

**KUVEYT TRK KATILIM BANKASI A..
CONSOLIDATED FINANCIAL STATEMENTS AND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 30 JUNE 2025**

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

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

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

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

Introduction

We have reviewed the accompanying consolidated statement of financial position of Kuveyt Türk Katılım Bankası A.Ş. (“the Bank”) and its consolidated subsidiaries (collectively referred to as “the Group”) at 30 June 2025 and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders’ equity, consolidated 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 consolidated interim financial information in accordance with “the Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial Reporting Regulations” including the regulation on “The Procedures and Principles Regarding Banks’ Accounting Practices and Maintaining Documents” published in the Official Gazette dated 1 November 2006 with No. 26333, and other regulations on accounting records of banks published by the Banking Regulation and Supervision Board and circulars and pronouncements published by the BRSA and Turkish Accounting Standard 34 “Interim Financial Reporting” principles for the matters not legislated by the aforementioned regulations. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Independent Auditing Standard on Review Engagements (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 consolidated interim financial information does not present fairly, in all material respects, the financial position of Kuveyt Türk Katılım Bankası A.Ş. as at 30 June 2025, and of the results of their operations and their cash flows for the six-month period then ended in accordance with the BRSA Accounting and Financial Reporting Regulations.

Report on Other Legal and Regulatory Requirements

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information provided in the Management's interim report included in section eight of the accompanying consolidated financial statements, is not presented fairly, in all material respects, and is not consistent with the reviewed consolidated interim financial statements and the explanatory notes.

Additional paragraph for English translation:

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

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

Sunay Anıktar
Partner

İstanbul, 13 August 2025

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**THE CONSOLIDATED FINANCIAL REPORT OF KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
FOR THE SIX-MONTH PERIOD THEN ENDED 30 JUNE 2025**

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

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

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

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

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

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

Hamad Abdulmohsen AL-MARZOUQ
Chairman of the Board of Directors

Shadi Ahmed Yacoub ZAHRAN
Chairman of the Audit
Committee

Nadir ALPASLAN
Member of the Audit Committee

Ufuk UYAN
General Manager

Ahmet KARACA
Chief Financial Officer

Mehmed Tahir KAPLAN
Budget and Reporting Group
Manager

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

Name-Surname/Position : Samet ÖZCAN / Subsidiary Consolidation Manager

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KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

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

SECTION ONE
GENERAL INFORMATION

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

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

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

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

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

Name	Title	Date of Assignment	Date of Audit Committee Assignments	Audit Committee End Date	Educational Degree	Ownership Percentage
Hamad A H D MARZOUQ	Head of the BOD	25/06/2014			Master	-
Shadi Ahmed YACOUB 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			PhD	0.007%
Nurettin KOLAÇ	Assistant General Manager, Legal and Risk Follow Up	20/04/2010			Bachelor	-
Aslan DEMİR	Assistant General Manager, Treasury and International Banking	08/10/2012			Bachelor	0.006%
Mehmet ORAL	Assistant General Manager, Retail Banking	01/10/2012			Bachelor	0.005%
Abdurrahman DELİPOYRAZ	Assistant General Manager, SME Banking	09/01/2015			Bachelor	0.005%
Hüseyin Cevdet YILMAZ	Head of the Risk, Control and Compliance Group	16/12/2003			Bachelor	0.001%
Dr. Okan ACAR	Assistant General Manager, Digital Banking and Payment Systems	01/01/2025			PhD	-
Bahattin AKCA	Head of the Inspection Board	01/08/2007			Bachelor	0.001%
Semih SEL	Assistant General Manager, Human Resources and Strategy	01/01/2025			Bachelor	0.001%

Chairman and members of the Board of Directors, members of auditing committee, general manager and assistant general managers own 0.11% of the Parent Bank's share capital (31 December 2024 - 0.11%).

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

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

4. Information on qualified shareholders

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	-
Total	6,584,067	82.30%	6,584,067	-

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

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

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

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

As of 30 June 2025, the Group is operating through 456 domestic branches (31 December 2024 – 453) with 7,414 employees (31 December 2024 – 7,122). Summary of some of the Parent Bank's operations described in the Articles of Association are as follows;

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

The Parent Bank's activities are not limited to the list above. If another transaction is decided to be beneficial to the Parent Bank, the transaction must be recommended by the Board of Directors, approved by the General Assembly, and authorized by relevant legal authorities after whom it also needs to be approved by the Ministry of Trade since it constitutes an amendment of the Article of Association. Decisions that have been approved through all these channels will be included to the Article of Association. Disclosures on the differences between the Communiqué on the Preparation of Consolidated Financial Statements of Banks and the consolidation transactions made in accordance with the Turkish Accounting Standards and the entities subject to full or proportionate consolidation, deducted from equity or not included in these three methods: According to the Communiqué on the Preparation of the Consolidated Financial Statements of Banks, only While financial partnerships are included in the scope of consolidation, all financial and non-financial partnerships should be included in the scope of consolidation in accordance with Turkish Accounting Standards and Turkish Financial Reporting Standards.

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

None.

SECTION TWO
THE CONSOLIDATED FINANCIAL STATEMENTS

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEET AS OF 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		
	ASSETS	Notes	TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (Net)		148,572,936	292,113,602	440,686,538	128,395,216	239,151,497	367,546,713
1.1.	Cash and Cash Equivalents		78,783,032	238,152,818	316,935,850	79,201,599	194,060,570	273,262,169
1.1.1.	Cash and Balances with Central Bank	(5.1.1.)	56,990,371	193,799,024	250,789,395	59,543,446	167,156,918	226,700,364
1.1.2.	Banks	(5.1.3.)	18,617,211	44,356,822	62,974,033	12,418,838	26,907,745	39,326,583
1.1.3.	Money Markets Placements		3,176,677	-	3,176,677	7,241,952	-	7,241,952
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		13,825,668	14,086,002	27,911,670	7,661,871	17,265,515	24,927,386
1.2.1.	Government Debt Securities		1,591,735	6,219,994	7,811,729	775,372	11,956,887	12,732,259
1.2.2.	Equity Instruments		1,235,612	28,131	1,263,743	1,301,568	18,828	1,320,396
1.2.3.	Other Financial Assets		10,998,321	7,837,877	18,836,198	5,584,931	5,289,800	10,874,731
1.3.	Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.4.)	55,640,170	38,268,811	93,908,981	40,632,058	27,027,260	67,659,318
1.3.1.	Government Debt Securities		51,612,841	36,846,558	88,459,399	40,455,600	25,552,171	66,007,771
1.3.2.	Equity Instruments		143,194	484,879	628,073	138,727	382,853	521,580
1.3.3.	Other Financial Assets		3,884,135	937,374	4,821,509	37,731	1,092,236	1,129,967
1.4.	Derivative Financial Assets		324,066	1,605,971	1,930,037	899,688	798,152	1,697,840
1.4.1.	Derivative Financial Assets at Fair Value Through Profit or Loss	(5.1.2.)	324,066	1,605,971	1,930,037	899,688	798,152	1,697,840
1.4.2.	Derivative Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.11.)	-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED WITH AMORTISED COSTS (Net)	(5.1.5.)	316,812,811	312,314,645	629,127,456	264,666,995	238,755,801	503,422,796
2.1.	Loans		277,090,186	234,218,161	511,308,347	227,283,754	180,153,271	407,437,025
2.2.	Leasing Receivables	(5.1.10.)	16,736,991	49,298,329	66,035,320	15,662,731	34,843,891	50,506,622
2.3.	Financial Assets Measured at Amortized Cost	(5.1.6.)	32,983,303	32,448,498	65,431,801	30,961,072	27,653,350	58,614,422
2.3.1.	Government Debt Securities		32,983,303	30,158,387	63,141,690	30,961,072	26,632,039	57,593,111
2.3.2.	Other Financial Assets		-	2,290,111	2,290,111	-	1,021,311	1,021,311
2.4.	Expected Credit Loss (-)		9,997,669	3,650,343	13,648,012	9,240,562	3,894,711	13,135,273
III.	PROPERTY AND EQUIPMENT HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS(NET)	(5.1.16.)	576,338	-	576,338	522,743	-	522,743
3.1.	Held for Sale		576,338	-	576,338	522,743	-	522,743
3.2.	Related to Discontinued Operations		-	-	-	-	-	-
IV.	INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		8,917,234	-	8,917,234	779,060	-	779,060
4.1.	Investments in Associates (Net)	(5.1.7.)	-	-	-	-	-	-
4.1.1.	Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2.	Unconsolidated Associates		-	-	-	-	-	-
4.2.	Investment in Subsidiaries (Net)	(5.1.8.)	8,123,680	-	8,123,680	123,680	-	123,680
4.2.1.	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2.	Unconsolidated Non-Financial Subsidiaries		8,123,680	-	8,123,680	123,680	-	123,680
4.3.	Investment in Joint Ventures (Net)	(5.1.9.)	793,554	-	793,554	655,380	-	655,380
4.3.1.	Joint Ventures Valued Based on Equity Method		793,554	-	793,554	655,380	-	655,380
4.3.2.	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	TANGIBLE ASSETS (Net)	(5.1.12.)	6,790,386	422,702	7,213,088	5,478,616	125,113	5,603,729
VI.	INTANGIBLE ASSETS (Net)	(5.1.13.)	3,711,730	304,723	4,016,453	2,621,855	235,463	2,857,318
6.1.	Goodwill		-	-	-	-	-	-
6.2.	Other		3,711,730	304,723	4,016,453	2,621,855	235,463	2,857,318
VII.	INVESTMENT PROPERTIES (Net)	(5.1.14.)	225,235	-	225,235	317,050	-	317,050
VIII.	CURRENT TAX ASSETS		-	-	-	-	-	-
IX.	DEFERRED TAX ASSETS	(5.1.15.)	9,248,997	345,169	9,594,166	8,169,608	286,970	8,456,578
X.	OTHER ASSETS	(5.1.17.)	26,774,566	1,211,713	27,986,279	12,386,654	956,280	13,342,934
	TOTAL ASSETS		521,630,233	606,712,554	1,128,342,787	423,337,797	479,511,124	902,848,921

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ
CONSOLIDATED 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		
			TL	FC	Total	TL	FC	Total
	LIABILITIES	Notes						
I.	FUNDS COLLECTED	(5.2.1.)	291,417,442	427,004,595	718,422,037	281,068,615	323,332,072	604,400,687
II.	FUNDS BORROWED	(5.2.3.)	404,686	152,963,319	153,368,005	3,549,663	118,992,632	122,542,295
III.	MONEY MARKETS		44,137,481	-	44,137,481	17,856,858	-	17,856,858
IV.	SECURITIES ISSUED (Net)	(5.2.4.)	16,621,303	-	16,621,303	1,000,923	-	1,000,923
V.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VI.	DERIVATIVE FINANCIAL LIABILITIES		619,530	2,332,035	2,951,565	1,319,486	1,453,023	2,772,509
6.1.	Derivative Financial Liabilities at Fair Value Through Profit or Loss	(5.2.2.)	619,530	2,332,035	2,951,565	1,319,486	1,453,023	2,772,509
6.2.	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	(5.2.7.)	-	-	-	-	-	-
VII.	LEASE LIABILITIES (Net)	(5.2.6.)	2,084,385	382,806	2,467,191	1,483,109	98,706	1,581,815
VIII.	PROVISIONS	(5.2.8.)	31,923,820	1,687,070	33,610,890	24,810,535	2,230,905	27,041,440
8.1.	Restructuring Provision		-	-	-	-	-	-
8.2.	Reserves for Employee Benefits		4,146,047	341,729	4,487,776	3,934,704	348,830	4,283,534
8.3.	Insurance for Technical Provision (Net)		25,666,044	86,905	25,752,949	18,891,907	51,011	18,942,918
8.4.	Other Provisions		2,111,729	1,258,436	3,370,165	1,983,924	1,831,064	3,814,988
IX.	CURRENT TAX LIABILITIES	(5.2.9.1.)	5,403,986	-	5,403,986	6,051,257	-	6,051,257
X.	DEFERRED TAX LIABILITIES		-	-	-	-	-	-
XI.	LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(5.2.10.)	-	-	-	-	-	-
11.1.	Held for Sale		-	-	-	-	-	-
11.2.	Related to Discontinued Operations		-	-	-	-	-	-
XII.	SUBORDINATED DEBT INSTRUMENTS	(5.2.11.)	-	15,988,438	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	(5.2.5.)	21,951,241	4,579,600	26,530,841	12,930,852	2,625,176	15,556,028
XIV.	SHAREHOLDERS' EQUITY	(5.2.12.)	108,569,342	271,708	108,841,050	89,697,887	160,937	89,858,824
14.1.	Paid-in Capital		7,995,131	-	7,995,131	4,947,336	-	4,947,336
14.2.	Capital Reserves		6,374,781	-	6,374,781	6,376,655	-	6,376,655
14.2.1.	Share Premiums		6,374,781	-	6,374,781	6,374,781	-	6,374,781
14.2.2.	Share Cancellation Profits		-	-	-	1,874	-	1,874
14.2.3.	Other Capital Reserves		-	-	-	-	-	-
14.3.	Other Accumulated Comprehensive Income or Loss That Will Not Be Reclassified Through Profit or Loss		(554,949)	-	(554,949)	(543,859)	-	(543,859)
14.4.	Other Accumulated Comprehensive Income or Loss That Will Be Reclassified Through Profit or Loss		(4,469,441)	361,839	(4,107,602)	(4,537,749)	273,187	(4,264,562)
14.5.	Profit Reserves		72,784,904	-	72,784,904	42,916,867	-	42,916,867
14.5.1.	Legal Reserves		5,249,341	-	5,249,341	3,029,102	-	3,029,102
14.5.2.	Statutory Reserves		-	-	-	-	-	-
14.5.3.	Extraordinary Reserves		67,212,486	-	67,212,486	39,604,749	-	39,604,749
14.5.4.	Other Profit Reserves		323,077	-	323,077	283,016	-	283,016
14.6.	Profit or Loss		26,328,712	(90,131)	26,238,581	40,453,683	(112,250)	40,341,433
14.6.1.	Prior Years' Profit or Loss		4,148,673	(112,250)	4,036,423	3,265,944	10,930	3,276,874
14.6.2.	Net Profit or Loss for the Period		22,180,039	22,119	22,202,158	37,187,739	(123,180)	37,064,559
14.7.	Minority Shares	(5.2.13.)	110,204	-	110,204	84,954	-	84,954
	TOTAL LIABILITIES		523,133,216	605,209,571	1,128,342,787	439,769,185	463,079,736	902,848,921

