

**KUVEYT TRK KATILIM BANKASI A..  
REVIEW REPORT, FINANCIAL  
STATEMENTS AND NOTES TO THE FINANCIAL  
STATEMENTS FOR THE INTERIM ACCOUNTING  
PERIOD ENDED 30 JUNE 2025**

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

**(CONVENIENCE TRANSLATION OF THE REPORT ON REVIEW OF INTERIM  
FINANCIAL INFORMATION ORIGINALLY ISSUED IN TURKISH)**

**REPORT ON REVIEW OF UNCONSOLIDATED INTERIM FINANCIAL INFORMATION**

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

*Introduction*

We have reviewed the accompanying unconsolidated statement of financial position of Kuveyt Türk Katılım Bankası A.Ş. (“the Bank”) as at 30 June 2025, and the unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders’ equity and unconsolidated statement of cash flows for the six-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 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 interim financial information based on our review.

*Scope of Review*

We conducted our review in accordance with the Independent Auditing Standard on Review Engagements (ISRE) 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 the Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion..

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial information do not present fairly in all material respects the financial position as of 30 June 2025, and its financial performance and cash flows for the six-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

*Report on Other Legal and Regulatory Requirements*

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information provided in the Management's interim report included in section eight of the accompanying financial statements, is not presented fairly, in all material respects, and is not consistent with the reviewed 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 financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Bank 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 August 2025

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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
FINANCIAL STATEMENTS AND AUDITORS' REVIEW REPORT ORIGINALLY ISSUED IN  
TURKISH**

**THE SIX-MONTH AUDIT REPORT OF  
KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ  
AS OF 30 JUNE 2025**

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

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

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

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

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Hamad Abdulmohsen AL-  
MARZOUQ

Chairman of the Board of  
Directors

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Shadi Ahmed Yacoub  
ZAHARAN

Chairman of the Audit  
Committee

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Nadir ALPASLAN

Member of the Audit  
Committee

---

Ufuk UYAN

General Manager

---

Ahmet KARACA

Vice General Manager of  
Financial Affairs

---

Mehmed Tahir KAPLAN

Budget and Reporting Group  
Manager

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

Name-Surname / Title : Samet ÖZCAN / Associate Consolidation Manager  
Tel No : 0212 354 10 86  
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**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED EXPLANATIONS AND NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2025**

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

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

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

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

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

As of 30 June 2025, 57.81% of the Bank's shares are owned by Kuwait Finance House located in Kuwait, 24.49% by Vakıflar Genel Müdürlüğü Mazbut Vakıfları, 8.36% by Wafra International Investment Company in Kuwait and 8.36% by Islamic Development Bank whereas the remaining 0.98% of the shares are owned by other real persons and legal entities.

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

Name	Title	Date of Assignment	Date of Audit Committee Assignments	Audit Committee End Date	Educational Degree	Ownership Percentage
Hamad A H D MARZOUQ	Head of the BOD	25/06/2014			Master	-
Shadi Ahmed 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	-
Jabr Shahein AL-JALAHMAH	Member of BOD	31/07/2025			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	17/06/2025	Master	-
Boualem HAMMOUNI	Member of BOD and Audit Committee	31/07/2025			Master	-
Gehad Mohamed ELBENDARY ANANY	Member of BOD	25/09/2020	09/09/2020	04/11/2020	Bachelor	-
Sinan AKSU	Member of BOD	08/05/2023			Bachelor	-
Ufuk UYAN	Member of BOD and General Manager	10/05/1999			Master	0.057%
Ahmet KARACA	Assistant General Manager, Financial Control	12/07/2006			Master	0.001%
Bilal SAYIN	Assistant General Manager, Lending	20/08/2003			Bachelor	0.004%
İrfan YILMAZ	Assistant General Manager, Banking Services	27/10/2005			Bachelor	0.019%
Dr. Ruşen Ahmet ALBAYRAK	Assistant General Manager, Corporate and Commercial Banking	05/05/2005			Doctorate	0.007%
Nurettin KOLAÇ	Assistant General Manager, Legal and Risk Follow Up	20/04/2010			Bachelor	-
Aslan DEMİR	Assistant General Manager, Treasury and International Banking	08/10/2012			Bachelor	0.006%
Mehmet ORAL	Assistant General Manager, Retail Banking	01/10/2012			Bachelor	0.005%
Abdurrahman DELİPOYRAZ	Assistant General Manager, SME Banking	09/01/2015			Bachelor	0.005%
Hüseyin Cevdet YILMAZ	Head of the Risk, Control and Compliance Group	16/12/2003			Bachelor	0.001%
Dr. Okan ACAR	Assistant General Manager, Digital Banking and Payment Systems	01/01/2025			Doctorate	-
Bahattin AKCA	Chairman of the Inspection Board	01/08/2007			Bachelor	0.001%
Semih SEL	Assistant General Manager, Human Resources and Strategy	01/01/2025			Bachelor	0.001%

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

(\*) Mohamed Hedi MEJAI, member of the Board of Directors and Audit Committee, resigned from his position on 17 June 2025.

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED EXPLANATIONS AND NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2025**

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

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

Name / Commercial Name	Share amount (Nominal)	Shareholding percentage	Paid shares (Nominal)	Unpaid shares
Kuwait Finance House	4,625,169	57.81%	4,625,169	-
Vakıflar Genel Müdürlüğü Mazbut Vakıfları	1,958,898	24.49%	1,958,898	-
<b>Total</b>	<b>6,584,067</b>	<b>82.30%</b>	<b>6,584,067</b>	<b>-</b>

As of 30 June 2025, the shareholding structure of Kuwait Finance House, the main shareholder of the Bank, is as follows.

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

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

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

As of 30 June 2025, the Bank is operating through 452 domestic branches (31 December 2024 – 449) with 6,309 employees (31 December 2024 – 6,112). Summary of some of the Bank's operations described in the Articles of Association are as follows;

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

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

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

None.

**SECTION TWO**  
**UNCONSOLIDATED FINANCIAL STATEMENTS**

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



**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2025**

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

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

			Reviewed Current Period 30.06.2025			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>124,982,471</b>	<b>282,110,233</b>	<b>407,092,704</b>	<b>113,004,326</b>	<b>231,439,362</b>	<b>344,443,688</b>
1.1.	Cash and Cash Equivalents		57,027,167	232,010,099	289,037,266	59,569,581	190,460,115	250,029,696
1.1.1.	Cash and Balances with Central Bank	(5.1.1.)	56,990,371	187,219,623	244,209,994	59,543,446	163,449,279	222,992,725
1.1.2.	Banks	(5.1.3.)	38,023	44,793,504	44,831,527	27,753	27,014,929	27,042,682
1.1.3.	Money Markets Placements		-	-	-	1,019	-	1,019
1.1.4.	Expected Credit Loss (-)		1,227	3,028	4,255	2,637	4,093	6,730
1.2.	Financial Assets at Fair Value Through Profit or Loss		17,575,510	13,714,278	31,289,788	15,070,891	17,269,448	32,340,339
1.2.1.	Government Debt Securities		689,603	6,219,994	6,909,597	475,948	11,956,887	12,432,835
1.2.2.	Equity Instruments		-	28,131	28,131	-	18,828	18,828
1.2.3.	Other Financial Assets		16,885,907	7,466,153	24,352,060	14,594,943	5,293,733	19,888,676
1.3.	Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.4.)	50,055,728	34,779,885	84,835,613	38,046,620	22,911,647	60,958,267
1.3.1.	Government Debt Securities		47,645,993	34,068,533	81,714,526	37,933,533	22,251,047	60,184,580
1.3.2.	Equity Instruments		128,087	484,879	612,966	105,587	382,853	488,440
1.3.3.	Other Financial Assets		2,281,648	226,473	2,508,121	7,500	277,747	285,247
1.4.	Derivative Financial Assets		324,066	1,605,971	1,930,037	317,234	798,152	1,115,386
1.4.1.	Derivative Financial Assets at Fair Value Through Profit or Loss	(5.1.2.)	324,066	1,605,971	1,930,037	317,234	798,152	1,115,386
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>	(5.1.5.)	<b>316,244,398</b>	<b>277,540,512</b>	<b>593,784,910</b>	<b>264,276,514</b>	<b>213,507,764</b>	<b>477,784,278</b>
2.1.	Loans		277,090,186	202,875,578	479,965,764	227,378,754	156,856,799	384,235,553
2.2.	Lease Receivables	(5.1.10.)	16,736,991	49,298,329	66,035,320	15,662,731	34,843,891	50,506,622
2.3.	Other Financial Assets Measured at Amortized Cost	(5.1.6.)	32,414,890	28,799,501	61,214,391	30,475,591	25,548,284	56,023,875
2.3.1.	Government Debt Securities		32,414,890	28,799,501	61,214,391	30,475,591	25,548,284	56,023,875
2.3.2.	Other Financial Assets		-	-	-	-	-	-
2.4.	Expected Loss Provision (-)		9,997,669	3,432,896	13,430,565	9,240,562	3,741,210	12,981,772
<b>III.</b>	<b>NON-CURRENT ASSETS HELD FOR SALE AND HELD FROM DISCONTINUED OPERATIONS (Net)</b>	(5.1.16.)	<b>576,338</b>	<b>-</b>	<b>576,338</b>	<b>522,743</b>	<b>-</b>	<b>522,743</b>
3.1.	Held for Sale Purpose		576,338	-	576,338	522,743	-	522,743
3.2.	Held from Discontinued Operations		-	-	-	-	-	-
<b>IV.</b>	<b>EQUITY INVESTMENTS</b>		<b>12,892,212</b>	<b>-</b>	<b>12,892,212</b>	<b>4,142,212</b>	<b>-</b>	<b>4,142,212</b>
4.1.	Associates (Net)	(5.1.7.)	-	-	-	-	-	-
4.1.1.	Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2.	Unconsolidated Associates		-	-	-	-	-	-
4.2.	Subsidiaries (Net)	(5.1.8.)	12,872,212	-	12,872,212	4,122,212	-	4,122,212
4.2.1.	Unconsolidated Financial Subsidiaries		4,748,532	-	4,748,532	3,998,532	-	3,998,532
4.2.2.	Unconsolidated Non-Financial Subsidiaries		8,123,680	-	8,123,680	123,680	-	123,680
4.3.	Joint Ventures (Net)	(5.1.9.)	20,000	-	20,000	20,000	-	20,000
4.3.1.	Joint Ventures Valued Based on Equity Method		20,000	-	20,000	20,000	-	20,000
4.3.2.	Unconsolidated Joint Ventures		-	-	-	-	-	-
<b>V.</b>	<b>TANGIBLE ASSETS (Net)</b>	(5.1.12.)	<b>6,521,890</b>	<b>4,435</b>	<b>6,526,325</b>	<b>5,357,578</b>	<b>4,852</b>	<b>5,362,430</b>
<b>VI.</b>	<b>INTANGIBLE ASSETS (Net)</b>	(5.1.13.)	<b>3,190,933</b>	<b>219</b>	<b>3,191,152</b>	<b>2,314,602</b>	<b>247</b>	<b>2,314,849</b>
6.1.	Goodwill		-	-	-	-	-	-
6.2.	Other		3,190,933	219	3,191,152	2,314,602	247	2,314,849
<b>VII.</b>	<b>INVESTMENT PROPERTIES (Net)</b>	(5.1.14.)	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII.</b>	<b>CURRENT TAX ASSET</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX.</b>	<b>DEFERRED TAX ASSET</b>	(5.1.15.)	<b>9,684,554</b>	<b>-</b>	<b>9,684,554</b>	<b>8,340,450</b>	<b>-</b>	<b>8,340,450</b>
<b>X.</b>	<b>OTHER ASSETS</b>	(5.1.17.)	<b>14,020,740</b>	<b>202,265</b>	<b>14,223,005</b>	<b>9,065,395</b>	<b>144,358</b>	<b>9,209,753</b>
	<b>TOTAL ASSETS</b>		<b>488,113,536</b>	<b>559,857,664</b>	<b>1,047,971,200</b>	<b>407,023,820</b>	<b>445,096,583</b>	<b>852,120,403</b>

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED BALANCE SHEET AS OF 30 JUNE 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 30.06.2025			Audited Prior Period 31.12.2024		
	LIABILITIES	Notes	TL	FC	Total	TL	FC	Total
I.	FUNDS COLLECTED	(5.2.1.)	291,451,602	396,686,768	688,138,370	284,192,520	301,371,393	585,563,913
II.	FUNDS BORROWED	(5.2.3.)	11,082,678	151,471,779	162,554,457	4,147,337	117,773,649	121,920,986
III.	MONEY MARKETS		44,137,481	-	44,137,481	17,719,258	-	17,719,258
IV.	SECURITIES ISSUED (Net)		-	-	-	-	-	-
V.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VI.	DERIVATIVE FINANCIAL LIABILITIES		596,191	2,332,035	2,928,226	1,399,910	1,453,023	2,852,933
6.1.	Derivative Financial Liabilities at Fair Value Through Profit or Loss	(5.2.2.)	596,191	2,332,035	2,928,226	1,399,910	1,453,023	2,852,933
6.2.	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(5.2.6.)	-	-	-	-	-	-
VII.	LEASE PAYABLES (Net)	(5.2.5.)	2,058,626	9,209	2,067,835	1,457,178	8,845	1,466,023
VIII.	PROVISIONS	(5.2.7.)	5,612,152	1,515,035	7,127,187	5,319,973	2,077,631	7,397,604
8.1.	Restructuring Provision		-	-	-	-	-	-
8.2.	Reserves for Employee Benefits		3,716,609	340,284	4,056,893	3,514,580	347,300	3,861,880
8.3.	Insurance for Technical Provision (Net)		-	-	-	-	-	-
8.4.	Other Provisions		1,895,543	1,174,751	3,070,294	1,805,393	1,730,331	3,535,724
IX.	CURRENT TAX LIABILITIES	(5.2.8.1.)	4,784,394	-	4,784,394	5,716,978	-	5,716,978
X.	DEFERRED TAX LIABILITIES		-	-	-	-	-	-
XI.	LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(5.2.9.)	-	-	-	-	-	-
11.1.	Held for Sale		-	-	-	-	-	-
11.2.	Related to Discontinued Operations		-	-	-	-	-	-
XII.	SUBORDINATED DEBT INSTRUMENTS	(5.2.10.)	-	15,988,438	15,988,438	-	14,186,285	14,186,285
12.1.	Loans		-	-	-	-	-	-
12.2.	Other Debt Instruments		-	15,988,438	15,988,438	-	14,186,285	14,186,285
XIII.	OTHER LIABILITIES	(5.2.4.)	19,680,254	3,252,897	22,933,151	10,781,402	2,287,527	13,068,929
XIV.	SHAREHOLDERS' EQUITY	(5.2.11.)	96,949,822	361,839	97,311,661	81,954,307	273,187	82,227,494
14.1.	Paid-in Capital		7,995,131	-	7,995,131	4,947,336	-	4,947,336
14.2.	Capital Reserves		6,373,506	-	6,373,506	6,375,380	-	6,375,380
14.2.1.	Share Premiums		6,373,506	-	6,373,506	6,373,506	-	6,373,506
14.2.2.	Share Cancellation Profit		-	-	-	1,874	-	1,874
14.2.3.	Other Capital Reserves		-	-	-	-	-	-
14.3.	Other Accumulated Comprehensive Income or Loss That Will Not Be Reclassified Through Profit or Loss		(553,764)	-	(553,764)	(553,764)	-	(553,764)
14.4.	Other Accumulated Comprehensive Income or Loss That Will Be Reclassified Through Profit or Loss		(6,191,719)	361,839	(5,829,880)	(5,732,435)	273,187	(5,459,248)
14.5.	Profit Reserves		70,348,594	-	70,348,594	42,203,716	-	42,203,716
14.5.1.	Legal Reserves		5,023,898	-	5,023,898	2,944,691	-	2,944,691
14.5.2.	Statutory Reserves		-	-	-	-	-	-
14.5.3.	Extraordinary Reserves		65,019,735	-	65,019,735	38,978,346	-	38,978,346
14.5.4.	Other Profit Reserves		304,961	-	304,961	280,679	-	280,679
14.6.	Profit or Loss		18,978,074	-	18,978,074	34,714,074	-	34,714,074
14.6.1.	Prior Years' Profit or Loss		60,618	-	60,618	60,618	-	60,618
14.6.2.	Net Profit or Loss for the Period		18,917,456	-	18,917,456	34,653,456	-	34,653,456
14.7.	Minority Shares	(5.2.12.)	-	-	-	-	-	-
	<b>TOTAL LIABILITIES</b>		<b>476,353,200</b>	<b>571,618,000</b>	<b>1,047,971,200</b>	<b>412,688,863</b>	<b>439,431,540</b>	<b>852,120,403</b>

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED STATEMENT OFF-BALANCE SHEET ITEMS AS OF 30 JUNE 2025**  
*(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)*

