	-
<b>IV.</b>	<b>INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES</b>		<b>9,593,514</b>	<b>-</b>	<b>9,593,514</b>	<b>779,060</b>	<b>-</b>	<b>779,060</b>
<b>4.1.</b>	<b>Investments in Associates (Net)</b>	<b>(5.1.7.)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.1.1.	Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2.	Unconsolidated Associates		-	-	-	-	-	-
<b>4.2.</b>	<b>Investment in Subsidiaries (Net)</b>	<b>(5.1.8.)</b>	<b>8,873,680</b>	<b>-</b>	<b>8,873,680</b>	<b>123,680</b>	<b>-</b>	<b>123,680</b>
4.2.1.	Unconsolidated Financial Subsidiaries		750,000	-	750,000	-	-	-
4.2.2.	Unconsolidated Non-Financial Subsidiaries		8,123,680	-	8,123,680	123,680	-	123,680
<b>4.3.</b>	<b>Investment in Joint Ventures (Net)</b>	<b>(5.1.9.)</b>	<b>719,834</b>	<b>-</b>	<b>719,834</b>	<b>655,380</b>	<b>-</b>	<b>655,380</b>
4.3.1.	Joint Ventures Valued Based on Equity Method		719,834	-	719,834	655,380	-	655,380
4.3.2.	Unconsolidated Joint Ventures		-	-	-	-	-	-
<b>V.</b>	<b>TANGIBLE ASSETS (Net)</b>	<b>(5.1.12.)</b>	<b>6,166,863</b>	<b>377,923</b>	<b>6,544,786</b>	<b>5,478,616</b>	<b>125,113</b>	<b>5,603,729</b>
<b>VI.</b>	<b>INTANGIBLE ASSETS (Net)</b>	<b>(5.1.13.)</b>	<b>3,208,187</b>	<b>253,811</b>	<b>3,461,998</b>	<b>2,621,855</b>	<b>235,463</b>	<b>2,857,318</b>
6.1.	Goodwill		-	-	-	-	-	-
6.2.	Other		3,208,187	253,811	3,461,998	2,621,855	235,463	2,857,318
<b>VII.</b>	<b>INVESTMENT PROPERTIES (Net)</b>	<b>(5.1.14.)</b>	<b>317,050</b>	<b>-</b>	<b>317,050</b>	<b>317,050</b>	<b>-</b>	<b>317,050</b>
<b>VIII.</b>	<b>CURRENT TAX ASSETS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX.</b>	<b>DEFERRED TAX ASSETS</b>	<b>(5.1.15.)</b>	<b>7,420,380</b>	<b>310,161</b>	<b>7,730,541</b>	<b>8,169,608</b>	<b>286,970</b>	<b>8,456,578</b>
<b>X.</b>	<b>OTHER ASSETS</b>	<b>(5.1.17.)</b>	<b>11,887,878</b>	<b>801,313</b>	<b>12,689,191</b>	<b>12,386,654</b>	<b>956,280</b>	<b>13,342,934</b>
	<b>TOTAL ASSETS</b>		<b>470,085,945</b>	<b>553,400,321</b>	<b>1,023,486,266</b>	<b>423,337,797</b>	<b>479,511,124</b>	<b>902,848,921</b>

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



**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**CONSOLIDATED 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.)	286,131,651	388,112,331	674,243,982	281,068,615	323,332,072	604,400,687
II.	FUNDS BORROWED	(5.2.3.)	4,045,521	129,024,377	133,069,898	3,549,663	118,992,632	122,542,295
III.	MONEY MARKETS		24,027,825	-	24,027,825	17,856,858	-	17,856,858
IV.	SECURITIES ISSUED (Net)	(5.2.4.)	17,052,807	-	17,052,807	1,000,923	-	1,000,923
V.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VI.	DERIVATIVE FINANCIAL LIABILITIES		1,246,364	580,901	1,827,265	1,319,486	1,453,023	2,772,509
6.1.	Derivative Financial Liabilities at Fair Value Through Profit or Loss	(5.2.2.)	1,246,364	580,901	1,827,265	1,319,486	1,453,023	2,772,509
6.2.	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(5.2.7.)	-	-	-	-	-	-
VII.	LEASE PAYABLES	(5.2.6.)	1,773,437	339,537	2,112,974	1,483,109	98,706	1,581,815
VIII.	PROVISIONS	(5.2.8.)	27,565,585	1,675,557	29,241,142	24,810,535	2,230,905	27,041,440
8.1.	Restructuring Provision		-	-	-	-	-	-
8.2.	Reserves for Employee Benefits		3,337,329	426,324	3,763,653	3,934,704	348,830	4,283,534
8.3.	Insurance for Technical Provision (Net)		22,181,617	68,517	22,250,134	18,891,907	51,011	18,942,918
8.4.	Other Provisions		2,046,639	1,180,716	3,227,355	1,983,924	1,831,064	3,814,988
IX.	CURRENT TAX LIABILITIES	(5.2.9.1.)	8,404,802	-	8,404,802	6,051,257	-	6,051,257
X.	DEFERRED TAX LIABILITIES		-	-	-	-	-	-
XI.	LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(5.2.10.)	-	-	-	-	-	-
11.1.	Held for Sale		-	-	-	-	-	-
11.2.	Related to Discontinued Operations		-	-	-	-	-	-
XII.	SUBORDINATED DEBT INSTRUMENTS	(5.2.11.)	-	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	(5.2.5.)	11,405,024	5,996,914	17,401,938	12,930,852	2,625,176	15,556,028
XIV.	SHAREHOLDERS' EQUITY	(5.2.12.)	100,599,015	152,291	100,751,306	89,697,887	160,937	89,858,824
14.1.	Paid-in Capital		4,947,336	-	4,947,336	4,947,336	-	4,947,336
14.2.	Capital Reserves		6,376,655	-	6,376,655	6,376,655	-	6,376,655
14.2.1.	Share Premiums		6,374,781	-	6,374,781	6,374,781	-	6,374,781
14.2.2.	Share Cancellation Profits		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		(565,335)	-	(565,335)	(543,859)	-	(543,859)
14.4.	Other Accumulated Comprehensive Income or Loss That Will Be Reclassified Through Profit or Loss		(5,478,348)	258,796	(5,219,552)	(4,537,749)	273,187	(4,264,562)
14.5.	Profit Reserves		44,016,231	-	44,016,231	42,916,867	-	42,916,867
14.5.1.	Legal Reserves		3,091,419	-	3,091,419	3,029,102	-	3,029,102
14.5.2.	Statutory Reserves		-	-	-	-	-	-
14.5.3.	Extraordinary Reserves		40,629,339	-	40,629,339	39,604,749	-	39,604,749
14.5.4.	Other Profit Reserves		295,473	-	295,473	283,016	-	283,016
14.6.	Profit or Loss		51,220,303	(106,505)	51,113,798	40,453,683	(112,250)	40,341,433
14.6.1.	Prior Years' Profit or Loss		39,410,646	(112,250)	39,298,396	3,265,944	10,930	3,276,874
14.6.2.	Net Profit or Loss for the Period		11,809,657	5,745	11,815,402	37,187,739	(123,180)	37,064,559
14.7.	Minority Shares	(5.2.13.)	82,173	-	82,173	84,954	-	84,954
	<b>TOTAL LIABILITIES</b>		<b>482,252,031</b>	<b>541,234,235</b>	<b>1,023,486,266</b>	<b>439,769,185</b>	<b>463,079,736</b>	<b>902,848,921</b>

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

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

**2. CONSOLIDATED 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
<b>A.</b>	<b>COMMITMENTS AND CONTINGENCIES (I+II+III)</b>		<b>320,847,150</b>	<b>460,504,634</b>	<b>781,351,784</b>	<b>258,748,910</b>	<b>305,816,835</b>	<b>564,565,745</b>
<b>I.</b>	<b>GUARANTEES AND WARRANTIES</b>	(5.3.1.)	<b>77,485,848</b>	<b>43,745,864</b>	<b>121,231,712</b>	<b>69,399,512</b>	<b>35,661,870</b>	<b>105,061,382</b>
1.1.	Letters of Guarantee		71,271,504	23,530,687	94,802,191	64,449,367	21,091,600	85,540,967
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		67,189,423	23,231,896	90,421,319	60,511,072	20,896,622	81,407,694
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 Warranties		-	-	-	-	-	-
<b>II.</b>	<b>COMMITMENTS</b>	(5.3.1.)	<b>135,909,919</b>	<b>56,252,553</b>	<b>192,162,472</b>	<b>96,030,796</b>	<b>13,700,170</b>	<b>109,730,966</b>
2.1.	Irrevocable Commitments		135,909,919	56,252,553	192,162,472	96,030,796	13,700,170	109,730,966
2.1.1.	Forward Asset Purchase and Sales Commitments		25,931,172	56,079,717	82,010,889	7,573,069	13,614,732	21,187,801
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	171,306	95,313,216	76,389,710	85,438	76,475,148
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		-	-	-	-	-	-
<b>III.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>	(5.3.2.)	<b>107,451,383</b>	<b>360,506,217</b>	<b>467,957,600</b>	<b>93,318,602</b>	<b>256,454,795</b>	<b>349,773,397</b>
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		107,451,383	360,506,217	467,957,600	93,318,602	256,454,795	349,773,397
3.2.1	Forward Foreign Currency Buy/Sell Transactions		17,718,248	24,956,439	42,674,687	18,287,200	20,458,168	38,745,368
3.2.1.1	Forward Foreign Currency Buy Transactions		923,006	19,474,533	20,397,539	12,970,429	7,075,606	20,046,035
3.2.1.2	Forward Foreign Currency Sell Transactions		16,795,242	5,481,906	22,277,148	5,316,771	13,382,562	18,699,333
3.2.2	Other Forward Buy/Sell Transactions		89,733,135	335,549,778	425,282,913	75,031,402	235,996,627	311,028,029
3.3	Other		-	-	-	-	-	-
<b>B.</b>	<b>CUSTODY AND PLEDGES SECURITIES (IV+V+VI)</b>		<b>4,727,468,981</b>	<b>6,748,778,307</b>	<b>11,476,247,288</b>	<b>4,152,268,333</b>	<b>5,573,608,289</b>	<b>9,725,876,622</b>
<b>IV.</b>	<b>ITEMS HELD IN CUSTODY</b>		<b>250,456,065</b>	<b>5,803,735,306</b>	<b>6,054,191,371</b>	<b>203,063,073</b>	<b>4,699,808,964</b>	<b>4,902,872,037</b>
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
<b>V.</b>	<b>PLEDGED ITEMS</b>		<b>4,475,732,923</b>	<b>944,421,061</b>	<b>5,420,153,984</b>	<b>3,947,957,092</b>	<b>873,242,903</b>	<b>4,821,199,995</b>
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		-	-	-	-	-	-
<b>VI.</b>	<b>ACCEPTED GUARANTEES AND WARRANTIES</b>		<b>1,279,993</b>	<b>621,940</b>	<b>1,901,933</b>	<b>1,248,168</b>	<b>556,422</b>	<b>1,804,590</b>
	<b>TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)</b>		<b>5,048,316,131</b>	<b>7,209,282,941</b>	<b>12,257,599,072</b>	<b>4,411,017,243</b>	<b>5,879,425,124</b>	<b>10,290,442,367</b>

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ****CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 MARCH 2025  
(INCOME STATEMENT)***(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)***3. CONSOLIDATED STATEMENT OF PROFIT OR LOSS (INCOME STATEMENT)**

			Reviewed Current Period 01.01.2025-31.03.2025	Reviewed Prior Period 01.01.2024-31.03.2024
	INCOME AND EXPENSE ITEMS	Notes		
<b>I.</b>	<b>PROFIT SHARE INCOME</b>	<b>(5.4.1.)</b>	<b>38,994,449</b>	<b>29,125,892</b>
1.1.	Profit Share on Loans		23,512,594	18,956,164
1.2.	Profit Share on Reserve Deposits		3,695,707	-
1.3.	Profit Share on Banks		1,539,429	1,587,695
1.4.	Profit Share on Money Market Placements		558,782	-
1.5.	Profit Share on Marketable Securities Portfolio		6,907,352	6,360,675
1.5.1.	Fair Value Through Profit or Loss		804,801	674,593
1.5.2.	Fair Value Through Other Comprehensive Income		3,351,918	2,763,978
1.5.3.	Measured at Amortized Cost		2,750,633	2,922,104
1.6.	Finance Lease Income		2,461,393	2,132,622
1.7.	Other Profit Share Income		319,192	88,736
<b>II.</b>	<b>PROFIT SHARE EXPENSE (-)</b>		<b>23,604,109</b>	<b>17,307,652</b>
2.1.	Expense on Profit Sharing Accounts	(5.4.4.)	16,989,761	13,817,055
2.2.	Profit Share Expense on Funds Borrowed	(5.4.2.)	1,957,694	1,743,989
2.3.	Profit Share Expense on Money Market Borrowings		3,910,952	759,101
2.4.	Expense on Securities Issued	(5.4.2.)	653,585	743,400
2.5.	Profit Share Expense on Lease		92,117	244,107
2.6.	Other Profit Share Expense		-	-
<b>III.</b>	<b>NET PROFIT SHARE INCOME (I - II)</b>		<b>15,390,340</b>	<b>11,818,240</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME/EXPENSE</b>		<b>2,715,793</b>	<b>1,782,336</b>
4.1.	Fees and Commissions Received		7,141,753	3,986,305
4.1.1.	Non-Cash Loans		256,196	156,859
4.1.2.	Other	(5.4.13.)	6,885,557	3,829,446
4.2.	Fees and Commissions Paid (-)		4,425,960	2,203,969
4.2.1.	Non-Cash Loans		4,750	932
4.2.2.	Other	(5.4.13.)	4,421,210	2,203,037
<b>V.</b>	<b>DIVIDEND INCOME</b>	<b>(5.4.3.)</b>	<b>1,002</b>	<b>431</b>
<b>VI.</b>	<b>NET TRADING INCOME / LOSS</b>	<b>(5.4.5.)</b>	<b>6,580,754</b>	<b>1,563,034</b>
6.1.	Capital Market Transaction Gains/Losses		248,102	324,236
6.2.	Gains/Losses from Derivative Financial Instruments		4,644,145	2,804,393
6.3.	Foreign Exchange Gains/Losses		1,688,507	(1,565,595)
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>(5.4.6.)</b>	<b>6,764,885</b>	<b>5,745,684</b>
<b>VIII.</b>	<b>GROSS OPERATING INCOME/LOSS (III+IV+V+VI+VII)</b>		<b>31,452,774</b>	<b>20,909,725</b>
<b>IX.</b>	<b>EXPECTED LOSS PROVISIONS (-)</b>	<b>(5.4.7.)</b>	<b>2,623,991</b>	<b>1,916,621</b>
<b>X.</b>	<b>OTHER PROVISIONS (-)</b>	<b>(5.4.7.)</b>	<b>412,752</b>	<b>364,062</b>
<b>XI.</b>	<b>PERSONNEL EXPENSES (-)</b>		<b>5,111,661</b>	<b>3,043,956</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(5.4.8.)</b>	<b>7,714,902</b>	<b>4,995,721</b>
<b>XIII.</b>	<b>NET OPERATING INCOME/(LOSS) (IX-X-XI-XII)</b>		<b>15,589,468</b>	<b>10,589,365</b>
<b>XIV.</b>	<b>EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER</b>		<b>-</b>	<b>-</b>
<b>XV.</b>	<b>INCOME / (LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		<b>64,454</b>	<b>63,894</b>
<b>XVI.</b>	<b>INCOME / (LOSS) ON NET MONETARY POSITION</b>		<b>-</b>	<b>-</b>
<b>XVII.</b>	<b>PROFIT/(LOSS) FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)</b>	<b>(5.4.9.)</b>	<b>15,653,922</b>	<b>10,653,259</b>
<b>XVIII.</b>	<b>TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	<b>(5.4.10)</b>	<b>(3,837,359)</b>	<b>(2,535,879)</b>
18.1.	Current Tax Provision		2,416,204	3,223,628
18.2.	Deferred Tax Expense Effect (+)		1,572,814	353,507
18.3.	Deferred Tax Income Effect (-)		151,659	1,041,256
<b>XIX.</b>	<b>CURRENT PERIOD PROFIT/(LOSS) FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	<b>(5.4.11.)</b>	<b>11,816,563</b>	<b>8,117,380</b>
<b>XX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		<b>-</b>	<b>-</b>
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		-	-
<b>XXI.</b>	<b>EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		<b>-</b>	<b>-</b>
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		-	-
<b>XXII.</b>	<b>PROFIT / (LOSS) BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)</b>		<b>-</b>	<b>-</b>
<b>XXIII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		<b>-</b>	<b>-</b>
23.1.	Current Tax Provision		-	-
23.2.	Deferred Tax Expense Effect (+)		-	-
23.3.	Deferred Tax Income Effect (-)		-	-
<b>XXIV.</b>	<b>CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)</b>		<b>-</b>	<b>-</b>
<b>XXV.</b>	<b>NET PROFIT/LOSS (XIX+XXIV)</b>	<b>(5.4.12.)</b>	<b>11,816,563</b>	<b>8,117,380</b>
25.1.	Group's Income/Loss		11,815,402	8,115,295
25.2.	Minority Interest Income/Loss (-)		1,161	2,085
	Earnings Per Share Income/Loss (Full TL)		2.3861	1.7646