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

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

2. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS

			Reviewed Current Period 30.06.2025			Audited Prior Period 31.12.2024		
			TL	FC	Total	TL	FC	Total
A.	COMMITMENTS AND CONTINGENCIES (I+II+III)		278,494,056	418,031,924	696,525,980	258,748,910	305,816,835	564,565,745
I.	GUARANTEES AND WARRANTIES	(5.3.1.)	86,684,603	48,458,621	135,143,224	69,399,512	35,661,870	105,061,382
1.1.	Letters of Guarantee		80,433,948	26,441,553	106,875,501	64,449,367	21,091,600	85,540,967
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		76,218,698	26,079,827	102,298,525	60,511,072	20,896,622	81,407,694
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		-	-	-	-	-	-
II.	COMMITMENTS	(5.3.1.)	135,471,870	48,536,232	184,008,102	96,030,796	13,700,170	109,730,966
2.1.	Irrevocable Commitments		135,471,870	48,536,232	184,008,102	96,030,796	13,700,170	109,730,966
2.1.1.	Forward Asset Purchase and Sales Commitments		5,421,532	35,228,329	40,649,861	7,573,069	13,614,732	21,187,801
2.1.2.	Share Capital Commitment to Associates and Subsidiaries		-	-	-	22,500	-	22,500
2.1.3.	Loan Granting Commitments		6,911,091	-	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	186,289	114,753,429	76,389,710	85,438	76,475,148
2.1.9.	Commitments For Credit Cards and Banking Services Promotions		-	-	-	-	-	-
2.1.10.	Receivables From Short Sale Commitments		-	-	-	-	-	-
2.1.11.	Payables For Short Sale Commitments		-	-	-	-	-	-
2.1.12.	Other Irrevocable Commitments		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		-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	(5.3.2.)	56,337,583	321,037,071	377,374,654	93,318,602	256,454,795	349,773,397
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		56,337,583	321,037,071	377,374,654	93,318,602	256,454,795	349,773,397
3.2.1	Forward Foreign Currency Buy/Sell Transactions		17,090,630	18,628,980	35,719,610	18,287,200	20,458,168	38,745,368
3.2.1.1	Forward Foreign Currency Buy Transactions		11,517,921	6,805,036	18,322,957	12,970,429	7,075,606	20,046,035
3.2.1.2	Forward Foreign Currency Sell Transactions		5,572,709	11,823,944	17,396,653	5,316,771	13,382,562	18,699,333
3.2.2	Other Forward Buy/Sell Transactions		39,246,953	302,408,091	341,655,044	75,031,402	235,996,627	311,028,029
3.3	Other		-	-	-	-	-	-
B.	CUSTODY AND PLEDGES SECURITIES (IV+V+VI)		5,244,686,071	8,273,388,014	13,518,074,085	4,152,268,333	5,573,608,289	9,725,876,622
IV.	ITEMS HELD IN CUSTODY		275,327,835	7,290,664,033	7,565,991,868	203,063,073	4,699,808,964	4,902,872,037
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
V.	PLEDGED ITEMS		4,967,948,243	982,118,726	5,950,066,969	3,947,957,092	873,242,903	4,821,199,995
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		-	-	-	-	-	-
VI.	ACCEPTED GUARANTEES AND WARRANTIES		1,409,993	605,255	2,015,248	1,248,168	556,422	1,804,590
	TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		5,523,180,127	8,691,419,938	14,214,600,065	4,411,017,243	5,879,425,124	10,290,442,367

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

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

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

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

			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				
I.	PROFIT SHARE INCOME	(5.4.1.)	83,355,549	44,361,100	64,600,696	35,474,804
1.1.	Profit Share on Loans		49,698,053	26,185,459	40,458,878	21,502,714
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		3,042,006	1,502,577	2,928,991	1,341,296
1.4.	Profit Share on Money Market Placements		1,034,868	476,086	-	-
1.5.	Profit Share on Marketable Securities Portfolio		16,162,331	9,254,979	13,150,874	6,790,199
1.5.1.	Fair Value Through Profit or Loss		3,136,284	2,331,483	1,399,675	725,082
1.5.2.	Fair Value Through Other Comprehensive Income		7,329,627	3,977,709	5,880,442	3,116,464
1.5.3.	Measured at Amortized Cost		5,696,420	2,945,787	5,870,757	2,948,653
1.6.	Finance Lease Income		5,244,922	2,783,529	4,560,028	2,427,406
1.7.	Other Profit Share Income		540,280	221,088	216,414	127,678
II.	PROFIT SHARE EXPENSE (-)		47,791,798	24,187,689	37,827,879	20,520,227
2.1.	Expense on Profit Sharing Accounts	(5.4.4.)	33,907,542	16,917,781	28,321,428	14,504,373
2.2.	Profit Share Expense on Funds Borrowed	(5.4.2.)	4,032,389	2,074,695	3,409,878	1,665,889
2.3.	Profit Share Expense on Money Market Borrowings		7,869,474	3,958,522	3,402,084	2,642,983
2.4.	Expense on Securities Issued	(5.4.2.)	1,774,616	1,121,031	2,120,914	1,377,514
2.5.	Profit Share Expense on Lease		207,777	115,660	573,575	329,468
2.6.	Other Profit Share Expense		-	-	-	-
III.	NET PROFIT SHARE INCOME/EXPENSE (I - II)		35,563,751	20,173,411	26,772,817	14,954,577
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		5,983,059	3,267,266	3,345,360	1,563,024
4.1.	Fees and Commissions Received		15,793,387	8,651,634	8,273,148	4,286,843
4.1.1.	Non-Cash Loans		546,118	289,922	333,363	176,504
4.1.2.	Other	(5.4.13.)	15,247,269	8,361,712	7,939,785	4,110,339
4.2.	Fees and Commissions Paid (-)		9,810,328	5,384,368	4,927,788	2,723,819
4.2.1.	Non-Cash Loans		12,354	7,604	2,326	1,394
4.2.2.	Other	(5.4.13.)	9,797,974	5,376,764	4,925,462	2,722,425
V.	DIVIDEND INCOME	(5.4.3.)	5,297	4,295	3,763	3,332
VI.	NET TRADING INCOME / LOSS	(5.4.5.)	8,644,137	2,063,383	943,273	(619,761)
6.1.	Capital Market Transaction Gains/Losses		(118,459)	(366,561)	803,690	479,454
6.2.	Gains/Losses from Derivative Financial Instruments		(1,335,585)	(5,979,730)	(52,265)	(2,856,658)
6.3.	Foreign Exchange Gains/Losses		10,098,181	8,409,674	191,848	1,757,443
VII.	OTHER OPERATING INCOME	(5.4.6.)	11,700,083	4,935,198	10,373,896	4,628,212
VIII.	GROSS OPERATING PROFIT (III+IV+V+VI+VII)		61,896,327	30,443,553	41,439,109	20,529,384
IX.	EXPECTED LOSS PROVISIONS (-)	(5.4.7.)	6,017,071	3,393,080	3,007,549	1,090,928
X.	OTHER PROVISION EXPENSES (-)	(5.4.7.)	622,773	210,021	466,969	102,907
XI.	PERSONNEL EXPENSES (-)		9,963,706	4,852,045	5,850,370	2,806,414
XII.	OTHER OPERATING EXPENSES (-)	(5.4.8.)	16,116,666	8,401,764	10,332,790	5,337,069
XIII.	NET OPERATING PROFIT/LOSS (IX-X-XI-XII)		29,176,111	13,586,643	21,781,431	11,192,066
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-	-	-
XV.	PROFIT / LOSS FROM INVESTMENTS IN SUBSIDIARIES		138,174	73,720	148,040	84,146
XVI.	CONSOLIDATED BASED ON EQUITY METHOD		-	-	-	-
XVII.	PROFIT / LOSS ON NET MONETARY POSITION		-	-	-	-
XVIII.	PROFIT/LOSS FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	(5.4.9.)	29,314,285	13,660,363	21,929,471	11,276,212
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(5.4.10)	(7,086,655)	(3,249,296)	(5,074,009)	(2,538,130)
18.1.	Current Tax Provision		7,558,875	5,142,671	5,998,724	2,775,096
18.2.	Deferred Tax Expense Effect (+)		715,341	(857,473)	395,251	41,744
18.3.	Deferred Tax Income Effect (-)		1,187,561	1,035,902	1,319,966	278,710
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVIII±XVIII)	(5.4.11.)	22,227,630	10,411,067	16,855,462	8,738,082
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
20.1.	Income on Non-Current Assets Held for Sale		-	-	-	-
20.2.	Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-	-	-
20.3.	Income on Other Discontinued Operations		-	-	-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
21.1.	Expenses from Non-Current Assets Held for Sale		-	-	-	-
21.2.	Expenses from Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Vent.)		-	-	-	-
21.3.	Expenses From Other Discontinued Operations		-	-	-	-
XXII.	PROFIT / LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-	-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
23.1.	Current Tax Provision		-	-	-	-
23.2.	Deferred Tax Expense Effect (+)		-	-	-	-
23.3.	Deferred Tax Income Effect (-)		-	-	-	-
XXIV.	CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-	-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	(5.4.12.)	22,227,630	10,411,067	16,855,462	8,738,082
25.1.	Group's Profit / Loss		22,202,158	10,386,756	16,848,895	8,733,600
25.2.	Minority Interest Profit/Loss (-)		25,472	24,311	6,567	4,482
	Earnings Per Share Profit / Loss (Full TL)		3.6255	-	3.6642	-

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

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

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

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

		Reviewed Current Period 01.01.2025 - 30.06.2025	Reviewed Prior Period 01.01.2024 - 30.06.2024
I.	CURRENT PROFIT/LOSS	22,227,630	16,855,462
II.	OTHER COMPREHENSIVE INCOME	145,870	(3,538,346)
2.1	Other Comprehensive Income Not Reclassified Through Profit or Loss	(11,090)	-
2.1.1	Property and Equipment Revaluation Increase/Decrease	-	-
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Pension Plan Remeasurement Gain/Loss	(15,843)	-
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5	Taxes Related to Other Comprehensive Income Items Not Reclassified Through Profit or Loss	4,753	-
2.2	Other Comprehensive Income Reclassified Through Profit or Loss	156,960	(3,538,346)
2.2.1	Foreign Currency Translation Difference	1,572,115	430,481
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value Through Other Comprehensive Income	(440,003)	(5,260,161)
2.2.3	Cash Flow Hedge Income/Expenses	-	-
2.2.4	Foreign Net Investment Hedge Income/Loss	(1,581,648)	(404,860)
2.2.5	Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6	Taxes Related Other Comprehensive Income Items Reclassified Through Profit or Loss	606,496	1,696,194
III.	TOTAL COMPREHENSIVE INCOME (I+II)	22,373,500	13,317,116

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

KUVEYT TÜRK KATILIM BANKASI ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 JUNE 2025

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

5. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

							Accumulated Other Income or Loss That Will Not Be Reclassified to Profit or Loss			Accumulated Other Income or Loss That Will Be Reclassified to Profit or Loss								
		Notes	Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit / (Loss)	Net Profit/Loss for the Period	Total Shareholders' Equity Less Minority Shares	Minority Shares	Total Shareholders' Equity
	Prior Period (01/01/2024 – 30/06/2024)																	
I.	Prior Period Ending Balance		4,595,131	24,525	1,874	-	-	(513,980)	-	3,657,676	(1,044,709)	(2,688,530)	18,336,113	1,690,961	28,826,897	52,885,958	87,122	52,973,080
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)		4,595,131	24,525	1,874	-	-	(513,980)	-	3,657,676	(1,044,709)	(2,688,530)	18,336,113	1,690,961	28,826,897	52,885,958	87,122	52,973,080
IV.	Total Comprehensive Income		-	-	-	-	-	-	-	430,481	(3,685,425)	(283,402)	-	-	16,848,895	13,310,549	6,567	13,317,116
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		-	-	-	-	-	-	-	-	-	-	(16,976)	40,432	-	23,456	(31,058)	(7,602)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	24,594,580	1,571,380	(28,826,897)	(2,660,937)	-	(2,660,937)
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	(2,660,937)	-	(2,660,937)	-	(2,660,937)
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	24,594,580	(24,594,580)	-	-	-	-
	Other		-	-	-	-	-	-	-	-	-	-	-	28,826,897	(28,826,897)	-	-	-
	Balances at end of the period (III+IV+.....+X+XI)	(5.2.12.)	4,595,131	24,525	1,874	-	-	(513,980)	-	4,088,157	(4,730,134)	(2,971,932)	42,913,717	3,302,773	16,848,895	63,559,026	62,631	63,621,657
	Current Period (01/01/2025 – 30/06/2025)																	
I.	Prior Period Ending Balance		4,947,336	6,374,781	1,874	-	-	(543,859)	-	4,352,941	(5,469,698)	(3,147,805)	42,916,867	3,276,874	37,064,559	89,773,870	84,954	89,858,824
II.	Corrections and Accounting Policy Changes Made According to TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)		4,947,336	6,374,781	1,874	-	-	(543,859)	-	4,352,941	(5,469,698)	(3,147,805)	42,916,867	3,276,874	37,064,559	89,773,870	84,954	89,858,824
IV.	Total Comprehensive Income		-	-	-	-	-	(11,090)	-	1,572,115	(308,001)	(1,107,154)	-	-	22,202,158	22,348,028	25,472	22,373,500
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)	-	-	-	-	-	-	-	4,563	71,605	-	74,294	(222)	74,072
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	32,911,269	687,944	(37,064,559)	(3,465,346)	-	(3,465,346)
11.1	Dividends Paid		-	-	-	-	-	-	-	-	-	-	-	(3,465,346)	-	(3,465,346)	-	(3,465,346)
11.2	Transfers to Legal Reserves		-	-	-	-	-	-	-	-	-	-	32,911,269	(32,832,755)	(78,514)	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	36,986,045	(36,986,045)	-	-	-
	Balances at End of the Period (III+IV+.....+X+XI)	(5.2.12.)	7,995,131	6,374,781	-	-	-	(554,949)	-	5,925,056	(5,777,699)	(4,254,959)	72,784,904	4,036,423	22,202,158	108,730,846	110,204	108,841,050

1. Accumulated revaluation increase / decrease of fixed assets,
2. Accumulated remeasurement gain / loss of defined benefit pension plan,
3. Other (shares of investments valued by equity method in other comprehensive income not classified through profit or loss and other accumulated amounts of other comprehensive income items not reclassified through other profit or loss)
4. Foreign currency translation differences
5. Accumulated revaluation and/or reclassification gains/losses of financial assets at fair value through other comprehensive income,
6. Other (cash flow hedge gains/losses, shares of other comprehensive income of investments accounted through equity method that will be reclassified to profit or loss and accumulated amounts of other comprehensive income items that will be reclassified to other profit or loss.)

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

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

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

6. CONSOLIDATED STATEMENT OF CASH FLOWS

			Reviewed Current Period	Reviewed Prior Period
		Notes	01.01.2025- 30.06.2025	01.01.2024- 30.06.2024
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit Before Changes in Assets and Liabilities from Banking Operations		37,443,900	18,486,978
1.1.1	Profit Share Income Received		83,476,280	58,214,344
1.1.2	Profit Share Expense Paid		(50,408,224)	(29,905,993)
1.1.3	Dividends Received		5,297	3,763
1.1.4	Fees and Commissions Received		15,793,387	8,273,148
1.1.5	Other Income		11,838,257	4,584,708
1.1.6	Collections from Previously Written Off Loans		5,384,662	463,112
1.1.7	Payments to Personnel and Service Suppliers		(9,759,461)	(5,915,451)
1.1.8	Taxes Paid		(3,888,105)	(4,276,205)
1.1.9	Others		(14,998,193)	(12,954,448)
1.2	Changes in Assets and Liabilities from Banking Operations		(48,770,770)	(18,201,222)
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss		(68,600)	21,427,226
1.2.2	Net (Increase) Decrease in Due from Banks and Other Financial Institutions		(41,452,659)	(30,798,041)
1.2.3	Net (Increase) Decrease in Loans		(81,296,404)	(63,759,583)
1.2.4	Net (Increase) Decrease in Other Assets		(16,475,399)	(16,675,260)
1.2.5	Net Increase (Decrease) in Bank Deposits		3,070,732	820,105
1.2.6	Net Increase (Decrease) in Other Deposits		37,333,686	862,643
	Net Increase (Decrease) in Financial Liabilities Measured at Financial Assets at Fair Value		-	-
1.2.7	Through Profit or Loss		-	-
1.2.8	Net Increase (Decrease) in Funds Borrowed		(105,783)	44,634,565
1.2.9	Net Increase (Decrease) in Due Payables		-	-
1.2.10	Net Increase (Decrease) in Other Liabilities		50,223,657	25,287,123
I.	Net Cash Provided from Banking Operations		(11,326,870)	285,756
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net Cash Provided from Investing Activities		(24,947,838)	5,644,058
2.1	Cash Paid for Purchase Jointly Controlled Operations, Associates and Subsidiaries		(22,500)	(22,500)
2.2	Cash Obtained from Sale of Jointly Controlled Operations, Associates and Subsidiaries		-	-
2.3	Fixed Assets Purchases		(2,451,642)	(1,341,240)
2.4	Fixed Assets Sales		481,371	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	18,692,636
2.7	Financial Assets Measured at Amortized Cost Purchased		(1,086,487)	(2,027,583)
2.8	Financial Assets Measured at Amortized Cost Sold		-	2,674,414
2.9	Other		(1,384,451)	(1,189,860)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net Cash Provided from Financing Activities		3,462,114	695,519
3.1	Cash Obtained from Funds Borrowed and Securities Issued		14,500,000	14,560,000
3.2	Cash Used for Repayments of Funds Borrowed and Securities Issued		(7,350,265)	(11,302,568)
3.3	Equity Instruments Issued		-	-
3.4	Dividends Paid		(3,465,346)	(2,421,453)
3.5	Payments for Finance Leases		(222,275)	(140,460)
3.6	Other		-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		31,423,459	11,417,387
V.	Net Increase in Cash and Cash Equivalents		(1,389,135)	18,042,720
VI.	Cash and Cash Equivalents at the Beginning of the Period		148,500,260	81,563,193
VII.	Cash and Cash Equivalents at the End of the Period		147,111,125	99,605,913

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

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EXPLANATIONS AND NOTES TO THE CONSOLIDATED FINANCIAL
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SECTION THREE
EXPLANATIONS ON ACCOUNTING POLICIES

1. Explanations on basis of presentation

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

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

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

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

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

POA, on 23 November 2023, published an announcement regarding that companies that apply Turkish Financial Reporting Standards should present their financial statements for the annual reporting period ending on or after 31 December 2023 in accordance with the relevant accounting principles in “Turkish Accounting Standard 29 Financial Reporting in Economies with High Inflation”, adjusted for the effect of inflation. However, institutions or organizations authorized to regulate and supervise their own fields may determine transition dates different from those foreseen above for the implementation of the provisions in TAS 29. Based on this announcement, BRSA, in accordance with its decision dated 12 December 2023 and numbered 10744, has decided that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated 31 December 2023 will not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA's decision dated 11 January 2024 and numbered 10825, it was decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will apply inflation accounting as of 1 January 2025; however, it was announced that it was decided not to apply inflation accounting in 2025 in accordance with the BRSA's decision dated 5 December 2024 and numbered 11021. Therefore, no inflation adjustment has been made in accordance with TAS 29 in the preparation of the financial statements as of 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 Group in the current year.

