

**QNB BANK ANONİM ŐİRKETİ**

**CONSOLIDATED FINANCIAL STATEMENTS AND  
RELATED DISCLOSURES AS OF JUNE 30, 2025  
TOGETHER WITH AUDITOR'S INTERIM REVIEW REPORT**

**(Convenience Translation of Publicly Announced  
Consolidated Financial Statements and  
Auditor's Interim Review Report Originally Issued in Turkish)**



**Shape the future  
with confidence**

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**(Convenience Translation of the Auditor's Review Report Originally Issued in Turkish)**

**Independent Auditors' Review Report on Consolidated Interim Financial Information**

**To the Board of Directors of QNB Bank A.Ş.**

### *Introduction*

We have reviewed the consolidated statement of financial position of QNB Bank A.Ş. ("the Bank") and its subsidiaries (together will be referred as "the Group") at June 30, 2025 and the related 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 and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the six-months-period then ended. The Group management is responsible for the preparation and fair presentation of these consolidated interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated November 1, 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

### *Scope of Review*

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

### *Basis of Qualified Conclusion*

As stated in section 5, Part II 9.5 and Part IV 6 of Explanations and Footnotes Related to the Consolidated Financial Statements, the accompanying consolidated financial statements as of June 30, 2025 include a free provision at an amount of thousand TL 6.000.000, of which thousand TL 4.700.000 was provided in prior years and thousand TL 1.300.000 was provided in the current period by the Group management for the possible effects of the negative circumstances which may arise from the possible changes in the economy and market conditions which does not meet the recognition criteria of TAS 37 "Provisions, Contingent Liabilities and Contingent Assets". We provide a qualified conclusion due to the impact of this matter on the accompanying consolidated financial statements as of June 30, 2025.



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### *Qualified Conclusion*

Based on our review, except for the effect of the matter referred in the basis of qualified conclusion paragraph on the consolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true view of the financial position of the Group at June 30, 2025 and of the results of its operations and its cash flows for the six-months-period then ended in all aspects in accordance with the BRSA Accounting and Financial Reporting Legislation.

### *Other Matter*

The consolidated financial statements of the Group as at December 31, 2024, and June 30, 2024, which were prepared in accordance with “BRSA Accounting Financial Reporting Legislation” were audited and reviewed by another independent audit firm respectively. Since the unconsolidated financial statements prepared as at December 31, 2024 include a free provision at an amount of thousand TL 4.700.000 of which thousand TL 6.800.000 provided in prior years and thousand TL 2.100.000 reversed in the current year by the Bank management outside of the requirements of BRSA Accounting and Financial Reporting Legislation, the independent audit firm expressed a qualified opinion and a qualified conclusion in their reports, issued on January 30, 2025 and July 29, 2024 respectively.

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

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

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited

Emre Çelik, SMMM  
Partner

July 29, 2025  
İstanbul, Türkiye

**THE CONSOLIDATED FINANCIAL REPORT OF QNB BANK A.Ş.  
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

The Parent Bank's

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Phone number : (0 212) 318 50 00  
Facsimile number : (0 212) 318 56 48  
Web page : [www.qnb.com.tr](http://www.qnb.com.tr)  
E-mail address : [investor.relations@qnb.com.tr](mailto:investor.relations@qnb.com.tr)

The consolidated financial report for the six months period ended June 30, 2025, designed by the Banking Regulation and Supervision Agency in line with the Communiqué on Financial Statements to be Publicly Announced and the Related Policies and Disclosures consists of the sections listed below:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON ACCOUNTING POLICIES OF THE PARENT BANK
- INFORMATION ON CONSOLIDATED FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE GROUP
- FOOTNOTES AND EXPLANATIONS ON CONSOLIDATED FINANCIAL STATEMENTS
- INTERIM REVIEW REPORT
- INTERIM CONSOLIDATED ACTIVITY REPORT

Within the context of this financial report, the consolidated subsidiaries and structured entities are as follows. There are no associates included in the consolidation.

**Subsidiaries**

1. QNB Finansal Kiralama Anonim Şirketi
2. QNB Yatırım Menkul Değerler Anonim Şirketi
3. QNB Portföy Yönetimi Anonim Şirketi
4. QNB Faktoring Anonim Şirketi
5. QNB Varlık Kiralama Anonim Şirketi
6. QNB Sağlık Hayat Sigorta ve Emeklilik Anonim Şirketi
7. QNBeyond Ventures B.V.

**Structured Entities**

1. Bosphorus Financial Services Limited
2. Finance Capital Finance Limited

The accompanying consolidated financial statements and related disclosures and footnotes for the six months period ended June 30, 2025, are prepared and reviewed 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. Unless otherwise stated, the accompanying consolidated financial statements are presented **in thousands of Turkish Lira (TL)**.

**Mehmet Ömer Arif Aras**  
Chairman of  
the Board of Directors

**Saleh Nofal**  
Member of the Board of  
Directors and Chairman of the  
Audit Committee

**Ramzi T.A. Mari**  
Member of the Board of  
Directors

**Noor Mohd J. A. Al-Naimi**  
Member of the Board of  
Directors and of the  
Audit Committee

**Yeşim Gura**  
Member of the Board of  
Directors and of the  
Audit Committee

**Osman Ömür Tan**  
General Manager  
and Member of the  
Board of Directors

**Adnan Menderes Yayla**  
Executive Vice President  
Financial Control and Planning, Investor  
Relations

**Ercan Sakarya**  
Managing Director  
Financial Control and Planning

Information related to the responsible personnel to whom the questions about the financial statements can be communicated:

Name- Surname/Title : Mehmet Demirci / Financial Reporting Manager  
Phone Number : (0 212) 319 69 22  
Facsimile Number : (0 212) 318 55 78

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# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

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### SECTION ONE

#### GENERAL INFORMATION ABOUT THE PARENT BANK

##### I. Explanatory Note on the Establishment Date, Nature of Activities and History of the Parent Bank

It was established in Istanbul on October 26, 1987 under the title of QNB Bank Anonim Şirketi (“Parent Bank” or “Bank”) in accordance with the provisions of the Banking Law and the Turkish Commercial Code published in the Turkish Trade Registry Gazette No. 1857 dated September 25, 1987. The Bank’s shares have been listed on the Borsa Istanbul (“BIST”) since 1990.

##### II. Information About the Parent Bank’s Shareholding Structure, Shareholders Who Individually or Jointly Have the Power to Control the Management and Audit Directly or Indirectly, Changes Regarding These Subjects During the Year, If Any, and Information About the Controlling Group of the Parent Bank

As of December 21, 2015 a share sales agreement has been concluded between National Bank of Greece S.A. (NBG), principal shareholder of the Parent Bank in previous periods, and Qatar National Bank Q.P.S.C. (“QNB”) regarding the direct or indirect sales of NBG’s shares, owned by affiliates and current associations of the Parent Bank, at the rate of 99.81% to QNB at a price of EUR 2,750 million. On April 7, 2016, BRSA permitted to transfer shares at ratios of 82.23%, 7.90%, 9.68% owned by National Bank of Greece S.A., NBGI Holdings B.V. and NBG Finance (Dollar) PLC respectively in the capital of the Parent Bank to Qatar National Bank S.A.Q. in the framework of paragraph 1 of article 18 of Banking Law and dropping direct share of National Bank of Greece S.A. to 0% through the aforementioned share transfer. Necessary permissions related to share transfer have been completed on May 4, 2016 before the Competition Authority while permission transactions regarding direct/indirect share ownership which shall realize in related affiliates of the Parent Bank (QNB Yatırım Menkul Değerler A.Ş., QNB Portföy Yönetimi A.Ş., QNB Finansal Kiralama A.Ş. and QNB Sağlık, Hayat, Sigorta ve Emeklilik A.Ş.) before the related official bodies on May 12, 2016 and share transfer of the Parent Bank has been completed on June 15, 2016.

The Parent Bank has decided to change the logo and the name of the company within the scope of the main shareholder change and brand strategies the new logo and the company name of the Parent Bank has started to be used as "QNB FİNANSBANK" as of October 20, 2016 and the company name started to be used with the registration of the Genel Assembly Resolution dated November 24, 2016 on November 30, 2016. According to the decision dated January 17, 2018 which was taken by the General Assembly. The Parent Bank's trade name is changed from “FİNANS BANK A.Ş” to “QNB FİNANSBANK A.Ş” as of January 19, 2018. On October 11, 2024 with the registration of the Parent Bank's Extraordinary General Assembly resolutions dated October 1, 2024, the company name “QNB Finansbank” started to be used as “QNB” and the trade name “QNB Finansbank A.Ş.” started to be used as “QNB Bank A.Ş.”.

99.88% of shares of Parent Bank are controlled by Qatar National Bank as of June 30, 2025 and remaining 0.12% of related shares are public shares.

50% of QNB shares, which is the first commercial bank of Qatar founded in 1964 and has been traded at Qatar Stock Exchange since 1997, are owned by Qatar Investment Authority while 50% of related shares are public shares. QNB is operating over 28 countries mainly in Middle East and North Africa Regions as well as being the biggest bank of Qatar. Also with respect to total assets, total credits and total deposits QNB is the biggest bank of Middle East and North Africa.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### GENERAL INFORMATION ABOUT THE PARENT BANK (Continued)

#### III. Information About the Chairman and Members of Board of Directors, Members of Audit Committee, Managing Directors and Executive Vice Presidents; Any Changes, and the Information about the Parent Bank Shares They Hold and Their Responsibilities

Name and Surname	Responsibility	Appointment Date	Education
Dr. Ömer A. Aras	Chairman	April 16, 2010	PhD
Yousef Mahmoud H. N. Al-Neama	Deputy Chairman and Executive Member	May 28, 2019	Masters
Saleh Nofal	Board Member and Chairman of the Audit Committee	March 30, 2023	Graduate
Ramzi T. A. Mari	Board Member	June 16, 2016	Masters
Dr. Fatma Abdulla S.S. Al-Suwaidi	Board Member	June 16, 2016	PhD
Najla Ibrahim Al Mutawa	Board Member	March 27, 2025	Graduate
Osman Ömür Tan	Board Member and General Manager	January 1, 2022	Masters
Temel Güzeloğlu	Board Member	April 16, 2010	Masters
Yeşim Güra	Board Member and Audit Committee Member	March 30, 2023	Masters
Adel Ali M. A. Al-Malki	Board Member	May 28, 2019	Graduate
Noor Mohd J. A. Al-Naimi	Board Member and Audit Committee Member	June 22, 2017	Masters
Adnan Menderes Yayla	Executive Vice President	May 20, 2008	Masters
Köksal Çoban	Executive Vice President	August 19, 2008	Masters
Dr. Mehmet Kürşad Demirkol	Executive Vice President	October 8, 2010	PhD
Enis Kurtoglu	Executive Vice President	May 14, 2015	Masters
Murat Koraş	Executive Vice President	May 14, 2015	Masters
Engin Turhan	Executive Vice President	June 14, 2016	Masters
Cumhur Türkmen	Executive Vice President	June 11, 2018	Masters
Cenk Akıncılar	Executive Vice President	January 21, 2019	Graduate
Burçin Dündar Tüzün	Executive Vice President	December 1, 2019	Masters
Zeynep Kulalar	Executive Vice President	December 1, 2019	Graduate
Derya Düner	Executive Vice President	January 1, 2020	Graduate
Ali Yılmaz	Executive Vice President	January 1, 2020	Masters
İsmail Işık	Executive Vice President	January 18, 2023	Masters
Sercan Kızas	Head of the Department of Internal Control and Compliance	January 1, 2024	Masters
Ersin Emir	Head of Internal Audit	February 18, 2011	Masters
Zeynep Aydın Demirkıran	Head of Risk Management	September 16, 2011	Masters

The top-level management listed above possesses immaterial number of shares of the Parent Bank.

#### IV. Information About the Persons and Institutions That Have Qualified Shares in the Parent Bank

Name Surname/Trade Name	Amount of Shares	Percentage of Shares	Paid-up Shares	Unpaid Shares
Qatar National Bank Q.P.S.C. ("QNB")	3,345,892	99.88%	3,345,892	-
Other	4,108	0.12%	4,108	-

#### V. Explanations on the Parent Bank's Services and Activities

The Parent Bank's activities include trade finance and corporate banking, private and retail banking, SME banking, currency, money markets, securities operations and credit card operations. In addition, the Parent Bank carries out insurance agency activities on behalf of insurance companies through its branches. As of June 30, 2025, the Parent Bank operates through 424 domestic (December 31, 2024 – 425), 1 abroad (December 31, 2024 – 1) and 1 Atatürk Airport Free Trade Zone (December 31, 2024 – 1) branches. The Bank and its consolidated subsidiaries are collectively referred to as the 'Group' as of June 30, 2025, the Group has 14,518 (December 31, 2024 – 14,541) employees.

#### VI. Current or Likely Actual or Legal Barriers to Immediate Transfer of Shareholders' Equity or Repayment of Debts Between the Parent Bank and Its Subsidiaries

None.

## **SECTION TWO**

### **CONSOLIDATED FINANCIAL STATEMENTS**

- I. Consolidated Balance Sheet (Consolidated Statement of Financial Position)
- II. Consolidated Statements of Off-Balance Sheet Commitments and Contingencies
- III. Consolidated Statement of Profit or Loss
- 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

# QNB BANK ANONİM ŞİRKETİ

## CONSOLIDATED BALANCE SHEET

### FOR THE PERIOD ENDED JUNE 30, 2025 (STATEMENT OF FINANCIAL POSITION)

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

#### I. CONSOLIDATED BALANCE SHEET – ASSETS

		Current Period 30.06.2025			Prior Period 31.12.2024		
		TL	FC	TOTAL	TL	FC	TOTAL
<b>I.</b>	<b>FINANCIAL ASSETS (NET)</b>	<b>320,343,168</b>	<b>210,879,403</b>	<b>531,222,571</b>	<b>281,794,039</b>	<b>161,433,428</b>	<b>443,227,467</b>
1.1	Cash and Cash Equivalents	143,188,069	170,292,844	313,480,913	149,349,721	124,999,896	274,349,617
1.1.1	Cash and Balances with The Central Bank	137,137,851	150,336,017	287,473,868	143,519,916	109,580,869	253,100,785
1.1.2	Banks	5,071,280	19,977,055	25,048,335	5,244,686	15,438,679	20,683,365
1.1.3	Money Market Placement	989,459	-	989,459	601,134	-	601,134
1.1.4	Expected Credit Losses (-)	10,521	20,228	30,749	16,015	19,652	35,667
1.2	Financial Assets at Fair Value Through Profit or Loss	11,535,494	2,983,724	14,519,218	12,128,450	2,882,927	15,011,377
1.2.1	Government Debt Securities	7,025,978	1,314,083	8,340,061	9,039,624	1,564,852	10,604,476
1.2.2	Equity Securities	1,596,346	543,571	2,139,917	1,252,208	428,232	1,680,440
1.2.3	Other Financial Assets	2,913,170	1,126,070	4,039,240	1,836,618	889,843	2,726,461
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	155,462,990	30,979,643	186,442,633	116,118,623	26,716,472	142,835,095
1.3.1	Government Debt Securities	155,460,271	30,614,543	186,074,814	116,092,058	26,376,159	142,468,217
1.3.2	Equity Securities	2,719	21,700	24,419	1,518	17,104	18,622
1.3.3	Other Financial Assets	-	343,400	343,400	25,047	323,209	348,256
1.4	Derivative Financial Assets	10,156,615	6,623,192	16,779,807	4,197,245	6,834,133	11,031,378
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss	5,706,385	4,633,553	10,339,938	3,284,813	4,372,699	7,657,512
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income	4,450,230	1,989,639	6,439,869	912,432	2,461,434	3,373,866
<b>II.</b>	<b>FINANCIAL ASSETS MEASURED AT AMORTIZED COST (Net)</b>	<b>837,834,530</b>	<b>402,340,046</b>	<b>1,240,174,576</b>	<b>717,067,048</b>	<b>323,409,240</b>	<b>1,040,476,288</b>
2.1	Loans	758,610,565	341,019,092	1,099,629,657	627,543,725	270,752,339	898,296,064
2.2	Lease Receivables	9,292,248	26,644,087	35,936,335	8,472,440	18,903,277	27,375,717
2.3	Factoring Receivables	21,084,874	6,288,106	27,372,980	22,947,170	4,171,131	27,118,301
2.4	Other Financial Assets Measured at Amortized Cost	93,021,611	36,994,335	130,015,946	92,822,031	36,471,527	129,293,558
2.4.1	Government Debt Securities	93,021,611	36,994,335	130,015,946	92,822,031	36,326,963	129,148,994
2.4.2	Other Financial Assets	-	-	-	-	144,564	144,564
2.5	Expected Credit Losses (-)	44,174,768	8,605,574	52,780,342	34,718,318	6,889,034	41,607,352
<b>III.</b>	<b>ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS(Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3.1	Held for Sale Purpose	-	-	-	-	-	-
3.2	Related to Discontinued Operations	-	-	-	-	-	-
<b>IV.</b>	<b>EQUITY INVESTMENTS</b>	<b>567,377</b>	<b>-</b>	<b>567,377</b>	<b>566,487</b>	<b>-</b>	<b>566,487</b>
4.1	Investments in Associates (Net)	58,531	-	58,531	57,641	-	57,641
4.1.1	Associates Valued Based on Equity Method	-	-	-	-	-	-
4.1.2	Unconsolidated Associates	58,531	-	58,531	57,641	-	57,641
4.2	Subsidiaries (Net)	506,046	-	506,046	506,046	-	506,046
4.2.1	Unconsolidated Financial Subsidiaries	-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries	506,046	-	506,046	506,046	-	506,046
4.3	Joint Ventures (Net)	2,800	-	2,800	2,800	-	2,800
4.3.1	Joint Ventures Valued Based on Equity Method	-	-	-	-	-	-
4.3.2	Joint Ventures	2,800	-	2,800	2,800	-	2,800
<b>V.</b>	<b>PROPERTY AND EQUIPMENT (Net)</b>	<b>21,694,057</b>	<b>715</b>	<b>21,694,772</b>	<b>21,488,183</b>	<b>609</b>	<b>21,488,792</b>
<b>VI.</b>	<b>INTANGIBLE ASSETS (Net)</b>	<b>7,533,578</b>	<b>-</b>	<b>7,533,578</b>	<b>6,489,778</b>	<b>-</b>	<b>6,489,778</b>
6.1	Goodwill	-	-	-	-	-	-
6.2	Other	7,533,578	-	7,533,578	6,489,778	-	6,489,778
<b>VII.</b>	<b>INVESTMENT PROPERTY (Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII.</b>	<b>CURRENT TAX ASSET</b>	<b>539,950</b>	<b>-</b>	<b>539,950</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX.</b>	<b>DEFERRED TAX ASSET</b>	<b>6,080,864</b>	<b>-</b>	<b>6,080,864</b>	<b>5,492,011</b>	<b>-</b>	<b>5,492,011</b>
<b>X.</b>	<b>OTHER ASSETS (Net)</b>	<b>39,642,200</b>	<b>6,590,266</b>	<b>46,232,466</b>	<b>33,121,695</b>	<b>4,230,009</b>	<b>37,351,704</b>
<b>TOTAL ASSETS</b>		<b>1,234,235,724</b>	<b>619,810,430</b>	<b>1,854,046,154</b>	<b>1,066,019,241</b>	<b>489,073,286</b>	<b>1,555,092,527</b>

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

# QNB BANK ANONİM ŞİRKETİ

## CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED JUNE 30, 2025 (STATEMENT OF FINANCIAL POSITION) (Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

### I. CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY

		Current Period 30.06.2025			Prior Period 31.12.2024			
		TL	FC	TOTAL	TL	FC	TOTAL	
<b>I.</b>	<b>DEPOSITS</b>	(1)	677,231,014	326,128,819	1,003,359,833	604,971,435	273,463,290	878,434,725
<b>II.</b>	<b>FUNDS BORROWED</b>	(3)	13,979,707	244,329,267	258,308,974	13,491,062	172,903,637	186,394,699
<b>III.</b>	<b>MONEY MARKETS BORROWINGS</b>	(4)	111,855,163	35,879,480	147,734,643	101,297,673	48,467,653	149,765,326
<b>IV.</b>	<b>SECURITIES ISSUED (NET)</b>	(5)	21,589,838	100,584,522	122,174,360	8,167,480	64,445,776	72,613,256
4.1	Bills		19,501,918	5,979,230	25,481,148	6,459,663	18,425,962	24,885,625
4.2	Asset Backed Securities		2,087,920	-	2,087,920	1,707,817	-	1,707,817
4.3	Bonds		-	94,605,292	94,605,292	-	46,019,814	46,019,814
<b>V.</b>	<b>FUNDS</b>		-	-	-	-	-	-
5.1	Borrowers' Funds		-	-	-	-	-	-
5.2	Others		-	-	-	-	-	-
<b>VI.</b>	<b>FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT or LOSS</b>		-	-	-	-	-	-
<b>VII.</b>	<b>DERIVATIVE FINANCIAL LIABILITIES</b>	(2,8)	5,854,830	9,069,464	14,924,294	6,604,530	4,729,488	11,334,018
7.1	Derivative Financial Liabilities at Fair Value Through Profit & Loss (Net)		4,451,913	8,158,527	12,610,440	4,611,548	3,671,515	8,283,063
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		1,402,917	910,937	2,313,854	1,992,982	1,057,973	3,050,955
<b>VIII.</b>	<b>FACTORING LIABILITIES</b>		-	-	-	-	-	-
<b>IX.</b>	<b>LEASE LIABILITIES (Net)</b>	(7)	2,010,682	925	2,011,607	1,736,455	131	1,736,586
<b>X.</b>	<b>PROVISIONS</b>	(9)	17,012,399	4,149,026	21,161,425	14,528,719	2,754,014	17,282,733
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		4,330,333	43,312	4,373,645	4,215,161	38,387	4,253,548
10.3	Insurance Technical Provisions (Net)		4,249,167	3,931,624	8,180,791	3,273,050	2,616,807	5,889,857
10.4	Other Provisions		8,432,899	174,090	8,606,989	7,040,508	98,820	7,139,328
<b>XI.</b>	<b>CURRENT TAX LIABILITY</b>	(10)	8,879,820	-	8,879,820	3,915,992	-	3,915,992
<b>XII.</b>	<b>DEFERRED TAX LIABILITY</b>		67,299	-	67,299	38,236	-	38,236
<b>XIII.</b>	<b>LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)</b>	(11)	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Discontinued Operations		-	-	-	-	-	-
<b>XIV.</b>	<b>SUBORDINATED DEBT INSTRUMENTS</b>	(12)	-	34,136,115	34,136,115	-	32,298,839	32,298,839
14.1	Subordinated Loans		-	22,055,323	22,055,323	-	21,568,852	21,568,852
14.2	Other Debt Instruments		-	12,080,792	12,080,792	-	10,729,987	10,729,987
<b>XV.</b>	<b>OTHER LIABILITIES</b>		86,102,650	15,872,664	101,975,314	72,159,559	10,087,912	82,247,471
<b>XVI.</b>	<b>SHAREHOLDERS' EQUITY</b>		138,953,330	359,140	139,312,470	118,369,164	661,482	119,030,646
16.1	Paid-in Capital	(13)	3,350,000	-	3,350,000	3,350,000	-	3,350,000
16.2	Capital Reserves		714	-	714	714	-	714
16.2.1	Share Premium	(14)	714	-	714	714	-	714
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		-	-	-	-	-	-
16.3	Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss		10,594,889	-	10,594,889	10,598,225	-	10,598,225
16.4	Other Comprehensive Income/Expense Items Reclassified to Profit or Loss		(4,500,280)	359,140	(4,141,140)	(3,160,475)	661,482	(2,498,993)
16.5	Profit Reserves		107,550,631	-	107,550,631	71,376,333	-	71,376,333
16.5.1	Legal Reserves		1,015,487	-	1,015,487	836,127	-	836,127
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		106,535,144	-	106,535,144	70,540,206	-	70,540,206
16.5.4	Other Profit Reserves		-	-	-	-	-	-
16.6	Profit/Loss		21,922,152	-	21,922,152	36,174,298	-	36,174,298
16.6.1	Prior Periods' Profit/Loss		-	-	-	-	-	-
16.6.2	Current Period's Net Profit/Loss		21,922,152	-	21,922,152	36,174,298	-	36,174,298
16.7	Minority Interest		35,224	-	35,224	30,069	-	30,069
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>			<b>1,083,536,732</b>	<b>770,509,422</b>	<b>1,854,046,154</b>	<b>945,280,305</b>	<b>609,812,222</b>	<b>1,555,092,527</b>

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

# QNB BANK ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES FOR THE PERIOD ENDED JUNE 30, 2025

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

### II. CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES

	Section 5 Part III	Current Period 30.06.2025			Prior Period 31.12.2024		
		TL	FC	TOTAL	TL	FC	TOTAL
<b>OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS</b>							
<b>A. (I+II+III)</b>		<b>1,858,447,844</b>	<b>1,493,607,950</b>	<b>3,352,055,794</b>	<b>1,374,176,112</b>	<b>1,089,593,429</b>	<b>2,463,769,541</b>
<b>I. GUARANTEES</b>	(1), (2), (3), (4)	<b>100,055,067</b>	<b>100,322,137</b>	<b>200,377,204</b>	<b>68,860,694</b>	<b>72,997,791</b>	<b>141,858,485</b>
1.1. Letters of guarantee		90,997,352	61,419,109	152,416,461	62,169,376	45,739,458	107,908,834
1.1.1. Guarantees subject to State Tender Law		1,760,726	457,670	2,218,396	1,188,060	360,738	1,548,798
1.1.2. Guarantees given for foreign trade operations		43,229,968	60,961,439	104,191,407	27,853,300	45,378,720	73,232,020
1.1.3. Other letters of guarantee		46,006,658	-	46,006,658	33,128,016	-	33,128,016
1.2. Bank loans		8,996,211	18,634,827	27,631,038	6,659,144	11,921,949	18,581,093
1.2.1. Import letter of acceptance		8,996,211	18,634,827	27,631,038	6,659,144	11,921,949	18,581,093
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		61,504	20,268,201	20,329,705	32,174	15,336,384	15,368,558
1.3.1. Documentary letters of credit		61,504	16,352,439	16,413,943	32,174	12,065,515	12,097,689
1.3.2. Other letters of credit		-	3,915,762	3,915,762	-	3,270,869	3,270,869
1.4. Prefinancing given as guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Securities issue purchase guarantees		-	-	-	-	-	-
1.7. Factoring guarantees		-	-	-	-	-	-
1.8. Other guarantees		-	-	-	-	-	-
1.9. Other collaterals		-	-	-	-	-	-
<b>II. COMMITMENTS</b>		<b>1,387,326,128</b>	<b>78,249,600</b>	<b>1,465,575,728</b>	<b>1,015,194,147</b>	<b>58,887,412</b>	<b>1,074,081,559</b>
2.1. Irrevocable commitments	(1)	1,280,148,233	68,981,384	1,349,129,617	905,586,551	49,048,177	954,634,728
2.1.1. Forward asset purchase and sales commitments		23,667,680	55,437,333	79,105,013	15,532,200	42,268,303	57,800,503
2.1.2. Forward deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitment to associates and subsidiaries		-	-	-	-	-	-
2.1.4. Loan granting commitments		249,716,602	3,974	249,720,576	170,600,580	3,528	170,604,108
2.1.5. Securities underwriting commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve deposit requirements		-	-	-	-	-	-
2.1.7. Payment commitment for checks		13,841,381	-	13,841,381	9,978,545	-	9,978,545
2.1.8. Tax and fund liabilities from export commitments		909,891	-	909,891	638,126	-	638,126
2.1.9. Commitments for credit card expenditure limits		982,121,248	-	982,121,248	701,154,935	-	701,154,935
2.1.10. Commitments for promotions related with credit cards and banking activities		347,209	-	347,209	266,571	-	266,571
2.1.11. Receivables from short sale commitments		-	-	-	-	-	-
2.1.12. Payables for short sale commitments		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		9,544,222	13,540,077	23,084,299	7,415,594	6,776,346	14,191,940
2.2. Revocable commitments		107,177,895	9,268,216	116,446,111	109,607,596	9,839,235	119,446,831
2.2.1. Revocable loan granting commitments		106,168,876	46,429	106,215,305	108,531,569	5,117,588	113,649,157
2.2.2. Other revocable commitments		1,009,019	9,221,787	10,230,806	1,076,027	4,721,647	5,797,674
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>	(5), (6)	<b>371,066,649</b>	<b>1,315,036,213</b>	<b>1,686,102,862</b>	<b>290,121,271</b>	<b>957,708,226</b>	<b>1,247,829,497</b>
3.1. Derivative financial instruments for hedging purposes		80,600,511	291,808,994	372,409,505	66,760,432	249,215,870	315,976,302
3.1.1. Fair value hedge		20,048,024	82,125,031	102,173,055	15,312,045	69,175,034	84,487,079
3.1.2. Cash flow hedge		60,552,487	209,683,963	270,236,450	51,448,387	180,040,836	231,489,223
3.1.3. Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2. Held for trading transactions		290,466,138	1,023,227,219	1,313,693,357	223,360,839	708,492,356	931,853,195
3.2.1. Forward foreign currency buy/sell transactions		51,964,519	89,323,094	141,287,613	33,959,665	42,851,520	76,811,185
3.2.1.1. Forward foreign currency transactions-buy		2,074,394	66,354,560	68,428,954	4,654,510	31,345,839	36,000,349
3.2.1.2. Forward foreign currency transactions-sell		49,890,125	22,968,534	72,858,658	29,305,155	11,505,681	40,810,836
3.2.2. Swap transactions related to foreign currency and interest rates		208,281,698	850,069,148	1,058,350,846	168,670,230	609,516,109	778,186,339
3.2.2.1. Foreign currency swap-buy		12,930	285,304,169	285,317,099	496,690	192,061,484	192,558,174
3.2.2.2. Foreign currency swap-sell		45,447,970	247,798,093	293,246,063	38,405,742	160,167,909	198,573,651
3.2.2.3. Interest rate swaps-buy		81,410,399	158,483,443	239,893,842	64,883,899	128,643,358	193,527,257
3.2.2.4. Interest rate swaps-sell		81,410,399	158,483,443	239,893,842	64,883,899	128,643,358	193,527,257
3.2.3. Foreign currency, interest rate and securities options		24,136,647	78,146,081	102,282,728	20,388,544	55,846,295	76,234,839
3.2.3.1. Foreign currency options-buy		7,417,540	43,343,932	50,761,472	4,386,608	32,716,538	37,103,146
3.2.3.2. Foreign currency options-sell		16,719,107	34,802,149	51,521,256	16,001,936	23,129,757	39,131,693
3.2.3.3. Interest rate options-buy		-	-	-	-	-	-
3.2.3.4. Interest rate options-sell		-	-	-	-	-	-
3.2.3.5. Securities options-buy		-	-	-	-	-	-
3.2.3.6. Securities options-sell		-	-	-	-	-	-
3.2.4. Foreign currency futures		6,083,274	5,688,896	11,772,170	342,400	278,432	620,832
3.2.4.1. Foreign currency futures-buy		-	5,688,896	5,688,896	278,663	53,802	332,465
3.2.4.2. Foreign currency futures-sell		6,083,274	-	6,083,274	63,737	224,630	288,367
3.2.5. Interest rate futures		-	-	-	-	-	-
3.2.5.1. Interest rate futures-buy		-	-	-	-	-	-
3.2.5.2. Interest rate futures-sell		-	-	-	-	-	-
3.2.6. Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGED ITEMS (IV+V+VI)</b>		<b>6,512,758,404</b>	<b>1,883,393,615</b>	<b>8,396,152,019</b>	<b>5,381,729,952</b>	<b>1,573,132,054</b>	<b>6,954,862,006</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>1,682,509,430</b>	<b>93,075,051</b>	<b>1,775,584,481</b>	<b>1,506,182,911</b>	<b>179,463,974</b>	<b>1,685,646,885</b>
4.1. Customer Fund and Portfolio Assets		168,856,553	5,772,195	174,628,748	138,061,161	123,741,202	261,802,363
4.2. Investment securities held in custody		1,095,553,225	53,215,710	1,148,768,935	1,045,553,753	31,289,577	1,076,843,330
4.3. Checks received for collection		78,880,891	8,748,644	87,629,535	56,757,474	4,486,208	61,243,682
4.4. Commercial notes received for collection		8,323,857	3,387,737	11,711,594	8,400,994	3,168,618	11,569,612
4.5. Other assets received for collection		-	-	-	-	-	-
4.6. Assets received for public offering		-	-	-	-	-	-
4.7. Other items under custody		330,894,904	21,950,765	352,845,669	257,409,529	16,778,369	274,187,898
4.8. Custodians		-	-	-	-	-	-
<b>V. PLEDGED ITEMS</b>		<b>2,736,693,003</b>	<b>934,450,247</b>	<b>3,671,143,250</b>	<b>2,199,855,869</b>	<b>730,804,542</b>	<b>2,930,660,411</b>
5.1. Marketable securities		45,741,318	56,615,541	102,356,859	11,029,178	35,956,788	46,985,966
5.2. Guarantee notes		1,534,202	907,017	2,441,219	1,942,813	575,537	2,518,350
5.3. Commodity		1,861,571	-	1,861,571	1,878,689	-	1,878,689
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		671,269,147	417,319,934	1,088,589,081	553,311,156	330,679,284	883,990,440
5.6. Other pledged items		2,016,286,765	459,607,755	2,475,894,520	1,631,694,033	363,592,933	1,995,286,966
5.7. Pledged items-depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>2,093,555,971</b>	<b>855,868,317</b>	<b>2,949,424,288</b>	<b>1,675,691,172</b>	<b>662,863,538</b>	<b>2,338,554,710</b>
<b>TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)</b>		<b>8,371,206,248</b>	<b>3,377,001,565</b>	<b>11,748,207,813</b>	<b>6,755,906,064</b>	<b>2,662,725,483</b>	<b>9,418,631,547</b>

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

# QNB BANK ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED JUNE 30, 2025

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

### III. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

INCOME AND EXPENSE ITEMS		Section 5 Part IV	Current Period	Current 3 Months	Prior Period	Prior Period 3 Months
			01.01 - 30.06.2025	01.04 - 30.06.2025	01.01 - 30.06.2024	01.04 - 30.06.2024
<b>I.</b>	<b>INTEREST INCOME</b>	<b>(1)</b>	<b>214,136,772</b>	<b>111,421,717</b>	<b>133,892,951</b>	<b>74,736,121</b>
1.1	Interest income on loans		141,468,285	74,588,058	92,159,152	50,514,789
1.2	Interest income on reserve deposits		19,009,925	10,054,325	5,182,539	4,066,392
1.3	Interest income on banks		6,806,733	957,661	1,440,292	733,920
1.4	Interest income on money market transactions		358,488	267,892	784,143	463,158
1.5	Interest income on securities portfolio		36,951,996	20,613,395	27,152,393	15,023,050
1.5.1	Financial assets measured at FVTPL		1,372,335	768,890	530,844	378,001
1.5.2	Financial assets measured at FVOCI		23,033,106	12,995,033	14,086,672	8,337,517
1.5.3	Financial assets measured at amortized cost		12,546,555	6,849,472	12,534,877	6,307,532
1.6	Financial lease income		3,157,624	1,692,040	2,501,181	1,312,641
1.7	Other interest income		6,383,721	3,248,346	4,673,251	2,622,171
<b>II.</b>	<b>INTEREST EXPENSE (-)</b>	<b>(2)</b>	<b>164,518,036</b>	<b>85,117,307</b>	<b>99,479,974</b>	<b>56,214,590</b>
2.1	Interest on deposits		123,196,887	63,669,318	80,845,348	45,736,077
2.2	Interest on funds borrowed		10,768,345	5,637,619	8,530,270	4,610,801
2.3	Interest on money market transactions		23,404,904	11,813,067	5,038,799	3,643,621
2.4	Interest on securities issued		6,590,509	3,727,475	4,021,274	2,042,218
2.5	Interests on leases		306,580	157,791	144,324	75,234
2.6	Other interest expenses		250,811	112,037	899,959	106,639
<b>III.</b>	<b>NET INTEREST INCOME/EXPENSE (I - II)</b>		<b>49,618,736</b>	<b>26,304,410</b>	<b>34,412,977</b>	<b>18,521,531</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME/EXPENSES</b>		<b>36,976,420</b>	<b>19,874,545</b>	<b>23,027,143</b>	<b>12,577,218</b>
4.1	Fees and commissions received		49,481,590	26,659,147	30,359,050	16,439,704
4.1.1	Non-cash loans		842,097	428,899	630,725	338,355
4.1.2	Others		48,639,493	26,230,248	29,728,325	16,101,349
4.2	Fees and commissions paid (-)		12,505,170	6,784,602	7,331,907	3,862,486
4.2.1	Non-cash loans		6,770	3,276	11,867	5,767
4.2.2	Others		12,498,400	6,781,326	7,320,040	3,856,719
<b>V.</b>	<b>DIVIDEND INCOME</b>	<b>(3)</b>	<b>20,646</b>	<b>18,069</b>	<b>19,037</b>	<b>15,133</b>
<b>VI.</b>	<b>TRADING INCOME / LOSSES (Net)</b>	<b>(4)</b>	<b>(11,820,369)</b>	<b>(7,965,035)</b>	<b>(15,561,349)</b>	<b>(9,529,664)</b>
6.1	Trading income/losses on securities		3,019,377	1,353,506	1,030,459	542,512
6.2	Income/losses from derivative transactions		(8,498,464)	(6,404,403)	(24,663,350)	(12,880,478)
6.3	Foreign exchange income/losses		(6,341,282)	(2,914,138)	8,071,542	2,808,302
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>(5)</b>	<b>1,318,615</b>	<b>1,167,450</b>	<b>234,178</b>	<b>88,136</b>
<b>VIII.</b>	<b>TOTAL OPERATING GROSS PROFIT (III+IV+V+VI+VII)</b>		<b>76,114,048</b>	<b>39,399,439</b>	<b>42,131,986</b>	<b>21,672,354</b>
<b>IX.</b>	<b>EXPECTED CREDIT LOSSES (-)</b>	<b>(6)</b>	<b>16,743,686</b>	<b>10,702,618</b>	<b>6,321,409</b>	<b>3,089,255</b>
<b>X.</b>	<b>OTHER PROVISION LOSSES (-)</b>	<b>(6)</b>	<b>1,767,439</b>	<b>(155,835)</b>	<b>(2,331,125)</b>	<b>(645,786)</b>
<b>XI.</b>	<b>PERSONNEL EXPENSES (-)</b>		<b>12,940,953</b>	<b>6,351,007</b>	<b>8,813,752</b>	<b>4,372,687</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>(7)</b>	<b>14,187,272</b>	<b>7,822,640</b>	<b>8,425,246</b>	<b>4,594,489</b>
<b>XIII.</b>	<b>NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)</b>		<b>30,474,698</b>	<b>14,679,009</b>	<b>20,902,704</b>	<b>10,261,709</b>
<b>XIV.</b>	<b>EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER</b>		-	-	-	-
<b>XV.</b>	<b>INCOME/LOSSES FROM INVESTMENTS UNDER EQUITY ACCOUNTING</b>		-	-	-	-
<b>XVI.</b>	<b>INCOME/LOSSES ON NET MONETARY POSITION</b>		-	-	-	-
<b>XVII.</b>	<b>OPERATING PROFIT/LOSS BEFORE TAXES (XII+...+XV)</b>	<b>(8)</b>	<b>30,474,698</b>	<b>14,679,009</b>	<b>20,902,704</b>	<b>10,261,709</b>
<b>XVIII.</b>	<b>PROVISION FOR TAXES OF CONTINUED OPERATIONS (±)</b>	<b>(9)</b>	<b>8,547,391</b>	<b>3,941,841</b>	<b>3,444,130</b>	<b>2,667,663</b>
18.1	Current tax charge		8,297,582	7,100,247	5,954,349	4,069,441
18.2	Deferred tax charge (+)		556,390	(2,939,898)	1,311,907	666,782
18.3	Deferred tax credit (-)		(306,581)	(218,508)	(3,822,126)	(2,068,560)
<b>XIX.</b>	<b>NET OPERATING PROFIT/LOSS AFTER TAXES (XVII±XVIII)</b>	<b>(10)</b>	<b>21,927,307</b>	<b>10,737,168</b>	<b>17,458,574</b>	<b>7,594,046</b>
<b>XX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		-	-	-	-
20.1	Income from assets held for sale		-	-	-	-
20.2	Income from sale of associates, subsidiaries and joint ventures		-	-	-	-
20.3	Others		-	-	-	-
<b>XXI.</b>	<b>EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		-	-	-	-
21.1	Expenses on assets held for sale		-	-	-	-
21.2	Expenses on sale of associates, subsidiaries and joint ventures		-	-	-	-
21.3	Others		-	-	-	-
<b>XXII.</b>	<b>PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XX+XXI)</b>		-	-	-	-
<b>XXIII.</b>	<b>PROVISION FOR TAXES OF DISCONTINUED OPERATIONS (±)</b>		-	-	-	-
23.1	Current tax charge		-	-	-	-
23.2	Deferred tax charge (+)		-	-	-	-
23.3	Deferred tax credit (-)		-	-	-	-
<b>XXIV.</b>	<b>NET PROFIT/LOSS AFTER TAXES ON DISCONTINUED OPERATIONS (XXII±XXIII)</b>		-	-	-	-
<b>XXV.</b>	<b>NET PROFIT/LOSS (XIX+XXIV)</b>	<b>(11)</b>	<b>21,927,307</b>	<b>10,737,168</b>	<b>17,458,574</b>	<b>7,594,046</b>
25.1	Group's profit/loss		21,922,152	10,734,303	17,456,229	7,592,688
25.2	Minority interest		5,155	2,865	2,345	1,358
	Earnings per share		0.6544	0.3204	0.5211	0.2266