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**CONSOLIDATED 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. CONSOLIDATED 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
<b>I.</b>	<b>CURRENT PROFIT/LOSS</b>	<b>11,816,563</b>	<b>8,117,380</b>
<b>II.</b>	<b>OTHER COMPREHENSIVE INCOME</b>	<b>(976,466)</b>	<b>(492,413)</b>
2.1	<b>Other Comprehensive Income Not Reclassified Through Profit or Loss</b>	<b>(21,476)</b>	<b>-</b>
2.1.1	Property and Equipment Revaluation Increase/Decrease	-	-
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Pension Plan Remeasurement Gain/Loss	(30,680)	-
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5	Taxes Related to Other Comprehensive Income Items Not Reclassified Through Profit or Loss	9,204	-
2.2	<b>Other Comprehensive Income Reclassified Through Profit or Loss</b>	<b>(954,990)</b>	<b>(492,413)</b>
2.2.1	Foreign Currency Translation Difference	639,119	388,796
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value Through Other Comprehensive Income	(1,633,381)	(894,743)
2.2.3	Cash Flow Hedge Income/Loss	-	-
2.2.4	Foreign Net Investment Hedge Income/Loss	(643,917)	(364,087)
2.2.5	Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6	Taxes Related Other Comprehensive Income Items Reclassified Through Profit or Loss	683,189	377,621
<b>III.</b>	<b>TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>10,840,097</b>	<b>7,624,967</b>

*If The accompanying notes are an integral part of these financial statements.*

# KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ

## CONSOLIDATED 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. CONSOLIDATED 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 Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period 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)																	
II.	Prior Period Ending Balance		4,595,131	24,525	1,874	-	-	(513,980)	-	3,657,676	(1,044,709)	(2,688,530)	18,336,113	1,690,961	28,826,897	52,885,958	87,122	52,973,080
	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)		4,595,131	24,525	1,874	-	-	(513,980)	-	3,657,676	(1,044,709)	(2,688,530)	18,336,113	1,690,961	28,826,897	52,885,958	87,122	52,973,080
IV.	Total Comprehensive Income		-	-	-	-	-	-	-	388,796	(626,348)	(254,861)	-	-	8,115,295	7,622,882	2,085	7,624,967
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		-	-	-	-	-	-	-	-	-	-	(20,005)	43,787	-	23,782	(31,058)	(7,276)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	651,723	28,175,174	(28,826,897)	-	-	-
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	651,723	(651,723)	-	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	28,826,897	(28,826,897)	-	-	-
	Balances at end of the period (III+IV+.....+X+XI)	(5.2.12.)	4,595,131	24,525	1,874	-	-	(513,980)	-	4,046,472	(1,671,057)	(2,943,391)	18,967,831	29,909,922	8,115,295	60,532,622	58,149	60,590,771
I.	Current Period (01/01/2025 – 31/03/2025)																	
II.	Prior Period Ending Balance		4,947,336	6,374,781	1,874	-	-	(543,859)	-	4,352,941	(5,469,698)	(3,147,805)	42,916,867	3,276,874	37,064,559	89,773,870	84,954	89,858,824
	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	6,374,781	1,874	-	-	(543,859)	-	4,352,941	(5,469,698)	(3,147,805)	42,916,867	3,276,874	37,064,559	89,773,870	84,954	89,858,824
IV.	Total Comprehensive Income		-	-	-	-	-	(21,476)	-	639,119	(1,143,366)	(450,743)	-	-	11,815,402	10,838,936	1,161	10,840,097
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)	(3,942)	(4,301)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	1,099,723	36,021,522	(37,064,559)	56,686	-	56,686
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	1,099,723	(1,099,723)	-	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	37,121,245	(37,064,559)	56,686	-	56,686
	Balances at End of the Period (III+IV+.....+X+XI)	(5.2.12.)	4,947,336	6,374,781	1,874	-	-	(565,335)	-	4,992,060	(6,613,064)	(3,598,548)	44,016,231	39,298,396	11,815,402	100,669,133	82,173	100,751,306

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 notes are an integral part of these financial statements.

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

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

**6. CONSOLIDATED 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		(762,995)	8,560,545
1.1.1	Profit Share Income Received		38,607,887	25,239,265
1.1.2	Profit Share Expense Paid		(25,305,180)	(14,213,124)
1.1.3	Dividends Received		1,002	431
1.1.4	Fees and Commissions Received		7,141,753	3,986,305
1.1.5	Other Income		6,829,339	5,809,578
1.1.6	Collections from Previously Written Off Loans		3,903,823	164,946
1.1.7	Payments to Personnel and Service Suppliers		(5,631,541)	(3,368,248)
1.1.8	Taxes Paid		(7,491,423)	(6,600,456)
1.1.9	Others		(18,818,655)	(2,458,152)
1.2	Changes in Assets and Liabilities from Banking Operations		(19,664,154)	(11,821,485)
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		(3,735,565)	26,700,640
1.2.2	Net (Increase) Decrease in Due from Banks and Other Financial Institutions		(16,053,274)	(30,873,657)
1.2.3	Net (Increase) Decrease in Loans		(40,536,024)	(51,193,750)
1.2.4	Net (Increase) Decrease in Other Assets		(7,488,045)	(15,681,191)
1.2.5	Net Increase (Decrease) in Bank Deposits		782,965	579,607
1.2.6	Net Increase (Decrease) in Other Deposits		42,880,432	956,428
1.2.7	Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value Through Profit or Loss		-	-
1.2.8	Net Increase (Decrease) in Funds Borrowed		(467,275)	43,904,252
1.2.9	Net Increase (Decrease) in Due Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities		4,952,632	13,786,186
I.	Net Cash Provided from Banking Operations		(20,427,149)	(3,260,940)
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net Cash Provided from Investing Activities		(3,503,366)	6,791,113
2.1	Cash Paid for Purchase Jointly Controlled Operations, Associates and Subsidiaries		(22,500)	(22,500)
2.2	Cash Obtained from Sale of Jointly Controlled Operations, Associates and Subsidiaries		-	-
2.3	Fixed Assets Purchases		(1,378,968)	(635,492)
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		(804,027)	(4,049,979)
2.8	Cash Obtained from Sale of Investment Securities		-	2,323,925
2.9	Other		(592,092)	(461,037)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Provided from Financing Activities		28,187,137	1,391,404
3.1	Cash Obtained from Funds Borrowed and Securities Issued		14,500,000	5,400,000
3.2	Cash Used for Repayments of Funds Borrowed and Securities Issued		13,800,624	(3,937,952)
3.3	Equity Instruments Issued		-	-
3.4	Dividends Paid		-	-
3.5	Payments for Finance Leases		(113,487)	(70,644)
3.6	Other		-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		22,726,914	10,900,801
V.	Net Increase in Cash and Cash Equivalents		26,983,536	15,822,378
VI.	Cash and Cash Equivalents at the Beginning of the Period		148,500,260	81,563,193
VII.	Cash and Cash Equivalents at the End of the Period		175,483,796	97,385,571

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

## **SECTION THREE**

### **EXPLANATIONS ON ACCOUNTING POLICIES**

#### **1. Explanations on basis of presentation**

##### **1.1. The preparation of the consolidated 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 Parent 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 consolidated financial statements in conformity with BRSA Accounting and Financial Reporting Legislation requires the Group 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's decision dated 11 January 2024 and numbered 10825, it was decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will apply inflation accounting as of 1 January 2025; however, it was announced that it was decided not to apply inflation accounting in 2025 in accordance with the BRSA's decision dated 5 December 2024 and numbered 11021. Therefore, no inflation adjustment has been made in accordance with TAS 29 in the preparation of the financial statements as of 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 Group in the current year.

Comparative information is rearranged when deemed necessary in order to comply with the presentation of the current period financial statements.

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**EXPLANATIONS AND NOTES TO THE CONSOLIDATED FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

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

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

The financial statements of the Group 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's decision dated 11 January 2024 and numbered 10825, it was decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will apply inflation accounting as of 1 January 2025; however, it was announced that it was decided not to apply inflation accounting in 2025 in accordance with the BRSA's decision dated 5 December 2024 and numbered 11021. Therefore, no inflation adjustment has been made in accordance with TAS 29 in the preparation of the financial statements as of 31 March 2025.

**1.5 TFRS 3 explanations on business combinations standard**

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Business combinations are accounted in accordance with TFRS 3 "Business Combinations" except for the assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that Standard.

The interests of non-controlling shareholders in the acquire is initially measured at the non-controlling's proportion of the fair value of the assets, liabilities and contingent liabilities recognized.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the ‘measurement period’ (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

- Explanations on the accounting policy applied due to the acquisition of Neova Katılım Sigorta A.Ş:

Following the necessary legal permissions on 5 May 2020, the Parent Bank finalized the purchase of Neova Katılım Sigorta A.Ş. by completing the share transfer process. The Parent Bank purchased 78,864,212 shares by paying TL 745,860 and increased the partnership share in Neova Katılım Sigorta A.Ş. from 7% to 100% by owning all the shares.

This acquisition has been evaluated as a merger of entities under common control and has been accounted for using the aggregation method (Pooling of interest). According to this method, the assets and liabilities of Neova Katılım Sigorta A.Ş. are included in the financial statements over the book values determined in accordance with TFRS at the merger date, and no goodwill has arisen in the financial statements as a result of the merger.

**1.6 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.



**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**EXPLANATIONS AND NOTES TO THE CONSOLIDATED FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

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

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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 Parent 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 under TFRS 9.

**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 Group 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 Group 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.

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The Parent Bank maintains this approach as of 31 March 2025. When 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 Group 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 Parent 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.

#### **1.7 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.

#### **1.8 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 Group reflects the existence of a lease obligation and a right of use to the financial statements at the date of initial application. The Group 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 Parent Bank. In addition, the Parent 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 2,812,045 in the balance sheet of The Parent Bank and lease liabilities classified in the item of liabilities from lease transactions amounting to gross TL 3,164,194. In the three-month period that ended as of the same date, financial expenses amounting to TL 94,047 and depreciation expenses amounting to TL 163,508 were incurred.

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

The Group 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 Parent Bank's exposure to liquidity risk, currency risk and credit risk while increasing profitability and strengthening the Parent 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 Group.

### 3. Investments in associates and subsidiaries

Consolidated and Financial Statements "Türkiye Accounting Standard for Consolidated Financial Statements" (TFRS 10) has been prepared in accordance with the provisions.

The Parent Bank and Neova Katılım Sigorta A.Ş accounted for the mutual funds that Kuveyt Türk Portföy Yönetimi A.Ş., a subsidiary of the Parent Bank, is "the fund founder and that the Group controls according to the methods, procedures and principles stated in ("TFRS 10") "Turkish Financial Reporting Standard for Consolidated Financial Statements" are accounted as per full consolidation method.

Titles, locations of the headquarters, main operations and Group's shares relating the consolidated entities are as follows:

Title	Address (City/Country)	Main Operation	31.03.2025	31.12.2024	Consolidation method
KT Bank AG	Frankfurt/Germany	Banking	100.00%	100.00%	Full consolidation
Neova Katılım Sigorta A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
KT Kira Sertifikaları Varlık Kiralama A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
KT Sukuk Varlık Kiralama A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Yönetimi A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Körfez Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul/Türkiye	Financial Institution	74.00%	74.00%	Full consolidation
Katılım Emeklilik ve Hayat A.Ş.	İstanbul/Türkiye	Financial Institution	50.00%	50.00%	Accounted with equity pick-up
Kuveyt Türk Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Sağlam Finansal Teknolojiler A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Kuveyt Türk Yabancı Katılım Serbest Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Birinci Katılım Serbest (TL) Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Birinci Katılım Serbest (Döviz-Avro) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Yönetimi A.Ş. Kobi Girişim Sermayesi Yatırım Fonu	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Lonca Girişim Sermayesi Yatırım Fonu	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Neova Katılım Serbest Özel (TL) Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Yönetimi A.Ş. Neova Katılım Sigorta Özel Girişim Sermayesi Yatırım Fonu	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Birinci Katılım Serbest(Döviz-Abd Doları) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy NKS Katılım Serbest (TL) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy NKV Katılım Serbest (TL) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation

Parent Bank and the subsidiaries, the financial tables of which are consolidated along with the Parent Bank, are collectively referred as "the Group."

#### Consolidation basis of subsidiaries

Subsidiaries are entities whose capital and management are directly or indirectly controlled by the Parent Bank. Subsidiaries are consolidated by the full consolidation method, within the framework of significance on the basis of operational outcomes, assets sizes and equity sizes. The financial statements of the relevant subsidiaries are included in the consolidated financial statements as of the date that control is transferred to Parent Bank.

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Control denotes any of the following circumstances the Parent Bank directly or indirectly through subsidiaries has over 50% of the voting rights or, dominance over the voting rights as described afore does not exist but the Parent Bank owns the preferred shares, or; the Parent Bank has voting rights appropriating more than 50% percent of all voting rights due to the agreements signed with other shareholders, or; the Parent Bank has the authority to manage the operational and financial policies of the entity due to certain arrangements or agreements, or; the Parent Bank has the power to influence the majority of the votes within the Board of Directors or any other executive organ vested with similar rights, or; the Parent Bank by any means has the power to appoint or dismiss the majority of the Board of Directors.

In accordance with the full consolidation, all of the assets, liabilities, income, expense and off-balance sheet liabilities of the subsidiaries are consolidated with the assets, liabilities, income, expense and off-balance sheet liabilities of the Parent Bank. The carrying value of the Group's investment in each subsidiary is offset with the cost value of the subsidiary's capital owned by the Group. Balances regarding the transactions between the subsidiaries in the scope of the consolidation and the unrealized gains/losses are reciprocally offset. Minority shares within the net income of the consolidated subsidiaries are determined provided that the net income of the Group shall be calculated, and these minority shares are presented as a separate item in the income statement. Minority shares are presented under the equity in the consolidated balance sheet.

In the case where the accounting policies implemented by the subsidiary are different than the Parent Bank, the accounting policies are reconciled.

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

The Group engages in foreign currency futures transactions in order to reduce foreign currency position risk and manage foreign currency liquidity. The Group'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 Group 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.

