

QNB BANK ANONİM ŐİRKETİ

UNCONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES AS OF DECEMBER 31, 2025 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**(Convenience Translation of Publicly Announced Unconsolidated
Financial Statements and Independent Auditor's Report Originally
Issued in Turkish)**



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(Convenience Translation of the Auditor’s Audit Report Originally Issued in Turkish)

INDEPENDENT AUDITOR’S REPORT

To the General Assembly of QNB Bank A.Ş.

Independent Audit of Unconsolidated Financial Statements

Qualified Opinion

We have audited the unconsolidated statement of financial position of QNB Bank A.Ş. (“the Bank”) at December 31, 2025 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders’ equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements.

In our opinion, except for the effects of the matter on the unconsolidated financial statements described in the “Basis of Qualified Opinion” paragraph, the accompanying unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of the Bank as at December 31, 2025 and unconsolidated financial performance and unconsolidated its cash flows for the year then ended 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 Financial Reporting Standards (“TFRS”) for those matters not regulated by the aforementioned regulations.

Basis of Qualified Opinion

As stated in section 5, Part II 8.4 and Part IV 6 of Explanations and Footnotes Related to the Unconsolidated Financial Statements, the accompanying unconsolidated financial statements as of December 31, 2025 include a free provision at an amount of thousand TL 4.000.000, of which thousand TL 4.700.000 was provided in prior years, thousand TL 1.800.000 was provided in the current year and as stated in section 3 Part XXVI, thousand TL 2.500.000 was transferred to Enpara Bank A.Ş. in the current year within the scope of the spin-off accounting by the Bank 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 express a qualified opinion due to the effects of this matter on the unconsolidated financial statements prepared as of December 31, 2025.

Our audit was conducted in accordance with “Regulation on independent audit of the Banks” published in the Official Gazette no.29314 dated April 2, 2015, by BRSA (BRSA Independent Audit Regulation) and Independent Auditing Standards (“ISA”) which are the part of Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with of Code of Ethics for Independent Auditors (Code of Ethics) published by POA and have fulfilled our other responsibilities in accordance with the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the unconsolidated financial statements of the current period. Key audit matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the Key Audit Matter is addressed in our audit
<p><i>Financial impact of TFRS 9 “Financial Instruments” standard and recognition of measurement and impairment on financial assets and related important disclosures</i></p>	
<p>As presented in Section III Part VIII, the Bank recognizes expected credit losses of financial assets in accordance with TFRS 9 Financial Instruments standard. We considered impairment of financial assets as a key audit matter since:</p> <ul style="list-style-type: none"> - Amount of on and off-balance sheet items that are subject to expected credit loss calculation is material to the financial statements - There are complex and comprehensive requirements of TFRS 9 - The classification of the financial assets is based on the Bank’s business model and characteristics of the contractual cash flows in accordance with TFRS 9 and the Bank uses significant judgment on the assessment of the business model and identification of the complex contractual cash flow characteristics of financial instruments - Policies implemented by the Bank management include compliance risk to the regulations and other practices - Processes of TFRS 9 are advanced and complex - Judgements and estimates used in expected credit loss, complex and comprehensive - Disclosure requirements of TFRS 9 are comprehensive and complex. 	<p>Our audit procedures included among others include:</p> <ul style="list-style-type: none"> - Evaluating the appropriateness of accounting policies as to the requirements of TFRS 9, Bank’s past experience, local and global practices, - Reviewing and testing of processes which are used to calculate expected credit losses by involving our Information technology and process audit specialists, - Evaluation of the reasonableness and appropriateness of key judgments and estimates determined by management and the methods, judgments and data sources used in calculating expected loss, taking into account standard requirements, industry and global practices, - Reviewing the appropriateness of criteria in order to identify the financial assets having solely payments of principal and interest and checking the compliance to the Bank’s Business model, - Evaluating the alignment of the significant increase in credit risk determined during the calculation of expected credit losses, default definition, restructuring definition, probability of default, loss given default, exposure at default and macro-economic variables that are determined by the financial risk management experts with the Bank’s past performance, regulations, and other processes that has forward looking estimations, - Assessing the completeness and the accuracy of the data used for expected credit loss calculation, - Testing the mathematical accuracy of expected credit loss calculation on sample basis, - Evaluating the necessity and accuracy of the updates made or required updates after the modeling process, - Auditing of TFRS 9 disclosures.