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

# QNB BANK ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED JUNE 30, 2025

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

### IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Current Period 01.01 – 30.06.2025	Prior Period 01.01 – 30.06.2024
<b>I. CURRENT PERIOD PROFIT/LOSS</b>	<b>21,927,307</b>	<b>17,458,574</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>(1,645,483)</b>	<b>(205,676)</b>
<b>2.1 Other Income/Expense Items Not Reclassified Through Profit or Loss</b>	<b>(3,336)</b>	<b>(10,888)</b>
2.1.1 Revaluation Surplus on Tangible Assets	-	-
2.1.2 Revaluation Surplus on Intangible Assets	-	-
2.1.3 Defined Benefit Plans' Actuarial Income/Expense	(4,766)	(15,574)
2.1.4 Other Income/Expense Items not Reclassified to Profit or Loss	-	15
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	1,430	4,671
<b>2.2 Other Income/Expense Items Reclassified to Profit or Loss</b>	<b>(1,642,147)</b>	<b>(194,788)</b>
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Income/Expense from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	(1,901,744)	(1,318,354)
2.2.3 Income/Expense from Cash Flow Hedges	(457,887)	1,042,195
2.2.4 Income/Expense on Hedges of Net Investments in Foreign Operations	-	-
2.2.5 Other Income/Expense Items Reclassified to Profit or Loss	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	717,484	81,371
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>20,281,824</b>	<b>17,252,898</b>

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

# QNB BANK ANONİM ŞİRKETİ

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

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

### V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CHANGES IN SHAREHOLDERS' EQUITY	Section 5 Part V	Other Comprehensive Income/Expense Items not to be Reclassified to Profit or Loss							Other Comprehensive Income/Expense Items to be Reclassified to Profit or Loss							Shareholders' Equity Before Minority Interest	Minority Interest	Total Shareholders' Equity
		Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined Benefit Plans' Actuarial Income/Losses	Others (*)	Translation Differences	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	Others (**)	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss				
Prior Period - 01.01 – 30.06.2024																		
I. Balances at Beginning of Period		3,350,000	714	-	-	7,914,871	(586,529)	1,602	-	(1,493,790)	1,054,494	38,203,368	33,172,965	-	81,617,695	16,785	81,634,480	
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1 Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Adjusted Balances at Beginning of Period (I+II)		3,350,000	714	-	-	7,914,871	(586,529)	1,602	-	(1,493,790)	1,054,494	38,203,368	33,172,965	-	81,617,695	16,785	81,634,480	
IV. Total Comprehensive Income		-	-	-	-	-	(10,903)	15	-	(933,637)	738,849	-	-	17,456,229	17,250,553	2,345	17,252,898	
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. Others Changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Balances at end of the period (III+IV+.....+X+XI)</b>		<b>3,350,000</b>	<b>714</b>	<b>-</b>	<b>-</b>	<b>7,914,871</b>	<b>(597,432)</b>	<b>1,617</b>	<b>-</b>	<b>(2,427,427)</b>	<b>1,793,343</b>	<b>71,376,333</b>	<b>-</b>	<b>17,456,229</b>	<b>98,868,248</b>	<b>19,130</b>	<b>98,887,378</b>	

CHANGES IN SHAREHOLDERS' EQUITY	Section 5 Part V	Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss							Other Comprehensive Income/Expense Items Reclassified to Profit or Loss							Shareholders' Equity Before Minority Interest	Minority Interest	Total Shareholders' Equity
		Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	Revaluation surplus on tangible and intangible assets	Defined Benefit Plans' Actuarial Income/Losses	Others (*)	Translation Differences	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	Others (**)	Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss				
Current Period- 01.01 – 30.06.2025																		
I. Balances at Beginning of Period		3,350,000	714	-	-	11,300,460	(703,852)	1,617	-	(4,224,770)	1,725,777	71,376,333	36,174,298	-	119,000,577	30,069	119,030,646	
II. Correction made as per TAS 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.1 Effect of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.2 Effect of Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
III. Adjusted Balances at Beginning of Period (I+II)		3,350,000	714	-	-	11,300,460	(703,852)	1,617	-	(4,224,770)	1,725,777	71,376,333	36,174,298	-	119,000,577	30,069	119,030,646	
IV. Total Comprehensive Income		-	-	-	-	-	(3,336)	-	-	(1,321,627)	(320,520)	-	-	21,922,152	20,276,669	5,155	20,281,824	
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Capital Increase from Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. Others Changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11.3 Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Balances at end of the period (III+IV+.....+X+XI)</b>		<b>3,350,000</b>	<b>714</b>	<b>-</b>	<b>-</b>	<b>11,300,460</b>	<b>(707,188)</b>	<b>1,617</b>	<b>-</b>	<b>(5,546,397)</b>	<b>1,405,257</b>	<b>107,550,631</b>	<b>-</b>	<b>21,922,152</b>	<b>139,277,246</b>	<b>35,224</b>	<b>139,312,470</b>	

(\*) Accumulated amounts of share of investments accounted for by the equity method that cannot be classified as profit/loss from other comprehensive income with other comprehensive income items not reclassified to other profit or loss.

(\*\*) Accumulated amount of cash flow hedge income/losses, equity attributable to equity holders of the Group for profit or loss from other comprehensive income and other comprehensive income items reclassified to other profit or loss.

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

# QNB BANK ANONİM ŞİRKETİ

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED JUNE 30, 2025

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

### VI. CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Period 01.01 - 30.06.2025	Prior Period 01.01 - 30.06.2024
<b>A. CASH FLOWS FROM / (TO) BANKING OPERATIONS</b>		
<b>1.1 Operating profit before changes in operating assets and liabilities</b>	<b>17,356,766</b>	<b>17,028,240</b>
1.1.1 Interest received	195,431,823	115,118,946
1.1.2 Interest paid	(157,754,206)	(97,413,109)
1.1.3 Dividend received	20,646	19,037
1.1.4 Fees and commissions received	49,546,341	30,410,493
1.1.5 Other income	1,293,731	234,126
1.1.6 Collections from previously written off loans	5,519,554	2,220,132
1.1.7 Payments to personnel and service suppliers	(12,620,615)	(8,475,111)
1.1.8 Taxes paid	(9,345,154)	(7,167,197)
1.1.9 Others	(54,735,354)	(17,919,077)
<b>1.2 Changes in operating assets and liabilities</b>	<b>(76,508,439)</b>	<b>11,121,668</b>
1.2.1 Net (increase) decrease in financial assets measured at fair value through profit/loss	220,966	(1,289,363)
1.2.2 Net (increase) decrease in due from banks	(42,508,347)	(31,222,814)
1.2.3 Net (increase) decrease in loans	(151,398,987)	(127,958,688)
1.2.4 Net (increase) decrease in other assets	(12,589,850)	(5,650,550)
1.2.5 Net increase (decrease) in bank deposits	(18,318,964)	1,347,935
1.2.6 Net increase (decrease) in other deposits	110,099,494	100,030,997
1.2.7 Net increase (decrease) in financial liabilities at fair value through profit or loss	-	-
1.2.8 Net increase (decrease) in funds borrowed	5,318,433	7,277,498
1.2.9 Net increase (decrease) in matured payables	-	-
1.2.10 Net increase (decrease) in other liabilities	32,668,816	68,586,653
<b>I. Net cash provided from banking operations</b>	<b>(59,151,673)</b>	<b>28,149,908</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net cash provided from / (used in) investing activities</b>	<b>(27,432,734)</b>	<b>(47,355,685)</b>
2.1 Cash paid for purchase of entities under common control, associates and subsidiaries	-	-
2.2 Cash obtained from sale of entities under common control, associates and subsidiaries	-	-
2.3 Fixed assets purchases	(3,725,419)	(3,459,605)
2.4 Fixed assets sales	319,369	147,461
2.5 Cash paid for purchase of financial assets measured at fair value through other comprehensive income	(110,604,165)	(58,422,497)
2.6 Cash obtained from sale of financial assets measured at fair value through other comprehensive income	74,264,778	11,039,155
2.7 Cash paid for purchase of Financial Assets Measured at Amortized Cost	(26,339,688)	(10,803,383)
2.8 Cash obtained from sale of Financial Assets Measured at Amortized Cost	38,652,391	14,143,184
2.9 Other	-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net cash provided from / (used in) financing activities</b>	<b>79,980,910</b>	<b>37,473,305</b>
3.1 Cash obtained from funds borrowed and securities issued	191,281,339	106,188,213
3.2 Cash used for repayment of funds borrowed and securities issued	(110,514,273)	(68,489,214)
3.3 Issued equity instruments	-	-
3.4 Dividends paid	-	-
3.5 Payments for finance leases	(786,156)	(225,694)
3.6 Other	-	-
<b>IV. Effect of foreign currency translation differences on cash and cash equivalents</b>	<b>4,484,759</b>	<b>1,175,181</b>
<b>V. Net increase / (decrease) in cash and cash equivalents (I+II+III+IV)</b>	<b>(2,118,738)</b>	<b>19,442,709</b>
<b>VI. Cash and cash equivalents at the beginning of the period</b>	<b>163,342,431</b>	<b>119,377,778</b>
<b>VII. Cash and cash equivalents at end of the period (V+VI)</b>	<b>161,223,693</b>	<b>138,820,487</b>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**SECTION THREE  
ACCOUNTING POLICIES**

**I. Basis of Presentation**

**1. Preparation of the consolidated financial statements and the accompanying footnotes in accordance with Turkish Accounting Standards and Regulation on Principles Related to Banks' Accounting Applications and Maintaining the Documents**

The Group prepares the financial statements within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Law published in the Official Gazette no. 26333 dated November 1, 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA") and in case where a specific regulation is not made by BRSA and Turkish Accounting Standards 34 ("TAS 34") Interim Financial Reporting Standard and Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight, Accounting and Auditing Standards Authority for the format and detail of the publicly announced financial statements. This report has been prepared in accordance with the 'Communiqué on the Financial Statements to be Publicly Disclosed by Banks and the Explanations and Notes Related Thereto' and the 'Communiqué on Public Disclosures Regarding Risk Management by Banks', both published in the Official Gazette dated June 28, 2012 and numbered 28337, along with their subsequent amendments and supplements.

Financial statements and the related disclosures and footnotes have been presented in thousands of Turkish Lira unless otherwise specified. The amounts expressed in foreign currency is indicated by the full amount.

**2. Accounting policies and valuation principles used in the preparation of the consolidated financial statements**

The accounting policies and valuation principles used in the preparation of the financial statements are determined and applied, in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and are consistent with the accounting policies applied in the annual financial statements prepared for the year ended December 31, 2024. The accounting policies and valuation principles related with current period are explained in Notes II to XXVIII below.

Consolidated financial statements are prepared on the historical cost basis except for financial assets and liabilities at fair value through profit or loss, properties under the tangible assets and financial assets at fair value through other comprehensive income.

In preparing the consolidated financial statements in accordance with TFRS, the Parent Bank's management is required to make assumptions and estimations about the assets and liabilities in the balance sheet and contingent matters as of the balance sheet date. These assumptions and estimations are reviewed regularly, necessary corrections are made and the details of the effects of these adjustments are reflected in the profit or loss statement as explained in the related footnotes.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**ACCOUNTING POLICIES (Continued)**

**I. Basis of Presentation (Continued)**

**2 Accounting policies and valuation principles used in the preparation of the consolidated financial statements (Continued)**

**2.1 Other**

In accordance with the Financial Reporting Standard for High Inflation Economies ("TAS 29"), the economies experiencing high inflation are addressed, specifying the threshold value to be used in determining whether high inflation exists in an economy, and providing guidance on how the financial statements of entities whose functional currency is the currency of a high inflation economy should be adjusted for inflation. In the announcement issued by the Public Oversight, Accounting and Auditing Standards Authority dated November 23, 2023, regarding the Inflation Adjustment of Financial Statements of Companies Subject to Independent Audits, authorized institutions or organizations responsible for regulation and supervision in their respective fields were granted the discretion to establish different transition dates for the implementation of inflation accounting. In this context, with the decision of the Banking Regulation and Supervision Agency ("BRSA") dated January 11, 2024, and numbered 10825, the transition date for banks, financial leasing, factoring, financing, savings financing, and asset management companies to adopt TAS 29 has been set as January 1, 2025. Moreover, in the BRSA decision dated December 5, 2024, and numbered 11021, it was decided that inflation accounting would not be applied by banks, financial leasing, factoring, financing, savings financing, and asset management companies in 2025, and no inflation adjustment has been made in the consolidated financial statements as of June 30, 2025, in accordance with TAS 29.

The TFRS 17 Insurance Contracts Standard was published by the Public Oversight, Accounting and Auditing Standards Authority in the Official Gazette dated February 16, 2019, and numbered 30688, and with this announcement, the mandatory effective date of the standard was postponed to accounting periods beginning on or after January 1, 2024. Based on POA's letter dated February 15, 2024, and numbered 22667, the effective date of TFRS 17 has been further postponed to January 1, 2025. With the recent announcement made by POA, the mandatory effective date of the standard has been postponed to accounting periods beginning on or after January 1, 2026. This standard replaces TFRS 4, which currently allows for a wide range of applications. Accordingly, the Parent Bank has not applied the related standard in the consolidated financial statements for its subsidiary QNB Sigorta.

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**ACCOUNTING POLICIES (Continued)**

**II. Strategy for the Use of Financial Instruments and the Foreign Currency Transactions**

**1. Strategy for the use of financial instruments**

The major funding sources of the Parent Bank are customer deposits, bond issues and funds borrowed from international markets. The customer deposits bear a fixed interest rate and have an average maturity of up to 3 months in line with the sector. Domestic bond issues are realized within the maturity of 6 months and foreign bond issues are based on long maturities with fixed interests. Funds borrowed from abroad mostly bear floating rates and are reprised at an average period of 3-6 months. The Parent Bank diverts its placements to assets with high return and sufficient collaterals. The Parent Bank manages the liquidity structure to meet its liabilities when due by diversifying the funding sources and keeping sufficient cash and cash equivalents. The maturity of fund sources and maturity and yield of placements are considered to the extent possible within the current market conditions and a higher return on long-term placements is aimed.

Besides customer deposits, the Parent Bank funds its long term fixed interest rate TL loan portfolio with long term (up to 10 years) floating interest rate foreign currency funds obtained from international markets. The Parent Bank converts the foreign currency liquidity obtained from the international markets to TL liquidity using long term swap transactions (fixed TL interest rate and floating FX interest rate). Thus, the Parent Bank generates TL denominated resources for funding long term loans with fixed interest rates.

The Parent Bank has determined securities portfolio limits based on the market risk limitations for money, capital and commodity markets. Products included in the securities portfolio are subject to position and risk limits. Position limits restrict the maximum nominal position based on the product. Risk limits are expressed in terms of "Value at Risk (VAR)" by taking risk tolerance as a cap. The maximum VAR amounts are determined by interest and currency risk factors, which affect the securities portfolio that is subject to market risk, as well as determining the risk tolerance based on the total value at risk. The above mentioned limits are revised annually.

The strategies for hedging exchange rate risk resulting from the Group's foreign currency debt securities which are categorized as financial assets at fair value through other comprehensive income explained in foreign currency risk section and the applications regarding the cash flow hedging of interest rate cash flow risk resulting from deposits are explained in the Interest Rate Risk section in detail.

**2. Foreign currency transactions**

**2.1. Foreign currency exchange rates used in converting transactions denominated in foreign currencies and presentation of them in the financial statements**

The Group accounts for the transactions denominated in foreign currencies in accordance with The Effects of Changes in Foreign Exchange Rates ("TAS 21"). Foreign exchange income and losses arising from transactions that are completed, as of June 30, 2025 are translated to TL by using historical foreign currency exchange rates. Balances of the foreign currency denominated assets and liabilities except for non-monetary items are converted into TL by using foreign currency exchange rates of the Parent Bank for the period end and the resulting exchange differences are recorded as foreign exchange income and losses. Foreign currency nonmonetary items measured at fair value are converted with currency exchange rates at the time of fair value measurement.

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**ACCOUNTING POLICIES (Continued)**

**II. Strategy for the Use of Financial Instruments and the Foreign Currency Transactions (Continued)**

**2. Foreign currency transactions (Continued)**

**2.2. Total foreign exchange rate differences that are included in net profit or loss for the period**

The foreign currency position of the Parent Bank and the profit/loss from the foreign exchange transactions realized are included in the statement of profit or loss comprehensive foreign exchange income/losses and income/losses from derivative financial instruments in the statement of profit or loss comprehensive. While income/loss from spot foreign exchange transactions are included in the profit/loss item of foreign exchange income/loss on balance sheet, profit/loss from derivative transactions (forward, option etc.) for the purpose of hedging related transactions are included in income/loss statement of derivative transactions. Therefore, in order to determine the net profit/loss effects of foreign exchange transactions, two balances should be assessed together.

As of June 30, 2025, derivative financial transactions loss amounting to TL 8,498,464 (June 30, 2024 – TL 24,663,350 derivative financial transactions loss) and net foreign exchange loss amounting to TL 6,341,282 - (June 30, 2024 – TL 8,071,542 net foreign Exchange income), excluding net interest expense amounting to TL 19,852,853 (June 30, 2024 – TL 21,299,317 net interest expense) arising from derivative transactions, the net profit on foreign currency transactions is TL 5,013,107 (June 30, 2024 – TL 4,707,509 net profit on foreign currency transactions).

**2.3. Foreign associates**

None.

**III. Information on Subsidiaries and Entities Under Common Control**

The accompanying consolidated financial statements are prepared in accordance with TFRS 10 “Turkish Financial Reporting Standard in regards to Consolidated Financial Statements” and BRSA’s “Regulation on Preparation of Consolidated Financial Statements of Banks” published on the Official Gazette No. 26340 and dated November 8, 2006.

The corporations included in consolidation and their places of incorporation, nature of activities and shareholding percentages are as follows:

	Consolidation Method	Place of Establishment	Subject of Operations	Effective Share of the Group (%)	
				June 30, 2025	December 31, 2024
1. QNB Yatırım Menkul Değerler A.Ş. (QNB Invest)	Full Consolidation	Türkiye	Securities Intermediary Services	100.00	100.00
2. QNB Portföy Yönetimi A.Ş. (QNB Portföy)	Full Consolidation	Türkiye	Portfolio Management	100.00	100.00
3. QNB Finansal Kiralama A.Ş. (QNB Finans Leasing)	Full Consolidation	Türkiye	Financial Leasing	99.40	99.40
4. QNB Faktoring A.Ş. ( QNB Faktoring)	Full Consolidation	Türkiye	Factoring Services	100.00	100.00
5. QNB Varlık Kiralama Şirketi A.Ş.	Full Consolidation	Türkiye	Asset Lease	100.00	100.00
6. QNBeyond Ventures B.V.	Full Consolidation	Netherlands	Financial Holding	100.00	100.00
7. QNB Sağlık Hayat Sigorta ve Emeklilik A.Ş. (QNB Sigorta)	Full Consolidation	Türkiye	Private Pension and Insurance	100.00	100.00

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**ACCOUNTING POLICIES (Continued)**

**III. Information on Subsidiaries and Entities Under Common Control (Continued)**

Subsidiaries maintain their books of accounts and prepare their financial statements in accordance with the regulations on accounting and reporting framework and accounting standards which are determined by the accounting standards promulgated by the Turkish Commercial Code, Financial Leasing Law and Turkish Capital Markets Board (“CMB”) regulations. Certain adjustments and reclassifications were made on the financial statements of the subsidiaries for the purpose of fair presentation in accordance with the prevailing regulations and accounting standards according to regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency (“BRSA”), and in case where a specific regulation is not made by BRSA, in accordance with Turkish Accounting Standards (“TAS”) and Turkish Financial Reporting Standards (“TFRS”) and related additions and interpretations published by Public Accounting and Auditing Oversight Authority (“POA”).

Differences between the accounting policies of subsidiaries and entities under common control and those of the Parent Bank are adjusted, if material. The financial statements of the subsidiaries and entities under common control are prepared as of June 30, 2025.

**1. Subsidiaries**

Subsidiaries are the entities controlled directly or indirectly by the Parent Bank.

Control is defined as the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Parent Bank’s returns.

Subsidiaries are consolidated using the full consolidation method based on the size of their asset, equity and result of operations. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the Group and are put out of consolidation’s scope as soon as control is removed. Accounting policies applied by subsidiaries that are included in consolidated financial statements are not different from the Parent Bank’s accounting policies.

According to full consolidation method, 100% of subsidiaries’ asset, liability, income, expense and off-balance sheet items are consolidated with the Parent Bank’s asset, liability, income, expense and off-balance sheet items. Book value of the Group’s investment in each subsidiary is netted off with Group’s equity shares. Unrealized income and losses and balances that arise due to transactions between subsidiaries within consolidation scope, have been net off. Non-controlling interests are shown separately from earnings per share on consolidated balance sheet and statement of profit or loss and other comprehensive income.

**2. Associates and entities under common control**

The Parent Bank does not have any financial associates and entities under common control that are consolidated in the accompanying financial statements.

Equity method is a method of accounting whereby the book value of the investor’s share capital in the subsidiary or the entities under common control is either added to or subtracted in proportion with investor’s share from the change in the subsidiaries or entities under common control’s equity within the period. The method also foresees that profit will be deducted from the subsidiaries or entities under common control’s accordingly recalculated value.

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**ACCOUNTING POLICIES (Continued)**

**IV. Explanations on Futures and Options Contracts and Derivative Products**

The Group enters into forward currency purchase/sale agreements and swap transactions to reduce the foreign currency risk and interest rate risk and manage foreign currency liquidity risk. The Group also carries out currency and interest options and credit default swap and futures agreements.

Besides customer deposits, the Parent Bank funds its long term fixed interest rate TL loan portfolio with long term (up to 10 years) floating interest rate foreign currency funds obtained from international markets. The Parent Bank converts the foreign currency liquidity obtained from customer deposits and the international markets to TL liquidity with long term swap transactions (fixed TL interest rate and floating FC interest rate). Therefore, the Parent Bank not only funds its long term fixed interest rate loans with TL but also hedges itself against interest rate risk.

The Parent Bank's derivative instruments held for trading and derivative instruments hedging purpose are classified, measured and accounted in accordance with "IFRS 9" and Financial Instruments: Recognition and Measurement ("IAS 39"), respectively. Derivative instruments held for trading and derivative instruments hedging purpose are initially recognized at fair value and subsequently measured at fair value. Also, the liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contractual values.

The derivative transactions are accounted for at fair value subsequent to initial recognition and are presented in the "Derivative Financial Assets at Fair Value Through Profit/Loss", "Derivative Financial Liabilities at Fair Value Through Profit/Loss" or "Derivative Financial Assets at Fair Value Through Other Comprehensive Income" and "Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income" items of the balance sheet depending on the resulting positive or negative amounts of the computed value. These amounts of derivative transactions presented on the balance sheet, represent the fair value differences based on the valuation.

Fair values of foreign currency purchase and sales contracts, currency and interest rate swap transactions are calculated by using internal pricing models based on market data.

Fair values of option contracts are calculated with option pricing models.

Futures transactions are accounted for at settlement as of the balance sheet date.

The Parent Bank does not have either any hybrid contract contains a host that is not an asset within the scope of this standard or a financial instrument which shall be separated from the host and accounted for as derivative under this standard.

Credit derivatives are capital market tools designed to transfer credit risk from one party to another. The Parent Bank's credit derivatives portfolio included in the off-balance sheet accounts composes of credit default swaps resulted from protection buying or selling.

Credit default swap is a contract, in which the protection seller commits to pay the protection value to the protection buyer in case of certain credit risk events in return for the premium paid by the buyer for the contract. Credit default swaps are valued daily at their fair values.

Upon valuation of derivative instruments that are not subject to hedge accounting, differences in fair value, except for currency revaluation differences, are recorded in the statement of profit or loss and other comprehensive income on Income/Losses from Derivative transactions. These foreign currency valuation differences are accounted for under "Foreign Exchange Income/Losses" account.

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**ACCOUNTING POLICIES (Continued)**

**IV. Explanations on Futures and Options Contracts and Derivative Products (Continued)**

In cash flow hedge accounting

The Parent Bank applies cash flow hedge accounting using interest swap transactions to hedge its TL and FC customer deposits with short term cyclical basis and subordinated loans and loans with floating rate financial receivables which have floating interest payment. The Parent Bank implements effectiveness tests at the balance sheet dates for hedge accounting; the effective parts are accounted as defined in TAS 39, in financial statements under equity "Other Comprehensive Income/Expense Items Reclassified to Profit or Loss" whereas the amount concerning ineffective parts is associated with the statement of profit or loss and other comprehensive income.

QNB Finansal Kiralama AŞ., the subsidiary of the Parent Bank, applies cash flow hedge accounting through interest rate swaps to hedge itself against changes floating rate foreign currency borrowings and floating rates TL securities.

In cash flow hedge accounting, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked; the hedging income and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged item are realized

In fair value hedge accounting

The Parent Bank applies fair value hedge accounting within the framework of TAS 39 using swaps to hedge a portion of its long term, fixed rate mortgage and project finance loans against possible fair value change due to market interest rate fluctuations.

The Parent Bank applies fair value hedge accounting using interest rate swaps to hedge long term, fixed rate, foreign currency Eurobonds in financial assets measured at fair value through other comprehensive portfolio against interest rate fluctuations.

The Parent Bank applies fair value hedge accounting to hedge itself against the changes in the interest rates related to long term TL government bonds with fixed coupon payment in financial assets measured at fair value through other comprehensive income portfolio using swap transactions as hedging instruments.

The Parent Bank applies fair value hedge accounting to hedge itself against the changes in the interest rates related to the fixed interest foreign currency bonds issued using interest rate swap transactions as hedging instruments.

QNB Finansal Kiralama AŞ., the subsidiary of the Parent bank, applies fair value hedge accounting through interest rate swaps to hedge itself against changes in interest rates related to fixed rate TL securities issued. Not available as of the balance sheet date.

QNB Finansal Kiralama A.Ş., the subsidiary of the Parent bank, applies fair value hedge accounting through interest rate swaps to hedge itself against changes in interest rates related to TL borrowings.

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**ACCOUNTING POLICIES (Continued)**

**IV. Explanations on Futures and Options Contracts and Derivative Products (Continued)**

QNB Finansal Kiralama A.Ş., the subsidiary of the Parent Bank applies hedge accounting by means of swaps for the purpose of hedging the changes in interest and exchange rates regarding securities issued, borrowings and financial leasing receivables.

The Parent Bank and its consolidated financial subsidiaries apply effectiveness tests for fair value hedge accounting at each balance sheet date.

Fair value hedge accounting effects are accounted under “Income/Losses from Derivative Transactions” in the statement of profit or loss.

QNB Finansal Kiralama A.Ş., the subsidiary, conducts cash flow hedge accounting transactions effectiveness tests on every balance sheet date, the active segments are as defined in TAS 39 accounted in line with under Equity, “Other Comprehensive Income/Expense Items Reclassified to Profit or Loss.” in financial statements and the amount related to the inactive part is associated with statement of profit or loss.

When the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked, adjustments made to the carrying amount of the hedged item are transferred to profit and loss with straight line method for portfolio hedges or with effective interest rate method for micro hedges. In case the hedged item is derecognized, hedge accounting is discontinued and within context of fair value hedge accounting, adjustments made to the value of the hedged item are accounted in statement of profit or loss and other comprehensive income.

As of September 30, 2018, the Parent Bank terminated the hedge accounting for the fair value hedge of the fair value risk arising from the changes in the exchange rates for the real estates purchased in previous periods in foreign currency and the fair value of which is in foreign currency in the market and as of June 30, 2025, fair value exchange difference adjustment amounting to TL 1,073,274 (December 31, 2024 – TL 1,087,003) which is shown tangible assets in the balance sheet, is amortized over the economic life of the property subject to hedging.

**V. Explanations on Interest Income and Expenses**

Interest income is recorded according to the effective interest rate method (Rate equal to net present value of future cash flows of financial assets or liabilities) defined in the TFRS 9 “Financial Instruments” standard by applying the effective interest rate to the gross carrying amount of a financial asset except for purchased or originated credit-impaired financial assets or financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. When applying the effective interest rate method, an entity identifies fees that are an integral part of the effective interest rate of a financial instrument. Fees that are an integral part of the effective interest rate of a financial instrument are treated as an adjustment to the effective interest rate, unless the financial instrument is measured at fair value, with the change in fair value being recognized in profit or loss.

When applying the effective interest method, The Parent Bank amortized any fees, transaction costs and other premiums or discounts that are included in the calculation of the effective interest rate over the expected life of the financial instrument. In case an interest was accrued on a security before its acquisition, the collected interest is divided into two parts as interest before and after the acquisition and only the interest of the period after the acquisition is recorded as interest income in the financial statements. If the expectation for the cash flows from financial asset is revised for reasons other than the credit risk, the change is reflected in the carrying amount of asset and in the related statement of profit or loss line and is amortized over the estimated life of financial asset.

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**ACCOUNTING POLICIES (Continued)**

**V. Explanations on Interest Income and Expenses (Continued)**

If the financial asset is impaired and classified as a non-performing receivable, the Parent Bank applies the effective interest rate on the amortized cost of the asset for subsequent reporting periods. Such interest income calculation is made on an individual contract basis for all financial assets subject to impairment calculation. It is used effective interest rate during calculation of loss given default rate in expected credit loss models and accordingly, the calculation of expected credit losses includes an interest amount. Therefore, a reclassification is made between the accounts of “Expected Credit Losses” and “Interest Income on Loans” for such calculated amount.

**VI. Explanations on Fees and Commission Income and Expenses**

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.

**VII. Explanations and Disclosures on Financial Instruments**

**Initial recognition of financial instruments**

The classification of financial instruments at initial recognition depends on the contractual conditions and the relevant business model. Except for the assets in the scope of TFRS 15 Revenue from contracts with customers, at initial recognition, the Parent Bank measures financial asset or financial liabilities at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit/loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**Initial measurement of financial instruments**

The classification of financial instruments at initial recognition depends on the contractual conditions and the relevant business model. Except for the assets in the scope of TFRS 15 Revenue from contracts with customers, at initial recognition, the Parent Bank measures financial asset or financial liabilities at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit/loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**Classification of financial instruments**

On which category a financial instrument shall be classified at initial recognition depends on both the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

As per TFRS 9, the Parent Bank classifies a financial asset on the basis of its contractual cash flow characteristics if the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In order to assess whether the element provides consideration for only the passage of time, an entity applies judgement and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set. When the contractual conditions are exposed to the risks which are not consistent with the basic lending arrangement or variability of cash flows, the relevant financial asset is measured at fair value through profit or loss. The Parent Bank tested all financial assets within the scope of TFRS 9 whether their “contractual cash-flows solely represent payments of principal and interest” and assessed the asset classification within the business model.

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**ACCOUNTING POLICIES (Continued)**

**VII. Explanations and Disclosures on Financial Instruments (Continued)**

**Assessment of business model**

As per TFRS 9, the Parent Bank's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Parent Bank's business models are divided into three categories.

**Business model aimed to hold assets in order to collect contractual cash flows**

This is a model whose objective is to hold assets in order to collect contractual cash flows are managed to realize cash flows by collecting contractual payments over the life of the instrument. The financial assets that are held within the scope of this business model are measured at amortized cost when the contractual terms of the financial asset meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Receivables from the Central Bank, banks, receivables from money markets, investments under financial assets measured at amortized cost, loans and other receivables are assessed within this business model.

**Business model aimed to collect contractual cash flows and sell financial assets**

This is a model whose objective is achieved by both collecting contractual cash flows and selling financial assets: The Parent Bank may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Fair value change of the financial assets that are held within the scope of this business model are accounted under other comprehensive income when the contractual terms of the financial asset meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at fair value through other comprehensive income are assessed in this business model.

**Other business models**

Financial assets are measured at fair value through profit or loss when they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Financial assets measured at fair value through profit/loss are assessed in this business model.

**Measurement categories of financial assets and liabilities**

Financial assets are classified in three main categories as listed below in accordance with TFRS 9

- Financial assets measured at fair value through profit/loss
- Financial assets measured at fair value through other comprehensive income and
- Financial assets measured at amortized cost

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**ACCOUNTING POLICIES (Continued)**

**VII. Explanations and Disclosures on Financial Instruments (Continued)**

**Financial assets at the fair value through profit or loss:**

Financial assets at fair value through profit/loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and measured at their fair value after recognition. All income and losses arising from these valuations are reflected in the statement of profit or loss and other comprehensive income.

In accordance with the Uniform Chart of Accounts (UCA) explanations, a positive difference between the acquisition cost and discounted value of a financial asset is recorded under 'Interest Income,' while a positive difference between the fair value and discounted value of the asset is recorded under the 'Capital Market Transactions Profits' account. Conversely, if the fair value is below the discounted value, the negative difference between the discounted value and fair value is recorded under the 'Capital Market Transactions Losses' account. In the event of premature disposal of a financial asset, resulting gains or losses are accounted for on the same principles.

**Financial assets at fair value through other comprehensive income:**

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income. Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are measured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to statement of profit or loss.

“Unrealized income and losses” arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the statement of profit or loss and other comprehensive income of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and are accounted under the “Other comprehensive income/expense items reclassified to profit/loss” under shareholders’ equity. Equity securities, which are classified as financial assets at fair value through other comprehensive income, that have a quoted market price in an active market and whose fair values can be reliably measured are carried at fair value. Equity securities that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are carried at cost, less provision for impairment.

The Group has inflation indexed (CPI) government bonds in its financial assets at fair value through other comprehensive income and measured at amortized cost portfolios. CPI government bonds that are constant throughout their lives and their real principal amounts are preserved from inflation. These marketable securities are valued and accounted by using effective interest rate method by considering the real coupon rates and reference inflation index at the issue date together with the index calculated by considering the estimated inflation rate as disclosed by the Turkish Treasury. As disclosed in 'Inflation Indexed Bonds Manual' published by Turkish Treasury, reference index used for the real payments is determined based on the inflation rates of two months before. The estimated inflation rate used is updated during the year when necessary. At the end of the year, the actual inflation rate is used.

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**ACCOUNTING POLICIES (Continued)**

**VII. Explanations and Disclosures on Financial Instruments (Continued)**

Some portion of the Eurobond portfolio which has been recognized as financial assets at FV through OCI are designated as fair value hedged items, hedged against interest rate fluctuations, starting from March and April 2009, hedged against interest rate fluctuations. Those securities are disclosed under financial assets at FV through OCI in order to be in line with balance sheet presentation. The fair value differences of Eurobond and TL government bond hedged items are accounted for under "Trading Income/Loss on Securities" in the statement of profit or loss and other comprehensive income.

In cases where fair value hedge operations cannot be effectively performed as described in TAS 39, fair value hedge accounting is ceased. After fair value accounting is ceased; value differences, previously reflected the statement of profit or loss and other comprehensive income, are amortized through the equity until the maturity of related hedged securities. The fair value differences of related portfolio securities sold prior to maturity are immediately recognized in the statement of profit or loss and other comprehensive income.

**Financial assets measured at amortized cost:**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost. Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in statement of profit or loss and other comprehensive income.

The Parent Bank as explained in part IV, "Explanations on Futures and Options Contracts and Derivative Products", enters into fx swap transactions against TL in order to hedge the possible losses which might arise due to the changes in the fair value of a certain portion of its long-term loans and applies fair value hedge accounting as per TAS 39. The Parent Bank accounts for the hedged loan portfolio at fair value related to hedged risk, the swap transactions used as the hedging instrument at fair value and reflects the related net gain or loss to respective period's statement of profit or loss and other comprehensive income.

When the fair value hedge accounting could not be effectively continued as stated in TAS 39, the fair value hedge accounting is ceased. The fair value differences of the hedged loans are amortized through statement of profit or loss and other comprehensive income until the maturity of the hedged loans.

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**ACCOUNTING POLICIES (Continued)**

**VIII. Explanations on Expected Credit Losses**

The Group recognizes a loss allowance for expected credit losses on financial assets and loans measured at amortized cost, financial assets measured at fair value through other comprehensive income, loan commitments and financial guarantee contracts not measured at fair value through profit/loss based on TFRS 9 and the regulation published in the Official Gazette no. 29750 dated June 22, 2016 in connection with "Procedures and Principals regarding Classification of Loans and Allowances Allocated for Such Loans" effective from January 1, 2018. At each reporting date, the Group shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. The Group considers the changes in the default risk of financial instrument, when making the assessment.