**2. STATEMENT OF OFF-BALANCE SHEET ITEMS**

			Reviewed Current Period 30.06.2025			Audited Prior Period 31.12.2024		
			TL	FC	Total	TL	FC	Total
<b>A.</b>	<b>COMMITMENTS AND CONTINGENCIES (I+II+III)</b>		<b>266,604,130</b>	<b>411,141,013</b>	<b>677,745,143</b>	<b>248,076,321</b>	<b>297,568,524</b>	<b>545,644,845</b>
<b>I.</b>	<b>GUARANTEES AND WARRANTIES</b>	(5.3.1.)	<b>87,031,869</b>	<b>48,455,130</b>	<b>135,486,999</b>	<b>69,514,466</b>	<b>35,653,962</b>	<b>105,168,428</b>
1.1.	Letters of Guarantee		80,781,214	26,438,062	107,219,276	64,564,321	21,083,692	85,648,013
1.1.1.	Guarantees Subject to State Tender Law		770,997	28,406	799,403	990,082	27,987	1,018,069
1.1.2.	Guarantees Given for Foreign Trade Operations		3,444,253	333,320	3,777,573	2,948,213	166,991	3,115,204
1.1.3.	Other Letters of Guarantee		76,565,964	26,076,336	102,642,300	60,626,026	20,888,714	81,514,740
1.2.	Bank Loans		114,865	1,043,125	1,157,990	93,099	634,440	727,539
1.2.1.	Import Letter of Acceptances		114,865	1,043,125	1,157,990	93,099	634,440	727,539
1.2.2.	Other Bank Acceptances		-	-	-	-	-	-
1.3.	Letters of Credit		48,260	20,420,241	20,468,501	30,972	13,550,814	13,581,786
1.3.1.	Documentary Letters of Credit		-	2,581,397	2,581,397	4,784	1,480,135	1,484,919
1.3.2.	Other Letters of Credit		48,260	17,838,844	17,887,104	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		6,087,530	553,702	6,641,232	4,826,074	385,016	5,211,090
1.7.	Other Warranties		-	-	-	-	-	-
<b>II.</b>	<b>COMMITMENTS</b>	(5.3.1.)	<b>135,471,870</b>	<b>48,519,761</b>	<b>183,991,631</b>	<b>96,030,796</b>	<b>13,707,495</b>	<b>109,738,291</b>
2.1.	Irrevocable Commitments		135,471,870	48,519,761	183,991,631	96,030,796	13,707,495	109,738,291
2.1.1.	Forward Asset Purchase and Sales Commitments		5,421,532	35,398,147	40,819,679	7,573,069	13,707,495	21,280,564
2.1.2.	Share Capital Commitment to Associates and Subsidiaries		-	-	-	22,500	-	22,500
2.1.3.	Loan Granting Commitments		6,911,091	-	6,911,091	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		7,904,467	-	7,904,467	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		114,567,140	-	114,567,140	76,389,710	-	76,389,710
2.1.9.	Commitments For Credit Cards and Banking Services Promotions		-	-	-	-	-	-
2.1.10.	Receivables From Short Sale Commitments		-	-	-	-	-	-
2.1.11.	Payables For Short Sale Commitments		-	-	-	-	-	-
2.1.12.	Other Irrevocable Commitments		667,640	13,121,614	13,789,254	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>44,100,391</b>	<b>314,166,122</b>	<b>358,266,513</b>	<b>82,531,059</b>	<b>248,207,067</b>	<b>330,738,126</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		44,100,391	314,166,122	358,266,513	82,531,059	248,207,067	330,738,126
3.2.1	Forward Foreign Currency Buy/Sell Transactions		4,853,438	9,750,729	14,604,167	7,499,657	11,975,720	19,475,377
3.2.1.1	Forward Foreign Currency Buy Transactions		1,229,635	6,189,443	7,419,078	4,305,649	5,511,268	9,816,917
3.2.1.2	Forward Foreign Currency Sell Transactions		3,623,803	3,561,286	7,185,089	3,194,008	6,464,452	9,658,460
3.2.2	Other Forward Buy/Sell Transactions		39,246,953	304,415,393	343,662,346	75,031,402	236,231,347	311,262,749
3.3	Other		-	-	-	-	-	-
<b>B.</b>	<b>CUSTODY AND PLEDGES SECURITIES (IV+V+VI)</b>		<b>5,244,686,071</b>	<b>8,273,388,014</b>	<b>13,518,074,085</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>275,327,835</b>	<b>7,290,664,033</b>	<b>7,565,991,868</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		78,053,763	7,215,246,146	7,293,299,909	47,479,628	4,636,308,727	4,683,788,355
4.3.	Checks Received for Collection		99,932,234	3,426,468	103,358,702	79,818,813	1,735,102	81,553,915
4.4.	Commercial Notes Received for Collection		8,663,815	3,541,958	12,205,773	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		88,678,023	68,449,461	157,127,484	68,714,982	59,087,833	127,802,815
<b>V.</b>	<b>PLEDGED ITEMS</b>		<b>4,967,948,243</b>	<b>982,118,726</b>	<b>5,950,066,969</b>	<b>3,947,957,092</b>	<b>873,242,903</b>	<b>4,821,199,995</b>
5.1.	Marketable Securities		8,294,462	4,950,162	13,244,624	5,797,660	3,150,772	8,948,432
5.2.	Guarantee Notes		100,927	16,907,972	17,008,899	100,977	14,953,279	15,054,256
5.3.	Commodity		172,765,179	99,684,004	272,449,183	133,357,236	54,581,832	187,939,068
5.4.	Warranty		-	-	-	-	-	-
5.5.	Properties		1,113,734,077	36,391,488	1,150,125,565	914,931,926	37,315,693	952,247,619
5.6.	Other Pledged Items		3,673,053,598	824,185,100	4,497,238,698	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>1,409,993</b>	<b>605,255</b>	<b>2,015,248</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>5,511,290,201</b>	<b>8,684,529,027</b>	<b>14,195,819,228</b>	<b>4,400,344,654</b>	<b>5,871,176,813</b>	<b>10,271,521,467</b>

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED 30 JUNE 2025 (INCOME STATEMENT)**

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

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

			Current Period Reviewed 01.01.2025- 30.06.2025	Current Period Reviewed 01.04.2025- 30.06.2025	Prior Period Reviewed 01.01.2024- 30.06.2024	Prior Period Reviewed 01.04.2024- 30.06.2024
	INCOME AND EXPENSE ITEMS	Notes				
<b>I.</b>	<b>PROFIT SHARE INCOME</b>	<b>(5.4.1.)</b>	<b>74,913,934</b>	<b>39,387,106</b>	<b>60,544,175</b>	<b>33,576,179</b>
1.1.	Profit Share on Loans		49,252,247	25,920,093	40,117,919	21,330,871
1.2.	Profit Share on Reserve Deposits		7,633,089	3,937,382	3,285,511	3,285,511
1.3.	Profit Share on Banks		89,903	54,440	383,288	226,547
1.4.	Profit Share on Money Market Placements		-	-	-	-
1.5.	Profit Share on Marketable Securities Portfolio		12,153,493	6,470,574	11,955,824	6,165,243
1.5.1.	Fair Value Through Profit or Loss		524,130	255,255	550,842	259,518
1.5.2.	Fair Value Through Other Comprehensive Income		7,329,627	3,977,709	5,921,082	3,151,405
1.5.3.	Measured at Amortized Cost		4,299,736	2,237,610	5,483,900	2,754,320
1.6.	Finance Lease Income		5,244,922	2,783,529	4,585,219	2,440,329
1.7.	Other Profit Share Income		540,280	221,088	216,414	127,678
<b>II.</b>	<b>PROFIT SHARE EXPENSES (-)</b>		<b>47,596,959</b>	<b>24,048,972</b>	<b>37,869,324</b>	<b>20,528,518</b>
2.1.	Expense on Profit Sharing Accounts	(5.4.4.)	33,748,000	16,831,173	28,363,849	14,612,469
2.2.	Profit Share Expense on Funds Borrowed	(5.4.2.)	5,774,835	3,145,378	5,897,494	3,181,191
2.3.	Profit Share Expense on Money Market Borrowings		7,867,464	3,957,235	3,494,920	2,669,981
2.4.	Expense on Securities Issued		-	-	-	-
2.5.	Profit Share Expense on Lease		206,660	115,186	113,061	64,877
2.6.	Other Profit Share Expense		-	-	-	-
<b>III.</b>	<b>NET PROFIT SHARE INCOME (I - II)</b>		<b>27,316,975</b>	<b>15,338,134</b>	<b>22,674,851</b>	<b>13,047,661</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME/EXPENSE</b>		<b>6,862,277</b>	<b>3,748,515</b>	<b>3,622,367</b>	<b>1,711,179</b>
4.1.	Fees and Commissions Received		15,124,404	8,320,430	7,858,177	4,052,526
4.1.1.	Non-Cash Loans		546,118	289,922	333,363	176,504
4.1.2.	Other	(5.4.13.)	14,578,286	8,030,508	7,524,814	3,876,022
4.2.	Fees and Commissions Paid (-)		8,262,127	4,571,915	4,235,810	2,341,347
4.2.1.	Non-Cash Loans		12,354	7,604	2,326	1,394
4.2.2.	Other	(5.4.13.)	8,249,773	4,564,311	4,233,484	2,339,953
<b>V.</b>	<b>DIVIDEND INCOME</b>	<b>(5.4.3.)</b>	<b>2,716</b>	<b>2,142</b>	<b>861</b>	<b>430</b>
<b>VI.</b>	<b>TRADE PROFIT / LOSS (Net)</b>	<b>(5.4.5.)</b>	<b>9,560,923</b>	<b>2,885,078</b>	<b>1,670,214</b>	<b>(163,058)</b>
6.1.	Capital Market Transaction Gains/Losses		3,453,696	1,952,115	2,351,938	1,216,101
6.2.	Gains/Losses from Derivative Financial Instruments		(1,113,172)	(6,089,374)	(257,586)	(3,047,255)
6.3.	Foreign Exchange Gains/Losses		7,220,399	7,022,337	(424,138)	1,668,096
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>(5.4.6.)</b>	<b>3,334,800</b>	<b>393,635</b>	<b>5,362,650</b>	<b>1,878,196</b>
<b>VIII.</b>	<b>GROSS OPERATING PROFIT (III+IV+V+VI+VII)</b>		<b>47,077,691</b>	<b>22,367,504</b>	<b>33,330,943</b>	<b>16,474,408</b>
<b>IX.</b>	<b>EXPECTED LOSS PROVISIONS (-)</b>	<b>(5.4.7.)</b>	<b>5,997,264</b>	<b>3,381,118</b>	<b>2,986,833</b>	<b>1,117,851</b>
<b>X.</b>	<b>OTHER PROVISIONS (-)</b>	<b>(5.4.7.)</b>	<b>407,423</b>	<b>89,575</b>	<b>321,049</b>	<b>38,083</b>
<b>XI.</b>	<b>PERSONNEL EXPENSES (-)</b>		<b>8,775,923</b>	<b>4,213,509</b>	<b>5,210,381</b>	<b>2,472,796</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(5.4.8.)</b>	<b>7,101,805</b>	<b>3,653,812</b>	<b>4,598,825</b>	<b>2,379,797</b>
<b>XIII.</b>	<b>NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)</b>		<b>24,795,276</b>	<b>11,029,490</b>	<b>20,213,855</b>	<b>10,465,881</b>
<b>XIV.</b>	<b>EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER</b>		-	-	-	-
<b>XV.</b>	<b>PROFIT/LOSS FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		-	-	-	-
<b>XVI.</b>	<b>PROFIT/LOSS ON NET MONETARY POSITION</b>		-	-	-	-
<b>XVII.</b>	<b>PROFIT/LOSS FROM CONTINUED OPERATIONS BEFORE TAXES (XII+...+XV)</b>	<b>(5.4.9.)</b>	<b>24,795,276</b>	<b>11,029,490</b>	<b>20,213,855</b>	<b>10,465,881</b>
<b>XVIII.</b>	<b>TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	<b>(5.4.10)</b>	<b>(5,877,820)</b>	<b>(2,603,163)</b>	<b>(4,717,457)</b>	<b>(2,314,912)</b>
18.1.	Current Tax Provision		7,063,082	4,834,068	5,893,987	2,717,360
18.2.	Deferred Tax Expense Effect (+)		-	(1,196,969)	142,891	(88,939)
18.3.	Deferred Tax Income Effect (-)		1,185,262	1,033,936	1,319,421	313,509
<b>XIX.</b>	<b>CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	<b>(5.4.11.)</b>	<b>18,917,456</b>	<b>8,426,327</b>	<b>15,496,398</b>	<b>8,150,969</b>
<b>XX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</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>		-	-	-	-
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>XXIII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</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>XXV.</b>	<b>NET PROFIT/LOSS FOR THE PERIOD (XIX+XXIV)</b>	<b>(5.4.12.)</b>	<b>18,917,456</b>	<b>8,426,327</b>	<b>15,496,398</b>	<b>8,150,969</b>
25.1.	Group's Profit/Loss		18,917,456	8,426,327	15,496,398	8,150,969
25.2.	Minority Interest Profit/Loss (-)		-	-	-	-
	Earnings Per Share Profit/Loss (Full TL)		3.0856	-	3.3688	-

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2025**

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

**4. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

		Reviewed Current Period 01.01.2025-30.06.2025	Reviewed Prior Period 01.01.2024-30.06.2024
<b>I.</b>	<b>CURRENT PERIOD PROFIT/LOSS</b>	<b>18,917,456</b>	<b>15,496,398</b>
<b>II.</b>	<b>OTHER COMPREHENSIVE INCOME</b>	<b>(370,632)</b>	<b>(3,672,970)</b>
<b>2.1</b>	<b>Not Reclassified Through Profit or Loss</b>	-	-
2.1.1	Tangible Assets Revaluation Increase/Decrease	-	-
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Plan Remeasurement Gain/Loss	-	-
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
<b>2.2</b>	<b>Reclassified Through Profit or Loss</b>	<b>(370,632)</b>	<b>(3,672,970)</b>
2.2.1	Foreign Currency Translation Differences	-	-
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(529,474)	(5,242,367)
2.2.3	Cash Flow Hedge Income/Expenses	-	-
2.2.4	Foreign Net Investment Hedge Income/Expenses	-	-
2.2.5	Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6	Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	158,842	1,569,397
<b>III.</b>	<b>TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>18,546,824</b>	<b>11,823,428</b>

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 2025**

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

**5. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

							Accumulated Other Income or Loss That Will Not Be Reclassified to Profit or Loss			Accumulated Other Income or Loss That Will Be Reclassified to Profit or Loss								
		Notes	Paid-in Capital	Share Premiums	Share Cancellation Profit	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Periods' Profit / (Loss)	Net Profit/Loss for the Period	Total Shareholders Equity Less Minority Shares	Minority Shares	Total Shareholders' Equity
I.	Prior Period (01/01/2024 – 30/06/2024)		4,595,131	23,250	1,874	-	-	(513,980)	-	-	(1,044,479)	-	18,253,903	60,618	26,609,371	47,985,688	-	47,985,688
II.	Prior Period Ending Balance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)		4,595,131	23,250	1,874	-	-	(513,980)	-	-	(1,044,479)	-	18,253,903	60,618	26,609,371	47,985,688	-	47,985,688
IV.	Total Comprehensive Income		-	-	-	-	-	-	-	-	(3,672,970)	-	-	-	15,496,398	11,823,428	-	11,823,428
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		-	-	-	-	-	-	-	-	-	-	(719)	-	-	(719)	-	(719)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	23,951,251	-	(26,609,371)	(2,658,120)	-	(2,658,120)
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	(2,660,937)	-	(2,660,937)	-	(2,660,937)
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	23,951,251	(23,948,434)	-	2,817	-	2,817
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	26,609,371	(26,609,371)	-	-	-
	Balances at End of the Period (III+IV+.....+X+XI)	(5.2.12.)	4,595,131	23,250	1,874	-	-	(513,980)	-	-	(4,717,449)	-	42,204,435	60,618	15,496,398	57,150,277	-	57,150,277
I.	Current Period (01/01/2025 – 30/06/2025)		4,947,336	6,373,506	1,874	-	-	(553,764)	-	-	(5,459,248)	-	42,203,716	60,618	34,653,456	82,227,494	-	82,227,494
II.	Prior Period Ending Balance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)		4,947,336	6,373,506	1,874	-	-	(553,764)	-	-	(5,459,248)	-	42,203,716	60,618	34,653,456	82,227,494	-	82,227,494
IV.	Total Comprehensive Income		-	-	-	-	-	-	-	-	(370,632)	-	-	-	18,917,456	18,546,824	-	18,546,824
V.	Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Reserves	3,047,795	-	-	-	-	-	-	-	-	-	-	(3,047,795)	-	-	-	-	-
VII.	Paid in Capital Inflation Adjustment Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Share		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase / Decrease by Other Changes		-	-	(1,874)	-	-	-	-	-	-	-	(717)	-	-	(2,591)	-	(2,591)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	31,193,390	-	(34,653,456)	(3,460,066)	-	(3,460,066)
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	(3,465,346)	-	(3,465,346)	-	(3,465,346)
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	31,193,390	(31,188,110)	-	5,280	-	5,280
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	34,653,456	(34,653,456)	-	-	-
	Balances at End of the Period (III+IV+.....+X+XI)	(5.2.12.)	7,995,131	6,373,506	-	-	-	(553,764)	-	-	(5,829,880)	-	70,348,594	60,618	18,917,456	97,311,661	-	97,311,661

1. Accumulated revaluation increase / decrease of fixed assets,

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

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

4. Foreign currency translation differences

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

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

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**UNCONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2025**

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

**6. STATEMENT OF CASH FLOWS**

		Notes	Reviewed Current Period	Reviewed Prior Period
			01.01.2025-30.06.2025	01.01.2024-30.06.2024
<b>A.</b>	<b>CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1</b>	<b>Operating Profit Before Changes in Assets and Liabilities from Banking Operations</b>		<b>41,018,596</b>	<b>32,691,218</b>
1.1.1	Profit Share Income Received		75,122,971	54,238,077
1.1.2	Profit Share Expense Paid		(50,220,394)	(29,953,270)
1.1.3	Dividends Received		2,716	861
1.1.4	Fees and Commissions Received		15,124,404	7,858,177
1.1.5	Other Income		3,334,800	15,172,197
1.1.6	Collections from Previously Written Off Loans		5,383,388	462,394
1.1.7	Payments to Personnel and Service Suppliers		(8,580,910)	(5,320,045)
1.1.8	Taxes Paid		(3,881,696)	(4,268,331)
1.1.9	Others		4,733,317	(5,498,842)
<b>1.2</b>	<b>Changes in Assets and Liabilities from Banking Operations</b>		<b>(43,128,043)</b>	<b>(29,699,965)</b>
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		3,476,671	22,980,064
1.2.2	Net (Increase) Decrease in Due from Banks and Other Financial Institutions		(41,344,273)	(30,794,651)
1.2.3	Net (Increase) Decrease in Loans		(76,025,382)	(48,251,577)
1.2.4	Net (Increase) Decrease in Other Assets		16,619	(10,161,906)
1.2.5	Net Increase (Decrease) in Bank Deposits		810,341	72,223
1.2.6	Net Increase (Decrease) in Other Deposits		29,052,120	(24,001,945)
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		6,831,066	40,787,391
1.2.9	Net Increase (Decrease) in Due Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities		34,054,795	19,670,436
<b>I.</b>	<b>Net Cash Provided From Banking Operations</b>		<b>(2,109,447)</b>	<b>2,991,253</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II.</b>	<b>Net Cash Provided from Investing Activities</b>		<b>(31,588,866)</b>	<b>2,933,886</b>
2.1	Cash Paid for Purchase Jointly Controlled Operations, Associates and Subsidiaries		(8,772,500)	(752,500)
2.2	Cash Obtained from Sale of Jointly Controlled Operations, Associates and Subsidiaries		-	-
2.3	Fixed Assets Purchases		(1,863,686)	(1,239,356)
2.4	Fixed Assets Sales		389,556	328,700
2.5	Cash Paid for Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(22,396,070)	(11,470,509)
2.6	Cash Obtained from Sale of Financial Assets at Fair Value Through Other Comprehensive Income		1,911,941	18,692,637
2.7	Purchased Financial Assets Measured at Amortized Cost		-	(3,660,000)
2.8	Financial Assets Measured at Amortized Cost		-	2,000,000
2.9	Other		(858,107)	(965,086)
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III.</b>	<b>Net Cash Provided from Financing Activities</b>		<b>(3,672,006)</b>	<b>(2,534,514)</b>
3.1	Cash Obtained from Funds Borrowed and Securities Issued		-	-
3.2	Cash Used for Repayments of Funds Borrowed and Securities Issued		-	-
3.3	Equity Instruments Issued		-	-
3.4	Dividends Paid		(3,465,346)	(2,421,453)
3.5	Payments for Finance Leases		(206,660)	(113,061)
3.6	Other		-	-
<b>IV.</b>	<b>Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>31,403,988</b>	<b>11,417,387</b>
<b>V.</b>	<b>Net Increase in Cash and Cash Equivalents</b>		<b>(5,966,331)</b>	<b>14,808,012</b>
<b>VI.</b>	<b>Cash and Cash Equivalents at the Beginning of the Period</b>		<b>125,488,388</b>	<b>71,638,422</b>
<b>VII.</b>	<b>Cash and Cash Equivalents at the End of the Period</b>		<b>119,522,057</b>	<b>86,446,434</b>

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

**KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ**  
**EXPLANATION AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL**  
**STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025**

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**SECTION THREE**

**EXPLANATIONS ON ACCOUNTING POLICIES**

**1. Explanations on basis of presentation**

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

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

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

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

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

POA, on 23 November 2023, published an announcement regarding that companies that apply Turkish Financial Reporting Standards should present their financial statements for the annual reporting period ending on or after 31 December 2023 in accordance with the relevant accounting principles in “Turkish Accounting Standard 29 Financial Reporting in Economies with High Inflation”, adjusted for the effect of inflation. However, institutions or organizations authorized to regulate and supervise their own fields may determine transition dates different from those foreseen above for the implementation of the provisions in TAS 29. Based on this announcement, BRSA, in accordance with its decision dated 12 December 2023 and numbered 10744, has decided that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA'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 30 June 2025.