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

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

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

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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.

1.5 TFRS 3 explanations on business combinations standard

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

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

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

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

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

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

1.6 Disclosures regarding TFRS 9 financial instruments

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

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

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.

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In addition, under TFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment in other comprehensive income, with only dividend income generally recognized in profit or loss.

Dividends obtained from such investments are accounted in the financial statements as profit or loss unless they are evidently a part of the recoverable cost of investment. As a result of the combination of contractual cash flow characteristics and business models, the differences in the classification of financial assets are reflected in the financial statements compared to the current classification in TAS 39. During the first recognition of a financial asset into the financial statements, business model determined by the Parent Bank management and the nature of contractual cash flows of the financial asset are taken into consideration.

Classification and measurement of financial instruments

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

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

Explanations on expected credit loss

As of 1 January 2018, the Parent Bank will recognize provisions for impairment in accordance with the TFRS 9 requirements according to the “Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside” published in the Official Gazette dated 22 June 2016 numbered 29750. The expected credit loss estimates are required to be unbiased, probability-weighted and should include supportable information about past events, current conditions, and forecasts of future economic conditions.

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

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

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

The Parent Bank maintains this approach as of 30 June 2025. When necessary, the future will review these assumptions according to the course of economic and geopolitical risks.

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

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

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

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

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

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

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

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

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

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

1.8 Explanations on TFRS 16 leases standard

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

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

As of 30 June 2025, the right-of-use assets classified tangible assets gross amounting to TL 3,222,045 in the balance sheet of the Parent Bank and lease liabilities classified in the item of liabilities from lease transactions amounting to gross TL 3,738,554. In the six-month period that ended as of the same date, financial expenses amounting to TL 213,170 and depreciation expenses amounting to TL 351,078 were incurred.

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

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

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

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

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3. Investments in associates and subsidiaries

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

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

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

Title	Address (City/Country)	Main Operation	30.06.2025	31.12.2024	Consolidation method
KT Bank AG	Frankfurt/Germany	Banking	100.00%	100.00%	Full consolidation
Neova Katılım Sigorta A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
KT Kira Sertifikaları Varlık Kiralama A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
KT Sukuk Varlık Kiralama A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Yönetimi A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Körfez Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul/Türkiye	Financial Institution	74.00%	74.00%	Full consolidation
Katılım Emeklilik ve Hayat A.Ş.	İstanbul/Türkiye	Financial Institution	50.00%	50.00%	Accounted with equity pick-up
Kuveyt Türk Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Sağlam Ödeme ve Elektronik Para Hizmetleri A.Ş.	İstanbul/Türkiye	Financial Institution	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Kuveyt Türk Yabancı Katılım Serbest Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Birinci Katılım Serbest (TL) Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Birinci Katılım Serbest (Döviz-Avro) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Yönetimi A.Ş. Kobi Girişim Sermayesi Yatırım Fonu	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Lonca Girişim Sermayesi Yatırım Fonu	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Neova Katılım Serbest Özel (TL) Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Yönetimi A.Ş. Neova Katılım Sigorta Özel Girişim Sermayesi Yatırım Fonu	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy Birinci Katılım Serbest (Döviz-Abd Doları) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy NKS Katılım Serbest (TL) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation
Kuveyt Türk Portföy NKV Katılım Serbest (TL) Özel Fon	İstanbul/Türkiye	Investment Fund	100.00%	100.00%	Full consolidation

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

Consolidation basis of subsidiaries

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

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

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

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

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

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

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

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

As of 30 June 2025, the Group's has no cash flow hedging transaction.

Benchmark Rate Reform - Stage 2, which introduces amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16, effective from January 2021, was published in December 2020 and early application of the changes is permitted. With the amendments made, certain exceptions are provided in the basis used in determining the contractual cash flows and in the hedge accounting provisions. The changes came into effect from 1 January 2021. Loans given from items indexed to benchmark interest rates in the Parent Bank's financial statements and securities assets; Securities issued, derivative transactions and loans obtained through repo constitute liabilities. These changes do not have a significant impact on the Parent Bank's financial position or performance. As of 30 June 2025, the Group 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 Group amortizes the fees included in the account of the effective profit rate over the expected life of the financial instrument. If the financial asset is impaired and classified as a non-performing loan, profit accruals and discount calculations for these customers within the scope of TFRS 9 Financial Instruments Standard.

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

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6. Explanations on fees and commission income and expenses

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

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

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

7. Explanations on financial assets

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

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

7.1 Financial assets at fair value through profit or loss

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

7.2 Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition costs that reflect the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Profit share income calculated with effective profit share method regarding the financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. “Unrealized gains and losses,” which is the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income, are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, or the impairment of the asset. “Unrealized gains and losses” are accounted under the “Accumulated other comprehensive income or expense to be reclassified through profit or loss” under shareholders’ equity.

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

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

7.3 Financial assets measured at amortized cost

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

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

7.4 Derivative financial assets

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

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

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

7.5 Loans

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

8. Explanations on offsetting of financial assets and liabilities

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

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

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

As of 30 June 2025, the Group has repurchased agreement amounting to TL 44,137,481 (31 December 2024 – TL 17,856,858).

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

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

Assets that meet the criteria for classification as assets held for sale are measured at the lower of the carrying amount of assets and fair value less any costs to be incurred for disposal. Assets held for sale are not amortized and presented in the financial statements separately. In order to classify an asset as held for sale, the sale should be highly probable and the asset (or disposal group) should be available for immediate sale in its present condition. Highly saleable condition requires a plan by the management regarding the sale of the asset (or the disposal group) together with an active program for the determination of buyers as well as for the completion of the plan. Also, the asset (or the disposal group) should be actively in the market at a price consistent with its fair value. In addition, the sale is expected to be recognized as a completed sale within one year after the classification date and the necessary transactions and procedures to complete the plan should demonstrate the fact that there is remote possibility of making any significant changes in the plan or cancellation of the plan. Various events and conditions may extend the completion period of the disposal over one year. If such delay arises from any events and conditions beyond the control of the entity and there is sufficient evidence that the entity has an ongoing disposal plan for these assets, such assets (or disposal group) can remain to be classified as assets (or disposal group) held for sale. Extension of the period necessary to complete the sale, does not avoid the classification of the related asset (or disposal group) to be classified as asset held for sale.

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

11. Explanations on goodwill and other intangible assets

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

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

There is no goodwill related to associates and subsidiaries.

12. Explanations on tangible assets

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

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

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

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

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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 Group assesses whether the contract has a lease qualification or include a lease transaction.

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

The Group has started implementing the TFRS 16 - Leases standard from 1 January 2019, the first date of the TFRS 16 standard. At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments are discounted by using the Parent Bank's alternative borrowing profit rate. The Parent Bank recognizes right-of-use assets equal to the lease liability, adjusted for any prepaid or accrued lease payments.

The right-of-use asset

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

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

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

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

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

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

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

Lease Obligation

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

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

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

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14. Explanations related to insurance technical provisions

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

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

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

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

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

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

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

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

15. Explanations related to insurance technical income and expenses

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

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

16. Explanations on provisions and contingent liabilities

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

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

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

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

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17. Explanations on liabilities relating to employee benefits

17.1 Defined benefit plans

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

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

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

17.2 Defined contribution plans

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

17.3 Short-term benefits to employees

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

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

18. Explanations on taxation

Current Tax

According to Article 21 of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, starting from the declarations to be submitted as of 1 October 2023, the corporate tax rate of 25% on the corporate earnings of banks, companies within the scope of Law No. 6361, electronic payment and money institutions, 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 annex to the Council of Ministers’ Decision regarding Article 94 of the Income Tax Law No. 193 and in the annexed 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

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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.

This Decision came into effect on 22 December 2024. In the application of withholding tax rates on profit distributions to limited taxpayer institutions and individuals, the provisions of the relevant double taxation treaties are also taken into consideration. The addition of profit to the capital is not considered a profit distribution and therefore is not subject to withholding tax.

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

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

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

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

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

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

Deferred Tax

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

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

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19. Explanations on additional disclosures on borrowings

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

The Group has not issued convertible bonds.

20. Explanations on share certificates issued

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

21. Explanations on acceptances and availed drafts

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

22. Explanations on government grants

There are no government grants received by the Group.

23. Explanations on segment reporting

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

Segment reporting is disclosed in Section Four, Note 14.

24. Explanations on other matters

The Group has no disclosures on other matters.

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SECTION FOUR

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

1. Explanations on Consolidated Equity Items

Shareholders' equity and capital adequacy ratio were calculated within the framework of “Regulation on Banks' Equity” and “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”. As of 30 June 2025, the Group's total shareholders' equity is calculated as TL 126,151,582 (31 December 2024: TL 104,292,753), and the capital adequacy ratio is 21.92% (31 December 2024: 24.81%).

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 Group'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 consolidated components of shareholder's equity

	Current Period Amount	Prior Period Amount
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	8,000,000	4,952,205
Share issue premiums	6,374,781	6,374,781
Reserves	72,784,904	42,916,867
Gains recognized in equity as per Turkish Accounting Standards (TAS)	2,133,003	1,542,767
Profit	26,238,581	40,341,433
Net Current Period Profit	22,202,158	37,064,559
Prior Periods' Profit	4,036,423	3,276,874
Minority Shares	110,204	84,954
Shares acquired free of charge from associates, subsidiaries and joint ventures and cannot be recognized within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	115,641,473	96,213,007
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the (i) clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	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	4,016,453	2,758,041
The remaining part of the deferred tax asset based on taxable income to be obtained in future periods, excluding the deferred tax assets based on temporary differences, after deducting with the related deferred tax liability	345,169	286,970
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	554,949	543,859
Direct and indirect investments of the Bank in its own Common Equity	4,869	4,869
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns more than 10% of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns more than 10% of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions from Common Equity Tier I Capital	9,463,962	9,784,051
Total Common Equity Tier I Capital	106,177,511	86,428,956

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ADDITIONAL TIER I CAPITAL		
Preferred stock not included in common equity Tier I Capital and the related share premiums	-	-
Debt instruments and premiums approved by BRSA	1,987,975	1,763,557
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	1,987,975	1,763,557
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank on its own Additional Tier I Capital (-)	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the Bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I Capital	-	-
The total of net long position of the direct or indirect investments in Additional Tier I Capital of unconsolidated banks and financial institutions where the Bank owns more than 10% of the issued share capital	-	-
Other Items to be defined by the BRSA	-	-
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions from Additional Tier I Capital	-	-
Total Additional Tier I Capital	1,987,975	1,763,557
Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)	108,165,486	88,192,513
TIER II CAPITAL		
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	3,945,256
Tier II Capital Before Deductions	18,265,990	16,290,152
Deductions from Tier II Capital		
Direct and indirect investments of the bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	18,265,990	16,290,152
Total Capital (The sum of Tier I Capital and Tier II Capital)	126,431,476	104,482,665

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Total Capital (The sum of Tier I Capital and Tier II Capital)		
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	37,167	180,626
Other items to be defined by the BRSA	242,727	9,286
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier1 capital for the purposes of the first and second sub-paragraph of the first paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	126,151,582	104,292,753
Total Risk Weighted Assets	575,492,283	420,359,547
CAPITAL ADEQUACY RATIOS		
CET 1 Capital Ratio (%)	18.45	20.56
Tier I Capital Ratio (%)	18.80	20.98
Capital Adequacy Ratio (%)	21.92	24.81
BUFFERS		
Total additional core capital requirement ratio	2.56	2.56
Capital conservation buffer requirement (%)	2.50	2.50
Bank specific countercyclical buffer requirement (%)	0.06	0.06
Additional CET 1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation	12.80	14.98
Amounts Lower than Excesses as per Deduction Rules		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	-	-
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	-	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	-	-
Limits for Provisions Used in Tier II Capital Calculation		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per the thousand	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	3,945,256
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
Debt Instruments Covered by Temporary Article 4 (effective between 1 January 2018-1 January 2022)		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

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Information on debt instruments to be included in equity calculation:		
Issuer	KT AT One Company Limited	KT21 T2 Company Limited
Instrument Code (CUSIP, ISIN vb.)	XS2227803819	XS2384355520
Legislation to which the Instrument is subject	BRSA regulation on Shareholders ' Equity	BRSA regulation on Shareholders ' Equity
Consideration In Equity Calculation		
Subject to consideration application reduced by 10% from 1/1/2015	Not Being Subject	Not Being Subject
Validity on a consolidated or unconsolidated basis or both consolidated and unconsolidated basis	Current on both consolidated and unconsolidated basis	Current on both consolidated and unconsolidated basis
Instruments Type	Subordinated Sukuk (Additional Tier I Capital)	Subordinated Sukuk (Tier II Capital)
Amount taken into account in equity calculation (as of last reporting date- TL million)	1,988	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)	5 Years and 3 Months (Due Date:16/12/2026)
Whether the issuer has the right to refund subject to BRSA approval	Yes	Yes
Date of repayment option, contingent repayment options and amount to be paid back	28/09/2025 - Complete	16/12/2026 - Complete
Subsequent repayment option dates	28/09/2025	16/12/2026
Dividend payments		
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
Ability to convert to stock		
Trigger events/events that would cause conversion if converted to stock	Cannot be converted into stock	Cannot be converted into stock
Fully or partially convert property if it can be converted to stock	Cannot be converted into stock	Cannot be converted into stock
If it can be converted to stock, the conversion rate	Cannot be converted into stock	Cannot be converted into stock
Forced or optional conversion property, if it can be converted to stock	Cannot be converted into stock	Cannot be converted into stock
Types of convertible Instruments if convertible to stock	Cannot be converted into stock	Cannot be converted into stock
Issuer of the debt instrument to be converted if it can be converted to stock	Cannot be converted into stock	Cannot be converted into stock
Value reduction feature		
Trigger events/events to cause reduction if value reduction is enabled	No Value Reduction	No Value Reduction
If it has a value reduction feature, it has a total or partial value reduction feature	No Value Reduction	No Value Reduction
If the value reduction property is continuous or transient	No Value Reduction	No Value Reduction
If the value can be temporarily reduced, the value increment mechanism	No Value Reduction	No Value Reduction
In the case of liquidation, which is in the order in respect of the right of receivables (the instrument which is located just above this instrument of borrowing))	Tier - 2	Senior Unsecured
Whether or not the provisions of Articles 7 and 8 of the regulation on the shareholders ' equity of the banks are not met	None	None
Which of the conditions contained in Articles 7 and 8 of the regulation on the shareholders ' equity of the banks are not met	None	None

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

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

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

2. Explanations and disclosures related to consolidated credit risk

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

3. Explanations on consolidated currency risk

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

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

As of 30 June 2025, the Group has a open position of TL 1,891,839 (31 December 2024 - TL 4,605,112 open) consisting of TL 3,069,149 balance sheet closed position (31 December 2024 - TL 18,183,343 closed) and TL 4,960,988 off-balance sheet open position (31 December 2024 - TL 22,788,455 open).