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 Group'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 Parent 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 Parent Bank's financial position or performance. As of 31 March 2025, the Group has no hedging transactions based on the benchmark interest rate.

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**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 Group 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 discount calculations for these customers within the scope of TFRS 9 Financial Instruments Standard.

The Group 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 Group 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 Group 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”.

The Group 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 Parent Bank management and the nature of contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Parent 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 recognised at fair value and subsequently remeasured at fair value. Gains and losses arising from the valuation are recognised in profit or loss.

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**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.

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.

**7.4 Derivative financial assets**

The major derivative instruments utilized by the Group 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".

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**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 Parent 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 Group has repurchased agreement amounting to TL 24,027,825 (31 December 2024 – TL 17,856,858).

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

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**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 Group 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.

There is no goodwill related to associates and subsidiaries.

**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.

**13. Explanations on leasing transactions**

For contracts concluded prior to 1 January 2019, the Group 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 Group 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 Group 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 Parent Bank's alternative borrowing profit rate. The Parent Bank recognizes right-of-use assets equal to the lease liability, adjusted for any prepaid or accrued lease payments.



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**The right-of-use asset**

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

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

**Lease Obligation**

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

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

**14. Explanations related to insurance technical provisions**

TFRS 4 specifies that all contracts issued by insurance companies must be classified as insurance contracts or investment contracts. Contracts that carry a significant insurance risk are classified as insurance contracts. Insurance risk is defined as the risks that the party holding the insurance contract (insured) transfers to the insured party, other than the financial risk. Contracts that do not carry a significant insurance risk are classified as investment contracts. Investment contracts are accounted for within the framework of TAS 39 "Financial Instruments: Recognition and Measurement".

In the consolidated financial statements, insurance technical provisions consist of the provision for unearned premiums and the provision for outstanding compensation.

The provision for unearned premiums consists of the portion of accrued premiums for insurance contracts in force that are grossly deducted for the next accounting period or accounting periods on a daily basis, without any commission or other discount.

The provision for outstanding compensation is reserved for compensation amounts that have been accrued and determined on an account but have not actually been paid in previous accounting periods or current accounting periods, or, if this amount has not been calculated, for compensation amounts that have been realized but not reported with their estimated costs.

The actuarial chain ladder method is used to estimate the amount of reserves that should be allocated in the current period according to the damage data that have been realized in the past. The amount of compensation found as a result of the method is added to the amount of compensation for outstanding compensation or subtracted from the amount of compensation for outstanding compensation.

Reinsurance companies allocate provisions according to their participation shares based on the actual compensation amounts reported, accrued and determined by the companies.

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The insurance company affiliated to the Group pays premiums and risks in order to reduce its losses arising from the projected risks it is transferred as part of its operations. Insurance premiums transferred to reinsurers related to contracts that transfer significant insurance risks are expensed by spreading over the duration of the relevant policies in parallel with the accrual of insurance premium income arising from possible risks secured.

Variable costs directly related to insurance and reinsurance contracts, such as brokerage, commission, consortium expenses and other acquisition costs, are amortised in parallel with the recognition of premium earnings during the contract period.

**15. Explanations related to insurance technical income and expenses**

Premium income in insurance companies after deducting the shares transferred to reinsurers from the policy income issued consists of.

Expenses are recorded as the damages are realized, and at the end of the period, the reported and not yet paid damages and the provision for pending damages are allocated for the realized but not reported damages. The reinsurer's shares of outstanding and paid damages are clarified within these provisions.

**16. 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 Group 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.

**17. Explanations on liabilities relating to employee benefits**

**17.1 Defined benefit plans**

In accordance with existing social legislation, the Group is required to make severance pay to each employee who has completed over one year of service with the group 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 Group is accounted all actuarial profit and loss under Statement of other Comprehensive Income.

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

**17.2 Defined contribution plans**

The Group 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.

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

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**18. 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, authorised 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 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.

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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 Parent 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.

Revaluations of immovable and depreciable economic assets are subject to deferred tax within the scope of Provisional Article 32 and Repeated Article 298/ç of the Tax Procedure Law.

**19. 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 Group does not apply hedging techniques on related borrowings.

The Group has not issued convertible bonds.

**20. Explanations on share certificates issued**

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

**21. 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.

**22. Explanations on government grants**

There are no government grants received by the Group.

**23. Explanations on segment reporting**

The Group 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 13.

**24. Explanations on other matters**

The Group has no disclosures on other matters.

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**SECTION FOUR**

**INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP**

**1. Explanations on Consolidated 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 Group's total shareholders' equity is calculated as TL 120,538,756 (31 December 2024: TL 104,292,753), and the capital adequacy ratio is 22.68% (31 December 2024: 24.81%).

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

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**1.1 Explanations on the consolidated components of shareholder's equity**

	Current Period Amount	Prior Period Amount
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	4,952,205	4,952,205
Share issue premiums	6,374,781	6,374,781
Reserves	44,016,231	42,916,867
Gains recognized in equity as per Turkish Accounting Standards (TAS)	1,728,482	1,542,767
Profit	51,113,798	40,341,433
Current Period Profit	11,815,402	37,064,559
Prior Periods' Profit	39,298,396	3,276,874
Minority Shares	82,173	84,954
Shares acquired free of charge from associates, subsidiaries and joint ventures and cannot be recognized within profit for the period	-	-
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>108,267,670</b>	<b>96,213,007</b>
<b>Deductions from Common Equity Tier 1 Capital</b>		
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	3,417,368	2,758,041
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	310,161	286,970
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	565,335	543,859
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	-	-
<b>Total Deductions from Common Equity Tier I Capital</b>	<b>6,495,866</b>	<b>9,784,051</b>
<b>Total Common Equity Tier I Capital</b>	<b>101,771,804</b>	<b>86,428,956</b>

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<b>ADDITIONAL TIER I CAPITAL</b>		
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)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>1,889,490</b>	<b>1,763,557</b>
<b>Deductions from Additional Tier I Capital</b>		
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	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions from Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
<b>Total Additional Tier I Capital</b>	<b>1,889,490</b>	<b>1,763,557</b>
<b>Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)</b>	<b>103,661,293</b>	<b>88,192,513</b>
<b>TIER II CAPITAL</b>		
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	3,945,256
<b>Tier II Capital Before Deductions</b>	<b>17,014,574</b>	<b>16,290,152</b>
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 (-)	-	-
<b>Total Deductions from Tier II Capital</b>	<b>-</b>	<b>-</b>
<b>Total Tier II Capital</b>	<b>17,014,574</b>	<b>16,290,152</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>120,675,867</b>	<b>104,482,665</b>

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<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>		
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	99,517	180,626
Other items to be defined by the BRSA	37,594	9,286
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>	-	
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank 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	-	-
<b>CAPITAL</b>		
Total Capital (Total of Tier I Capital and Tier II Capital)	120,538,756	104,292,753
Total Risk Weighted Assets	531,416,195	420,359,547
<b>CAPITAL ADEQUACY RATIOS</b>		
CET 1 Capital Ratio (%)	19.15	20.56
Tier I Capital Ratio (%)	19.51	20.98
Capital Adequacy Ratio (%)	22.68	24.81
<b>BUFFERS</b>		
Total additional core capital requirement ratio	2.56	2.56
Capital conservation buffer requirement (%)	2.50	2.50
Bank specific countercyclical buffer requirement (%)	0.06	0.06
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	13.51	14.98
<b>Amounts Lower than Excesses as per Deduction Rules</b>		
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	-	-
<b>Limits for Provisions Used in Tier II Capital Calculation</b>		
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	3,945,256
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	-	-
<b>Debt Instruments Covered by Temporary Article 4 (effective between 1 January 2018-1 January 2022)</b>	-	
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	-	-



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<b>Information on debt instruments to be included in equity calculation:</b>		
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
<b>Consideration In Equity Calculation</b>		
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 Date: 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
<b>Dividend payments</b>		
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
<b>Ability to convert to stock</b>		
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
<b>Value reduction feature</b>		
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

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**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 Parent 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 Parent 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 Group 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 consolidated 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 consolidated currency risk**

Foreign currency risk represents the Group'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 Group. 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 Parent 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 Group has a closed position of TL 9,017,369 (31 December 2024 - TL 18,183,343 closed) consisting of TL 10,855,413 balance sheet open position (31 December 2024 - TL 22,788,455 open) and TL 19,872,782 off-balance sheet closed position (31 December 2024 - TL 4,605,112 open).

The announced current foreign exchange buying rates of the Parent 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
<b>USD</b>	37.88293	37.93475	37.96091	37.96374	37.78979	37.78979
<b>EUR</b>	41.06674	40.99717	40.94979	40.91441	40.74520	40.74520
<b>GBP</b>	49.06981	49.06195	49.01090	49.07620	48.92721	48.92721
<b>CHF</b>	42.96077	42.97855	42.95183	42.96161	42.82807	42.82807
<b>JPY</b>	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 Parent Bank for the thirty days preceding the balance sheet date are as follows (full TL)

	Monthly Average FC Purchase Rate
<b>USD</b>	37.07981
<b>EUR</b>	39.99300
<b>GBP</b>	47.81495
<b>CHF</b>	41.92831
<b>JPY</b>	0.24853

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**Consolidated currency risk of the Group**

<b>Current Period</b>	<b>EUR</b>	<b>USD</b>	<b>Other FC</b>	<b>Total</b>
<b>Assets</b>				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye (****)	25,230,648	61,940,786	104,780,353	191,951,787
Banks (*****)	1,963,674	12,476,409	24,668,241	39,108,324
Financial assets at fair value through profit and loss	42,961	15,710,700	2,978,652	18,732,313
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	9,674	30,228,555	-	30,238,229
Loans and finance lease receivables (*)	116,905,241	120,518,085	47,706	237,471,032
Subsidiaries, associates and joint ventures (**)	-	-	-	-
Financial assets at amortized cost (*****)	821,932	29,367,377	-	30,189,309
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	373,222	4,701	-	377,923
Intangible assets	253,576	235	-	253,811
Other assets	514,351	584,798	9,384	1,108,533
<b>Total Assets</b>	<b>146,115,279</b>	<b>270,831,646</b>	<b>132,484,336</b>	<b>549,431,261</b>
<b>Liabilities</b>				
Current account and funds collected from Banks via participation accounts	2,546,133	361,975	1,357,391	4,265,499
Current and profit-sharing accounts FC (****)	72,971,671	134,999,452	175,875,709	383,846,832
Money market borrowings	-	-	-	-
Funds provided from other financial institutions	13,517,553	119,535,361	11,323,790	144,376,704
Marketable securities issued	-	-	-	-
Miscellaneous payables	1,364,123	3,200,275	16,953	4,581,351
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities (*****)	1,224,087	1,987,203	132,216	3,343,506
<b>Total Liabilities</b>	<b>91,623,567</b>	<b>260,084,266</b>	<b>188,706,059</b>	<b>540,413,892</b>
Net balance sheet position	54,491,712	10,747,380	(56,221,723)	9,017,369
Net off-balance sheet position	(55,308,102)	8,192,928	57,970,587	10,855,413
Financial derivative assets	11,071,969	67,740,463	134,908,241	213,720,673
Financial derivative liabilities	66,380,071	59,547,535	76,937,654	202,865,260
Non-cash loans (***)	11,232,033	26,081,280	6,432,551	43,745,864
<b>Prior Period</b>				
Total assets	123,622,270	254,948,933	101,077,789	479,648,992
Total liabilities	81,959,109	230,034,776	149,471,764	461,465,649
Net balance sheet position	41,663,161	24,914,157	(48,393,975)	18,183,343
Net off-balance sheet position	(43,438,247)	(28,575,076)	49,224,868	(22,788,455)
Financial derivative assets	4,311,290	41,701,105	77,628,141	123,640,536
Financial derivative liabilities	47,749,537	70,276,181	28,403,273	146,428,991
Non-cash loans (***)	9,922,037	20,082,670	5,657,163	35,661,870

(\*) Includes foreign currency indexed loans amounting to TL 862,312 (31 December 2024 - TL 939,403) and expected loss provisions amounting to TL 4,065,847.

(\*\*) Includes foreign currency associates and subsidiaries amounting to TL 1,592,030 (31 December 2024 - TL 1,592,030) of subsidiaries amounting to TL 8,873,680 in the balance sheet.

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

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

(\*\*\*\*\*) Provision for impairment of marketable securities at fair value through profit or loss amounting to TL 580,901 in other liabilities is not included in foreign currency risk. It also includes provision for foreign currency indexed loans amounting to TL 13,255.

(\*\*\*\*\*) In the balance sheet, expected loss provisions amounting to TL 3,044 have been deducted from the Cash and Cash equivalents and Central Bank and Banks accounts.

(\*\*\*\*\*) Provisions are included in the related amounts.

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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 4,828,431 (31 December 2024 - TL 798,152)
- Prepaid expenses: TL 2,941 (31 December 2024 - TL 3,383)
- Derivative financial liabilities held for trading: TL 580,901 (31 December 2024 - TL 1,453,023)
- Marketable securities of FC revaluation reverse: TL (272,451) (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 40,275,132 (31 December 2024 – TL 6,970,583)
- Foreign exchange sales transactions with value date: TL 17,102,111 (31 December 2024 – TL 6,644,149)
- 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 Group is mainly exposed to foreign currency risk in EURO, USD and GOLD.

The following table shows the Group'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%	1,894,031	(366,092)	1,749,956	(552,671)
EURO	10%	(81,639)	(177,509)	185,084	14,817
Gold	10%	1,244,745	972,593	1,244,745	972,593

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**4. Explanations related to stock position risk**

**4.1 Relation of risks with gains accounted under equity and analysing 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 Group'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	615,416	-	615,416
Quoted Securities	-	-	-
Investments in Associates	-	-	-
Quoted Securities	-	-	-
Investment in Subsidiaries	8,873,680	-	-
Quoted Securities	-	-	-
Other	719,834	-	-
Quoted Securities	-	-	-

Prior Period		Comparison	
Equity Securities Investments	Carrying Value	Fair Value	Market Value
Securities at Fair Value Through Other Comprehensive Income	521,580	-	521,580
Quoted Securities	-	-	-
Investments in Associates	-	-	-
Quoted Securities	-	-	-
Investment in Subsidiaries	123,680	-	-
Quoted Securities	-	-	-
Other	655,380	-	-
Quoted Securities	-	-	-

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

None.

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**5. Consolidated liquidity risk management and liquidity coverage ratio**

The liquidity risk of the Parent 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 Parent 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 Parent Bank to maintain and maintain adequate liquidity levels under stress conditions.

**5.1 Information on risk capacity of the Group, 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 Group'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 Group 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 Group which insures its cash outflows with the high-quality liquid assets are 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 analysed 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 Group 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 Group. The Treasury Group 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.

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

The Group's liquidity management is performed by the Asset and Liability Management. Depending on the Parent 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.

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

Group 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 Group's total liabilities**

Almost all liabilities of the Group are denominated in Turkish Lira, American Dollar, Euro or Gold. The TL denominated liquidity of the Group 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 analyse 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 Group, related with the overall market or scenarios take in consideration both 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 favour 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.