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Responsibilities of Management and Directors for the Unconsolidated Financial Statements

Bank management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the BRSA Accounting and Reporting Legislation and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

In an independent audit, the responsibilities of us as independent auditors are:

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Independent Audit Regulation and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with BRSA Independent Audit Regulation and ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with government with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The unconsolidated financial statements of the Bank as at December 31, 2024, which were prepared in accordance with "BRSA Accounting Financial Reporting Legislation" were audited by another independent audit firm. 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 was provided in prior years and thousand TL 2.100.000 was 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 in their report issued on January 30, 2025.

Report on Other Legal and Regulatory Requirements

- 1) In accordance with Article 402 paragraph 4 of the Turkish Commercial Code ("TCC") no 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities and financial statements for the period January 1 – December 31, 2025, are not in compliance with the TCC and provisions of the Bank's articles of association in relation to financial reporting.
- 2) In accordance with Article 402 paragraph 4 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The engagement partner who supervised and concluded this independent auditor's report is Emre Çelik.

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

Emre Çelik, SMMM
Partner

February 4, 2026
Istanbul, Türkiye

**THE UNCONSOLIDATED FINANCIAL REPORT OF QNB BANK A.Ş.
FOR THE YEAR ENDED DECEMBER 31, 2025**

The Bank's;
Address of the head office : Esentepe Mahallesi Büyükdere Caddesi Kristal Kule Binası No:215 Şişli - İSTANBUL
Phone number : (0 212) 318 50 00
Facsimile number : (0 212) 318 56 48
Web page : <http://www.qnb.com.tr>
E-mail address : investor.relations@qnb.com.tr

The unconsolidated financial report for the year ended December 31, 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 BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES OF THE BANK
- INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK
- FOOTNOTES AND EXPLANATIONS ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- INDEPENDENT AUDITOR'S REPORT

The audited accompanying unconsolidated financial statements and related disclosures and footnotes for the year ended December 31, 2025, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidances, and in compliance with the financial records of our Bank. Unless otherwise stated, the accompanying unconsolidated 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 report 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 UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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

SECTION ONE GENERAL INFORMATION

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

It was established in Istanbul on October 26, 1987 QNB Bank Anonim Şirketi ("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 Bank's Shareholding Structure, Shareholders who Individually or Jointly Have 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 Bank

A share sales agreement has been concluded between National Bank of Greece S.A. (NBG), principal shareholder of the 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 Bank, at the rate of 99.81% to QNB at a price of EUR 2,750 million as of December 21, 2015. 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 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 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 Bank has been completed on June 15, 2016.

The 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 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 General 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 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 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 QNB Bank A.Ş. are controlled by Qatar National Bank as of December 31, 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 UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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

GENERAL INFORMATION (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 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 and Audit Committee 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 Kurtoğlu	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
Cenk Akıncılar	Executive Vice President	January 21, 2019	Graduate
Burçin Dündar Tüzün	Executive Vice President	December 1, 2019	Masters
Zeynep Kulalalar	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 Kısas	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 Bank.