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

	23/06/2025	24/06/2025	25/06/2025	26/06/2025	27/06/2025	Balance sheet valuation rate
USD	39.68282	39.58713	39.67519	39.72817	39.74495	39.7595
EUR	45.5872	45.91721	46.03915	46.52564	46.56658	46.61871
GBP	53.24618	53.80501	54.00506	54.54733	54.59274	54.48467
CHF	48.53494	48.83595	49.20942	49.61062	49.74961	49.84723
JPY	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 Parent Bank for the thirty days preceding the balance sheet date are as follows (full TL)

	Monthly Average FC Purchase Rate
USD	39.37825
EUR	45.35832
GBP	53.39925
CHF	48.38344
JPY	0.27276

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Consolidated currency risk of the Group

Current Period	EUR	USD	Other FC	Total
Assets				
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye (****)	34,863,621	69,315,691	89,617,708	193,797,020
Banks (*****)	1,553,152	14,273,686	28,528,960	44,355,798
Financial assets at fair value through profit and loss	1,977,654	8,408,407	3,699,941	14,086,002
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	721,976	37,546,835	-	38,268,811
Loans and finance lease receivables (*)	137,727,597	142,841,874	49,518	280,618,989
Subsidiaries, associates and joint ventures	-	-	-	-
Financial assets at amortized cost	947,760	31,487,329	-	32,435,089
Derivative financial assets for hedging purposes	-	-	-	-
Tangible assets	418,267	4,435	-	422,702
Intangible assets	304,504	219	-	304,723
Other assets	537,306	998,938	10,871	1,547,115
Total Assets	179,051,837	304,877,414	121,906,998	605,836,249
Liabilities				
Current account and funds collected from Banks via participation accounts	4,330,077	761,112	1,485,564	6,576,753
Current and profit-sharing accounts FC (***)	84,241,357	137,273,104	198,913,381	420,427,842
Money market borrowings	-	-	-	-
Funds provided from other financial institutions	17,900,853	138,175,649	12,875,255	168,951,757
Marketable securities issued	-	-	-	-
Miscellaneous payables	981,268	1,473,458	18,100	2,472,826
Derivative financial liabilities for hedging purposes	-	-	-	-
Other liabilities (****)	2,037,684	2,053,102	247,136	4,337,922
Total Liabilities	109,491,239	279,736,425	213,539,436	602,767,100
Net balance sheet position	69,560,598	25,140,989	(91,632,438)	3,069,149
Net off-balance sheet position	(69,569,372)	(28,479,994)	93,088,378	(4,960,988)
Financial derivative assets	7,946,909	43,778,488	123,926,809	175,652,206
Financial derivative liabilities	77,516,281	72,258,482	30,838,431	180,613,194
Non-cash loans (**)	13,701,741	27,944,394	6,812,486	48,458,621
Prior Period				
Total assets	123,622,270	254,948,933	101,077,789	479,648,992
Total liabilities	81,959,109	230,034,776	149,471,764	461,465,649
Net balance sheet position	41,663,161	24,914,157	(48,393,975)	18,183,343
Net off-balance sheet position	(43,438,247)	(28,575,076)	49,224,868	(22,788,455)
Financial derivative assets	4,311,290	41,701,105	77,628,141	123,640,536
Financial derivative liabilities	47,749,537	70,276,181	28,403,273	146,428,991
Non-cash loans (**)	9,922,037	20,082,670	5,657,163	35,661,870

(*) Includes foreign currency indexed loans amounting to TL 739,433 (31 December 2024 - TL 939,403) and expected loss provisions amounting to TL 3,636,934.

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

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

(****) Provision for impairment of marketable securities at fair value through profit or loss amounting to TL 35,608 in other liabilities is not included in foreign currency risk. It also includes provision for foreign currency indexed loans amounting to TL 196,880.

(*****) In the balance sheet, expected loss provisions amounting to TL 3,028 have been deducted from the Cash and Cash equivalents and 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 16,149,692 (31 December 2024 – TL 6,970,583)
- Foreign exchange sales transactions with value date: TL 19,078,637 (31 December 2024 – TL 6,644,149)
- 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 Group is mainly exposed to foreign currency risk in EURO, USD and GOLD.

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

	% changes on foreign currency	Effects on Profit / Loss		Effects on equity	
		Current Period	Prior Period	Current Period	Prior Period
USD	10%	(333,901)	(366,092)	(532,121)	(552,671)
EURO	10%	(877)	(177,509)	282,475	14,817
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 Group's non-quoted securities are accounted for fair value. When the fair value cannot be reliably measured, the cost method is used.

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

Current Period		Comparison	
Equity Securities Investments	Carrying Value	Fair Value	Market Value
Securities at Fair Value Through Other Comprehensive Income	628,073	-	628,073
Quoted Securities	-	-	-
Investments in Associates	-	-	-
Quoted Securities	-	-	-
Investment in Subsidiaries	8,123,680	-	-
Quoted Securities	-	-	-
Other	793,554	-	-
Quoted Securities	-	-	-

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

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

None.

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5. Consolidated liquidity risk management and liquidity coverage ratio

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

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

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

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

The Parent Bank's liquidity risk ratios are well above legal limits. The Parent Bank keeps the liquidity buffer at high levels, taking into account the periods when liquidity risk may increase.

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

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

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

Indicators regarding the liquidity position are 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 Group in case of urgent situations and generate action plans based on these estimates. Risk Management Department follows the limits on liquidity risk determined by the Board of Directors. Risk Management Department, in addition to these, is implementing monthly liquidity stress tests to measure the effects of negative scenarios on liquidity position of the Group. The Treasury Group Management manages the liquidity risk and funding risk in order to prevent insufficiencies of funding relating to any time or any source and makes reports related with the liquidity position to Asset and Liability Committee regularly. Official and International Reporting Directorate tracks the liquidity coverage ratio and the results are reported to the BRSA.

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

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

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

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

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

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

5.5 Information on liquidity risk mitigation techniques

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

5.6 Information on the use of stress tests

In order to 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 Group, related with the overall market or scenarios take in consideration both situations. Stress tests related with liquidity risk are repeated at monthly periods. Results are tracked with key risk indicators and monitored by Senior Management.

5.7 General information about the contingency funding plan

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

5.8 Presentation of financial liabilities according to contractual maturities

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

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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
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets			281,191,425	198,251,172
CASH OUTFLOWS					
2	Retail and small business customers, of which;	461,293,232	308,875,534	42,341,089	30,864,241
3	Stable deposits	75,121,449	-	3,750,646	-
4	Less stable deposits	386,171,783	308,875,534	38,590,443	30,864,241
5	Unsecured debts other than real person deposits and retail deposits	159,431,232	94,963,898	93,775,122	60,216,223
6	Operational deposit	-	-	-	-
7	Non-operational deposits	118,344,670	61,900,068	52,137,959	26,771,684
8	Other unsecured funding	41,086,562	33,063,830	41,637,163	33,444,539
9	Secured funding			-	-
10	Other cash outflows	196,940,945	184,632,112	196,683,431	184,428,060
11	Derivative liabilities and collateral fulfilment obligations	113,249,419	101,201,571	113,161,573	101,128,298
12	Obligations related to structured financial products	83,691,526	83,430,541	83,521,858	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	240,484,763	45,583,019	19,041,750	3,211,680
16	TOTAL CASH OUTFLOWS			351,841,392	278,720,204
CASH INFLOWS					
17	Secured lending	-	-	-	-
18	Unsecured lending	142,390,654	100,185,236	104,660,591	76,584,756
19	Other cash inflows	137,421,397	94,107,857	137,609,023	94,136,621
20	TOTAL CASH INFLOWS	279,812,051	194,293,093	242,269,614	170,721,377
				Upper Limit Applied Value	
21	TOTAL HQLA STOCK			281,191,425	198,251,172
22	TOTAL NET CASH OUTFLOWS			109,571,778	107,998,827
23	LIQUIDITY COVERAGE RATIO (%)			256.63	183.57

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

For the period 1 April – 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	279.37	05/2025	213.80	04/2025	255.15
FC	216.97	06/2025	153.87	04/2025	187.82

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

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

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

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

Prior Period

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

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

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5.9 Presentation of assets and liabilities according to their remaining maturities

End of Current Period	Demand	Up to 1 month	1-3 Months	3-12 months	1-5 Years	Over 5 years	Unallocated (***)	Total
Assets								
Cash (cash in vault, effectives, cash in transit, Cheques purchased) and balances with the Central Bank of the Republic of Türkiye	129,803,598	120,985,797	-	-	-	-	(1,218)	250,788,177
Banks (*)	62,562,957	4,660	406,416	-	-	-	(3,037)	62,970,996
Financial assets at fair value through profit and loss	20,547,071	486,122	1,285,249	2,604,758	6,366,286	3,713,631	(7,091,447)	27,911,670
Money market placements	-	3,176,677	-	-	-	-	-	3,176,677
Financial assets at fair value through other comprehensive income	628,073	24,574,495	3,708,951	16,782,940	44,593,239	3,621,283	-	93,908,981
Loans (**)	-	135,043,967	77,210,101	211,740,142	128,471,883	14,402,541	(3,143,723)	563,724,911
Financial assets measured at amortized cost	-	10,101,429	568,413	5,314,606	42,978,695	6,468,658	(29,256)	65,402,545
Other assets (***)	2,502,996	12,780,100	13,838	-	9,594,166	-	35,567,730	60,458,830
Total Assets	216,044,694	307,153,248	83,192,968	236,442,446	232,004,269	28,206,113	25,299,049	1,128,342,787
Liabilities								
Current account and funds collected from banks via participation accounts	6,790,414	54	-	-	-	-	-	6,790,468
Current and profit-sharing accounts	422,674,626	213,143,426	45,846,263	27,922,259	2,015,374	29,621	-	711,631,569
Funds provided from other financial institutions	-	98,208,581	11,082,687	22,324,446	23,790,454	13,950,275	-	169,356,443
Money market borrowings	-	44,137,481	-	-	-	-	-	44,137,481
Marketable securities issued	-	3,975,031	7,298,896	5,347,376	-	-	-	16,621,303
Miscellaneous payables	4,602,119	2,589,351	-	-	-	-	-	7,191,470
Other liabilities (****)	-	20,947,978	6,489,752	1,038,456	1,150,776	100,639	142,886,453	172,614,054
Total Liabilities	434,067,158	383,001,902	70,717,598	56,632,537	26,956,604	14,080,535	142,886,453	1,128,342,787
Liquidity Gap	(218,022,465)	(75,848,653)	12,475,371	179,809,909	205,047,665	14,125,578	(117,587,405)	-
Prior Period								
Total Assets	176,957,053	225,085,112	81,600,447	177,173,686	188,619,549	38,189,877	15,223,197	902,848,921
Total liabilities	334,491,574	290,164,078	80,546,846	56,419,418	11,726,216	12,470,622	117,030,167	902,848,921
Liquidity Gap	(157,534,521)	(65,078,966)	1,053,601	120,754,268	176,893,333	25,719,255	(101,806,970)	-

(*) Expected losses are netted off with provision.

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

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

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

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5.10 Net stable funding ratio

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

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

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

As of 30 June 2025, the Consolidated Net Stable Funding Ratio was 118.33% (31 December 2024 - 132.93%). As of 30 June 2025, the amount of available stable funds in the consolidated Net Stable Funding Table of our Bank is TL 846,234,705 (31 December 2024 - TL 697,755,893), while the required amount of stable funds is TL 715,149,056 (31 December 2024 - TL 524,920,013) and the simple arithmetic average of the Net Stable Funding Rate for the last three months including 30 June 2025 is 119.84% (31 December 2024 - 129.73%).

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

Period	Ratio
30 April 2025	121.26%
31 May 2025	119.94%
30 June 2025	118.33%
3 Months Average	119.84%

Current Period		a	b	c	ç	d
		Unadjusted Amount According to Remaining Maturity				Total Amount Applied Consideration Rate
		Demand*	Less than 6 Months	6 Months and Longer than 6 Months Less than 1 Year	1 Year and Longer than 1 Year	
Available Stable Fund						
1	Equity Items	135,335,621	-	-	-	135,335,621
2	Tier 1 and Tier 2 capital	135,335,621	-	-	-	135,335,621
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	411,112,619	260,547,173	41,927,456	707,591	673,669,138
5	Stable deposit/participation fund	364,899,326	240,013,311	10,655,809	507,205	585,271,868
6	Low stable deposit/participation fund	46,213,293	20,533,862	31,271,647	200,386	88,397,270
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	172,988,529	26,878,986	-	13,439,496
12	Derivative liabilities				1,021,528	
13	Other equity items and liabilities not included above	108,693,792	-	-	23,790,450	23,790,450
14	Available Stable Fund					846,234,705
Required Stable Funding						
15	High-quality liquid assets					4,484,572
16	Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
17	Performing loans and securities	27,745,537	70,477,192	138,964,329	392,098,571	456,724,024
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	138,964,329	363,589,236	416,706,250
21	Receivables subject to risk weighting of 35% or less	-	-	-	28,336,422	18,418,674
22	Receivables collateralized by mortgages on residential real estate	-	-	-	-	-
23	Receivables subject to risk weighting of 35% or less	-	-	-	-	-
24	Quoted equities and debt instruments that do not qualify as high quality liquid assets	20,959,363	2,281,648	-	172,913	19,677,452
25	Assets equivalent to interconnected liabilities					
26	Other assets	214,038,944	35,826,651	-	13,172,679	247,166,111
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	196,042,382	-	-	13,172,679	196,042,382
32	Off-balance sheet payables		135,486,999	-	-	6,774,350
33	Required Stable Funding					715,149,056
34	Net Stable Funding Ratio (%)					118.33

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

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

Prior Period		a	b	c	ç	d
		Unadjusted Amount According to Remaining Maturity				Total Amount Applied Consideration Rate
		Demand*	Less than 6 Months	6 Months and Longer than 6 Months Less than 1 Year	1 Year and Longer than 1 Year	
Available Stable Fund						
1	Equity Items	113,717,868	-	-	-	113,717,868
2	Tier 1 and Tier 2 capital	113,717,868	-	-	-	113,717,868
3	Other equity items	-	-	-	-	-
4	Real person and retail customer deposits/participation funds	318,854,051	235,645,818	46,003,817	1,331,488	567,863,224
5	Stable deposit/participation fund	279,608,939	216,996,863	26,762,022	863,533	498,019,789
6	Low stable deposit/participation fund	39,245,112	18,648,955	19,241,795	467,955	69,843,435
7	Payables to other persons	-	-	-	-	-
8	Operational deposits/participation funds	-	-	-	-	-
9	Other payables	-	-	-	-	-
10	Liabilities equivalent to linked assets					
11	Other liabilities	6,459,329	123,979,486	19,725,094	-	9,862,547
12	Derivative liabilities		1,074,669			
13	Other equity items and liabilities not included above	88,192,294	-	-	6,312,250	6,312,254
14	Available Stable Fund					697,755,893
Required Stable Funding						
15	High-quality liquid assets					3,410,497
16	Operational deposits/participation funds deposited with credit institutions or financial institutions	-	-	-	-	-
17	Performing loans and securities	20,234,040	7,242,617	180,524,192	275,487,654	342,958,673
18	Receivables from credit institutions or financial institutions with first quality liquid assets as collateral	-	-	-	-	-
19	Unsecured receivables from credit institutions or financial institutions or secured receivables whose collateral is not first quality liquid assets	2,075	3,220,597	-	-	483,401