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**5.9 Liquidity coverage ratio**

Current Period		Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				-	-
1	High quality liquid assets	269,487,991	193,406,093	269,102,586	191,590,400
<b>CASH OUTFLOWS</b>		-	-	-	-
2	Retail and small business customers, of which;	270,385,893	81,251,534	25,656,184	10,074,471
3	Stable deposits	56,151,282	-	2,715,400	-
4	Less stable deposits	214,234,611	81,251,534	22,940,784	10,074,471
5	Unsecured debts other than real person deposits and retail deposits	164,610,725	92,558,218	89,278,796	54,838,285
6	Operational deposit	-	-	-	-
7	Non-operational deposits	130,674,561	66,095,261	55,546,830	28,186,133
8	Other unsecured funding	33,936,164	26,462,957	33,731,966	26,652,152
9	Secured funding			-	-
10	Other cash outflows	228,779,540	216,248,062	228,159,294	215,430,119
11	Derivative liabilities and collateral fulfilment obligations	153,126,434	140,817,844	152,261,162	139,754,875
12	Obligations related to structured financial products	75,653,106	75,430,218	75,898,132	75,675,244
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	206,794,319	37,771,396	16,364,350	2,039,879
16	<b>TOTAL CASH OUTFLOWS</b>	-	-	<b>359,458,624</b>	<b>282,382,754</b>
<b>CASH INFLOWS</b>					
17	Secured lending	-	-	-	-
18	Unsecured lending	111,634,726	72,860,971	75,801,126	52,272,440
19	Other cash inflows	175,207,691	87,010,513	174,642,853	88,792,065
20	<b>TOTAL CASH INFLOWS</b>	<b>286,842,417</b>	<b>159,871,484</b>	<b>250,443,979</b>	<b>141,064,505</b>
				<b>Upper Limit Applied Value</b>	
21	<b>TOTAL HQLA STOCK</b>			<b>269,102,586</b>	<b>191,590,400</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>			<b>109,014,645</b>	<b>141,318,249</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>246.85</b>	<b>135.57</b>

(\*) 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	297.62	03/2025	188.67	01/2025	248.76
FC	157.41	03/2025	106.73	01/2025	135.41

The liquidity coverage rate is calculated by the proportion of high-quality liquid assets held by the Group 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.



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Prior Period		Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
		TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				-	-
1	High quality liquid assets	208,431,959	133,757,112	208,359,913	133,685,065
<b>CASH OUTFLOWS</b>		-	-	-	-
2	Retail and small business customers, of which;	203,342,898	22,844,938	17,644,426	2,284,494
3	Stable deposits	53,797,292	-	2,689,865	-
4	Less stable deposits	149,545,606	22,844,938	14,954,561	2,284,494
5	Unsecured debts other than real person deposits and retail deposits	138,221,942	83,716,274	76,471,423	49,393,475
6	Operational deposit	-	-	-	-
7	Non-operational deposits	108,779,609	60,069,357	47,029,090	25,746,558
8	Other unsecured funding	29,442,333	23,646,917	29,442,333	23,646,917
9	Secured funding			-	-
10	Other cash outflows	176,340,684	166,583,550	176,340,684	166,583,550
11	Derivative liabilities and collateral fulfilment obligations	97,120,404	87,722,709	97,120,404	87,722,709
12	Obligations related to structured financial products	79,220,280	78,860,841	79,220,280	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	182,276,391	34,445,464	15,225,487	2,356,927
16	<b>TOTAL CASH OUTFLOWS</b>	-	-	<b>285,682,020</b>	<b>220,618,446</b>
<b>CASH INFLOWS</b>		-	-	-	-
17	Secured lending	-	-	-	-
18	Unsecured lending	119,986,419	83,017,248	86,297,443	64,834,796
19	Other cash inflows	112,641,506	69,741,215	112,641,506	69,741,215
20	<b>TOTAL CASH INFLOWS</b>	<b>232,627,925</b>	<b>152,758,463</b>	<b>198,938,949</b>	<b>134,576,011</b>
				Upper Limit Applied Value	
21	<b>TOTAL HQLA STOCK</b>			<b>208,359,913</b>	<b>133,685,065</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>			<b>86,743,071</b>	<b>86,042,435</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>240.20</b>	<b>155.37</b>

(\*) 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.

**Prior Period**

	Highest	Date	Lowest	Date	Average
TL+FC	273.31	11/2024	196.70	12/2024	238.59
FC	205.15	10/2024	122.13	12/2024	160.78

The liquidity coverage ratio is calculated by the ratio of the high-quality liquid assets of the Group 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 TC Central Bank, 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.

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**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
<b>Assets</b>								
Cash (cash in vault, effectives, cash in transit, Cheques purchased) and balances with the Central Bank of the Republic of Türkiye	157,758,956	101,875,517	-	-	-	-	(1,692)	259,632,781
Banks (*)	50,359,688	4,410	930,381	81,976	-	-	7,587	51,384,042
Financial assets at fair value through profit and loss	-	5,265	985,646	6,134,123	8,548,463	3,675,644	11,116,625	30,465,766
Money market placements	-	6,512,002	-	-	-	-	-	6,512,002
Financial assets at fair value through other comprehensive income	33,140	16,376,296	4,532,285	1,706,512	34,053,027	15,640,370	582,277	72,923,907
Loans (**)	-	117,952,139	71,700,118	181,509,879	115,685,517	12,711,006	(4,643,685)	494,914,974
Financial assets measured at amortised cost	-	2,972,328	-	8,771,241	41,398,741	8,054,599	(32,074)	61,164,835
Other assets (***)	2,042,207	2,979,558	50,638	-	7,730,541	-	33,685,015	46,487,959
<b>Total Assets</b>	<b>210,193,991</b>	<b>248,677,515</b>	<b>78,199,068</b>	<b>198,203,731</b>	<b>207,416,289</b>	<b>40,081,619</b>	<b>40,714,053</b>	<b>1,023,486,266</b>
<b>Liabilities</b>								
Current account and funds collected from banks via participation accounts	4,439,540	49	-	-	-	-	-	4,439,589
Current and profit-sharing accounts	385,711,134	204,695,736	50,444,391	26,420,479	2,508,353	24,300	-	669,804,393
Funds provided from other financial institutions	-	84,090,802	18,935,498	25,012,181	6,922,891	13,460,853	-	148,422,225
Money market borrowings	-	23,676,516	351,309	-	-	-	-	24,027,825
Marketable securities issued	-	1,587,996	3,497,415	11,967,396	-	-	-	17,052,807
Miscellaneous payables	6,413,816	2,506,042	-	-	-	-	-	8,919,858
Other liabilities (****)	-	9,944,290	8,631,698	598,683	1,124,813	85,374	130,434,711	150,819,569
<b>Total Liabilities</b>	<b>396,564,490</b>	<b>326,501,431</b>	<b>81,860,311</b>	<b>63,998,739</b>	<b>10,556,057</b>	<b>13,570,527</b>	<b>130,434,711</b>	<b>1,023,486,266</b>
Net liquidity gap	(186,370,499)	(77,823,916)	(3,661,243)	134,204,992	196,860,232	26,511,092	(89,720,658)	-
<b>Prior Period</b>								
Total Assets	176,957,053	225,085,112	81,600,447	177,173,686	188,619,549	38,189,877	15,223,197	902,848,921
Total liabilities	334,491,574	290,164,078	80,546,846	56,419,418	11,726,216	12,470,622	117,030,167	902,848,921
Net liquidity gap	(157,534,521)	(65,078,966)	1,053,601	120,754,268	176,893,333	25,719,255	(101,806,970)	-

(\*) 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.

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**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.

As of 31 March 2025, the Consolidated Net Stable Funding Ratio was 120.38% (31 December 2024 - 132.93%). As of 31 March 2025, the amount of available stable funds in the consolidated Net Stable Funding Table of our Bank is TL 779,571,264 (31 December 2024 - TL 697,755,893), while the required amount of stable funds is TL 647,618,236 (31 December 2024 - TL 524,920,013) and our Consolidated Net Stable Funding Ratio is 120.38% (31 December 2024 - 132.93%).

In the first 3 months of 2025, consolidated NSFR development is presented in the table below.

Period	Ratio
31/01/2025	123.92%
28/02/2025	121.62%
31/03/2025	120.38%
3 Months Average	121.97%

Current Period		a	b	c	ç	d
		Unadjusted Amount According to Remaining Maturity				Total Amount Applied Consideration Rate
		Demand*	Less than 6 Months	6 Months and Longer than 6 Months Less than 1 Year	1 Year and Longer than 1 Year	
Available Stable Fund						
1	Equity Items	126,601,529	-	-	-	126,601,529
2	Tier 1 and Tier 2 capital	126,601,529	-	-	-	126,601,529
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	374,635,511	251,489,350	43,614,431	999,939	632,827,502
5	Stable deposit/participation fund	332,846,088	232,046,333	17,676,198	675,253	554,081,678
6	Low stable deposit/participation fund	41,789,423	19,443,017	25,938,233	324,686	78,745,824
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	152,698,514	26,438,686	-	13,219,346

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12	Derivative liabilities				-	
13	Other equity items and liabilities not included above	102,483,935	-	-	6,922,887	6,922,887
14	<b>Available Stable Fund</b>					<b>779,571,264</b>
	<b>Required Stable Funding</b>					
15	High-quality liquid assets					3,132,236
16	Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
17	Performing loans and securities	24,451,100	57,969,295	126,121,412	354,241,507	414,776,270
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	126,121,412	329,141,642	383,150,176
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	15,376,622
25	Assets equivalent to interconnected liabilities					
26	Other assets	176,480,042	49,171,149	-	14,803,171	223,635,892
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				3,811,065	3,811,065
30	Derivative liabilities before deduction of variation margin				45,360,084	45,360,084
31	Other assets not included above	163,044,718	-	-	14,803,171	163,044,718
32	Off-balance sheet payables		121,476,757	-	-	6,073,838
33	<b>Required Stable Funding</b>					<b>647,618,236</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>120.38</b>

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In the last 3 months of 2024, consolidated NSFR development is presented in the table below.

Period	Ratio
31 October 24	125.97%
30 November 24	130.28%
31 December 24	132.93%
3 Months Average	129.73%

Prior Period		a	b	c	ç	d
		Unadjusted Amount According to Remaining Maturity				Total Amount Applied Consideration Rate
		Demand*	Less than 6 Months	6 Months and Longer than 6 Months Less than 1 Year	1 Year and Longer than 1 Year	
Available Stable Fund						
1	Equity Items	113,717,868	-	-	-	113,717,868
2	Tier 1 and Tier 2 capital	113,717,868	-	-	-	113,717,868
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	318,854,051	235,645,818	46,003,817	1,331,488	567,863,224
5	Stable deposit/participation fund	279,608,939	216,996,863	26,762,022	863,533	498,019,789
6	Low stable deposit/participation fund	39,245,112	18,648,955	19,241,795	467,955	69,843,435
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	123,979,486	19,725,094	-	9,862,547
12	Derivative liabilities		1,074,669			
13	Other equity items and liabilities not included above	88,192,294	-	-	6,312,250	6,312,254
14	Available Stable Fund					697,755,893
Required Stable Funding						
15	High-quality liquid assets					3,410,497
16	Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
17	Performing loans and securities	20,234,040	7,242,617	180,524,192	275,487,654	342,958,673
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

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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	4,013,663	179,827,838	254,445,364	314,407,547
21	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	20,126,195	13,082,027
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	14,985,698
25	Assets equivalent to interconnected liabilities					
26	Other assets	142,035,086	33,073,813	-	32,788,304	173,292,423
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	129,925,245	-	-	32,788,304	129,925,245
32	Off-balance sheet payables		105,168,427	-	-	5,258,421
33	<b>Required Stable Funding</b>					<b>524,920,013</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>132.93</b>

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**6. Explanations on consolidated leverage ratio**

**6.1 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.

	<b>On-balance sheet assets (*)</b>	<b>Current Period</b>	<b>Prior Period</b>
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	992,588,148	893,103,141
2	(Assets deducted in determining Tier I Capital)	(6,879,787)	(10,991,117)
3	Total on-balance sheet risks (sum of lines 1 and 2)	985,708,361	882,112,024
	<b>Derivative financial instruments and credit derivatives</b>		
4	Replacement cost associated with all derivative instruments and credit derivatives	3,042,778	1,673,693
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)	5,293,014	2,945,475
	<b>Securities or commodity financing transactions (SCFT)</b>		
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)
	<b>Other off-balance sheet transactions</b>		
10	Gross notional amounts of off-balance sheet transactions	813,977,130	377,308,698
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)	321,415,887	223,440,477
	<b>Capital and total risks</b>		
13	Tier I Capital	98,828,140	85,072,097
14	Total risks (sum of lines 3, 6, 9 and 12)	1,301,640,462	1,106,156,930
	<b>Leverage ratio</b>		
15	Leverage ratio	7.60	7.68

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

As of the Group's consolidated 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 7.60% (31 December 2024 - 7.68%). 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 16% from profit for the period, while on-balance sheet risk increased by 12%, off-balance sheet items increased by 44%. Accordingly, there is an increase of 8 basis points in the leverage ratio in the current period compared to the previous period.

**7. Explanations on consolidated 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).

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**10. Explanations on consolidated 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 Parent Bank is exposed. The Board of Directors is the owner of the Parent 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 Parent Bank's Risk Management System is to identify, measure, monitor and control the risks that the Parent 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 Parent 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)	379,255,270	314,015,642	30,340,422
2	Standardised approach	379,255,270	314,015,642	30,340,422
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	4,051,236	1,604,870	324,099
5	Standardised approach for counterparty credit risk	4,051,236	1,604,870	324,099
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	40,143,087	37,557,629	3,211,447
17	Standardised approach	40,143,087	37,557,629	3,211,447
18	Internal model approaches	-	-	-
19	Operational risk	107,966,602	67,181,406	8,637,328
20	Basic indicator approach	107,966,602	67,181,406	8,637,328
21	Standardised approach	-	-	-
22	Advanced measurement approach	-	-	-
23	Amounts below the thresholds for deduction from capital (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>531,416,195</b>	<b>420,359,547</b>	<b>42,513,296</b>



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**11. Securitization positions**

None.

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

The Group does not perform purchases, sales and custody services in the name of others. The Group 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 consolidated operating segments**

The Parent 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 groups 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 Parent 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.