**1.3 Changes in accounting estimates, errors and classifications**

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

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

The financial statements of the Bank have been subject to inflation adjustment in accordance with TAS 29 “Turkish Accounting Standard for Financial Reporting in Hyperinflationary Economies” until 31 December 2004. POA, on 23 November 2023, published an announcement regarding that companies that apply Turkish Financial Reporting Standards should present their financial statements for the annual reporting period ending on or after 31 December 2023 in accordance with the relevant accounting principles in “Turkish Accounting Standard 29 Financial Reporting in Economies with High Inflation”, adjusted for the effect of inflation. However, institutions or organizations authorized to regulate and supervise their own fields may determine transition dates different from those foreseen above for the implementation of the provisions in TAS 29. Based on this announcement, BRSA, in accordance with its decision dated 12 December 2023 and numbered 10744, has decided that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject



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to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA decision dated 11 January 2024 and numbered 10825, it has been decided that banks and financial leasing, factoring, financing, savings financing, and asset management companies shall transition to inflation accounting as of 1 January 2025. However, pursuant to the BRSA's decision dated 5 December 2024 and numbered 11021, it has been announced that inflation accounting shall not be applied in 2025. Therefore, no inflation adjustment has been made in accordance with TAS 29 in the preparation of the financial statements as at 30 June 2025.

**1.5 Disclosures regarding TFRS 9 financial instruments**

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

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

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

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

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

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

**Classification and measurement of financial instruments**

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

Upon initial recognition each financial asset shall be classified as either fair value through profit or loss (“FVTPL”) amortized cost or fair value through other comprehensive income (“FVTOCI”). As for the classification and measurement of financial liabilities, the application of the existing terms of TAS 39 remain largely unchanged under TFRS 9.

**Explanations on expected credit loss**

As of 1 January 2018, the 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

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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 30 June 2025, the Bank has been exposed to recession, geopolitical risks, inflation, unemployment, exchange rate risk, etc. with the effect of current internal and external conditions. In order to reflect the macroeconomic outlook and the upward risks that factors may pose on the bank's loan portfolio, it has revised its macroeconomic expectations and its calculations made considering the change in PD along with the update in the EDF model have been reflected in the financial statements. By its nature, the model effects are reflected in the financial statements with a delay due to the occurrence of the events and their effects at different times. For this reason, the Bank is establishing additional provisions for the Wholesale and Retail Trade, Build, Construction, Contracting and Tourism sectors, whose PD is more sensitive to the current macroeconomic and geopolitical conjuncture among the sectors that are declining. The Bank maintains this approach as of 30 June 2025. When deemed necessary, the future will review these assumptions according to the course of economic and geopolitical risks.

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

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

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

**Stage 2:** Includes financial assets having significant increase in their credit risk subsequent to the initial recognition, but not having objective evidence about impairment. It is recognized lifetime expected credit losses for such financial assets. In this context, the basic considerations that are considered in determining the significant increase in the credit risk of a financial asset and its transfer to Phase 2 are, but are not limited to, the following.

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

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

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

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

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

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

## **1.7 Explanations on TFRS 16 leases standard**

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

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

As of 30 June 2025, the right-of-use assets classified tangible assets gross amounting to TL 2,799,333 in the balance sheet of the Bank and lease liabilities classified in the item of liabilities from lease transactions amounting to gross TL 3,357,471. In the six-month period that ended as of the same date, financial expenses amounting to TL 206,660 and depreciation expenses amounting to TL 318,639 were incurred.

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

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

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

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

**3. Investments in associates and subsidiaries**

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

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

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

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

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 30 June 2025, the Bank's has no cash flow hedging transaction.

Benchmark Rate Reform - Stage 2, which introduces amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16, effective from January 2021, was published in December 2020 and early application of the changes is permitted. With the amendments made, certain exceptions are provided in the basis used in determining the contractual cash flows and in the hedge accounting provisions. The changes came into effect from 1 January 2021.

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Loans given from items indexed to benchmark interest rates in the Bank's financial statements and securities assets; Securities issued, derivative transactions and loans obtained through repo constitute liabilities. These changes do not have a significant impact on the Bank's financial position or performance. As of 30 June 2025, the Bank has no hedging transactions based on the benchmark interest rate.

**5. Explanations on profit share income and expense**

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

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

**6. Explanations on fees and commission income and expenses**

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

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

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

**7. Explanations on financial assets**

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

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

**7.1 Financial assets at fair value through profit or loss**

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

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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 Bank are foreign currency swaps, cross currency swaps and currency forwards.

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

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

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**7.5 Loans**

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

**8. Explanations on offsetting of financial assets and liabilities**

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

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

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

As of 30 June 2025, the Bank has repurchased agreement amounting to TL 44,137,481 (31 December 2024 – TL 17,719,258).

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

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

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

In addition, the sale is expected to be recognized as a completed sale within one year after the classification date and the necessary transactions and procedures to complete the plan should demonstrate the fact that there is remote possibility of making any significant changes in the plan or cancellation of the plan. Various events and conditions may extend the completion period of the disposal over one year. If such delay arises from any events and conditions beyond the control of the entity and there is sufficient evidence that the entity has an ongoing disposal plan for these assets, such assets (or disposal group) can remain to be classified as assets (or disposal group) held for sale. Extension of the period necessary to complete the sale, does not avoid the classification of the related asset (or disposal group) to be classified as asset held for sale.

A discontinued operation is a part of the Bank's that either has been disposed of or is classified as held for sale. Discontinued operations are presented separately in the income statement. The Bank 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 Bank comprise mainly computer software. The useful lives of such assets acquired prior to 2004 have been determined as 5 years and for the year 2004 and forthcoming years, as 3 years. The amortization period of the licenses is determined on the basis of the duration of the license agreements.

**12. Explanations on tangible assets**

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

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

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

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

If the recoverable amount (the higher of value in use and fair value) of a tangible asset is less than its 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 Bank assesses whether the contract has a lease qualification or include a lease transaction.

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

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

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

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

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

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

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

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

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

**Lease liability**

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

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

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

**14. Explanations on provisions and contingent liabilities**

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

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

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

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

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

**15.1 Defined benefit plans**

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

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

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



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**15.2 Defined contribution plans**

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

**15.3 Short term benefits to employees**

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

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

**16. Explanations on taxation**

**Current tax**

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

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

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

With the Presidential Decree No. 9286 published in the Official Gazette dated 22 December 2024, the withholding tax rates specified in the annexed to the Council of Ministers’ Decision regarding Article 94 of the Income Tax Law No. 193 and in the annexes to the Council of Ministers’ Decisions regarding Articles 15 and 30 of the Corporate Tax Law No. 5520 have been amended, and accordingly, the withholding tax rate applied by resident companies on dividends distributed to resident individuals, persons who are not income or corporate taxpayers, and persons exempt from income tax; to non-resident individuals and non-resident persons exempt from income tax; to tax-exempt institutions; to non-resident companies and non-resident companies exempt from corporate tax (excluding those earning dividends through a permanent establishment or representative in Türkiye); and on amounts transferred by non-resident companies filing annual or special returns from their corporate earnings (after deduction of calculated corporate tax but before deductions and exemptions) to their headquarters has been increased from 10% to 15%. The Decree entered into force on 22 December 2024, and in the application of withholding tax rates on dividend distributions to non-resident companies and individuals, the provisions of the relevant double taxation avoidance agreements are also taken into consideration, while the addition of profits to the share capital is not deemed a dividend distribution and is therefore not subject to withholding tax.

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With the Communiqué Amending the General Communiqué on Tax Procedure Law (order no. 537) published in the Official Gazette numbered 32073 on 14 January 2023, the procedures and principles of the articles allowing the revaluation of real estates and depreciation units have been redrawn. By taking into consideration aforementioned Communiqué, the Bank, has been revaluated real estate and depreciation units within its balance sheet by providing conditions in the provisions of Tax Procedure Law's provisional Article 32 and duplicated Article 298/ç. Accordingly, corporate income tax has calculated with respect to revaluated real estate and depreciation units.

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

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

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

Profit/loss difference arising from inflation adjustment made by banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law dated 21 November 2012 and numbered 6361, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in the 2024 and 2025 accounting periods, including temporary tax periods, will not be taken into account in the determination of earnings.

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

#### **Deferred tax**

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

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.

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**17. Explanations on additional disclosures on borrowings**

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

The Bank has not issued convertible bonds.

**18. Explanations on share certificates issued**

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

**19. Explanations on acceptances and availed drafts**

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

**20. Explanations on government grants**

There are no government grants received by the Bank.

**21. Explanations on segment reporting**

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

Segment reporting is disclosed in Section Four, Note 14.

**22. Explanations on other matters**

The Bank has no disclosures on other matters.

**SECTION FOUR**  
**INFORMATION RELATED TO FINANCIAL POSITION AND**  
**RISK MANAGEMENT OF THE BANK**

**1. Explanations on equity items**

Shareholders' equity and capital adequacy ratio were calculated within the framework of "Regulation on Banks' Equity" and "Regulation on Measurement and Evaluation of Capital Adequacy of Banks". As of 30 June 2025, the Bank's total shareholders' equity is calculated as TL 115,792,662 (31 December 2024: TL 97,272,056), and the capital adequacy ratio is 22.10% (31 December 2024: 24.46%).

In accordance with the Regulation on the Measurement and Assessment of Capital Adequacy of Banks, published in the Official Gazette No. 29511 on 23 October 2015, and outlined in the Banking Regulation and Supervision Agency (BRSA) Board Decision No. 10747, dated 12 December 2023, for the calculation of the credit risk-weighted amount, the values and related specific provisions for monetary and non-monetary assets, excluding foreign currency items measured at historical cost, shall be calculated based on the values determined in accordance with the Turkish Accounting Standards. The implementation allowing the use of the exchange rate of the Central Bank of the Republic of Türkiye (CBRT) on 26 June 2023, for this purpose will continue until a contrary decision is made by the Board, with the implementation of using the CBRT exchange rate of 28 June 2024, starting from 1 January 2025, as per the decision dated 19 December 2024,

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

The Bank's legal capital adequacy ratio calculation has been made by taking into account the regulation changes mentioned above as of 30 June 2025.

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**1.1 Explanations on the 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	8,000,000	4,952,205
Share issue premiums	6,373,506	6,373,506
Reserves	70,348,594	42,203,716
Gains recognized in equity as per Turkish Accounting Standards (TAS)	410,725	348,081
Profit	18,978,074	34,714,074
Current Period Profit	18,917,456	34,653,456
Prior Periods' Profit	60,618	60,618
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>104,110,899</b>	<b>88,591,582</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	3,996,419	5,761,052
Improvement costs for operating leasing	546,103	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	3,191,152	2,215,572
The remaining part of the deferred tax asset based on taxable income to be obtained in future periods, excluding the deferred tax assets based on temporary differences, after deducting with the related deferred tax liability	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	553,764	553,764
Direct and indirect investments of the Bank in its own Common Equity	4,869	4,869
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns more than 10% of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns more than 10% of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions from Common Equity Tier I Capital</b>	<b>8,292,307</b>	<b>8,964,517</b>
<b>Total Common Equity Tier I Capital</b>	<b>95,818,592</b>	<b>79,627,065</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	1,987,975	1,763,557
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>1,987,975</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>Total Additional Tier I Capital</b>	<b>1,987,975</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>97,806,567</b>	<b>81,390,623</b>
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	13,915,825	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)	4,350,165	3,726,449
<b>Tier II Capital Before Deductions</b>	<b>18,265,990</b>	<b>16,071,345</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>Total Tier II Capital</b>	<b>18,265,990</b>	<b>16,071,345</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>116,072,557</b>	<b>97,461,968</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	37,167	180,626
Other items to be defined by the BRSA	242,728	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)	115,792,662	97,272,056
Total Risk Weighted Assets	523,877,879	397,708,358
<b>CAPITAL ADEQUACY RATIOS</b>		
CET 1 Capital Ratio (%)	18.29	20.02
Tier I Capital Ratio (%)	18.67	20.47
Capital Adequacy Ratio (%)	22.10	24.46
<b>BUFFERS</b>		
Total additional core capital requirement ratio	2.53	2.52
Capital conservation buffer requirement (%)	2.50	2.50
Bank specific countercyclical buffer requirement (%)	-	0.03
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	12.67	14.46
<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	4,350,165	4,918,196
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	4,350,165	3,726,449
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
<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 (Additional Tier I Capital)
Amount taken into account in equity calculation (as of last reporting date-TL million)	1,988	13,916
Nominal value of the Instrument (TL million)	1,988	13,916
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)	10 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%	6.13%
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 Bank, and to provide the availability of adequate capital in order to cover these risks and the application of the risk management techniques. The results obtained in this evaluation process by taking into consideration, the Banks' growth strategy, assets-liabilities structure, funding sources, liquidity position, foreign currency position, the effect of the price and market fluctuations on the capital, which are among the variables of the economy, aim to provide the continuity of the mentioned capital adequacy level at the determined level in compliance with the Banks' risk profile and risk appetite.

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

**2. Explanations and disclosures related to credit risk**

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

**3. Explanations on currency risk**

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

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

As of 30 June 2025, the Bank has a open position of TL 5,826,167 (31 December 2024 - TL 8,318,317 open) consisting of TL 8,512,009 balance sheet open position (31 December 2024 - TL 9,121,278 closed) and TL 2,685,842 off-balance sheet closed position (31 December 2024 - TL 17,439,595 open).

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

	23/06/2025	24/06/2025	25/06/2025	26/06/2025	27/06/2025	Balance sheet valuation rate
<b>USD</b>	39.68282	39.58713	39.67519	39.72817	39.74495	39.7595
<b>EUR</b>	45.5872	45.91721	46.03915	46.52564	46.56658	46.61871
<b>GBP</b>	53.24618	53.80501	54.00506	54.54733	54.59274	54.48467
<b>CHF</b>	48.53494	48.83595	49.20942	49.61062	49.74961	49.84723
<b>JPY</b>	0.26917	0.27281	0.27241	0.27556	0.2751	0.27575

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

	FC Purchase Rate
<b>USD</b>	39.37825
<b>EUR</b>	45.35832
<b>GBP</b>	53.39925
<b>CHF</b>	48.38344
<b>JPY</b>	0.27276

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**Currency risk of the Bank**

Current Period	EUR	USD	Other FC	Total
<b>Assets</b>				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye (****)	29,545,210	69,315,691	88,356,718	187,217,619
Banks (*****)	2,663,476	14,184,938	27,944,066	44,792,480
Financial assets at fair value through profit and loss	1,977,654	8,036,683	3,699,941	13,714,278
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	11,069	34,768,816	-	34,779,885
Loans and finance lease receivables (*)	107,302,343	142,141,992	49,518	249,493,853
Subsidiaries, associates and joint ventures (**)	1,592,030	-	-	1,592,030
Financial assets at amortized cost	-	28,786,092	-	28,786,092
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	-	4,435	-	4,435
Intangible assets	-	219	-	219
Other assets	71,686	109,941	10,871	192,498
<b>Total Assets</b>	<b>143,163,468</b>	<b>297,348,807</b>	<b>120,061,114</b>	<b>560,573,389</b>
<b>Liabilities</b>				
Current account and funds collected from Banks via participation accounts	390,584	714,452	2,031,691	3,136,727
Current and profit-sharing accounts FC (****)	59,223,629	136,719,170	197,607,242	393,550,041
Money market borrowings	-	-	-	-
Funds provided from other financial institutions	17,900,853	136,684,109	12,875,255	167,460,217
Marketable securities issued	-	-	-	-
Miscellaneous payables	981,268	1,473,458	18,100	2,472,826
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities (*****)	1,152,106	1,066,345	247,136	2,465,587
<b>Total Liabilities</b>	<b>79,648,440</b>	<b>276,657,534</b>	<b>212,779,424</b>	<b>569,085,398</b>
Net balance sheet position	63,515,028	20,691,273	(92,718,310)	(8,512,009)
Net off-balance sheet position	(69,670,574)	(20,540,391)	92,896,807	2,685,842
Financial derivative assets	8,843,933	43,354,314	123,926,809	176,125,056
Financial derivative liabilities	78,514,507	63,894,705	31,030,002	173,439,214
Non-cash loans (***)	13,698,250	27,944,394	6,812,486	48,455,130
<b>Prior Period</b>				
Total assets	<b>98,870,006</b>	<b>247,845,914</b>	<b>100,110,561</b>	<b>446,826,481</b>
Total liabilities	<b>60,593,946</b>	<b>227,940,064</b>	<b>149,171,193</b>	<b>437,705,203</b>
Net balance sheet position	38,276,060	19,905,850	(49,060,632)	9,121,278
Net off-balance sheet position	(43,380,945)	(23,204,388)	49,145,738	(17,439,595)
Financial derivative assets	4,531,990	40,080,292	77,625,201	122,237,484
Financial derivative liabilities	47,912,935	63,284,680	28,479,463	139,677,078
Non-cash loans (***)	9,914,129	20,082,670	5,657,163	35,653,962

- (\*) Includes foreign currency indexed loans amounting to TL 739,433 (31 December 2024 – TL 939,403) followed as TL on the balance sheet and expected credit loss amounting to TL 3,419,487.
- (\*\*) TL 1,592,030 (31 December 2024 - TL 1,592,030) of the subsidiaries amounting to TL 12,872,212 in the balance sheet include foreign currency subsidiaries and associates.
- (\*\*\*) Does not have any effect to the net off-balance sheet position.
- (\*\*\*\*) Precious metals are included in “Other FC” column.
- (\*\*\*\*\*) Other liabilities at fair value through TL 35,608 in the calculation of profit / loss of securities are not included in the foreign currency risk of impairment provisions. It also includes a provision for foreign currency indexed loans amounting to TL 196,880.
- (\*\*\*\*\*) Includes provisions for expected losses amounting to TL 3,028 were deducted from the cash values and the relevant lines from the Central Bank and Banks accounts.