The expected credit loss estimates are required to be unbiased, probability-weighted and include supportable information about past events, current conditions, and forecasts of future economic conditions. These financial assets are divided into three categories depending on increase in credit risk observed since their initial recognition:

**Stage 1:**

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded in the amount of expected credit losses on the 12-month default risk. It is calculated 12-month expected credit loss based on a probability of default realized within 12 months after the reporting date. Such expected 12-month probability of default is applied on an expected exposure at default, multiplied with loss given default rate and discounted with the original effective interest rate. As of June 30, 2025, minimum probability of default rate of Basel II is used in the expected credit loss calculation of receivables from public institutions and organizations. Such calculation is performed for each of three scenarios explained below.

**Stage 2:**

As of the reporting date of the financial asset, in the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses. Calculation approach is quite similar with approach mentioned above, but probability of default and loss amount in default ratios estimated for the lifetime of instruments.

**Stage 3:**

Financial assets considered as impaired at the reporting date are classified as stage 3. The probability of default is taken into account as 100% in the calculation of impairment provision and Parent Bank accounts lifetime expected credit losses. In determining the impairment, the Parent Bank takes into consideration the following criteria:

- Delay of over 90 days and impairment of credit worthiness.
- Collateral and/or equity of debtor is inadequate cover the payment of receivables on the maturity.
- If it is convinced that will be delayed by more than 90 days for recovery of receivables due to macroeconomic, sector-specific or customer-specific reasons.

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**ACCOUNTING POLICIES (Continued)**

**VIII. Explanations on Expected Credit Losses (Continued)**

**Calculation of expected credit losses**

The Group measured expected credit losses with the reasonable, objective and supportable information based on a probability-weighted including estimations about time value of money, past events, current conditions and future economic conditions as of the reporting date, without undue cost or effort. The calculation of expected credit losses consists of three main parameters: probability of default (PD), loss given default (LGD) and exposure at default (EAD). PDs and LGDs used in the ECL calculation are point in time ("PIT")-based for key portfolios and consider both current conditions and expected cyclical changes.

While the expected credit loss is estimated, two scenarios (internal adverse, internal severe negative) are evaluated. Each of these scenarios was associated with the different PD and LGD.

In addition, a certain portion of commercial and corporate loans is assessed individually in accordance with the internal policies in the calculation of the expected credit losses based on TFRS 9. Such calculations are made by discounting the expected cash flows from the individual financial instrument to its present value using the effective interest rate.

When measuring expected credit losses, it shall be considered the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the possibility of a credit loss occurring is very low. Such assessment is made by reflecting the estimate of expected credit loss which is unbiased and probability-weighted determined by evaluating a range of possible outcomes.

**Probability of default ("PD")**

The PD represents the likelihood of a default over a specified time period. A 12-month PD represents the likelihood of default determined for the next 12 months and a lifetime PD represents the probability of default over the remaining lifetime of the instrument. The lifetime PD calculation is based on a series of 12-month PIT PDs that are derived from through the cycle (TTC) PDs and scenario forecasts. It is used internal rating systems for both retail and commercial portfolios to measure risk level. The internal rating models used for the commercial portfolio include customer financial information and qualitative survey responses. Whereas behavioral and application scorecards used in the retail portfolio include; the behavioral data of the customer and the product in the Parent Bank, the demographic information of the customer, and the behavioral data of the customer in the sector. Probability of default calculation has been carried out based on past information, current conditions and forward looking macroeconomic parameters.

**Loss Given Default ("LGD")**

The LGD represents an estimate of the economic loss at the time of a potential default occurring during the life of a financial instrument. The LGD is calculated taking into account expected future cash flows from collateral and other credit enhancements by considering time value of money. LGD calculations are performed using historical data which best reflects current conditions, by formation of segments based on certain risk factors that are deemed important for each portfolio and inclusion of forward-looking information and macroeconomic expectations. LGD summarizes all cash flows from customers subsequent to default. It covers all costs and collections that occur during the collection cycle, including collections from collaterals. It also includes the "time value of money" calculated by means of deducting costs and additional losses from the present value of collections. Except for corporate loans for which LGD is assigned individually or as prescribed by the Basel Committee, the Parent Bank bases its LGD estimates on models for corporate portfolios and on past experiences for housing loans and unsecured loans.

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**ACCOUNTING POLICIES (Continued)**

**VIII. Explanations on Expected Credit Losses (Continued)**

**Exposure at default (“EAD”)**

The expected economic amount at the time of default is calculated as the sum of anticipated principal and interest payments, and income accruals, discounted using the effective interest rate method. In calculating the default amount, credit conversion rates based on historical performance and reflecting the relevant portfolio have been used. When forecasting expected credit losses, three scenarios (baseline, mildly adverse, and severely adverse) are considered. Each of these scenarios is associated with a different probability.

**Consideration of the macroeconomic factors**

Loss given default and probability of default parameters are determined by considering macroeconomic factors. The macroeconomic variables used in the calculation of the expected loss are as follows:

- Five year credit risk of Türkiye (CDS Spread),
- Real GDP growth,
- Unemployment rate,
- Inflation rate,
- Five year government bond interest rate of Türkiye.

Stages were determined through the models created using internal information for the Parent Bank, the simplified method has been applied for other financial institutions.

The Parent Bank updates the macroeconomic variables used in the expected credit loss calculation twice a year and applies them to its models. In addition, the Bank re-evaluated the macroeconomic scenario weights in the expected credit loss calculation on June 30, 2025. Due to its nature, model effects are reflected in the financial statements with a delay, since the events causing the change and their effects occur at different times. For this reason, the Parent Bank made individual valuations in order to eliminate the timing discrepancy and established additional provisions for the sectors and customers whose impact is considered to be high.

This approach, which is preferred in provision calculations for the year 2025, will be revised in the following reporting periods, taking into account the existing portfolio and future expectations.

**Calculating the expected loss period**

Lifetime ECL is calculated by taking into account maturity extensions, repayment options and the period during which the Parent Bank will be exposed to credit risk. The time in financial guarantees and other irrevocable commitments represents the credit maturity for which the liabilities of the Parent Bank. Behavioral maturity analysis has been performed on credit cards, current accounts payable and overdraft accounts. With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless there is the legal right to call it earlier.

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**ACCOUNTING POLICIES (Continued)**

**VIII. Explanations on Expected Credit Losses (Continued)**

**Significant increase in credit risk**

The Parent Bank makes qualitative and quantitative assessments regarding assessment of significant increase in credit risk of financial assets to be classified as stage 2 (Significant Increase in Credit Risk).

Within the scope of quantitative assessment, the quantitative reason explaining the significant increase in the credit risk is based on a comparison of the probability of default calculated at the origination of the loan and the probability of default assigned for the same loan as of the reporting date. If there is a significant deterioration in PD, it is considered that there is a significant increase in credit risk and the financial asset is classified as stage 2. In this context, the Parent Bank has calculated thresholds at which point the relative change is a significant deterioration. In the quantitative evaluation of the significant increase in credit risk, the Parent Bank considers the absolute thresholds as well as the relative thresholds as an additional layer. Receivables with a probability of default above the absolute threshold value are evaluated in Stage 2, regardless of the relative change.

The Parent Bank classifies the financial asset as Stage 2 (Significant Increase in Credit Risk) where any of the following conditions are satisfied as a result of a qualitative assessment:

- Loans overdue more than 30 days as of the reporting date,
- Loans classified as watch-list of the Parent Bank,
- When there is a change in the payment plan due to restructuring

**Write-Off Policy**

Receivables that are classified as non-performing loans are collected primarily within the framework of administrative contacts with the debtors, and if no results are obtained, through legal means. In this context, in case the write-off of the uncollectible receivables comes to the agenda, one of the methods of destruction, sale of receivables and write-off can be applied.

In accordance with the provisions of the "Regulation on the Amendment of the Regulation on the Classification of Loans and the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated July, 2021 and No. 31533, they are classified under the "Fifth Group – Loans with a Loss Qualification" and are for life due to the default of the debtor. The portion of the loans for which there is no reasonable expectation of the recovery of the expected loan loss provision is deducted from the records within the period determined specifically for the situation of the borrower within the scope of TFRS 9, starting from the first reporting period (interim or year-end reporting period) following their classification in this Group. In this context, deducting the loans that cannot be collected from the records is an accounting practice and does not result in the waiver of the right to receivable.

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**ACCOUNTING POLICIES (Continued)**

**VIII. Explanations on Expected Credit Losses (Continued)**

**Write-Off Policy (Continued)**

The portion of the loan receivables that do not have reasonable expectations regarding the recovery of the following items is deducted from the records within the scope of accounting practice:

- Classified as "Fifth Group – Loans with a Loss Qualification" under the regulation,
- The number of days of delay is at least one year,
- Lifetime expected credit loss provision has been made due to the default of the borrower.

The portion of the loans that do not have reasonable expectations regarding the recovery of the loans is determined by the internal organs authorized by the Board of Directors. Within the scope of this article, deducting the loans from the records is an accounting practice. Receivables are followed up by the relevant credit and operation teams before the customer.

Within the scope of TFRS 9, the amount written off by the Parent Bank during the period is TL 63,217 (December 31, 2024: TL 86,331) and the effect on the NPL ratio of the Parent Bank is 0.01% (December 31, 2024: 0.01%). While the NPL ratio is 3.31% (December 31, 2024: 2.66%) with the current period non-performing loan figures, the calculated rate including the loans written off during the year is 3.32% (December 31, 2024: 2.67%).

**IX. Explanations on Netting of Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported on the balance sheet when the Group has a legally enforceable right to offset the recognized amounts, and the intention of collecting or paying the net amount of related assets and liabilities or to realize the asset and settle the liability simultaneously.

**X. Derecognition of Financial Instruments**

**a) Derecognition of financial assets due to change in contractual terms**

Based on TFRS 9, the renegotiation or modification of the contractual cash flows of a financial asset could lead to the derecognition of the existing financial asset. When the modification of a financial asset results in the derecognition of the existing financial asset and the subsequent recognition of the modified financial asset, the modified asset is considered as 'new' financial asset. When the Parent Bank assesses the characteristics of the new contractual terms of the financial asset, it evaluates the contractual cash flows including foreign currency rate changes, conversion to equity, counterparty changes and solely principal and interest on principle.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, it is recalculated the gross carrying amount of the financial asset and recognized a modification gain or loss in profit or loss. Where all risks and rewards of ownership of the asset have not been transferred to another party and the Parent Bank retains control of the asset, the Parent Bank continues to recognize the remaining portion of the asset and liabilities arising from such asset. When the Parent Bank retains substantially all the risks and rewards of ownership of the transferred asset, the transferred asset continues to be recognized in its entirety and the consideration received is recognized as a liability.

**b) Derecognition of financial assets without any change in contractual terms**

The Parent Bank derecognizes the asset if the contractual rights to cash flows from the financial asset are expired or the related financial asset and all risks and rewards of ownership of the asset are transferred to another party. Except for equity instruments measured at fair value through other comprehensive income, the total amount consisting of the gain or loss arising from the difference between the book value and the amount obtained and any accumulated gain directly accounted in equity shall be recognized in profit/loss.

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**ACCOUNTING POLICIES (Continued)**

**X. Derecognition of Financial Instruments (Continued)**

**c) Derecognition of financial liabilities**

It shall be removed a financial liability (or a part of a financial liability) from the statement of financial position when, and only when, it is extinguished when the obligation specified in the contract is discharged or cancelled or expires.

**d) Reclassification of financial instruments**

Based on TFRS 9, it shall be reclassified all affected financial assets at amortized cost to financial assets measured at fair value through other comprehensive income and fair value through profit or loss in the subsequent accounting when, and only when, it is changed the business model for managing financial assets.

**e) Restructuring and refinancing of financial instruments**

The Parent Bank may be changed the original contractual terms of a loan (maturity, repayment structure, guarantees and sureties) which were previously signed, in case the loan cannot be repaid or if a potential payment difficulty is encountered based on the new financing power and structure of the borrower.

Restructuring is to change the financial terms of existing loans in order to facilitate the payment of debt. Refinancing is granting a new loan which will cover either the principal or the interest payment in whole or in part of one or a few existing loans due to the anticipated financial difficulty which the customer or group encounter currently or will encounter in the future.

Changes in the original terms of a credit risk can be made in the current contract or through a new contract. Corporate and commercial companies which have been restructured and refinanced may be excluded from close monitoring, as a minimum, within the scope of the Regulation on the Determination of the Qualifications of Loans and Other Receivables by Banks and the Procedures and Principles Regarding the Provisions To Be Allocated These and when the following conditions are met:

- Subsequent to the thorough review of company's financial data and its owners' equity position, at circumstances when it is not anticipated that the owner of the company will face financial difficulties; and it is assessed that the restructured debt will be paid on time,
- At least 1 year should pass over the date of restructuring (or if it is later), the date of removal from non-performing loan category, at least 10% (or the ratio specified in the legislation) of the total principal amount at the time restructuring/refinancing shall be paid and no overdue amount (principal and interest) shall remain at the date of restructuring/refinancing.

In order for the restructured non-performing corporate and commercial loans to be classified to the watchlist category, the following conditions must be met:

- Recovery in debt service,
- At least 1 year should pass over the date of restructuring,
- Payment of all accrued and overdue amounts by debtor (interest and principal) since the date of restructuring/refinancing or the date when the debtor is classified as non-performing (earlier date to be considered) and fulfillment of the payment condition of all overdue amounts as of the date of restructuring/refinancing,
- Collection of all overdue amounts, disappearance of the reasons for classification as nonperforming receivable (based on the conditions mentioned above) and having no overdue and there is no doubt that future payments will be made on time

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**ACCOUNTING POLICIES (Continued)**

**X. Derecognition of Financial Instruments (Continued)**

During the follow-up period of at least one year following the date of restructuring/refinancing, if there is a new restructuring/refinancing or a delay of more than 30 days, the transactions which were non-performing at the beginning of the follow-up period are classified as non-performing loans again.

In personal loans, loans can be restructured in order to give liquidity power to the debtor and to ensure the collection of the receivables of the Parent Bank in case of temporary liquidity problems due to the failure of the payment obligation to the Parent Bank. The exclusion of customers from the scope of restructuring is carried out within the scope of the "Regulation on the Determination of the Qualifications of Loans and Other Receivables by Banks and the Procedures and Principles Regarding the Provisions To Be Set Aside For These".

**XI. Explanations on Sales and Repurchase Agreements and Lending of Securities**

Securities sold under repurchase agreements are recorded on the balance in accordance with Uniform Chart of Accounts. Accordingly, government bonds and treasury bills sold to customers under repurchase agreements are classified as "Investments Subject to Repurchase Agreements" and valued based on the Group's management's future intentions, either at market prices or using discounting method with internal rate of return.

Funds obtained in return for repo agreements are monitored in the "Funds From Repo Transactions" accounts under liabilities, and the expense rediscount is calculated according to the internal yield method for the part of the difference between the sales and repurchase prices determined by the repo agreements, which corresponds to the period.

Securities that are subject to repurchase agreements as at the balance sheet date amounted to TL 169,781,709 (December 31, 2024 – TL 178,933,527).

As of June 30, 2025 the Parent Bank has no securities that are subject to lending transactions (December 31, 2024 – None).

Securities purchased with a commitment to resell (reverse repurchase agreements) has shown under "Cash and Cash Equivalents" on the line of "Money Market Placements" in the balance sheet. The difference resulting from purchase and resale prices is treated as interest income and accrued over the life of the agreement.

**XII. Explanations on Assets Held for Sale and Discontinued Operations**

According to the TFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations"), assets classified as held for sale are measured at lower of carrying value or fair value less costs to sell. Amortization on subject asset is ended and these assets are presented separately on financial statements. An asset (or a disposal group) is regarded as "asset held for sale" only when the sale is highly probable and the asset (disposal group) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset (or a disposal group) should be actively marketed at a price consistent with its fair value. Various events and conditions may prolong the sale procedures for more than one year. In case subject delay is caused by the events and conditions beyond the Group's control and there is enough evidence that plans to sell subject asset (or a disposal group) continue subject assets continue to be classified as assets held for sale. As of June 30, 2025, the Group has assets held for sale and discontinued operations explained in footnote 1.15. of Section Five.

A discontinued operation is a part of the Parent Banks' business classified as disposed or held-for-sale. The operating results of the discontinued operations are disclosed separately in the statement of profit or loss and other comprehensive income. The Parent Bank has no discontinuing operations.

The Parent Bank classifies tangible assets which are acquired due to non-performing receivables as other assets.

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**ACCOUNTING POLICIES (Continued)**

**XIII. Explanations on Goodwill and Other Intangible Assets**

The Group's intangible assets consist of software, intangible rights and goodwill.

The intangible assets are recorded at their historical cost less accumulated amortization and provision for impairment, if any. Amortization is calculated on a straight-line basis.

Softwares have been classified as other intangible fixed assets by The Group. The useful life of softwares is determined as 3-5 years.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the Turkish Accounting Standard on Impairment of Assets (TAS 36) and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

**XIV. Explanations on Tangible Assets**

Property, plant and equipment are initially recognized at cost, being the acquisition cost plus any direct costs necessary to bring the asset to its working condition. Subsequent to initial recognition, property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses

The Parent Bank has started to account properties under the tangible assets with their revalued amount instead of cost values in accordance with the Standard on Property, Plant and Equipment ("TAS 16"). The revaluation difference arising from the valuations made by the appraisal firms authorized by Capital Markets Board ("CMB") and BRSA is accounted in Investment Properties Revaluation Differences line under the Shareholders' Equity.

At each reporting date, the Parent Bank assesses whether there is any indication that an asset may be impaired and, if so, estimates the recoverable amount of the asset in accordance with the Impairment of Assets Standard. ("TAS 36") and if the recoverable amount is less than the carrying amount of the related asset, an impairment loss is recognized.

Net book value of the property and leased assets under financial lease contracts are compared with the fair values determined by independent appraisers as of the year end and provision for impairment is recognized in "Other Operating Expenses" in the related period the statement of profit or loss and other comprehensive income when the fair value is below the net book value in accordance with "Turkish Accounting Standard on Impairment of Asset.

Depreciation for tangible assets is allocated using the straight-line depreciation method based on the estimated useful lives of assets, and the rates used are as follows:

Properties	2%
Movables purchased and acquired under finance lease contracts	7% - 25%

The Parent Bank depreciates special expenses on real estate acquired through operating leases before December 2009 according to their useful lives. Depreciation of the leasehold improvements acquired after this date is calculated over the lease period not exceeding 5 years where the lease duration is certain; or 5 years where the lease period is not certain in accordance with "Communiqué on the Amendment of Communiqué on Uniform Chart of Accounts and Explanatory Notes" dated January 10, 2011.

As of the balance sheet date, with respect to assets which are monitored under tangible assets for less than one year, the projected depreciation amount for a full year, is allocated in proportion to the tangible asset's period of stay in the assets.

Income or losses resulting from disposals of the tangible assets are recorded in the statement of profit or loss and other comprehensive income as the difference between the net proceeds and net book value of the asset.

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**ACCOUNTING POLICIES (Continued)**

**XIV. Explanations on Tangible Assets (Continued)**

Expenses for repairs are capitalized if the expenditure increases economic life of the asset; otherwise, they are expensed.

There are no changes in the accounting estimates in regard to amortization duration, which could have a significant impact on the current and future financial statements. There are no pledges, mortgages or other restrictions on the tangible assets. There are no purchase commitments related to the fixed assets.

**XV. Explanations on Leasing Transactions**

With the TFRS 16 Leases Standard, the difference between operating leases and financial leases has disappeared, and fixed assets acquired under finance lease contracts are presented under “Tangible Fixed Assets” on the asset side and under “Financial Lease Liabilities” on the liability side at the initial date of the lease. At the beginning of the lease, the Parent Bank calculates the right-of-use amount based on the present value of the lease payments of the fixed asset and shows it under “Tangible Fixed Assets”. In liabilities, on the other hand, it measures the unpaid lease payments as of the relevant date over their present value and records them as “Financial Lease Liabilities”. Lease payments are discounted using the borrowing interest rate. The basis for the determination of related balance sheet amounts is the lower of fair value of the leased asset and the present value of the lease payments. The direct costs incurred for a finance lease transaction are capitalized as additions to the cost of the leased asset. Lease payments include the financing costs incurred due to the leasing transaction and the principal amount of the leased asset for the current period.

**TFRS 16 Leases**

TFRS 16 Leasing standard abolishes the dual accounting model currently applied for lessees through recognizing finance leases in the balance sheet whereas not recognizing operational lease. Instead, it is set forth a single model similar to the accounting of financial leases (on balance sheet). For lessors, the accounting stays almost the same.

Set out below are the accounting policies of the Group upon application of TFRS 16:

**Right of use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The right use includes the presence of:

- The initial measurement of the lease,
- The amount obtained by deducting all lease payments received from all lease payments made on or on the date of actual lease and
- All initial direct costs incurred by the Group.

At the end of the lease term of the underlying asset's service, the transfer of the Group is reasonably finalized, and the Group depreciates the asset until the end of the life of the underlying asset on which the lease actually began. Right-of-use assets are subject to impairment.

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**ACCOUNTING POLICIES (Continued)**

**XV. Explanations on Leasing Transactions (Continued)**

**Lease Liabilities**

The Group measures the lease obligation at the present value of the unpaid lease payments on the date that the lease commences.

Lease payments included in the measurement of the lease obligation on the date that the lease actually commences, consists of the following payments to be made for the right of use of the underlying asset during the lease period and not paid on the date the lease actually starts:

- Fixed payments,
- Variable lease payments based on an index or rate, the first measurement made using an index or rate on the actual date of the lease.
- Amounts expected to be paid by the Group under the residual value commitments,
- The use price of this option and, if the Group is reasonably confident that it will use the purchase option,
- Fines for termination of the lease if the lease term indicates that the Group will use an option to terminate the lease.

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or condition that triggered the payment occurred. The Group revises the revised discount rate for the remainder of the lease term, if the implicit interest rate in the lease can be easily determined; the Group's alternative borrowing interest rate at the date of the revaluation.

After the effective date of the lease, the Group measures the lease obligation as follows:

- Increase the carrying amount to reflect the interest on the lease obligation and
- Decreases the carrying amount to reflect the lease payments made.

In addition, in the event of a change in the lease term, in essence a change in fixed lease payments or a change in the assessment of the option to buy the underlying asset, the value of the lease obligations is remeasured.

**Short-Term Leases And Leases Of Low-Value Assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

**XVI. Explanations on Factoring Receivables**

Factoring receivables are measured at amortized cost using the effective interest rate method after deducting unearned interest income and expected provisions for losses.

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**ACCOUNTING POLICIES (Continued)**

**XVII. Explanations on Provisions and Contingent Liabilities**

Provisions, other than specific and general provisions for loans and other receivables, and contingent liabilities are provided for in accordance with Provisions, Contingent Liabilities and Contingent Assets ("TAS 37"). Provisions are accounted for immediately when obligations arise as a result of past events and a reliable estimate of the obligation is made by the Parent Bank. A provision is recorded in the financial statements if there is a present obligation as a result of past events, it is probable that the obligation will be settled, and the amount of the obligation can be measured reliably. If the mentioned criteria are not met, the Group explains the said issues in the explanations and footnotes related to the financial statements. In cases where reliable estimate cannot be made of the amount of the obligation, it is considered contingent liabilities. For contingent liabilities if the probability that the event will occur is greater than the probability that it will not and the amount of the obligation can be measured reliably, a provision is made.

**XVIII. Explanations on Obligations of the Group for Employee Benefits**

Provision for employee severance benefits of the Group has been accounted for in accordance with Employee Benefits ("TAS 19").

In accordance with the existing social legislation in Türkiye, the Group is required to make lump-sum termination indemnities including retirement and notice payments to each employee whose employment is terminated due to resignation or for reasons other than misconduct. The retirement pay is calculated for every working year within the Group over salary for 30 days or the official ceiling amount per year of employment and the notice pay is calculated for the relevant notice period time as determined based on the number of years worked for the Group.

The Group has reflected the retirement pay liability amount, which was calculated by an independent actuary, in the accompanying financial statements. According to TAS 19, the Group recognizes all actuarial income and losses immediately through other comprehensive income.

The Group does not have any employees who work under limited period contracts with remaining terms longer than 12 months after the balance sheet date.

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

There are no foundations, pension trusts or similar associations of which the Group employees are members.

**XIX. Explanations on Insurance Technical Provisions**

Insurance companies are subject to TFRS 4 "Insurance Contracts". The TFRS 4 "Insurance Contracts" standard stipulates that all contracts issued by insurance companies must be classified as either insurance contracts or investment contracts. Contracts carrying a significant insurance risk are classified as insurance contracts. Insurance risk is defined as risks transferred by the policyholder (insured) to the insurer, excluding financial risks. Contracts that do not carry a significant insurance risk are classified as investment contracts.

Investment contracts are accounted for under TFRS 9 "Financial Instruments." In the consolidated financial statements, insurance technical provisions consist of unearned premium reserves, unexpired risks reserve, outstanding claims provision and life insurance mathematical reserves.

According to the Technical Reserves Regulation, the entity must recognize adequate mathematical reserves based on actuarial principles to meet its obligations to policyholders and beneficiaries for life, health and personal accident insurance contracts with a duration of more than one year.

Mathematical reserves are recognized as based on the formulas and principles given in the technical principles of the tariffs for the life insurances with a term longer than one year.

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**ACCOUNTING POLICIES (Continued)**

**XIX. Explanations on Insurance Technical Provisions (Continued)**

Companies are required to set aside unearned premium reserves for all contracts except for insurance contracts for which mathematical reserves are set aside. The reserve for unearned premiums consists of the gross amount of premiums accrued for insurance contracts in force, without any commission or other deduction, on a day-to-day basis, over the next accounting period or accounting periods. Outstanding claims liabilities are recognized for incurred but not reported claims and estimated amounts for claims and indemnities that have been calculated but not yet paid.

Equalization reserve is set aside for earthquake guarantees given in all branches, including additional guarantees, in order to balance the fluctuations in compensation rates that may occur in the following accounting periods and to cover catastrophic risks. For these guarantees, 11% of the net premium is considered as earthquake premium and 12% of this amount is allocated as equalization reserve.

Written premiums represent premiums written for policies issued during the period, net of cancellations and taxes. Accrual of premium income in life and non-life branches is realized upon the issuance of the policies. Cash or installment payments are accepted in accordance with the customer's request. The Company does not have any product related to saving life insurance in the related period.

**XX. Explanations on Taxation**

**1. Corporate tax**

According to the Corporate Tax Law No. 5520 published in the Official Gazette No. 26205 dated June 21, 2006, it is stated that; "While corporate tax is calculated at a rate of 20% on corporate profits, Corporate tax is collected at a 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".

Law No. 7456, which entered into force after being published in the Official Gazette No. 32249 dated July 15, 2023, on the Issue of Additional Motor Vehicle Tax to Compensate the Economic Losses Caused by the Earthquakes that Occurred on February 6, 2023 and in the 21st article of Amending Certain Laws and the Decree Law No. 375 with in the first paragraph of the 32nd article of the Law No. 5520 the phrase "20%" has been changed to "25%" and the phrase "25%" to "30%". This change is valid to be applied to the earnings earned in 2023 and subsequent taxation periods, starting from the returns that must be submitted as of October 1, 2023. Prepaid taxes are tracked in the "Current Tax Liability" or "Current Tax Asset" accounts to be offset with the corporate tax liability of the relevant year.

With the 75% of the profits arising from the sale of the participation shares held in the Parent Bank's assets for more than two years and the founder's shares, usufruct shares and preference rights held for the same period and 50% of the incomes arising from the sale of immovables that are in the assets of the Parent Bank for the same period is exempt from tax on the condition that it is added to the capital or kept in a special fund account for 5 years as stipulated in the Corporate Tax Law. With the 19th article of Law No. 7456, the exemption for the transfer and delivery of immovable properties that have been in the assets of institutions for at least two full years has been abolished. With the 22nd article of the same Law, it has been regulated that the 50% exception rate in paragraph 5/1-(e) of Law No. 5520 will be applied as 25% in the sales of immovable properties that were in the assets of the institutions before the date of entry into force of the said regulation, as of the date of entry into force of this article. In addition, with the Presidential Decree No. 9160 published in the Official Gazette dated November 27, 2024, the exemption rate for income on sale of subsidiaries was reduced to 50%.

Companies calculate provisional tax at the rate of 30% on their quarterly financial profits to be applied to their profits earned in 2024 and subsequent taxation periods, starting from the declarations that must be submitted as of October 1, 2023 for the 2023 taxation periods, and they declare and pay it until the 17th day of the second month following that period. With the 9th article of the Law No. 7338 on the Amendment of the Tax Procedure Law and Some Laws published in the Official Gazette dated October 26, 2021 and numbered 31640, the repetitive article 120 of the Income Tax Law No. 193 was amended and it has been stated that provisional tax will be calculated and paid on the quarterly earnings determined for the first nine months of the relevant accounting period, which is applied from the declarations submitted.

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**ACCOUNTING POLICIES (Continued)**

**XX. Explanations on Taxation (Continued)**

**1. Corporate tax (Continued)**

The temporary tax paid during the year is offset against the corporate tax to be calculated on the corporate tax return for the following year. If there is still an amount of temporary tax paid remaining after offsetting, this amount can be refunded in cash or offset.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, if they do not exceed 5 years. According to the Tax Procedure Law, declarations and related accounting records can be examined by the tax office within five years. On the other hand, if the provision of a document subject to stamp duty, whose tax and penalty is time-barred, is utilized after the expiry of the statute of limitations, the tax receivable of the aforementioned document arises.

The corporate tax provisions calculated over the profit for the period are recorded in the "Current Tax Provision" account in the profit or loss statement, and the current tax effects of the transactions that are directly accounted for in equity are reflected in the shareholders' equity.

In cases where the profit for the period is not distributed and added to the capital or distributed to fully taxpayer institutions while not subject to withholding tax, in accordance with the Council of Ministers Decision no 2009/14593 and the Council of Ministers Decision no 2009/14594 published in the Official Gazette dated February 3, 2009, and No. 27130, and articles 15th and 30th of the Corporate Tax Law No. 5520. Natural persons who are fully taxpayers, those who are not liable for corporate tax and income tax, those who are exempt from corporate tax and income tax, non-resident corporations (except for those who receive dividends through a workplace or permanent representative in Türkiye) and non-resident taxpayers while profit distribution to natural persons is subject to withholding tax at the rate of 15%, this rate has been changed to 10% with the Presidential Decision published in the Official Gazette dated December 22, 2021 and No. 31697. However, with the Presidential Decree No. 9286 dated December 21, 2024, the dividend withholding rate was increased from 10% to 15%. In the application of withholding tax rates for profit distributions to non-resident companies and natural persons, the practices included in the relevant Double Taxation Agreements are also taken into consideration.

In accordance with Article 298/A of the Tax Procedure Law, financial statements should be subject to inflation if both of the following conditions are met:

- The increase in the price index (D-PPI- Domestic Producer Price Index) exceeded 100% in the last three accounting periods, including the current period, and
- To be more than 10% in the current accounting period.

The law on the amendment of the Tax Procedure Law and the Corporate Tax Law was enacted on January 20, 2022, with the Law No. 7352, and the conditions regarding the inflation adjustment within the scope of the repeated article 298 are determined in the 2021 and 2022 accounting periods and the 2023 accounting period temporary tax periods, including the temporary accounting periods. In addition, pursuant to the General Communiqué on the Tax Procedure Law No. 582, it has been stated that taxpayers within the scope will not apply inflation adjustment during the first, second, and third provisional tax periods of the 2025 fiscal year. Therefore, inflation adjustment will be applied to the financial statements as of December 31, 2025. The provision added by Article 17 of Law No. 7491, following the third paragraph of temporary Article 33 of Law No. 213, states that 'Banks, companies within the scope of Law No. 6361 on Financial Leasing, Factoring, Financing, and Savings Financing Companies, payment and electronic money institutions, authorized exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies, are not taken into account in determining income for the fiscal periods, including temporary tax periods, in 2024 and 2025, regarding the profit/loss difference arising from the inflation adjustment.

The 'Domestic Minimum Corporate Tax' application was introduced by Law No. 7524, published in the Official Gazette dated August 2, 2024, and will apply to the profits earned in the 2025 fiscal year and subsequent taxation periods. With the addition of Article 32/C titled 'Domestic Minimum Corporate Tax' to the Corporate Tax Law, it has been stipulated that the corporate tax calculated in accordance with the provisions of Articles 32 and 32/A of the Law cannot be less than 10% of the corporate income before deductions and exemptions. The domestic minimum corporate tax will also apply to the provisional tax periods.

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**ACCOUNTING POLICIES (Continued)**

**XX. Explanations on Taxation (Continued)**

**2. Deferred Tax**

The Parent Bank calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with “Turkish Accounting Standard for Income Taxes” (“TAS 12”). In the calculation of the Parent Bank's deferred tax, the enacted tax rates that are valid in accordance with the current tax legislation are used in accordance with the tax period for the related items.

The Corporate Tax rate for 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 will be applied as 30%, starting from the declarations that must be submitted as of October 1, 2023, and will also be applied to the profits earned in 2023 and subsequent taxation periods. As of June 30, 2025, deferred tax calculation has been made for assets and liabilities at a rate of 30%.

Deferred tax liabilities are recognized for all temporary differences whereas deferred tax assets calculated from deductible temporary differences are only recognized if it's highly probable that these will in the future create taxable profit.

The Parent Bank is recognized deferred tax for the Stage 1 and Stage 2 expected credit losses provisions. Deferred tax effect related to transactions for which the profit or loss effect is directly accounted in equity, is also reflected to equity.

**3. Global Minimum Complementary Corporate Income Tax**

In September 2023, POA issued amendments to TAS 12 that introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws that have been enacted, or are substantively enacted, for the purpose of applying the Second Pillar Model Rules issued by the Organization for Economic Cooperation and Development (OECD). These amendments also introduce certain disclosure requirements for entities affected by such tax laws. The exemption from recognizing and disclosing information about deferred taxes and the disclosure requirement for when the exemption has been applied are effective upon issuance of the amendments.

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 August 2, 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 impact on the financials. However, changes in legislation in Türkiye and other countries where QNB Bank A.Ş. operates are monitored.

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**ACCOUNTING POLICIES (Continued)**

**XX. Explanations on Taxation (Continued)**

**4. Transfer Pricing**

The article no.13 of the Corporate Tax Law describes the issue of transfer pricing under the title of “disguised profit distribution” by way of transfer pricing. “The General Communiqué on Disguised Profit Distribution by way of Transfer Pricing” published on November 18, 2007 explains the application related issues in detail. According to this Communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm’s length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes. Disguised profit distribution amount will be recognized as share in net profit and stoppage tax will be calculated depending on whether the profit distributing institution is a real or corporate entity, full-fledged or foreign based taxpayer, is subject to or exempt from tax.

As discussed under subject Communiqué’s 7.5 Annual Documentation section, taxpayers are required to fill out the “Transfer Pricing, Controlled Foreign Entities and Thin Capitalization” form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices.

**XXI. Additional Explanations on Borrowings**

The Parent Bank and consolidated Group companies generate funds from domestically and internationally resident people and institutions by using debt instruments such as syndication, securitization, collateralized debt and bond issuance. Aforementioned transactions are initially recorded at transaction cost plus acquisition cost, reflective of their fair value, and are subsequently measured at amortized cost by using effective interest rate method.

**XXII. Explanations on Share Issues**

There are no shares issued in 2025 (December 31, 2024 – None)

**XXIII. Explanations on Confirmed Bills of Exchange and Acceptances**

Confirmed bills of exchange and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts as possible debt and commitment, if any. There are no acceptances and confirmed bills of exchange presented as liabilities against any assets.

**XXIV. Explanations on Government Incentives**

As of June 30, 2025, the Group does not have any governmental incentives or support (December 31, 2024 – None).

**XXV. Explanations on Segment Reporting**

The Group provides corporate, individual, and commercial banking services, along with private banking, fund management operations, and credit card services through branches and alternative distribution channels. The Group serves its retail banking clients with time and demand deposits, also overdraft services, automatic account services, consumer loans, vehicle loans, housing loans and investment fund services. The Group provides services including deposit and loans, foreign trade financing, forward and option agreements to its corporate clients. The Group also serves in trading financial instruments and treasury operations.

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**ACCOUNTING POLICIES (Continued)**

**XXV. Explanations on Segment Reporting (Continued)**

The calculations based on the statement of profit or loss and other comprehensive income for retail banking (consumer banking and plastic cards), corporate and commercial banking that have operational units designated as the main profit centers, have been made according to the product and customer types. During the profitability calculations, the pricing of transfers among these units and treasury unit are made by using cost/return ratios that are determined by the Parent Bank's senior management and which are updated periodically. In this pricing method, general market conditions and the Parent Bank's internal policies are considered.

Corporate and Commercial Banking serves corporate firms with an annual turnover of TL 7.5 billion (full TL) or more, multinational companies operating in Türkiye, and commercial firms with an annual turnover of TL 750 million – 7.5 billion (full TL). In addition to the financing and investment needs of its customers, it offers products that will facilitate the payment and collection processes in both domestic and foreign trade. It produces solutions that will create added value for all the needs of its customers with its customer-oriented service approach, company-specific solution approach and strategy to establish long-term business partnerships.

The Consumer Banking meets the needs and expectations of the retail banking customers. The Private Banking Unit has formed and started to operate to serve customers with high level income, in a more effective way. The installments, discounts and bonus advantages are provided to the users of QNB Card in the plastic cards line. The main function of Treasury Segment is managing the liquidity of the Parent Bank and interest and foreign currency risks resulting from market conditions. This segment is in close relation with corporate, commercial, retail, SME and private banking units in order to increase the number of customers and the volume of transactions in treasury products of the Parent Bank.