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**Selected balance sheet and income statement items according to segments**

<b>Current Period</b> <b>1 January 2025 - 31 March 2025</b>	<b>Retail</b> <b>Banking</b>	<b>Corporate and</b> <b>Commercial</b> <b>Banking</b>	<b>Treasury and</b> <b>international</b> <b>Banking</b>	<b>Unallocated</b>	<b>Group's total</b> <b>operation</b>
Operating income	29,458,783	20,059,242	9,552,067	-	59,070,092
Operating expenses (-)	16,561,910	7,722,820	6,899,092	12,296,802	43,480,624
Transfers between segments	16,826,839	(7,853,258)	(8,973,581)	-	-
<b>Net operating income / loss</b>	<b>29,723,712</b>	<b>4,483,164</b>	<b>(6,320,606)</b>	<b>(12,296,802)</b>	<b>15,589,468</b>
Income from associates using equity method	-	-	-	64,454	64,454
<b>Profit before tax</b>	<b>29,723,712</b>	<b>4,483,164</b>	<b>(6,320,606)</b>	<b>(12,232,348)</b>	<b>15,653,922</b>
Tax Provision (-)	-	-	-	3,837,359	3,837,359
<b>Net profit for the period</b>	<b>29,723,712</b>	<b>4,483,164</b>	<b>(6,320,606)</b>	<b>(16,069,707)</b>	<b>11,816,563</b>
<b>Current Period</b> <b>31 March 2025</b>					
Segment assets	204,667,635	263,647,004	514,834,547	-	983,149,186
Associates, subsidiaries and joint ventures	-	-	-	9,593,514	9,593,514
Undistributed assets	-	-	-	30,743,567	30,743,567
<b>Total assets</b>	<b>204,667,635</b>	<b>263,647,004</b>	<b>514,834,547</b>	<b>40,337,080</b>	<b>1,023,486,266</b>
Segment liabilities	549,588,699	148,697,035	169,401,344	-	867,687,078
Undistributed liabilities	-	-	-	55,047,882	55,047,882
Shareholders' equity	-	-	-	100,751,306	100,751,306
<b>Total liabilities</b>	<b>549,588,699</b>	<b>148,697,035</b>	<b>169,401,344</b>	<b>155,799,188</b>	<b>1,023,486,266</b>
<b>Prior Period</b> <b>1 January 2024 - 31 March 2024</b>					
Operating income	18,924,980	20,303,556	828,748	-	40,057,284
Operating expenses (-)	14,649,537	5,728,144	1,437,198	7,653,040	29,467,919
Transfers between segments	10,617,942	(3,851,986)	(6,765,956)	-	-
<b>Net operating income / loss</b>	<b>14,893,385</b>	<b>10,723,426</b>	<b>(7,374,406)</b>	<b>(7,653,040)</b>	<b>10,589,365</b>
Income from associates using equity method	-	-	-	63,894	63,894
<b>Profit before tax</b>	<b>14,893,385</b>	<b>10,723,426</b>	<b>(7,374,406)</b>	<b>(7,589,146)</b>	<b>10,653,259</b>
Provision for taxation (-)	-	-	-	2,535,879	2,535,879
<b>Net profit for the period</b>	<b>14,893,385</b>	<b>10,723,426</b>	<b>(7,374,406)</b>	<b>(10,125,025)</b>	<b>8,117,380</b>
<b>Prior Period</b> <b>31 December 2024</b>					
Segment assets	161,029,683	260,169,927	450,292,642	-	871,492,252
Associates, subsidiaries and joint ventures	-	-	-	779,060	779,060
Undistributed assets	-	-	-	30,577,609	30,577,609
<b>Total assets</b>	<b>161,029,683</b>	<b>260,169,927</b>	<b>450,292,642</b>	<b>31,356,669</b>	<b>902,848,921</b>
Segment liabilities	482,845,304	139,651,862	141,844,206	-	764,341,372
Undistributed liabilities	-	-	-	48,648,725	48,648,725
Shareholders' equity	-	-	-	89,858,824	89,858,824
<b>Total liabilities</b>	<b>482,845,304</b>	<b>139,651,862</b>	<b>141,844,206</b>	<b>138,507,549</b>	<b>902,848,921</b>

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**SECTION FIVE**

**EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS**

**1. Explanations and notes related to consolidated 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	13,072,466	3,622,738	13,170,854
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
<b>Total</b>	<b>67,680,697</b>	<b>191,953,776</b>	<b>59,543,446</b>	<b>167,156,918</b>

(\*) As of 31 March 2025, precious metal deposit account amounting to TL 13,354,738 (31 December 2024 - TL 12,109,667) and cash in transit account amounting to TL 80,585 (31 December 2024 - TL 173) are shown here.

**1.1.2 Balances with the Central Bank of Türkiye**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	37,888,260	63,648,664	30,806,892	54,551,669
Restricted Time Deposit	-	-	-	-
Unrestricted Time Deposit	26,549,766	101,875,518	25,113,643	87,324,728
<b>Total</b>	<b>64,438,026</b>	<b>165,524,182</b>	<b>55,920,535</b>	<b>141,876,397</b>

**1.1.3 Explanations on required reserves**

The Bank establishes reserve requirements for Turkish Lira and foreign currency liabilities at the Central Bank of the Republic of Türkiye (CBRT) in accordance with the CBRT's "Communiqué No: 2013/15 on Reserve Requirements". Reserve deposits can be held at the CBRT in Turkish Lira, US Dollars and/or Euro and standard gold in accordance with the "Communiqué on Reserve Requirements".

As of 31 March 2025, the Bank maintains reserve requirements of 3% to 17% for Turkish currency participation funds and other liabilities (22% to 33% for accounts with currency hedging support), 5% to 30% for foreign currency participation funds and other liabilities, and 22% to 26% for precious metal deposit accounts. 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 6,296,004 (31 December 2024 - TL 5,172,111).

Positive differences related to marketable derivative financial assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Futures transactions	96,167	241,454	164,392	103,355
Swap transactions	713,732	4,586,977	735,296	694,797
Other	-	-	-	-
<b>Total</b>	<b>809,899</b>	<b>4,828,431</b>	<b>899,688</b>	<b>798,152</b>

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**1.3 Information on Banks**

**1.3.1. Information on Banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>	<b>12,277,721</b>	<b>39,109,379</b>	<b>12,418,838</b>	<b>26,907,745</b>
Domestic	12,277,721	1,697,577	12,418,838	685,247
Foreign	-	37,411,802	-	26,222,498
Headquarters and branches abroad	-	-	-	-
Other Financial Institutions	-	-	-	-
<b>Total</b>	<b>12,277,721</b>	<b>39,109,379</b>	<b>12,418,838</b>	<b>26,907,745</b>

**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
<b>Debt Securities</b>	<b>80,724,462</b>	<b>73,981,413</b>
Quoted on stock exchange	70,510,204	64,232,745
Not quoted on stock exchange	10,214,258	9,748,668
<b>Share certificates/Investment Funds</b>	<b>233,575</b>	<b>205,936</b>
Quoted on stock exchange	95,024	90,899
Not quoted on stock exchange	138,551	115,037
<b>Impairment provision (-)</b>	<b>8,034,130</b>	<b>6,528,031</b>
<b>Total</b>	<b>72,923,907</b>	<b>67,659,318</b>

**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 Group**

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
<b>Direct loans granted to shareholders</b>	<b>59,973</b>	<b>117,993</b>	<b>31,373</b>	<b>104,629</b>
Corporate shareholders	19,339	117,074	2,080	104,169
Real person shareholders	40,634	919	29,293	460
<b>Indirect loans granted to shareholders</b>	<b>2,444</b>	<b>3,688</b>	<b>1,117</b>	<b>3,505</b>
<b>Loans granted to employees</b>	<b>389,427</b>	<b>21,482</b>	<b>331,765</b>	<b>5,782</b>
<b>Total</b>	<b>451,844</b>	<b>143,163</b>	<b>364,255</b>	<b>113,916</b>

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**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
<b>Loans</b>	<b>406,719,214</b>	<b>26,455,555</b>	<b>5,232,821</b>	<b>-</b>
Export Loans	58,604,112	1,334,338	-	-
Import Loans	18,462,261	423,363	-	-
Corporation Loans	194,464,387	17,071,659	3,611,026	-
Consumer Loans	31,874,661	1,091,394	6,966	-
Credit Cards	55,027,542	5,485,788	212,309	-
Loans given to financial sector	207,095	-	-	-
Other	48,079,156	1,049,012	1,402,520	-
<b>Other Receivables</b>	<b>6,333</b>	<b>63,181</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>406,725,547</b>	<b>26,518,735</b>	<b>5,232,821</b>	<b>-</b>

Prior Period - Cash Loans	Standard Loans	Loans Under Close Monitoring		
		Not Subject to Restructuring	Restructured Loans	
			Revised Contract Terms	Refinance
<b>Loans</b>	<b>371,194,185</b>	<b>23,269,618</b>	<b>5,362,768</b>	<b>-</b>
Export Loans	56,243,452	1,030,894	-	-
Import Loans	18,028,033	340,620	-	-
Corporation Loans	176,498,998	15,321,535	3,504,424	-
Consumer Loans	27,478,870	1,074,654	3,265	-
Credit Cards	47,520,346	4,906,587	136,378	-
Loans given to financial sector	3,041,396	-	-	-
Other	42,383,090	595,328	1,718,701	-
<b>Other Receivables</b>	<b>3,296</b>	<b>18,305</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>371,197,481</b>	<b>23,287,923</b>	<b>5,362,768</b>	<b>-</b>

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

	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
	Current Period	Current Period	Prior Period	Prior Period
12 Month Expected Credit Losses	2,207,875	-	2,755,603	-
Expected Loss Provision for Other Financial Assets Measured at Amortized Cost	32,074	-	63,024	-
Significant Increase in Credit Risk	-	3,927,033	-	4,258,544
<b>Total</b>	<b>2,239,949</b>	<b>3,927,033</b>	<b>2,818,627</b>	<b>4,258,544</b>

**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.

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**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
<b>Consumer Loans-TL</b>	<b>2,007,759</b>	<b>22,372,250</b>	<b>24,380,009</b>
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
<b>Consumer Loans-FC Indexed</b>	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC</b>	<b>334,301</b>	<b>8,040,222</b>	<b>8,374,523</b>
Housing Loans	309,936	7,143,827	7,453,763
Vehicle Loans	20,504	754,603	775,107
Consumer Loans	3,861	141,792	145,653
Other	-	-	-
<b>Retail Credit Cards-TL</b>	<b>18,303,642</b>	<b>24</b>	<b>18,303,666</b>
With Instalment	4,763,409	24	4,763,433
Without Instalment	13,540,233	-	13,540,233
<b>Retail Credit Cards-FC</b>	<b>6,761</b>	<b>12,753</b>	<b>19,514</b>
With Instalment	-	12,753	12,753
Without Instalment	6,761	-	6,761
<b>Personnel Loans-TL</b>	<b>90,685</b>	<b>127,804</b>	<b>218,489</b>
Housing Loans	132	21,695	21,827
Vehicle Loans	18,936	50,784	69,720
Consumer Loans	71,617	55,325	126,942
Other	-	-	-
<b>Personnel Loans-FC Indexed</b>	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>200,681</b>	<b>2</b>	<b>200,683</b>
With Instalment	79,372	2	79,374
Without Instalment	121,309	-	121,309
<b>Personnel Credit Cards-FC</b>	-	-	-
With Instalment	-	-	-
Without-instalment	-	-	-
<b>Overdraft Account-TL (Real Person)</b>	-	-	-
<b>Overdraft Account-FC (Real Person)</b>	-	-	-
<b>Total</b>	<b>20,943,829</b>	<b>30,553,055</b>	<b>51,496,884</b>

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Prior Period	Short term	Medium and long term	Total
<b>Consumer Loans-TL</b>	<b>1,852,591</b>	<b>19,262,736</b>	<b>21,115,327</b>
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
<b>Consumer Loans-FC Indexed</b>	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC</b>	<b>265,536</b>	<b>6,982,840</b>	<b>7,248,376</b>
Housing Loans	243,647	6,253,142	6,496,789
Vehicle Loans	19,000	636,839	655,839
Consumer Loans	2,889	92,859	95,748
Other	-	-	-
<b>Retail Credit Cards-TL</b>	<b>16,193,511</b>	<b>24</b>	<b>16,193,535</b>
With Instalment	4,142,089	24	4,142,113
Without Instalment	12,051,422	-	12,051,422
<b>Retail Credit Cards-FC</b>	<b>6,356</b>	<b>14,184</b>	<b>20,540</b>
With Instalment	-	14,184	14,184
Without Instalment	6,356	-	6,356
<b>Personnel Loans-TL</b>	<b>81,304</b>	<b>111,782</b>	<b>193,086</b>
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
<b>Personnel Loans-FC Indexed</b>	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>159,943</b>	<b>2</b>	<b>159,945</b>
With Instalment	66,931	2	66,933
Without Instalment	93,012	-	93,012
<b>Personnel Credit Cards-FC</b>	-	-	-
With Instalment	-	-	-
Without-instalment	-	-	-
<b>Overdraft Account-TL (Real Person)</b>	-	-	-
<b>Overdraft Account-FC (Real Person)</b>	-	-	-
<b>Total</b>	<b>18,559,241</b>	<b>26,371,568</b>	<b>44,930,809</b>

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**1.5.5 Information on commercial instalment loans and corporate credit cards**

<b>Current Period</b>	<b>Short term</b>	<b>Medium and long term</b>	<b>Total</b>
<b>Commercial Instalment Loans-TL</b>	<b>7,753,098</b>	<b>52,354,212</b>	<b>60,107,310</b>
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	-	-	-
<b>Commercial Instalment Loans-FC Indexed</b>	<b>18,710</b>	<b>175,967</b>	<b>194,677</b>
Business Loans	18,710	-	18,710
Vehicle Loans	-	-	-
Consumer Loans	-	175,967	175,967
Other	-	-	-
<b>Commercial Instalment Loans-FC</b>	<b>9,006,876</b>	<b>19,144,653</b>	<b>28,151,529</b>
Business Loans	645,167	3,262,970	3,908,137
Vehicle Loans	83,449	9,251,973	9,335,422
Consumer Loans	-	-	-
Other	8,278,260	6,629,710	14,907,970
<b>Corporate Credit Cards-TL</b>	<b>42,183,305</b>	<b>-</b>	<b>42,183,305</b>
With Instalment	18,530,208	-	18,530,208
Without Instalment	23,653,097	-	23,653,097
<b>Corporate Credit Cards-FC</b>	<b>12,525</b>	<b>5,946</b>	<b>18,471</b>
With Instalment	-	-	-
Without Instalment	12,525	5,946	18,471
<b>Overdraft Account-TL (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Overdraft Account-FC (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>58,974,514</b>	<b>71,680,778</b>	<b>130,655,292</b>

<b>Prior Period</b>	<b>Short term</b>	<b>Medium and long term</b>	<b>Total</b>
<b>Commercial Instalment Loans-TL</b>	<b>8,401,563</b>	<b>41,961,903</b>	<b>50,363,466</b>
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	-	-	-
<b>Commercial Instalment Loans-FC Indexed</b>	<b>5,489</b>	<b>201,814</b>	<b>207,303</b>
Business Loans	5,489	-	5,489
Vehicle Loans	-	-	-
Consumer Loans	-	201,814	201,814
Other	-	-	-
<b>Commercial Instalment Loans-FC</b>	<b>9,817,586</b>	<b>14,971,706</b>	<b>24,789,292</b>
Business Loans	798,879	2,421,123	3,220,002
Vehicle Loans	27,458	7,102,556	7,130,014
Consumer Loans	-	-	-
Other	8,991,249	5,448,027	14,439,276
<b>Corporate Credit Cards-TL</b>	<b>36,169,104</b>	<b>-</b>	<b>36,169,104</b>
With Instalment	15,847,479	-	15,847,479
Without Instalment	20,321,625	-	20,321,625
<b>Corporate Credit Cards-FC</b>	<b>12,226</b>	<b>7,961</b>	<b>20,187</b>
With Instalment	-	-	-
Without Instalment	12,226	7,961	20,187
<b>Overdraft Account-TL (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Overdraft Account-FC (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>54,405,968</b>	<b>57,143,384</b>	<b>111,549,352</b>



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**1.5.6. Breakdown of loans by users**

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**1.5.7 Breakdown of domestic and foreign loans**

	<b>Current Period</b>	<b>Prior Period</b>
Domestic loans	407,165,266	369,357,118
Foreign loans	31,311,837	30,491,054
<b>Total</b>	<b>438,477,103</b>	<b>399,848,172</b>

**1.5.8 Loans granted to subsidiaries and associates**

	<b>Current Period</b>	<b>Prior Period</b>
Loans granted directly to subsidiaries and associates	597	535
Loans granted indirectly to subsidiaries and associates	-	-
<b>Total</b>	<b>597</b>	<b>535</b>

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

	<b>Current Period</b>	<b>Prior Period</b>
Loans and receivables with limited collectability	1,215,733	1,226,617
Loans and receivables with doubtful collectability	2,560,001	1,389,668
Uncollectible loans and receivables	3,069,637	3,441,817
<b>Total</b>	<b>6,845,371</b>	<b>6,058,102</b>

**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**

	<b>III. Group</b>	<b>IV. Group</b>	<b>V. Group</b>
	<b>Loans and Receivables with Limited Collectability</b>	<b>Loans and Receivables with Doubtful Collectability</b>	<b>Uncollectible Loans and Receivables</b>
<b>Current Period</b>			
(Gross Amount Before Specific Provisions)	-	-	2,298
Restructured Loans and Receivables	-	-	2,298
<b>Prior Period</b>			
(Gross Amount Before Specific Provisions)	-	-	2,463
Restructured Loans and Receivables	-	-	2,463