IV. Information About the Persons and Institutions That Have Qualified Shares

Name Surname/Trade Name	Amount of Shares	Percentage of Shares	Paid-up Shares	Unpaid Shares
Qatar National Bank Q.P.S.C. ("QNB")	5,493,256	%99.88	5,493,256	-
Other	6,744	%0.12	6,744	-

V. Explanations on The Bank's Services and Activities

The Bank's activities include trade finance and corporate banking, private and retail banking, SME banking, currency, money markets and securities operations and credit card operations. In addition, the Bank carries out insurance agency activities on behalf of insurance companies through its branches. As of December 31, 2025, the Bank operates through 416 domestic (December 31, 2024 – 425), 1 abroad (December 31, 2024 – 1) and 1 Atatürk Airport Free Trade Zone (December 31, 2024 – 1) branches. As of December 31, 2025, the Bank has 10,413 (December 31, 2024 – 11,949) employees.

VI. The Existing Current or Likely Actual or Legal Barriers to Immediate Transfer of Equity or Repayment of Debts Between the Bank and its Subsidiaries

None.

SECTION TWO

UNCONSOLIDATED FINANCIAL STATEMENTS

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- II. Statement of Off-Balance Sheet Commitments and Contingencies
- III. Statement of Profit or Loss
- IV. Statement of Profit or Loss and Other Comprehensive Income
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- VI. Statement of Cash Flows
- VII. Unconsolidated Statement of Profit Appropriation

QNB BANK ANONİM ŞİRKETİ

**UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

I. BALANCE SHEET – (STATEMENT OF FINANCIAL POSITION)

		Current Period 31.12.2025			Prior Period 31.12.2024		
		Section 5					
		Part I					
ASSETS		TL	FC	TOTAL	TL	FC	TOTAL
I.	FINANCIAL ASSETS (NET)	277,425,295	227,707,331	505,132,626	273,713,221	158,184,304	431,897,525
1.1	Cash and Cash Equivalents	113,530,089	175,911,558	289,441,647	143,664,945	124,877,417	268,542,362
1.1.1	Cash and Balances with The Central Bank	(1) 101,058,237	154,793,269	255,851,506	143,519,916	109,580,869	253,100,785
1.1.2	Banks	(3) 2,506,729	21,139,232	23,645,961	9,785	15,316,083	15,325,868
1.1.3	Money Market Placement	(4) 9,974,114	-	9,974,114	150,531	-	150,531
1.1.4	Expected Credit Losses (-)	8,991	20,943	29,934	15,287	19,535	34,822
1.2	Financial Assets at Fair Value Through Profit or Loss	(2) 5,841,562	5,190,511	11,032,073	9,746,310	2,454,695	12,201,005
1.2.1	Government Debt Securities	4,105,050	3,991,303	8,096,353	8,806,321	1,564,852	10,371,173
1.2.2	Equity Securities	410,811	-	410,811	408,321	-	408,321
1.2.3	Other Financial Assets	1,325,701	1,199,208	2,524,909	531,668	889,843	1,421,511
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(5) 149,713,932	33,773,097	183,487,029	116,058,981	24,151,851	140,210,832