**QNB BANK ANONİM ŞİRKETİ**

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**ACCOUNTING POLICIES (Continued)**

**XXV. Explanations on Segment Reporting (Continued)**

<b>Current Period</b>	<b>Retail Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury and Head Office</b>	<b>Total Operations of the Group</b>
<b>Operating Income</b>	<b>47,206,072</b>	<b>19,793,045</b>	<b>9,114,931</b>	<b>76,114,048</b>
Dividend Income	-	-	20,646	20,646
<b>Profit Before Taxes</b>	<b>19,715,013</b>	<b>9,606,438</b>	<b>1,153,247</b>	<b>30,474,698</b>
<b>Provision for Taxes(-)</b>	-	-	<b>8,547,391</b>	<b>8,547,391</b>
<b>Net Profit/Loss</b>	<b>19,715,013</b>	<b>9,606,438</b>	<b>(7,394,144)</b>	<b>21,927,307</b>
<b>Total Assets</b>	<b>520,645,197</b>	<b>589,513,434</b>	<b>643,353,643</b>	<b>1,854,046,154</b>
Segment Assets	520,645,197	589,513,434	643,353,643	1,753,512,274
Associates, Subsidiaries and Entities Under Common Control (Joint Ventures)	-	-	-	567,377
Undistributed Assets	-	-	-	99,966,503
<b>Total Liabilities</b>	<b>691,013,193</b>	<b>268,064,900</b>	<b>621,560,127</b>	<b>1,854,046,154</b>
Segment Liabilities	691,013,193	268,064,900	621,560,127	1,580,638,220
Undistributed Liabilities	-	-	-	134,095,464
Equity	-	-	-	139,312,470
<b>Prior Period (*)</b>	<b>Retail Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury and Head Office</b>	<b>Total Operations of the Group</b>
<b>Operating Income</b>	<b>29,622,884</b>	<b>15,628,067</b>	<b>(3,118,965)</b>	<b>42,131,986</b>
Dividend Income	-	-	19,037	19,037
<b>Profit Before Taxes</b>	<b>14,629,536</b>	<b>12,978,738</b>	<b>(6,705,570)</b>	<b>20,902,704</b>
<b>Tax Provision (-)</b>	-	-	<b>3,444,130</b>	<b>3,444,130</b>
<b>Net Profit/Loss</b>	<b>14,629,536</b>	<b>12,978,738</b>	<b>(10,149,700)</b>	<b>17,458,574</b>
<b>Total Assets</b>	<b>420,837,088</b>	<b>490,345,643</b>	<b>558,230,578</b>	<b>1,555,092,527</b>
Segment Assets	420,837,088	490,345,643	558,230,578	1,469,413,309
Associates, Subsidiaries and Entities Under Common Control (Joint Ventures)	-	-	-	566,487
Undistributed Assets	-	-	-	85,112,731
<b>Total Liabilities</b>	<b>567,916,244</b>	<b>252,948,360</b>	<b>509,976,262</b>	<b>1,555,092,527</b>
Segment Liabilities	567,916,244	252,948,360	509,976,262	1,330,840,866
Undistributed Liabilities	-	-	-	105,221,015
Equity	-	-	-	119,030,646

(\*) "The income statement items represent the balances as of June 30, 2024."

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**ACCOUNTING POLICIES (Continued)**

**XXVI. Explanations on Profit Reserves and Profit Distribution**

The General Assembly Meeting of the Parent Bank was held on March 27, 2025. In the Board of Directors, it was decided that profit distribution 2024 operations to be distributed as follows.

**2024 Profit Distribution Table:**

<b>Current Year Profit</b>	<b>36,174,341</b>
A – Real Estate Sales Profit Fund (Corporate Tax Law 5.1/E)	27,324
C- Extraordinary Reserves	36,147,017

The general legal reserve fund, which is required to be set aside as five percent of the annual profit in accordance with paragraph 1 of Article 519 of the Turkish Commercial Code, has not been set aside since it has reached twenty percent of the paid-in capital.

**XXVII. Earnings per Share**

Earnings per share listed on statement of profit or loss and other comprehensive income is calculated by dividing net profit to weighted average amount of shares issued within respective year.

	<b>Current Period</b>	<b>Prior Period</b>
Group's Net Profit for the Period	21,922,152	17,456,229
Weighted Average Amount of Shares Issued (Thousands)	33,500,000	33,500,000
<b>Earnings per Share</b>	<b>0.6544</b>	<b>0.5211</b>

In Türkiye, companies can increase capital through “bonus share” distributed from previous year earnings to current shareholders. Such “bonus share” distributions are accounted as issued shares while calculating earnings per share. Accordingly, weighted average amount of shares issued used in these calculations is found through taking into consideration retroactive effects of subject share distributions. In case, amount of shares issued increases after the balance sheet date but before the date of financial statement preparation due to distribution of “bonus share”, earnings per share is calculated taking into consideration the new amount of shares.

Amount of issued bonus shared as of June 30, 2025 is none (Amount of issued bonus shared as of December 31, 2024 is none).

**XXVIII. Explanations on Other Matters**

As stated in the PDP disclosure dated November 25, 2022, it was decided to continue the Enpara banking services offered under the ‘Enpara’ trademark within the Parent Bank under a separate legal entity independent from the Parent Bank in order to ensure maximum value creation for the Parent Bank's shareholders. In order to implement this decision, it is planned to establish a deposit bank under the name of Enpara Bank A.Ş. and transfer the Parent Bank's Enpara banking services to the new bank to be established through partial spin-off. The establishment permit application made by the founding shareholders for the establishment of the new bank was concluded on August 5, 2023, and the establishment permit for Enpara Bank A.Ş. was obtained and the establishment of Enpara Bank A.Ş. was registered on December 4, 2023.

The application for obtaining an operating permit as required by the legislation was made on December 5, 2023. The Parent Bank obtained the operational permit pursuant to the Board decision published in the Official Gazette dated August 23, 2024, and started its operations on December 30, 2024, with the notification made to the BRSA. In order to transfer the Enpara.com banking services within the bank to Enpara Bank A.Ş. through a partial spin-off, following the application made to the Banking Regulation and Supervision Agency (BRSA), permission was granted on February 11, 2025, to proceed with the necessary procedures under the relevant legislation regarding the partial demerger. During the General Assembly meeting held on March 17, 2025, the Parent Bank's Board of Directors was authorized to prepare and sign the Spin-off Agreement and to carry out the necessary procedures in accordance with the relevant legislation. Following this authorization, the partial spin-off transaction was deemed appropriate to be submitted to the general assemblies of the involved banks, as per the Banking Regulation and Supervision Agency's (BRSA) letter dated June 20, 2025 and numbered 157914. On the other hand, the approval processes to the Capital Markets Board of Turkey (“CMB”), and other relevant authorities requiring approval for the execution of the partial spin-off is ongoing.

As of June 30, 2025, Enpara's banking activities to be transferred represent 9.7% of the Group's consolidated assets and liabilities. Assets and liabilities that will be removed from the balance sheet will not create any change in the Group's equity. If such a separation had occurred on June 30, 2025, the Group's capital adequacy ratio would have increased by 126 basis points to 16.29%. If such a transfer had occurred on December 31, 2024, the Group's profit before tax for the first six months of 2025 would have been 13% lower.

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

**I. Explanations on Consolidated Equity**

Total capital and Capital adequacy ratio have been calculated in accordance with the “Regulation on Equity of Banks” and “Regulation on Measurement and Assessment of Capital Adequacy of Banks.” As of June 30, 2025, Group’s total capital has been calculated as TL 181,002,458 (December 31, 2024: TL 158,640,172), capital adequacy ratio is 15.03% (December 31, 2024: 16.65%) calculated pursuant to former regulations).

In the calculation of the amount subject to credit risk, in accordance with the Regulation on the Measurement and Evaluation of Capital Adequacy of Banks (Regulation) published in the Official Gazette dated October 23, 2015, as stated in the Board Decision dated January 31, 2023 and numbered 10496 and the decision dated April 28, 2022, and numbered 9996; when calculating the values of monetary assets and non-monetary assets, other than items in foreign currency measured in historical cost, pursuant to TAS and related special provisions; the application for the use of the Central Bank of the Republic of Türkiye foreign exchange buying rate as of June 26, 2023 has been decided to continue using the CBRT's foreign exchange buying rate as of June 28, 2024 as of January 1, 2025, until a BRSA Decision to the contrary is taken.

In accordance with the BRSA Decision No. 10747 dated December 12, 2023, if the net valuation differences of the securities held by the banks in the "Securities at Fair Value Through Other Comprehensive Income" portfolio are negative as of January 1, 2024, to be calculated in accordance with the Regulation on Equity of Banks published in the Official Gazette dated September 5, 2013 and numbered 28756, and to continue to apply the existing provisions of the said Regulation for "Securities at Fair Value Through Other Comprehensive Income" acquired after the date of this decision.

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### I. Explanations on Consolidated Equity (Continued)

##### Components of consolidated shareholders' equity items:

	Current Period June 30, 2025	Prior Period December 31, 2024
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	3,350,000	3,350,000
Share issue premiums	714	714
Reserves	107,550,631	71,376,333
Income recognized in equity as per TAS	12,713,889	12,713,686
Profit	21,922,152	36,174,298
Current Period Profit	21,922,152	36,174,298
Prior Period Profit	-	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	1,617	1,617
Minorities' Share	35,224	30,069
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>145,574,227</b>	<b>123,646,717</b>
<b>Deductions from Common Equity Tier 1 Capital</b>		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks		
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	2,957,875	1,345,983
Improvement costs for operating leasing	523,695	525,707
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	6,796,449	5,698,349
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Income arising from securitization transactions	-	-
Unrealized income and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions from Common Equity Tier 1 Capital</b>	<b>10,278,019</b>	<b>7,570,039</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>135,296,208</b>	<b>116,076,678</b>

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### I. Explanations on Consolidated Equity (Continued)

	Current Period June 30, 2025	Prior Period December 31, 2024
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	20,863,920	18,522,158
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Third parties' share in the Additional Tier I capital	-	-
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>20,863,920</b>	<b>18,522,158</b>
<b>Deductions from Additional Tier I Capital</b>		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>	-	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common equity	-	-
Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common equity Tier 1 capital for the purposes of the sub-paragraph of the provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions from Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
<b>Total Additional Tier I Capital</b>	<b>20,863,920</b>	<b>18,522,158</b>
<b>Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)</b>	<b>156,160,128</b>	<b>134,598,836</b>
<b>TIER II CAPITAL</b>		
Debt instruments and premiums deemed suitable by the BRSA	-	-
Debt instruments and premiums deemed suitable by BRSA (Temporary Article 4)	11,922,240	13,582,916
Third parties' share in the Tier II Capital	-	-
Third parties' share in the Tier II Capital (Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	13,180,221	10,722,720
<b>Tier II Capital Before Deductions</b>	<b>25,102,461</b>	<b>24,305,636</b>
<b>Deductions From Tier II Capital</b>		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	<b>-</b>	<b>-</b>
<b>Total Tier II Capital</b>	<b>25,102,461</b>	<b>24,305,636</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>181,262,589</b>	<b>158,904,472</b>
<b>Total Capital</b>		
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	46,195	50,295
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA (-)	213,936	214,005
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>	<b>-</b>	<b>-</b>
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity,	-	-
mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common equity Tier	-	-
1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### I. Explanations on Consolidated Equity (Continued)

	Current Period June 30, 2025	Prior Period December 31, 2024
<b>TOTAL CAPITAL</b>		
Total Capital	181,002,458	158,640,172
Total Risk Weighted Amounts	1,204,140,119	952,597,385
<b>Capital Adequacy Ratios</b>		
Consolidated Core Capital Adequacy Ratio (%)	11.24	12.19
Consolidated Tier 1 Capital Adequacy Ratio (%)	12.97	14.13
Consolidated Capital Adequacy Ratio (%)	15.03	16.65
<b>BUFFERS</b>		
Bank specific total common equity tier 1 capital ratio	3.51	3.51
a) Capital conservation buffer requirement (%)	2.50	2.50
b) Bank specific counter-cyclical buffer requirement (%)	0.01	0.01
c) Systemically important bank buffer ratio (%)	1.00	1.00
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	5.24	6.19
<b>Amounts below the Excess Limits as per the Deduction Principles</b>		
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	2,800	2,800
Amount arising from mortgage-servicing rights	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
<b>Limits related to provisions considered in Tier II calculation</b>		
General provisions for standard based receivables (before ten thousand twenty-five limitation)	26,094,136	23,576,865
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	13,180,221	10,722,720
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
<b>Debt instruments subjected to Article 4 (to be implemented between January 1, 2018, and January 1, 2022)</b>		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	20,863,920	18,522,158
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	11,922,240	13,582,916

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### I. Explanations on Consolidated Equity (Continued)

##### Information on debt instruments included in the calculation of equities:

Information on debt instruments included in the calculation of equity		
Issuer	Issuer	Issuer
Instrument code (e.g., CUSIP, ISIN)	Instrument code (e.g., CUSIP, ISIN)	Instrument code (e.g., CUSIP, ISIN)
Governing law(s) of the instrument	Governing law(s) of the instrument	Governing law(s) of the instrument
	<b>Regulatory treatment</b>	
Since 1.1.2015 10% reduction by being subject to the application	No	No
Eligible at stand-alone/consolidated	Stand-alone - Consolidated	Stand-alone-Consolidated
Instrument type	Loan	Subordinated debt instrument (Bond)
Amount recognized in regulatory capital (Currency in million, as of most recent reporting date)	22,055	12,081
Par value of instrument (Currency in million)	22,055	12,081
Accounting classification	Liability – Subordinated Loans- amortized cost	Liability – Subordinated Debt Instruments- amortized cost
Original date of issuance	Jun 30, 2019	Nov 15, 2023
Perpetual or dated	Undated	Dated
Original maturity date	Jun 29, 2029	Nov 15, 2033
Issuer call subject to prior BRSA approval	Yes	Yes
Optional call date, contingent call dates and redemption amount	Jun 29, 2029, USD 525,000,000	Nov 15, 2028, USD 300,000,000
Subsequent call dates, if applicable	-	-
	<b>Coupons/dividends</b>	
Fixed or floating dividend/coupon	Fixed	Fixed
Coupon rate and any related index	First 5 years fixed at 9.50%, next 5 years fixed at SOFR + 7.36%	10.75%
Existence of a dividend stopper	There will be no interest on the deducted value after the impairment	-
Fully discretionary, partially discretionary or mandatory	Optional	-

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### I. Explanations on Consolidated Equity (Continued)

##### Information on debt instruments included in the calculation of equities (Continued)

	1	2
Existence of set-up or another incentive to redeem	-	-
Noncumulative or cumulative	Noncumulative	Noncumulative
<b>Convertible or non-convertible</b>		
If convertible, conversion trigger(s)	-	-
If convertible, fully or partially	-	-
If convertible, conversion rate	-	-
If convertible, mandatory or optional conversion	-	-
If convertible, specify instrument type convertible into	-	-
If convertible, specify issuer of instrument it converts into	-	-
<b>Write-down feature</b>		
If write-down, write-down trigger(s)	Non-existence of the core capital ratio is less than 5.125%	The occurrence of non-existence
If write-down, full or partial	Full and partial	Full and partial
If write-down, permanent or temporary	Temporary	Temporary
If temporary write-down, description of write-up mechanism	Disappearance of non-existence and higher core capital ratio than 5.125 %	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After borrowing and contribution capital	After borrowing, before additional capital, the same as other contribution capital
Incompliance with article number 7 and 8 of "Own fund regulation"	It fulfills the conditions within the Article number 7 of "Own fund regulation "the Regulation on the Equity of Banks.	It fulfills the conditions within the Article number 8 of "Own fund regulation "the Regulation on the Equity of Banks.
Details of incompliances with article number 7 and 8 of "Own fund regulation"	Does not meet the requirements set out in Article 8.	Does not meet the requirements set out in Article 7.

(\*) The conversion rate/value will be calculated based on the market data available when the right is exercised

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### I. Explanations on Consolidated Equity (Continued)

##### Explanations on the reconciliation of shareholders' equity items and balance sheet amounts

	Current Period	Prior Period
<b>Balance sheet total equity</b>	<b>139,312,470</b>	<b>119,030,646</b>
Hedge funds	(1,406,324)	(1,865,452)
Discounts made within the scope of the regulation	(7,320,149)	(6,224,060)
Accumulated revaluation and/or reclassification incomes/losses on financial assets at fair value through other comprehensive income	4,710,211	5,135,544
<b>Core Capital</b>	<b>135,296,208</b>	<b>116,076,678</b>
Additional capital	20,863,920	18,522,158
<b>Capital</b>	<b>156,160,128</b>	<b>134,598,836</b>
Expected loss allowance (Stages 1 and 2)	13,180,221	10,722,720
Debt instruments deemed appropriate by the institution	11,922,240	13,582,916
Discounts made within the scope of the regulation	(260,131)	(264,300)
<b>Total Equity</b>	<b>181,002,458</b>	<b>158,640,172</b>

#### II. Explanations on Consolidated Risk Management

In accordance with the 'Communiqué on Public Disclosures Regarding Risk Management by Banks,' published in the Official Gazette No. 29511 on October 23, 2015, and effective as of March 31, 2016, the notes and relevant disclosures prepared pursuant to this communiqué are provided in this section. According to the relevant communiqué, the following tables, which need to be provided on a quarterly basis, have not been presented as of June 30, due to the Bank utilizing the standard approach in its capital adequacy calculation:

- Credit risk amounts based on portfolio and TO range
- The impact of credit derivatives used as the KRA technique on RAV
- IRB (Specialized loans and equity investments subject to the simple risk weight approach)
- Internal model approach for trading accounts
- Comparison of RmD estimates with profit/loss
- Counterparty credit risk based on risk class and transaction type
- RWA variations for CCR under the Internal Model Approach

#### 1. GB1 – Overview of risk weighted assets

	Risk Weighted Assets		Minimum Capital Requirements
	30.06.2025	31.12.2024	30.06.2025
1 Credit risk (excluding counterparty credit risk)	1,041,972,327	844,020,318	83,357,786
2 Standardized approach	1,041,972,327	844,020,318	83,357,786
3 Internal rating-based approach	-	-	-
4 Counterparty credit risk	12,445,299	13,797,174	995,624
5 Standardized approach for counterparty credit risk	12,445,299	13,797,174	995,624
6 Internal model method	-	-	-
7 Basic risk weight approach to internal models' equity position in the banking account	-	-	-
8 Investments made in collective investment companies – look-through approach	-	-	-
9 Investments made in collective investment companies – mandate-based approach	-	-	-
10 Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11 Settlement risk	-	-	-
12 Securitization exposures in banking accounts	-	-	-
13 IRB ratings-based approach	-	-	-
14 IRB Supervisory Formula Approach	-	-	-
15 SA/simplified supervisory formula approach	-	-	-
16 Market risk	16,187,700	13,901,063	1,295,016
17 Standardized approach	16,187,700	13,901,063	1,295,016
18 Internal model approaches	-	-	-
19 Operational risks	133,534,793	80,878,830	10,682,784
20 Basic indicator approach	133,534,793	80,878,830	10,682,784
21 Standardized approach	-	-	-
22 Advanced measurement approach	-	-	-
23 The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24 Minimum value adjustments	-	-	-
<b>25 TOTAL(1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>1,204,140,119</b>	<b>952,597,385</b>	<b>96,331,210</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025

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

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP  
(Continued)

II. Explanations on Consolidated Risk Management (Continued)

2. Credit Risk Disclosures

a) CR1 - Credit Quality of Assets

Current Period	Gross amount valued in accordance with TAS presented in the financial statements prepared according to legal consolidation		Provisions/ amortization and impairment	Net value
	Defaulted exposures	Non-defaulted exposures		
1 Loans	38,550,359	1,124,388,613	52,762,790	1,110,176,182
2 Debt Securities	-	316,434,161	17,552	316,416,609
3 Off-balance sheet exposures	738,477	1,469,663,331	1,893,001	1,468,508,807
<b>4 Total</b>	<b>39,288,836</b>	<b>2,910,486,105</b>	<b>54,673,343</b>	<b>2,895,101,598</b>
Prior Period	Gross amount valued in accordance with TAS presented in the financial statements prepared according to legal consolidation		Provisions/ amortization and impairment	Net value
	Defaulted exposures	Non-defaulted exposures		
1 Loans	25,360,472	927,429,610	41,589,630	911,200,452
2 Debt Securities	-	272,110,031	17,722	272,092,309
3 Off-balance sheet exposures	569,355	1,038,123,354	1,624,556	1,037,068,153
<b>4 Total</b>	<b>25,929,827</b>	<b>2,237,662,995</b>	<b>43,231,908</b>	<b>2,220,360,914</b>

b) CR2 - Changes in stock of defaulted loans and debt securities

	Current Period	Prior Period
1 Defaulted loans and debt securities at end of the previous reporting period	25,360,472	10,988,341
2 Loans and debt securities that have defaulted since the last reporting period	22,154,069	23,079,617
3 Returned to non-defaulted status	-	-
4 Amounts written-off	3,444,628	1,922,646
5 Other changes <sup>(*)</sup>	5,519,554	6,784,840
<b>6 Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)</b>	<b>38,550,359</b>	<b>25,360,472</b>

<sup>(\*)</sup> Includes collections from credits in default.

c) CR3 - Credit risk mitigation techniques – Overview

Current Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
	1 Loans	1,083,384,531	26,791,651	15,945,321	-	-	-
2 Debt securities	316,416,609	-	-	-	-	-	-
<b>3 Total</b>	<b>1,399,801,140</b>	<b>26,791,651</b>	<b>15,945,321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4 Of which defaulted	9,939,804	10,115	553	-	-	-	-
Prior Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
1 Loans	890,223,829	20,976,623	13,511,071	-	-	-	-
2 Debt securities	272,092,309	-	-	-	-	-	-
<b>3 Total</b>	<b>1,162,316,138</b>	<b>20,976,623</b>	<b>13,511,071</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4 Of which defaulted	5,532,801	152,888	1,691	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025

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

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP  
(Continued)

II. Explanations on Consolidated Risk Management (Continued)

d) CR4 – Standardized approach - Credit risk exposure and credit risk mitigation (CRM) effects

Current Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk weighted average	Risk weighted average density
1 Exposures to central governments or central banks	557,993,016	-	564,649,119	-	-	0%
2 Exposures to regional governments or local authorities	246,784	115	246,784	-	123,392	50%
3 Exposures to public sector entities	722,827	77,661	722,828	27,916	750,744	100%
4 Exposures to multilateral development banks	-	-	-	-	-	0%
5 Exposures to international organizations	-	-	-	-	-	0%
6 Exposures to institutions	27,416,588	10,389,858	27,416,583	6,335,696	13,800,412	41%
7 Exposures to corporates	370,424,783	322,359,304	356,527,605	110,005,806	439,806,550	94%
8 Retail exposures	612,170,901	1,278,206,974	603,496,065	16,526,980	465,017,284	75%
9 Exposures secured by residential property	3,878,636	-	3,878,636	-	1,357,523	35%
10 Exposures secured by commercial real estate	42,925,236	7,959,498	42,925,236	3,789,919	31,306,735	67%
11 Past-due loans	9,647,218	-	9,646,664	-	5,186,476	54%
12 Higher-risk categories by the Agency Board	4,126,971	125,385	4,098,123	90,552	17,918,223	428%
13 Exposures in the form of covered bonds	-	-	-	-	-	0%
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	0%
16 Other assets	59,115,313	3,615,965	59,115,313	-	44,237,004	75%
17 Investments in equities	22,467,984	-	22,467,984	-	22,467,984	100%
<b>18 Total</b>	<b>1,711,136,257</b>	<b>1,622,734,760</b>	<b>1,695,190,940</b>	<b>136,776,869</b>	<b>1,041,972,327</b>	<b>57%</b>

Prior Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk weighted average	Risk weighted average density
1 Exposures to central governments or central banks	476,181,868	-	477,382,730	-	-	0%
2 Exposures to regional governments or local authorities	179,514	20,115	179,514	-	89,757	50%
3 Exposures to public sector entities	847,050	296,875	716,736	63,480	780,216	100%
4 Exposures to multilateral development banks	-	-	-	-	-	0%
5 Exposures to international organizations	-	-	-	-	-	0%
6 Exposures to institutions	24,123,024	7,472,029	24,123,022	4,295,246	11,290,508	40%
7 Exposures to corporates	302,271,211	243,255,200	292,158,837	76,133,073	346,309,678	94%
8 Retail exposures	504,935,822	924,425,447	500,470,358	14,422,741	386,169,825	75%
9 Exposures secured by residential property	5,281,036	705,370	5,281,036	380,227	1,981,442	35%
10 Exposures secured by commercial real estate	29,104,823	6,403,993	29,104,823	3,029,531	21,658,163	67%
11 Past-due loans	5,218,586	-	5,216,895	-	2,940,157	56%
12 Higher-risk categories by the Agency Board	3,178,088	15,354	3,175,997	6,462	14,908,694	468%
13 Exposures in the form of covered bonds	-	-	-	-	-	0%
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	0%
16 Other assets	51,299,642	455,718	51,299,642	-	39,783,966	78%
17 Investments in equities	18,107,568	-	18,107,568	-	18,107,568	100%
<b>18 Total</b>	<b>1,420,728,232</b>	<b>1,183,050,101</b>	<b>1,407,217,158</b>	<b>98,330,760</b>	<b>844,019,974</b>	<b>56%</b>

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### II. Explanations on Consolidated Risk Management (Continued)

##### e) CR5 – Standard approach – exposures by asset classes and risk

Current Period										
Exposure Categories/Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total Credit Risk Exposure Amount <sup>(*)</sup>
1 Exposures to central governments or central banks	564,649,119	-	-	-	-	-	-	-	-	564,649,119
2 Exposures to regional governments or local authorities	-	-	-	-	246,784	-	-	-	-	246,784
3 Exposures to public sector entities	-	-	-	-	-	-	750,744	-	-	750,744
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	-	-	10,617,284	-	22,916,080	-	218,915	-	-	33,752,279
7 Exposures to corporates	-	-	17,079,932	-	26,125,830	-	423,327,649	-	-	466,533,411
8 Retail exposures	-	-	-	-	-	620,023,045	-	-	-	620,023,045
9 Exposures secured by residential property	-	-	-	3,878,636	-	-	-	-	-	3,878,636
10 Exposures secured by commercial real estate	-	-	-	-	30,816,839	-	15,898,316	-	-	46,715,155
11 Past-due loans	-	-	-	-	8,920,376	-	726,288	-	-	9,646,664
12 Higher-risk categories by the Agency Board	-	-	-	-	-	-	-	864,329	3,324,346	4,188,675
13 Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-
16 Investments in equities	-	-	-	-	-	-	22,467,984	-	-	22,467,984
17 Other Asset	14,878,309	-	-	-	-	-	44,237,004	-	-	59,115,313
<b>18 Total</b>	<b>579,527,428</b>	<b>-</b>	<b>27,697,216</b>	<b>3,878,636</b>	<b>89,025,909</b>	<b>620,023,045</b>	<b>507,626,900</b>	<b>864,329</b>	<b>3,324,346</b>	<b>1,831,967,809</b>

(\*) Amount after Credit Conversion Ratio ("CCR") and Credit Risk Reduction ("CRR")

Prior Period										
Exposure Categories/Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total Credit Risk Exposure Amount
1 Exposures to central governments or central banks	477,382,730	-	-	-	-	-	-	-	-	477,382,730
2 Exposures to regional governments or local authorities	-	-	-	-	179,514	-	-	-	-	179,514
3 Exposures to public sector entities	-	-	-	-	-	-	780,216	-	-	780,216
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	-	-	10,219,770	-	17,903,889	-	294,609	-	-	28,418,268
7 Exposures to corporates	-	-	14,071,755	-	20,998,955	-	333,221,200	-	-	368,291,910
8 Retail exposures	-	-	-	-	-	514,893,099	-	-	-	514,893,099
9 Exposures secured by residential property	-	-	-	5,661,263	-	-	-	-	-	5,661,263
10 Exposures secured by commercial real estate	-	-	-	-	20,952,383	-	11,181,971	-	-	32,134,354
11 Past-due loans	-	-	-	-	4,553,477	-	663,418	-	-	5,216,895
12 Higher-risk categories by the Agency Board	-	-	-	-	-	-	-	286,743	2,895,716	3,182,459
13 Exposures in the form of covered bonds	-	-	-	-	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	-	-	-
16 Investments in equities	-	-	-	-	-	-	18,107,568	-	-	18,107,568
17 Other Asset	11,515,676	-	-	-	-	-	39,783,966	-	-	51,299,642
<b>18 Total</b>	<b>488,898,406</b>	<b>-</b>	<b>24,291,525</b>	<b>5,661,263</b>	<b>64,588,218</b>	<b>514,893,099</b>	<b>404,032,948</b>	<b>286,743</b>	<b>2,895,716</b>	<b>1,505,547,918</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025

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

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP  
(Continued)

II. Explanations on Consolidated Risk Management (Continued)

3. Disclosures Regarding Counterparty Credit Risk

a) CCR1 – Analysis of counterparty credit risk (CCR) exposure by approach

Current Period	Revaluation Cost	Potential credit risk exposure	EEPE	Alpha	Exposure after credit risk mitigation	Risk Weighted Amounts
1 Standard approach - CCR (for derivatives)	3,878,080	4,555,955	-	1.4	11,807,649	7,385,777
2 Internal Model Method (for derivative financial instruments, repo transactions, securities or commodity lending or borrowing transactions, long transactions and credit securities transactions)	-	-	-	-	-	-
3 The simple method used to mitigate credit risk - repo transactions, securities or commodity lending or borrowing transactions, long transactions and credit securities transactions,	-	-	-	-	-	-
4 Comprehensive method for reducing credit risk - (for repo transactions, securities or commodity lending or borrowing transactions, long transactions and credit securities transactions)	-	-	-	-	15,187,907	4,169,748
5 Repo transactions, securities or commodity lending or borrowing transactions, long-term transactions with risk exposure value for credit securities transactions	-	-	-	-	-	-
<b>6 Total</b>	-	-	-	-	-	<b>11,555,525</b>

Current Period	Revaluation Cost	Potential credit risk exposure	EEPE	Alpha	Exposure after credit risk mitigation	Risk Weighted Amounts
Standard approach - CCR (for derivatives)	4,048,536	2,679,984	-	1.4	9,419,928	4,795,973
Internal Model Method (for derivative financial instruments, repo transactions, securities or commodity lending or borrowing transactions, long transactions and credit securities transactions)	-	-	-	-	-	-
The simple method used to mitigate credit risk - repo transactions, securities or commodity lending or borrowing transactions, long transactions and credit securities transactions,	-	-	-	-	-	-
Comprehensive method for reducing credit risk - (for repo transactions, securities or commodity lending or borrowing transactions, long transactions and credit securities transactions)	-	-	-	-	22,937,689	7,726,933
Repo transactions, securities or commodity lending or borrowing transactions, long-term transactions with risk exposure value for credit securities transactions	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>12,522,906</b>

b) CCR2 – Credit valuation adjustment (CVA) capital charge

	Exposure (After credit risk mitigation methods)		Risk Weighted Amounts	
	Current Period	Prior Period	Current Period	Prior Period
Total portfolio value with comprehensive approach				
CVA capital adequacy	-	-	-	-
(i) Value at risk component (3*multiplier included)	-	-	-	-
(ii) Stressed Value at Risk (3*multiplier included)	-	-	-	-
Total portfolio value with simplified approach CVA capital adequacy	11,807,649	9,419,928	889,018	1,274,268
<b>Total amount of CVA capital adequacy</b>	<b>11,807,649</b>	<b>9,419,928</b>	<b>889,018</b>	<b>1,274,268</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

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

**II. Explanations on Consolidated Risk Management (Continued)**

**c) CCR3 – Standardized approach – CCR exposures by regulatory portfolio and risk weights**

<b>Current Period</b>									
<b>Exposure Categories/Risk Weight</b>	<b>0%</b>	<b>10%</b>	<b>20%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>	<b>150%</b>	<b>Other</b>	<b>Total Credit Risk</b>
1 Exposures from central governments or central banks	1,754,412	-	-	-	-	-	-	4,209	1,758,621
2 Exposures from regional or local governments	-	-	-	-	-	-	-	-	-
3 Exposures from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-
4 Exposures from multilateral development banks	-	-	-	-	-	-	-	-	-
5 Exposures from international organizations	-	-	-	-	-	-	-	-	-
6 Exposures from banks and brokerage houses	-	10,671,137	7,182,360	-	-	-	-	-	17,853,497
7 Exposures from corporates	-	1,654,900	418,079	-	5,228,676	-	-	-	7,301,655
8 Retail receivables	-	-	-	-	81,782	-	-	-	81,782
9 Mortgage receivables	-	-	-	-	-	-	-	-	-
10 Non performing receivables	-	-	-	-	-	-	-	-	-
11 High risk defined receivables	-	-	-	-	-	-	-	-	-
12 Mortgage backed securities	-	-	-	-	-	-	-	-	-
13 Securitization Positions	-	-	-	-	-	-	-	-	-
14 Short term credit rated banks and Intermediary Institutions receivables	-	-	-	-	-	-	-	-	-
15 Collective investment undertaking investments	-	-	-	-	-	-	-	-	-
16 Equity Investments	-	-	-	-	-	-	-	-	-
17 Other Receivables	-	-	-	-	-	-	-	-	-
18 Other Assets	-	-	-	-	-	-	-	-	-
<b>19 Total</b>	<b>1,754,412</b>	<b>-</b>	<b>12,326,037</b>	<b>7,600,439</b>	<b>81,782</b>	<b>5,228,676</b>	<b>-</b>	<b>4,209</b>	<b>26,995,555</b>

<b>Prior Period</b>									
<b>Exposure Categories/Risk Weight</b>	<b>0%</b>	<b>10%</b>	<b>20%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>	<b>150%</b>	<b>Other</b>	<b>Total Credit Risk</b>
1 Exposures from central governments or central banks	-	-	-	-	-	-	-	87,447	87,447
2 Exposures from regional or local governments	-	-	-	-	-	-	-	-	-
3 Exposures from administrative units and non-commercial enterprises	-	-	-	-	-	27	-	-	27
4 Exposures from multilateral development banks	-	-	-	-	-	-	-	-	-
5 Exposures from international organizations	-	-	-	-	-	-	-	-	-
6 Exposures from banks and brokerage houses	-	15,250,012	14,632,484	-	-	-	-	-	29,882,496
7 Exposures from corporates	-	209,116	116,115	-	2,032,774	-	-	-	2,358,005
8 Retail receivables	-	-	-	-	29,642	-	-	-	29,642
9 Mortgage receivables	-	-	-	-	-	-	-	-	-
10 Non performing receivables	-	-	-	-	-	-	-	-	-
11 High risk defined receivables	-	-	-	-	-	-	-	-	-
12 Mortgage backed securities	-	-	-	-	-	-	-	-	-
13 Securitization Positions	-	-	-	-	-	-	-	-	-
14 Short term credit rated banks and Intermediary Institutions receivables	-	-	-	-	-	-	-	-	-
15 Collective investment undertaking investments	-	-	-	-	-	-	-	-	-
16 Equity Investments	-	-	-	-	-	-	-	-	-
17 Other Receivables	-	-	-	-	-	-	-	-	-
18 Other Assets	-	-	-	-	-	-	-	-	-
<b>19 Total</b>	<b>-</b>	<b>-</b>	<b>15,459,128</b>	<b>14,748,599</b>	<b>29,642</b>	<b>2,032,801</b>	<b>-</b>	<b>87,447</b>	<b>32,357,617</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025

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

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP  
(Continued)

II. Explanations on Consolidated Risk Management (Continued)

d) CCR5 – Composition of collateral for CCR exposure

Current Period	Collaterals for Derivatives				Collaterals of Other Transactions	
	Collaterals Taken		Collaterals Given		Collaterals Taken	Collaterals Given
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-Local Currency	-	69,325	-	1,257,921	120,989,337	-
Cash - Foreign Currency	-	8,042,036	-	8,464,134	24,583,225	-
Government bond-domestic	-	-	-	-	-	-
Government bond-other	-	-	-	-	-	-
Public institution bonds	-	-	-	-	-	-
Corporate bond	-	-	-	-	-	-
Equity share	-	-	-	-	-	-
Other collaterals	-	-	-	-	-	-
<b>Total</b>	-	<b>8,111,361</b>	-	<b>9,722,055</b>	<b>145,572,562</b>	-

Prior Period	Collaterals for Derivatives				Collaterals of Other Transactions	
	Collaterals Taken		Collaterals Given		Collaterals Taken	Collaterals Given
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-Local Currency	-	98,363	-	811,534	102,539,175	-
Cash - Foreign Currency	-	3,865,362	-	5,198,458	42,268,949	-
Government bond-domestic	-	-	-	-	-	-
Government bond-other	-	-	-	-	-	-
Public institution bonds	-	-	-	-	-	-
Corporate bond	-	-	-	-	-	-
Equity share	-	-	-	-	-	-
Other collaterals	-	-	-	-	-	-
<b>Total</b>	-	<b>3,963,725</b>	-	<b>6,009,992</b>	<b>144,808,124</b>	-

e) CCR6 – Credit derivatives

Related table is not presented due to the Parent Bank has no risk arrived from derivative credit received or sold (December 31, 2024 None).

f) CCR8 – Exposures to central counterparties

	Current Period		Prior Period	
	Exposure at default (post-CRM)	RWA	Exposure at default (post-CRM)	RWA
<b>1 Exposure to Qualified Central Counterparties (QCCPs)(total)</b>	<b>150,574</b>	<b>840</b>	<b>198,446</b>	<b>2,094</b>
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	146,365	756	110,999	345
2 (i) OTC Derivatives	-	-	-	-
3 (ii) Other derivative financial instruments	4,209	84	87,447	1,749
4 (iii) Repo-reverse repo transactions, overdraft transactions, and lending or borrowing of securities or commodities	-	-	-	-
5 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
6 Segregated initial margin	-	-	-	-
7 Non-segregated initial margin	-	-	-	-
8 Pre-funded default fund contributions	-	-	-	-
9 Unfunded default fund contributions	-	-	-	-
10 Exposures ton on-QCCPs (total)	-	-	-	-
11 Exposures for trades at non- QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
12 (i) OTC Derivatives	-	-	-	-
13 (ii) Other derivative financial instruments	-	-	-	-
14 (iii) Repo-reverse repo transactions, overdraft transactions, and lending or borrowing of securities or commodities	-	-	-	-
15 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
16 Segregated initial margin	-	-	-	-
17 Non-segregated initial margin	-	-	-	-
18 Pre-funded default fund contributions	-	-	-	-
19 Unfunded default fund contributions	-	-	-	-
20	-	-	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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

**II. Explanations on Consolidated Risk Management (Continued)**

**4. Securitization Disclosures**

The Parent Bank has no securitization transactions (December 31, 2024 None).

**5. Disclosures regarding Market Risk**

**PR1 - Standard approach:**

		RWA <sup>(**)</sup>	
		Current Period	Current Period
	<b>Outright products <sup>(*)</sup></b>	<b>16,161,837</b>	<b>13,869,125</b>
1	<i>Interest rate risk (general and specific)</i>	3,031,138	4,314,700
2	<i>Equity risk (general and specific)</i>	3,886,550	2,355,350
3	<i>Foreign exchange risk</i>	8,996,338	6,783,600
4	<i>Commodity risk</i>	247,811	415,475
	<b>Options</b>	<b>25,863</b>	<b>31,938</b>
5	<i>Simplified approach</i>	-	-
6	<i>Delta-plus method</i>	25,863	31,938
7	<i>Scenario approach</i>	-	-
8	<b>Securitization</b>	-	-
<b>9</b>	<b>Total</b>	<b>16,187,700</b>	<b>13,901,063</b>

(\*) Outright products refer to position in products that are not optional.

(\*\*) The market Risk represents the capital requirement multiplied by 12.5 times Risk Weighted Amount.

**III. Explanations on Consolidated Foreign Exchange Risk**

**1. Whether the Group is exposed to foreign exchange risk, whether the effects of this situation are estimated, and whether the Board of Directors of the Parent Bank sets limits for positions that are monitored daily**

The difference between the Parent Bank's foreign currency denominated and foreign currency indexed assets and liabilities is defined as the "Net Foreign Currency Position" and is the basis of currency risk. Foreign currency denominated assets and liabilities, together with purchase and sale commitments, give rise to foreign exchange exposure ("cross currency risk").

Board of Directors has determined the limits considering the consistency with the "Foreign Currency Net General Position." Positions are being followed daily, and limits are reviewed at least once a year depending on economic conditions and The Parent Bank strategy and updated as deemed necessary.