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**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
<b>Current Period</b>			
<b>Ending balance of prior period 31.12.2024</b>	<b>1,711,532</b>	<b>1,699,425</b>	<b>4,238,396</b>
Additions in the current period (+)	1,116,791	2,082,967	3,178,784
Transfers from other categories of non-performing loans (+)	-	785,604	319,509
Transfers to other categories of non-performing loans (-)	785,604	319,730	-
Collections in the current period (-)	457,338	998,650	2,447,835
Write offs (-)	51	-	1,189,010
<b>Sold Portfolio (-)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
<b>Ending balance of the current period</b>	<b>1,585,330</b>	<b>3,249,616</b>	<b>4,099,844</b>
Specific provisions (-)	1,215,733	2,560,001	3,069,637
<b>Net balances on balance sheet</b>	<b>369,597</b>	<b>689,615</b>	<b>1,030,207</b>

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
<b>Prior Period</b>			
<b>Ending balance of prior period 31.12.2023</b>	<b>256,353</b>	<b>1,046,768</b>	<b>2,940,136</b>
Additions in the current period (+)	1,655,869	1,970,179	3,031,464
Transfers from other categories of non-performing loans (+)	-	132,673	1,414,200
Transfers to other categories of non-performing loans (-)	132,673	1,423,870	-
Collections in the current period (-)	51,852	40,494	1,814,497
Write offs (-)	3	1	1,395,399
<b>Sold Portfolio (-)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
<b>Ending balance of the current period</b>	<b>1,727,694</b>	<b>1,685,255</b>	<b>4,175,904</b>
Specific provisions (-)	1,226,617	1,389,668	3,441,817
<b>Net balances on balance sheet</b>	<b>501,077</b>	<b>295,587</b>	<b>734,087</b>

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

	Group III	Group IV	Group V
<b>Current Period</b>			
Ending balance of the current period	380,931	434,823	1,241,312
Provision amount (-)	256,928	384,109	645,900
<b>Net balance at the balance sheet</b>	<b>124,003</b>	<b>50,714</b>	<b>595,412</b>
<b>Prior Period</b>			
Ending balance of the current period	192,488	101,989	1,066,944
Provision amount (-)	155,532	75,090	567,232
<b>Net balance at the balance sheet</b>	<b>36,956</b>	<b>26,899</b>	<b>499,712</b>

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**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
<b>Current Period (Net)</b>	<b>369,598</b>	<b>689,614</b>	<b>1,030,208</b>
Loans granted to real persons and legal entities (Gross)	1,585,331	3,249,615	4,099,845
Specific provision (-)	1,215,733	2,560,001	3,069,637
<b>Loans to real persons and legal entities (Net)</b>	<b>369,598</b>	<b>689,614</b>	<b>1,030,208</b>
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other loans and receivables (Gross)	-	-	-
Specific provision (-)	-	-	-
Other loans and receivables (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>501,077</b>	<b>295,587</b>	<b>734,087</b>
Loans to real persons and legal entities (Gross)	1,727,694	1,685,255	4,175,904
Specific provision (-)	1,226,617	1,389,668	3,441,817
<b>Loans to real persons and legal entities (Net)</b>	<b>501,077</b>	<b>295,587</b>	<b>734,087</b>
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

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

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

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

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

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**1.5.12 Information on the write-off policy**

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**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
<b>Debt Securities</b>	<b>61,196,909</b>	<b>58,614,422</b>
Quoted on a Stock Exchange	60,673,042	58,128,941
Not Quoted	523,867	485,481
<b>Total</b>	<b>61,196,909</b>	<b>58,614,422</b>

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

	Current Period	Prior Period
<b>Opening Balance</b>	<b>58,614,422</b>	<b>59,926,297</b>
Foreign Exchange Gain/Loss	1,984,503	4,330,509
Purchases During the Year	804,027	2,077,703
Disposals Through Sales and Redemptions	-	1,408,001
Transfers	-	(6,325,000)
Income Accrual and Rediscounts	(206,043)	12,914
<b>Total</b>	<b>61,196,909</b>	<b>58,614,422</b>

**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 since the Parent 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.

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**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	Architechtt 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

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.

Information on the investment funds that were consolidated according to the full consolidation method with the Parent Bank as of 31 March 2025

	Title	The Parent Bank's share ratio (%)	Group's share ratio (%)	Net Asset Value
1	KT Portföy Kuveyt Türk Yabancı Katılım Serbest Özel Fon	100	100	883
2	KT Portföy Birinci Katılım Serbest (TL) Fon	100	100	14,440,772
3	KT Portföy Birinci Katılım Serbest (Döviz-Avro) Özel Fon	100	100	3,235
4	KT Portföy Yönetimi A.Ş. Kobi Girişim Sermayesi Yatırım Fonu	100	100	480,359
5	KT Portföy Lonca Girişim Sermayesi Yatırım Fonu	100	100	283,949
6	KT Portföy Neova Katılım Serbest Özel (TL) Fon	-	100	327,319
7	KT Portföy Yönetimi A.Ş. Neova Katılım Sigorta Özel Girişim Sermayesi Yatırım Fonu	-	100	10,679
8	KT Portföy NKS Katılım Serbest (TL) Özel Fon	-	100	2,838,929
9	KT Portföy Birinci Katılım Serbest (Döviz-Abd Doları) Özel Fon	-	-	1,255
10	Kuveyt Türk Portföy NKV Kısa Vadeli Katılım Serbest Özel Fon	-	100	4,611,914

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Movement regarding the subsidiaries

	Current Period	Prior Period
<b>Balance at the beginning of the year</b>	<b>123,680</b>	<b>123,680</b>
<b>Movements during the year</b>	<b>8,750,000</b>	<b>-</b>
Purchases (*)	8,750,000	-
Transfers from subsidiaries (net)	-	-
Bonus shares	-	-
Dividends from current year income	-	-
Sales	-	-
Revaluation increase	-	-
Impairment	-	-
Capital commitment payments	-	-
<b>Balance at the end of the year</b>	<b>8,873,680</b>	<b>123,680</b>
Capital commitments	-	22,500
Share percentage at the end of the year (%)	-	-

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

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
<b>Total</b>	<b>4,748,532</b>	<b>3,998,532</b>

Consolidated subsidiaries listed on the stock exchange:

	Current Period	Prior Period
Quoted in Domestic Stock Exchange	52,706	52,706
Quoted in Foreign Stock Exchange	-	-
<b>Total</b>	<b>52,706</b>	<b>52,706</b>

### 1.8.3 Information on capital adequacies of major subsidiaries

The Partner Bank'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. The Parent 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 Istanbul Trade Registry Office.

### 1.10 Information on finance lease receivables (Net)

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**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
<b>Total</b>	<b>72,898,537</b>	<b>60,483,360</b>	<b>60,603,677</b>	<b>50,506,622</b>

**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
Unearned finance lease income (-)	-	-
<b>Net Leasing Investment</b>	<b>60,483,360</b>	<b>50,506,622</b>

**1.10.3 Information on finance lease contracts**

The Parent 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 Parent Bank gives the customer the option to buy the related property. According to the Financial Lease Law, if a customer does not fulfil 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).

**1.11 Information on derivative financial assets for hedging purposes**

None (31 December 2024 – None).

**1.12. Information on tangible asset**

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**1.13. Information on tangible asset**

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**1.14. Explanations on investment properties**

	Current Period	Prior Period
Opening Balance	317,050	41,605
Additions	-	275,445
Disposals (-), Net	-	-
Amortization Cost (-)	-	-
<b>Closing Net Book Value</b>	<b>317,050</b>	<b>317,050</b>

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**1.15 Information on deferred tax asset**

As of 31 March 2025, deferred tax is offset as TL 7,730,541 in the balance sheet. The deferred tax asset is TL 9,763,299 (31 December 2024 – TL 9,701,442) and the deferred tax liability is TL 2,032,758 (31 December 2024 – TL 1,244,864).

	Current Period	Prior Period
TFRS 9 Provisions	1,659,257	1,794,065
Property, Plant and Equipment Valuation Differences	2,432,946	1,991,042
Employee Rights Liability	639,250	822,729
Deferred Income	853,090	693,761
Employment Termination Benefit Liability	479,419	439,878
Derivative Financial Instruments Rediscunts	(1,189,029)	(198,863)
Precious metal valuation differences	(540,586)	(447,756)
Securities Valuation Difference	2,761,263	2,303,149
Transferred Financial Losses (*)	310,161	286,970
Other	324,770	771,603
<b>Net Deferred Tax Asset</b>	<b>7,730,541</b>	<b>8,456,578</b>

(\*) The Group has recognised deferred tax assets amounting to TL 310,161 (31 December 2024: TL 286,970) since it is expected that sufficient taxable income will be available to offset tax losses in the coming periods.

Table of deferred tax asset movement

	Current Period	Prior Period
As of 1 January,	8,456,578	6,050,556
Deferred tax (expense)/income	(1,421,155)	208,819
Deferred tax accounted under equity	692,393	2,106,061
Other	2,725	91,142
<b>Deferred tax asset</b>	<b>7,730,541</b>	<b>8,456,578</b>

**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 (-)	-	-
<b>Closing Net Book Value</b>	<b>512,549</b>	<b>522,743</b>

**1.17 Information on other assets**

As of balance sheet date, the Group's other assets amount to TL 12,689,192 (31 December 2024 – TL 13,342,934). Other assets balance does not exceed 10% of the total assets on the balance sheet excluding off balance sheet commitments.



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**2. Explanations and Notes Related to Consolidated 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
<b>I. Real persons current accounts-TL</b>	<b>48,451,721</b>	-	-	-	-	-	-	-	<b>48,451,721</b>
<b>II. Real persons profit sharing accounts TL</b>	-	<b>23,317,229</b>	<b>102,420,860</b>	<b>9,029,618</b>	-	<b>11,523,590</b>	<b>6,079,551</b>	<b>11,853</b>	<b>152,382,701</b>
<b>III. Another current accounts-TL</b>	<b>33,655,652</b>	-	-	-	-	-	-	-	<b>33,655,652</b>
Public sector	958,866	-	-	-	-	-	-	-	958,866
Commercial sector	31,829,185	-	-	-	-	-	-	-	31,829,185
Other institutions	693,563	-	-	-	-	-	-	-	693,563
Commercial and other institutions	-	-	-	-	-	-	-	-	-
<b>Banks and participation banks</b>	<b>174,038</b>	-	-	-	-	-	-	-	<b>174,038</b>
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	173,432	-	-	-	-	-	-	-	173,432
Participation banks	563	-	-	-	-	-	-	-	563
Other	43	-	-	-	-	-	-	-	43
<b>IV. Profit sharing accounts-TL</b>	-	<b>4,615,688</b>	<b>28,764,905</b>	<b>657,895</b>	-	<b>14,659,384</b>	<b>432,482</b>	<b>29</b>	<b>49,130,383</b>
Public sector	-	7,036	59,211	-	-	1,153,789	-	-	1,220,036
Commercial sector	-	4,217,931	27,295,472	581,894	-	13,086,734	431,989	29	45,614,049
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
<b>V. Real persons current accounts-FC</b>	<b>115,562,453</b>	-	-	-	-	-	-	-	<b>115,562,453</b>
<b>VI. Real persons profit sharing accounts-FC</b>	-	<b>14,843,506</b>	<b>18,569,584</b>	<b>2,456,616</b>	-	<b>7,392,340</b>	<b>3,298,108</b>	<b>29,149</b>	<b>46,589,303</b>
<b>VII. Another current accounts-FC</b>	<b>50,934,360</b>	-	-	-	-	-	-	-	<b>50,934,360</b>
Commercial residents in Türkiye	38,573,520	-	-	-	-	-	-	-	38,573,520
Commercial residents in Abroad	9,968,359	-	-	-	-	-	-	-	9,968,359
<b>Banks and participation banks</b>	<b>2,392,481</b>	-	-	-	-	-	-	-	<b>2,392,481</b>
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	2,388,045	-	-	-	-	-	-	-	2,388,045
Participation banks	4,436	-	-	-	-	-	-	-	4,436
Other	-	-	-	-	-	-	-	-	-
<b>VIII. Profit sharing accounts- FC</b>	-	<b>1,047,155</b>	<b>1,551,295</b>	<b>436,291</b>	-	<b>1,467,887</b>	<b>297,376</b>	<b>307</b>	<b>4,800,311</b>
Public sector	-	19	122,070	-	-	-	-	-	122,089
Commercial sector	-	674,648	823,127	37,768	-	202,136	133,602	307	1,871,588
Other institutions	-	20,162	407,442	396,549	-	1,265,751	163,774	-	2,253,678
Commercial and other institutions	-	352,326	198,656	1,974	-	-	-	-	552,956
Commercial and other institutions	-	-	-	-	-	-	-	-	-
<b>IX. Precious metal funds</b>	<b>141,546,488</b>	<b>18,020,692</b>	<b>8,018,049</b>	<b>1,623,166</b>	-	<b>942,876</b>	<b>74,633</b>	-	<b>170,225,904</b>
<b>X. Profit sharing accounts special funds - TL</b>	-	-	-	<b>41,975</b>	-	<b>1,610,427</b>	<b>858,792</b>	-	<b>2,511,194</b>
Residents in Türkiye	-	-	-	41,975	-	1,456,139	505,205	-	2,003,319
Residents Abroad	-	-	-	-	-	154,288	353,587	-	507,875
<b>XI. Profit sharing accounts special funds - FC</b>	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>390,150,674</b>	<b>61,844,270</b>	<b>159,324,693</b>	<b>14,245,561</b>	-	<b>37,596,504</b>	<b>11,040,942</b>	<b>41,338</b>	<b>674,243,982</b>

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

(\*\*) As of 31 March 2025, the Parent Bank has a total of 58,129,560 (31 December 2024: TL 62,006,685) currency protected TL time deposit accounts amounting to TL 58,124,466 (31 December 2024: TL 62,001,875) opened within the scope of the "Communiqué on Supporting Conversion to Turkish Lira Deposit and Participation Accounts" published by the CBRT in the Official Gazette dated 21 December 2021 and numbered 31696 and TL 5,094 (31 December 2024: TL 4,810) opened within the scope of the announcement of the Ministry of Treasury and Finance ("Treasury") dated 24 December 2021.