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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 1,605,971 (31 December 2024 – TL 798,152)
- Prepaid expenses: TL 9,767 (31 December 2024 – TL 3,383)
- Derivative financial liabilities held for trading: TL 2,332,035 (31 December 2024 – TL 1,453,023)
- Marketable securities of FC revaluation reverse: TL (379,605) (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 purchase transactions with value date: TL 16,234,683 (31 December 2024 – TL 7,019,428)
- Foreign exchange sales transactions with value date: TL 19,163,465 (31 December 2024 – TL 6,688,067)
- Precious metal purchase transactions: TL 120,531,327 (31 December 2024 – TL 72,552,364)
- Precious metal sales transactions: TL 20,868,946 (31 December 2024 – TL 26,609,412)

**Currency risk sensitivity**

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

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

	% changes on foreign currency	Effects on Profit / Loss		Effects on equity	
		Current Period	Prior Period	Current Period	Prior Period
USD	10%	15,088	(329,854)	(183,132)	(516,433)
EURO	10%	(615,555)	(510,489)	(332,203)	(318,163)
Gold	10%	1,412,848	972,593	1,412,848	972,593

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

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

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

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

<b>Current Period</b>		<b>Comparison</b>	
<b>Equity Securities Investments</b>	<b>Carrying Value</b>	<b>Fair Value</b>	<b>Market Value</b>
<b>Securities at fair value through other comprehensive income</b>	<b>612,966</b>	<b>-</b>	<b>612,966</b>
Quoted securities	-	-	-
<b>Investments in Associates</b>	<b>-</b>	<b>-</b>	<b>-</b>
Quoted securities	-	-	-
<b>Investment in Subsidiaries</b>	<b>12,872,212</b>	<b>2,306,700</b>	<b>2,306,700</b>
Quoted securities	52,706	2,306,700	2,306,700
<b>Other</b>	<b>20,000</b>	<b>-</b>	<b>-</b>
Quoted securities	-	-	-

<b>Prior Period</b>		<b>Comparison</b>	
<b>Equity Securities Investments</b>	<b>Carrying Value</b>	<b>Fair Value</b>	<b>Market Value</b>
<b>Securities at fair value through other comprehensive income</b>	<b>488,440</b>	<b>-</b>	<b>488,440</b>
Quoted securities	-	-	-
<b>Investments in Associates</b>	<b>-</b>	<b>-</b>	<b>-</b>
Quoted securities	-	-	-
<b>Investment in Subsidiaries</b>	<b>4,122,212</b>	<b>2,603,700</b>	<b>2,603,700</b>
Quoted securities	52,706	2,603,700	2,603,700
<b>Other</b>	<b>20,000</b>	<b>-</b>	<b>-</b>
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. Liquidity risk management and liquidity coverage ratio**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**5.5 Information on liquidity risk mitigation techniques**

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

**5.6 Information on the use of stress tests**

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

**5.7 General information about the contingency funding plan**

Necessary strategy and procedures for the management of possible liquidity crisis are determined with the Contingency Funding Plan, which is approved and reviewed every year by the Executive Risk Committee. The actions to be taken 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			273,716,110	191,299,146
<b>CASH OUTFLOWS</b>				
2 Retail and small business customers, of which;	453,279,894	308,954,482	41,969,262	30,895,448
3 Stable deposits	67,174,540	-	3,358,727	-
4 Less stable deposits	386,105,354	308,954,482	38,610,535	30,895,448
5 Unsecured debts other than real person deposits and retail deposits	132,089,024	67,127,972	65,625,113	31,998,925
6 Operational deposit	-	-	-	-
7 Non-operational deposits	119,238,975	62,427,739	52,775,064	27,298,692
8 Other unsecured funding	12,850,049	4,700,233	12,850,049	4,700,233
9 Secured funding			-	-
10 Other cash outflows	200,173,375	185,831,226	200,173,375	185,831,226
11 Derivative liabilities and collateral fulfilment obligations	114,815,531	102,531,464	114,815,531	102,531,464
12 Obligations related to structured financial products	85,357,844	83,299,762	85,357,844	83,299,762
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	238,960,614	45,493,186	18,989,772	3,215,565
16 <b>TOTAL CASH OUTFLOWS</b>			<b>326,757,522</b>	<b>251,941,164</b>
<b>CASH INFLOWS</b>				
17 Secured lending	-	-	-	-
18 Unsecured lending	105,851,914	73,577,207	81,437,919	63,375,527
19 Other cash inflows	119,263,347	92,192,083	119,263,347	92,192,083
20 <b>TOTAL CASH INFLOWS</b>	<b>225,115,261</b>	<b>165,769,290</b>	<b>200,701,266</b>	<b>155,567,610</b>
			<b>Upper Limit Applied Value</b>	
21 <b>TOTAL HQLA STOCK</b>			<b>273,716,110</b>	<b>191,299,146</b>
22 <b>TOTAL NET CASH OUTFLOWS</b>			<b>126,056,256</b>	<b>96,373,554</b>
23 <b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>217.14</b>	<b>198.50</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 – 30 June 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	248.96	04/04/2025	198.44	27/06/2025	219.22
FC	251.90	23/05/2025	159.61	11/04/2025	205.44

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

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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			202,840,451	128,720,011
<b>CASH OUTFLOWS</b>					
2	Retail and small business customers, of which;	203,344,021	22,844,938	17,644,538	2,284,494
3	Stable deposits	53,797,292	-	2,689,865	-
4	Less stable deposits	149,546,729	22,844,938	14,954,673	2,284,494
5	Unsecured debts other than real person deposits and retail deposits	118,411,515	63,898,446	56,660,997	29,575,647
6	Operational deposit	-	-	-	-
7	Non-operational deposits	109,275,598	60,564,199	47,525,080	26,241,400
8	Other unsecured funding	9,135,917	3,334,247	9,135,917	3,334,247
9	Secured funding			-	-
10	Other cash outflows	180,221,376	167,022,189	180,221,376	167,022,189
11	Derivative liabilities and collateral fulfilment obligations	97,774,752	88,161,348	97,774,752	88,161,348
12	Obligations related to structured financial products	82,446,624	78,860,841	82,446,624	78,860,841
13	Commitments related to debts to financial markets and other off-balance sheet obligations	-	-	-	-
14	Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
15	Other irrevocable or conditionally revocable off-balance sheet obligations	182,393,700	34,514,007	15,231,352	2,360,354
16	<b>TOTAL CASH OUTFLOWS</b>			269,758,263	201,242,684
<b>CASH INFLOWS</b>					
17	Secured lending	-	-	-	-
18	Unsecured lending	96,959,007	63,556,483	73,529,016	55,633,016
19	Other cash inflows	99,132,567	68,220,072	99,132,567	68,220,072
20	<b>TOTAL CASH INFLOWS</b>	<b>196,091,574</b>	<b>131,776,555</b>	<b>172,661,583</b>	<b>123,853,088</b>
				<b>Upper Limit Applied Value</b>	
21	<b>TOTAL HQLA STOCK</b>			<b>202,840,451</b>	<b>128,720,011</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>			<b>97,096,680</b>	<b>77,389,596</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>208.91</b>	<b>166.33</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	237.83	08/11/2024	179.81	20/12/2024	212.80
FC	223.68	04/10/2024	128.06	20/12/2024	175.87

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



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**5.10 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	123,224,197	120,985,797	-	-	-	-	(1,218)	244,208,776
Banks (*)	44,831,527	-	-	-	-	-	(3,037)	44,828,490
Financial assets at fair value through profit and loss	20,346,397	486,122	11,883	2,233,292	4,498,463	3,713,631	-	31,289,788
Money market placements	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	612,966	24,574,495	2,837,058	14,640,849	38,548,962	3,621,283	-	84,835,613
Loans (**)	-	129,419,703	74,748,464	207,059,632	118,832,686	5,465,567	(2,926,277)	532,599,775
Financial assets measured at amortized cost	-	10,101,429	-	5,314,606	39,329,698	6,468,658	(29,256)	61,185,135
Other assets (***)	1,314,607	12,780,100	13,838	-	9,684,554	-	25,230,524	49,023,623
<b>Total Assets</b>	<b>190,329,694</b>	<b>298,347,646</b>	<b>77,611,243</b>	<b>229,248,379</b>	<b>210,894,363</b>	<b>19,269,139</b>	<b>22,270,736</b>	<b>1,047,971,200</b>
<b>Liabilities</b>								
Current account and funds collected from banks via participation accounts	3,351,197	54	-	-	-	-	-	3,351,251
Current and profit sharing accounts	410,682,046	212,113,364	43,588,328	17,696,247	696,232	10,902	-	684,787,119
Funds provided from other financial institutions	-	102,183,551	16,294,169	22,324,446	23,790,454	13,950,275	-	178,542,895
Money market borrowings	-	44,137,481	-	-	-	-	-	44,137,481
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	4,602,119	2,589,351	-	-	-	-	-	7,191,470
Other liabilities (****)	-	17,350,287	5,881,977	1,038,456	1,150,776	100,639	104,438,849	129,960,984
<b>Total Liabilities</b>	<b>418,635,362</b>	<b>378,374,088</b>	<b>65,764,474</b>	<b>41,059,149</b>	<b>25,637,462</b>	<b>14,061,816</b>	<b>104,438,849</b>	<b>1,047,971,200</b>
Net liquidity gap	(228,305,668)	(80,026,442)	11,846,769	188,189,230	185,256,901	5,207,323	(82,168,113)	-
<b>Prior Period</b>								
Total Assets	163,471,651	213,703,659	74,539,340	169,980,390	175,401,749	31,154,881	23,868,733	852,120,403
Total liabilities	323,767,015	290,467,483	75,836,151	49,431,535	10,446,287	12,457,054	89,714,878	852,120,403
Net liquidity gap	(160,295,364)	(76,763,824)	(1,296,811)	120,548,855	164,955,462	18,697,827	(65,846,145)	-

(\*) Expected losses are netted off with provision.

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

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

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

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**5.11 Net stable funding ratio**

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

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

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

The Net Stable Funding Rate or the period 30 June 2025 was 122.60% (31 December 2024 - 135.65%). As of 30 June 2025, the current stable fund amount in our bank's Net Stable Funding Table is TL 807,140,219 (31 December 2024 - TL 672,785,640), while the required stable fund amount is TL 658,363,803 (31 December 2024 - TL 495,958,022) and the simple arithmetic average of the Net Stable Funding Rate for the last three months including 30 June 2025 is 124.08% (31 December 2024 - 132.85%).

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

Period	Rate
30 April 2025	124.98%
31 May 2025	124.67%
30 June 2025	122.60%
3-month average	124.08%

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 More than 1 Year	
Available Stable Fund						
1	Equity Items	123,806,231	-	-	-	123,806,231
2	Tier 1 and Tier 2 capital	123,806,231	-	-	-	123,806,231
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	411,112,619	265,282,915	6,908,048	707,590	646,413,837
5	Stable deposit/participation fund	364,899,326	244,311,992	6,357,128	507,205	585,271,868
6	Low stable deposit/participation fund	46,213,293	20,970,923	550,920	200,385	61,141,969
7	Payables to other persons	-	-	-	-	-
8	Operational deposits/participation funds	-	-	-	-	-
9	Other payables	-	-	-	-	-
10	Liabilities equivalent to linked assets					

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11	Other liabilities	12,691,313	165,553,678	26,259,394	-	13,129,697
12	Derivative liabilities				998,189	
13	Other equity items and liabilities not included above	78,213,043	-	-	23,790,455	23,790,454
14	<b>Available Stable Fund</b>					<b>807,140,219</b>
	<b>Required Stable Funding</b>					
15	Required Stable Funding					4,484,572
16	Required Stable Funding	-	-	-	-	-
17	Live receivables	27,745,537	70,477,192	107,621,746	392,098,571	441,103,155
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	38,239	12,772,746	-	-	1,921,648
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	6,747,935	55,422,798	107,621,746	363,589,236	401,034,959
21	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	28,336,422	18,418,674
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	20,959,363	2,281,648	-	172,913	19,727,874
25	Assets equivalent to interconnected liabilities					
26	Other assets	172,874,560	35,826,651	-	13,172,679	206,001,727
27	Commodities with physical delivery including gold	17,996,562				15,297,078
28	Initial margin for derivative contracts or guarantee fund given to central counterparty				-	-
29	Derivative assets				-	-
30	Derivative liabilities before deduction of variation margin				35,826,651	35,826,651
31	Other assets not included above	154,877,998	-	-	13,172,679	154,877,998
32	Off-balance sheet payables		135,486,999	-	-	6,774,350
33	<b>Required Stable Funding</b>					<b>658,363,803</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>122.60</b>

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

Period	Rate
31 October 2024	129.61%
30 November 2024	133.30%
31 December 2024	135.65%
3 Month Average	132.85%

Prior Period		a	b	c	ç	d
		Unadjusted Amount According to Remaining Maturity				Total Amount
		Demand	Less than 6 Months	Demand	Less than 6 Months	Applied Consideration Rate Demand
Available Stable Fund						
1	Equity Items	105,867,852	-	-	-	105,867,852
2	Tier 1 and Tier 2 capital	105,867,852	-	-	-	105,867,852
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	318,854,051	251,314,165	11,498,696	1,331,487	550,910,127
5	Stable deposit/participation fund	279,608,939	232,662,410	11,096,475	863,533	498,019,789
6	Low stable deposit/participation fund	39,245,112	18,651,755	402,221	467,954	52,890,338
7	Payables to other persons	-	-	-	-	-
8	Operational deposits/participation funds	-	-	-	-	-
9	Other payables	-	-	-	-	-
10	Liabilities equivalent to linked assets					
11	Other liabilities	6,459,329	122,219,654	19,390,815	-	9,695,407
12	Derivative liabilities				1,737,547	
13	Other equity items and liabilities not included above	65,945,567	-	-	6,312,254	6,312,254
14	<b>Available Stable Fund</b>					<b>672,785,640</b>
Required Stable Funding						
15	High-quality liquid assets					3,410,497
16	Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
17	Live receivables	20,234,040	82,392,090	82,173,247	275,487,654	331,370,324
18	Receivables from credit institutions or financial institutions with first quality liquid assets as collateral	-	-	-	-	-
19	Unsecured receivables from credit institutions or financial institutions or secured receivables whose collateral is not first quality liquid assets	2,075	3,220,597	-	-	483,401

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

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**6. Explanations on leverage ratio**

**Disclosure of leverage ratio template**

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

	<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)	1,014,882,960	843,750,928
2	(Assets deducted in determining Tier I Capital)	(7,433,078)	(9,087,996)
3	Total on-balance sheet risks (sum of lines 1 and 2)	1,007,449,882	834,662,932
	<b>Derivative financial instruments and credit derivatives</b>		
4	Replacement cost associated with all derivative instruments and credit derivatives	2,392,104	1,698,299
5	Add-on amounts for PFE associated with all derivative instruments and credit derivatives	1,784,956	1,271,782
6	Total risks of derivative financial instruments and credit derivatives (sum of lines 4 to 5)	4,177,060	2,970,081
	<b>Securities or commodity financing transactions (SCFT)</b>		
7	Risks from SCFT assets (excluding on-balance sheet)	(5,999,701)	(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)	(5,999,701)	(2,341,046)
	<b>Other off-balance sheet transactions</b>		
10	Gross notional amounts of off-balance sheet transactions	1,139,450,039	377,210,385
11	(Adjustments for conversion to credit equivalent amounts)	(770,286,618)	(153,868,221)
12	Total risks of off-balance sheet items (sum of lines 10 and 11)	369,163,421	223,342,164
	<b>Capital and total risks</b>		
13	Tier I Capital	95,552,079	78,154,085
14	Total risks (sum of lines 3, 6, 9 and 12)	1,374,790,662	1,058,634,131
	<b>Leverage ratio</b>		
15	Leverage ratio	6.95	7.38

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

As of the Bank's 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 6.95% (31 December 2024 – 7.38%). The main reason for the change compared to the previous period is that the increase in capital, on-balance sheet assets and derivative financial assets and credit derivatives items is higher than other items. Accordingly, capital increased by %20 from profit for the period, while on-balance sheet risk increased by 21%, off-balance sheet items increased by 65%. Accordingly, there is an increase of 43 basis points in the leverage ratio in the current period compared to the previous period.

**7. Explanations on fair values of financial assets and liabilities**

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

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

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

**9. Explanations on hedge accounting practices**

None (31 December 2024 – None).

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**10. Explanations on risk management**

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

**10.1. Explanations on risk management and risk-weighted amounts**

**10.1.1. GB1 - Overview of risk weighted amounts**

		Risk Weighted Amounts		Minimum Capital Requirements
		Current Period 30/06/2025	Prior Period 31/12/2024	Current Period 30/06/2025
1	Credit risk (excluding counterparty credit risk)	396,352,847	296,488,495	31,708,228
2	Standardized approach	396,352,847	296,488,495	31,708,228
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	2,003,034	1,627,418	160,243
5	Standardized approach for counterparty credit risk	2,003,034	1,627,418	160,243
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	36,759,774	44,449,178	2,940,782
17	Standardized approach	36,759,774	44,449,178	2,940,782
18	Internal model approaches	-	-	-
19	Operational risk	88,762,224	55,143,267	7,100,978
20	Basic indicator approach	88,762,224	55,143,267	7,100,978
21	Standardized approach	-	-	-
22	Advanced measurement approach	-	-	-
23	Amounts below the thresholds for deduction from capital (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>523,877,879</b>	<b>397,708,358</b>	<b>41,910,231</b>

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**10.2. Explanations on credit risk**

**10.2.1. Credit quality of assets**

Current Period		Gross amount valued according to TAS in the financial statements prepared according to legal consolidation		Provisions/ depreciation and impairment	Net value
		Defaulted	Not Defaulted		
1	Loans	10,445,776	539,247,883	7,343,332	542,350,327
2	Debt Securities	-	153,801,361	7,751,357	146,050,004
3	Off-Balance Sheet Receivables (*)	1,064,455	317,775,994	987,953	317,852,496
4	<b>Total</b>	<b>11,510,231</b>	<b>1,010,825,238</b>	<b>16,082,642</b>	<b>1,006,252,827</b>

(\*) Rediscounts of derivative transactions are shown net in the impairment line.

Prior Period		Gross amount valued according to TAS in the financial statements prepared according to legal consolidation		Provisions/ depreciation and impairment	Net value
		Defaulted	Not Defaulted		
1	Loans	7,040,670	430,132,722	5,979,738	431,193,654
2	Debt Securities	-	130,038,204	13,056,062	116,982,142
3	Off-Balance Sheet Receivables (*)	944,163	213,962,556	863,935	214,042,784
4	<b>Total</b>	<b>7,984,833</b>	<b>774,133,482</b>	<b>19,899,735</b>	<b>762,218,580</b>

(\*) Rediscounts of derivative transactions are shown net in the impairment line.