In measuring the exchange rate exposure of the Parent Bank, the "standard method" used in the legal reports and the internal method are used in the VaR. Measurements made under the standard method are performed on a monthly basis and serve as the basis for determining the capital requirements arising from currency risk. The measurements made within the scope of the standard method are carried out monthly and the measurements made within the scope of VaR calculations are carried out on a daily basis. In addition, the maximum foreign currency position that can be taken is determined on the basis of foreign currency types and table, and daily limit compliance control is performed by Risk Management.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### III. Explanations on Consolidated Foreign Currency Exchange Rate Risk (Continued)

#### 2. The magnitude of hedging foreign currency debt instruments and net foreign currency investments by using derivatives

The Group hedges foreign currency borrowings with derivative instruments. The Group does not hedge net foreign currency investments with derivative instruments. The extent of the hedging of foreign currency debt instruments and net foreign currency investments by hedging derivative instruments is explained in Note III of Section Five.

#### 3. The spot foreign exchange bid rates of the Parent Bank as of the balance sheet date and for each of the five days prior to that date

US Dollars purchase rate at the date of the balance sheet	39.7408 TL
Euro purchase rate at the date of the balance sheet	46.6074 TL

<u>Date</u>	<u>US Dollar</u>	<u>Euro</u>
June 30, 2025	39.7408	46.6074
June 27, 2025	39.7424	46.5526
June 26, 2025	39.6989	46.4941
June 25, 2025	39.6392	45.9946
June 24, 2025	39.5502	45.8819

#### 4. The basic arithmetical average of the Parent Bank's foreign exchange bid rate for the last thirty days

The arithmetical average of the Parent Bank's US Dollar and Euro purchase rates for June 2025 are TL 39.3749 and TL 45.3854 respectively.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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

**III. Explanations on Consolidated Foreign Currency Exchange Rate Risk (Continued)**

**5. Information on the consolidated foreign exchange risk**

<b>Current Period</b>	<b>EUR</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank <sup>(1)</sup>	46,905,130	89,693,088	13,737,799	150,336,017
Due From Banks <sup>(2)</sup>	7,892,644	11,099,431	964,752	19,956,827
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL) <sup>(3)</sup>	2,089,146	4,162,357	35,019	6,286,522
Money Market Placements	-	-	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) <sup>1</sup>	22,184	30,957,459	-	30,979,643
Loans <sup>(4)</sup>	206,355,314	158,939,627	145,296	365,440,237
Investments in Assoc., Subsidiaries and Entities under Common Control (Joint Vent.)	-	-	-	-
Investment Assets Measured at Amortized Cost	2,214,119	34,780,216	-	36,994,335
Derivative Financial Assets Hedging Purposes	56,065	2,867,646	-	2,923,711
Tangible Assets	-	-	715	715
Intangible Assets	-	-	-	-
Other Assets <sup>(5)</sup>	2,179,042	2,205,361	50,059	4,434,462
<b>Total Assets</b>	<b>267,713,644</b>	<b>334,705,185</b>	<b>14,933,640</b>	<b>617,352,469</b>
<b>Liabilities</b>				
Bank Deposits	3,301,673	26,635,677	693,951	30,631,301
Foreign Currency Deposits <sup>(6)</sup>	76,528,603	120,256,718	98,712,197	295,497,518
Money Market Borrowings	-	35,879,480	-	35,879,480
Funds Provided from Other Financial Institutions	55,862,345	210,454,162	68,083	266,384,590
Securities Issued	11,669,395	84,497,008	16,498,911	112,665,314
Sundry Creditors	7,360,725	3,357,693	129,254	10,847,672
Derivative Fin. Liabilities Hedging Purposes	202,790	739,641	-	942,431
Other Liabilities <sup>(7)(8)</sup>	4,230,358	7,136,153	48,577	11,415,088
<b>Total Liabilities</b>	<b>159,155,889</b>	<b>488,956,532</b>	<b>116,150,973</b>	<b>764,263,394</b>
<b>Net Balance Sheet Position</b>	<b>108,557,755</b>	<b>(154,251,347)</b>	<b>(101,217,333)</b>	<b>(146,910,925)</b>
<b>Net Off-Balance Sheet Position</b>	<b>(114,712,738)</b>	<b>159,878,825</b>	<b>104,375,451</b>	<b>149,541,538</b>
Financial Derivative Assets	136,456,097	500,475,930	111,992,131	748,924,158
Financial Derivative Liabilities	251,168,835	340,597,105	7,616,680	599,382,620
Non-Cash Loans <sup>(9)</sup>	52,839,838	43,605,066	3,877,233	100,322,137
<b>Prior Period</b>	<b>46,905,130</b>	<b>89,693,088</b>	<b>13,737,799</b>	<b>150,336,017</b>
Total Assets	180,884,579	294,512,988	10,950,610	486,348,177
Total Liabilities	113,436,714	413,422,319	79,891,424	606,750,457
<b>Net Balance Sheet Position</b>	<b>67,447,865</b>	<b>(118,909,331)</b>	<b>(68,940,814)</b>	<b>(120,402,280)</b>
<b>Net Off-Balance Sheet Position</b>	<b>(67,098,479)</b>	<b>121,825,990</b>	<b>70,625,850</b>	<b>125,353,361</b>
Financial Derivative Assets	93,444,807	379,112,040	72,564,216	545,121,063
Financial Derivative Liabilities	160,543,286	257,286,050	1,938,366	419,767,702
Non-Cash Loans	37,805,837	32,428,494	2,763,460	72,997,791

<sup>(1)</sup> Cash and Balances with TR Central; Other FC include TL 12,449,316 (December 31, 2024 – TL 8,841,832) precious metal deposit account.

<sup>(2)</sup> There are foreign bank guarantees amounting to TL 8,464,134 (December 31, 2024 – TL 5,198,458).

<sup>(3)</sup> Foreign exchange income rediscounts amounting to TL 396,683 (31 December 2024 – TL 1,151,109) related to derivative financial instruments and TL 934,072 (31 December 2024 – TL 509,242) classified as hedging instruments are not included.

<sup>(4)</sup> Includes TL 94,526 (December 31, 2024 – TL 102,945) FC indexed loans.

<sup>(5)</sup> Does not include FC prepaid expenses amounting to TL 2,155,804 (December 31, 2024 – TL 1,676,945) as per BRSA's Communique published in Official Gazette no 26085 on February 19, 2006.

<sup>(6)</sup> Other foreign currency includes TL 84,940,596 (December 31, 2024 – TL 59,806,204) of precious metal deposit account.

<sup>(7)</sup> Other Liabilities do not include the Foreign Currency Index Factoring liabilities amounting to TL 6,583 (December 31, 2024 – TL 2,549).

<sup>(8)</sup> Does not include currency expense accruals of derivative financial instruments kept in FC accounts amounting to TL 5,880,305 - (December 31, 2024 – TL 2,397,734).

<sup>(9)</sup> Does not have an effect on Net Off-balance Sheet Position.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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

**IV. Explanations on Consolidated Interest Rate Risk**

Interest rate risk that would arise from the changes in interest rates depending on the Parent Bank's position is managed by the Asset/Liability Committee of the Parent Bank.

Interest rate sensitivity of assets, liabilities and off-balance sheet items is analyzed by top management in the Asset/Liability Committee meetings held every month by taking the market developments into consideration. The management of the Parent Bank follows the interest rates in the market on a daily basis and revises interest rates of the Bank when necessary.

The Parent Bank funds its growing long-term fixed-interest TL loan portfolio with long-term (up to 10 years) foreign currency resources obtained from international markets, as well as customer deposits. The Bank changes the foreign currency liquidity obtained from the international markets and customer deposits to TL liquidity with long term swap transactions (fixed TL interest rate and floating FC interest rate). Therefore, the Bank not only funds its long-term fixed interest rate loans with TL but also hedges itself from interest rate and maturity risk. The Bank hedges its portfolio of foreign currency fixed interest rate securities by using interest rate swaps to hedge a certain portion of its foreign currency fixed interest rate securities portfolio in line with the Bank's strategy and market expectations, excluding Turkey credit interest rate spread risk.

**Interest Rate Sensitivity of Assets, Liabilities and off-Balance Sheet Items**

(Based on repricing dates)

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing <sup>(1)</sup>	Total
<b>End of Current Period</b>							
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Türkiye <sup>(2)</sup>	98,391,212	-	-	-	-	189,055,164	287,446,376
Due from Banks <sup>(3)</sup>	11,550,699	579,266	-	-	-	12,915,115	25,045,080
Financial Assets at Fair Value Through Profit/Loss <sup>(4)</sup>	1,830,857	4,065,772	1,204,036	1,488,143	790,732	15,479,616	24,859,156
Money Market Placements <sup>(5)</sup>	989,459	-	-	-	-	-	989,459
Financial Assets Measured at Fair Value through Other Comprehensive Income <sup>(6)</sup>	18,467,393	43,367,856	34,291,707	56,708,534	31,755,677	8,291,335	192,882,502
Loans and Receivables	378,008,377	122,369,054	360,563,151	222,834,408	19,379,408	7,021,784	1,110,176,182
Financial Assets Measured at Amortized Cost <sup>(7)</sup>	64,995,022	256,121	8,811,891	30,321,842	17,705,922	7,907,596	129,998,394
Other Assets	14,435	21,687	23,345	8,656	-	82,580,882	82,649,005
<b>Total Assets</b>	<b>574,247,454</b>	<b>170,659,756</b>	<b>404,894,130</b>	<b>311,361,583</b>	<b>69,631,739</b>	<b>323,251,492</b>	<b>1,854,046,154</b>
<b>Liabilities</b>							
Bank Deposits	25,412,119	14,320,676	3,036,713	-	-	1,512,233	44,281,741
Other Deposits	476,180,877	104,589,967	11,428,484	2,349,111	845	364,528,808	959,078,092
Money Market Borrowings	112,063,946	4,694,722	29,818,329	-	-	1,157,646	147,734,643
Miscellaneous Payables	10,425,349	-	-	-	-	55,169,300	65,594,649
Securities Issued	4,537,553	13,813,331	61,175,142	42,647,407	12,080,794	925	134,255,152
Funds Borrowed	62,773,500	80,298,630	124,882,869	7,882,380	-	4,526,918	280,364,297
Other Liabilities <sup>(8)</sup>	3,724	152,897	75,453	2,019,317	496,494	219,989,695	222,737,580
<b>Total Liabilities</b>	<b>691,397,068</b>	<b>217,870,223</b>	<b>230,416,990</b>	<b>54,898,215</b>	<b>12,578,133</b>	<b>646,885,525</b>	<b>1,854,046,154</b>
On Balance Sheet Long Position	-	-	174,477,140	256,463,368	57,053,606	-	487,994,114
On Balance Sheet Short Position	(117,149,614)	(47,210,467)	-	-	-	(323,634,033)	(487,994,114)
Off-Balance Sheet Long Position	53,905,600	34,310,872	8,724,662	-	-	-	96,941,134
Off-Balance Sheet Short Position	-	(139,543)	(1,514,254)	(72,373,482)	(12,105,196)	-	(86,132,475)
<b>Total Position</b>	<b>(63,244,014)</b>	<b>(13,039,138)</b>	<b>181,687,548</b>	<b>184,089,886</b>	<b>44,948,410</b>	<b>(323,634,033)</b>	<b>10,808,659</b>

<sup>(1)</sup> Non-Interest-Bearing column includes accruals, provision for losses and derivative financial instruments' fair value valuation difference.

<sup>(2)</sup> Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Türkiye include amount of TL 27,492 expected loss provisions.

<sup>(3)</sup> Banks include balance of expected loss provisions amounting to TL 3,255.

<sup>(4)</sup> Financial Assets at Fair Value Through Profit/Loss includes Derivative Financial Assets at Fair Value Through Profit or Loss amounting to TL 10,339,938.

<sup>(5)</sup> There are no expected credit loss provisions for receivables from money markets in the current period.

<sup>(6)</sup> Financial Assets Measured at Fair Value Through Other Comprehensive Income includes Derivative Financial Assets Through Other Comprehensive Income amounting to TL 6,439,869.

<sup>(7)</sup> Financial Assets measured at amortized cost includes the balance of the expected loss provisions amounting to TL 17,552.

<sup>(8)</sup> Other Liabilities includes Derivative Financial Liabilities amounting to TL 14,924,294.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### IV. Explanations on Consolidated Interest Rate Risk (Continued)

##### Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (Continued)

(Based on repricing dates)

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing <sup>(1)</sup>	Total
<b>End of Prior Period</b>							
<b>Assets</b>							
Cash (Cash in Vault, Foreign Currency, Cash in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Türkiye <sup>(2)</sup>	72,629,814	-	-	-	-	180,444,299	253,074,113
Due from Banks <sup>(3)</sup>	8,696,253	556,315	-	-	-	11,421,829	20,674,397
Financial Assets at Fair Value Through Profit/Loss <sup>(4)</sup>	2,645,478	3,651,736	3,110,603	1,887,384	254,948	11,118,740	22,668,889
Money Market Placements <sup>(5)</sup>	601,134	-	-	-	-	(27)	601,107
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVTOCI) <sup>(6)</sup>	22,737,548	37,405,641	24,436,859	22,815,720	33,333,767	5,479,426	146,208,961
Loans and Receivables	297,217,154	130,861,464	326,911,893	135,283,833	15,972,007	4,954,101	911,200,452
Financial Assets Measured at Amortized Cost <sup>(7)</sup>	60,188,747	3,775,365	5,555,988	28,769,208	18,489,601	12,496,927	129,275,836
Other Assets	12,110	15,685	18,054	10,221	-	71,332,702	71,388,772
<b>Total Assets</b>	<b>464,728,238</b>	<b>176,266,206</b>	<b>360,033,397</b>	<b>188,766,366</b>	<b>68,050,323</b>	<b>297,247,997</b>	<b>1,555,092,527</b>
<b>Liabilities</b>							
Bank Deposits	35,771,868	19,119,979	1,971,644	-	-	706,631	57,570,122
Other Deposits	387,632,883	126,863,085	11,546,974	2,209,446	962	292,611,253	820,864,603
Money Market Borrowings	103,200,181	22,642,737	21,899,931	365,096	-	1,657,381	149,765,326
Miscellaneous Payables	6,509,311	-	-	-	-	51,496,383	58,005,694
Securities Issued	-	25,533,956	26,758,743	20,299,743	10,729,987	20,814	83,343,243
Funds Borrowed	55,040,130	52,953,853	92,838,378	3,374,067	-	3,757,123	207,963,551
Other Liabilities <sup>(8)</sup>	17,044	24,607	70,452	1,649,918	-	175,817,967	177,579,988
<b>Total Liabilities</b>	<b>588,171,417</b>	<b>247,138,217</b>	<b>155,086,122</b>	<b>27,898,270</b>	<b>10,730,949</b>	<b>526,067,552</b>	<b>1,555,092,527</b>
On Balance Sheet Long Position	-	-	204,947,275	160,868,096	57,319,374	-	423,134,745
On Balance Sheet Short Position	(123,443,179)	(70,872,011)	-	-	-	(228,819,555)	(423,134,745)
Off-Balance Sheet Long Position	53,640,431	23,484,144	-	-	-	-	77,124,575
Off-Balance Sheet Short Position	-	-	(12,064,736)	(45,176,971)	(12,857,951)	-	(70,099,658)
<b>Total Position</b>	<b>(69,802,748)</b>	<b>(47,387,867)</b>	<b>192,882,539</b>	<b>115,691,125</b>	<b>44,461,423</b>	<b>(228,819,555)</b>	<b>7,024,917</b>

<sup>(1)</sup> Non-Interest-Bearing column includes accruals, provision for losses and derivative financial instruments' fair value valuation difference.

<sup>(2)</sup> Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Türkiye include amount of TL 26,672 expected loss provisions.

<sup>(3)</sup> Banks include balance of expected loss provisions amounting to TL 8,968.

<sup>(4)</sup> Financial Assets at Fair Value Through Profit/Loss includes Derivative Financial Assets at Fair Value Through Profit or Loss amounting to TL 7,657,512.

<sup>(5)</sup> Money Market Placements includes TL 27 expected loss provision balance.

<sup>(6)</sup> Financial Assets Measured at Fair Value Through Other Comprehensive Income includes Derivative Financial Assets Through Other Comprehensive Income amounting to TL 3,373,866.

<sup>(7)</sup> Financial Assets measured at amortized cost includes the balance of the expected loss provisions amounting to TL 17,722.

<sup>(8)</sup> Other Liabilities includes Derivative Financial Liabilities amounting to TL 11,334,018.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### IV. Explanations on Consolidated Interest Rate Risk (Continued)

##### Average interest rates applied to monetary financial instruments

	EUR %	USD %	JPY %	TL%
<b>End of Current Period</b>				
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currency Cash in Transit, Cheques Purchased) and Balances with the T,R, Central Bank (*)	1.37	-	-	30.55
Due from Banks	2.00	4.31	-	47.30
Financial Assets Measured at Fair Value through Profit/Loss	2.88	6.85	-	52.75
Money Market Placements	-	-	-	47.71
Financial Assets Measured at Fair Value through Other Comprehensive Income	3.14	6.53	-	43.12
Loans and Receivables	6.43	7.93	2.45	50.36
Financial Assets Measured at Amortized Cost	4.76	6.14	-	25.63
<b>Liabilities</b>				
Bank Deposits	2.85	4.86	-	44.17
Other Deposits	0.28	0.62	1.00	44.78
Money Market Borrowings	-	5.18	-	46.46
Miscellaneous Payables	3.96	3.96	-	-
Securities Issued	3.80	6.91	-	45.48
Funds Borrowed	4.13	6.22	-	48.11
	<b>EUR %</b>	<b>USD %</b>	<b>JPY %</b>	<b>TL%</b>
<b>End of Prior Period</b>				
<b>Assets</b>				
Cash (Cash in Vault, Foreign Currency Cash in Transit, Cheques Purchased) and Balances with the T,R, Central Bank (*)	2.00	-	-	24.54
Due from Banks	2.99	4.49	-	46.45
Financial Assets Measured at Fair Value through Profit/Loss	3.48	5.66	-	52.80
Money Market Placements	-	-	-	48.97
Financial Assets Measured at Fair Value through Other Comprehensive Income	2.77	6.52	-	49.63
Loans and Receivables	6.78	7.66	2.50	49.78
Financial Assets Measured at Amortized Cost	4.73	6.02	-	40.51
<b>Liabilities</b>				
Bank Deposits	4.32	5.70	-	46.81
Other Deposits	0.03	0.07	0.05	45.43
Money Market Borrowings	-	5.67	-	48.64
Miscellaneous Payables	2.05	4.12	-	-
Securities Issued	4.60	7.25	-	49.56
Funds Borrowed	4.79	7.15	-	48.94

(\*) All required reserve balances have been taken into account in the calculation of the average interest rate.

#### V. Explanations on Consolidated Position Risk of Equity Securities in Banking Book

Equity Securities (shares)	Comparison		
	Carrying Value	Fair Value	Market Value
<b>1. Equity Investments Group A</b>	<b>643,428</b>	-	<b>643,428</b>
Quoted Securities	643,428	-	643,428
<b>2. Equity Investments Group B</b>	-	-	-
Quoted Securities	-	-	-
<b>3. Equity Investments Group C</b>	-	-	-
Quoted Securities	-	-	-
<b>4. Equity Investments Group Other (*)</b>	<b>567,377</b>	-	-

(\*) Includes associates and subsidiaries not quoted to BIST and not classified as investment in shares by Capital Market Board.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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

**V. Explanations on Consolidated Position Risk of Equity Securities in Banking Book (Continued)**

Portfolio	Income/Losses in Current Period	Revaluation Surpluses		Unrealized Income and Losses	
		Total	Amount under Supplementary Capital	Total	Amount under Supplementary Capital
1. Private Equity Investments	-	-	-	-	-
2. Quoted Shares	100,627	-	-	32,163	-
3. Other Shares	-	-	-	-	-
<b>4. Total</b>	<b>100,627</b>	<b>-</b>	<b>-</b>	<b>32,163</b>	<b>-</b>

**VI. Explanations on Remarks regarding Consolidated Liquidity Risk Management**

**a) Explanations on Consolidated Liquidity Coverage Ratio**

Liquidity Risk of the Parent Bank is monitored and managed in accordance with Liquidity Risk Management Policy. According to this policy, Board of Directors is responsible to review and approve risk profile and appetite of the Parent Bank periodically. Senior Management takes necessary measures to monitor aforementioned risk and controls liquidity risk in line with accepted strategies and policies.

Treasury Department is responsible to carry out liquidity strategy determined and approved by Board of Directors. Risk Management Department is responsible to define, measure, monitor and control liquidity risk besides developing internal and external methods and procedures which are in line with context and structure of applicable activities in The Parent Bank in order to monitor related limits. Senior management of The Parent Bank is informed periodically regarding current liquidity risk amount exposed in order to ensure being under the approved limits of the Parent Bank's liquidity risk profile. Assets and Liabilities Committee (ALCO) meetings, which ensure the necessary monitoring for liquidity risk, are held monthly. Risk Committee reviews the liquidity risk of the Parent Bank monthly in addition to aforementioned meetings and informs Board of Directors. The Parent Bank reviews its liquidity position daily. Internal and legal reports related to liquidity positions are examined in ALCO meetings monthly with the participation of senior management. Several decisions are taken related to management of short- and long-term liquidity in this scope. Internal metrics such as (LCR) reserve liquidity and deposit concentration are monitored daily besides liquidity coverage rate related to measurement of liquidity coverage. Internal limit and warning level are periodically monitored and reported to related parties by the Board of Directors.

The liquidity management of the Parent Bank is decentralized; each partnership controlled by the Parent Bank is carried out independently from the Parent Bank by the authorities in charge of liquidity management. Each subsidiary subject to consolidation manages its own liquidity position separately from the Parent Bank. The amount of funds to be used by the subsidiaries from the Parent Bank is determined within the framework of the limits.

It is essential for the Parent Bank to monitor its liquidity position and funding strategy consistently. The primary priority is to ensure that the liquidity risk to which the Parent Bank is exposed is in line with the risk capacity determined within the framework of the limits stipulated by the legislation and the risk appetite that emerges depending on the Parent Bank's basic strategies. It is essential that the Parent Bank maintains a sufficient level of free liquid assets that can be sold or repurchased in case of a significant decrease in liquidity resources.

The funding management of the Parent Bank is conducted in compliance with legal limits and internal alert levels within the framework of ALCO decisions. The liquidity position is evaluated taking into account maturity and customer concentration levels, and a funding strategy is developed. When developing this strategy, the aim is to secure funding from sources that are as long-term and stable as possible. Deposits, which constitute the main source of funding for the Parent Bank, are obtained from a large number of customers as a natural consequence of a stable core deposit base.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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

**VI. Explanations on Remarks regarding Consolidated Liquidity Risk Management**

**a) Explanations on Consolidated Liquidity Coverage Ratio (Continued)**

A large part of the Parent Bank's liabilities consists of TL, USD and EUR. Gap reports issued based on the aforementioned three currencies are presented in ALCO meetings. Maturity mismatches based on currencies are managed through FX swap and FX forward.

The Parent Bank diversifies its funding sources as customer deposits, foreign loans and bond issuance in order to reduce its liquidity risk. Measures are taken through making investments to assets having higher capacity to generate cash against liquidity crisis. The Parent Bank watches over reducing customer deposit concentration and controls concentration level daily in line with warning level approved by the Board of Directors.

Liquidity life cycle approach is determined as the liquidity risk stress test methodology. This approach is a stress test to measure the period in which the Parent Bank can meet its cumulative cash outflows without providing a fund from the market. Liquidity life cycle is calculated according to various scenarios and simulated in line with possible scenarios in crisis situation and the results are reported to Risk Committee and Board of Directors.

Emergency Funding Plan (EMP) of the Parent Bank regulates funding activities to be used in liquidity crisis periods specific to the Parent Bank or in liquidity crisis at financial markets. EMP defines components triggering the crisis and early warning indicators which help to evaluate and manage the liquidity crisis and determine primary funding structure. EMP also defines actions of the Parent Bank against cash and guarantee need. In addition to aforementioned issues, EMP determines duties and responsibilities in performing actions in a liquidity crisis included in risk management and emergency funding plan.

Cautious liquidity management against possible financial fluctuations in the market has been one of the main priorities of the Parent Bank. The Parent Bank manages LCR above the limit by keeping its high quality liquid assets at a sufficient level. The Parent Bank has created four different stress test scenarios that measure how long it can meet the cumulative cash outflows without any new funds from the market or by providing very low levels of funds. In scenarios created by observing financial movements in the past and using statistical analysis, it has been observed that the Parent Bank withstands stress over the minimum life expectancy of 30 days.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### VI. Explanations on Remarks regarding Consolidated Liquidity Risk Management

##### a) Explanations on Consolidated Liquidity Coverage Ratio (Continued)

##### Liquidity Coverage Ratio

Current Period – June 30, 2025	Consideration Rate Unweighted Amounts <sup>(*)</sup>		Consideration Rate Weighted Amounts <sup>(*)</sup>	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>			<b>386,802,693</b>	<b>160,863,140</b>
1 High Quality Liquid Assets			386,802,693	160,863,140
<b>CASH OUTFLOWS</b>				
2 Retail and Small Business Customers Deposits	722,311,819	208,162,958	61,420,655	20,816,296
3 Stable deposits	216,210,535	-	10,810,527	-
4 Less stable deposits	506,101,284	208,162,958	50,610,128	20,816,296
5 Unsecured Funding other than Retail and Small Business Customers Deposits	346,800,117	139,075,034	215,739,211	91,907,623
6 Operational deposits	10,317,250	2,886,960	2,209,896	721,740
7 Non-Operational Deposits	238,870,579	102,691,695	132,863,816	59,077,219
8 Other Unsecured Funding	97,612,288	33,496,379	80,665,499	32,108,664
9 Secured funding	-	-	-	-
10 Other Cash Outflows	24,706,075	18,303,288	24,706,075	18,303,288
11 Liquidity needs related to derivatives and market valuation changes on derivatives transactions	24,706,075	18,303,288	24,706,075	18,303,288
12 Debts related to the structured financial products	-	-	-	-
13 Commitment related to debts to financial markets and other off-balance sheet liabilities	-	-	-	-
14 Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	95,949,204	-	4,797,460	-
15 Other irrevocable or conditionally revocable commitments	1,395,261,551	100,671,019	82,958,644	8,568,390
<b>16 TOTAL CASH OUTFLOWS</b>			<b>389,622,045</b>	<b>139,595,597</b>
<b>CASH INFLOWS</b>				
17 Secured Lending Transactions	-	-	-	-
18 Unsecured Lending Transactions	153,354,486	48,433,659	95,785,671	39,366,852
19 Other contractual cash inflows	21,327,534	46,901,185	21,327,534	46,901,185
<b>20 TOTAL CASH INFLOWS</b>	<b>174,682,020</b>	<b>95,334,844</b>	<b>117,113,205</b>	<b>86,268,037</b>
			<b>Upper Limit Applied Values</b>	
<b>21 TOTAL HIGH QUALITY LIQUID ASSETS</b>			<b>386,802,693</b>	<b>160,863,140</b>
<b>22 TOTAL NET CASH OUTFLOWS</b>			<b>272,508,840</b>	<b>53,345,262</b>
<b>23 LIQUIDITY COVERAGE RATIO (%)</b>			<b>141.94</b>	<b>301.55</b>

<sup>(\*)</sup> Simple arithmetic average calculated for the last three month of values calculated by taking the weekly simple arithmetic average.

Prior Period – December 31, 2024	Consideration Rate Unweighted Amounts <sup>(*)</sup>		Consideration Rate Weighted Amounts <sup>(*)</sup>	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>			<b>292,261,741</b>	<b>127,627,116</b>
1 High Quality Liquid Assets			292,261,741	127,627,116
<b>CASH OUTFLOWS</b>				
2 Retail and Small Business Customers Deposits	594,738,806	169,526,464	52,531,857	16,952,646
3 Stable deposits	138,840,463	-	6,942,023	-
4 Less stable deposits	455,898,343	169,526,464	45,589,834	16,952,646
5 Unsecured Funding other than Retail and Small Business Customers Deposits	289,584,934	114,434,650	184,884,564	79,254,757
6 Operational deposits	8,077,770	1,371,689	2,019,443	342,922
7 Non-Operational Deposits	211,754,114	88,935,354	125,968,070	56,296,091
8 Other Unsecured Funding	69,753,050	24,127,607	56,897,051	22,615,744
9 Secured funding	-	-	-	-
10 Other Cash Outflows	66,045,096	28,812,105	66,045,096	28,812,105
11 Liquidity needs related to derivatives and market valuation changes on derivatives transactions	66,045,096	28,812,105	66,045,096	28,812,105
12 Debts related to the structured financial products	-	-	-	-
13 Commitment related to debts to financial markets and other off-balance sheet liabilities	-	-	-	-
14 Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	105,489,843	-	5,274,492	-
15 Other irrevocable or conditionally revocable commitments	995,870,367	76,501,216	60,207,083	7,652,559
<b>16 TOTAL CASH OUTFLOWS</b>			<b>368,943,092</b>	<b>132,672,067</b>
<b>CASH INFLOWS</b>				
17 Secured Lending Transactions	44	-	-	-
18 Unsecured Lending Transactions	135,005,921	41,850,467	79,005,193	29,760,951
19 Other contractual cash inflows	64,154,682	45,622,708	64,154,682	45,622,708
<b>20 TOTAL CASH INFLOWS</b>	<b>199,160,647</b>	<b>87,473,175</b>	<b>143,159,875</b>	<b>75,383,659</b>
			<b>Upper Limit Applied Values</b>	
<b>21 TOTAL HIGH QUALITY LIQUID ASSETS</b>			<b>292,261,741</b>	<b>127,627,116</b>
<b>22 TOTAL NET CASH OUTFLOWS</b>			<b>225,783,240</b>	<b>57,368,095</b>
<b>23 LIQUIDITY COVERAGE RATIO (%)</b>			<b>129.44</b>	<b>222.47</b>

<sup>(\*)</sup> Simple arithmetic average calculated for the last nine month of values calculated by taking the weekly simple arithmetic average.

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

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

**VI. Explanations on Remarks regarding Consolidated Liquidity Risk Management**

**a) Explanations on Consolidated Liquidity Coverage Ratio (Continued)**

Consolidated liquidity coverage ratios related to the second quarter of 2025 is calculated weekly and explained in the table below according to “Regulation on Liquidity Coverage Ratio Calculation” published in the Official Gazette No. 28948, dated March 21, 2014.

	<b>Maximum</b>	<b>Date</b>	<b>Minimum</b>	<b>Date</b>	<b>Average</b>
<b>TL+FC</b>	166.50	01/04/2025	119.54	18/06/2025	142.95
<b>FC</b>	531.17	08/04/2025	195.89	28/05/2025	318.46

Liquidity coverage ratio is regulated by the BRSA to make sure that the Parent Banks sustain high quality liquid asset stock to cover probable cash outflows in the short term.

All of the Parent Bank’s high quality liquid assets are comprised of first quality liquid assets, most of which are Central Bank of the Republic of Türkiye accounts and securities that are issued by the Turkish Treasury that have not been collateralized. Additionally, syndication loans and large amount funds such as foreign bond issuances that have less than 1 month to maturity, lead up to short term fall in liquidity coverage ratios.

Funding sources of the Parent Bank mainly consist of deposits which constitute 54% of total liabilities of the Group (December 31, 2024 – 56%) and also include repo, secured loans, syndication, securitization, bond/security issuance and other instruments including subordinated debts.

The Parent Bank effectively uses derivative transactions to manage interest and liquidity risk. Impact of derivative cash flows in terms of liquidity coverage ratio is limited. However, FX swaps used in short term foreign currency liquidity management cause liquidity coverage ratio to fluctuate due to changes in volume and one month maturity. In addition, possible cash outflow caused by margin call requirements of derivative transactions is taken into consideration in accordance with the respective regulations.

At The Parent Bank, Secured funding consists of bond and repo. A large part of securities which are subjects of aforementioned guaranteed funding transactions consist of Sovereign Bonds issued by Treasury of the Republic of Türkiye and transactions are carried out both in Central Bank of the Republic of Türkiye market and interbank market.

All cash inflow and outflow items related to liquidity profile of the Parent Bank are included in liquidity coverage ratio tables above.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### VI. Explanations on Consolidated Liquidity Coverage Ratio (Continued)

##### Presentation of assets and liabilities according to their remaining maturities

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Unallocated <sup>(1)</sup>	Total
<b>Assets</b>								
Cash (Cash in Vault, Foreign Currency, Cash in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R. Central Bank <sup>(2)</sup>	189,082,656	98,391,212	-	-	-	-	(27,492)	287,446,376
Due from Banks <sup>(3)</sup>	12,488,382	11,923,366	636,587	-	-	-	(3,255)	25,045,080
Financial Assets at Fair Value Through Profit/Loss <sup>(4)</sup>	5,120,339	1,146,162	1,124,994	4,335,699	10,431,327	1,641,818	1,058,817	24,859,156
Money Market Placements	-	989,459	-	-	-	-	-	989,459
Financial Assets Measured at Fair Value through Other Comprehensive Income <sup>(5)</sup>	22,900	11,343	-	10,011,255	116,599,629	66,237,375	-	192,882,502
Loans and Receivables <sup>(6)</sup>	-	397,891,600	125,469,938	372,412,200	196,408,464	32,206,409	(14,212,429)	1,110,176,182
Financial Assets Measured at Amortized Cost <sup>(7)</sup>	-	121,185	297,678	22,939,687	52,174,291	54,483,105	(17,552)	129,998,394
Other Assets	1,069	35,789,697	1,158,415	2,116,921	2,085,018	2,335	41,495,550	82,649,005
<b>Total Assets</b>	<b>206,715,346</b>	<b>546,264,024</b>	<b>128,687,612</b>	<b>411,815,762</b>	<b>377,698,729</b>	<b>154,571,042</b>	<b>28,293,639</b>	<b>1,854,046,154</b>
<b>Liabilities</b>								
Bank Deposits	1,005,682	25,738,342	14,483,006	3,054,711	-	-	-	44,281,741
Other Deposits	350,236,698	486,139,038	107,023,678	12,939,267	2,738,475	936	-	959,078,092
Funds Borrowed	-	16,865,115	24,826,374	127,315,872	110,654,922	513,361	188,653	280,364,297
Money Market Borrowings	-	112,374,900	2,777,021	26,917,202	5,665,520	-	-	147,734,643
Securities Issued	-	4,538,478	7,932,847	61,175,142	48,527,893	12,080,792	-	134,255,152
Miscellaneous Payables	-	64,108,514	-	-	-	-	1,486,135	65,594,649
Other Liabilities <sup>(8)</sup>	1,412	41,228,157	3,471,272	6,700,067	8,763,189	3,878,135	158,695,348	222,737,580
<b>Total Liabilities</b>	<b>351,243,792</b>	<b>750,992,544</b>	<b>160,514,198</b>	<b>238,102,261</b>	<b>176,349,999</b>	<b>16,473,224</b>	<b>160,370,136</b>	<b>1,854,046,154</b>
<b>Liquidity Excess/Gap</b>	<b>(144,528,446)</b>	<b>(204,728,520)</b>	<b>(31,826,586)</b>	<b>173,713,501</b>	<b>201,348,730</b>	<b>138,097,818</b>	<b>(132,076,497)</b>	<b>-</b>
<b>Net Off- Balance Sheet Position<sup>(9)</sup></b>								
Receivables from financial derivative instruments	-	(2,388,471)	(3,662,691)	(3,882,251)	7,713,375	-	-	(2,220,038)
Liabilities from derivative financial instruments	-	243,651,049	132,293,726	156,448,160	273,305,411	36,243,066	-	841,941,412
<b>Non-Cash Loans<sup>(10)</sup></b>	<b>-</b>	<b>12,372,984</b>	<b>24,331,638</b>	<b>79,863,659</b>	<b>27,388,056</b>	<b>3,205,012</b>	<b>53,215,855</b>	<b>200,377,204</b>
<b>Prior period</b>								
Total Assets	195,007,118	430,229,393	139,795,311	320,348,343	309,138,389	138,472,073	22,101,900	1,555,092,527
Total Liabilities	277,681,504	635,343,537	217,684,451	178,343,295	94,840,020	17,158,751	134,040,969	1,555,092,527
<b>Liquidity Excess/Gap</b>	<b>(82,674,386)</b>	<b>(205,114,144)</b>	<b>(77,889,140)</b>	<b>142,005,048</b>	<b>214,298,369</b>	<b>121,313,322</b>	<b>(111,939,069)</b>	<b>-</b>
<b>Net Off- Balance Sheet Position<sup>(10)</sup></b>								
Receivables from financial derivative instruments	-	(1,793,284)	(2,548,205)	(1,974,294)	4,612,290	-	-	(1,703,493)
Liabilities from derivative financial instruments	-	159,751,228	92,463,868	105,864,367	208,101,941	56,881,598	-	623,063,002
<b>Non-Cash Loans<sup>(11)</sup></b>	<b>-</b>	<b>6,510,328</b>	<b>19,105,709</b>	<b>55,957,744</b>	<b>19,256,355</b>	<b>2,107,581</b>	<b>38,920,768</b>	<b>141,858,485</b>

(1) The assets which are necessary to provide banking services and could not be liquidated in the short-term, such as fixed assets, investments in subsidiaries and associates, office stationery, and prepaid expenses are classified under "Unallocated" column. Unallocated other liabilities include equities amounting to TL 139,312,470 (December 31, 2024 - TL 119,030,646), unallocated provisions amounting to TL 21,161,425 (December 31, 2024 - TL 17,282,733) and deferred tax liabilities amounting to TL 8,879,820 (December 31, 2024 - TL 3,915,992).

(2) Cash (Cash in Vault, Foreign Currency Cash, Cash in Transit, Cheques Purchased, Precious Metal) and Balances with the Central Bank of Türkiye include expected loss provisions amounting to TL 27,492 (December 31, 2024 - TL 26,672).

(3) Banks include balance of expected loss provisions amounting to TL 3,255 (December 31, 2024 - TL 8,968).

(4) Financial assets at fair value through profit/loss include TL 10,339,938 (December 31, 2024 - TL 7,657,512) derivative financial assets used for hedging purposes.

(5) There are no expected credit losses for receivables from money markets in the current period (31 December 2024 - TL 27).

(6) Financial assets at fair value through other comprehensive income include TL 6,439,869 - (December 31, 2024 - TL 3,373,866) derivative financial assets used for hedging purposes.

(7) Loans and receivables include leasing and factoring receivables.

(8) Financial assets measured at amortized cost include TL 17,552 (December 31, 2024 - TL 17,722) of expected loss provisions.

(9) Other Liabilities also includes the portion of derivative financial liabilities at fair value through other comprehensive income amounting to TL 14,924,294 (December 31, 2024 - TL 11,334,018).

(10) Liquidity excess/(deficit) related to Derivative Financial Instruments constituting Net Off-Balance positions are included in Liquidity Excess/(deficit) through valuations of related transactions to balance sheet.

(11) Amounts related to letter of guarantees represent contractual maturities and amounts included in aforementioned maturities and they have on demand and optionally withdrawable nature.