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20	Receivables from corporate customers, institutions, real persons and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	4,013,663	4,013,663	179,827,838	254,445,364	314,407,547
21	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	20,126,195	13,082,027
22	<i>Receivables collateralized by mortgages on residential real estate</i>	-	-	-	-	-
23	<i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	-	-
24	<i>Quoted equities and debt instruments that do not qualify as high quality liquid assets</i>	16,218,302	8,357	696,354	916,095	14,985,698
25	<i>Assets equivalent to interconnected liabilities</i>					
26	<i>Other assets</i>	142,035,086	33,073,813	-	32,788,304	173,292,423
27	<i>Commodities with physical delivery including gold</i>	12,109,841				10,293,365
28	Initial margin for derivative contracts or guarantee fund given to central counterparty				-	-
29	Derivative assets				-	-
30	Derivative liabilities before deduction of variation margin				33,073,813	33,073,813
31	Other assets not included above	129,925,245	-	-	32,788,304	129,925,245
32	Off-balance sheet payables		105,168,427	-	-	5,258,421
33	Required Stable Funding					524,920,013
34	Net Stable Funding Ratio (%)					132.93

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6. Explanations on consolidated leverage ratio

Disclosure of leverage ratio template

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

On-balance sheet assets (*)		Current Period	Prior Period
1	On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	1,089,969,459	893,103,141
2	(Assets deducted in determining Tier I Capital)	(8,544,746)	(10,991,117)
3	Total on-balance sheet risks (sum of lines 1 and 2)	1,081,424,713	882,112,024
Derivative financial instruments and credit derivatives			
4	Replacement cost associated with all derivative instruments and credit derivatives	2,457,215	1,673,693
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)	4,242,171	2,945,475
Securities or commodity financing transactions (SCFT)			
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)
Other off-balance sheet transactions			
10	Gross notional amounts of off-balance sheet transactions	1,139,646,176	377,308,698
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)	369,359,558	223,440,477
Capital and total risks			
13	Tier I Capital	105,815,228	85,072,097
14	Total risks (sum of lines 3, 6, 9 and 12)	1,449,026,741	1,106,156,930
Leverage ratio			
15	Leverage ratio	7.31	7.68

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

As of the Group's consolidated balance sheet date, the leverage ratio calculated based on the arithmetic average of the values found at the end of the month in the previous three months was 7.31% (31 December 2024 - 7.68%). The main reason for the change compared to the previous period is that the increase in capital, on-balance sheet assets and derivative financial assets and credit derivatives items is higher than other items. Accordingly, capital increased by 24% from profit for the period, while on-balance sheet risk increased by 23%, off-balance sheet items increased by 65%. Accordingly, there is an increase of 37 basis points in the leverage ratio in the current period compared to the previous period.

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

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

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

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

9. Explanations on hedge accounting practices

None (31 December 2024 – None).

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10. Explanations on consolidated risk management

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

10.1. 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)	428,460,081	313,981,937	34,276,806
2	Standardized approach	428,460,081	313,981,937	34,276,806
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	2,054,282	1,638,576	164,343
5	Standardized approach for counterparty credit risk	2,054,282	1,638,576	164,343
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	37,011,318	37,557,629	2,960,905
17	Standardized approach	37,011,318	37,557,629	2,960,905
18	Internal model approaches	-	-	-
19	Operational risk	107,966,602	67,181,405	8,637,328
20	Basic indicator approach	107,966,602	67,181,405	8,637,328
21	Standardized approach	-	-	-
22	Advanced measurement approach	-	-	-
23	Amounts below the thresholds for deduction from capital (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	575,492,283	420,359,547	46,039,382

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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	11,166,763	569,869,479	7,445,512	573,590,730
2	Debt Securities	-	166,909,010	7,568,228	159,340,782
3	Off-Balance Sheet Receivables (*)	1,064,455	317,226,248	987,953	317,302,750
4	Total	12,231,218	1,054,004,737	16,001,693	1,050,234,262

(*) Rediscouts 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	7,588,853	452,786,012	6,058,102	454,316,763
2	Debt Securities	-	132,801,771	6,528,031	126,273,740
3	Off-Balance Sheet Receivables (*)	941,944	213,962,556	863,935	214,040,565
4	Total	8,530,797	799,550,339	13,450,068	794,631,068

(*) Rediscouts 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	7,588,853	4,243,257
2	Loans and debt instruments that have defaulted since the last reporting period	12,825,056	6,657,512
3	Receivables that have not become delinquent again	-	-
4	Written-off amounts	3,862,262	1,395,403
5	Other changes	(5,384,884)	(1,916,513)
6	Amount of defaulted loans and debt instruments at the end of the reporting period (1+2-3-4±5)	11,166,763	7,588,853

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	352,214,721	207,568,413	17,003,804	13,807,596	11,707,835	-	-
2	Debt instruments	159,340,782	-	-	-	-	-	-
3	Total	511,555,503	207,568,413	17,003,804	13,807,596	11,707,835	-	-
4	Defaulted	1,829,657	1,868,680	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	260,425,011	181,842,038	19,134,452	12,049,714	10,119,191	-	-
2	Debt instruments	126,273,740	-	-	-	-	-	-
3	Total	386,698,751	181,842,038	19,134,452	12,049,714	10,119,191	-	-
4	Defaulted	1,022,753	489,428	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 Classes	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	308,883,609	-	318,031,438	-	-	-
2	Receivables from regional and local government	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-
4	Receivables from multilateral development banks	714,162	-	714,162	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	78,530,917	43,219,009	78,530,917	11,617,025	23,683,181	26
7	Receivables from corporate	200,536,606	92,384,515	191,467,063	37,217,190	220,936,585	97
8	Retail receivables	89,461,844	130,954,251	89,434,718	14,534,172	75,845,612	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	2,025,956	-	2,010,534	-	1,081,030	54
12	Receivables in high-risk categories	590,415	-	590,416	-	885,348	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	49,623,823	61,336	49,623,823	61,336	27,380,938	55
17	Stock investments	(3,152,626)	12,892,212	(3,152,626)	12,892,212	9,739,586	100
18	Total	837,661,910	309,619,438	837,661,911	90,700,243	428,460,081	

	Prior Period	Receivable before CCF and CRM		Receivable post CCF and CRM		RWA and RWA density	
	Risk Classes	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	256,739,704	-	264,420,063	-	-	-
2	Receivables from regional and local government	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-
4	Receivables from multilateral development banks	283,373	-	283,373	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	43,025,612	18,448,093	43,025,612	874,659	11,374,631	26
7	Receivables from corporate	153,736,695	63,394,137	146,173,380	25,723,138	162,203,709	94
8	Retail receivables	73,427,217	93,763,345	73,380,858	12,394,908	61,959,510	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	1,954,149	-	1,954,150	-	8,509,123	435
13	Mortgage-backed securities	-	-	-	-	-	-
14	Short-term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-
16	Other receivables	28,843,426	-	28,843,426	-	11,863,802	41
17	Stock investments	(2,819,223)	4,142,212	(2,819,223)	4,142,212	1,322,989	100
18	Total	645,417,302	205,193,477	645,417,303	55,223,253	313,981,937	

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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%	25%	50%	75%	100%	150%	200%	Others*	Total risk amount (post-CCF and CRM)
1	Receivables from central governments and Central Banks	318,031,438	-	-	-	-	-	-	-	-	-	318,031,438
2	Receivables from regional and local government	-	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	714,162	-	-	-	-	-	-	-	-	-	714,162
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	345,398	-	72,852,794	-	15,674,257	-	1,275,493	-	-	-	90,147,942
7	Receivables from corporate	4,484,262	-	4,079,258	-	-	-	220,120,733	-	-	-	228,684,253
8	Retail receivables	2,175,318	-	908,303	-	-	100,885,269	-	-	-	-	103,968,890
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	-	165,199	-	-	-	2,010,534
12	Receivables in high-risk categories	100	-	97	-	-	-	-	590,219	-	-	590,416
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Stock investments	-	-	-	-	-	-	9,739,586	-	-	-	9,739,586
17	Other Receivables	20,799,028	-	1,881,489	-	-	-	27,004,642	-	-	-	49,685,159
18	Total	348,503,851	-	81,406,644	-	65,094,736	100,885,269	287,574,773	590,219	-	44,306,662	928,362,154

* 35% Risk Weight is classified in the Others section.

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Prior Period												Total risk amount (post-CCF and CRM)
Risk Classifications / Risk Weights		0%	10%	20%	25%	50%	75%	100%	150%	200%	Others*	
1	Receivables from central governments and Central Banks	264,420,063	-	-	-	-	-	-	-	-	-	264,420,063
2	Receivables from regional and local government	-	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative bodies and non-commercial entities	-	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	283,373	-	-	-	-	-	-	-	-	-	283,373
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and brokerage houses	961,894	-	37,073,040	-	3,810,628	-	2,054,709	-	-	-	43,900,271
7	Receivables from corporate	7,042,323	-	3,313,108	-	-	-	161,541,087	-	-	-	171,896,518
8	Retail receivables	2,609,200	-	755,298	-	-	82,411,268	-	-	-	-	85,775,766
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	-	-	-	-	-	-	-	360,465	-	1,593,685	1,954,150
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-
14	Short term receivables to banks, brokerage houses and corporates	-	-	-	-	-	-	-	-	-	-	-
15	Investments similar to collective investment funds	-	-	-	-	-	-	-	-	-	-	-
16	Stock investments	-	-	-	-	-	-	1,322,989	-	-	-	1,322,989
17	Other Receivables	16,979,485	-	174	-	-	-	11,863,767	-	-	-	28,843,426
18	Total	294,525,167	-	42,672,656	-	44,371,224	82,411,268	201,226,289	360,465	-	35,073,487	700,640,556

* 35% Risk Weight is classified in the others section.

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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) *	1,349,892	1,875,257		1.4	4,515,209	1,939,442
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions						
6	Total						1,939,442

* 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) *	696,818	1,404,555		1.4	2,941,922	1,534,683
2	Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions						
6	Total						1,534,683

* 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	4,515,209	93,747	2,941,922	70,187
4 Total subject to the CVA capital obligation	4,515,209	93,747	2,941,922	70,187

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10.3.3 Standard approach – CCR exposures by risk class and risk weights

Current Period - Risk Classes / Risk Weights *		0%	10%	20%	25%	50%	75%	100%	150%	200%	Others***	Total credit risk*
1	Receivables from central governments and Central Banks	46,744,252	-	-	-	-	-	-	-	-	-	-
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	-	-	2,304,518	-	489,219	-	1,019,407	-	-	-	1,724,920
7	Receivables from corporate	-	-	-	-	-	-	205,693	-	-	-	205,693
8	Retail receivables	-	-	-	-	-	11,772	-	-	-	-	8,829
9	Other Assets**	-	-	-	-	-	-	-	-	-	-	-
10	Total	46,744,252	-	2,304,518	-	489,219	11,772	1,225,100	-	-	-	1,939,442

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

** Other assets: Includes amounts that are not included in the counterparty credit risk reported in template KKR8.

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

Prior Period - Risk Classes / Risk Weights *		0%	10%	20%	25%	50%	75%	100%	150%	200%	Others***	Total credit risk*
1	Receivables from central governments and Central Banks	23,364,069	-	-	-	-	-	-	-	-	-	-
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	-	-	1,345,550	-	476,374	-	387,591	-	-	-	894,888
7	Receivables from corporate	-	-	-	-	-	-	626,130	-	-	-	626,130
8	Retail receivables	-	-	-	-	-	18,220	-	-	-	-	13,665
9	Other Assets**	-	-	-	-	-	-	-	-	-	-	-
10	Total	23,364,069	-	1,345,550	-	476,374	18,220	1,013,721	-	-	-	1,534,683

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

** Other assets: Includes amounts that are not included in the counterparty credit risk reported in template KKR8.

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

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, custody, fund management 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.

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14. Explanations on consolidated operating segments

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

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

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

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

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Selected balance sheet and income statement items according to segments

Current Period 1 January 2025-30 June 2025	Retail Banking	Corporate and Commercial Banking	Treasury and international Banking	Unallocated	Group's total operation
Operating income	63,083,182	41,130,095	14,662,402	-	118,875,679
Operating expenses (-)	32,264,195	17,969,515	14,464,276	25,001,582	89,699,568
Transfers between segments	33,829,673	(18,669,276)	(15,160,397)	-	-
Net operating income / loss	64,648,660	4,491,304	(14,962,271)	(25,001,582)	29,176,111
Income from associates using equity method	-	-	-	138,174	138,174
Profit before tax	64,648,660	4,491,304	(14,962,271)	(24,863,408)	29,314,285
Provision for taxation (-)	-	-	-	7,086,655	7,086,655
Net profit for the period	64,648,660	4,491,304	(14,962,271)	(31,950,063)	22,227,630
Current Period 30 June 2025					
Segment assets	225,834,040	304,228,872	540,327,420	-	1,070,390,332
Associates, subsidiaries and joint ventures	-	-	-	8,917,234	8,917,234
Undistributed assets	-	-	-	49,035,221	49,035,221
Total assets	225,834,040	304,228,872	540,327,420	57,952,455	1,128,342,787
Segment liabilities	600,322,379	162,244,798	191,388,843	-	953,956,020
Undistributed liabilities	-	-	-	65,545,717	65,545,717
Shareholders' equity	-	-	-	108,841,050	108,841,050
Total liabilities	600,322,379	162,244,798	191,388,843	174,386,767	1,128,342,787
Prior Period 1 January 2024-30 June 2024	Retail Banking	Corporate and Commercial Banking	Treasury and international Banking	Unallocated	Group's total operation
Operating income	38,724,604	42,546,151	2,457,052	-	83,727,807
Operating expenses (-)	29,901,952	12,161,269	4,475,178	15,407,977	61,946,376
Transfers between segments	21,826,901	(10,099,455)	(11,727,446)	-	-
Net operating income / loss	30,649,553	20,285,427	(13,745,572)	(15,407,977)	21,781,431
Income from associates using equity method	-	-	-	148,040	148,040
Profit before tax	30,649,553	20,285,427	(13,745,572)	(15,259,937)	21,929,471
Provision for taxation (-)	-	-	-	5,074,009	5,074,009
Net profit for the period	30,649,553	20,285,427	(13,745,572)	(20,333,946)	16,855,462
Prior Period 31 December 2024					
Segment assets	161,029,683	260,169,927	450,292,642	-	871,492,252
Associates, subsidiaries and joint ventures	-	-	-	779,060	779,060
Undistributed assets	-	-	-	30,577,609	30,577,609
Total assets	161,029,683	260,169,927	450,292,642	31,356,669	902,848,921
Prior Period 31 December 2024					
Segment liabilities	482,845,304	139,651,862	141,844,206	-	764,341,372
Undistributed liabilities	-	-	-	48,648,725	48,648,725
Shareholders' equity	-	-	-	89,858,824	89,858,824
Total liabilities	482,845,304	139,651,862	141,844,206	138,507,549	902,848,921

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SECTION FIVE

EXPLANATIONS AND NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. Explanations and notes related to consolidated assets

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

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Effective	3,316,987	16,921,042	3,622,738	13,170,854
CBRT	53,231,460	159,323,345	55,920,535	141,876,397
Other (*)	441,924	17,554,637	173	12,109,667
Total	56,990,371	193,799,024	59,543,446	167,156,918

(*) 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 Balances with the Central Bank of Türkiye

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	20,434,613	38,337,548	30,806,892	54,551,669
Restricted Time Deposit	-	-	-	-
Unrestricted Time Deposit	32,796,847	120,985,797	25,113,643	87,324,728
Total	53,231,460	159,323,345	55,920,535	141,876,397

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 Explanations on financial assets at fair value through profit or loss

As of 30 June 2025, there are no financial assets at fair value through profit or loss subject to repo transactions (31 December 2024 - None). The amount given as collateral and blocked is TL 2,987,539 (31 December 2024 - TL 5,172,111).