1.3.1	Government Debt Securities	149,713,932	33,749,684	183,463,616	116,033,934	23,811,538	139,845,472
1.3.2	Equity Securities	-	23,413	23,413	-	17,104	17,104
1.3.3	Other Financial Assets	-	-	-	25,047	323,209	348,256
1.4	Derivative Financial Assets	(2,12) 8,339,712	12,832,165	21,171,877	4,242,985	6,700,341	10,943,326
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss	4,108,187	10,896,771	15,004,958	3,330,553	4,248,519	7,579,072
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income	4,231,525	1,935,394	6,166,919	912,432	2,451,822	3,364,254
II.	FINANCIAL ASSETS MEASURED AT AMORTIZED COST (Net)	799,270,849	419,772,944	1,219,043,793	690,876,123	308,678,460	999,554,583
2.1	Loans	(6) 752,984,792	385,261,934	1,138,246,726	632,318,353	278,680,341	910,998,694
2.2	Lease Receivables	(11) -	-	-	-	-	-
2.3	Factoring Receivables	-	-	-	-	-	-
2.4	Other Financial Assets Measured at Amortized Cost	(7) 94,741,490	42,857,173	137,598,663	92,712,302	36,471,527	129,183,829
2.4.1	Government Debt Securities	94,741,490	42,857,173	137,598,663	92,712,302	36,326,963	129,039,265
2.4.2	Other Financial Assets	-	-	-	-	144,564	144,564
2.5	Expected Credit Losses (-)	48,455,433	8,346,163	56,801,596	34,154,532	6,473,408	40,627,940
III.	ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(17) -	-	-	-	-	-
3.1	Held for Sale Purpose	-	-	-	-	-	-
3.2	Related to Discontinued Operations	-	-	-	-	-	-
IV.	EQUITY INVESTMENTS	29,567,043	-	29,567,043	19,587,542	-	19,587,542
4.1	Investments in Associates (Net)	(8) 53,722	-	53,722	53,737	-	53,737
4.1.1	Associates Valued Based on Equity Method	-	-	-	-	-	-
4.1.2	Unconsolidated Associates	53,722	-	53,722	53,737	-	53,737
4.2	Subsidiaries (Net)	(9) 29,510,521	-	29,510,521	19,531,005	-	19,531,005
4.2.1	Unconsolidated Financial Subsidiaries	29,004,475	-	29,004,475	19,024,959	-	19,024,959
4.2.2	Unconsolidated Non-Financial Subsidiaries	506,046	-	506,046	506,046	-	506,046
4.3	Joint Ventures (Net)	(10) 2,800	-	2,800	2,800	-	2,800
4.3.1	Joint Ventures Valued Based on Equity Method	-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures	2,800	-	2,800	2,800	-	2,800
V.	PROPERTY AND EQUIPMENT (Net)	(13) 25,980,327	545	25,980,872	21,280,694	609	21,281,303
VI.	INTANGIBLE ASSETS (Net)	(14) 6,258,048	-	6,258,048	4,407,812	-	4,407,812
6.1	Goodwill	-	-	-	-	-	-
6.2	Other	6,258,048	-	6,258,048	4,407,812	-	4,407,812
VII.	INVESTMENT PROPERTY (Net)	(15) -	-	-	-	-	-
VIII.	CURRENT TAX ASSET	(16) 463,819	-	463,819	-	-	-
IX.	DEFERRED TAX ASSET	(16) 302,403	-	302,403	5,365,515	-	5,365,515
X.	OTHER ASSETS (Net)	(18) 48,297,181	2,235,423	50,532,604	27,834,693	1,940,795	29,775,488
TOTAL ASSETS		1,187,564,965	649,716,243	1,837,281,208	1,043,065,600	468,804,168	1,511,869,768