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INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP  
(Continued)

VI. Explanations on Consolidated Liquidity Coverage Ratio (Continued)

b) Disclosures on Net Stable Funding Ratio (NSFR)

The Parent Bank's Net Stable Funding Ratio is monitored and managed in accordance with the Liquidity Risk Management Policy. In line with this policy, the Board of Directors is responsible for reviewing and approving the Parent Bank's risk profile and appetite at certain intervals. Senior Management takes the necessary measures to monitor this risk and controls liquidity risk in line with the approved strategies and policies.

The net stable funding ratio (NSFR), which is a complementary liquidity measurement method to the LCR that measures banks' resilience to short-term liquidity shocks and is calculated by taking maturity matching into account, was legally shared as of January 1, 2024. The BRSA has set out the principles and procedures for banks to ensure stable funding in order to prevent the deterioration of their liquidity levels due to the funding risk that they may be exposed to on a consolidated and unconsolidated basis in the long term. Pursuant to the "Regulation on Banks' Calculation of Net Stable Funding Ratio" published in the Official Gazette No. 32202 dated May 26, 2023, the three-month simple arithmetic average of the consolidated and unconsolidated net stable funding ratio calculated monthly as of the equity calculation periods cannot be less than 100% as of March, June, September and December.

The Net Stable Funding Ratio (NSFR) is calculated by dividing the amount of available stable funding (ASF) by the required stable funding (RSF). Available stable funding refers to the portion of banks' liabilities and equity expected to be stable, while required stable funding refers to the portion of banks' on-balance sheet assets and off-balance sheet liabilities expected to need funding. The available stable funding balance is calculated by weighting the book values of banks' liabilities and equity components according to the ASF factors specified in the notification table published by the Banking Regulation and Supervision Agency (BRSA). The required stable funding amount is calculated by weighting the maturities and liquidity characteristics of the bank's assets according to the RSF factors. The largest components of a bank's available stable funding are capital, long-term borrowings, and customer deposits.

Current Year	Unweighted Amount According to Residual Maturity					Total Weighted Amount Applied
	Demand	Residual Maturity Less than 6 Months	Residual Maturity of 6 Months and Longer but Less Than 1 Year	Residual Maturity of 1 Year and More		
<b>Available Stable Funding</b>						
1 Capital Instruments	193,179,340	-	-	-	-	193,179,340
2 Tier 1 and Tier 2 Capital	193,179,340	-	-	-	-	193,179,340
3 Other Capital Instruments	-	-	-	-	-	-
4 Real-person and Retail Customer Deposits	246,237,757	475,908,341	5,099,780	2,739,709	-	668,175,736
5 Stable Deposit/Participation Fund	58,669,284	164,672,931	305,988	125,946	-	212,585,442
6 Low Stable Deposit/Participation Fund	187,568,473	311,235,410	4,793,792	2,613,763	-	455,590,294
7 Obligations to Other Parties	18,655,010	352,588,778	380,165,208	147,763,079	-	347,173,188
8 Operational Deposit/Participation Fund	18,655,010	-	-	-	-	9,327,505
9 Other Obligations	-	352,588,778	380,165,208	147,763,079	-	337,845,683
10 Liabilities Equivalent to Interconnected Assets	-	-	-	-	-	-
11 Other Liabilities	74,434,772	6,874,173	-	-	-	-
12 Derivative Liabilities	-	-	6,874,173	-	-	-
13 All other equity not included in the above categories	74,434,772	-	-	-	-	-
<b>14 Available Stable Funding</b>						<b>1,208,528,264</b>
<b>Required Stable Funding</b>						
15 High Quality Liquid Assets	-	-	-	-	-	12,377,662
16 Depository Institutions or Deposit/Participation Fund Held at Financial Institutions for Operational Purposes	-	-	-	-	-	-
17 Performing Loans	713,472	738,589,946	238,487,328	254,555,590	-	694,209,726
18 Encumbered Loans to Financial Institutions, Where The Loan is Secured Against Level 1 Assets	-	-	-	15,465,174	-	15,465,174
19 Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	36,537,325	73,747,167	294,262	-	42,648,444
20 Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	702,052,621	164,740,161	233,474,006	-	631,849,296
21 Loans with a risk weight of less than or equal to 35%	-	-	-	-	-	-
22 Residential mortgages	-	-	-	3,168,749	-	2,059,687
23 Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	3,168,749	-	2,059,687
24 Equity Instruments and Debt Instruments Traded on an Exchange that do not Have High-Quality Liquid Asset Characteristics	713,472	-	-	2,153,399	-	2,187,125
25 Assets equivalent to interconnected liabilities	-	-	-	-	-	-
26 Other Assets	113,905,931	-	-	-	-	124,193,006
27 Physical traded commodities, including gold	740,794	-	-	-	-	629,675
28 Initial Margin for Derivative Contracts or Guarantee Fund Given to Central Counterparty	-	-	129,776	-	-	110,310
29 Derivative Assets	-	-	8,737,771	-	-	8,737,771
30 Derivative Liabilities Before Deduction of Variation Margin	-	-	1,550,113	-	-	1,550,113
31 Other Assets not Included Above	113,165,137	-	-	-	-	113,165,137
32 Off-balance sheet commitments	-	185,605,702	60,571,806	1,381,394,110	-	81,378,582
<b>33 Required Stable Funding</b>						<b>912,158,976</b>
<b>34 Net Stable Funding Rate (%)</b>						<b>132.49</b>

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (Continued)

#### VI. Explanations on Consolidated Liquidity Coverage Ratio (Continued)

##### b) Disclosures on Net Stable Funding Ratio (NSFR)

Prior Year	Unweighted Amount According to Residual Maturity				Total Weighted Amount Applied Demand	
	Demand	Residual Maturity Less than 6 Months	Residual Maturity of 6 Months and Longer but Less Than 1 Year	Residual Maturity of 1 Year and More		
<b>Available Stable Funding</b>						
1	Capital Instruments	168,239,078	-	-	-	168,239,078
2	Tier 1 and Tier 2 Capital	168,239,078	-	-	-	168,239,078
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	201,208,885	401,490,157	4,078,393	2,523,202	556,547,059
5	Stable Deposit/Participation Fund	16,943,699	144,157,107	1,471,784	957,126	155,353,230
6	Low Stable Deposit/Participation Fund	184,265,186	257,333,050	2,606,609	1,566,076	401,193,829
7	Obligations to Other Parties	11,450,582	404,332,326	263,934,276	67,415,334	205,107,763
8	Operational Deposit/Participation Fund	11,450,582	-	-	-	5,725,291
9	Other Obligations	-	404,332,326	263,934,276	67,415,334	199,382,472
10	Liabilities Equivalent to Interconnected Assets	-	-	-	-	-
11	Other Liabilities	45,112,485	6,851,660	-	-	-
12	Derivative Liabilities	-	-	6,851,660	-	-
13	All other equity not included in the above categories	45,112,485	-	-	-	-
<b>14</b>	<b>Available Stable Funding</b>					<b>929,893,900</b>
<b>Required Stable Funding</b>						
15	High Quality Liquid Assets	-	-	-	-	11,501,530
16	Depository Institutions or Deposit/Participation Fund Held at Financial Institutions for Operational Purposes	-	-	-	-	-
17	Performing Loans	312,219	474,897,865	131,371,118	402,337,462	634,793,531
18	Encumbered Loans to Financial Institutions, Where The Loan is Secured Against Level 1 Assets	-	-	-	9,128,810	9,128,810
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	36,706,011	50,515,325	10,204,244	40,967,809
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	438,191,854	80,855,793	378,739,185	581,615,495
21	<i>Loans with a risk weight of less than or equal to 35%</i>	-	-	-	-	-
22	Residential mortgages	-	-	-	3,500,662	2,275,430
23	<i>Residential mortgages with a risk weight of less than or equal to 35%</i>	-	-	-	3,500,662	2,275,430
24	Equity Instruments and Debt Instruments Traded on an Exchange that do not Have High-Quality Liquid Asset Characteristics	312,219	-	-	764,561	805,987
25	Assets equivalent to interconnected liabilities	-	-	-	-	-
26	Other Assets	95,204,921	-	-	-	104,364,741
27	Physical traded commodities, including gold	261,351	-	-	-	222,149
28	Initial Margin for Derivative Contracts or Guarantee Fund Given to Central Counterparty	-	-	104,528	-	88,849
29	Derivative Assets	-	-	7,903,728	-	7,903,728
30	Derivative Liabilities Before Deduction of Variation Margin	-	-	1,206,446	-	1,206,446
31	Other Assets not Included Above	94,943,570	-	-	-	94,943,569
32	Off-balance sheet commitments	-	-	1,152,819,178	-	57,640,959
<b>33</b>	<b>Required Stable Funding</b>					<b>808,300,761</b>
<b>34</b>	<b>Net Stable Funding Rate (%)</b>					<b>115.04</b>

Net stable funding ratio for the last three months including the reporting period was 130.52% (December 31, 2024 - 116.11%).

The Group's Net Stable Funding Ratio (NSFR) increased from 115.04% to 132.49% on a consolidated basis between December 2024 and June 2025 and continued to hover above the legal limit (100%). The development of the ratio is influenced by factors such as the development of major balance sheet items such as loans and deposits between periods, changes in the maturity structure of the balance sheet and asset collateralization. During the mentioned period, an increase in the NSFR was observed due to the issuance of long-term debt instruments and the improvement in the loan/deposit ratio.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

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

**VII. Explanations on Consolidated Leverage Ratio**

**a) Information in regard to the differences between current period and prior period leverage ratio**

The Group's leverage ratio, calculated in accordance with the "Regulation on Measurement and Evaluation of Bank's Leverage Levels" is 4.60% (December 31, 2024: 5.07%). Subject level is above the minimum requirement which is determined as 3% by the regulation. Difference between current period and prior period leverage ratios is mostly due to increase in risk amounts of balance sheet asset items.

**b) Summary comparative table for total asset and total risk amount in consolidated financial statements prepared in accordance with TFRS**

	<b>Current Period</b> (**)	<b>Prior Period</b> (**)
<b>1</b> Total asset amount in consolidated financial statements prepared in accordance with TFRS <sup>(*)</sup>	1,804,126,284	1,480,841,123
<b>2</b> Difference between total asset amount in consolidated financial statements prepared in accordance with TFRS and total asset amount in consolidated financial statements prepared in accordance with the Communique on the Preparation of Consolidated Financial Statements	18,206,843	15,387,231
<b>3</b> Difference between risk amounts and amounts in consolidated financial statements prepared in accordance with the Communique on the Preparation of Consolidated Financial Statements of derivative financial instruments and credit derivatives	4,609,907	2,692,191
<b>4</b> Difference between risk amounts and amounts in consolidated financial statements prepared in accordance with the Communique on the Preparation of Consolidated Financial Statements of investment securities or financial transaction that are commodity collateralized	284,470	13,709
<b>5</b> Difference between risk amounts and amounts in consolidated financial statements prepared in accordance with the Communique on the Preparation of Consolidated Financial Statements of off-balance transactions	1,469,002,020	1,072,370,242
<b>6</b> Other differences between risk amounts and amounts in consolidated financial statements prepared in accordance with the Communique on the Preparation of Consolidated Financial Statements	(13,858,404)	(10,859,512)
<b>7 Total Risk Amount</b>	<b>3,282,371,120</b>	<b>2,560,444,984</b>

<sup>(\*)</sup> Consolidated financial statements prepared in accordance with the 5th clause and 6th subclause of Communique on the Preparation of Consolidated Financial Statements.

<sup>(\*\*)</sup> Amounts presented above represent the arithmetic average of the last three months.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP  
(Continued)**

**VII. Explanations on Consolidated Leverage Ratio (Continued)**

**c) Leverage ratio public disclosure template**

The table related to leverage ratio calculated in accordance with the “Regulation on Measurement and Evaluation of Bank’s Leverage Levels” published in Official Gazette No. 28812 and dated November 5, 2013 is below:

	Book Value	
	Current Period (*)	Prior Period (*)
<b>Assets on Balance sheet</b>		
Assets on Balance sheet (except for derivative financial instruments and credit derivatives, including guarantees)	1,803,172,317	1,484,478,572
Assets deducted from capital stock	13,858,404	10,859,512
Total risk amount related to Assets on Balance sheet	1,789,313,913	1,473,619,060
<b>Derivative financial instruments and credit derivatives</b>		
Replacement cost of derivative financial instruments and credit derivatives	19,160,810	11,749,782
Potential credit risk amount of derivative financial instruments and credit derivatives	4,609,907	2,692,191
Total risk amount related to derivative financial instruments and credit derivatives	23,770,717	14,441,973
<b>Financial transactions having security or commodity collateral</b>		
Risk amount of financial transactions having security or commodity collateral	-	-
Risk amount sourcing from transactions mediated	284,470	13,709
Total risk amount related to financial transactions having security or commodity collateral	284,470	13,709
<b>Off-Balance sheet Transaction</b>		
Gross nominal amount of off-balance sheet transactions	1,572,221,085	1,172,417,041
(Adjustment amount sourcing from multiplying to credit conversion rates)	103,219,065	100,046,799
Total risk amount related to off-balance sheet transactions	1,469,002,020	1,072,370,242
<b>Capital and Total Risk</b>		
Core Capital	151,091,977	129,728,228
Amount of total risk	3,282,371,120	2,560,444,984
<b>Financial leverage ratio</b>		
Financial leverage ratio	4.60%	5.07%

(\*) Amounts stated in table shows the last three months’ averages of the related period.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**SECTION FIVE**

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS**

**I. Explanations and Disclosures Related to Consolidated Assets**

**1. a) Information on cash equivalents and the account of the Central Bank of Türkiye**

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	3,511,008	12,574,033	2,960,303	10,282,554
Central Bank of Türkiye	132,655,314	136,933,679	139,828,034	98,982,305
Others	971,529	828,305	731,579	316,010
<b>Total</b>	<b>137,137,851</b>	<b>150,336,017</b>	<b>143,519,916</b>	<b>109,580,869</b>

**c) Information related to the account of the Central Bank of Türkiye**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	57,937,422	55,295,112	91,848,194	36,758,372
Unrestricted Time Deposits	5,000,000	-	-	-
Restricted Time Deposits	69,717,892	81,638,567	47,979,840	62,223,933
<b>Total</b>	<b>132,655,314</b>	<b>136,933,679</b>	<b>139,828,034</b>	<b>98,982,305</b>

As of June 30, 2025, a provision amounting to TL 27,492 (December 31, 2024 – TL 26,672) has been provided to the Central Bank account.

As of June 30, 2025, The Parent Bank maintains required reserves for its deposits and other liabilities in Turkish Lira, US Dollar, Euro, and gold.

**2. Further information on financial assets at fair value through profit/loss (net amounts are expressed)**

**a) Disclosures on financial assets measured at fair value through profit or loss (FVTPL), which are used in repo transactions and provided as collateral or restricted**

	Current Period		Prior Period	
	TL	FC	TL	FC
Given as Collateral/Blocked	-	-	-	-
Subject to repurchase agreement	-	-	971	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>971</b>	<b>-</b>

**b) Positive differences related to derivative financial assets held-for-trading**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	1,750,788	16,340	412,983	19,352
Swap Transactions	755,262	1,993,903	787,987	3,340,364
Futures	-	-	-	-
Options	588	1,689,238	911	503,741
Other	-	-	-	-
<b>Total</b>	<b>2,506,638</b>	<b>3,699,481</b>	<b>1,201,881</b>	<b>3,863,457</b>

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. Explanations and Disclosures Related to Consolidated Assets (Continued)

##### 2. a) Information on banks

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>				
Domestic	5,071,277	744,498	5,244,683	399,900
Foreign	3	19,232,557	3	15,038,779
Foreign Head Offices and Branches	-	-	-	-
<b>Total</b>	<b>5,071,280</b>	<b>19,977,055</b>	<b>5,244,686</b>	<b>15,438,679</b>

Amount of TL 3,255 provision is provided for banks account as of June 30, 2025 (December 31, 2024 – TL 8,968).

##### b) Information on foreign bank accounts

	Unrestricted Amount		Restricted Amount (**)	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	1,675,642	1,968,110	4,104,662	1,677,783
USA and Canada	7,780,345	6,407,808	-	-
OECD Countries (*)	828,840	861,997	4,273,140	3,431,713
Off-shore Banking Regions	-	-	-	-
Other	482,743	597,100	87,188	94,271
<b>Total</b>	<b>10,767,570</b>	<b>9,835,015</b>	<b>8,464,990</b>	<b>5,203,767</b>

(\*) Include OECD countries other than the EU countries, USA and Canada.

(\*\*) Includes the guarantees in foreign banks for the borrowings from foreign markets.

#### 3. Receivables from Money Markets

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Domestic Transactions</b>	<b>214,086</b>	-	-	-
T.R. Central Bank	-	-	-	-
Banks	-	-	-	-
Intermediary Institutions	-	-	-	-
Other Financial Institutions	-	-	-	-
Other Institutions	214,086	-	-	-
Natural Persons	-	-	-	-
<b>Foreign Transactions</b>	-	-	-	-
Central Banks	-	-	-	-
Banks	-	-	-	-
Intermediary Institutions	-	-	-	-
Other Financial Institutions	-	-	-	-
Other Institutions	-	-	-	-
Natural Persons	-	-	-	-
<b>Total</b>	<b>214,086</b>	-	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**5. Information on financial assets measured at fair value through other comprehensive income**

**a) Information on financial assets measured at fair value through other comprehensive income subject to repurchase agreements and provided as collateral/blocked**

	Current Period		Prior Period	
	TL	FC	TL	FC
Given as Collateral/Blocked	12,143,813	3,304,016	14,919,937	-
Subject to repurchase agreements	83,867,655	9,306,869	68,864,914	20,128,290
<b>Total</b>	<b>96,011,468</b>	<b>12,610,885</b>	<b>83,784,851</b>	<b>20,128,290</b>

**b) Information on financial assets at fair value through other comprehensive income**

	Current Period	Prior Period
<b>Debt Securities</b>	<b>192,303,780</b>	<b>147,798,979</b>
Quoted on a stock exchange (*)	192,303,780	147,798,979
Unquoted on a stock exchange	-	-
<b>Stocks</b>	<b>24,525</b>	<b>18,729</b>
Quoted on a stock exchange	1,520	1,520
Unquoted on a stock exchange	23,007	17,209
<b>Provision for Impairment (-) (**)</b>	<b>(5,885,674)</b>	<b>(4,982,613)</b>
<b>Total</b>	<b>186,442,633</b>	<b>142,835,095</b>

(\*) The Eurobond Portfolio amounting to TL 8,298,129 (December 31, 2024 – TL 7,357,912) which is accounted for as financial assets measured at fair value through other comprehensive income were hedged under fair value hedge accounting since 2009.

(\*\*) As of June 30, 2025 amount of TL 27,056 (December 31, 2024 – TL 20,792) provision provided for financial assets measured at fair value through other comprehensive income account.

**6. Information related to loss**

**a) Information on all types of loans and advances given to shareholders and employees of the Parent Bank**

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
<b>Direct Loans Granted to Shareholders</b>	-	<b>2,124,311</b>	-	<b>2,270,807</b>
Corporate Shareholders	-	2,124,311	-	2,270,807
Individual Shareholders	-	-	-	-
<b>Indirect Loans Granted to Shareholders</b>	-	-	-	-
<b>Loans Granted to Employees (*)</b>	<b>1,223,950</b>	-	<b>817,098</b>	-
<b>Total</b>	<b>1,223,950</b>	<b>2,124,311</b>	<b>817,098</b>	<b>2,270,807</b>

(\*) Includes advances given to the bank personnel.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025

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

EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. Explanations and Disclosures Related to Consolidated Assets (Continued)

6. Information related to loss (Continued)

b) Performing loans and loans under follow-up including restructured or rescheduled loans, and other receivables

b.1) Information on standard loans, loans under close monitoring and restructured loans under close monitoring

Cash Loans	Loans Under Close Monitoring			
	Standard Loans and Receivables	Loans Not Subject to Restructuring	Restructured Loans and Receivables	
			Loans with Revised Contract Terms	Refinance
<b>Non-Specialized Loans</b>	<b>947,657,597</b>	<b>55,089,629</b>	<b>1,123,582</b>	<b>58,211,500</b>
Enterprise Loans	58,222,552	43,523	-	-
Export Loans	111,602,521	1,270,000	-	-
Import Loans	-	-	-	-
Financial Sector Loans	6,890,323	350	-	-
Consumer Loans	173,306,822	14,655,262	1,032,294	14,267,614
Credit Cards	288,403,329	24,042,014	-	21,046,788
Other	309,232,050	15,078,480	91,288	22,897,098
<b>Specialized Loans</b>	-	-	-	-
<b>Other Receivables</b>	-	-	-	-
<b>Total</b>	<b>947,657,597</b>	<b>55,089,629</b>	<b>1,123,582</b>	<b>58,211,500</b>

	Standard Loans	Loans Under Close Monitoring
<b>Current Period</b>		
12 Mont Expected Credit Losses	9,228,700	-
Significant Increase in Credit Risk	-	14,933,650
<b>Prior Period</b>		
12 Month Expected Credit Losses	8,628,009	-
Significant Increase in Credit Risk	-	13,286,839

c) Distribution of cash loans according to maturity structure

Cash Loans	Loans Under Close Monitoring		
	Standard Loans	Loans Not Subject to Restructuring	Restructured Loans
Short-term Loans	642,194,573	24,042,014	21,046,789
Medium and Long-term Loans	305,463,024	31,047,615	38,288,293
<b>Total</b>	<b>947,657,597</b>	<b>55,089,629</b>	<b>59,335,082</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025

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

Explanations and Disclosures Related to Consolidated Assets (Continued)

6. Information related to loss (Continued)

d) Information on consumer loans, individual credit cards, personnel loans and personnel credit cards

	Short Term	Medium and Long Term	Total
<b>Consumer Loans-TL</b>	<b>55,358,531</b>	<b>95,997,113</b>	<b>151,355,644</b>
Housing Loans	10,703	5,782,613	5,793,316
Automobile Loans	-	4,680	4,680
Personal Need Loans	55,347,828	90,209,820	145,557,648
Other	-	-	-
<b>Consumer Loans-FC Indexed</b>	<b>-</b>	<b>73</b>	<b>73</b>
Housing Loans	-	73	73
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
<b>Individual Credit Cards-TL</b>	<b>273,983,304</b>	<b>13,984,466</b>	<b>287,967,770</b>
Installment	67,784,016	9,504,595	77,288,611
Non- Installment	206,199,288	4,479,871	210,679,159
<b>Individual Credit Cards-FC</b>	<b>728,041</b>	<b>1,908</b>	<b>729,949</b>
Installment	-	-	-
Non- Installment	728,041	1,908	729,949
<b>Personnel Loans-TL</b>	<b>215,939</b>	<b>486,332</b>	<b>702,271</b>
Housing Loans	-	1,326	1,326
Automobile Loans	-	-	-
Personal Need Loans	215,939	485,006	700,945
Other	-	-	-
<b>Personnel Loans-FC Indexed</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>479,671</b>	<b>10,482</b>	<b>490,153</b>
Installment	121,948	2,665	124,613
Non-Installment	357,723	7,817	365,540
<b>Personnel Credit Cards-FC</b>	<b>4,066</b>	<b>11</b>	<b>4,077</b>
Installment	-	-	-
Non-Installment	4,066	11	4,077
<b>Overdraft Accounts-TL (Natural Persons)</b>	<b>48,823,439</b>	<b>2,380,565</b>	<b>51,204,004</b>
<b>Overdraft Accounts-FC (Natural Persons)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>379,592,991</b>	<b>112,860,950</b>	<b>492,453,941</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**6. Information related to loans (Continued)**

**e) Information on commercial installment loans and corporate credit cards**

	Short Term	Medium and Long Term	Total
<b>Commercial Loans with Installment Facility – TL</b>	<b>9,720,256</b>	<b>78,258,047</b>	<b>87,978,303</b>
Real Estate Loans	44,721	1,670,047	1,714,768
Automobile Loans	150,515	2,331,345	2,481,860
Personal Need Loans	9,525,020	74,256,655	83,781,675
Other	-	-	-
<b>Commercial Loans with Installment Facility - FC Indexed</b>	<b>-</b>	<b>94,262</b>	<b>94,262</b>
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	94,262	94,262
Other	-	-	-
<b>Commercial Loans with Installment Facility - FC</b>	<b>-</b>	<b>-</b>	<b>-</b>
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
<b>Corporate Credit Cards –TL</b>	<b>43,232,208</b>	<b>1,038,001</b>	<b>44,270,209</b>
Installment	6,527,681	209,684	6,737,365
Non-Installment	36,704,527	828,317	37,532,844
<b>Corporate Credit Cards –FC</b>	<b>29,895</b>	<b>78</b>	<b>29,973</b>
Installment	-	-	-
Non-Installment	29,895	78	29,973
<b>Overdraft Accounts-TL (Legal Entities)</b>	<b>4,676,691</b>	<b>29,094</b>	<b>4,705,785</b>
<b>Overdraft Accounts-FC (Legal Entities)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>57,659,050</b>	<b>79,419,482</b>	<b>137,078,532</b>

**f) Allocation of loans by customers (\*)**

	Current Period	Prior Period
Public	7,379,218	5,962,816
Private	1,054,703,090	867,709,276
<b>Total</b>	<b>1,062,082,308</b>	<b>873,672,092</b>

(\*) It does not include the non-performing loan amount.

**g) Allocation of domestic and foreign loans (\*)**

	Current Period	Prior Period
Domestic Loans	1,055,451,377	869,812,933
Foreign Loans	6,630,931	3,859,159
<b>Total</b>	<b>1,062,082,308</b>	<b>873,672,092</b>

(\*) It does not include the non-performing loan amount.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**6. Information related to loans (Continued)**

**h) Loans to associates and subsidiaries**

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Associates	10,704	1,641
Indirect Loans Granted to Subsidiaries and Associates	-	-
<b>Total</b>	<b>10,704</b>	<b>1,641</b>

**i) Specific provisions for loans (Third Stage)**

	Current Period	Prior Period
<b>Provisions</b>		
Loans and Receivables with Limited Collectability	7,750,195	4,613,648
Loans and Receivables with Doubtful Collectability	9,366,428	6,877,585
Uncollectible Loans and Receivables	11,483,817	8,183,549
<b>Total</b>	<b>28,600,440</b>	<b>19,674,782</b>

**j) Non-performing loans (NPLs) (Net)**

**j.1) Non-performing loans restructured or rescheduled and other receivables**

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
<b>Current Period</b>			
Gross Amounts Before the Provisions	1,079	622	72,758
Restructured Loans	1,079	622	72,758
<b>Prior Period</b>			
Gross Amounts Before the Provisions	-	21,727	200,582
Restructured Loans	-	21,727	200,582

**j.2) Movement of total non-performing loans (\*)**

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
<b>Prior Period End Balance</b>	<b>6,374,455</b>	<b>8,816,584</b>	<b>10,169,433</b>
Additions (+)	20,296,846	615,627	1,241,596
Transfers from Other Categories of Non-Performing Loans (+)	-	13,286,416	7,931,274
Transfers to Other Categories of Non-Performing Loans (-)	13,286,416	7,931,274	-
Collections (-)	2,714,526	1,932,884	872,144
Write-offs (-)	-	-	63,217
<b>Debt Sales (-) (**)</b>	<b>-</b>	<b>-</b>	<b>3,381,411</b>
Corporate and Commercial Loans	-	-	228,169
Consumer Loans	-	-	1,418,760
Credit Cards	-	-	1,538,286
Others	-	-	196,196
<b>Current Period End Balance</b>	<b>10,670,359</b>	<b>12,854,469</b>	<b>15,025,531</b>
Provision (-)	7,750,195	9,366,428	11,483,817
<b>Net Balances on Balance Sheet</b>	<b>2,920,164</b>	<b>3,488,041</b>	<b>3,541,714</b>

(\*) Includes non-performing loans related to leasing transactions and factoring receivables.

(\*\*) The Parent Bank has sold a portion of its non-performing loan portfolio with a total book value of TL 3,381,411 to asset management companies for a consideration of TL 1,043,500.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**6. Information related to loans (Continued)**

**j.3) Information on non-performing loans granted as foreign currency loans**

None (December 31, 2024 – None).

**j.4) Breakdown of non-performing loans according to their gross and net values**

	<b>III. Group</b>	<b>IV. Group</b>	<b>V. Group</b>
	<b>Loans with Limited Collectability</b>	<b>Loans with Doubtful Collectability</b>	<b>Uncollectible Loans</b>
<b>Current Period (Net)</b>	<b>2,920,164</b>	<b>3,488,041</b>	<b>3,541,714</b>
Loans to Natural Persons and Legal Entities (Gross)	10,670,359	12,854,469	14,007,502
Provision (-)	7,750,195	9,366,428	10,465,788
Loans to Natural Persons and Legal Entities (Net)	2,920,164	3,488,041	3,541,714
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	1,018,029
Provision (-)	-	-	1,018,029
Other Loans and Receivables (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>1,760,807</b>	<b>1,938,999</b>	<b>1,985,884</b>
Loans to Natural Persons and Legal Entities (Gross)	6,374,455	8,816,584	9,480,615
Provision (-)	4,613,648	6,877,585	7,494,731
Loans to Natural Persons and Legal Entities (Net)	1,760,807	1,938,999	1,985,884
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	688,818
Provision (-)	-	-	688,818
Other Loans and Receivables (Net)	-	-	-

**j.5) Information on interest accruals, discounts, and valuation differences calculated for non-performing receivables, along with their provisions**

	<b>III. Group</b>	<b>IV. Group</b>	<b>V. Group</b>
	<b>Loans with Limited Collectability</b>	<b>Loans with Doubtful Collectability</b>	<b>Uncollectible Loans</b>
<b>Current Year (Net)</b>			
Interest accruals and valuation differences	1,740,784	2,055,604	2,342,880
Provision Amount (-)	566,861	778,676	1,120,059
<b>Prior Period (Net)</b>			
Interest Accruals and Rediscounts and Valuation Differences	987,259	1,386,080	1,435,165
Provision Amount (-)	360,996	542,588	823,027

**k) Explanation on liquidation policy for uncollectible loans and other receivables**

For the unrecoverable non-performing loans under legal follow up, the loan quality, collateral quality, bona fide of the debtor and assessment of the emergency of legal follow up are considered, before applying the best practice for unrecoverable non-performing loans under legal follow up. The Parent Bank prefers to liquidate the risk through negotiations with the debtors as well as The Parent Bank starts the legal procedures for the liquidation of the risk. Ongoing legal follow up procedures do not prevent negotiations with the debtors. An agreement is made with the debtor at all stage of the negotiations for the liquidation of the risk.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**6. Information related to loans (Continued)**

**I) Explanations on write-off policy**

The Parent Bank's general policy regarding the write-off of NPLs is explained in the section three under the footnote VIII.

**7. Information on factoring receivables**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short Term	21,084,874	6,288,106	22,947,170	4,171,131
Medium and Long Term	-	-	-	-
<b>Total</b>	<b>21,084,874</b>	<b>6,288,106</b>	<b>22,947,170</b>	<b>4,171,131</b>

Changes in provision for non-performing factoring receivables are as follows:

	Current Period	Prior Period
Prior Period End Balance	269,429	160,573
Provided Provision/(reversal), Net	137,667	348,630
Collections	(139,931)	(239,774)
Write-offs	-	-
<b>Provision at the End of Period</b>	<b>267,165</b>	<b>269,429</b>

**8. Information on financial assets measured at amortized cost**

**a) Information on financial assets measured at amortized cost which are subject to repurchase agreements and given as Collateral/Blocked**

	Current Period		Prior Period	
	TL	FC	TL	FC
Given as Collateral/Blocked	10,720,455	6,341,419	26,984,053	1,198,217
Subject to repurchase agreements	55,764,492	20,842,693	56,020,248	33,920,075
<b>Total</b>	<b>66,484,947</b>	<b>27,184,112</b>	<b>83,004,301</b>	<b>35,118,292</b>

**b) Information on government debt securities measured at amortized cost**

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bond	93,021,611	36,994,335	92,822,031	36,326,963
Treasury Bill	-	-	-	-
Other Debt Securities	-	-	-	-
<b>Total</b>	<b>93,021,611</b>	<b>36,994,335</b>	<b>92,822,031</b>	<b>36,326,963</b>

**c) Information on investments securities measured at amortized cost**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Debt Securities</b>	<b>93,021,611</b>	<b>36,994,335</b>	<b>92,822,031</b>	<b>36,471,527</b>
Publicly traded	93,021,611	36,994,335	92,822,031	36,471,527
Non-publicly traded	-	-	-	-
<b>Provision for losses (-)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>93,021,611</b>	<b>36,994,335</b>	<b>92,822,031</b>	<b>36,471,527</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**8. Information on financial assets measured at amortized cost (Continued)**

**d) Movement of investment measured at amortized cost within the period**

	Current Period	Prior Period
<b>Balance at the beginning of the period</b>	<b>129,293,558</b>	<b>102,171,769</b>
Exchange differences on monetary assets	4,410,210	5,602,433
Acquisitions during the year	26,339,688	19,551,082
Disposals through sales and redemptions	(38,652,391)	(21,505,687)
Impairment provision (-)	-	-
Valuation effect	8,624,881	23,473,961
<b>Balance at the End of the Period</b>	<b>130,015,946</b>	<b>129,293,558</b>

As of June 30, 2025, a provision amounting to TL 17,552 (December 31, 2024 – TL 17,722) is provided for the financial assets measured at amortized cost.

**9. Information on investments in associates (Net)**

**9.1. Information on unconsolidated associates**

Title	Address (City/Country)	Bank's Share-If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1. Bankalararası Kart Merkezi (BKM) (*) (***)	İstanbul/Türkiye	4.52	4.52
2. JCR Avrasya Derecelendirme A.Ş. (**)(****)	İstanbul/Türkiye	2.86	2.86
3. İhracatı Geliştirme A.Ş. (İGE) (**)(****)	İstanbul/Türkiye	0.36	0.36
4. Kredi Garanti Fonu A.Ş. (KGF) (**)(****)	İstanbul/Türkiye	1.49	1.49
5. Emeklilik Gözetim Merkezi (EGM) (*)	İstanbul/Türkiye	4.52	4.52

	Total Assets	Shareholder's Equity	Total Fixed Assets (***)	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
1.	7,529,589	6,669,221	1,481,360	533,996	-	647,012	586,017	-
2.	697,430	508,993	28,961	164,216	-	154,302	69,322	-
3.	13,936,569	13,298,685	61,143	4,969,864	-	1,633,267	(897,101)	-
4.	8,466,649	3,293,378	113,390	1,371,670	-	728,683	(72,526)	-
5.	199,308	152,226	50,900	3,179	28	32,367	22,021	-

(\*) Current period information is based on March 31, 2025 financials. Prior period profit and loss amounts are based on March 31, 2024, financials.

(\*\*) Current period information is based on December 31, 2024, financials. Prior period profit and loss amounts are based on December 31, 2023, financials.

(\*\*\*\*) The current and prior period information has been presented based on financial statements that have been adjusted for inflation

(\*\*\*\*) Total fixed assets consist of non-current assets.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. Explanations and Disclosures Related to Consolidated Assets (Continued)

#### 9. Information on investments in associates (Net) (Continued)

#### 9.2. Movements of investments in associates

	Current Period	Prior Period
<b>Balance at the Beginning of Period</b>	<b>57,641</b>	<b>57,084</b>
<b>Movements During the Period</b>	<b>890</b>	<b>557</b>
Purchases	905	542
Bonus Shares Received (*)	-	15
Dividends From Current Year Profit	-	-
Sales	-	-
Revaluation Increase	-	-
Impairment Provision	(15)	-
<b>Balance at the End of the Period</b>	<b>58,531</b>	<b>57,641</b>
<b>Capital Commitments</b>	-	-
<b>Share Percentage at the end of the Period (%)</b>	-	-

(\*) In the previous period, the capital contribution to Borsa İstanbul A.Ş. was included under the line item 'Equity Shares Acquired Without Consideration.'

#### 9.3. Sectoral information on investment and associates, and the related carrying amounts

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Associates	58,531	57,641
<b>Total</b>	<b>58,531</b>	<b>57,641</b>

#### 9.4. Quoted Associates

None (December 31, 2024 – None).

#### 9.5. Subsidiaries disposed of during the current period

None (December 31, 2024 – None).

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. Explanations and Disclosures Related to Consolidated Assets (Continued)

#### 9. Information on investments in associates (Net) (Continued)

#### 9.6. Information on subsidiaries (Net)

##### a) Information on the Parent Bank's unconsolidated subsidiaries

Subsidiaries below have not been consolidated since they are non-financial investments, they are instead valued by cost method.

	Title	Address (City/Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1.	İbtech Uluslararası Bilişim ve İletişim Teknolojileri Araştırma, Geliştirme, Danışmanlık, Destek San. ve Tic. A.Ş.	İstanbul/Türkiye	99.91	99.99
2.	QNB eSolutions Elektronik Ticaret ve Bilişim A.Ş.	İstanbul/Türkiye	100.00	100.00

  

	Total Assets	Shareholder s' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Compan y's Fair Value
1.	3,566,222	218,697	416,097	-	-	129,284	66,427	-
2.	3,447,681	870,582	69,931	153,195	-	210,256	16,658	-

##### b) Information on the Parent Bank's consolidated subsidiaries

##### b.1) Information on the consolidated subsidiaries

	Title	Address (City/Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1.	QNB Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	99.80	100.00
2.	QNB Finansal Kiralama A.Ş.	İstanbul/Türkiye	99.40	99.40
3.	QNB Portföy Yönetimi A.Ş.	İstanbul/Türkiye	88.89	100.00
4.	QNB Faktoring A.Ş.	İstanbul/Türkiye	99.99	100.00
5.	QNB Varlık Kiralama Şirketi A.Ş.	İstanbul/Türkiye	-	100.00
6.	QNB Sağlık Hayat Sigorta ve Emeklilik A.Ş.	İstanbul/Türkiye	100.00	100.00

Information on subsidiaries in the order as presented in the table above

	Total Assets	Shareholder s' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
1.	9,553,921	6,452,344	126,880	1,368,558	123,402	1,232,389	831,189	-
2.	42,068,199	5,516,934	59,707	3,227,185	23,530	857,012	388,206	5,483,836
3.	2,028,875	1,712,429	6,441	16,904	-	624,287	260,131	-
4.	28,394,778	4,830,546	43,209	5,228,101	-	998,669	632,795	-
5.	1,754,709	3,652	-	-	-	1,300	345	-
6.	12,741,598	3,065,590	303,663	1,185,130	141,425	1,668,449	832,600	-

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**9. Information on investments in associates (Net) (Continued)**

**9.6. Movement schedule for consolidated subsidiaries**

**b.2) Movement schedule for consolidated subsidiaries**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Balance at the Beginning of the Period</b>	<b>19,024,959</b>	<b>9,789,830</b>
<b>Movements during the Period</b>	<b>3,708,606</b>	<b>9,235,129</b>
Purchases <sup>(*)</sup>	1,097,800	1,993,986
Bonus Shares Received	-	-
Dividends from Current Year Profit	5,124,068	6,670,444
Disposals	-	-
Revaluation Difference <sup>(**), (***)</sup>	(2,513,262)	570,699
Provisions for Impairment	-	-
<b>Balance at the End of the Period</b>	<b>22,733,565</b>	<b>19,024,959</b>
<b>Capital Commitments</b>	<b>-</b>	<b>-</b>
<b>Share Percentage at the end of the Period (%)</b>	<b>-</b>	<b>-</b>

<sup>(\*)</sup> In the current period, pursuant to the Extraordinary General Assembly Resolution of QNB Yatırım Menkul Değerler A.Ş. dated 28 May 2025, the company's capital was increased from TL 300,000 to TL 1,400,000 through a paid capital increase. In the previous period, pursuant to the Extraordinary General Assembly Resolution of QNB Finansal Kiralama A.Ş. dated 21 November 2024, the company's capital was increased from TL 1,000,000 to TL 2,000,000 through a paid capital increase. With the decision of the Board of Directors of QNB Faktoring A.Ş. dated February 12, 2024, the capital of the company was increased from TL 65,000 to TL 1,065,000 through a capital increase through rights issue.