**10.2.2. Changes in defaulted receivables and debt securities inventory**

		Current Period	Prior Period
1	Amount of defaulted loans and debt instruments at the end of the previous reporting period	7,040,670	3,603,341
2	Loans and debt instruments that have defaulted since the last reporting period	12,650,705	6,565,754
3	Receivables that have not become delinquent again	-	-
4	Written-off amounts	3,862,211	1,392,133
5	Other changes	(5,383,388)	(1,736,292)
6	<b>Amount of defaulted loans and debt instruments at the end of the reporting period (1+2-3-4+5)</b>	<b>10,445,776</b>	<b>7,040,670</b>

**10.2.3. Credit risk mitigation techniques – general overview**

Current Period		Unsecured receivables: TAS valued amount	Receivables secured by guarantee	Collateralized portions of collateralized receivables	Receivables protected by financial guarantees	Collateralized portions of receivables protected by financial guarantees	Loans protected by credit derivatives	Collateralized portions of receivables protected by credit derivatives
1	Loans	320,974,318	207,568,413	17,003,804	13,807,596	11,707,835	-	-
2	Debt instruments	146,050,004	-	-	-	-	-	-
3	<b>Total</b>	<b>467,024,322</b>	<b>207,568,413</b>	<b>17,003,804</b>	<b>13,807,596</b>	<b>11,707,835</b>	<b>-</b>	<b>-</b>
4	Defaulted	1,210,219	1,869,313	20,078	22,914	15,438	-	-

Prior Period		Unsecured receivables: TAS valued amount	Receivables secured by guarantee	Collateralized portions of collateralized receivables	Receivables protected by financial guarantees	Collateralized portions of receivables protected by financial guarantees	Loans protected by credit derivatives	Collateralized portions of receivables protected by credit derivatives
1	Loans	237,301,484	181,842,456	19,134,869	12,049,714	10,119,191	-	-
2	Debt instruments	116,982,142	-	-	-	-	-	-
3	<b>Total</b>	<b>354,283,626</b>	<b>181,842,456</b>	<b>19,134,869</b>	<b>12,049,714</b>	<b>10,119,191</b>	<b>-</b>	<b>-</b>
4	Defaulted	551,966	490,395	5,488	18,570	12,267	-	-



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**10.2.4. Standard approach - Credit risk exposed and credit risk mitigation effects**

	Current Period	Receivable before CCF and CRM		Receivable post CCF and CRM		RWA and RWA density	
	Risk Classifications	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Receivables from central governments and Central Banks	294,320,112	-	303,467,941	-	-	-
2	Receivables from regional and local government	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	55,024,764	43,355,505	55,024,764	11,617,023	17,572,897	26
7	Receivables from corporate	188,240,183	92,775,064	179,170,640	37,394,285	208,817,256	96
8	Retail receivables	82,871,226	130,954,251	82,844,100	14,534,172	70,902,649	73
9	Receivables secured by residential property	41,830,375	7,814,792	41,820,915	3,629,784	15,598,053	34
10	Receivables secured by commercial property	68,616,829	22,293,323	68,590,551	10,748,524	53,309,748	67
11	Non-performing receivables	2,021,301	-	2,005,879	-	1,076,375	54
12	Receivables in high-risk categories	128,784	-	128,784	-	192,900	150
13	Mortgage-backed securities	-	-	-	-	-	-
14	Short term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-
16	Other receivables	36,880,147	-	36,880,147	-	15,560,799	42
17	Stock investments	13,322,170	-	13,322,170	-	13,322,170	100
18	<b>Total</b>	<b>783,255,891</b>	<b>297,192,935</b>	<b>783,255,891</b>	<b>77,923,788</b>	<b>396,352,847</b>	

	Prior Period	Receivable before CCF and CRM		Receivable post CCF and CRM		RWA and RWA density	
	Risk Classifications	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Receivables from central governments and Central Banks	247,064,942	-	254,745,301	-	-	-
2	Receivables from regional and local government	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	27,260,625	18,521,097	27,260,625	874,658	7,914,887	28
7	Receivables from corporate	144,280,535	63,518,335	136,717,219	25,784,206	152,808,199	94
8	Retail receivables	68,441,632	93,763,345	68,395,273	12,394,908	58,220,322	72
9	Receivables secured by residential property	31,639,883	6,542,890	31,611,565	3,026,661	11,800,937	34
10	Receivables secured by commercial property	58,068,390	18,902,800	58,037,711	9,061,675	44,692,821	67
11	Non-performing receivables	518,076	-	506,388	-	254,415	50
12	Receivables in high-risk categories	1,593,687	-	1,593,687	-	7,968,428	500
13	Mortgage-backed securities	-	-	-	-	-	-
14	Short term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-
16	Other Receivables	24,836,513	-	24,836,514	-	8,342,344	34
17	Stock investments	4,486,142	-	4,486,142	-	4,486,142	100
18	<b>Total</b>	<b>608,190,425</b>	<b>201,248,467</b>	<b>608,190,425</b>	<b>51,142,108</b>	<b>296,488,495</b>	

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**10.2.5. Standard approach - Receivables according to risk classes and risk weights**

Current Period												
Risk Classifications / Risk Weights		0%	10%	20%	50%	75%	100%	150%	200%	0%	Others*	Total risk amount (post-CCF and CRM)
1	Receivables from central governments and Central Banks	303,467,941	-	-	-	-	-	-	-	-	-	303,467,941
2	Receivables from regional and local government	-	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	2,314,397	-	51,719,065	-	10,758,482	-	1,849,843	-	-	-	66,641,787
7	Receivables from corporate	4,484,262	-	4,079,259	-	-	-	208,001,404	-	-	-	216,564,925
8	Retail receivables	2,175,318	-	908,303	-	-	94,294,651	-	-	-	-	97,378,272
9	Receivables secured by residential property	690,432	-	453,605	-	-	-	-	-	-	44,306,662	45,450,699
10	Receivables secured by commercial property	1,258,913	-	1,216,310	-	47,594,732	-	29,269,120	-	-	-	79,339,075
11	Non-performing receivables	4,800	-	14,788	-	1,825,747	-	160,544	-	-	-	2,005,879
12	Receivables in high-risk categories	100	-	97	-	-	-	-	128,587	-	-	128,784
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-
14	Short term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Stock investments	-	-	-	-	-	-	13,322,170	-	-	-	13,322,170
17	Other Receivables	19,814,155	-	1,881,489	-	-	-	15,184,503	-	-	-	36,880,147
18	<b>Total</b>	<b>334,210,318</b>	<b>-</b>	<b>60,272,916</b>	<b>-</b>	<b>60,178,961</b>	<b>94,294,651</b>	<b>267,787,584</b>	<b>128,587</b>	<b>-</b>	<b>44,306,662</b>	<b>861,179,679</b>

\* 35% Risk Weight is classified under Others.

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Prior Period												
Risk Classifications / Risk Weights		0%	10%	20%	50%	75%	100%	150%	200%	0%	Others*	Total risk amount (post-CCF and CRM)
1	Receivables from central governments and Central Banks	254,745,301	-	-	-	-	-	-	-	-	-	254,745,301
2	Receivables from regional and local government	-	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	498,076	-	23,650,583	-	1,603,707	-	2,382,917	-	-	-	28,135,283
7	Receivables from corporate	7,042,740	-	3,313,108	-	-	-	152,145,577	-	-	-	162,501,425
8	Retail receivables	2,609,200	-	755,298	-	-	77,425,683	-	-	-	-	80,790,181
9	Receivables secured by residential property	743,392	-	415,032	-	-	-	-	-	-	33,479,802	34,638,226
10	Receivables secured by commercial property	1,480,773	-	1,115,427	-	40,066,902	-	24,436,284	-	-	-	67,099,386
11	Non-performing receivables	4,664	-	577	-	493,694	-	7,453	-	-	-	506,388
12	Receivables in high-risk categories	-	-	-	-	-	-	-	2	-	1,593,685	1,593,687
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-
14	Short term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Stock investments	-	-	-	-	-	-	4,486,142	-	-	-	4,486,142
17	Other Receivables	16,494,029	-	174	-	-	-	8,342,311	-	-	-	24,836,514
18	<b>Total</b>	<b>283,618,175</b>	<b>-</b>	<b>29,250,199</b>	<b>-</b>	<b>42,164,303</b>	<b>77,425,683</b>	<b>191,800,684</b>	<b>2</b>	<b>-</b>	<b>35,073,487</b>	<b>659,332,533</b>

\* 35% Risk Weight is classified under Others.

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**10.3. Explanations on counterparty credit risk (“CCR”)**

**10.3.1 Evaluation of counterparty credit risk according to measurement methods**

Current Period		Replacement Cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	Risk amount after credit risk mitigation	Risk weighted amounts
1	Standardized Approach CCR (for derivatives)*	1,393,943	1,708,313		1.4	4,343,159	1,923,144
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions						
6	<b>Total</b>						<b>1,923,144</b>

\* The Fair Value Valuation Method is used in Counterparty Credit Risk calculations.

Prior Period		Replacement Cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	Risk amount after credit risk mitigation	Risk weighted amounts
1	Standardized Approach CCR (for derivatives)*	760,034	1,274,057		1.4	2,847,729	1,567,284
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions						
6	<b>Total</b>						<b>1,567,284</b>

\* The Fair Value Valuation Method is used in Counterparty Credit Risk calculations.

**10.3.2 Capital requirement for credit valuation adjustment (“CVA”)**

		Current Period		Prior Period	
		Risk amount (after using credit risk mitigation techniques)	Risk weighted amounts	Risk amount (after using credit risk mitigation techniques)	Risk weighted amounts
Total portfolios subject to the Advanced CVA capital obligation					
1	(i) VaR component (including the 3*multiplier)	-	-	-	-
2	(ii) Stressed VaR component (including the 3×multiplier)	-	-	-	-
3	All portfolios subject to the Standardized CVA capital obligation	4,343,159	79,850	2,847,729	60,131
4	<b>Total subject to the CVA capital obligation</b>	<b>4,343,159</b>	<b>79,850</b>	<b>2,847,729</b>	<b>60,131</b>

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### 10.3.3. CCR exposures by risk class and risk weights

Current Period - Risk Classes / Risk Weights *		0%	10%	20%	50%	75%	100%	150%	200%	Others**	Total credit risk*
1	Receivables from central governments and Central Banks	44,620,249	-	-	-	-	-	-	-	-	-
2	Receivables from regional and local government	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	-	-	2,303,931	178,652	-	1,025,917	-	-	-	1,576,029
7	Receivables from corporate	-	-	-	-	-	338,286	-	-	-	338,286
8	Retail receivables	-	-	-	-	11,772	-	-	-	-	8,829
9	Other Asset	-	-	-	-	-	-	-	-	-	-
10	<b>Total</b>	<b>44,620,249</b>	<b>-</b>	<b>2,303,931</b>	<b>178,652</b>	<b>11,772</b>	<b>1,364,203</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,923,144</b>

\* Total credit risk: The amount related to capital adequacy calculation after counterparty credit risk measurement techniques are applied.

\*\* 35% Risk Weight is classified in Others.

Current Period - Risk Classes / Risk Weights *		0%	10%	20%	50%	75%	100%	150%	200%	Others**	Total credit risk*
1	Receivables from central governments and Central Banks	17,808,306	-	-	-	-	-	-	-	-	-
2	Receivables from regional and local government	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	-	-	1,344,936	223,764	-	388,352	-	-	-	769,221
7	Receivables from corporate	-	-	-	-	-	784,397	-	-	-	784,398
8	Retail receivables	-	-	-	-	18,220	-	-	-	-	13,665
9	Other Asset	-	-	-	-	-	-	-	-	-	-
10	<b>Total</b>	<b>17,808,306</b>	<b>-</b>	<b>1,344,936</b>	<b>223,764</b>	<b>18,220</b>	<b>1,172,749</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,567,284</b>

\* Total credit risk: The amount related to capital adequacy calculation after counterparty credit risk measurement techniques are applied.

\*\* 35% Risk Weight is classified in Others.

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**10.3.4 Collateral used for counterparty credit risk**

None

**10.3.5 Credit derivatives**

None.

**10.3.6 Risks to central counterparty (“CCP”)**

None

**11. Securitization positions**

None.

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

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

**13. Qualitative explanations on market risk**

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

**14. Explanations on operating segments**

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

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

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

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

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

<b>Current Period</b>	<b>Retail</b>	<b>Corporate and</b>	<b>Treasury and</b>	<b>Unallocated</b>	<b>Bank's total</b>
<b>1 January 2025-30 June 2025</b>	<b>Banking</b>	<b>Commercial</b>	<b>international</b>		<b>operation</b>
		<b>Banking</b>	<b>Banking</b>		
Operating income	63,027,097	23,365,985	16,543,695	-	102,936,777
Operating expenses (-)	32,208,110	16,410,176	14,724,276	14,798,939	78,141,501
Transfers between segments	33,829,673	(18,669,276)	(15,160,397)	-	-
<b>Net operating income / loss</b>	<b>64,648,660</b>	<b>(11,713,467)</b>	<b>(13,340,978)</b>	<b>(14,798,939)</b>	<b>24,795,276</b>
Income from associates using equity method	-	-	-	-	-
<b>Profit before tax</b>	<b>64,648,660</b>	<b>(11,713,467)</b>	<b>(13,340,978)</b>	<b>(14,798,939)</b>	<b>24,795,276</b>
Provision for taxation (-)	-	-	-	5,877,820	5,877,820
<b>Net profit for the period</b>	<b>64,648,660</b>	<b>(11,713,467)</b>	<b>(13,340,978)</b>	<b>(20,676,759)</b>	<b>18,917,456</b>
<b>Current Period</b>					
<b>30 June 2025</b>					
Segment assets	225,834,040	304,228,872	471,391,040	-	1,001,453,952
Associates, subsidiaries and joint ventures	-	-	-	12,892,212	12,892,212
Undistributed assets	-	-	-	33,625,036	33,625,036
<b>Total assets</b>	<b>225,834,040</b>	<b>304,228,872</b>	<b>471,391,040</b>	<b>46,517,248</b>	<b>1,047,971,200</b>
Segment liabilities	525,893,572	162,244,798	227,676,437	-	915,814,807
Undistributed liabilities	-	-	-	34,844,732	34,844,732
Shareholders' equity	-	-	-	97,311,661	97,311,661
<b>Total liabilities</b>	<b>525,893,572</b>	<b>162,244,798</b>	<b>227,676,437</b>	<b>132,156,393</b>	<b>1,047,971,200</b>

<b>Prior Period</b>	<b>Retail</b>	<b>Corporate and</b>	<b>Treasury and</b>	<b>Unallocated</b>	<b>Bank's total</b>
<b>1 January 2024-30 June 2024</b>	<b>Banking</b>	<b>Commercial</b>	<b>international</b>		<b>operation</b>
		<b>Banking</b>	<b>Banking</b>		
Operating income	38,921,967	33,279,466	3,234,644	-	75,436,077
Operating expenses (-)	30,099,315	11,645,168	4,443,716	9,034,023	55,222,222
Transfers between segments	21,826,901	(10,099,455)	(11,727,446)	-	-
<b>Net operating income / loss</b>	<b>30,649,553</b>	<b>11,534,843</b>	<b>(12,936,518)</b>	<b>(9,034,023)</b>	<b>20,213,855</b>
Income from associates using equity method	-	-	-	-	-
<b>Profit before tax</b>	<b>30,649,553</b>	<b>11,534,843</b>	<b>(12,936,518)</b>	<b>(9,034,023)</b>	<b>20,213,855</b>
Provision for taxation (-)	-	-	-	4,717,457	4,717,457
<b>Net profit for the period</b>	<b>30,649,553</b>	<b>11,534,843</b>	<b>(12,936,518)</b>	<b>(13,751,480)</b>	<b>15,496,398</b>
<b>Prior Period</b>					
<b>31 December 2024</b>					
Segment assets	161,029,683	260,169,927	401,551,099	-	822,750,709
Associates, subsidiaries and joint ventures	-	-	-	4,142,212	4,142,212
Undistributed assets	-	-	-	25,227,482	25,227,482
<b>Total assets</b>	<b>161,029,683</b>	<b>260,169,927</b>	<b>401,551,099</b>	<b>29,369,694</b>	<b>852,120,403</b>
<b>Prior Period</b>					
<b>31 December 2024</b>					
Segment liabilities	445,912,051	139,651,862	158,145,485	-	743,709,398
Undistributed liabilities	-	-	-	26,183,511	26,183,511
Shareholders' equity	-	-	-	82,227,494	82,227,494
<b>Total liabilities</b>	<b>445,912,051</b>	<b>139,651,862</b>	<b>158,145,485</b>	<b>108,411,005</b>	<b>852,120,403</b>

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**SECTION FIVE**

**EXPLANATIONS AND NOTES ON THE FINANCIAL STATEMENTS**

**1. Explanations and notes related to assets**

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

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/foreign currency	3,316,987	10,341,641	3,622,738	9,463,215
The Central Bank of Republic of Türkiye	53,231,460	159,323,345	55,920,535	141,876,397
Other (*)	441,924	17,554,637	173	12,109,667
<b>Total</b>	<b>56,990,371</b>	<b>187,219,623</b>	<b>59,543,446</b>	<b>163,449,279</b>

(\*) As of 30 June 2025, precious metal account amounting to TL 15,736,820 (31 December 2024 - TL 12,109,667) and money in transit amounting to TL 2,259,741 (31 December 2024 - TL 173) are presented in this line.

**1.1.2 Information about CBRT**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	20,434,613	38,337,549	30,806,892	54,551,669
Restricted Time Deposit	-	-	-	-
Unrestricted Time Deposit	32,796,847	120,985,796	25,113,643	87,324,728
<b>Total</b>	<b>53,231,460</b>	<b>159,323,345</b>	<b>55,920,535</b>	<b>141,876,397</b>

According to the "Communiqué No: 2013/15 on Reserve Requirements" of the CBRT, the Bank establishes reserve requirements for its Turkish Lira and foreign currency liabilities at the CBRT. Reserve deposits can be held at the CBRT in Turkish Lira, USD and/or EURO and standard gold in accordance with the "Communiqué on Reserve Requirements".

As of 30 June 2025, a reserve requirement of 0% to 18% (22% to 40% for accounts with exchange rate protection support) is established for Turkish currency participation funds and other liabilities, depending on the maturity structure, 5% to 25% for foreign currency participation funds and other liabilities, and 24% to 28% for precious metal deposit accounts, depending on the maturity structure. The additional reserve requirement rate for foreign currency participation funds (excluding foreign bank participation funds and precious metal deposit accounts) is 2.5%.

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

As of 30 June 2025, there are no financial assets at fair value through profit or loss subject to repurchase agreements (31 December 2024 - None), given as collateral and blocked amounting to TL 2,045,413 (31 December 2024 - TL 4,424,962).