Table of positive differences for trade derivative financial assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	40,091	178,450	164,392	103,355
Swap Transactions	283,975	1,427,521	735,296	694,797
Other	-	-	-	-
Total	324,066	1,605,971	899,688	798,152

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1.3 Information on Banks

1.3.1. Information on Banks

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	18,617,211	44,356,822	12,418,838	26,907,745
Domestic	18,617,211	1,334,796	12,418,838	685,247
Foreign	-	43,022,026	-	26,222,498
Headquarters and branches abroad	-	-	-	-
Other Financial Institutions	-	-	-	-
Total	18,617,211	44,356,822	12,418,838	26,907,745

1.3.2. Information on foreign banks account

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

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

	Current Period	Prior Period
Debt Securities	101,031,437	73,981,413
Quoted on stock exchange	101,031,437	64,232,745
Not quoted on stock exchange	-	9,748,668
Share Certificates/Investment Funds	628,904	205,936
Quoted on stock exchange	488,917	90,899
Not quoted on stock exchange	139,987	115,037
Impairment Provision (-)	7,751,360	6,528,031
Total	93,908,981	67,659,318

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 Group

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct loans granted to shareholders	90,173	115,212	31,373	104,629
Corporate shareholders	39,160	114,494	2,080	104,169
Real person shareholders	51,013	718	29,293	460
Indirect loans granted to shareholders	10,147,727	115,113	1,117	3,505
Loans granted to employees	452,628	19,414	331,765	5,782
Total	10,690,528	249,739	364,255	113,916

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

Current Period-Cash Loans	Standard Loans	Loans Under Close Monitoring		
		Not Subject to Restructuring	Restructured Loans	
			Revised Contract Terms	Refinance
Loans	464,209,912	30,859,024	4,972,004	-
Export Loans	64,205,611	2,120,201	-	-
Import Loans	19,074,257	640,518	-	-
Corporation Loans	213,109,093	19,023,251	3,104,122	-
Consumer Loans	35,464,619	922,869	8,115	-
Credit Cards	66,221,916	6,657,034	291,022	-
Loans Given to Financial Sector	11,953,890	-	-	-
Other	54,180,526	1,495,151	1,568,745	-
Other Receivables	1,354	99,290	-	-
Total	464,211,266	30,958,314	4,972,004	-

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

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

	Standard Loans Current Period	Loans Under Close Monitoring Current Period	Standard Loans Prior Period	Loans Under Close Monitoring Prior Period
12 Month Expected Credit Losses	2,441,019	-	2,755,603	-
Expected Loss Provision for Other Financial Assets Measured at Amortized Cost	29,256	-	63,024	-
Significant Increase in Credit Risk	-	3,732,225	-	4,258,544
Total	2,470,275	3,732,225	2,818,627	4,258,544

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

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

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

Current Period	Short-Term	Medium and Long-Term	Total
Consumer Loans-TL	2,342,661	23,696,000	26,038,661
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
Consumer Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	416,859	9,682,524	10,099,383
Housing Loans	383,935	8,430,683	8,814,618
Vehicle Loans	24,914	967,819	992,733
Consumer Loans	8,010	284,022	292,032
Other	-	-	-
Retail Credit Cards-TL	22,878,382	25	22,878,407
With Instalment	5,490,448	25	5,490,473
Without Instalment	17,387,934	-	17,387,934
Retail Credit Cards-FC	8,037	15,276	23,313
With Instalment	-	15,276	15,276
Without Instalment	8,037	-	8,037
Personnel Loans-TL	113,408	144,151	257,559
Housing Loans	-	22,828	22,828
Vehicle Loans	25,100	58,928	84,028
Consumer Loans	88,308	62,395	150,703
Other	-	-	-
Personnel Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	231,962	2	231,964
With Instalment	71,903	2	71,905
Without Instalment	160,059	-	160,059
Personnel Credit Cards-FC	-	-	-
With Instalment	-	-	-
Without-instalment	-	-	-
Overdraft Account-TL (Real Person)	-	-	-
Overdraft Account-FC (Real Person)	-	-	-
Total	25,991,309	33,537,978	59,529,287

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Prior Period	Short-Term	Medium and Long-Term	Total
Consumer Loans-TL	1,852,591	19,262,736	21,115,327
Housing Loans	69,324	13,331,667	13,400,991
Vehicle Loans	616,279	4,535,322	5,151,601
Consumer Loans	1,149,941	714,189	1,864,130
Other	17,047	681,558	698,605
Consumer Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	265,536	6,982,840	7,248,376
Housing Loans	243,647	6,253,142	6,496,789
Vehicle Loans	19,000	636,839	655,839
Consumer Loans	2,889	92,859	95,748
Other	-	-	-
Retail Credit Cards-TL	16,193,511	24	16,193,535
With Instalment	4,142,089	24	4,142,113
Without Instalment	12,051,422	-	12,051,422
Retail Credit Cards-FC	6,356	14,184	20,540
With Instalment	-	14,184	14,184
Without Instalment	6,356	-	6,356
Personnel Loans-TL	81,304	111,782	193,086
Housing Loans	423	15,521	15,944
Vehicle Loans	15,956	41,569	57,525
Consumer Loans	64,923	54,692	119,615
Other	2	-	2
Personnel Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	159,943	2	159,945
With Instalment	66,931	2	66,933
Without Instalment	93,012	-	93,012
Personnel Credit Cards-FC	-	-	-
With Instalment	-	-	-
Without-instalment	-	-	-
Overdraft Account-TL (Real Person)	-	-	-
Overdraft Account-FC (Real Person)	-	-	-
Total	18,559,241	26,371,568	44,930,809

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1.5.5 Information on commercial instalment loans and corporate credit cards

Current Period	Short-Term	Medium and Long-Term	Total
Commercial Instalment Loans-TL	7,007,466	59,282,964	66,290,430
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	-	-	-
Commercial Instalment Loans-FC Indexed	22,700	149,225	171,925
Business Loans	22,700	-	22,700
Vehicle Loans	-	-	-
Consumer Loans	-	149,225	149,225
Other	-	-	-
Commercial Instalment Loans-FC	12,357,415	22,817,123	35,174,538
Business Loans	757,298	3,688,781	4,446,079
Vehicle Loans	159,224	11,949,018	12,108,242
Consumer Loans	-	-	-
Other	11,440,893	7,179,324	18,620,217
Corporate Credit Cards-TL	50,012,423	-	50,012,423
With Instalment	21,145,718	-	21,145,718
Without Instalment	28,866,705	-	28,866,705
Corporate Credit Cards-FC	16,355	7,510	23,865
With Instalment	-	-	-
Without Instalment	16,355	7,510	23,865
Overdraft Account-TL (Legal Entity)	-	-	-
Overdraft Account-FC (Legal Entity)	-	-	-
Total	69,416,359	82,256,822	151,673,181

Prior Period	Short-Term	Medium and Long-Term	Total
Commercial Instalment Loans-TL	8,401,563	41,961,903	50,363,466
Business Loans	204,525	2,959,097	3,163,622
Vehicle Loans	6,582,599	32,188,908	38,771,507
Consumer Loans	1,614,439	6,813,898	8,428,337
Other	-	-	-
Commercial Instalment Loans-FC Indexed	5,489	201,814	207,303
Business Loans	5,489	-	5,489
Vehicle Loans	-	-	-
Consumer Loans	-	201,814	201,814
Other	-	-	-
Commercial Instalment Loans-FC	9,817,586	14,971,706	24,789,292
Business Loans	798,879	2,421,123	3,220,002
Vehicle Loans	27,458	7,102,556	7,130,014
Consumer Loans	-	-	-
Other	8,991,249	5,448,027	14,439,276
Corporate Credit Cards-TL	36,169,104	-	36,169,104
With Instalment	15,847,479	-	15,847,479
Without Instalment	20,321,625	-	20,321,625
Corporate Credit Cards-FC	12,226	7,961	20,187
With Instalment	-	-	-
Without Instalment	12,226	7,961	20,187
Overdraft Account-TL (Legal Entity)	-	-	-
Overdraft Account-FC (Legal Entity)	-	-	-
Total	54,405,968	57,143,384	111,549,352

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1.5.6. Breakdown of loans by users

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1.5.7 Breakdown of domestic and foreign loans

	Current Period	Prior Period
Domestic Loans	450,671,547	369,357,118
Foreign Loans	49,470,037	30,491,054
Total	500,141,584	399,848,172

1.5.8 Loans granted to subsidiaries and associates

	Current Period	Prior Period
Loans Granted Directly to Subsidiaries and Associates	497	535
Loans Granted Indirectly to Subsidiaries and Associates	-	-
Total	497	535

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

	Current Period	Prior Period
Loans and Receivables with Limited Collectability	1,757,493	1,226,617
Loans and Receivables with Doubtful Collectability	2,600,386	1,389,668
Uncollectible Loans and Receivables	3,087,633	3,441,817
Total	7,445,512	6,058,102

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
Current Period			
Gross Amounts Before Specific Provisions	-	-	1,760
Restructured Loans and Receivables	-	-	1,760
Prior Period			
Gross Amounts Before Specific Provisions	-	-	2,463
Restructured Loans and Receivables	-	-	2,463

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

	Group III	Group IV	Group V
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period			
Ending balance of prior period 31.12.2024	1,727,694	1,685,255	4,175,904
Additions in the current period (+)	2,837,460	3,175,393	6,812,203
Transfers from other categories of non-performing loans (+)	-	917,198	637,905
Transfers to other categories of non-performing loans (-)	917,198	638,127	-
Collections in the current period (-)	814,598	1,435,726	3,134,338
Write offs (-)	51	-	3,862,211
Sold (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Ending balance of the current period	2,833,307	3,703,993	4,629,463
Specific provisions (-)	1,757,493	2,600,386	3,087,633
Net balances on balance sheet	1,075,814	1,103,607	1,541,830

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

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

	Group III	Group IV	Group V
Current Period			
Balance at the End of Period	402,183	411,016	1,200,048
Provision Amount (-)	247,958	317,115	492,027
Net Balance at the Balance Sheet	154,225	93,901	708,021
Prior Period			
Balance at the End of Period	192,488	101,989	1,066,944
Provision Amount (-)	155,532	75,090	567,232
Net Balance at the Balance Sheet	36,956	26,899	499,712

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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
Current Period (Net)	1,075,814	1,103,607	1,541,830
Loans granted to real persons and legal entities (gross)	2,833,307	3,703,993	4,629,463
Specific provision (-)	1,757,493	2,600,386	3,087,633
Loans to real persons and legal entities (net)	1,075,814	1,103,607	1,541,830
Banks (gross)	-	-	-
Specific provision (-)	-	-	-
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	-
Specific provision (-)	-	-	-
Other loans and receivables (net)	-	-	-
Prior Period (Net)	501,077	295,587	734,087
Loans to real persons and legal entities (gross)	1,727,694	1,685,255	4,175,904
Specific provision (-)	1,226,617	1,389,668	3,441,817
Loans to real persons and legal entities (net)	501,077	295,587	734,087
Banks (gross)	-	-	-
Specific provision (-)	-	-	-
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	-
Specific provision (-)	-	-	-
Other loans and receivables (net)	-	-	-

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

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

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

	Group III	Group IV	Group V
The Parent Bank	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Current Period (Net)	117,268	107,548	78,445
Profit share accruals, rediscount and valuation differences	300,113	400,373	403,805
Provision (-)	182,845	292,825	325,360

	Group III	Group IV	Group V
The Parent Bank	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Uncollectible loans and receivables
Prior Period (Net)	48,718	32,168	18,059
Profit share accruals, rediscount and valuation differences	161,000	130,529	380,009
Provision (-)	112,282	98,361	361,950

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

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1.5.12 Information on the write-off policy

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1.6 Information on financial assets measured at amortized cost

1.6.1 Information on other financial assets measured at amortized cost

	Current Period	Prior Period
Debt Securities	65,431,801	58,614,422
Quoted on a Stock Exchange	65,431,801	58,128,941
Not Quoted	-	485,481
Total	65,431,801	58,614,422

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

	Current Period	Prior Period
Opening Balance	58,614,422	59,926,297
Exchange Differences on Monetary Assets	3,630,794	4,330,509
Purchases During the Year	1,086,487	2,077,703
Disposals Through Sales and Redemptions	-	1,408,001
Transfers	1,791,226	(6,325,000)
Income Accrual and Rediscounts	308,872	12,914
Total	65,431,801	58,614,422

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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 INC. shares amounting to TL 473,810 (31 December 2024 – TL 374,140) and other shares amounting to TL 15,107 (31 December 2024 – TL 33,140) are classified as financial assets at fair value through other comprehensive income since the Parent Bank does not have a significant influence on these entities.

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

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

1.8 Information on subsidiaries (Net)

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

1.8.2 Information on subsidiaries

	Title	Address (City/Country)	Bank's share percentage, if different-voting percentage (%)	Bank's risk group share percentage (%)
1	KT Bank AG (*)	Frankfurt/ Germany	100	100
2	Neova Katılım Sigorta A.Ş. (***)	İstanbul/Türkiye	100	100
3	KT Kira Sertifikaları Varlık Kiralama A.Ş.	İstanbul/Türkiye	100	100
4	KT Sukuk Varlık Kiralama A.Ş.	İstanbul/Türkiye	100	100
5	Kuveyt Türk Portföy Yönetimi A.Ş.	İstanbul/Türkiye	100	100
6	Körfez Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul/Türkiye	74	74
7	Architech Bilişim Sistemleri ve Pazarlama Tic A.Ş. (**)	İstanbul/Türkiye	100	100
8	Körfez Tatil Beldesi Turistik Tesisler ve Devremülk İşletmeciliği San.ve Tic. A.Ş. (**)	İstanbul/Türkiye	99.99	99.99
9	Kuveyt Türk Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	100	100
10	Sağlam 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 regulation 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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Information on the investment funds that were consolidated according to the full consolidation method with the Parent Bank as of 30 June 2025

	Title	The Parent Bank's share ratio (%)	Group's share ratio (%)	Net Asset Value
1	KT Portföy Kuveyt Türk Yabancı Katılım Serbest Özel Fon	100	100	792
2	KT Portföy Birinci Katılım Serbest (TL) Fon	100	100	16,485,005
3	KT Portföy Birinci Katılım Serbest (Döviz-Avro) Özel Fon	100	100	3,561
4	KT Portföy Yönetimi A.Ş. Kobi Girişim Sermayesi Yatırım Fonu	100	100	512,686
5	KT Portföy Lonca Girişim Sermayesi Yatırım Fonu	100	100	293,810
6	KT Portföy Birinci Katılım Serbest (Döviz-Abd Doları) Özel Fon	100	100	1,191
7	KT Portföy Neova Katılım Serbest Özel (TL) Fon	-	100	329,743
8	KT Portföy Yönetimi A.Ş. Neova Katılım Sigorta Özel Girişim Sermayesi Yatırım Fonu	-	100	10,998
9	KT Portföy NKS Katılım Serbest (TL) Özel Fon	-	100	3,154,300
10	Kuveyt Türk Portföy NKV Kısa Vadeli Katılım Serbest Özel Fon	-	100	5,244,217

Movement regarding the subsidiaries

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

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

Sectoral information on consolidated subsidiaries and the related carrying amounts

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

Consolidated subsidiaries listed on the stock exchange

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

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1.8.3 Information on capital adequacies of major subsidiaries

The Partner Bank's equity of KT Bank AG, the bank's subsidiary in Germany, calculated as of June, 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)

	Bank's share percentage	Total assets	Equity	Total fixed assets	Current period profit/loss	Prior period profit/loss
Katılım Emeklilik ve Hayat A.Ş. (*)	50%	48,098,060	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. The Parent Bank decided to establish that pension company with the equal share amounts with Albaraka Türk Katılım Bankası A.Ş. and that pension company is registered with the trade name "Katılım Emeklilik ve Hayat Anonim Şirketi," 895027 registry numbered dated 17 December 2013 by Istanbul Trade Registry Office.