<sup>(\*\*)</sup> Includes differences arising from equity method accounting.

<sup>(\*\*\*)</sup> Includes dividend income received during the current period.

**b.3) Sectoral information on consolidated financial subsidiaries and the related carrying amounts**

	<b>Current Period</b>	<b>Prior Period</b>
Factoring Companies	4,830,547	3,831,879
Leasing Companies	5,483,836	4,622,820
Insurance Companies	4,690,929	5,504,259
Other Subsidiaries	7,728,253	5,066,001
<b>Total</b>	<b>22,733,565</b>	<b>19,024,959</b>

The balances of the subsidiaries have been eliminated as part of the consolidation principles.

**b.4) Subsidiaries quoted to a stock exchange**

	<b>Current Period</b>	<b>Prior Period</b>
Quoted on Domestic Stock Exchanges	5,483,836	4,622,820
Quoted on International Stock Exchanges	-	-
<b>Total</b>	<b>5,483,836</b>	<b>4,622,820</b>

**b.5) Information on shareholders' equity of the significant subsidiaries**

The Parent Bank does not have any significant sized subsidiaries.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. Explanations and Disclosures Related to Consolidated Assets (Continued)

##### 10. Information on joint ventures

Name	Bank's Share (%)	Bank's Shareholding Percentage in the Risk Group (%)	Current Asset	Non-Current Asset	Long-Term Debt	Gain	Loss
Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. <sup>(*)</sup>	33.33	33.33	489,367	337,208	233,690	1,073,121	1,001,351

<sup>(\*)</sup> Current period information is stated as of May 31, 2025.

##### 11. Information on lease receivables (Net)

###### 11.1 Maturity analysis of financial lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	20,942,211	16,501,747	16,884,161	13,005,028
Between 1-4 years	21,905,792	18,332,438	16,401,018	13,519,506
Over 4 years	1,181,254	1,102,150	921,130	851,183
<b>Total</b>	<b>44,029,257</b>	<b>35,936,335</b>	<b>34,206,309</b>	<b>27,375,717</b>

Finance lease receivables include non-performing finance lease receivables amounting to TL 735,846 (December 31, 2024 – TL 467,072) and expected credit loss amounting to TL 540,791 (December 31, 2024 – TL 351,724).

Changes in non-performing finance lease receivables provisions are as follows

	Current Period	Prior Period
End of the prior period	351,724	297,641
Provided provision/(reversal), Net	191,711	177,260
Collections	(2,644)	(30,435)
Written off	-	(92,742)
<b>Provision at the end of the period</b>	<b>540,791</b>	<b>351,724</b>

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**11. Information on lease receivables (Net)**

**11.2. Information on net investments in finance leases**

	<b>Current Period</b>	<b>Prior Period</b>
Gross Finance Lease Investments	44,029,256	34,206,309
Unearned Finance Income (-)	8,092,921	6,830,592
Cancelled Leasing Agreements (-)	-	-
<b>Net Investment on Leases</b>	<b>35,936,335</b>	<b>27,375,717</b>

**11.3. Information of finance lease contracts of the Parent Bank**

The leasing balances between the Parent Bank and the subsidiaries have been eliminated as part of the consolidation principles.

**12. Information on the hedging derivative financial assets**

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Fair Value Hedge (*)	3,199,747	934,072	2,082,932	509,242
Cash Flow Hedge (**)	4,450,230	1,989,639	912,432	2,461,434
Net Investment Hedge	-	-	-	-
<b>Total</b>	<b>7,649,977</b>	<b>2,923,711</b>	<b>2,995,364</b>	<b>2,970,676</b>

(\*) Derivative financial instruments for fair value hedging consist of swaps. As of June 30, 2025, the fair value of derivative financial instruments used for hedging against fair value risk is as follows: TL 3,199,747 for loans (compared to TL 2,082,932 as of December 31, 2024), TL 354,600 for securities (compared to TL 470,559 as of December 31, 2024), and TL 579,472 for issued securities (compared to TL 38,683 as of December 31, 2024)."

(\*\*) Represents the fair value of derivative financial instruments for cash flow hedge of deposits and floating interest borrowings.

**13. Explanations on investment property**

None (December 31, 2024 – None).

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**14. Information on tax asset**

As of June 30, 2025, the Bank has a current tax asset of TL 539,950. (December 31, 2024 – None)

As of June 30, 2025, the Parent Bank has a deferred tax asset of TL 6,013,565 calculated in accordance with the relevant regulations. (December 31, 2024 – TL 5,453,775)

According to TAS 12, deferred tax assets and liabilities are netted off in the financial statements. As of June, 2025, the Parent Bank has deferred tax assets amounting to TL 15,045,576 and deferred tax liabilities amounting to TL 9,032,011 which arise between the carrying amount of the assets and liabilities in the balance sheet and the tax bases determined in accordance with tax legislation and calculated over the amounts to be taken into account in the calculation of financial profit/the tax liability is netted and recorded in the records.

In cases whereby deferred tax differences arising from the differences between the carrying amounts and the taxable amounts of the assets subjected to deferred tax that are related with certain items under the shareholders' equity accounts, the deferred tax benefits/charges are netted under these accounts. The deferred tax expense amounting to TL 718,914 is netted under equity. (December 31, 2024 – TL 86,042 deferred tax income).

	Temporary Differences		Deferred Tax Assets/(Liabilities)	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Provision for Employee Rights	4,373,645	4,253,548	1,312,093	1,276,065
Difference Between the Book Value of Financial Assets and Tax Base	3,687,230	2,464,013	1,106,169	739,204
Difference Between the Carrying Amount and Tax Base of Tangible Fixed Assets	10,741,741	10,241,363	3,222,525	3,072,409
Other (*)	31,349,297	32,486,690	9,404,789	9,746,007
<b>Deferred Tax Assets</b>			<b>15,045,576</b>	<b>14,833,685</b>
Differences Between Carrying Value and Tax Basis of Financial Assets	(19,018,718)	(20,467,286)	(5,705,616)	(6,140,186)
Other	(11,087,984)	(10,799,079)	(3,326,395)	(3,239,724)
<b>Deferred Tax Liabilities</b>			<b>(9,032,011)</b>	<b>(9,379,910)</b>
<b>Deferred Tax Asset/(Liabilities), Net</b>			<b>6,013,565</b>	<b>5,453,775</b>

(\*) Includes temporary differences amounting to TL 25,807,413 related to expected credit loss provisions (TL 23,524,268 as of 31 December 2024).

**15. Information on assets held for sale and discontinued operations**

None (December 31, 2024 – None).

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. Explanations and Disclosures Related to Consolidated Assets (Continued)**

**16. Information on other assets**

Other assets of the balance sheet do not exceed 10% of the balance sheet total, excluding off-balance sheet commitments.

As of June 30, 2025, provisions for other assets amount to TL 68,176 (December 31, 2024 – TL 25,485).

**II. Explanations and Disclosures Related to Consolidated Liabilities**

**1. Information on maturity structure of deposits**

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulated Deposit Accounts	Total
Saving Deposits <sup>(*)</sup>	55,100,361	-	104,921,593	280,708,088	39,355,510	8,688,082	9,104,903	2,064	497,880,601
Foreign Currency Deposits	172,605,563	-	16,338,113	19,038,069	1,558,666	630,012	378,080	8,419	210,556,922
Residents in Türkiye	158,799,085	-	16,111,597	18,497,285	1,520,936	623,691	292,249	8,419	195,853,262
Residents Abroad	13,806,478	-	226,516	540,784	37,730	6,321	85,831	-	14,703,660
Public Sector Deposits	7,403,255	-	40,007	201,438	-	-	-	-	7,644,700
Commercial Deposits	31,292,667	-	62,170,279	49,660,369	3,489,573	2,426,018	1,338,381	-	150,377,287
Other Ins. Deposits	545,541	-	597,873	5,603,508	927,172	3,663	229	-	7,677,986
Precious Metal Deposits	83,289,311	-	44,977	71,870	31,528	54,283	1,448,627	-	84,940,596
Bank Deposits	1,005,682	-	25,738,343	14,483,006	1,313,115	1,741,595	-	-	44,281,741
Central Bank of Türkiye	-	-	-	-	-	-	-	-	-
Domestic Banks	15,117	-	5,670,590	-	-	-	-	-	5,685,707
Foreign Banks	990,565	-	20,067,753	14,483,006	1,313,115	1,741,595	-	-	38,596,034
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>351,242,380</b>	<b>-</b>	<b>209,851,185</b>	<b>369,766,348</b>	<b>46,675,564</b>	<b>13,543,653</b>	<b>12,270,220</b>	<b>10,483</b>	<b>1,003,359,833</b>

<sup>(\*)</sup> As of June 30 2025, it includes an amount of TL 31,379,811 related to the CBRT Foreign Currency Protected Deposit products

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EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)

1. Information on maturity structure of deposits (Continued)

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulated Deposit Accounts	Total
Saving Deposits	43,367,324	-	82,819,969	217,278,958	52,614,650	15,073,418	7,592,916	1,756	418,748,991
Foreign Currency Deposits	146,981,534	-	11,375,802	9,626,299	1,069,969	453,929	454,227	6,167	169,967,927
Residents in Türkiye	135,616,270	-	11,101,494	9,167,099	1,034,138	432,021	362,360	6,167	157,719,549
Residents Abroad	11,365,264	-	274,308	459,200	35,831	21,908	91,867	-	12,248,378
Public Sector Deposits	4,358,564	-	143,516	120,672	-	-	-	-	4,622,752
Commercial Deposits	23,502,964	-	66,493,148	51,178,204	12,167,184	3,386,346	3,053,005	-	159,780,851
Other Ins. Deposits	430,850	-	745,598	5,569,952	562,865	628,482	131	-	7,937,878
Precious Metal Deposits	58,742,944	-	88,916	14,562	-	-	959,782	-	59,806,204
Bank Deposits	297,324	-	36,024,018	19,237,335	995,410	1,016,035	-	-	57,570,122
T.R Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	8,774	-	9,326,637	-	-	-	-	-	9,335,411
Foreign Banks	288,550	-	26,697,381	19,237,335	995,410	1,016,035	-	-	48,234,711
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total (*)</b>	<b>277,681,504</b>	<b>-</b>	<b>197,690,967</b>	<b>303,025,982</b>	<b>67,410,078</b>	<b>20,558,210</b>	<b>12,060,061</b>	<b>7,923</b>	<b>878,434,725</b>

(\*) As of 31 December 2024, it includes an amount of TL 49,709,368 related to the CBRT Foreign Currency Protected Deposit products.

1.1. Information on savings deposits under the guarantee of the saving deposits insurance fund and exceeding the limit of deposit insurance fund (\*)

	Covered by Deposit Insurance Fund		Exceeding the Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	237,982,208	170,872,167	425,598,366	420,218,305
Foreign Currency Savings Deposits	88,284,845	66,541,667	207,212,673	163,232,464
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
<b>Total</b>	<b>326,267,053</b>	<b>237,413,834</b>	<b>632,811,039</b>	<b>583,450,769</b>

With the amendment of the Regulation on Deposits and Participation Funds Subject to Insurance and Premiums Collected by The Savings Deposit Insurance Fund published in the Official Gazette dated August 27, 2022 and No. 31936, all deposits and participation funds in credit institutions, other than those belonging to official institutions, credit institutions and financial institutions, started to be insured. In this context, commercial deposits covered by insurance amount to TL 30,355,045 (December 31, 2024 – TL 23,889,137) is included in the footnote.

1.2. Savings deposits in Türkiye are not covered under insurance in another country since headquarter of the Group is not located abroad

1.3. Savings deposits which are not under the guarantee of saving deposit insurance fund

	Current Period	Prior Period
Deposits and accounts in branches abroad	6	10,747
Deposits of ultimate shareholders and their close family members	-	-
Deposits of chairman and members of the Board of Directors and their close family members	1,849,355	1,456,117
Deposits obtained through illegal acts defined in the 282 <sup>nd</sup> Article of the Turkish Criminal Code No. 5237 dated September 26, 2004.	-	-
Saving deposits in banks established in Türkiye exclusively for offshore banking activities	-	-
<b>Total</b>	<b>1,849,361</b>	<b>1,466,864</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)**

**2. Information on trading derivative financial liabilities**

**a) Negative differences table for derivative financial liabilities held for trading**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forwards transactions	1,269,589	327,247	2,647,549	31,088
Swaps transactions	2,303,564	6,531,427	882,852	2,574,194
Futures transactions	-	-	-	-
Options	2,946	1,268,359	36	1,062,782
Other	-	-	-	-
<b>Total</b>	<b>3,576,099</b>	<b>8,127,033</b>	<b>3,530,437</b>	<b>3,668,064</b>

**3. Information on borrowings**

**a) Negative differences table for derivative financial liabilities held for trading**

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Türkiye Loans	-	-	-	-
Domestic Banks and Institutions	7,858,265	6,413,995	8,732,005	4,711,048
Foreign Banks, Institutions and Funds	6,121,442	237,915,272	4,759,057	168,192,589
<b>Total</b>	<b>13,979,707</b>	<b>244,329,267</b>	<b>13,491,062</b>	<b>172,903,637</b>

**b) Information on maturity structure of borrowings**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	13,172,968	12,001,713	12,513,504	50,156,703
Medium and Long-Term	806,739	232,327,554	977,558	122,746,934
<b>Total</b>	<b>13,979,707</b>	<b>244,329,267</b>	<b>13,491,062</b>	<b>172,903,637</b>

The Parent Bank's fund sources include deposits, funds borrowed, securities issued and money market borrowings. Deposit is the most significant fund source of the Parent Bank and does not present any risk concentration with its consistent structure extended to a wide base. Funds borrowed mainly consist of funds provided by foreign financial institutions which have different characteristics and maturity-interest structure such as syndication, securitization, and post-financing. There isn't risk concentration on the fund sources of the Parent Bank.

**c) Additional information on concentrations of the Group's liabilities**

As of June 30, 2025, the Group's liabilities comprise; 54% deposits (December 31, 2024 – 56%), 14% funds borrowed (December 31, 2024 – 12%), 7% issued bonds (December 31, 2024 – 5%) and 8% money market debts (December 31, 2024 – 10%).

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)**

**4. Information on funds provided under repurchase agreements**

The information regarding the funds obtained through repurchase transactions classified under payables to money markets is presented below:

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>From domestic transactions</b>	<b>109,972,479</b>	-	<b>94,580,476</b>	-
Financial institutions and organizations	109,960,642	-	94,551,112	-
Other institutions and organizations	3,927	-	19,195	-
Natural persons	7,910	-	10,169	-
<b>From foreign transactions</b>	<b>220,326</b>	<b>35,879,480</b>	<b>2,412,256</b>	<b>48,467,653</b>
Financial institutions and organizations	185,210	35,879,480	2,373,293	48,467,653
Other institutions and organizations	35,116	-	38,963	-
Natural persons	-	-	-	-
<b>Total</b>	<b>110,192,805</b>	<b>35,879,480</b>	<b>96,992,732</b>	<b>48,467,653</b>

**5. Information on securities issued (Net)**

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bonds	19,501,918	5,979,230	6,459,663	18,425,962
Asset backed securities	2,087,920	-	1,707,817	-
Bills	-	94,605,292	-	46,019,814
<b>Total</b>	<b>21,589,838</b>	<b>100,584,522</b>	<b>8,167,480</b>	<b>64,445,776</b>

The Parent Bank has USD 4 Billion bond issuance program (Global Medium Term Note Program) and USD 1 Billion green and/or sustainable debt instrument issuance limit.

**6. Information on the subaccounts of other liabilities account that exceeds 20% of the individual other liabilities account exceeding 10% of the total liabilities excluding the off-balance sheet items**

Other liabilities do not exceed 10% of total liabilities excluding the off-balance sheet items.

**7. Criteria used in the determination of lease installments in the financial lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contracts**

Interest rate and cash flows of the Group are the main criteria which are taken into consideration for the determination of payment plans in the leasing contracts.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)**

**7. Criteria used in the determination of lease installments in the financial lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contracts (Continued)**

**7.1 Explanations of changes in agreements and further commitments arising**

The balances related to the financial leasing contracts involving the parent bank and its subsidiaries have been eliminated in the consolidation process.

**7.2 Explanations on financial lease liabilities**

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	158,791	78,197	119,662	73,101
Between 1-4 years	2,705,800	1,933,410	2,200,907	1,663,461
More than 4 years	-	-	55	24
<b>Total</b>	<b>2,864,591</b>	<b>2,011,607</b>	<b>2,320,624</b>	<b>1,736,586</b>

**7.3 Explanations and notes on financial lease:**

The Parent bank makes operating lease agreements for some branches and ATM machines. The lease agreements are amortized during the lease period by measuring the lease obligation based on the present value of the lease payments (lease obligation) that has not been paid at that time (the lease obligation) as well as the relevant usage right as of the same date. Lease payments are discounted using this rate if the implicit interest rate in the lease can be easily determined. If the tenant cannot easily determine this rate, he uses the alternative borrowing interest rate. The tenant separately records the interest expense on the rental obligation and the depreciation expense of the right to use asset.

**7.4 Information on “Sale-and-lease back” agreements**

The Parent Bank does non sale-and-lease back transactions in the current period (December 31, 2024 – None).

**8. Information on the hedging derivative financial liabilities**

	Current Period (***)		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge (*)	875,814	31,494	1,081,111	3,451
Cash Flow Hedge (**)	1,402,917	910,937	1,992,982	1,057,973
Net Investment Hedge	-	-	-	-
<b>Total</b>	<b>2,278,731</b>	<b>942,431</b>	<b>3,074,093</b>	<b>1,061,424</b>

(\*) Derivative financial instruments for hedging the fair value risk consist of swaps. As of June 30, 2025, the fair value of derivative financial instruments used for hedging includes TL 31,494 for securities (December 31, 2024 – TL 3,451) and TL 875,814 for loans (December 31, 2024 – 1,081,111). As of June 30, there are no derivative financial liabilities for hedging against fair value risk of securities (December 31, 2024 – TL, None).

(\*\*) It represents the fair value of deposits, floating rate loans extended as FC and derivative financial instruments for cash flow hedging of floating rate borrowings.

(\*\*\*) Derivative financial liabilities for the fair value hedge purposes in the period are presented in line 7.1 of the financial statements and financial liabilities for the purpose of cash flow hedges are shown in line 7.2.

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)**

**9. Information on provisions**

**9.1 Information on provision related with foreign currency difference of foreign indexed loans**

None (December 31, 2024 – None).

**9.2. Specific provisions for non-cash loans that are not indemnified and converted into cash or expected loss provisions for non-cash loans**

	<b>Current Period</b>	<b>Prior Period</b>
Stage 1	1,627,605	1,448,063
Stage 2	187,818	135,192
Stage 3	77,578	41,301
<b>Total</b>	<b>1,893,001</b>	<b>1,624,556</b>

**9.3. Information on employee termination benefits**

The Group calculated the provision for employee benefits using the actuarial valuation method specified in the TAS 19 and reflected it in its financial statements. In this context, a discount rate of 4% has been applied in the calculation of the total credit compensation liability (4% as of 31 December 2024).

As of June 30, 2025, the Group presented the provision for severance pay of TL 1,414,608 (December 31, 2024 – TL 1,263,401) under the “Reserves for Employee Benefits” item in its financial statements.

As of June 30, 2025, the Group has shown a total vacation liability of TL 660,325 (December 31, 2024 – TL 436,127) under the “Reserves for Employee Benefits” in its financial statements.

As of June 30, 2025, TL 2,298,712 (December 31, 2024 – TL 2,554,020) provision for salaries, bonuses and premiums to be paid to the personnel has been presented under the “Reserves for Employee Benefits” in its financial statements.

**9.3.1 Movement of employee termination benefits**

	<b>Current Period</b>	<b>Prior Period</b>
	<b>01.01-30.06.2025</b>	<b>01.01-30.06-2024</b>
As of January, 1	1,263,401	956,967
Impact of business combinations	-	26,655
Service Cost	88,708	73,850
Interest Cost	166,019	107,550
Cutting payments and benefits	83,613	62,188
Actuarial difference	4,766	15,574
Paid during the period	(191,899)	(177,530)
<b>Total</b>	<b>1,414,608</b>	<b>1,065,254</b>

**9.4. Information on insurance technical provisions**

As of June 30, 2025, the Group has reflected the insurance technical provision amounting to TL 8,180,791 (December 31, 2024 - 5,889,857) in its consolidated financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)**

**9. Information on provisions (Continued)**

**9.5. Information on other provisions**

Except for those mentioned in note 9.3 above, there is a provision for lawsuits against the Group and tax lawsuits in the amount of TL 713,988 (December 31, 2024 – TL 602,817) in other provisions. The Parent Bank has benefited from the relevant articles of the Law No. 7326 regarding various ongoing tax lawsuits.

As of June 30, 2025, the consolidated financial statements include a total amount of TL 6,000,000 of free provision under other provisions, of which TL 4,700,000 was provided in prior years and TL 1,300,000 was provided in the current period, set aside by the Group management apart from the requirements of the BRSA Accounting and Financial Reporting Regulation.

**10. Explanations on tax liabilities**

**10.1 Information on current tax liability**

**10.1.1 Information on tax provision**

The Group has reflected the current tax liability and prepaid tax amounts to the consolidated financial statements by offsetting the balances in the financial statements of the consolidated subsidiaries separately. As a result of offsetting, there is a tax liability of TL 8,879,820 (December 31, 2024 – TL 3,915,992) in the accompanying consolidated financial statements, and As of June 30, 2025, there is prepaid tax amounting to TL 1,215,033 (31 December 2024 – TL 31,943).

**10.1.2. Information on taxes payable**

	<b>Current Period</b>	<b>Prior Period</b>
Corporate Taxes Payable	8,879,820	3,915,992
Banking and Insurance Transaction Tax (BITT)	3,409,322	2,974,761
Taxation on Securities Income	4,184,453	2,156,068
Taxation on Real Estates Income	43,499	38,747
VAT Payable	2,245	3,312
Other	508,035	476,083
<b>Total</b>	<b>17,027,374</b>	<b>9,564,963</b>

The Group presents the “Corporate Taxes Payable” balance in the “Current Tax Liability” account and other taxes are presented in the “Other Liabilities” account in the accompanying consolidated financial statements.

**10.1.3. Information on premium payables**

	<b>Current Period</b>	<b>Prior Period</b>
Social Security Premiums - Employee Share	164,435	131,645
Social Security Premiums - Employer Share	232,515	179,592
Pension Fund Fee and Provisions – Employee Share	407	327
Pension Fund Fee and Provisions – Employer Share	1,343	1,079
Unemployment Insurance - Employee Share	10,727	8,579
Unemployment Insurance - Employer Share	21,481	17,161
Other	1,664	1,190
<b>Total</b>	<b>432,572</b>	<b>339,573</b>

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

None (December 31, 2024 – None).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)**

**12. Information on subordinated loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Debt Instruments subject to common equity</b>	-	<b>22,055,323</b>	-	<b>18,533,717</b>
Subordinated Loans	-	22,055,323	-	18,533,717
Subordinated Debt Instruments	-	-	-	-
<b>Debt Instruments subject to tier 2 common equity</b>	-	<b>12,080,792</b>	-	<b>13,765,122</b>
Subordinated Loans	-	-	-	3,035,135
Subordinated Debt Instruments	-	12,080,792	-	10,729,987
<b>Total</b>	-	<b>34,136,115</b>	-	<b>32,298,839</b>

**13. Information on shareholder's equity**

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

	Current Period	Prior Period
Common Stock	3,350,000	3,350,000
Preferred Stock	-	-

**13.2. Amount of paid-in capital, explanations as to whether the registered share capital system is applied, if so the amount of registered share capital ceiling**

Capital System	Paid-in Capital	Ceiling
Registered Capital System	3,350,000	20,000,000

**13.3. Capital increases and sources in the current period and other information based on increased capital shares**

None (December 31, 2024 – None).

**13.4. Information on share capital increases from revaluation fund during the current period**

None (December 31, 2024 – None).

**13.5. Information on capital commitments, the purpose and the sources until the end of the fiscal year and the subsequent interim period**

The Group does not have any capital commitments, all of the capital is fully paid in.

**13.6. Information on prior period's indicators on the Bank's income, profitability and liquidity, and possible effects of these future assumptions on the Bank's equity due to uncertainties of these indicators**

None (December 31, 2024 – None).

**13.7. Information on the privileges given to stocks representing the capital**

None (December 31, 2024 – None).

**QNB BANK ANONİM ŞİRKETİ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. Explanations and Disclosures Related to Consolidated Liabilities (Continued)**

**14. Common stock issue premiums, shares and equity instruments**

	<b>Current Period</b>	<b>Prior Period</b>
Number of Stocks (Thousands)	33,500,000	33,500,000
Preferred Capital Stock	-	-
Common Stock Issue Premiums (*)	714	714
Common Stock Withdrawal Profits	-	-

(\*) Due to the Parent Bank's capital increase at the prior periods, common stock issue premium accounted amounting to TL 714.

**15. Information on marketable securities value increase fund**

	<b>Current Period</b>		<b>Prior Period</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
<b>Associates, Subsidiaries and Entities under Common Control</b>	<b>274,621</b>	<b>-</b>	<b>189,877</b>	<b>-</b>
Valuation Differences	-	-	-	-
Foreign Exchange Rate Differences	274,621	-	189,877	-
<b>Securities Measured at FV Through Other Comprehensive Income</b>	<b>(4,818,564)</b>	<b>(1,002,454)</b>	<b>(3,513,668)</b>	<b>(900,979)</b>
Valuation Differences	(4,818,564)	(1,002,454)	(3,513,668)	(900,979)
Foreign Exchange Rate Differences	-	-	-	-
<b>Total</b>	<b>(4,543,943)</b>	<b>(1,002,454)</b>	<b>(3,323,791)</b>	<b>(900,979)</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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(Amounts expressed in Thousands of Turkish Lira (TL) unless otherwise stated.)

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items**

**1. Explanations on off-balance-sheet-commitments**

**1.1. Type and amount of irrevocable commitments**

	<b>Current Period</b>	<b>Prior Period</b>
Credit Cards Limit Commitments	982,121,248	701,154,935
Commitment For Use Guaranteed Credit Allocation	249,720,576	170,604,108
Payment Commitments for Cheques	79,105,013	57,800,503
Forward Asset Purchase Commitments	23,084,299	14,191,940
Other Irrevocable Commitments	13,841,381	9,978,545
Commitments for Promotions Related with Credit Cards and Banking Activities	347,209	266,571
Tax and Fund Liabilities due to Export Commitments	909,891	638,126
<b>Total</b>	<b>1,349,129,617</b>	<b>954,634,728</b>

**1.2 Type and amount of probable losses and obligations arising from off-balance sheet items**

A provision of TL 1,893,001 (December 31, 2024 – TL 1,624,556) has been made for non-compensated and non-cash loans or expected loan losses on off-balance sheet loans.

**1.3. Final guarantees, provisional guarantees, sureties and similar transactions**

	<b>Current Period</b>	<b>Prior Period</b>
Bank Loans	27,631,038	18,581,093
Other Letters of Guarantee	20,329,705	15,368,558
<b>Total</b>	<b>47,960,743</b>	<b>33,949,651</b>

**1.4. Final guarantees, provisional guarantees, sureties and similar transactions**

	<b>Current Period</b>	<b>Prior Period</b>
Provisional Letters of Guarantee	55,401,625	40,096,354
Final Letters of Guarantee	31,611,615	22,796,737
Advance Letters of Guarantee	8,551,962	3,328,527
Letters of Guarantee Given to Customs Offices	2,218,396	1,548,798
Other Letters of Guarantee	54,632,863	40,138,418
<b>Total</b>	<b>152,416,461</b>	<b>107,908,834</b>

**2. Total amount of non-cash loans**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Non-Cash Loans granted for Obtaining Cash Loans</b>	<b>21,321,774</b>	<b>15,592,562</b>
Less Than or Equal to One Year with Original Maturity	2,218,938	1,344,736
More Than One Year with Original Maturity	19,102,836	14,247,826
<b>Other Non-Cash Loans</b>	<b>179,055,430</b>	<b>126,265,923</b>
<b>Total</b>	<b>200,377,204</b>	<b>141,858,485</b>

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)

##### 3. Information on risk concentration in sector terms in non-cash loans

	Current Period				Prior Period			
	TL	%	TL	%	TL	%	TL	%
<b>Agricultural</b>	<b>217,142</b>	<b>0.22</b>	<b>2,981</b>	<b>0.00</b>	<b>203,956</b>	<b>0.30</b>	<b>137,642</b>	<b>0.19</b>
Farming and Raising Livestock	167,368	0.17	2,981	0.00	167,401	0.24	137,642	0.19
Forestry	9,972	0.01	-	-	22,753	0.03	-	-
Fishing	39,802	0.04	-	-	13,802	0.02	-	-
<b>Manufacturing</b>	<b>32,597,813</b>	<b>32.59</b>	<b>53,286,649</b>	<b>53.11</b>	<b>22,312,681</b>	<b>32.40</b>	<b>37,145,186</b>	<b>50.89</b>
Mining and Quarrying	597,851	0.60	64,681	0.06	274,712	0.40	78,391	0.11
Production	28,331,118	28.32	52,102,064	51.93	20,040,580	29.10	36,129,372	49.49
Electricity, gas and water	3,668,844	3.67	1,119,904	1.12	1,997,389	2.90	937,423	1.28
<b>Construction</b>	<b>26,456,183</b>	<b>26.42</b>	<b>19,602,287</b>	<b>19.54</b>	<b>15,845,388</b>	<b>23.01</b>	<b>14,850,501</b>	<b>20.34</b>
<b>Services</b>	<b>39,717,374</b>	<b>39.70</b>	<b>23,957,623</b>	<b>23.89</b>	<b>29,687,972</b>	<b>43.11</b>	<b>17,485,220</b>	<b>23.95</b>
Wholesale and Retail Trade	26,606,433	26.59	9,962,870	9.93	19,603,101	28.47	6,785,297	9.30
Hotel, Food and Beverage Services	1,646,686	1.65	461,572	0.46	1,165,628	1.69	392,619	0.54
Transportation & Communication	1,669,751	1.67	1,700,711	1.70	1,380,295	2.00	929,169	1.27
Financial Institutions	5,033,757	5.03	8,885,684	8.86	3,677,524	5.34	6,643,406	9.10
Real Estate and Renting Services	277,266	0.28	199,649	0.20	282,648	0.41	319,959	0.44
Self-Employment Services	2,578,652	2.58	1,604,410	1.60	1,801,022	2.62	1,306,032	1.79
Educational Services	43,590	0.04	-	-	27,813	0.04	-	-
Health and Social Services	1,861,239	1.86	1,142,727	1.14	1,749,941	2.54	1,108,738	1.52
<b>Other</b>	<b>1,066,555</b>	<b>1.07</b>	<b>3,472,597</b>	<b>3.46</b>	<b>810,696</b>	<b>1.18</b>	<b>3,379,243</b>	<b>4.63</b>
<b>Total</b>	<b>100,055,067</b>	<b>100.00</b>	<b>100,322,137</b>	<b>100.00</b>	<b>68,860,693</b>	<b>100.00</b>	<b>72,997,792</b>	<b>100.00</b>

##### 4. Information on non-cash loans classified under group I and II

Current Period (*)	I. Group		II. Group	
	TL	FC	TL	FC
Letters of Guarantee	78,593,436	55,066,616	12,326,338	6,352,493
Bill of Exchange and Acceptances	7,949,713	15,700,931	1,046,498	2,933,896
Letters of Credit	45,979	17,960,547	15,525	2,307,654
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	-	-	-	-
<b>Non-cash Loans</b>	<b>86,589,128</b>	<b>88,728,094</b>	<b>13,388,361</b>	<b>11,594,043</b>

(\*) The amount of TL 77,578 excluded for non-cash loans and ECL provision of non-cash loans which are under off-balance accounts and not indemnified and unliquidated but provisioned.

Prior Period (*)	I. Group		II. Group	
	TL	FC	TL	FC
Letters of Guarantee	53,103,166	41,850,569	9,024,909	3,888,889
Bill of Exchange and Acceptances	6,121,744	10,735,309	537,400	1,186,640
Letters of Credit	16,649	13,081,741	15,525	2,254,643
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	-	-	-	-
<b>Non-cash Loans</b>	<b>59,241,559</b>	<b>65,667,619</b>	<b>9,577,834</b>	<b>7,330,172</b>

(\*) The amount of TL 41,301 excluded for non-cash loans and ECL provision of non-cash loans which are under off-balance accounts and not indemnified and unliquidated but provisioned.

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)

##### 5. Information on derivative financial instruments

	Current Period	Prior Period
<b>Types of trading transactions</b>		
<b>Foreign Currency Related Derivative Transactions (I)</b>	<b>913,010,686</b>	<b>602,599,184</b>
Forward transactions <sup>(*)</sup>	220,392,626	134,611,688
Swap transactions	578,563,162	391,131,825
Futures transactions	11,772,170	620,832
Option transactions	102,282,728	76,234,839
<b>Interest Related Derivative Transactions (II)</b>	<b>479,787,684</b>	<b>387,054,514</b>
Forward rate transactions	-	-
Interest rate swap transactions	479,787,684	387,054,514
Interest option transactions	-	-
Futures interest transactions	-	-
Security option transactions	-	-
<b>Other trading derivative transactions (III)</b>	<b>-</b>	<b>-</b>
<b>Types of trading transactions</b>	<b>1,392,798,370</b>	<b>989,653,698</b>
<b>A. Total Trading Derivative Transactions (I+II+III)</b>		
<b>Types of hedging transactions</b>		
Fair value hedges	102,173,055	84,487,079
Cash flow hedges	270,236,450	231,489,223
Net investment hedges	-	-
	<b>372,409,505</b>	<b>315,976,302</b>
<b>B. Total Hedging Related Derivatives</b>	<b>1,765,207,875</b>	<b>1,305,630,000</b>

<sup>(\*)</sup> This line also includes Forward Asset Purchase Commitments accounted for under Commitments.

Breakdown of the Parent Bank's foreign currency forward and swap and interest rate swap transactions based on currencies are disclosed below in their TL equivalents:

	Forward Buy <sup>(**)</sup>	Forward Sell <sup>(**)</sup>	Swap Buy <sup>(*)</sup>	Swap Sell <sup>(*)</sup>	Option Buy	Option Sell	Futures Buy	Futures Sell	Other
<b>Current Period</b>									
TL	12,316,059	62,715,808	98,624,329	190,257,880	7,417,540	16,719,107	-	6,083,274	-
USD	57,094,234	34,901,865	427,936,278	286,216,311	24,880,173	19,403,956	5,688,896	-	-
Euro	36,883,150	8,372,643	80,046,689	237,279,932	16,990,642	13,617,671	-	-	-
Other	1,678,380	6,430,487	109,856,515	542,417	1,473,117	1,780,522	-	-	-
<b>Total</b>	<b>107,971,823</b>	<b>112,420,803</b>	<b>716,463,811</b>	<b>714,296,540</b>	<b>50,761,472</b>	<b>51,521,256</b>	<b>5,688,896</b>	<b>6,083,274</b>	<b>-</b>

<sup>(\*)</sup> This column also includes hedging purpose derivatives.

<sup>(\*\*)</sup> This column also includes Forward Asset Purchase Commitments and accounted for under Commitments.

	Forward Buy <sup>(**)</sup>	Forward Sell <sup>(**)</sup>	Swap Buy <sup>(*)</sup>	Swap Sell <sup>(*)</sup>	Option Buy	Option Sell	Futures Buy	Futures Sell	Other
<b>Prior Period</b>									
TL	5,160,257	44,331,607	77,176,829	158,253,833	4,386,608	16,001,936	278,663	63,737	-
USD	36,870,865	10,700,154	335,635,044	240,843,489	18,553,816	12,376,054	53,802	224,630	-
Euro	22,017,131	14,115,716	65,187,290	144,249,788	13,661,381	10,234,813	-	-	-
Other	842,501	573,457	71,627,874	1,188,494	501,341	518,890	-	-	-
<b>Total</b>	<b>64,890,754</b>	<b>69,720,934</b>	<b>549,627,037</b>	<b>544,535,604</b>	<b>37,103,146</b>	<b>39,131,693</b>	<b>332,465</b>	<b>288,367</b>	<b>-</b>

<sup>(\*)</sup> This column also includes hedging purpose derivatives.

<sup>(\*\*)</sup> This column also includes Forward Asset Purchase Commitments and accounted for under Commitments.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)**

**5. Information on derivative financial instruments (Continued)**

**5.1. Fair value hedge accounting**

**a) Loans**

The Group applies fair value hedge accounting within the framework of TAS 39 by performing swap transactions in order to protect itself against changes that may occur in the fair value of a certain part of its long-term fixed interest loans resulting from changes in market interest rates. As of June 30, 2025, installment loans amounting to TL 33,722,902 (December 31, 2024 – TL 26,423,651) were designated as hedged items under hedge accounting, with nominal amount of swaps totaling TL 17,729,379 (December 31, 2024 – TL 15,312,045). As of June 30, 2025, a total net fair value gain of TL 191,350 (June 30, 2024 – TL 124,930 gain) was recognized under the “Profit/Loss from Derivative Financial Transactions” line item in the accompanying financial statements. This amount consists of TL 367,136 income from the loans (June 30, 2024 – TL 27,347 expense) and TL 175,787 expense from the swaps (June 30, 2024 – TL 152,276 income).

According to TAS 39, fair value hedge accounting definitions, some of the fair value hedge accounting applications ceased. The fair value differences of the hedged loans are amortized through statement of profit or loss and other comprehensive income until the maturity of the hedged loans. The Bank has booked the valuation effect amounting to TL 35,067 (June 30, 2024 – TL 135,881 loss) related to the loans that are ineffective for hedge accounting under “Income/Losses From Financial Derivatives Transactions” as expense during the current period.

There is no valuation effect recognized by the Subsidiary Company QNB Finansal Kiralama A.Ş. in the current period under the “Profit/Loss from Derivative Financial Transactions” account item regarding the financial leasing transactions whose effectiveness has deteriorated from hedge accounting. (June 30, 2024 – None).