Positive differences related to marketable derivative financial assets:

	Current Period		Prior Period	
	TL	FC	TL	FC
Futures transactions	40,091	178,450	164,392	103,355
Swap transactions	283,975	1,427,521	152,842	694,797
Other	-	-	-	-
<b>Total</b>	<b>324,066</b>	<b>1,605,971</b>	<b>317,234</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>38,023</b>	<b>44,793,504</b>	<b>27,753</b>	<b>27,014,929</b>
Domestic	38,023	819,281	27,753	512,475
Foreign	-	43,974,223	-	26,502,454
Headquarters and branches abroad	-	-	-	-
<b>Other Financial Institutions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>38,023</b>	<b>44,793,504</b>	<b>27,753</b>	<b>27,014,929</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>91,973,176</b>	<b>66,997,119</b>
Quoted on stock exchange	91,973,176	66,997,119
Not quoted on stock exchange	-	-
<b>Share Certificates</b>	<b>613,797</b>	<b>489,179</b>
Quoted on stock exchange	473,810	374,141
Not quoted on stock exchange	139,987	115,038
<b>Impairment Provision (-)</b>	<b>7,751,360</b>	<b>6,528,031</b>
<b>Total</b>	<b>84,835,613</b>	<b>60,958,267</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 33,068,342 (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 24,574,495 (31 December 2024 – TL 5,781,119) is reflected to other comprehensive income.

**1.5 Explanations on financial assets measured at amortized cost:**

**1.5.1 All types of loans and advances given to shareholders and employees of the Bank:**

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
<b>Direct loans granted to shareholders</b>	<b>90,173</b>	<b>115,212</b>	<b>31,373</b>	<b>104,629</b>
Corporate shareholders	39,160	114,494	2,080	104,169
Real person shareholders	51,013	718	29,293	460
<b>Indirect loans granted to shareholders</b>	<b>10,147,727</b>	<b>115,113</b>	<b>1,117</b>	<b>3,505</b>
<b>Loans granted to employees</b>	<b>452,628</b>	<b>19,414</b>	<b>331,765</b>	<b>5,782</b>
<b>Total</b>	<b>10,690,528</b>	<b>249,739</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	Revised Contract Terms
<b>Loans</b>	<b>435,685,438</b>	<b>29,996,131</b>	<b>3,737,775</b>	<b>-</b>
Export Loans	64,205,611	2,120,201	-	-
Import Loans	19,074,257	640,518	-	-
Corporation Loans	212,477,581	19,023,251	3,104,122	-
Consumer Loans	25,443,805	856,279	8,115	-
Credit Cards	66,175,046	6,656,725	291,023	-
Loans given to financial sector	12,426,258	-	-	-
Other	35,882,880	699,157	334,515	-
<b>Other Receivables</b>	<b>1,354</b>	<b>99,290</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>435,686,792</b>	<b>30,095,421</b>	<b>3,737,775</b>	<b>-</b>

Prior Period - Cash Loans	Standard Loans	Loans Under Close Monitoring		
		Not Subject to Restructuring	Restructured Loans	
			Revised Contract Terms	Revised Contract Terms
<b>Loans</b>	<b>350,387,220</b>	<b>22,876,571</b>	<b>3,909,491</b>	<b>-</b>
Export Loans	56,243,452	1,030,894	-	-
Import Loans	18,028,033	340,620	-	-
Corporation Loans	176,124,416	15,321,535	3,504,424	-
Consumer Loans	20,522,311	799,233	3,265	-
Credit Cards	47,479,935	4,906,271	136,378	-
Loans given to financial sector	3,451,488	-	-	-
Other	28,537,586	478,018	265,424	-
<b>Other Receivables</b>	<b>3,295</b>	<b>18,305</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>350,390,516</b>	<b>22,894,876</b>	<b>3,909,491</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	2,356,097	-	2,696,490	-
Expected Loss Provision for Other Financial Assets Measured at Amortized Cost	29,256	-	63,024	-
Significant Increase in Credit Risk	-	3,701,878	-	4,242,520
<b>Total</b>	<b>2,385,355</b>	<b>3,701,878</b>	<b>2,759,514</b>	<b>4,242,520</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**

<b>Current Period</b>	<b>Short term</b>	<b>Medium and long term</b>	<b>Total</b>
<b>Consumer Loans-TL</b>	<b>2,342,661</b>	<b>23,696,000</b>	<b>26,038,661</b>
Housing Loans	84,517	18,590,048	18,674,565
Vehicle Loans	977,155	3,734,227	4,711,382
Consumer Loans	1,275,647	882,584	2,158,231
Other	5,342	489,141	494,483
<b>Consumer Loans-FC Indexed</b>	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC</b>	-	<b>11,979</b>	<b>11,979</b>
Housing Loans	-	11,979	11,979
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
<b>Retail Credit Cards-TL</b>	<b>22,878,382</b>	<b>25</b>	<b>22,878,407</b>
With Instalment	5,490,448	25	5,490,473
Without Instalment	17,387,934	-	17,387,934
<b>Retail Credit Cards-FC</b>	-	-	-
With Instalment	-	-	-
Without Instalment	-	-	-
<b>Personnel Loans-TL</b>	<b>113,408</b>	<b>144,151</b>	<b>257,559</b>
Housing Loans	-	22,828	22,828
Vehicle Loans	25,100	58,928	84,028
Consumer Loans	88,308	62,395	150,703
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>231,962</b>	<b>2</b>	<b>231,964</b>
With Instalment	71,903	2	71,905
Without Instalment	160,059	-	160,059
<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>25,566,413</b>	<b>23,852,157</b>	<b>49,418,570</b>

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<b>Prior Period</b>	<b>Short term</b>	<b>Medium and long term</b>	<b>Total</b>
<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>16,396</b>	<b>16,396</b>
Housing Loans	-	16,396	16,396
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
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>	-	-	-
With Instalment	-	-	-
Without Instalment	-	-	-
<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>18,287,349</b>	<b>19,390,940</b>	<b>37,678,289</b>

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

<b>Current Period</b>	<b>Short Term</b>	<b>Medium and Long Term</b>	<b>Total</b>
<b>Commercial Installment Loans-TL</b>	<b>7,007,466</b>	<b>59,282,964</b>	<b>66,290,430</b>
Business Loans	125,613	4,261,298	4,386,911
Vehicle Loans	5,741,800	44,837,781	50,579,581
Consumer Loans	1,140,053	10,183,885	11,323,938
Other	-	-	-
<b>Commercial Installment Loans-FC Indexed</b>	<b>22,700</b>	<b>149,225</b>	<b>171,925</b>
Business Loans	22,700	-	22,700
Vehicle Loans	-	-	-
Consumer Loans	-	149,225	149,225
Other	-	-	-
<b>Commercial Installment Loans-FC</b>	<b>159,224</b>	<b>14,055,931</b>	<b>14,215,155</b>
Business Loans	-	2,106,913	2,106,913
Vehicle Loans	159,224	11,949,018	12,108,242
Consumer Loans	-	-	-
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	<b>50,012,423</b>	<b>-</b>	<b>50,012,423</b>
With Installment	21,145,718	-	21,145,718
Without Installment	28,866,705	-	28,866,705
<b>Corporate Credit Cards-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
With Installment	-	-	-
Without Installment	-	-	-
<b>Overdraft Account-TL (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Overdraft Account-FC (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>57,201,813</b>	<b>73,488,120</b>	<b>130,689,933</b>

  

<b>Prior Period</b>	<b>Short Term</b>	<b>Medium and Long Term</b>	<b>Total</b>
<b>Commercial Installment Loans-TL</b>	<b>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 Installment 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 Installment Loans-FC</b>	<b>27,458</b>	<b>8,876,162</b>	<b>8,903,620</b>
Business Loans	-	1,773,606	1,773,606
Vehicle Loans	27,458	7,102,556	7,130,014
Consumer Loans	-	-	-
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	<b>36,169,104</b>	<b>-</b>	<b>36,169,104</b>
With Installment	15,847,479	-	15,847,479
Without Installment	20,321,625	-	20,321,625
<b>Corporate Credit Cards-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
With Installment	-	-	-
Without Installment	-	-	-
<b>Overdraft Account-TL (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Overdraft Account-FC (Legal Entity)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>44,603,614</b>	<b>51,039,879</b>	<b>95,643,493</b>

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**1.5.6. Breakdown of loans by users**

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

**1.5.7 Breakdown of domestic and foreign loans**

	Current Period	Prior Period
Domestic Loans	450,671,546	369,452,118
Foreign Loans	18,848,442	7,742,765
<b>Total</b>	<b>469,519,988</b>	<b>377,194,883</b>

**1.5.8 Loans granted to subsidiaries and associates**

	Current Period	Prior Period
Loans Granted Directly to Subsidiaries and Associates	11,234	111,135
Loans Granted Indirectly to Subsidiaries and Associates	-	-
<b>Total</b>	<b>11,234</b>	<b>111,135</b>

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

	Current Period	Prior Period
Loans and Receivables with Limited Collectability	1,757,409	1,226,003
Loans and Receivables with Doubtful Collectability	2,586,781	1,387,051
Uncollectible Loans and Receivables	2,999,142	3,366,684
<b>Total</b>	<b>7,343,332</b>	<b>5,979,738</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**

	Group III Loans and Receivables with Limited Collectability	Group IV Loans and Receivables with Doubtful Collectability	Group V Uncollectible Loans and Receivables
<b>Current Period</b>			
Gross Amount Before Specific Provisions	-	-	1,760
Restructured Loans and Receivables	-	-	1,760
<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**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
<b>Current Period</b>	<b>Loans and receivables with limited collectability</b>	<b>Loans and receivables with doubtful collectability</b>	<b>Uncollectible loans and receivables</b>
<b>Ending balance of prior period 31.12.2024</b>	<b>1,710,851</b>	<b>1,696,519</b>	<b>3,633,300</b>
Additions in the current period (+)	2,825,597	3,173,121	6,651,987
Transfers from other categories of non-performing loans (+)	-	905,076	635,098
Transfers to other categories of non-performing loans (-)	905,076	635,098	-
Collections in the current period (-)	814,379	1,435,349	3,133,660
Write-offs (-)	-	-	3,862,211
<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>2,816,993</b>	<b>3,704,269</b>	<b>3,924,514</b>
Specific provisions (-)	1,757,409	2,586,781	2,999,142
<b>Net balances on balance sheet</b>	<b>1,059,584</b>	<b>1,117,488</b>	<b>925,372</b>

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

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

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
<b>Current Period</b>			
Ending balance of the current period	402,099	397,411	492,750
Provision amount (-)	247,874	303,510	403,536
<b>Net balance at the balance sheet</b>	<b>154,225</b>	<b>93,901</b>	<b>89,214</b>
<b>Prior Period</b>			
Ending balance of the current period	191,875	99,372	521,991
Provision amount (-)	154,919	72,473	492,098
<b>Net balance at the balance sheet</b>	<b>36,956</b>	<b>26,899</b>	<b>29,893</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>1,059,584</b>	<b>1,117,488</b>	<b>925,372</b>
Loans granted to real persons and legal entities (Gross)	2,816,993	3,704,269	3,924,514
Specific provision (-)	1,757,409	2,586,781	2,999,142
<b>Loans to real persons and legal entities (Net)</b>	<b>1,059,584</b>	<b>1,117,488</b>	<b>925,372</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>484,848</b>	<b>309,468</b>	<b>266,616</b>
Loans granted to real persons and legal entities (Gross)	1,710,851	1,696,519	3,633,300
Specific provision (-)	1,226,003	1,387,051	3,366,684
<b>Loans to real persons and legal entities (Net)</b>	<b>484,848</b>	<b>309,468</b>	<b>266,616</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**

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

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

	Group III	Group IV	Group V
	Loans and Other Receivables with Limited Collectability	Loans and Other Receivables with Doubtful Collectability	Uncollectible Loans and Other Receivables
<b>Current Period (Net)</b>	<b>117,268</b>	<b>107,548</b>	<b>78,446</b>
Profit share accruals, rediscount and valuation differences	300,113	400,373	403,805
Provision (-)	182,845	292,825	325,359

	Group III	Group IV	Group V
	Loans and Other Receivables with Limited Collectability	Loans and Other Receivables with Doubtful Collectability	Uncollectible Loans and Other Receivables
<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**

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

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

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

**1.6 Information on financial assets measured at amortized cost**

**1.6.1 Information on other financial assets measured at amortized cost**

	Current Period	Prior Period
<b>Debt Securities</b>	<b>61,214,391</b>	<b>56,023,875</b>
Quoted on a Stock Exchange	61,214,391	56,023,875
Not Quoted	-	-
<b>Total</b>	<b>61,214,391</b>	<b>56,023,875</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>56,023,875</b>	<b>63,203,644</b>
Foreign Exchange Gain/Loss	3,173,350	4,127,728
Purchases During the Year	-	3,660,000
Disposals Through Sales and Redemptions	-	8,560,000
Transfers	1,791,226	(6,325,000)
Income Accruals and Discounts	225,940	(82,497)
<b>Total</b>	<b>61,214,391</b>	<b>56,023,875</b>

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**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 11,069 (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 473,810 (31 December 2024 - TL 374,140) are classified as financial assets at fair value through other comprehensive income and the Bank does not have a significant influence on these entities.

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

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

**1.8 Information on subsidiaries (Net)**

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

**1.8.2 Information on subsidiaries**

	Title	Address (City/Country)	Bank's share percentage, if different-voting percentage (%)	Bank's risk group share percentage (%)
1	KT Bank AG (*)	Frankfurt/Germany	100	100
2	Neova Katılım Sigorta A.Ş. (***)	İstanbul/Türkiye	100	100
3	KT Kira Sertifikaları Varlık Kiralama A.Ş.	İstanbul/Türkiye	100	100
4	KT Sukuk Varlık Kiralama A.Ş.	İstanbul/Türkiye	100	100
5	KT Portföy Yönetimi A.Ş.	İstanbul/Türkiye	100	100
6	Körfez Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul/Türkiye	74	74
7	Architech Bilişim Sistemleri ve Pazarlama Tic A.Ş. (**)	İstanbul/Türkiye	100	100
8	Körfez Tatil Beldesi Turistik Tesisler ve Devremülk İşletmeciliği San.ve Tic. A.Ş. (**)	İstanbul/Türkiye	99.99	99.99
9	Kuveyt Türk Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	100	100
10	Sağlam Ödeme ve Elektronik Para Hizmetleri 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 (*)	43,694,040	7,430,412	722,771	649,104	89,447	22,119	(10,828)	-
2 (***)	35,017,346	5,635,016	817,227	3,526,316	3,470,426	1,273,571	615,712	-
3	10,679,551	1,192	-	-	-	178	228	-
4	5,944,525	1,275	-	-	-	88	92	-
5	1,659,641	1,490,653	26,142	-	-	565,498	250,703	-
6	545,854	440,817	108,380	3,046	3,012	76,417	26,268	-
7 (**)	1,056,713	835,248	91,030	61,190	60,837	319,563	120,774	-
8 (**)	326,486	210,425	561	-	-	8,531	12,846	-
9	1,060,001	481,142	50,732	67,167	64,567	78,176	43,625	-
10	230,937	228,164	4,572	-	-	21,506	-	-
11 (**)	8,093,042	8,091,079	-	-	-	(6,694)	-	-

(\*) As of 30 June 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 30 June 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 surplus on 30 June 2025, is TL 847,693 (31 December 2024: Capital surplus TL 738,368).

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**Movement regarding the subsidiaries**

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

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

**Sectoral information on consolidated subsidiaries and the related carrying amounts**

	<b>Current Period</b>	<b>Prior Period</b>
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>

**Subsidiaries that are quoted on the stock exchange**

	<b>Current Period</b>	<b>Prior Period</b>
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 shareholder's equity of KT Bank AG, the bank's subsidiary in Germany, calculated as of 30 June 2025, is EUR 159,552,237 (Full EUR amount) and the capital adequacy ratio is 22.4%.

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

	<b>Bank's share percentage</b>	<b>Total assets</b>	<b>Equity</b>	<b>Total fixed assets</b>	<b>Current period profit/loss</b>	<b>Prior period profit /loss</b>
Katılım Emeklilik ve Hayat A.Ş. (*)	50%	48,094,593	1,541,512	153,480	276,144	296,079

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

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

**1.10.1 Presentation of remaining maturities of net finance leases**

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	45,177,311	34,908,616	34,908,399	27,101,903
1 to 4 years	32,917,019	29,871,666	24,424,789	22,145,023
More than 4 years	1,288,256	1,255,038	1,270,489	1,259,696
<b>Total</b>	<b>79,382,586</b>	<b>66,035,320</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	79,382,586	60,603,677
Unearned Finance Lease Income (-)	13,347,266	10,097,055
Cancelled Rental Amounts (-)	-	-
<b>Net Leasing Investment</b>	<b>66,035,320</b>	<b>50,506,622</b>

**1.10.3 Information on finance lease contracts**

The Bank determines the settlements of the financial lease agreements in accordance with related legislations. Payment terms and amounts may be rearranged with additional agreements upon customers' requests. On the agreements, the Bank gives the customer the option to buy the related property. According to the Financial Lease Law, if a customer does not fulfill its obligations until 60 days, the Bank sends a notice to the customer and the Bank takes legal action against the customer if necessary. Non-performing finance lease receivables amounting to TL 940,034 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 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.

**1.13. Explanations on intangible 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.

**1.14. Explanations on investment properties**

None (31 December 2024 – None).

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**1.15 Information on deferred tax asset**

As of 30 June 2025, deferred tax is offset as TL 9,684,554 in the balance sheet. The deferred tax asset is TL 10,048,243 (31 December 2024 - TL 9,115,487) and the deferred tax liability is TL 363,689 (31 December 2024 - TL 775,037).

	Current Period	Prior Period
TFRS 9 Provisions	1,637,905	1,794,065
Tangible assets valuation differences	2,679,078	1,997,385
Employee benefits liability	711,172	730,910
Deferred income	890,572	612,715
Severance pays liability	505,896	429,630
Valuation Difference of Marketable Securities	2,755,507	2,303,149
Other	504,424	472,596
<b>Net Deferred Tax Asset</b>	<b>9,684,554</b>	<b>8,340,450</b>

**Table of deferred tax asset movement**

	Current Period	Prior Period
As of 1 January	8,340,450	5,747,818
Deferred Tax (Expense)/Income	1,185,262	683,538
Deferred Tax Accounted Under Equity	158,842	1,909,094
<b>Deferred tax asset</b>	<b>9,684,554</b>	<b>8,340,450</b>

**1.16. Explanations on assets held for sale and discontinued operations**

	Current Period	Prior Period
Opening Balance	522,743	428,585
Additions	224,869	212,519
Transfers from Tangible Asset	-	-
Disposals (-), Net	171,274	118,361
Transfer to Tangible Assets	-	-
Amortization Cost (-)	-	-
Provision for Impairment (-)	-	-
<b>Closing Net Book Value</b>	<b>576,338</b>	<b>522,743</b>

**1.17. Information on other assets**

As of balance sheet date, the Bank's other assets amount to TL 14,223,005 (31 December 2024 - TL 9,209,753). Other assets balance does not exceed 10% of the total assets on the balance sheet excluding off balance sheet commitments.