1.10 Information on finance lease receivables (Net)

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	34,908,615	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	1,255,039	1,270,489	1,259,696
Total	79,382,586	66,035,320	60,603,677	50,506,622

1.10.2 Net investments in finance leases

	Current Period	Prior Period
Gross Leasing Investment	79,382,586	60,603,677
Unearned Finance Lease Income (-)	13,347,266	10,097,055
Cancelled Lease Amounts (-)	-	-
Net Leasing Investment	66,035,320	50,506,622

1.10.3 Information on finance lease contracts

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

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1.13. Information on intangible assets

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1.14. Explanations on investment properties

	Current Period	Prior Period
Opening Balance	317,050	41,605
Additions	-	275,445
Transfers	(91,815)	-
Disposals (-), Net	-	-
Depreciation (-)	-	-
Closing Net Book Value	225,235	317,050

1.15 Closing Net Book Value

As of 30 June 2025, deferred tax is offset as TL 9,594,166 in the balance sheet. The deferred tax asset is TL 10,689,402 (31 December 2024 – TL 9,701,442) and the deferred tax liability is TL 1,095,236 (31 December 2024 – TL 1,095,236).

	Current Period	Prior Period
TFRS 9 Provisions	1,637,905	1,794,065
Property, Plant and Equipment Valuation Differences	2,677,705	1,991,042
Property, Plant and Equipment Valuation Differences	802,784	822,729
Deferred Income	1,008,703	693,761
Employment Termination Benefit Liability	518,194	439,878
Derivative Financial Instruments Rediscounts	-	(198,863)
Precious metal valuation differences	(671,858)	(447,756)
Securities Valuation Difference	2,755,507	2,303,149
Transferred Financial Losses (*)	345,169	286,970
Other	520,057	771,603
Net Deferred Tax Asset	9,594,166	8,456,578

(*) The Group has recognized deferred tax assets amounting to TL 345,169 (31 December 2024: TL 286,970) since it is expected that sufficient taxable income will be available to offset tax losses in the coming periods.

Table of deferred tax asset movement

	Current Period	Prior Period
As of 1 January	8,456,578	6,050,556
Deferred Tax (Expense)/Income	472,220	208,819
Deferred Tax Accounted Under Equity	611,249	2,106,061
Other	54,119	91,142
Deferred tax asset	9,594,166	8,456,578

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 (-)	-	-
Closing Net Book Value	576,338	522,743

1.17 Information on other assets

As of balance sheet date, the Group's other assets amount to TL 27,986,280 (31 December 2024 – TL 13,342,934). Other assets balance does not exceed 10% of the total assets on the balance sheet excluding off balance sheet commitments.

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2. Explanations and Notes Related to Consolidated Liabilities

2.1 Information on funds collected

2.1.1 Information on maturity structure of funds collected

Current Period	Demand	Up to 1 months	Up to 3 months	Up to 6 months	Up to 9 months	Up to 1 year	1 year and over	Accumulated profit sharing accounts	Total
I. Real persons current accounts-TL	49,169,747	-	-	-	-	-	-	-	49,169,747
II. Real persons profit sharing accounts TL	-	25,867,111	107,342,395	5,269,741	-	7,031,148	4,826,116	15,307	150,351,818
III. Another current accounts-TL	42,991,610	-	-	-	-	-	-	-	42,991,610
Public sector	3,783,686	-	-	-	-	-	-	-	3,783,686
Commercial sector	38,270,879	-	-	-	-	-	-	-	38,270,879
Other institutions	723,384	-	-	-	-	-	-	-	723,384
Commercial and other institutions	-	-	-	-	-	-	-	-	-
Banks and participation banks	213,661	-	-	-	-	-	-	-	213,661
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	213,136	-	-	-	-	-	-	-	213,136
Participation banks	482	-	-	-	-	-	-	-	482
Other	43	-	-	-	-	-	-	-	43
IV. Profit sharing accounts-TL	-	4,227,909	27,817,318	354,300	-	14,477,776	188,194	36	47,065,533
Public sector	-	4,991	43,912	17,292	-	1,200,547	-	-	1,266,742
Commercial sector	-	3,562,586	26,437,819	280,027	-	12,981,012	187,578	36	43,449,058
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
V. Real persons current accounts-FC	119,830,308	-	-	-	-	-	-	-	119,830,308
VI. Real persons profit sharing accounts-FC	-	15,550,481	20,612,137	2,520,464	-	9,819,455	3,556,794	38,884	52,098,215
VII. Another current accounts-FC	55,120,566	-	-	-	-	-	-	-	55,120,566
Commercial residents in Türkiye	40,279,152	-	-	-	-	-	-	-	40,279,152
Commercial residents in Abroad	10,200,794	-	-	-	-	-	-	-	10,200,794
Banks and participation banks	4,640,620	-	-	-	-	-	-	-	4,640,620
Central Bank of Republic of Türkiye	894,289	-	-	-	-	-	-	-	894,289
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	3,740,674	-	-	-	-	-	-	-	3,740,674
Participation banks	5,657	-	-	-	-	-	-	-	5,657
Other	-	-	-	-	-	-	-	-	-
VIII. Profit sharing accounts- FC	-	1,591,280	1,721,377	815,165	-	1,547,580	194,306	423	5,870,131
Public sector	-	22	45,435	-	-	-	-	-	45,457
Commercial sector	-	875,944	920,547	42,297	-	283,610	28,788	423	2,151,609
Other institutions	-	19,199	612,077	770,606	-	1,263,970	165,518	-	2,831,370
Commercial and other institutions	-	696,115	143,318	2,262	-	-	-	-	841,695
Banks and participation banks	-	-	-	-	-	-	-	-	-
IX. Precious metal funds	162,352,809	19,976,278	8,800,786	1,832,573	-	1,014,570	108,359	-	194,085,375
X. Profit sharing accounts special funds - TL	-	-	4,000	52,565	-	1,049,028	733,141	-	1,838,734
Residents in Türkiye	-	-	4,000	52,565	-	1,016,847	361,900	-	1,435,312
Residents Abroad	-	-	-	-	-	32,181	371,241	-	403,422
XI. Profit sharing accounts special funds - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total (**)	429,465,040	67,213,059	166,298,013	10,844,808	-	34,939,557	9,606,910	54,650	718,422,037

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

(**) 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 "Communiqué 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
I. Real persons current accounts-TL	39,469,231	-	-	-	-	-	-	-	39,469,231
II. Real persons profit sharing accounts TL	-	19,259,653	97,658,069	6,770,505	-	18,974,493	6,249,835	13,526	148,926,081
III. Another current accounts-TL	37,527,057	-	-	-	-	-	-	-	37,527,057
Public sector	2,424,752	-	-	-	-	-	-	-	2,424,752
Commercial sector	34,262,863	-	-	-	-	-	-	-	34,262,863
Other institutions	569,795	-	-	-	-	-	-	-	569,795
Commercial and other institutions	-	-	-	-	-	-	-	-	-
Banks and participation banks	269,647	-	-	-	-	-	-	-	269,647
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	269,473	-	-	-	-	-	-	-	269,473
Participation banks	144	-	-	-	-	-	-	-	144
Other	30	-	-	-	-	-	-	-	30
IV. Profit sharing accounts-TL	-	18,852,846	15,216,767	961,192	-	11,529,332	172,697	22	46,732,856
Public sector	-	6,948	52,425	-	-	789,834	-	-	849,207
Commercial sector	-	18,485,757	13,703,106	887,174	-	10,497,176	172,257	22	43,745,492
Other institutions	-	331,633	950,468	43,231	-	172,935	440	-	1,498,707
Commercial and other institutions	-	28,508	510,724	30,787	-	69,387	-	-	639,406
Banks and participation banks	-	-	44	-	-	-	-	-	44
V. Real persons current accounts-FC	101,281,625	-	-	-	-	-	-	-	101,281,625
VI. Real persons profit sharing accounts-FC	-	13,473,038	16,434,133	2,318,651	-	7,853,417	3,178,077	21,015	43,278,331
VII. Another current accounts-FC	41,568,507	-	-	-	-	-	-	-	41,568,507
Commercial residents in Türkiye	31,932,443	-	-	-	-	-	-	-	31,932,443
Commercial residents in Abroad	8,122,152	-	-	-	-	-	-	-	8,122,152
Banks and participation banks	1,513,912	-	-	-	-	-	-	-	1,513,912
Central Bank of Republic of Türkiye	-	-	-	-	-	-	-	-	-
Domestic banks	-	-	-	-	-	-	-	-	-
Foreign banks	1,509,311	-	-	-	-	-	-	-	1,509,311
Participation banks	4,601	-	-	-	-	-	-	-	4,601
Other	-	-	-	-	-	-	-	-	-
VIII. Profit sharing accounts- FC	-	459,009	1,234,690	426,169	-	1,441,838	300,531	249	3,862,486
Public sector	-	17	113,739	-	-	-	-	-	113,756
Commercial sector	-	402,718	716,191	34,679	-	195,349	160,402	249	1,509,588
Other institutions	-	16,702	313,605	389,715	-	1,246,489	140,129	-	2,106,640
Commercial and other institutions	-	39,572	91,155	1,775	-	-	-	-	132,502
Banks and participation banks	-	-	-	-	-	-	-	-	-
IX. Precious metal funds	111,405,414	13,520,895	6,368,941	1,206,213	-	786,663	52,997	-	133,341,123
X. Profit sharing accounts special funds - TL	-	-	39,624	47,875	-	7,199,963	1,125,928	-	8,413,390
Residents in Türkiye	-	-	39,624	47,875	-	6,549,974	377,937	-	7,015,410
Residents Abroad	-	-	-	-	-	649,989	747,991	-	1,397,980
XI. Profit sharing accounts special funds - FC	-	-	-	-	-	-	-	-	-
Residents in Türkiye	-	-	-	-	-	-	-	-	-
Residents Abroad	-	-	-	-	-	-	-	-	-
Total	331,251,834	65,565,441	136,952,224	11,730,605	-	47,785,706	11,080,065	34,812	604,400,687

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

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

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

	Under the guarantee of saving deposit insurance		Exceeding the limit of saving deposit	
	Current Period	Prior Period	Current Period	Prior Period
Real and legal persons current and profit-sharing accounts that are not subject to commercial activities				
TL accounts	125,784,892	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 Parent Bank's is abroad and the deposit account in its Turkish branch is in the scope of the insurance policy in the country of the headquarter of the Bank is founded, it should be explained

The headquarters of the Parent Bank is in Türkiye.

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

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

	Current Period	Prior Period
Foreign branches' profit-sharing accounts and other accounts	-	-
Profit sharing accounts and other accounts of controlling shareholders and profit sharing accounts of their mother, father, spouse, children in care	-	-
Profit sharing account and other accounts of President and Members of Board of Directors, CEO and Vice Presidents and profit-sharing accounts of their mother, father, spouse and children in care	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	101,087	110,479	134,084	51,249
Swap Transactions	518,443	2,221,556	1,185,402	1,401,774
Other	-	-	-	-
Total	619,530	2,332,035	1,319,486	1,453,023

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	404,686	100,156,650	2,949,663	85,667,578
From Foreign Banks, Institutions and Funds	-	52,806,669	600,000	33,325,054
Total	404,686	152,963,319	3,549,663	118,992,632

2.3.2 Presentation of loans received according to the remaining maturity

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	130,802	129,446,749	3,471,640	112,758,401
Medium and Long-Term	273,884	23,516,570	78,023	6,234,231
Total	404,686	152,963,319	3,549,663	118,992,632

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

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

2.4. Information on securities issued

The Group has issued sukuks, detailed below. The average return on securities issued is 36% for Turkish Lira. The maturity of sukuk issued in Turkish Lira is between July 2025 and September 2025.

Current Period	TL		FC	
	Short-term	Medium and long-term	Short-term	Medium and long-term
Nominal	15,443,250	-	-	-
Remaining Income Distribution	1,594,534	-	-	-
Book Value	16,621,303	-	-	-
Prior Period	TL		FC	
	Short-term	Medium and long-term	Short-term	Medium and long-term
Nominal	900,230	-	-	-
Remaining Income Distribution	101,712	-	-	-
Book Value	1,000,923	-	-	-

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2.5. Information on other liabilities and miscellaneous payables

As of 30 June 2025, other liabilities amount to TL 19,339,371 (31 December 2024 – TL 10,567,685), sundry creditors amount to TL 7,191,470 (31 December 2024 – TL 4,988,343). These items are included under “Other Liabilities” in the balance sheet and do not exceed 10% of the total.

2.6 Information on finance lease payables (net)

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	96,558	84,442	71,183	68,626
1 to 4 years	507,267	486,228	162,582	152,404
More than 4 years	3,147,335	1,896,521	2,170,589	1,360,785
Total	3,751,160	2,467,191	2,404,354	1,581,815

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

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

None (31 December 2024 – None).

2.6.1.1. Explanations on financial leasing obligations

None (31 December 2024 – None).

2.6.1.2. Explanations on operating lease

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

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

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

2.7 Information on hedging derivative financial liabilities

None (31 December 2024 – None).

2.8 Information on provisions

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

None (31 December 2024 – None).

2.8.2 Information on other provisions

	Current Period	Prior Period
Specific provisions for non-cash loans that are not indemnified converted into cash	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 (*)	1,148,885	935,353
Total	3,370,165	3,814,988

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

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2.8.3 Information on provisions for employee benefits

Provisions for employee benefits consist of reserve for employee termination benefits amounting to TL 1,727,314 (31 December 2024 – TL 1,466,260), vacation pay liability amounting to TL 176,464 (31 December 2024 – TL 37,073), performance premium amounting to TL 1,381,963 (31 December 2024 – TL 1,724,585), retirement bonuses on payment of TL 1,041,081 (31 December 2024 – TL 808,824), committee fee amounting to TL 78,302 (31 December 2024 – TL 129,992) and other fees amounting to TL 82,652 (31 December 2024 – TL 116,700).

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

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

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

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

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

	Current Period	Prior Period
Balance at the end of the prior period	1,466,260	1,110,785
Provisions recognized during the period	267,803	510,445
Paid during the period	(22,592)	(197,655)
Actuarial loss	15,843	42,685
Balances at the end of the period	1,727,314	1,466,260

2.9 Explanations on tax liability

2.9.1 Explanations on current tax liability

2.9.1.1 Information on tax provisions

As of the balance sheet date, the Group has corporate tax liability amounting to TL 8,236,129 (31 December 2024: TL 13,144,108) and prepaid tax amounting to TL 2,832,143 (31 December 2024: TL 7,092,851). The Bank has presented the corporate tax liability and prepaid tax as net in the financial statements.

2.9.1.2 Information on taxes payable (*)

	Current Period	Prior Period
Taxation of Marketable Securities	1,464,356	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	12,334
Total	2,315,202	1,551,855

(*) Included in Other Liabilities in the Balance Sheet.

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2.9.1.3 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
Total	274,149	196,749

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

2.9.1.4 Information on deferred tax liability

Within the scope of the relevant regulations, as of 30 June 2025, the deferred tax was netted as TL 9,594,166 in the balance sheet. The deferred tax asset was calculated as TL 10,689,402 (31 December 2024 – TL 9,701,442) and the deferred tax liability as TL 1,095,236 (31 December 2024 – TL 1,244,864).

2.10 Information on payables related to assets held for sale

None (31 December 2024 – None).

2.11 Information on subordinated loans

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

2.12 Information on shareholders' equity

2.12.1 Presentation of paid-in capital

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

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

2.12.2 Amount of Paid-in Capital, Disclosure on whether the Bank Applies the Registered Share Capital System, and, if so, the Ceiling Amount of the Registered Share Capital

Registered capital system is not applied in the Parent Bank.