**b) Financial assets at fair value through other comprehensive income**

The Parent Bank applies fair value hedge accounting to hedge itself against the changes in the interest rates related to long term foreign currency Eurobonds with fixed coupon held by the Parent Bank using swaps as hedging instruments. As of the balance sheet date, Eurobonds with a nominal of USD 212,671 million (December 31, 2024 – USD 212,671 million) were subject to hedge accounting by interest rate swaps with the same nominal value. On June 30, 2025, the net market valuation difference income amounting to TL 18,610 due to income from Eurobonds amounting to TL 147,295 (June 30, 2024 – TL 227,269 loss) and loss from swaps amounting to TL 128,686 (June 30, 2024 – TL 237,626 income) is accounted for under “Income/losses from financial derivatives transactions” line in the accompanying financial statements. (June 30, 2024 – TL 10,357 income).

The Parent Bank does not apply fair value hedge on TL government bonds in the current period (December 31, 2024 – None).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)**

**5. Information on derivative financial instruments (Continued)**

**5.1. Fair value hedge accounting (Continued)**

**c) Securities issued**

The Parent Bank applies fair value hedge accounting using interest rate swaps in order to hedge against changes in fixed interest rate with regard to the foreign currency-denominated fixed-rate securities issued. As of the balance sheet date, bonds with a nominal value of USD 500 Million (December 31, 2024 – USD 500 Million) are subject to hedge accounting with the same nominal amount of swaps. As of June 30, 2025, a net market valuation difference income of TL 39,680 consisting of TL 434,084 loss from the aforementioned securities (June 30, 2024 – TL 277,029 loss) and TL 473,764 income from swaps (June 30, 2024 – TL 273,127 income) is shown under "Income/Losses from Derivative Transactions" account in the financial statements (June 30, 2024 – TL 3,902 loss).

The subsidiary QNB Finansal Kiralama A.Ş. applies fair value hedge accounting through swaps in order to hedge against changes in interest rates related to its issued fixed-rate TL securities. As of the balance sheet date, no such hedging instruments are in place.

**d) Borrowings**

Finansal Kiralama A.Ş. applies fair value hedge accounting through interest and currency swaps in order to protect itself from changes in interest rates in relation to fixed interest rate TL loans. There are no such hedges recognized as of the balance sheet date. (December 31, 2024 – None.)

**5.2. Cash flow hedge accounting**

**a) Floating Rate Loans**

The Parent Bank is subject to cash flow hedge accounting through interest swaps in order to protect a certain part of its long-term floating interest rate TL and FX loans from changes in market interest rates. The Bank conducts effectiveness tests for hedge accounting on every balance sheet date, the active segments are accounted in the "Hedge Funds" account item in the financial statements as defined in TAS 39, and the amount related to the inactive part is associated with the statement of profit or loss and other comprehensive income.

In this context; as of the balance sheet date, swaps with a nominal amount of USD 665 Million (December 31, 2024 – USD 665 Million) are subject to hedge accounting as a hedging instrument. As a result of the said hedge accounting, fair value income before tax amounting to TL 527,460 (June 30, 2024 – TL 90,219 loss) has been accounted for under equity in the current period. The income of the ineffective portion amounting to TL 1,019 is associated with the statement of profit or loss (June 30, 2024 – TL 336 income).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)**

**5. Information on derivative financial instruments (Continued)**

**5.2. Cash flow hedge accounting (Continued)**

**a) Floating Rate Loans (Continued)**

On the other hand; as of the balance sheet date, swaps with a nominal amount of TL 2,770 Million (December 31, 2024 – TL 3,640 Million) regarding the floating rate TL loans extended by the Bank are subject to hedge accounting as hedging instruments. As a result of the aforementioned hedge accounting, the fair value loss before tax amounting to TL 54,954 (June 30, 2024 – TL 41,980 loss) has been accounted for under equity in the current period. There is no ineffective portion in the related hedge accounting transaction. (June 30, 2024 – TL 203 expense)

**b) Deposit**

The Parent Bank applies cash flow hedge accounting using interest rate swaps in order to hedge itself from the interest rate changes of deposits that have an average maturity of 3 months, the Bank implements cash flow hedge accounting with interest rate swaps. The Parent Bank implements efficiency tests at the balance sheet dates for hedging purposes; the effective portions are accounted for under equity “Hedging Funds”, whereas the ineffective portions are accounted for at statement of profit or loss and other comprehensive income as defined in TAS 39. As at the balance sheet date, swaps amounting to TL 14,431,000 are subject to hedge accounting as hedging instruments (December 31, 2024 – TL 8,575,000). As a result of the mentioned hedge accounting, fair value loss before taxes amounting to TL 113,033 are accounted for under equity during the current period (June 30, 2024 – TL 183,768 income). An income of TL 1,559 arising from the ineffective portion of the related hedge accounting transaction has been recorded in the income statement. (June 30, 2024 – None)

As of the balance sheet date, swaps with a notional amount of USD 1,766 million (31 December 2024 – USD 1,884 million) have been designated as hedging instruments for USD deposits, and swaps with a notional amount of EUR 411 million (31 December 2024 – EUR 216 million) have been designated as hedging instruments for EUR deposits within the scope of hedge accounting.

As a result of the hedge accounting applied, a pre-tax fair value loss amounting to TL 780,090 (30 June 2024 – TL 740,866 income) was recognized under equity in the current period. The ineffective portion of the hedge, amounting to TL 33,418, was recognized as loss in the statement of profit or loss (30 June 2024 – TL 27,435 income).

**c) Floating Rate Liabilities**

The Parent Bank applies cash flow hedge accounting through interest rate swaps in order to protect its subordinated loans with variable interest payments from changes in interest rates. The Bank conducts effectiveness tests for hedge accounting on every balance sheet date, the active segments are accounted in the “Hedge Funds” account item in the financial statements as defined in TAS 39, and the amount related to the inactive part is associated with the statement of profit or loss and other comprehensive income. As of the balance sheet date, the nominal amount of USD 85 Million (December 31, 2024 – USD 186 Million) was subject to hedge accounting as hedging instrument. As a result of the mentioned hedge accounting, the fair value loss amounting to TL 53,850 (June 30, 2024 – TL 9,595 income) before tax was recognized under equity. The income amounting to TL 2,647 (June 30, 2024 – TL 2,521 income) related to the ineffective portion of the relevant transaction is associated with the statement of profit or loss.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)**

**5. Information on derivative financial instruments (Continued)**

**5.2 Floating Rate Liabilities (Continued)**

On the other hand; accounting application is terminated when cash flow hedge accounting is not effectively maintained as defined in TAS 39. According to that the effective amounts classified under equity due to hedge accounting are reclassified into profit or loss as the reclassification adjustments during periods or periods when the estimated cash flows subject to hedging in case of deterioration of the event affect profit or loss (such as the periods when interest income or expense is accounted for). Due to hedge accounting practices terminated in the current year, a loss amounting to TL 53,876 (June 30, 2024 – TL 50,405 loss) was transferred from the “Income/losses from derivative transactions” to the statement of profit or loss and other comprehensive income.

In this context, in the current period, the Bank has transferred loss of TL 54,045 (June 30, 2024 – TL 3,949 loss) from equity to the profit or loss statement related to terminated hedge accounting practices.

Subsidiary QNB Finansal Kiralama A.Ş. applies cash flow hedge accounting by means of interest and currency swaps in order to protect itself from the changes in interest rates regarding the floating rate foreign currency loans and floating rate securities. The Company applies effectiveness tests for hedge accounting at each balance sheet date, the effective parts are accounted for in the “Hedging Funds” account item under equity in the financial statements as defined in TAS 39, and the amount related to the ineffective part is associated with the profit or loss statement. As of the balance sheet date, swaps amounting to TL 7,372,044 are subject to hedge accounting. As a result of the aforementioned hedge accounting, in the current period, net market valuation difference income before tax amounting to TL 5,526 has been accounted for under “Hedging Funds” account item in the consolidated financial statements (June 30, 2024 – TL 21,393 income).

In the measurements made As of June 30, 2025, it has been determined that the above-mentioned cash flow hedging transactions are effective.

**6. Credit derivatives and risk exposures on credit derivatives**

As of June 30, 2025, the Bank has no commitments “Credit Linked Notes” (As of December 31, 2024 – None).

In the 'Derivative Financial Instruments' section under 'Other' items, the Parent Bank does not have 'Credit Default Swaps' as of June 30, 2025 (December 31, 2024 - None).

**7. Information on contingent liabilities and assets**

The Group has recorded a provision of TL 115,378 (December 31, 2024 – TL 100,869) for the lawsuits filed against the Bank with a high probability of occurrence, in accordance with Principle of Prudence. Except for the claims where provisions are recorded, management considers as remote the probability of a negative result in ongoing litigations and therefore does not foresee cash outflow for such claims.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**III. Explanations and Disclosures Related to Consolidated Off-Balance Sheet Items (Continued)**

**8. Information on the services in the name and account of third parties**

The Parent Bank acts as an investment agent for banking transactions on behalf of its customers and provides custody services. Such transactions are followed under off-balance sheet accounts.

**IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income**

**1. a) Information on interest income on loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term Loans	90,166,510	6,216,256	54,488,348	3,475,193
Medium and Long-Term Loans	36,962,279	6,156,393	27,949,004	5,608,153
Non-Performing Loans	1,966,847	-	638,454	-
Resource Utilization Support Fund Premiums	-	-	-	-
<b>Total<sup>(*)</sup></b>	<b>129,095,636</b>	<b>12,372,649</b>	<b>83,075,806</b>	<b>9,083,346</b>

<sup>(\*)</sup> Includes fees and commissions income from cash loans.

**b) Information on interest income from banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Türkiye	5,230,434	-	311,034	-
Domestic Banks	1,160,840	7,531	750,515	387
Foreign Banks	1,328	406,600	17,531	360,825
Foreign Headquarters and Branches	-	-	-	-
<b>Total</b>	<b>6,392,602</b>	<b>414,131</b>	<b>1,079,080</b>	<b>361,212</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)**

**c) Information on interest income on securities portfolio**

	Current Period	
	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss	1,294,949	77,386
Financial Assets Measured at Fair Value through Other Comprehensive Income	22,066,788	966,318
Financial Assets Measured at Amortized Cost	11,432,807	1,113,748
<b>Total</b>	<b>34,794,544</b>	<b>2,157,452</b>
	Prior Period	
	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss	495,201	35,643
Financial Assets Measured at Fair Value through Other Comprehensive Income	13,208,744	877,928
Financial Assets Measured at Amortized Cost	11,623,538	911,339
<b>Total</b>	<b>25,327,483</b>	<b>1,824,910</b>

As stated in Section Three disclosure VII. 2, the Parent Bank has inflation indexed (CPI) government bonds in its financial assets measured at fair value through other comprehensive income and financial assets measured at amortized cost portfolios. As disclosed in 'Inflation Indexed Bonds Manual' published by Turkish Treasury, reference index used for the actual payments is determined based on the inflation rates of two months before. In parallel with this, the Parent Bank determines the estimated inflation rate used in the valuation of the related securities. The estimated inflation rate used is updated during the year when deemed necessary. As of June 30, 2025, an annual rate of 28% has been taken into account for the estimated inflation rate used in the valuation of these securities. If the valuation of these CPI-indexed securities were made according to the reference index valid for June 30, 2025, the Parent Bank's securities valuation differences under shareholders' equity would have decreased by TL 382,667 after tax, and the net profit for the period would have increased by TL 1,830,962 to TL 23,758,269.

**d) Information on interest income received from associates and subsidiaries**

None (June 30, 2024 – None).

**2. a) Information on interest expense on borrowings (\*)**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>	<b>2,452,903</b>	<b>8,315,442</b>	<b>2,193,010</b>	<b>6,337,260</b>
Central Bank of Türkiye	-	-	-	-
Domestic Banks	1,337,143	516,338	1,592,138	245,671
Foreign Banks	1,115,760	7,799,104	600,872	6,091,589
Foreign Headquarters and Branches	-	-	-	-
<b>Other Institutions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,452,903</b>	<b>8,315,442</b>	<b>2,193,010</b>	<b>6,337,260</b>

(\*) Includes fees and commissions expenses related to the cash loans,

**b) Information on interest expense paid to associates and subsidiaries**

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	168,261	40,108

QNB BANK ANONİM ŞİRKETİ

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025

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EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

c) Information on interest expense paid to securities issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on securities issued	3,103,151	3,487,358	1,348,676	2,672,598

d) Information on maturity structure of interest expenses on deposits

Current Period								
Time Deposits								
Account Name	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year	Accumulated Deposit Account	Total
<b>Turkish Lira</b>								
Bank Deposits	-	2,199,705	298,543	-	-	-	-	2,498,248
Saving Deposits	-	18,928,045	55,532,722	8,388,747	1,757,075	1,455,801	-	86,062,390
Public Sector Deposits	-	4,516	53,363	-	-	-	-	57,879
Commercial Deposits	-	14,823,550	14,034,750	1,644,293	530,501	366,386	-	31,399,480
Other Deposits	-	196,590	1,649,344	191,239	30,161	22	-	2,067,356
7 Days Call Accounts	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>36,152,406</b>	<b>71,568,722</b>	<b>10,224,279</b>	<b>2,317,737</b>	<b>1,822,209</b>	<b>-</b>	<b>122,085,353</b>
<b>Foreign Currency</b>								
Deposits	166	57,691	70,715	3,092	137	1,051	-	132,686
Bank Deposits	-	460,513	418,588	42,858	56,605	-	-	978,730
7 Days Call Accounts	-	118	-	-	-	-	-	118
<b>Precious Metal Deposits</b>	<b>166</b>	<b>518,322</b>	<b>489,303</b>	<b>45,950</b>	<b>56,742</b>	<b>1,051</b>	<b>-</b>	<b>1,111,534</b>
<b>Total</b>	<b>166</b>	<b>36,670,728</b>	<b>72,058,025</b>	<b>10,270,229</b>	<b>2,374,479</b>	<b>1,823,260</b>	<b>-</b>	<b>123,196,887</b>
Prior Period								
Time Deposits								
Account Name	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year	Accumulated Deposit Account	Total
<b>Turkish Lira</b>								
Bank Deposits	-	132,826	275,372	10,104	-	-	-	418,302
Saving Deposits	-	11,576,469	16,527,536	16,209,203	11,042,579	1,234,390	-	56,590,177
Public Sector Deposits	-	4,985	15,694	-	-	-	-	20,679
Commercial Deposits	-	8,347,725	4,814,362	4,219,667	2,951,404	1,331,889	-	21,665,047
Other Deposits	-	111,559	316,339	350,781	57,388	1,783	-	837,850
7 Days Call Accounts	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>20,173,564</b>	<b>21,949,303</b>	<b>20,789,755</b>	<b>14,051,371</b>	<b>2,568,062</b>	<b>-</b>	<b>79,532,055</b>
<b>Foreign Currency</b>								
Deposits	25	39,826	259,583	23,506	3,799	10,070	-	336,784
Bank Deposits	-	257,835	350,835	311,066	55,666	-	-	975,427
7 Days Call Accounts	-	1,082	-	-	-	-	-	1,082
<b>Precious Metal Deposits</b>	<b>25</b>	<b>298,743</b>	<b>610,418</b>	<b>334,572</b>	<b>59,465</b>	<b>10,070</b>	<b>-</b>	<b>1,313,293</b>
<b>Total</b>	<b>25</b>	<b>20,472,307</b>	<b>22,559,721</b>	<b>21,124,327</b>	<b>14,110,836</b>	<b>2,578,132</b>	<b>-</b>	<b>80,845,348</b>

e) Information on interest expenses on repurchase agreements

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expenses on Repurchase Agreements	22,015,409	1,260,659	3,104,485	1,314,824

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)**

**f) Information on lease expenses**

	<b>Current Period</b>	<b>Prior Period</b>
Leasing Expenses	306,580	144,324

**g) Information on interest expenses on factoring liabilities**

None (June 30, 2024 – None)

**3. Information on dividend income**

	<b>Current Period</b>	<b>Prior Period</b>
Financial Assets at Fair Value Through Profit or Loss	18,505	19,037
Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Other	2,141	-
<b>Total</b>	<b>20,646</b>	<b>19,037</b>

**4. Information on trading income/loss**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Trading Income</b>	<b>86,220,373</b>	<b>44,630,456</b>
Income on Capital Market Transactions	4,132,256	1,410,613
From Derivative Transactions	47,357,488	25,368,209
Foreign Exchange Income	34,730,629	17,851,634
<b>Trading Loss (-)</b>	<b>98,040,742</b>	<b>60,191,805</b>
Losses on Capital Market Transactions	1,112,879	380,154
From Derivative Transactions	55,855,952	50,031,559
Foreign Exchange Losses	41,071,911	9,780,092
<b>Net Trading Income/(Loss)</b>	<b>(11,820,369)</b>	<b>(15,561,349)</b>

**5. Information on other operating income**

The Group recorded the current year collections from loans written off in the previous periods, portfolio management fees and expense accruals cancelations in “Other Operating Income” account.

**6. Provision for losses and other provision expenses**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Expected Credit Losses</b>	<b>16,737,632</b>	<b>6,311,745</b>
12 Month Expected Credit Loss (Stage 1)	648,750	247,132
Significant Increase in Credit Risk (Stage 2)	1,645,444	1,263,630
Lifetime ECL Impaired Credits (Stage 3)	14,443,438	4,800,983
<b>Marketable Securities Impairment Provision</b>	<b>6,054</b>	<b>9,664</b>
Financial Assets Measured at Fair Value Through Profit/Loss	-	-
Financial Assets Measured at Other Comprehensive Income	6,054	9,664
<b>Provisions for Impairment of Associates, Subsidiaries and Joint Ventures</b>	<b>-</b>	<b>-</b>
Investment in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
<b>Other<sup>(*)</sup></b>	<b>1,767,439</b>	<b>(2,331,125)</b>
<b>Total</b>	<b>18,511,125</b>	<b>3,990,284</b>

<sup>(\*)</sup> Includes a free provision expense amounting to TL 1,300,000 was provided in the current period (June 30, 2024: TL 2,100,000 free provision reversal income).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)**

**7. Information on other operating expenses**

	<b>Current Period</b>	<b>Prior Period</b>
Severance Pay Provision Expense <sup>(*)</sup>	336,090	239,707
Tangible Fixed Asset Depreciation Expenses	1,257,937	788,150
Intangible Asset Depreciation Expenses	912,062	371,548
Other Operating Expenses	6,742,568	4,432,348
TFRS 16 Leasing expenses	16,254	6,621
Maintenance expenses	1,312,673	719,725
Advertisement expenses	477,595	381,974
Other expenses	4,936,046	3,324,028
Loss on sales of assets	9,150	133
Other <sup>(**)</sup>	5,265,555	2,833,067
<b>Total</b>	<b>14,523,362</b>	<b>8,664,953</b>

<sup>(\*)</sup> Reserve for employee termination benefits” is included in the “Personnel Expenses” account item in the financial statement.

<sup>(\*\*)</sup> An amount of TL 1,365,000 consists of Savings Deposit Insurance Fund expense (TL 955,000 as of June 30, 2024), and TL 2,762,709 consists of tax, duties, fees, and fund expenses (TL 1,352,249 as of June 30, 2024).

**8. Explanation on profit/loss before tax from continuing and discontinued operations**

As of June 30, 2025, net interest income amounting to TL 49,618,736 (June 30, 2024 – TL 34,412,977), net fee and commission income amounting to TL 36,976,420 (June 30, 2024 – TL 23,027,143) and other operating revenues amounting to TL 1,318,615 (June 30, 2024 – TL 234,178) have important place among income items related to continuing operations.

**9. Explanation on tax provision for continuing and discontinued operations**

**9.1. Calculated current tax income or expense and deferred tax income or expense**

As of June 30, 2025, The Parent Bank has a current tax expense of TL 8,297,582 (June 30, 2024 – TL 5,954,349) from its continuing operations. The Group recorded deferred tax expense amounting to TL 556,390 (June 30, 2024 – TL 1,311,907) and deferred tax income amounting to 306,581 (June 30, 2024 – TL 3,822,126).

**9.2. Explanations on operating profit/loss after tax**

None (June 30, 2024 - None).

**10. Explanation on net profit/loss for the period from continued and discontinued operations**

The profit generated by the Group from continuing operations is TL 21,927,307 (June 30, 2024 – 17,458,574 TL).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**IV. Explanations and Disclosures Related to Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)**

**11. Explanations on net profit and loss for the period**

**11.1. If disclosure of the nature, amount and recurrence rate of income and expense items arising from ordinary banking transactions is necessary for an understanding of the Group's performance during the period, the nature and amount of these items**

None (June 30, 2024 - None).

**11.2. The effect of the change in the estimates made by the Group regarding the financial statement items on profit/loss**

None (June 30, 2024 - None).

**11.3. Profit or loss attributable to minority shares**

	<b>Current Period</b>	<b>Prior Period</b>
Profit/Loss Attributable to Minority Shares	5,155	2,345

**11.4. There is no change in the accounting estimates, which have a material effect on current period or expected to have a material effect on subsequent periods**

**12. Information on the components of other items in the statement of profit or loss and other comprehensive income exceeding 10% of the total, or items that comprise at least 20% of the statement of profit or loss and other comprehensive income**

Fees and commissions from credit cards, transfers and insurance intermediaries are recorded in the "Others" line under "Fees and Commissions Received" account, while fees and commissions given to credit cards are recorded in the "Others" line under "Fees and Commissions Paid" account by the Parent Bank.

**V. Explanations and Disclosures Related to Consolidated Statement of Changes in Shareholders' Equity**

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

**VI. Explanations and Disclosures Related to Consolidated Statement of Cash Flows**

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**VII. Explanations and Disclosures Related to the Parent Bank’s Risk Group**

**1. The volume of transactions relating to the Parent Bank’s risk group, outstanding loan and deposit transactions and profit and loss of the period**

**1.1** As of June 30, 2025, the Parent Bank’s risk group has deposits amounting to TL 6,611,430 (December 31, 2024 – TL 3,916,431), cash loans amounting to TL 10,704 (December 31, 2024 – TL 1,641) and non-cash loans amounting to TL 2,419,692 (December 31, 2024 – TL 2,406,619).

**Current Period**

Parent Bank’s Risk Group (*)	Associates and Subsidiaries (Partnerships)		Bank’s Direct and Indirect Shareholders		Other Legal and Natural Persons in Risk Group	
	Cash	Non- Cash	Cash	Non- Cash	Cash	Non- Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	-	1,139	-	2,270,807	1,641	134,673
Balance at the End of the Period	79	1,139	-	2,124,311	10,625	294,242
Interest and Commission Income	-	-	-	1,073	25,249	1,032

**Prior Period**

Parent Bank’s Risk Group (*)	Associates and Subsidiaries		Bank’s Direct and Indirect Shareholders		Other Legal and Natural Persons in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	-	194	-	2,316,570	5,469	88,689
Balance at the End of the Period	-	1,139	-	2,270,807	1,641	134,673
Interest and Commission Income (**)	-	-	-	1,079	31,152	68

(\*) As described in the Article 49 of Banking Law No 5411.

(\*\*) Prior period balances refer to the balances as of 30 June 2024.

**1.2. Information on deposits of the Parent Bank’s risk group**

Parent Bank’s Risk Group (*)	Associates and Subsidiaries		Bank’s Direct and Indirect Shareholders		Other Legal and Natural Persons in Risk Group		
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period	Period
<b>Deposits</b>							
Balance at the Beginning of the Period	786,675	251,658	-	-	3,129,756	8,822,133	
Balance at the End of the Period	1,006,766	786,675	-	-	5,604,664	3,129,756	
Interest Expense on Deposit (**)	168,261	40,108	-	-	595,464	442,221	

(\*) As described in the Article 49 of Banking Law No 5411.

(\*\*) Prior period balances refer to the balances as of 30 June 2024.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**VII. Explanations and Disclosures Related to the Parent Bank's Risk Group (Continued)**

**1. The volume of transactions relating to the Parent Bank's risk group, outstanding loan and deposit transactions and profit and loss of the period (Continued)**

**1.3. Information on forward and option agreements and similar agreements made with the Parent Bank's risk group**

None (June 30, 2024 - None).

**1.4. Information regarding benefits provided to the Top Management**

As of June 30, 2025, the total amount of remuneration and bonuses paid to key management of the Group is TL 738,461 (June 30, 2024 – TL 572,305).

**2. Disclosures of transactions with the Parent Bank's risk group**

**2.1. Relations with entities in the risk group of/or controlled by the Parent Bank regardless of the relationship among the parties**

Transactions with the risk group are made on an arms-length basis; terms are set according to the market conditions and in compliance with the Banking Law.

**2.2. In addition to the structure of the relationship, type of transaction, amount, and share in total transaction volume, amount of significant items, and share in all items, pricing policy and other matters**

As of June 30, 2025, the rate of cash loans of the risk group divided by to total loans is 0.0%; (December 31, 2024 – 0.0%); the deposits represented 0.7% (December 31, 2024 – 0.4%), the ratio of total derivative transactions with derivatives risk is 0.0% (December 31, 2024 – 0.0%).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**VII. Explanations and Disclosures Related to the Parent Bank’s Risk Group (Continued)**

**2. Disclosures of transactions with the Parent Bank’s risk group (Continued)**

**2.3 Explanations on purchase and sale of real estate and other assets, sales and purchases of services, agent contracts, financial lease agreements, transfer of data obtained from research and development, licensing agreements, financing (including loans and cash and in-kind capital support), guarantees and promissory notes, and management contracts**

The Parent Bank enters into finance lease agreements with QNB Finansal Kiralama A.Ş., one of the risk group companies it belongs to.

The Parent Bank provides agency services regarding insurance services to QNB Sağlık Hayat Sigorta ve Emeklilik A.Ş., one of the risk group companies it belongs to and provides agency services to QNB Yatırım Menkul Değerler A.Ş. for the purchase and sale of securities.

The Parent Bank has signed an agreement with Ibtech Uluslararası Bilişim ve İletişim Teknolojileri Araştırma, Geliştirme, Danışmanlık, Destek Sanayi ve Ticaret A.Ş. regarding research, development, advisory and improvement services.

Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş., in which the Parent Bank participated with 33.33% shareholding, provides cash transfer services to the Parent Bank.

Information in regard to subordinate loans the Parent Bank received from Parent’s Bank is explained in Section 5, Note II. 12.

**VIII. Notes and Disclosures on Events After The Reporting Period**

**1. Disclosure related to subsequent events and transactions that have not been finalized yet, and their impact on the financial statements**

Within the scope of the approvals of the Banking Regulation and Supervision Agency and the Capital Markets Board, it has been decided by the Parent Bank's Board of Directors to convene an Extraordinary General Assembly Meeting on August 19, 2025, to discuss and submit for the General Assembly’s approval the transfer of “Enpara.com” banking services, operating under the Parent Bank, to Enpara Bank A.Ş. through a partial spin-off in accordance with the relevant regulation, and the related balance sheet and income statements with the partial spin-off agreement signed on April 24, 2025.

The bond issues made by the Parent Bank after the balance sheet date are as follows.

<b>Issuance Date</b>	<b>Currency</b>	<b>Nominal Amount (TL)</b>	<b>Days to Maturity</b>
02.07.2025	EUR	20,000,000	1830
03.07.2025	USD	30,000,000	367
07.07.2025	EUR	25,958,000	549
21.07.2025	GBP	16,950,000	375
07.07.2025	USD	9,250,000	375

# QNB BANK ANONİM ŞİRKETİ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2025

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

### EXPLANATIONS AND DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### IX. Other Explanations Related to the Parent Bank' Operations

##### 1. Information on the Parent Bank's rating by international rating institutions

MOODY's July 2024		FITCH September 2024	
Appearance	Positive	Long -Term Issuer Default Rating (FC)	BB- (Stable)
Long -Term Deposit Rating (FC)	Ba3	Short -Term Issuer Default Rating (FC)	B
Long -Term Deposit Rating (TL)	Ba2	Long-Term Issuer Default Rating (TL)	BB- (Stable)
Short-Term Deposit Rating (FC)	NP	Short-Term Issuer Default Rating (TL)	B
Short-Term Deposit Rating (TL)	NP	Long-Term National Appearance	AA(tur) (Stable)
Main Credit Evaluation	b2	Financial Capacity Rating	b+
Adjusted Main Credit Evaluation	ba2	Support	bb-
Long -Term Foreign Currency	Ba3	Long -Term priority unsecured debt	BB-
Subordinate	B1 (hyb)	Long -Term Subordinated Debt	B+

##### 2. Other disclosures

None.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**SECTION SIX**

**INTERIM REVIEW REPORT**

**I. Explanations on the Interim Review Report**

The consolidated financial statements for the period ended June 30, 2025 have been reviewed by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Ernst & Young Global Limited) and the review report dated July 29, 2025 has been presented before the accompanying consolidated financial statements.

**II. Explanations and Notes Prepared by Independent Auditor**

None (December 31, 2024 – None).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**SECTION SEVEN**

**CONSOLIDATED INTERIM ACTIVITY REPORT**

**I. Interim Consolidated Activity Report that Includes the Assessment of the Chairman of the Board of Directors and General Manager of Operations**

**Message by the Chairman**

Dear Shareholders,

We concluded the second quarter of 2025 amid deepening global uncertainties, heightened geopolitical tensions and rising ambiguity surrounding the future course of monetary policy. The defining developments of this quarter clearly highlighted the growing complexity and ambiguity surrounding financial decision-making.

The rise in trade tariffs of the United States has not only constrained global trade volumes, but has also reshaped capital flows and business dynamics. The lack of clarity in bilateral trade negotiations continues to weigh on global growth performance, while the Federal Reserve's decision to halt its rate-cutting cycle has reinforced the need for cautious financial planning.

Regional geopolitical events also played a significant role in influencing market sentiment. The war between Israel and Iran led to volatility in both energy prices and financial markets, though these fluctuations have partially eased following the ceasefire agreement. These developments serve as a stark reminder that geopolitical risks must now be regarded not as transient shocks, but as strategic considerations with long-term implications. Domestically, the Central Bank of Türkiye maintained its commitment to price oriented monetary policy.

Monetary tightening measures were introduced in March and April in response to financial market volatility, and the CBRT started to gradually ease liquidity conditions by June with stabilizing FX demand and a more favorable inflation outlook. During this period, targeted policy actions aimed at mitigating the adverse effects of tight financial conditions on economic activity have become increasingly important. As inflation continues to moderate, the CBRT resumed its rate cutting cycle with a 300-basis-point reduction in July, and we expect this gradual easing is to continue throughout the second half of the year.

From a macroeconomic perspective, GDP grew by 2% year-over-year and 1% quarter-over-quarter in the first quarter. While we remain cautiously optimistic about the upcoming quarters, we anticipate that the downward trend in interest rates and inflation will support the growth outlook in the upcoming quarters.

At QNB Türkiye, we completed the second quarter of 2025 with robust and well-balanced performance in line with our strategic roadmap. As of 30 June 2025, the Group's total assets reached TL 1,854 billion, with a growth of 19% compared to 2024 year-end. In the same period, net loans grew by 22% to TL 1,110 billion, and customer deposits rose by 17% to TL 959.7 billion. In the first half of 2025, the Group's net profit for the period amounted to TL 21.9 billion.

Our strong performance this quarter goes beyond financial metrics. It reflects our long-term vision, robust capital structure, high asset quality, and sustainability-focused business model. Our commitment to transparency in corporate governance, efficiency in resource allocation, and discipline in risk management has further strengthened both our reputation and market standing.

This performance is the result of our unwavering strategic focus, financial discipline, and the unified efforts of our teams across the organization. As we move forward, we will continue to monitor global risks closely, act on opportunities with agility, and create long-term value for all our stakeholders.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**CONSOLIDATED INTERIM ACTIVITY REPORT (Continued)**

**I. Interim Consolidated Activity Report that Includes the Assessment of the Chairman of the Board of Directors and General Manager of Operations (Continued)**

**Message by the General Manager**

Dear Shareholders,

In the second quarter of 2025, political and economic developments continued to directly influence global financial markets, prompting a shift in macroeconomic expectations worldwide. As the United States implemented new trade tariffs linked to its trade deficit, prolonged negotiations with main trade partners have introduced heightened uncertainty to the global trade order. Anticipated increases in tariffs have limited the monetary policy maneuvering room for central banks and have exerted downward pressure on global growth and inflation outlooks. Meanwhile, escalating tensions and conflict in the Middle East have elevated global risk perceptions, although ongoing efforts toward a permanent ceasefire continue to act as a stabilizing factor.

In the face of global uncertainty and rising risks, Türkiye's Central Bank has taken proactive measures. Its monetary tightening policies and macroprudential steps have helped sustain the disinflation trend. Interventions aimed at foreign exchange markets and liquidity conditions contributed to exchange rate stability. As of July, in parallel with the downward trend in inflation, the Central Bank resumed a gradual monetary easing cycle.

Despite challenging global dynamics, we at QNB Türkiye maintained our growth trajectory and continued to support Türkiye's economy. As of 30 June 2025, the Group's total assets increased by 19% compared to 2024 year-end, reaching TL 1,854 billion. Net loans rose by 22% to TL 1,176 billion, while customer deposits grew by 17% to TL 959.7 billion. In the first half of 2025, the Group's net profit for the period amounted to TL 21.9 billion.

Throughout the quarter, we remained focused on simplifying, accelerating, and expanding access to banking services through our digital solutions—designed not only to meet market needs but to transform the customer experience. In consumer finance, we launched the "QNB Shopping Loan," a digital solution enabling instant credit at the point of purchase. This product has streamlined transaction times while significantly improving customer satisfaction.

To strengthen long-term relationships, we introduced the "QNB Winners Club," a loyalty program offering personalized rewards based on customers' digital banking behaviors and product usage patterns.

We also launched the "QNB Global Trade" platform, aimed at empowering exporters with better access to digital trade tools. In this context, we support the expansion of micro-export activities by offering targeted incentives. Furthermore, through our "Digital Bridge" platform, we now provide unlimited and lifetime-free e-invoicing to SMEs that are part of the QNB Winners Club—delivering a sustainable support model that boosts operational efficiency and facilitates compliance with new regulations.

In sustainable finance, we achieved another key milestone by successfully renewing our syndicated loan at 150% rollover, totaling USD 600 million. With participation from 46 banks across 20 countries, this transaction will support our environmentally and socially responsible loan portfolio. It also reaffirmed both our strong positioning in international markets and the continued trust of global investors in QNB Türkiye.

Beyond banking operations, we continued to fulfill our social responsibility through impactful projects and partnerships. Our "Scratch Cup" initiative, implemented in collaboration with the Habitat Association, reached a record-breaking 1,192 teams from 52 cities this year. The third edition of the "Nature Pioneers National Conference," jointly organized with Türkiye's Ministry of National Education and WWF-Türkiye, provided a platform for students to turn their ideas on environmental sustainability into tangible projects.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**CONSOLIDATED INTERIM ACTIVITY REPORT (Continued)**

**I. Interim Consolidated Activity Report that Includes the Assessment of the Chairman of the Board of Directors and General Manager of Operations (Continued)**

**Message by the General Manager (Continued)**

To further strengthen our institutional resilience, we are continuing our investments in our new headquarters office in Ankara. As part of our Integrated Disaster Management program, this new facility backs up critical Istanbul-based operations, ensuring service continuity under all circumstances.

Meanwhile, our brand transformation journey also progressed in Q2. Our new commercial, centered around the Miles&Smiles QNB Credit Card, not only reinforced the emotional bond with our customers but also showcased our global vision and service philosophy.

At QNB Türkiye, we develop tailored solutions for every customer segment and approach digitalization not just as a technology investment but as a means of transforming relationships. We remain committed to contributing to Türkiye's economic strength, supporting sustainable development, and delivering value that goes beyond financial services.

I would like to extend my sincere thanks to our employees, partners, customers, and investors who have contributed to all our achievements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

**CONSOLIDATED INTERIM ACTIVITY REPORT (Continued)**

**I. Interim Consolidated Activity Report that Includes the Assessment of the Chairman of the Board of Directors and General Manager of Operations (Continued)**

**Summary Financial Belonging to the Period of June 30, 2025**

<b>Principal Financial Indicators (Million TL)</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Net Loans	1,110,176	911,200
Securities	330,960	287,122
Total Assets	1,854,046	1,555,093
Customer Deposits	959,078	820,865
Equity	139,312	119,031
	<b>June 30, 2025</b>	<b>June 30, 2024</b>
Net interest income	49,619	34,413
Net fees and commission income	36,976	23,027
Expected and Other Provisions	18,511	3,990
<b>Profit before tax</b>	<b>30,475</b>	<b>20,903</b>
Tax Provision	8,547	3,444
<b>Net profit for the period</b>	<b>21,927</b>	<b>17,459</b>
Net interest income	<b>21,922</b>	<b>17,456</b>

As of June 30, 2025, compared to 2024 year-end assets of the Group increased by 19% and realized TL 1 trillion 854 billion and 46 million. In the same period, net loans increased by 22% to TL 1 trillion 110 billion 176 million and customer deposits by 17% to TL 959 billion 78 million.

In the first six months of 2025, the Group's net interest income has reached TL 49 billion 619 million, while its net fee and commission income has been TL 36 billion 976 million. The Group's profit before tax was TL 30 billion 475 million and its net profit for the period was TL 21 billion 922 million.

Total shareholders' equity increased by 17% compared with the end of the year and reached to TL 139 billion 312 million. The capital adequacy ratio of the Group has been realized as 15.03% as of June 30, 2025.

As of June 30, 2025 the Group has 14,518 personnel and 426 branches.

**Information Regarding the Financial Status, Profitability and Solvency of the Group**

**Assets**

The Group which is continuing its customer-oriented activities in 2025, sustained to grow especially in corporate and commercial loans. As of June 30, 2025, net loans increased by 22% and reached TL 1 trillion 110 billion 176 million while total consolidated assets increased by 19% and reached TL 1 trillion 854 billion and 46 million compared to the end of the prior year.

**Liabilities**

As of June 30, 2025, the Group's total customer deposits increased by 17% compared to the end of 2024 and reached TL 959 billion 78 million, while its shareholders' equity increased by 17% compared to the end of 2024 and reached TL 139 billion 312 million.

**Profitability**

In the second quarter of 2025, the Group's net interest income reached TL 49 billion 619 million, while its net fee and commission income was TL 36 billion 976 million. Net profit for the period was TL 21 billion 922 million.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED JUNE 30, 2025**

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

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**CONSOLIDATED INTERIM ACTIVITY REPORT (Continued)**

**I. Interim Consolidated Activity Report that Includes the Assessment of the Chairman of the Board of Directors and General Manager of Operations (Continued)**

**Solvency**

Due to its strong capital structure and high shareholders' equity profitability, the Parent Bank has a sound financial structure, Parent Bank has been utilizing of its capital efficiently for its banking activities and it maintains its profitability of shareholders' equity. When taking into consideration of its funding structure; Parent Bank is funding its credit facilities both by its large basis of deposits as well as by utilization of long-term external sources, Parent Bank has a quite great cost advantage due to benefiting from such various funding resources and at the same time it is minimizing the risks probable to occur due to differences in the maturity dates. As having a significant place in the Turkish financial markets; QNB Bank with its strong financial structure also proves its credibility by the high ratings it received from the independent rating firms.

**General Grants realized during the Period**

General grants realized as of June 30, 2025 was TL 4,551.

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