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**2. Explanations and Notes Related to Liabilities**

**2.1 Information on funds collected**

**2.1.1 Information on maturity structure of funds collected**

Current Period	Demand	Up to 1 months	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	1 year and over	Accumulated profit sharing accounts	Total
<b>I. Real persons current accounts-TL</b>	<b>49,169,747</b>	-	-	-	-	-	-	-	<b>49,169,747</b>
<b>II. Real persons profit sharing accounts TL</b>	-	<b>25,867,111</b>	<b>107,342,395</b>	<b>5,269,741</b>	-	<b>7,031,148</b>	<b>4,826,116</b>	<b>15,307</b>	<b>150,351,818</b>
<b>III. Another current accounts-TL</b>	<b>42,992,418</b>	-	-	-	-	-	-	-	<b>42,992,418</b>
Public sector	3,783,686	-	-	-	-	-	-	-	3,783,686
Commercial sector	38,270,879	-	-	-	-	-	-	-	38,270,879
Other institutions	723,383	-	-	-	-	-	-	-	723,383
Commercial and other institutions	-	-	-	-	-	-	-	-	-
<b>Banks and participation banks</b>	<b>214,470</b>	-	-	-	-	-	-	-	<b>214,470</b>
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	213,945	-	-	-	-	-	-	-	213,945
Participation banks	482	-	-	-	-	-	-	-	482
Others	43	-	-	-	-	-	-	-	43
<b>IV. Profit sharing accounts-TL</b>	-	<b>4,227,909</b>	<b>27,850,670</b>	<b>354,300</b>	-	<b>14,477,776</b>	<b>188,194</b>	<b>36</b>	<b>47,098,885</b>
Public sector	-	4,991	43,912	17,292	-	1,200,547	-	-	1,266,742
Commercial sector	-	3,562,586	26,471,171	280,027	-	12,981,012	187,578	36	43,482,410
Other institutions	-	641,726	1,123,746	56,981	-	245,456	546	-	2,068,455
Commercial and other institutions	-	18,606	211,787	-	-	50,761	70	-	281,224
Banks and participation banks	-	-	54	-	-	-	-	-	54
<b>V. Real persons current accounts-FC</b>	<b>112,582,663</b>	-	-	-	-	-	-	-	<b>112,582,663</b>
<b>VI. Real persons profit sharing accounts-FC</b>	-	<b>15,546,087</b>	<b>19,361,172</b>	<b>1,591,191</b>	-	<b>1,750,248</b>	<b>1,684,919</b>	<b>38,884</b>	<b>39,972,501</b>
<b>VII. Another current accounts-FC</b>	<b>46,935,606</b>	-	-	-	-	-	-	-	<b>46,935,606</b>
Commercial residents in Türkiye	41,742,109	-	-	-	-	-	-	-	41,742,109
Commercial residents in Abroad	3,992,903	-	-	-	-	-	-	-	3,992,903
<b>Banks and participation banks</b>	<b>1,200,594</b>	-	-	-	-	-	-	-	<b>1,200,594</b>
Central Bank of Republic of Türkiye	894,289	-	-	-	-	-	-	-	894,289
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	300,648	-	-	-	-	-	-	-	300,648
Participation banks	5,657	-	-	-	-	-	-	-	5,657
Others	-	-	-	-	-	-	-	-	-
<b>VIII. Profit sharing accounts- FC</b>	-	<b>1,591,280</b>	<b>1,159,075</b>	<b>47,268</b>	-	<b>283,789</b>	<b>28,788</b>	<b>423</b>	<b>3,110,623</b>
Public sector	-	22	45,435	-	-	-	-	-	45,457
Commercial sector	-	875,944	922,769	42,297	-	283,610	28,788	423	2,153,831
Other institutions	-	19,199	47,553	2,709	-	179	-	-	69,640
Commercial and other institutions	-	696,115	143,318	2,262	-	-	-	-	841,695
<b>Banks and participation banks</b>	-	-	-	-	-	-	-	-	-
<b>IX. Precious metal funds</b>	<b>162,352,809</b>	<b>19,976,278</b>	<b>8,800,786</b>	<b>1,832,573</b>	-	<b>1,014,570</b>	<b>108,359</b>	-	<b>194,085,375</b>
<b>X. Profit sharing accounts special funds - TL</b>	-	-	<b>4,000</b>	<b>52,565</b>	-	<b>1,049,028</b>	<b>733,141</b>	-	<b>1,838,734</b>
Residents in Türkiye	-	-	4,000	52,565	-	1,016,847	361,900	-	1,435,312
Residents Abroad	-	-	-	-	-	32,181	371,241	-	403,422
<b>XI. Profit sharing accounts special funds - FC</b>	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
<b>Total (**)</b>	<b>414,033,243</b>	<b>67,208,665</b>	<b>164,518,098</b>	<b>9,147,638</b>	-	<b>25,606,559</b>	<b>7,569,517</b>	<b>54,650</b>	<b>688,138,370</b>

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

(\*\*) As of 30 June 2025, the Bank has a total of TL 29,366,114 (31 December 2024: TL 62,006,685) foreign exchange-protected deposit instrument of which TL 29,366,114 (31 December 2024: TL 62,001,875) opened within the scope of the "Communique on Supporting the Conversion of Turkish Lira Deposit and Participation Accounts" published by the CBRT in the Official Gazette dated 21 December 2021 and numbered 31696, TL 0 (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>37,528,225</b>	-	-	-	-	-	-	-	<b>37,528,225</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>270,815</b>	-	-	-	-	-	-	-	<b>270,815</b>
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	270,641	-	-	-	-	-	-	-	270,641
Participation banks	144	-	-	-	-	-	-	-	144
Others	30	-	-	-	-	-	-	-	30
<b>IV. Profit sharing accounts-TL</b>	-	<b>18,852,846</b>	<b>18,339,504</b>	<b>961,192</b>	-	<b>11,529,332</b>	<b>172,697</b>	<b>22</b>	<b>49,855,593</b>
Public sector	-	6,948	52,425	-	-	789,834	-	-	849,207
Commercial sector	-	18,485,757	16,825,843	887,174	-	10,497,176	172,257	22	46,868,229
Other institutions	-	331,633	950,468	43,231	-	172,935	440	-	1,498,707
Commercial and other institutions	-	28,508	510,724	30,787	-	69,387	-	-	639,406
Banks and participation banks	-	-	44	-	-	-	-	-	44
<b>V. Real persons current accounts-FC</b>	<b>95,969,664</b>	-	-	-	-	-	-	-	<b>95,969,664</b>
<b>VI. Real persons profit sharing accounts-FC</b>	-	<b>13,469,602</b>	<b>15,553,725</b>	<b>1,495,889</b>	-	<b>1,753,498</b>	<b>1,753,540</b>	<b>21,015</b>	<b>34,047,269</b>
<b>VII. Another current accounts-FC</b>	<b>36,154,741</b>	-	-	-	-	-	-	-	<b>36,154,741</b>
Commercial residents in Türkiye	31,932,443	-	-	-	-	-	-	-	31,932,443
Commercial residents in Abroad	3,888,380	-	-	-	-	-	-	-	3,888,380
<b>Banks and participation banks</b>	<b>333,918</b>	-	-	-	-	-	-	-	<b>333,918</b>
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	329,317	-	-	-	-	-	-	-	329,317
Participation banks	4,601	-	-	-	-	-	-	-	4,601
Others	-	-	-	-	-	-	-	-	-
<b>VIII. Profit sharing accounts- FC</b>	-	<b>459,009</b>	<b>1,004,573</b>	<b>38,849</b>	-	<b>195,514</b>	<b>160,402</b>	<b>249</b>	<b>1,858,596</b>
Public sector	-	17	113,739	-	-	-	-	-	113,756
Commercial sector	-	402,718	767,263	34,679	-	195,349	160,402	249	1,560,660
Other institutions	-	16,702	32,416	2,395	-	165	-	-	51,678
Commercial and other institutions	-	39,572	91,155	1,775	-	-	-	-	132,502
<b>Banks and participation banks</b>	-	-	-	-	-	-	-	-	-
<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>320,527,275</b>	<b>65,562,005</b>	<b>138,964,436</b>	<b>10,520,523</b>	-	<b>40,439,463</b>	<b>9,515,399</b>	<b>34,812</b>	<b>585,563,913</b>

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

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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	125,784,892	96,653,891	165,323,700	185,753,070
FC accounts	179,135,006	130,301,005	216,757,167	170,350,795
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' under foreign authorities' insurance	-	-	-	-

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

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

The headquarters of the Bank is in Türkiye.

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

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

	Current Period	Prior Period
Foreign branches' profit-sharing accounts and other accounts	-	-
Profit sharing accounts and other accounts of controlling shareholders and profit sharing accounts of their mother, father, spouse, children in care	-	-
Profit sharing account and other accounts of President and Members of Board of Directors, CEO and Vice Presidents and profit-sharing accounts of their mother, father, spouse and children in care	48,063	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	77,748	110,479	214,508	51,249
Swap transactions	518,443	2,221,556	1,185,402	1,401,774
Other	-	-	-	-
<b>Total</b>	<b>596,191</b>	<b>2,332,035</b>	<b>1,399,910</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	11,082,678	100,156,650	3,547,337	85,667,578
From Foreign Banks, Institutions and Funds	-	51,315,129	600,000	32,106,071
<b>Total</b>	<b>11,082,678</b>	<b>151,471,779</b>	<b>4,147,337</b>	<b>117,773,649</b>

**2.3.2 Information on maturity structure of borrowings**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	10,808,794	127,955,209	4,069,314	111,539,418
Medium and Long-Term	273,884	23,516,570	78,023	6,234,231
<b>Total</b>	<b>11,082,678</b>	<b>151,471,779</b>	<b>4,147,337</b>	<b>117,773,649</b>

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

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

**2.4 Information on other liabilities and miscellaneous payables**

As of 30 June 2025, other liabilities amount to TL 15,741,681 (31 December 2024 - TL 8,080,586), sundry creditors amount to TL 7,191,470 (31 December 2024 - TL 4,988,343), both do not exceed 10% of the balance sheet total.

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

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	76,094	69,901	38,525	36,204
1 to 4 years	134,042	101,416	87,015	69,035
More than 4 years	3,147,335	1,896,518	2,170,589	1,360,784
<b>Total</b>	<b>3,357,471</b>	<b>2,067,835</b>	<b>2,296,129</b>	<b>1,466,023</b>

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

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

None (31 December 2024 – None).

**2.5.1.1. Explanations on financial leasing obligations**

None (31 December 2024 – None).

**2.5.1.2. Explanations on operating lease**

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

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

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

**2.6. Information on hedging derivative financial liabilities**

None (31 December 2024 – None).

**2.7. Information on provisions**

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

None (31 December 2024 – None).

**2.7.2 Information on other provisions**

	Current Period	Prior Period
Specific provisions for non-cash loans that are not indemnified converted into cash	987,953	863,935
General Provisions for non-cash loans	411,254	483,337
Provision for profits will be allocated to participation accounts	813,367	1,526,885
Credit cards of banking services applications	8,706	5,478
Other (*)	849,014	656,089
<b>Total</b>	<b>3,070,294</b>	<b>3,535,724</b>

(\*) The other item mainly consists of TL 519,700 (31 December 2024 – TL 509,045) in litigation provisions, TL 5,888 (31 December 2024 – TL 13,058) in expense provisions, TL 283,777 (31 December 2024 – TL 107,311) other provisions and TL 39,650 amounts related to the provision for impairment losses recognized on the delivery date.

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**2.7.3 Information on provisions for employee benefits**

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 1,686,320 (31 December 2024 - TL 1,432,099), vacation pay liability amounting to TL 147,755 (31 December 2024 - TL 13,507), performance premium amounting to TL 1,063,676 (31 December 2024 - TL 1,442,087), retirement bonuses on payment of TL 1,041,081 (31 December 2024 - TL 808,924), committee fee amounting to TL 78,302 (31 December 2024 - TL 129,992) and other fees amounting to TL 39,759 (31 December 2024 - TL 35,271).

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

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

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

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

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

	Current Period	Prior Period
Balance at the end of the prior period	1,432,099	1,095,389
Provisions recognized during the period	276,813	477,530
Paid during the period	(22,592)	(197,655)
Actuarial loss	-	56,835
<b>Balances at the end of the period</b>	<b>1,686,320</b>	<b>1,432,099</b>

**2.8. Explanations on tax liability**

**2.8.1. Explanations on current tax liability**

**2.8.1.1. Information on tax provision**

As of the balance sheet date, the Bank has a corporate tax liability of TL 7,430,426 (31 December 2024: TL 12,563,001) and prepaid tax of TL 2,646,032 (31 December 2024: TL 6,846,023). The Bank clearly indicated the corporate tax liability and prepaid tax in the financial statements.

**2.8.1.2. Information on taxes payable (\*)**

	Current Period	Prior Period
Taxation of marketable securities	1,464,356	755,307
Taxation of immovable property	13,174	9,532
Banking Insurance Transaction Tax (BITT)	526,445	510,165
Foreign Exchange Transaction Tax	51,121	27,737
Value Added Tax Payable	37,550	42,622
Income tax deducted from wages	209,681	194,158
Other	12,875	12,333
<b>Total</b>	<b>2,315,202</b>	<b>1,551,854</b>

(\*) Included in Other Liabilities on the balance sheet.

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**2.8.1.3. Information on premiums (\*)**

	Current Period	Prior Period
Social Insurance Premiums-Employee	113,577	83,993
Social Insurance Premiums-Employer	135,511	94,214
Unemployment insurance-Employee	8,112	5,998
Unemployment insurance-Employer	16,949	12,544
<b>Total</b>	<b>274,149</b>	<b>196,749</b>

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

**2.8.1.4. Information on deferred tax liability**

As of 30 June 2025, deferred tax has been netted off as TL 9,684,554 (31 December 2024 - TL 8,340,450) in the balance sheet within the scope of the relevant regulations. Deferred tax asset is calculated as TL 10,048,243 (31 December 2024 - TL 9,115,487) and deferred tax liability is TL 363,689 (31 December 2024 - TL 775,037).

**2.9. Information on payables related to assets held for sale**

None (31 December 2024 - None).

**2.10. Information on subordinated loans**

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

**2.11. Information on shareholders' equity**

**2.11.1. Presentation of paid-in capital**

	Current Period	Prior Period
Common shares	8,000,000	4,952,205
Preference shares	-	-
Repurchased shares amount (*)	(4,869)	(4,869)
<b>Total</b>	<b>7,995,131</b>	<b>4,947,336</b>

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

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

Registered capital system is not applied in the Bank.

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

None (31 December 2024 - None).

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

None (31 December 2024 - None).

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

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

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

None (31 December 2024 - None).

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**2.11.7 Information on marketable securities value increase fund**

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries and Entities Under Common Control (Joint Vent.)	-	-	-	-
Valuation Difference (*)	(6,161,966)	379,605	(5,682,248)	301,804
Foreign Exchange Difference	-	-	-	-
<b>Total</b>	<b>(6,161,966)</b>	<b>379,605</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.

**2.12 Information on minority shares**

None (31 December 2024 - None).

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

**3.1 Explanations on off-balance sheet accounts**

**3.1.1 Types and amounts of irrevocable commitments**

Commitment for credit card limits, as of 30 June 2025 amounts to TL 114,567,140 (31 December 2024 - TL 76,389,710); payment commitments for cheque books amounts to TL 7,904,467 (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 30 June 2025, the Bank has guarantees and surety ships constituting of TL 107,219,276 (31 December 2024 - TL 85,648,013) of letters of guarantee; TL 1,157,990 (31 December 2024 - TL 727,539) of acceptances and TL 20,468,501 (31 December 2024 - TL 13,581,786) of letters of credit. Also, the Bank has other acceptances amounting to TL 6,641,232 (31 December 2024 - TL 5,211,090).

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

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

	Current Period	Prior Period
Total amount of non-cash loans	1,192,126	426,120
Total amount of non-cash loans	1,192,126	426,120
Total amount of non-cash loans	-	-
Total amount of non-cash loans	134,294,873	104,742,308
<b>Total</b>	<b>135,486,999</b>	<b>105,168,428</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.

**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.

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**3.3. Explanations on credit derivatives and their risks**

None.

**3.4. Explanations on contingent liabilities and assets**

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

**3.5. Explanations on services provided to other names and accounts**

None.

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

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

**4. Explanations and Notes Related to The Statement of Income**

**4.1 Information on profit share income**

**4.1.1 Information on profit share received from loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Profit share on loans</b>	<b>41,930,530</b>	<b>7,321,717</b>	<b>35,806,951</b>	<b>4,310,968</b>
Short-term loans	20,519,402	2,896,689	20,471,453	1,577,090
Medium and long-term loans	20,899,739	4,379,889	15,170,029	2,655,475
Profit share on non-performing loans	511,389	45,139	165,469	78,403
Premiums received from resource utilization support fund	-	-	-	-
<b>Total</b>	<b>41,930,530</b>	<b>7,321,717</b>	<b>35,806,951</b>	<b>4,310,968</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	189	-	12,647	-
Domestic Banks	919	-	43,325	-
Foreign Banks	1,292	87,503	30,001	297,315
Branches and head office abroad	-	-	-	-
<b>Total</b>	<b>2,400</b>	<b>87,503</b>	<b>85,973</b>	<b>297,315</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	89,227	434,903	58,465	492,377
Financial Assets at Fair Value Through Other Comprehensive Income	6,511,897	817,730	5,370,910	550,172
Financial Assets valued at Amortized Cost	3,202,531	1,097,205	4,559,669	924,231
<b>Total</b>	<b>9,803,655</b>	<b>2,349,838</b>	<b>9,989,044</b>	<b>1,966,780</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	60,666	37,031

**4.2 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	851,710	1,250,921	472,148	751,471
The Central Bank of the Republic of Türkiye	-	-	-	-
Domestic banks	472,730	52,511	455,688	12,362
Foreign banks	378,980	1,198,410	16,460	739,109
Branches and head office abroad	-	-	-	-
Other Institutions	1,811,989	1,860,215	2,642,782	2,031,093
<b>Total</b>	<b>2,663,699</b>	<b>3,111,136</b>	<b>3,114,930</b>	<b>2,782,564</b>

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

	<b>Current Period</b>	<b>Prior Period</b>
Profit share expenses given to associates and subsidiaries	1,771,354	2,171,278

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

None (1 January – 30 June 2024 - None).