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

None (31 December 2024 – None).

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

None (31 December 2024 – None).

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

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

2.12.6 Summary of privileges given to shares representing the capital

None (31 December 2024 – None).

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2.12.7 Information on marketable securities value increase fund

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

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

2.13 Information on minority shares

30 June 2025 – TL 110,204 (31 December 2024 – TL 84,954).

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

3.1 Explanations on off-balance sheet accounts

3.1.1 Types and amounts of irrevocable commitments

Commitment for credit card limits, as of 30 June 2025 amounts to TL 114,753,429 (31 December 2024 – TL 76,475,148); 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 Group's has guarantees and surety ships constituting of TL 106,875,501 (31 December 2024 – TL 85,540,967) 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 Parent Bank has other acceptances amounting to TL 6,641,232 (31 December 2024 – TL 5,211,090).

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

3.1.3 Total amount of non-cash loans

	Current Period	Prior Period
Non-cash loans given against cash loans	1,192,126	426,120
With original maturity of 1 year or less	1,192,126	426,120
With original maturity of more than 1 year	-	-
Other non-cash loans	133,951,098	104,635,262
Total	135,143,224	105,061,382

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 Parent Bank to international rating agencies

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

4. Explanations and Notes Related to the Consolidated Statement of Income

4.1 Information on profit share income

4.1.1 Information on profit share received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Profit share on loans	41,919,284	7,778,769	35,806,951	4,651,927
Short-term loans	20,519,402	3,353,741	20,471,453	1,918,049
Medium and long-term loans	20,888,493	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	-	-	-	-
Total	41,919,284	7,778,769	35,806,951	4,651,927

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	2,859,320	-	2,498,977	-
Foreign Banks	1,292	181,205	30,001	387,366
Branches and head office abroad	-	-	-	-
Total	2,860,801	181,205	2,541,625	387,366

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	2,701,381	434,903	907,298	492,377
Financial Assets at Fair Value Through Other Comprehensive Income	6,511,897	817,730	5,330,270	550,172
Financial Assets valued at Amortized Cost	4,509,768	1,186,652	4,905,801	964,956
Total	13,723,046	2,439,285	11,143,369	2,007,505

4.1.4 Information on profit share income received from associates and subsidiaries

	Current Period	Prior Period
Profit share income received from associates and subsidiaries	540	19

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4.2. Information on profit share expenses

4.2.1 Information on profit share given to loans used

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	851,710	1,268,031	472,148	751,862
The Central Bank of the Republic of Türkiye	-	-	-	-
Domestic Banks	472,730	52,511	455,688	12,362
Foreign Banks	378,980	1,215,520	16,460	739,500
Head Office and Branches Abroad	-	-	-	-
Other Institutions	52,433	1,860,215	154,775	2,031,093
Total	904,143	3,128,246	626,923	2,782,955

4.2.2 Profit share expense given to associates and subsidiaries

	Current Period	Prior Period
Dividends paid to associates and subsidiaries	5,055	56,816

4.2.3 Profit share expense paid to securities issued

30 June 2025 – TL 1,774,616 (1 January-30 June 2024 – TL 2,120,914).

4.3 Information on dividend income

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

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

Current Period		Profit Sharing Accounts						
							Accumulated	
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	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	1,213,094	2,087	27,042,203
Public-sector profit-sharing account	1,388	9,948	942	-	7,538	-	-	19,816
Commercial sector profit sharing account	956,082	4,761,442	76,485	-	284,325	37,476	-	6,115,810
Other institutions profit sharing account	66,047	241,267	22,131	-	33,615	85	-	363,145
Total	4,890,937	22,952,287	1,289,646	-	3,155,370	1,250,655	2,087	33,540,982
FC								
Banks	-	-	-	-	-	-	-	-
Real person’s non-trading profit sharing account	69,611	90,983	19,512	-	100,915	27,335	235	308,591
Public-sector profit-sharing account	-	489	-	-	-	-	-	489
Commercial sector profit sharing account	2,378	7,324	920	-	10,652	197	-	21,471
Other institutions profit sharing account	804	2,391	5,134	-	6,358	1,330	-	16,017
Precious metal accounts	12,529	5,687	1,115	-	661	-	-	19,992
Total	85,322	106,874	26,681	-	118,586	28,862	235	366,560
Grand Total	4,976,259	23,059,161	1,316,327	-	3,273,956	1,279,517	2,322	33,907,542
Prior Period		Profit Sharing Accounts						
							Accumulated	
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	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	1,206,579	457,456	-	1,081,360	84,345	-	3,049,782
Other institutions profit sharing account	6,847	262,583	16,739	-	28,459	160	-	314,788
Total	2,300,091	13,618,177	1,571,749	-	9,368,462	1,151,678	859	28,011,016
FC								
Banks	-	-	-	-	-	-	-	-
Real person’s non-trading profit sharing account	66,186	68,767	18,597	-	78,241	25,204	293	257,288
Public-sector profit-sharing account	-	452	-	-	-	-	-	452
Commercial sector profit sharing account	3,138	7,573	1,620	-	8,596	1,176	-	22,103
Other institutions profit sharing account	1,202	2,854	9,810	-	4,225	103	-	18,194
Precious metal accounts	7,378	3,869	640	-	488	-	-	12,375
Total	77,904	83,515	30,667	-	91,550	26,483	293	310,412
Grand Total	2,377,995	13,701,692	1,602,416	-	9,460,012	1,178,161	1,152	28,321,428

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4.5 Information on trading profit /loss (Net)

	Current Period	Prior Period
Trading profit / loss (net)	8,644,137	943,273
Profit	113,699,691	89,950,806
Gain on capital market transactions	1,140,906	882,283
Gain on derivative financial instruments	25,150,155	17,411,823
Foreign exchange profit	87,408,630	71,656,700
Losses (-)	105,055,554	89,007,533
Losses on capital market transactions	1,259,365	78,593
Losses on derivative financial instruments	26,485,740	17,464,088
Losses on derivative financial instruments	77,310,449	71,464,852

4.6 Information on other operating income

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

	Current Period	Prior Period
Insurance Premium Income	8,138,170	4,973,178
Reversal of prior period provisions	2,108,415	4,904,950
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	324,655	88,298
Total	11,700,083	10,373,896

4.7 Provisions for loan losses and other receivables of the Bank

	Current Period (*)	Prior Period (*)
Expected Credit Loss	6,017,071	3,007,549
12 Month Expected Credit Loss (Stage 1)	70,149	19,600
Significant Increase in Credit Risk (Stage 2)	197,919	963,096
Non-Performing Loans (Stage 3)	5,749,003	2,024,853
Marketable Securities Impairment Expense	212,996	120,969
Financial Assets at Fair Value through Profit or Loss	212,996	120,969
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Impairment losses from Associates, Subsidiaries and Jointly Controlled Entities	-	-
Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (**)	409,777	346,000
Total	6,639,844	3,474,518

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

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

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4.8 Information on other operating expenses

	Current Period	Prior Period
Provision for retirement pay liability	228,200	204,047
Impairment expenses of tangible assets	-	-
Depreciation expenses of tangible assets	774,954	478,462
Impairment expenses of intangible fixed assets	-	-
Depreciation expenses of intangible fixed assets	240,626	288,251
Depreciation expenses of assets held for sale	-	-
Other operating expenses	3,633,232	2,060,639
Lease Expenses Regarding TFRS 16 Exemptions	4,900	8,060
Maintenance and repair expenses	916,587	332,025
Advertisement expenses	369,340	152,151
Communication expenses	286,172	201,853
Heating, electricity and water expenses	79,271	49,983
Cleaning expenses	47,795	33,006
Vehicle expenses	66,680	46,143
Stationery expense	269,157	140,452
Other expenses	1,593,332	1,096,967
Losses on sales of assets	96	274
Deposit insurance fund expenses	1,078,789	775,183
Other (*)	10,160,769	6,525,934
Total	16,116,666	10,332,790

(*) As of 30 June 2025, the other item mainly consists of the Banking and Insurance Transactions Tax of TL 707,668 (30 June 2024 – TL 270,503), Financial Activity Fees of TL 392,515 (30 June 2024 – TL 558,990), and the amounts related to the Contracted Lawyer and Legal Consultancy account of TL 292,728 (30 June 2024 – TL 217,404). In addition, it includes other expenses of Neova Katılım Sigorta A.Ş. amounting to TL 8,065,830.

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

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

4.10 Information on tax provision for continued and discontinued operations

The Group's, current period tax provision for the period amounting to TL 7,558,875 (1 January - 30 June 2024 – TL 5,998,724), deferred tax expense of TL 715,341 (1 January - 30 June 2024 – TL 395,251), deferred tax income of TL 1,187,561 (1 January - 30 June 2024 – TL 1,319,966).

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

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

4.12 Information on net income/loss

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

As of 30 June 2025, net profit share income is TL 35,563,751 (1 January - 30 June 2024 – TL 26,772,817) net fees and commission income is TL 5,983,059 (1 January - 30 June 2024 – TL 3,345,360).

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).

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4.12.3 Profit/Loss attributable to minority interest

	Current Period	Prior Period
Profit / (Loss) of Minority Shares	25,472	6,567

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

As of 30 June 2025, other fees and commissions received amounting to TL 15,247,269 (1 January-30 June 2024 - TL 7,939,785) consist of credit card fees and commissions amounting to TL 5,647,698 (1 January-30 June 2024 - TL 3,274,889) and TL 5,716,751 consists of merchant POS transaction commissions (1 January-30 June 2024 - TL 2,355,140) and TL 3,882,820 consists of other commissions (1 January-30 June 2024 - TL 2,309,756).

As of 30 June 2025, other fees and commissions amounting to TL 9,797,974 (1 January-30 June 2024 - TL 4,925,462); TL 6,805,152 (1 January-30 June 2024 - TL 3,224,772) consists of POS commissions and installation expenses, TL 602,748 (1 January-30 June 2024 - TL 324,929) consists of fees and commissions paid for credit cards and TL 2,390,074 (1 January-30 June 2024 - TL 1,375,761) consists of other commissions.

5. Explanations and Notes Related to the Consolidated Statement of Shareholders' Equity

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

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

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

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

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

Current Period:

Risk group of the Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group (*)	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and other receivables						
Balance at beginning of period	535	77,288	31,373	104,629	1,117	3,505
Balance at end of period	497	88,738	90,173	115,212	10,147,727	115,113
Profit share and commission income	-	540	3,321	475	5,000	-

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

Prior Period:

Risk group of the Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group (*)	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and other receivables						
Balance at beginning of period	365	63,775	29,238	82,280	2,974,543	20,322
Balance at end of period	535	77,288	31,373	104,629	1,117	3,505
Profit share and commission income	-	19	2,038	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 Group's risk group

Risk group of the Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group (*)	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Current and profit-sharing accounts						
Balance at beginning of period	470,920	771,905	777,817	502,954	946,678	750,296
Balance at end of period	490,496	470,920	599,084	777,817	1,283,970	946,678
Profit share expense	5,055	56,816	42,348	31,847	3,727	5,002

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

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

Risk group of the Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group (*)	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions at Fair Value through Profit or Loss:						
Balance at Beginning of Period	-	-	1,459,578	2,361,778	-	-
Balance at End of Period	-	-	1,130,356	1,459,578	-	-
Total Profit/(Loss)	-	-	(263)	1,109	-	-
Hedging Transactions:						
Balance at Beginning of Period	-	-	-	-	-	-
Balance at End of Period	-	-	-	-	-	-
Total Profit/(Loss)	-	-	-	-	-	-

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

Risk group of the Group (*)	Investment in associates, subsidiaries and joint ventures (business partnerships)		Direct and indirect shareholders of the Bank		Other real or legal persons included in the risk group (*)	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Borrowings						
Balance at Beginning of Period	-	-	14,649,976	9,195,276	-	-
Balance at End of Period	-	-	24,507,863	14,649,976	-	-
Profit share expense	-	-	110,635	127,520	-	-

7.5 Information on subordinated loans used by the Group'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 Group has paid TL 781,419 to top management (1 January – 30 June 2024 - TL 499,227).

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

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

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

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

LIMITED REVIEW REPORT

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

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

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

None.

SECTION EIGHT

INTERIM CONSOLIDATED ACTIVITY REPORT

- 1. The Parent Bank explanations on interim annual report including the evaluations of interim activities of the Chairman of the Board of Directors and General Manager**

- 1.1 About Kuveyt Türk**

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

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

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1.2 Financial Information Summary

CONSOLIDATED BALANCE SHEET (SELECTED ITEMS)	30.06.2025	31.12.2024
CASH BALANCES AND CENTRAL BANK	250,789,395	226,700,364
BANKS	62,974,033	39,326,583
SECURITIES	187,252,452	151,201,126
LOANS AND RECEIVABLES	511,308,347	407,437,025
LEASE RECEIVABLES (NET)	66,035,320	50,506,622
EXPECTED LOSS PROVISIONS (-)	13,652,267	13,142,003
TANGIBLE ASSETS (NET)	7,213,088	5,603,729
OTHER ASSETS	56,422,419	35,215,475
TOTAL ASSETS	1,128,342,787	902,848,921
FUNDS COLLECTED	718,422,037	604,400,687
FUNDS BORROWED	153,368,005	122,542,295
MARKETABLE SECURITIES ISSUED	16,621,303	1,000,923
LEASE PAYABLES	2,467,191	1,581,815
SUBORDINATED LOANS	15,988,438	14,186,285
OTHER LIABILITIES	112,634,763	69,278,092
EQUITY	108,841,050	89,858,824
TOTAL LIABILITIES	1,128,342,787	902,848,921
CONSOLIDATED STATEMENT OF PROFIT	30.06.2025	30.06.2024
PROFIT SHARE INCOME	83,355,549	64,600,696
PROFIT SHARE EXPENSE	47,791,798	37,827,879
NET PROFIT SHARE INCOME/EXPENSE	35,563,751	26,772,817
NET FEES AND COMMISSION INCOME/EXPENSE	5,983,059	3,345,360
PERSONNEL EXPENSES	9,963,706	5,850,370
DIVIDEND INCOME	5,297	3,763
TRADING INCOME / LOSS (NET)	8,644,137	943,273
OTHER OPERATING INCOME	11,700,083	10,373,896
EXPECTED LOSS PROVISIONS (-)	6,017,071	3,007,549
OTHER PROVISION EXPENSES (-)	622,773	466,969
OTHER OPERATING EXPENSES (-)	16,116,666	10,332,790
PROFIT / LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING	138,174	148,040
INCOME/ LOSS BEFORE TAX	29,314,285	21,929,471
TAX PROVISION (-)	7,086,655	5,074,009
NET PROFIT/LOSS FOR THE PERIOD	22,227,630	16,855,462
RATIOS	30.06.2025	31.12.2024
Total Loans/Total Assets*	51.17%	50.72%
Total Loans/Fund Collected*	80.36%	75.77%
Average Equity Profit**	44.75%	51.94%
Average Assets Profit**	4.38%	4.65%
Capital Adequacy Ratio	21.92%	24.81%

* Lease Receivables are 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 32% compared to the same period last year to TL 22.2 billion. Kuveyt Türk's total funding base (funds collected and loans received) reached TL 872 billion, while the amount of funds disbursed reached TL 577 billion. In addition, our bank increased its equity to TL 108.8 billion and its total assets to TL 1,128 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 AL MARZOUQ

Chairman of the Board of Directors

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

Based on the consolidated financial statements prepared as of 30 June 2025, our asset size reached TL 1 trillion 128 million, while our fund disbursement was TL 577 billion 344 million and the funds we collected were TL 718 billion 422 million. In the first six months of 2025, our shareholders' equity increased by 21.12% to TL 108 billion 841 million with the effect of TL 22 billion 228 million profit. Our consolidated capital adequacy ratio was 21.92% as of 30 June 2025.

1.6 Significant events and transactions occurring during the three months period

The Parent Bank issued a 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.