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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
<b>I. Real persons current accounts-TL</b>	<b>39,469,231</b>	-	-	-	-	-	-	-	<b>39,469,231</b>
<b>II. Real persons profit sharing accounts TL</b>	-	<b>19,259,653</b>	<b>97,658,069</b>	<b>6,770,505</b>	-	<b>18,974,493</b>	<b>6,249,835</b>	<b>13,526</b>	<b>148,926,081</b>
<b>III. Another current accounts-TL</b>	<b>37,527,057</b>	-	-	-	-	-	-	-	<b>37,527,057</b>
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	-	-	-	-	-	-	-	-	-
<b>Banks and participation banks</b>	<b>269,647</b>	-	-	-	-	-	-	-	<b>269,647</b>
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	269,473	-	-	-	-	-	-	-	269,473
Participation banks	144	-	-	-	-	-	-	-	144
Other	30	-	-	-	-	-	-	-	30
<b>IV. Profit sharing accounts-TL</b>	-	<b>18,852,846</b>	<b>15,216,767</b>	<b>961,192</b>	-	<b>11,529,332</b>	<b>172,697</b>	<b>22</b>	<b>46,732,856</b>
Public sector	-	6,948	52,425	-	-	789,834	-	-	849,207
Commercial sector	-	18,485,757	13,703,106	887,174	-	10,497,176	172,257	22	43,745,492
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
<b>V. Real persons current accounts-FC</b>	<b>101,281,625</b>	-	-	-	-	-	-	-	<b>101,281,625</b>
<b>VI. Real persons profit sharing accounts-FC</b>	-	<b>13,473,038</b>	<b>16,434,133</b>	<b>2,318,651</b>	-	<b>7,853,417</b>	<b>3,178,077</b>	<b>21,015</b>	<b>43,278,331</b>
<b>VII. Another current accounts-FC</b>	<b>41,568,507</b>	-	-	-	-	-	-	-	<b>41,568,507</b>
Commercial residents in Türkiye	31,932,443	-	-	-	-	-	-	-	31,932,443
Commercial residents in Abroad	8,122,152	-	-	-	-	-	-	-	8,122,152
<b>Banks and participation banks</b>	<b>1,513,912</b>	-	-	-	-	-	-	-	<b>1,513,912</b>
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	1,509,311	-	-	-	-	-	-	-	1,509,311
Participation banks	4,601	-	-	-	-	-	-	-	4,601
Other	-	-	-	-	-	-	-	-	-
<b>VIII. Profit sharing accounts- FC</b>	-	<b>459,009</b>	<b>1,234,690</b>	<b>426,169</b>	-	<b>1,441,838</b>	<b>300,531</b>	<b>249</b>	<b>3,862,486</b>
Public sector	-	17	113,739	-	-	-	-	-	113,756
Commercial sector	-	402,718	716,191	34,679	-	195,349	160,402	249	1,509,588
Other institutions	-	16,702	313,605	389,715	-	1,246,489	140,129	-	2,106,640
Commercial and other institutions	-	39,572	91,155	1,775	-	-	-	-	132,502
Commercial and other institutions	-	-	-	-	-	-	-	-	-
<b>IX. Precious metal funds</b>	<b>111,405,414</b>	<b>13,520,895</b>	<b>6,368,941</b>	<b>1,206,213</b>	-	<b>786,663</b>	<b>52,997</b>	-	<b>133,341,123</b>
<b>X. Profit sharing accounts special funds - TL</b>	-	-	<b>39,624</b>	<b>47,875</b>	-	<b>7,199,963</b>	<b>1,125,928</b>	-	<b>8,413,390</b>
Residents in Türkiye	-	-	39,624	47,875	-	6,549,974	377,937	-	7,015,410
Residents Abroad	-	-	-	-	-	649,989	747,991	-	1,397,980
<b>XI. Profit sharing accounts special funds - FC</b>	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>331,251,834</b>	<b>65,565,441</b>	<b>136,952,224</b>	<b>11,730,605</b>	-	<b>47,785,706</b>	<b>11,080,065</b>	<b>34,812</b>	<b>604,400,687</b>

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

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**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 Parent Bank's 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 Parent 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 Parent 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	-	-

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**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	154,597	202,125	134,084	51,249
Swap transactions	1,091,767	378,776	1,185,402	1,401,774
Futures transactions	-	-	-	-
<b>Total</b>	<b>1,246,364</b>	<b>580,901</b>	<b>1,319,486</b>	<b>1,453,023</b>

**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	225,368	88,647,923	2,949,663	85,667,578
From Foreign Banks, Institutions and Funds	3,820,153	40,376,454	600,000	33,325,054
<b>Total</b>	<b>4,045,521</b>	<b>129,024,377</b>	<b>3,549,663</b>	<b>118,992,632</b>

**2.3.2 Presentation of loans received according to the remaining maturity**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	3,957,247	122,189,760	3,471,640	112,758,401
Medium and Long-Term	88,274	6,834,617	78,023	6,234,231
<b>Total</b>	<b>4,045,521</b>	<b>129,024,377</b>	<b>3,549,663</b>	<b>118,992,632</b>

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

A large part of the loans received by the Parent Bank consists of foreign currency loans. There is no risk concentration of the Parent Bank's current and profit-sharing accounts.

**2.4 Information on securities issued**

The Group has issued sukuks, detailed below. The average return on securities issued is 36.43% for Turkish Lira. The maturity of sukuk issued in Turkish Lira is between April 2025 and September 2025.

Current Period	TL		FC	
	Short-Term	Medium and Long-Term	Short-Term	Medium and Long-Term
Nominal	16,470,110	-	-	-
Remaining Income Distribution	2,098,185	-	904,121	2,835,415
Book Value	17,052,807	-	-	-
Prior Period	TL		FC	
	Short-Term	Medium and Long-Term	Short-Term	Medium and Long-Term
Nominal	900,230	-	-	-
Remaining Income Distribution	101,712	-	931,599	2,646,437
Book Value	1,000,923	-	-	-

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**2.5. Information on other liabilities and miscellaneous payables**

As of 31 March 2025, other liabilities amount to TL 8,482,080 (31 December 2024 – TL 10,567,685), sundry creditors amount to TL 8,919,858 (31 December 2024 – TL 4,988,343). These items are included under “Other Liabilities” in the balance sheet and do not exceed 10% of the total.

**2.6 Information on finance lease payables (net)**

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	87,023	78,965	71,183	68,626
1 to 4 years	433,175	415,997	162,582	152,404
More than 4 years	2,646,026	1,618,012	2,170,589	1,360,785
<b>Total</b>	<b>3,166,224</b>	<b>2,112,974</b>	<b>2,404,354</b>	<b>1,581,815</b>

The Group 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 uses a revised discount rate reflecting changes in the profit share rate.

**2.6.1. Explanations on contract changes and the new obligations these changes bring to the Group**

None (31 December 2024 – None).

**2.6.1.1. Explanations on financial leasing obligations**

None (31 December 2024 – None).

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

**2.7 Information on hedging derivative financial liabilities**

None (31 December 2024 - None).

**2.8 Information on provisions**

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

None.

**2.8.2 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 (*)	1,232,483	935,353
<b>Total</b>	<b>3,227,355</b>	<b>3,814,988</b>

(\*) The other item mainly consists of litigation provision amounting to TL 588,576 (31 December 2024 - TL 509,045), expense provision amounting to TL 14,809 (31 December 2024 - TL 13,058) and other provisions amounting to TL 247,372 (31 December 2024 - TL 107,311).

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**2.8.3 Information on provisions for employee benefits**

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 1,598,063 (31 December 2024 – TL 1,466,260), vacation pay liability amounting to TL 294,309 (31 December 2024 – TL 37,073), performance premium amounting to TL 756,151 (31 December 2024 – TL 1,724,585), retirement bonuses on payment of TL 868,490 (31 December 2024 – TL 808,824), committee fee amounting to TL 174,093 (31 December 2024 – TL 129,992) and other fees amounting to TL 72,547 (31 December 2024 – TL 116,700).

Under the Turkish Labor Law, the Parent 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 Parent 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 beginning of the period	1,466,260	1,110,785
Provisions recognized during the period	117,057	510,445
Paid during the period	(15,934)	(197,655)
Actuarial loss	30,680	42,685
<b>Balances at the end of the period</b>	<b>1,598,063</b>	<b>1,466,260</b>

**2.9 Explanations on tax liability**

**2.9.1 Explanations on current tax liability**

**2.9.1.1 Information on tax provisions**

As of the balance sheet date, the Group has corporate tax liability amounting to TL 15,356,597 (31 December 2024: TL 13,144,108) and prepaid tax amounting to TL 6,951,795 (31 December 2024: TL 7,092,851). The Bank has presented the corporate tax liability and prepaid tax as net in the financial statements.

**2.9.1.2 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
Other	13,272	12,334
<b>Total</b>	<b>1,916,429</b>	<b>1,551,855</b>

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**2.9.1.3 Information on premiums (\*)**

	<b>Current Period</b>	<b>Prior Period</b>
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
<b>Total</b>	<b>589,612</b>	<b>196,749</b>

(\*) Included in Other Liabilities/Various Debts in the Balance Sheet.

**2.9.1.4 Information on deferred tax liability**

Within the scope of the relevant regulations, as of 31 March 2025, the deferred tax was netted as TL 7,730,541 in the balance sheet. The deferred tax asset was calculated as TL 9,763,299 (31 December 2024 – TL 9,701,442) and the deferred tax liability as TL 2,032,758 (31 December 2024 – TL 1,244,864).

**2.10 Information on payables related to assets held for sale**

None (31 December 2024 – None).

**2.11 Information on subordinated loans**

It has not been prepared in the interim period in accordance with Article 25 of the Communiqué on Financial Statements to be Disclosed to the Public by Banks and on Disclosures and Footnotes Related to Them.

**2.12 Information on shareholders' equity**

**2.12.1 Presentation of paid-in capital**

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

(\*) It represents the Parent 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.

**2.12.2 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 Parent Bank.

**2.12.3 Information on the share capital increases during the period and their sources; other information on increased capital shares in the current period**

None.

**2.12.4 Information on share capital increases from capital reserves during the current period**

None.

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

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

**2.12.6 Summary of privileges given to shares representing the capital**

None (31 December 2024- None).

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**2.12.7 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 (*)	(6,838,827)	272,451	(5,682,248)	301,804
Foreign Exchange Difference	-	-	-	-
<b>Total</b>	<b>(6,838,827)</b>	<b>272,451</b>	<b>(5,682,248)</b>	<b>301,804</b>

(\*) 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.

**2.13 Information on minority shares**

31 March 2025 – TL 82,173 (31 December 2024 – TL 84,954).

**3. Explanations and Notes Related to Consolidated 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 95,313,216 (31 December 2024 – TL 76,475,148); 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 Group's has guarantees and surety ships constituting of TL 94,802,191 (31 December 2024 – TL 85,540,967) 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 Parent Bank has other acceptances amounting to TL 6,493,707 (31 December 2024 – TL 5,211,090).

**3.1.2.2 Final guarantees, provisional guarantees, sureties and similar transactions do not exist except for those described in article 2.i).**

**3.1.3 Total amount of non-cash loans**

	Current Period	Prior Period
Non-cash loans given against cash loans	668,140	426,120
With original maturity of 1 year or less	668,140	426,120
With original maturity of more than 1 year	-	-
Other non-cash loans	120,563,572	104,635,262
<b>Total</b>	<b>121,231,712</b>	<b>105,061,382</b>

**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.



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**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 Parent 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.

**4. Explanations and Notes Related to the Consolidated 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
<b>Profit share on loans</b>	<b>19,841,158</b>	<b>3,671,436</b>	<b>16,805,028</b>	<b>2,151,136</b>
Short term loans	10,142,596	1,591,390	9,347,016	873,404
Medium- and long-term loans	9,475,170	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	-	-	-	-
<b>Total</b>	<b>19,841,158</b>	<b>3,671,436</b>	<b>16,805,028</b>	<b>2,151,136</b>

**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	1,457,432	-	1,398,772	-
Foreign Banks	-	81,975	-	176,735
Branches and head office abroad	-	-	-	-
<b>Total</b>	<b>1,457,454</b>	<b>81,975</b>	<b>1,410,960</b>	<b>176,735</b>

**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	569,055	235,746	412,215	262,378
Financial Assets at Fair Value Through Other Comprehensive Income	2,995,409	356,509	2,477,973	286,005
Financial Assets valued at Amortized Cost	2,177,202	573,431	2,435,546	486,558
<b>Total</b>	<b>5,741,666</b>	<b>1,165,686</b>	<b>5,325,734</b>	<b>1,034,941</b>

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**4.1.4 Information on profit share income received from associates and subsidiaries**

	<b>Current Period</b>	<b>Prior Period</b>
Profit share income received from associates and subsidiaries	532	6

**4.2. Information on profit share expenses**

**4.2.1 Information on profit share given to loans used**

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Banks	<b>480,848</b>	<b>586,560</b>	<b>285,140</b>	<b>401,712</b>
The Central Bank of the Republic of Türkiye	-	-	-	-
Domestic banks	191,572	22,713	278,493	5,427
Foreign banks	289,276	563,847	6,647	396,285
Other Institutions	8,809	881,477	90,671	966,466
<b>Total</b>	<b>489,657</b>	<b>1,468,037</b>	<b>375,811</b>	<b>1,368,178</b>

**4.2.2 Profit share expense given to associates and subsidiaries**

	<b>Current Period</b>	<b>Prior Period</b>
Dividends paid to associates and subsidiaries	5,034	30,178

**4.2.3 Profit share expense paid to securities issued**

31 March 2025 – TL 653,585 (1 January - 31 March 2024 – TL 743,400).

**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.

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**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	2,365,349	57,913	-	171,536	14,269	-	2,994,555
Other institutions profit sharing account	26,893	125,541	6,123	-	19,074	40	-	177,671
Total	2,209,490	11,123,061	685,257	-	2,143,689	654,763	1,002	16,817,262
FC								
Banks	-	-	-	-	-	-	-	-
Real person’s non-trading profit sharing account	31,918	41,129	9,685	-	49,897	13,040	89	145,758
Public-sector profit-sharing account	-	276	-	-	-	-	-	276
Commercial sector profit sharing account	913	2,913	364	-	5,952	576	-	10,718
Other institutions profit sharing account	149	886	2,308	-	2,455	653	-	6,451
Precious metal accounts.	5,782	2,642	517	-	355	-	-	9,296
Total	38,762	47,846	12,874	-	58,659	14,269	89	172,499
Grand Total	2,248,252	11,170,907	698,131	-	2,202,348	669,032	1,091	16,989,761

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	579,593	522,987	-	540,118	41,023	-	1,803,328
Other institutions profit sharing account	27,150	111,448	2,928	-	9,306	90	-	150,922
Total	1,137,851	6,374,447	902,213	-	4,694,307	540,843	251	13,649,912
FC								
Banks	-	-	-	-	-	-	-	-
Real person’s non-trading profit sharing account	39,164	38,075	10,173	-	39,950	12,705	172	140,239
Public-sector profit-sharing account	-	258	-	-	-	-	-	258
Commercial sector profit sharing account	2,091	4,120	585	-	3,929	540	-	11,265
Other institutions profit sharing account	1,032	1,696	4,458	-	2,135	53	-	9,374
Precious metal accounts.	3,512	1,911	321	-	263	-	-	6,007
Total	45,799	46,060	15,537	-	46,277	13,298	172	167,143
Grand Total	1,183,650	6,420,507	917,750	-	4,740,584	554,141	423	13,817,055

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**4.5 Information on trading income/loss (Net)**

	Current Period	Prior Period
<b>Trading profit / loss (net)</b>	<b>6,580,754</b>	<b>1,563,034</b>
<b>Profit</b>	<b>61,458,357</b>	<b>46,273,668</b>
Gain on capital market transactions	275,402	346,829
Gain on derivative financial instruments	24,067,980	10,881,451
Foreign exchange profit	37,114,975	35,045,388
<b>Losses (-)</b>	<b>54,877,603</b>	<b>44,710,634</b>
Losses on capital market transactions	27,300	22,593
Losses on derivative financial instruments	19,423,835	8,077,058
Foreign exchange losses	35,426,468	36,610,983

**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 Group.

	Current Period	Prior Period
Insurance Premium Income	3,753,412	2,242,999
Reversal of prior period provisions	1,796,620	2,995,169
Income from sales of assets	165,423	88,713
Cancellations of Provisions from Profits to be Distributed to Participation Accounts	900,249	375,510
Rental income	6,171	3,760
Other Income	143,010	39,533
<b>Total</b>	<b>6,764,885</b>	<b>5,745,684</b>

**4.7 Provisions for loan losses and other receivables of the Bank**

	Current Period (*)	Prior Period (*)
<b>Expected Credit Loss</b>	<b>2,623,991</b>	<b>1,916,621</b>
12 month expected credit loss (Stage 1)	38,612	459,158
Significant increase in credit risk (Stage 2)	244,824	377,298
Non-performing loans (Stage 3)	2,340,555	1,080,165
<b>Marketable Securities Impairment Expense</b>	<b>89,785</b>	<b>108,488</b>
Financial Assets at Fair Value through Profit or Loss	89,785	108,488
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
<b>Impairment losses from Associates, Subsidiaries and Jointly Controlled Entities</b>	<b>-</b>	<b>-</b>
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
<b>Other (**)</b>	<b>322,967</b>	<b>255,574</b>
<b>Total</b>	<b>3,036,743</b>	<b>2,280,683</b>

(\*) 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.