**4.3 Information on dividend income**

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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	-	8	-	-	-	-	-	8
Real person’s non-trading profit sharing account	3,867,420	17,939,622	1,190,088	-	2,829,892	1,213,054	2,087	27,042,163
Public-sector profit-sharing account	1,388	9,948	942	-	7,538	-	-	19,816
Commercial sector profit sharing account	956,082	4,771,797	76,485	-	284,325	37,476	-	6,126,165
Other institutions profit sharing account	66,047	241,267	22,131	-	33,615	84	-	363,144
Total	4,890,937	22,962,642	1,289,646	-	3,155,370	1,250,614	2,087	33,551,296
FC								
Banks	-	-	-	-	-	-	-	-
Real person’s non-trading profit sharing account	69,581	77,351	6,643	-	7,025	6,998	235	167,833
Public-sector profit-sharing account	-	489	-	-	-	-	-	489
Commercial sector profit sharing account	2,378	3,509	163	-	535	41	-	6,626
Other institutions profit sharing account	804	940	20	-	-	-	-	1,764
Precious metal accounts	12,529	5,687	1,115	-	661	-	-	19,992
Total	85,292	87,976	7,941	-	8,221	7,039	235	196,704
Grand Total	4,976,229	23,050,618	1,297,587	-	3,163,591	1,257,653	2,322	33,748,000
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	-	6	-	-	-	-	-	6
Real person’s non-trading profit sharing account	2,072,554	12,147,963	1,096,733	-	8,256,807	1,067,127	859	24,642,043
Public-sector profit-sharing account	648	1,046	821	-	1,836	46	-	4,397
Commercial sector profit sharing account	220,042	1,348,283	457,456	-	1,081,360	84,345	-	3,191,486
Other institutions profit sharing account	41,729	262,583	16,739	-	28,459	160	-	349,670
Total	2,334,973	13,759,881	1,571,749	-	9,368,462	1,151,678	859	28,187,602
FC								
Banks	-	-	-	-	-	-	-	-
Real person’s non-trading profit sharing account	66,157	58,948	6,516	-	10,822	9,517	293	152,253
Public-sector profit-sharing account	-	452	-	-	-	-	-	452
Commercial sector profit sharing account	3,138	4,425	143	-	86	31	-	7,823
Other institutions profit sharing account	1,202	2,131	11	-	-	-	-	3,344
Precious metal accounts	7,378	3,869	640	-	488	-	-	12,375
Total	77,875	69,825	7,310	-	11,396	9,548	293	176,247
Grand Total	2,412,848	13,829,706	1,579,059	-	9,379,858	1,161,226	1,152	28,363,849



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

	Current Period	Prior Period
<b>Trading profit / loss (net)</b>	<b>9,560,923</b>	<b>1,670,214</b>
<b>Profit</b>	<b>112,701,705</b>	<b>90,553,383</b>
Gain on capital market transactions	3,503,862	2,386,030
Gain on derivative financial instruments	25,283,346	17,194,201
Foreign exchange profit	83,914,497	70,973,152
<b>Losses (-)</b>	<b>103,140,782</b>	<b>88,883,169</b>
Losses on capital market transactions	50,166	34,092
Losses on derivative financial instruments	26,396,518	17,451,787
Foreign exchange losses	76,694,098	71,397,290

**4.6 Information on other operating income**

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

	Current Period	Prior Period
Reversal of prior period provisions	2,106,593	4,903,128
Cancellations of Provisions from Profits to be Distributed to Participation Accounts	859,663	241,369
Income from sales of assets	259,774	160,735
Rental income	9,406	5,366
Other income	99,364	52,052
<b>Total</b>	<b>3,334,800</b>	<b>5,362,650</b>

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

	Current Period (*)	Prior Period (*)
<b>Expected Credit Loss</b>	<b>5,997,264</b>	<b>2,986,833</b>
12 month expected credit loss (Stage 1)	53,057	-
Significant increase in credit risk (Stage 2)	186,489	961,980
Non-performing loans (Stage 3)	5,757,718	2,024,853
<b>Marketable Securities Impairment Expense</b>	<b>212,996</b>	<b>120,969</b>
Financial Assets at Fair Value through Profit or Loss	212,996	120,969
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>194,427</b>	<b>200,080</b>
<b>Total</b>	<b>6,404,687</b>	<b>3,307,882</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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**44.8 Information on other operating expenses**

	<b>Current Period</b>	<b>Prior Period</b>
Provision for retirement pay liability	254,221	191,922
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	699,731	422,640
Impairment Expenses of intangible fixed assets	-	-
Depreciation expenses of intangible assets	166,523	244,109
Depreciation expenses of assets held for sale	-	-
Other operating expenses	3,110,908	1,720,679
Lease Expenses Regarding TFRS 16 Exemptions	3,637	140
Maintenance expenses	914,352	330,367
Advertisement expenses	285,637	107,895
Communication expenses	277,321	194,964
Heating, electricity and water expenses	76,751	48,164
Cleaning expenses	40,825	28,981
Vehicle expenses	55,155	38,897
Stationery expenses	50,008	36,459
Other expenses	1,407,222	934,812
Losses on sales of assets	96	274
Deposit insurance fund expenses	1,078,789	775,183
Other (*)	1,791,537	1,244,018
<b>Total</b>	<b>7,101,805</b>	<b>4,598,825</b>

(\*) Other items as of 30 June 2025 primarily include TL 707,668 (30 June 2024 – TL 270,503) Bank and Insurance Transactions Tax, TL 392,515 (30 June 2024 – TL 558,990) in Financial Activities Fees and TL 292,728 (30 June 2024 – TL 217,404) in amounts related to the Contracted Legal Services and Legal Consultancy account.

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

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

**4.10 Information on tax provision for continued and discontinued operations**

Current period tax provision for the period amounting to TL 7,063,082 (1 January-30 June 2024 - TL 5,893,987), deferred tax income of TL 1,185,262 (1 January-30 June 2024 - TL 1,319,421). There are no deferred tax expenses (1 January–30 June 2024 – TL 142,891).

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

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

**4.12 Information on net profit/loss**

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

As of 30 June 2025, net profit share income is TL 27,316,975 (1 January - 30 June 2024 - TL 22,674,851), net fees and commission income is TL 6,862,277 (1 January - 30 June 2024 - TL 3,622,367).

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

None (1 January-30 June 2024 – None).

**4.12.3 Profit/loss attributable to minority interest**

None (1 January-30 June 2024 – None).

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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 statements**

As of 30 June 2025, other fees and commissions received is TL 14,578,286 (1 January – 30 June 2024 - TL 7,524,814), TL 5,647,698 of this amount is related with credit card fees and commissions (1 January - 30 June 2024 - TL 3,274,889), TL 5,716,751 of this amount is related with POS machine commissions (1 January - 30 June 2024 - TL 2,355,140) and TL 3,213,837 (1 January - 30 June 2024 - TL 1,894,785) of this amount is related with other commissions.

As of 30 June 2025, other fees and commissions given is TL 8,249,773 (1 January - 30 June 2024 - TL 4,233,484), TL 6,805,152 (1 January - 30 June 2024 - TL 3,224,772) of this amount is related with POS clearing commissions and installation expenses, TL 602,748 (1 January - 30 June 2024 - TL 324,929) of this amount is related with fees and commissions paid for credit cards and TL 841,873 (1 January - 30 June 2024 - TL 683,783) of this amount is related with commissions.

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

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

**6. Explanations and Notes Related to Statement of Cash Flows**

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

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

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

**Current Period**

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and other receivables</b>						
Balance at beginning of period	111,135	199,233	31,373	104,629	1,117	3,505
Balance at end of period	11,234	442,994	90,173	115,212	10,147,727	115,113
Profit share and commission income	9,376	904	3,320	474	5,000	-

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

**Prior Period**

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and other receivables</b>						
Balance at beginning of period	736,761	73,084	29,238	82,280	2,974,543	20,322
Balance at end of period	111,135	199,233	31,373	104,629	1,117	3,505
Profit share and commission income	-	114	2,037	407	177	-

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

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

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Current and profit-sharing accounts</b>						
Balance at beginning of period	4,048,835	3,936,961	777,817	502,954	946,678	750,296
Balance at end of period	2,604,203	4,048,835	599,084	777,817	1,283,970	946,678
Profit share and commission income	162,083	104,744	42,350	31,847	3,727	5,002

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

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

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Transactions at Fair Value through Profit or Loss</b>						
Balance at beginning of period	4,668,605	3,758,803	1,459,578	2,361,778	-	-
Balance at end of period	4,559,284	4,668,605	1,130,356	1,459,578	-	-
Total Profit / (Loss)	14,160	(80,368)	(263)	1,109	-	-
<b>Hedging Transactions</b>						
Balance at beginning of period	-	-	-	-	-	-
Balance at end of period	-	-	-	-	-	-
Total Profit / (Loss)	-	-	-	-	-	-

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

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

Risk group of the Bank (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Borrowings</b>						
Balance at beginning of period	15,194,096	26,557,884	14,649,976	9,195,276	-	-
Balance at end of period	27,138,908	15,194,096	24,507,863	14,649,976	-	-
Profit share expense	1,609,271	2,066,534	110,635	127,520	-	-

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

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

Subordinated additional capital (Tier-I) sukuk with a principal amount of USD 50,000,000 (full amount) issued by the Bank on 28 September 2020, is fully owned by Kuwait Finance House. Subordinated (Tier-II) sukuk with a principal amount of USD 350,000,000 (full amount) issued by the Bank on 16 September 2021, USD 35,000,000 (full amount) is owned by Kuwait Finance House.

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

As of 1 January – 30 June 2025, the Bank has paid TL 559,893 to top management (1 January - 30 June 2024- TL 378,499).

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

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

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

None.

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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**

**REVIEW REPORT**

- 1. Explanations on the limited review report**

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

- 2. Notes and disclosures prepared by the independent auditor:**

None.

**SECTION EIGHT**

**INTERIM ACTIVITY REPORT**

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

- 1.1 About Kuveyt Türk**

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

As of 30 June 2025, 57.81% of the Bank's shares are owned by Kuwait Finance House located in Kuwait, 24.49% by Vakıflar Genel Müdürlüğü Mazbut Vakıfları, 8.36% by Wafra International Investment Company in Kuwait and 8.36% by Islamic Development Bank whereas the remaining 0.98% of the shares are owned by other real persons and legal entities.

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**1.2 Financial Information Summary**

<b>UNCONSOLIDATED BALANCE SHEET (SELECTED ITEMS)</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
CASH BALANCES AND CENTRAL BANK	244,209,994	222,992,725
BANKS	44,831,527	27,042,682
SECURITIES	177,339,792	149,322,481
LOANS AND RECEIVABLES	479,965,764	384,235,553
FINANCE LEASE RECEIVABLES (Net)	66,035,320	50,506,622
EXPECTED LOSS PROVISIONS (-)	13,434,820	12,988,502
TANGIBLE ASSETS (Net)	6,526,325	5,362,430
OTHER ASSETS	42,497,298	25,646,412
<b>TOTAL ASSETS</b>	<b>1,047,971,200</b>	<b>852,120,403</b>
FUND COLLECTED	688,138,370	585,563,913
FUNDS BORROWED	162,554,457	121,920,986
FINANCE LEASE PAYABLES (Net)	2,067,835	1,466,023
SUBORDINATED LOANS	15,988,438	14,186,285
OTHER LIABILITIES	81,910,439	46,755,702
EQUITY	97,311,661	82,227,494
<b>TOTAL LIABILITIES</b>	<b>1,047,971,200</b>	<b>852,120,403</b>

<b>UNCONSOLIDATED STATEMENT OF INCOME</b>	<b>30.06.2025</b>	<b>30.06.2024</b>
PROFIT SHARE INCOME	74,913,934	60,544,175
PROFIT SHARE EXPENSE	47,596,959	37,869,324
NET PROFIT SHARE INCOME/EXPENSE	27,316,975	22,674,851
NET FEES AND COMMISSION INCOME/EXPENSE	6,862,277	3,622,367
PERSONNEL EXPENSES	8,775,923	5,210,381
DIVIDEND INCOME	2,716	861
NET TRADING PROFIT / LOSS	9,560,923	1,670,214
OTHER OPERATING INCOME	3,334,800	5,362,650
EXPECTED CREDIT LOSS (-)	5,997,264	2,986,833
OTHER PROVISION EXPENSES (-)	407,423	321,049
OTHER OPERATING EXPENSES (-)	7,101,805	4,598,825
PROFIT/ LOSS BEFORE TAX	24,795,276	20,213,855
TAX CHARGE (-)	5,877,820	4,717,457
<b>CURRENT PERIOD PROFIT/LOSSES</b>	<b>18,917,456</b>	<b>15,496,398</b>

<b>RATIOS</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
Total Loans/Total Assets*	52.10%	51.02%
Total Loans/Fund Collected*	79.34%	74.24%
Average Equity Profit **	42.15%	53.23%
Average Assets Profit **	3.98%	4.56%
Capital Adequacy Ratio	22.10%	24.46%

\* 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,

In the second quarter of 2025, the global growth outlook continued on a moderate but fragile path despite geopolitical tensions and uncertainties in trade policies. The OECD's June 2025 Economic Outlook Report revised its global growth forecast for 2025 from 3.1% to 2.9%, while the IMF's April 2025 World Economic Outlook report updated its growth forecast for Türkiye from 2.6% to 2.7%. Trade policies continued to weigh on the growth outlook during this period. Additional tariffs imposed by the United States in the first quarter increased fragility in supply chains but the subsequent truce provided some short-term relief. On the other hand, the ongoing Iran-Israel tension in the Middle East escalated into armed conflict in June, raising tensions in the region and increasing concerns, particularly regarding energy supply.

Annual inflation in the United States rose to 2.7% in June, indicating that price pressures remain strong. Despite this inflation trend, the Fed kept the federal funds rate unchanged at 4.25–4.50% at its June 17–18 meeting and reiterated its “data-dependent” approach to monetary policy. Market expectations are that the gradual slowdown in inflation will lead to a cautious easing cycle starting in the final quarter of the year.

The consumer price index in the Eurozone remained in line with the European Central Bank's medium-term target, rising 1.9% in May and 2.0% in June on an annual basis. In line with this slowdown in inflation, the European Central Bank lowered its three key interest rates by 25 basis points at its meeting on 5 June, reducing the deposit rate to 2%, and emphasized that it would reassess its monetary policy at each decision-making period.

Asian economies continue to lead global growth, but regional growth momentum has slowed. The IMF's Regional Outlook report forecasts that Asia's real GDP growth will decline from 4.6% in 2024 to approximately 3.9% in 2025. Weakening external demand, a slow technology cycle, and cautious private consumption are emerging as the main restraining factors.

The disinflationary trend continued in Türkiye in the second quarter, with the annual CPI falling to 35.05% in June, according to TÜİK data. On 19 June, the CBRT kept its policy rate unchanged at 46%, reiterating its message that it would maintain its tight monetary policy. On the growth side, GDP slowed to a 2.0% annual increase in the first quarter, indicating that demand remains balanced. In the coming period, a gradual reduction in policy interest rates is likely, and policies supporting financial stability are expected to continue. Pricing behavior and demand dynamics will continue to be decisive factors in this process.

Throughout the second quarter, our Bank continued to contribute to the Turkish economy and the participatory finance ecosystem, increasing its net profit by 22% compared to the same period last year to TL 18.9 billion. Kuveyt Türk's total funding base (funds collected and loans received) reached TL 851 billion, while the amount of funds disbursed reached TL 546 billion. In addition, our bank increased its equity to TL 97.3 billion and its total assets to TL 1.048 billion, thereby maintaining its leadership in terms of total assets among participation finance institutions and strengthening its position in the banking sector.

As Kuveyt Türk, we continue to strengthen our leading position in the sector with our robust technological infrastructure, customer-focused approach, and motivation to provide uninterrupted support to the real economy. We will continue to create value for our stakeholders with the innovative solutions we implement on our digital channels and our sustainable financing products.

Regards,

Hamad Abdulmohsen ALMARZOUQ

Head of the BOD

Kuveyt Türk Katılım Bankası



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**1.4 Message from the General Manager**

Dear Shareholders,

In the second quarter of 2025, although the global economy made cautious progress in combating inflation, geopolitical tensions and uncertainties in trade policies continued to weigh on the growth outlook. The OECD's Economic Outlook Report published in June revised global growth expectations downward, while the IMF's April update also predicted that growth would remain limited.

The Turkish economy continued its disinflation process in the first half of 2025 amid a global environment shaped by global developments; the annual CPI fell to 35.05% in June, below the 38.1% level recorded at the end of the first quarter. The unemployment rate fell to 8.4% in May, showing an improvement of 0.2 points compared to the previous month. While the current account balance showed a deficit of USD 7.9 billion in April, this deficit declined to USD 684 million in May, and the 12-month cumulative deficit increased slightly to USD 16 billion. The Central Bank maintained its cautious stance on tight monetary policy by keeping the policy rate unchanged at 46% at its Monetary Policy Committee meeting on 19 June.

Under these macroeconomic conditions, we continued to provide uninterrupted support to the real sector in the first half of 2025 as part of our mission to contribute to our country's sustainable growth targets. We have grown our financial assets thanks to our strong capital structure, high liquidity, and effective risk management policies. As a bank striving to carry all its values into the future, we have succeeded in providing our customers with continuous and reliable services within the framework of interest-free finance principles. We continued to invest in cloud technologies, artificial intelligence-based applications, and our digital banking infrastructure in order to utilize the latest technologies and maximize their efficiency. In the coming period, we will continue to lead the growth of the participatory finance ecosystem while maintaining our sustainable profitability, and we will continue to support the real economy with our innovative products and services.

We will continue to add value to our country with our technological strength and expert team. Thanks to our innovative solutions in digital channels and our customer-focused approach, we will further strengthen our leading position in the sector, we will also support projects with high environmental impact through our green financing and sustainable investment products. I would like to thank our valued colleagues whose dedicated efforts have contributed to our success, and our esteemed partners who have always provided their support.

Regards,

Ufuk UYAN

General Manager

Kuveyt Türk Katılım Bankası

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

As of 30 June 2025, unconsolidated financial statements asset size is TL 1 trillion 048 billion, amount of the utilization of funds is TL 546 billion and funds collected amount is TL 688 billion 138 million. Due to the effect of the first six months of 2025 'profit of TL 18 billion 917 million thousand, the ratio of shareholder equity increased 18.34% by reaching TL 97 billion 312 million. As of 30 June 2025, unconsolidated capital adequacy ratio has been realized as 22.10%.

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

**1.6 Announcement Regarding Important Developments within 3 Months**

The bank issued sukuk with a nominal value of TL 50 million and a cost of 43.40% through KT Kira Sertifikaları Varlık Kiralama A.Ş.

**1.7 Assessment of the Expectations Related to the Subsequent Interim Period**

In the second quarter of 2025, with the current tight monetary policy and macroprudential measures continuing to slow domestic demand, annual consumer inflation fell to 35.05% in June, and the Central Bank of the Republic of Türkiye kept its policy rate steady at 46%, while this outlook increases the likelihood of a "cautious easing" in the coming months, it also shows that the priority remains on achieving the disinflation target. Credit card limits, installment restrictions, and selective reserve requirements continue to slow domestic demand, while regulatory intensity in the banking sector is expected to continue for the rest of the year. In the coming period, regulatory intensity alongside continued fiscal discipline, uncertainties regarding wage regulations and exchange rate fluctuations, monetary-fiscal policy coordination, and prudent balance sheet management by banks will be decisive factors in maintaining financial stability.