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

QNB BANK ANONİM ŞİRKETİ

UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) FOR THE YEAR ENDED DECEMBER 31, 2025

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

I. BALANCE SHEET – (STATEMENT OF FINANCIAL POSITION)

		Current Period 31.12.2025			Prior Period 31.12.2024			
		Section 5 Part II	TL	FC	TOTAL	TL	FC	TOTAL
I.	DEPOSITS	(1)	631,381,561	371,125,101	1,002,506,662	605,589,925	274,633,404	880,223,329
II.	FUNDS BORROWED	(3)	1,037,404	237,950,631	238,988,035	639,909	155,679,038	156,318,947
III.	MONEY MARKETS BORROWINGS	(4)	49,833,626	42,120,432	91,954,058	100,995,673	48,467,653	149,463,326
IV.	SECURITIES ISSUED (Net)	(5)	21,411,929	121,789,577	143,201,506	2,736,294	64,445,776	67,182,070
4.1	Bills		21,411,929	-	21,411,929	2,736,294	18,425,962	21,162,256
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	121,789,577	121,789,577	-	46,019,814	46,019,814
V.	FUNDS		-	-	-	-	-	-
5.1	Borrowers' Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT or LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(2)	5,775,508	6,159,859	11,935,367	6,604,530	4,744,276	11,348,806
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		5,498,059	5,468,965	10,967,024	4,611,548	3,701,955	8,313,503
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		277,449	690,894	968,343	1,992,982	1,042,321	3,035,303
VIII.	FACTORING LIABILITIES		-	-	-	-	-	-
IX.	LEASE LIABILITIES (Net)	(7)	2,976,777	33,108	3,009,885	1,678,670	131	1,678,801
X.	PROVISIONS	(8)	11,583,386	278,041	11,861,427	10,633,204	136,995	10,770,199
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		4,947,505	46,032	4,993,537	3,753,455	38,387	3,791,842
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		6,635,881	232,009	6,867,890	6,879,749	98,608	6,978,357
XI.	CURRENT TAX LIABILITY	(9)	3,515,825	-	3,515,825	3,194,270	-	3,194,270
XII.	DEFERRED TAX LIABILITY		-	-	-	-	-	-
XIII.	LIABILITIES FOR ASSETS HELD FOR SALE AND ASSETS OF DISCONTINUED OPERATIONS (Net)	(10)	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS	(11)	-	35,537,984	35,537,984	-	32,298,839	32,298,839
14.1	Subordinated Loans		-	22,508,108	22,508,108	-	21,568,852	21,568,852
14.2	Other Debt Instruments		-	13,029,876	13,029,876	-	10,729,987	10,729,987
XV.	OTHER LIABILITIES		101,142,351	20,752,353	121,894,704	71,594,293	8,795,577	80,389,870
XVI.	SHAREHOLDERS' EQUITY		171,259,977	1,615,778	172,875,755	118,339,829	661,482	119,001,311
16.1	Paid-in Capital	(12)	5,500,000	-	5,500,000	3,350,000	-	3,350,000
16.2	Capital Reserves		714	-	714	714	-	714
16.2.1	Share Premium	(13)	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		12,796,009	-	12,796,009	10,598,225	-	10,598,225
16.4	Other Comprehensive Income/Expense Items Reclassified to Profit or Loss		(252,894)	1,615,778	1,362,884	(3,160,475)	661,482	(2,498,993)
16.5	Profit Reserves		105,401,365	-	105,401,365	71,377,024	-	71,377,024
16.5.1	Legal Reserves		771,684	-	771,684	771,684	-	771,684
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		104,629,681	-	104,629,681	70,605,340	-	70,605,340
16.5.4	Other Profit Reserves		-	-	-	-	-	-
16.6	Profit/Loss		47,814,783	-	47,814,783	36,174,341	-	36,174,341
16.6.1	Prior Periods' Profit/Loss		-	-	-	-	-	-
16.6.2	Current Period's Net Profit/Loss		47,814,783	-	47,814,783	36,174,341	-	36,174,341
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			999,918,344	837,362,864	1,837,281,208	922,006,597	589,863,171	1,511,869,768

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

QNB BANK ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES FOR THE YEAR ENDED DECEMBER 31, 2025