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**4.8 Information on other operating expenses**

	Current Period	Prior Period
Provision for retirement pay liability	101,123	107,554
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	362,365	223,499
Impairment Expenses of intangible fixed assets	-	-
Depreciation expenses of intangible assets	74,259	124,068
Depreciation expenses of assets held for sale	-	-
Other operating expenses	1,882,437	1,038,689
<i>Lease Expenses Regarding TFRS 16 Exemptions</i>	1,458	4,884
<i>Maintenance expenses</i>	473,013	158,555
<i>Advertisement expenses</i>	272,930	76,608
<i>Communication expenses</i>	137,357	104,935
<i>Heating, electricity and water expenses</i>	45,012	33,659
<i>Cleaning expenses</i>	27,113	17,498
<i>Vehicle expenses</i>	29,166	21,024
<i>Stationery expenses</i>	121,020	63,484
<i>Other expenses (*)</i>	775,369	558,043
Losses on sales of assets	58	147
Deposit insurance fund expenses	529,761	386,637
Other	4,764,899	3,115,127
<b>Total</b>	<b>7,714,902</b>	<b>4,995,721</b>

(\*) As of 31 March 2025, the other item mainly consists of the Banking and Insurance Transactions Tax of TL 336,795, Financial Activity Fees of TL 194,949, Banking Regulation and Supervision Agency Participation Share of TL 49,291, and the amounts related to the Contracted Lawyer and Legal Consultancy account of TL 45,495.

**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**

The Group's, current period tax provision for the period amounting to TL 2,416,204 (1 January - 31 March 2024 – TL 3,223,628), deferred tax expense of TL 1,572,814 (1 January - 31 March 2024 – TL 353,507), deferred tax income of TL 151,659 (1 January - 31 March 2024 – TL 1,041,256).

**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 income/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 Group's performance for the period. As of 31 March 2025, net profit share income is TL 15,390,340 (1 January - 31 March 2024 – TL 11,818,240) net fees and commission income is TL 2,715,793 (1 January - 31 March 2024 – TL 1,782,336).

**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**

	Current Period	Prior Period
Profit / (Loss) of Minority Shares	1,161	2,085

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

As of 31 March 2025, other fees and commissions received amounting to TL 6,885,557 (1 January - 31 March 2024 - TL 3,829,446) consist of credit card fees and commissions amounting to TL 2,608,242 (1 January - 31 March 2024 - TL 1,593,948), merchant POS transaction commissions amounting to TL 2,379,181 (1 January - 31 March 2024 - TL 1,108,046) and other commissions amounting to TL 1,898,134 (1 January - 31 March 2024 - TL 1,127,452).

As of 31 March 2025, other fees and commissions amounting to TL 4,421,210 (1 January - 31 March 2024 - TL 2,203,037) consist of POS commissions and installation expenses amounting to TL 2,917,539 (1 January - 31 March 2024 - TL 1,149,553), fees and commissions paid for credit cards amounting to TL 337,935 (1 January - 31 March 2024 - TL 177,459) and other commissions amounting to TL 1,165,736 (1 January - 31 March 2024 - TL 876,025).

**5. Explanations and Notes Related to the Consolidated Statement of 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 Consolidated 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 Group**

**7.1 The volume of transactions related to the risk group of the Group, 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 Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and other receivables</b>						
Balance at beginning of period	535	77,288	31,373	104,629	1,117	3,505
Balance at end of period	597	82,577	59,973	117,993	2,444	3,688
Profit share and commission income	-	532	1,231	229	-	-

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

**Prior Period**

Risk group of the Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and other receivables</b>						
Balance at beginning of period	365	63,775	29,238	82,280	2,974,543	20,322
Balance at end of period	535	77,288	31,373	104,629	1,117	3,505
Profit share and commission income	-	6	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 Group's risk group**

Risk group of the Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Current and profit-sharing accounts</b>						
Balance at beginning of period	470,920	771,905	777,817	502,954	946,678	750,296
Balance at end of period	459,310	470,920	925,676	777,817	1,131,387	946,678
Profit share expense	5,034	30,178	28,116	7,980	977	491

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

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

Risk group of the Group	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Transactions at Fair Value through Profit or Loss</b>						
Balance at beginning of period	-	-	1,459,578	2,361,778	-	-
Balance at end of period	-	-	901,809	1,459,578	-	-
Total Profit / (Loss)	-	-	1,297	1,109	-	-
<b>Hedging Transactions</b>						
Balance at beginning of period	-	-	-	-	-	-
Balance at end of period	-	-	-	-	-	-
Total Profit / (Loss)	-	-	-	-	-	-

**7.4 Information on loans received from the Group'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
<b>Borrowings</b>						
Balance at beginning of period	-	-	14,649,976	9,195,276	-	-
Balance at end of period	-	-	19,540,050	14,649,976	-	-
Profit share expense	-	-	62,452	179,689	-	-

**7.5 Information on subordinated loans used by the Group'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 Group's 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 Group's on 16 September 2021, Kuwait Finance House owns it.

**7.6 Information on remunerations provided to top management**

As of 1 January - 31 March 2024, the Group has paid TL 650,665 to top management (1 January – 31 March 2024- TL 342,300).

**8. Information about the branches of the Group 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 the Ordinary General Assembly Meeting of the Parent Bank held on 28.03.2025, it was decided to make changes in the Capital article of the Articles of Association, which was approved by the BRSA and the Ministry of Trade, and to increase the paid-in capital of TL 4,952,205 by TL 3,047,795 to TL 8,000,000. The relevant General Assembly Decision was registered on 11.04.2025.

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**SECTION SIX**

**OTHER EXPLANATIONS**

1. **Other matters which must be explained in terms of explicitness, interpretability and understandability of the balance sheet**

None.

**SECTION SEVEN**

**LIMITED REVIEW REPORT**

1. **Explanations on the limited review report**

The consolidated 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.

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

**SECTION EIGHT**

**INTERIM CONSOLIDATED ACTIVITY REPORT**

1. **The Parent Bank 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's 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 Parent Bank 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.



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**1.2 Financial Information Summary**

<b>CONSOLIDATED BALANCE SHEET (SELECTED ITEMS)</b>	<b>31.03.2025</b>	<b>31.12.2024</b>
CASH BALANCES AND CENTRAL BANK	259,634,473	226,700,364
BANKS	51,387,100	39,326,583
SECURITIES	164,586,582	151,201,126
LOANS AND RECEIVABLES	447,411,893	407,437,025
FINANCE LEASE RECEIVABLES (Net)	60,483,360	50,506,622
EXPECTED LOSS PROVISIONS (-)	13,017,103	13,142,003
TANGIBLE ASSETS (Net)	6,544,786	5,603,729
OTHER ASSETS	46,455,175	35,215,475
<b>TOTAL ASSETS</b>	<b>1,023,486,266</b>	<b>902,848,921</b>
FUNDS COLLECTED	674,243,982	604,400,687
FUNDS BORROWED	133,069,898	122,542,295
MARKETABLE SECURITIES ISSUED	17,052,807	1,000,923
FINANCE LEASE PAYABLES	2,112,974	1,581,815
SUBORDINATED LOANS	15,352,327	14,186,285
OTHER LIABILITIES	80,902,972	69,278,092
EQUITY	100,751,306	89,858,824
<b>TOTAL LIABILITIES</b>	<b>1,023,486,266</b>	<b>902,848,921</b>
<b>CONSOLIDATED STATEMENT OF PROFIT</b>	<b>31.03.2025</b>	<b>31.03.2024</b>
PROFIT SHARE INCOME	38,994,449	29,125,892
PROFIT SHARE EXPENSE	23,604,109	17,307,652
NET PROFIT SHARE INCOME/EXPENSE	15,390,340	11,818,240
NET FEES AND COMMISSION INCOME/EXPENSE	2,715,793	1,782,336
PERSONNEL EXPENSES	5,111,661	3,043,956
DIVIDEND INCOME	1,002	431
NET TRADING INCOME / LOSS	6,580,754	1,563,034
OTHER OPERATING INCOME	6,764,885	5,745,684
EXPECTED CREDIT LOSS (-)	2,623,991	1,916,621
OTHER PROVISION EXPENSES (-)	412,752	364,062
OTHER OPERATING EXPENSES (-)	7,714,902	4,995,721
PROFIT / LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING	64,454	63,894
INCOME/ LOSS BEFORE TAX	15,653,922	10,653,259
TAX PROVISION (-)	3,837,359	2,535,879
<b>NET PROFIT/LOSS FOR THE PERIOD</b>	<b>11,816,563</b>	<b>8,117,380</b>
<b>RATIOS</b>	<b>31.03.2025</b>	<b>31.12.2024</b>
Total Loans/Total Assets*	49.62%	50.72%
Total Loans/Fund Collected*	75.33%	75.77%
Average Equity Profit **	49.59%	51.94%
Average Assets Profit **	4.91%	4.65%
Capital Adequacy Ratio	22.68%	24.81%

\* Finance Lease Receivables is included in total loans.

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

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**1.3 Message from the Chairman**

Dear Shareholders,

The global economic growth outlook is relatively slow in the first quarter of 2025. The OECD's Interim Economic Outlook Report published in March emphasized that downside risks have increased despite the signs of resilience in the world economy. The tariff hikes, especially among leading global trade countries, have emerged as an additional pressure factor 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 the fragility of supply chains and caused slowdowns in international trade volumes. This situation, accompanied by exchange rate fluctuations and rising financing costs, further reinforces downside risks to global economic activity in the short term.

In the United States, a balanced but sensitive course is being followed as of the first quarter of 2025, accompanied by a slowdown in inflation and cautious monetary policy. The annual rate of increase in the Consumer Price Index slowed from 3.0% in January to 2.8% in February and 2.4% in March, indicating a gradual loss of momentum in headline inflation. This softening strengthens general expectations that the policy rate, which the Fed kept constant at 4.25%-4.50% at its March meeting, will ease further later in the year.

The European Central Bank (ECB) continued the interest rate cuts it started in June 2024 due to the economic weakness and the decline in inflation in the Eurozone, and reduced the main refinancing interest rate from 2.65% to 2.40% in April. Thus, while the seven reductions made in the last twelve months reflect the increasing confidence that inflation is heading towards the 2% target in a sustainable manner, it also draws attention to the fact that the uncertainties created by global trade tensions have tightened financial conditions and suppressed the growth outlook. It is expected that interest rate decisions for the rest of the year will be based on inflation dynamics and the transmission power of monetary policy.

Asian economies continue to lead growth despite global uncertainties. The Asian Development Bank's April forecast for the developing region is foreseen as a moderate but steady recovery path, with a growth expectation of 4.9%. China, the locomotive of the region, grew by 5.4% in the first quarter, in line with the 5% growth target. On the other hand, new tariff regulations from the US and vulnerabilities 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 show that the disinflation trend in the Turkish economy continues, the unemployment rate has fallen to its lowest levels in recent years, and the growth momentum is on a balanced course. While the downward trend in inflation in the first quarter of the year was considered a positive development in terms of economic stability, the interest rate hike carried out by the central bank in April, also due to the increasing exchange rate pressure as a result of recent political developments, was perceived as an important message that the tight stance would continue. In this context, it is anticipated that policies supporting stability in the current economic and financial conditions will be continued.

Our bank continued to make significant contributions to the Turkish economy and the participation finance sector in the first quarter of the year and increased its net profit by 46% compared to the same period of the previous year, reaching 11.8 billion TL. Compared to 2024, Kuveyt Turk's total funding base (funds collected and loans received) increased by 11% to 807.3 billion TL, while the amount of funds provided increased by 11% to 507.8 billion TL. In addition, the Parent Bank increased its equity to 100.7 billion TL and its asset size to 1 trillion TL, maintaining its leadership in asset size among participation financial institutions and maintaining its 10th place in the banking sector. With our high asset quality, strong corporate governance approach and customer-focused service model, we will continue to contribute to our country's economic transformation process and increase our stakeholder value throughout 2025.

Regards,

Hamad Abdulmohsen ALMARZOUQ

Chairman of the Board of Directors

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**1.4 Message from the General Manager**

Dear Shareholders,

While the world economy continued to make meaningful progress in combating inflation in the first quarter of 2025, geopolitical tensions and rising trade barriers continued to weigh on the growth outlook. While the OECD lowered its global growth forecast for 2025 and 2026 from 3.3% to 3.1% and 3.02% respectively, the IMF emphasized in its update ahead of the World Economic Outlook report that the prolongation of trade wars increased downside risks. However, the determination of central banks to combat inflation and the gradual improvement in supply chains have kept global financial conditions relatively stable.

The Turkish economy continued its balancing process in the first quarter on the global basis. As of March, the annual CPI increase decreased to 38.1%, indicating that the disinflation trend continues. The unemployment rate fell to 8.2% in February and 8.4% on an annual basis, reflecting a recovery in the employment market. In the current account balance, a deficit of 4.41 billion dollars was recorded in February 2025, and it was observed that the increasing trend in the foreign trade deficit continued.

Under this outlook, the Central Bank of the Republic of Türkiye, which has been continuing to reduce interest rates gradually for some time, increased 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 continued to support the real sector with determination in the first quarter, in line with our responsibility to contribute to the development goals of our country. Thanks to our strong capital structure, high liquidity level and effective risk management practices, we have provided uninterrupted service to our customers in light of interest-free finance principles. By strengthening our digital banking infrastructure with artificial intelligence-based solutions and cloud technologies, we aimed to provide our customers with a 24/7 accessible, secure and user-friendly experience. In the next period, we aim to maintain our sustainable profitability with our prudent asset-liability management, increase our market share in the sector and lead the growth of the participation finance ecosystem. In the new period, we will continue to increase social added value through our social responsibility projects while supporting the real economy with our innovative products.

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 and customer-focused approach in digital channels, we will continue to consolidate our leading role in participation financing. I would like to thank all our colleagues who have contributed greatly to our success and our valuable stakeholders who have never withheld their support.

Regards,

Ufuk UYAN

General Manager

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**1.5 Financial position, performance and assessment of the prospects for the future**

Based on the consolidated financial statements prepared as of 31 March 2025, our asset size reached TL 1 trillion 023 million, while our fund disbursement was TL 507 billion 895 million and the funds we collected were TL 674 billion 244 million. In the first three months of 2025, our shareholders' equity increased by 12.12% to TL 100 billion 751 million with the effect of TL 11 billion 817 million profit. Our consolidated capital adequacy ratio was 22.68% as of 31 March 2025.

**1.6 Significant events and transactions occurring during the three months period**

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

The Parent Bank, KT Kira Sertifikaları Varlık Kiralama A.Ş. has issued sukuk with a total nominal value of 14 billion 500 million TL, 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 cooling that started to be felt especially in the last quarter of 2024 continued to have a significant impact on domestic demand in the first quarter of 2025. In this process, the Central Bank of the Republic of Türkiye's maintaining its tight monetary policy stance and increasing interest rates after making a moderate reduction were among the main factors in the cooling of economic activity. In the same period, the continuation of credit card limits and the number of installments in order to keep the consumption tendency of households under control and the macroprudential measures implemented for credit growth also strengthened the suppressive role of domestic demand.

Although 2025 is expected to be a relatively less active year in terms of regulatory intensity compared to the previous year, when new regulations and tightening steps are expected to increase in the banking sector, it is possible that additional macroprudential measures will be taken due to increasing global geopolitical risks and domestic political balances. Fiscal policies, which are coordinated with monetary policy, will seek a delicate balance in order to ensure sustainable economic growth and support disinflation. However, uncertainties regarding wage increases, volatility in exchange rates and increasingly more protectionist policies in global trade stand out as the main risk factors for the economic outlook for the rest of the year.