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

II. STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES

	Section 5 Part III	Current Period 31.12.2025			Prior Period 31.12.2024		
		TL	FC	TOTAL	TL	FC	TOTAL
A. OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I-II+III)		2,126,933,370	1,865,024,576	3,991,957,946	1,372,749,112	1,080,692,152	2,453,441,264
I. GUARANTEES	(1), (2), (3), (4)	115,472,864	110,187,743	225,660,607	68,928,481	73,407,316	142,335,797
1.1. Letters of guarantee		101,877,979	68,164,669	170,042,648	62,237,163	46,099,481	108,336,644
1.1.1. Guarantees subject to State Tender Law		1,769,017	494,295	2,263,312	1,188,060	360,738	1,548,798
1.1.2. Guarantees given for foreign trade operations		49,620,107	67,670,374	117,290,481	27,854,087	45,738,743	73,592,830
1.1.3. Other letters of guarantee		50,488,855	-	50,488,855	33,195,016	-	33,195,016
1.2. Bank loans		13,543,006	20,407,078	33,950,084	6,659,144	11,921,949	18,581,093
1.2.1. Import letter of acceptance		13,543,006	20,407,078	33,950,084	6,659,144	11,921,949	18,581,093
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		51,879	21,615,996	21,667,875	32,174	15,385,886	15,418,060
1.3.1. Documentary letters of credit		51,879	16,916,828	16,968,707	32,174	12,115,017	12,147,191
1.3.2. Other letters of credit		-	4,699,168	4,699,168	-	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		-	-	-	-	-	-
II. COMMITMENTS	(1)	1,547,822,200	54,923,292	1,602,745,492	1,014,118,120	54,165,765	1,068,283,885
2.1. Irrevocable commitments		1,438,221,028	54,923,292	1,493,144,320	905,586,551	49,048,177	954,634,728
2.1.1. Forward asset purchase and sales commitments		20,145,551	37,971,478	58,117,029	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		300,305,510	4,285	300,309,795	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		13,909,224	-	13,909,224	9,978,545	-	9,978,545
2.1.8. Tax and fund liabilities from export commitments		998,545	-	998,545	638,126	-	638,126
2.1.9. Commitments for credit card expenditure limits		1,088,199,029	-	1,088,199,029	701,154,935	-	701,154,935
2.1.10. Commitments for promotions related with credit cards and banking activities		251,784	-	251,784	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		14,411,385	16,947,529	31,358,914	7,415,594	6,776,346	14,191,940
2.2. Revocable commitments		109,601,172	-	109,601,172	108,531,569	5,117,588	113,649,157
2.2.1. Revocable loan granting commitments		109,601,172	-	109,601,172	108,531,569	5,117,588	113,649,157
2.2.2. Other revocable commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS	(5), (6)	463,638,306	1,699,913,541	2,163,551,847	289,702,511	953,119,071	1,242,821,582
3.1. Derivative financial instruments for hedging purposes		89,411,511	300,944,626	390,356,137	66,760,432	247,975,909	314,736,341
3.1.1. Fair value hedge		22,682,199	90,383,724	113,065,923	15,312,045	69,293,755	84,605,800
3.1.2. Cash flow hedge		66,729,312	210,560,902	277,290,214	51,448,387	178,682,154	230,130,541
3.1.3. Hedge of net investment in foreign operations		-	-	-	-	-	-
3.2. Held for trading transactions		374,226,795	1,398,968,915	1,773,195,710	222,942,079	705,143,162	928,085,241
3.2.1. Forward foreign currency buy/sell transactions		62,033,027	86,084,886	148,117,913	33,959,665	47,955,670	81,915,335
3.2.1.1. Forward foreign currency transactions-buy		847,949	69,044,492	69,892,441	4,654,510	33,839,247	38,493,757
3.2.1.2. Forward foreign currency transactions-sell		61,185,078	17,040,394	78,225,472	29,305,155	14,116,423	43,421,578
3.2.2. Swap transactions related to foreign currency and interest rates		260,189,370	1,203,883,169	1,464,072,539	168,251,470	601,062,765	769,314,235
3.2.2.1. Foreign currency swap-buy		12,930	469,876,362	469,889,292	77,930	187,558,832	187,636,762
3.2.2.2. Foreign currency swap-sell		59,443,440	411,142,023	470,585,463	38,405,742	156,217,217	194,622,959
3.2.2.3. Interest rate swaps-buy		100,366,500	161,432,392	261,798,892	64,883,899	128,643,358	193,527,257
3.2.2.4. Interest rate swaps-sell		100,366,500	161,432,392	261,798,892	64,883,899	128,643,358	193,527,257
3.2.3. Foreign currency, interest rate and securities options		51,847,207	108,847,772	160,694,979	20,388,544	55,846,295	76,234,839
3.2.3.1. Foreign currency options-buy		20,865,403	58,924,803	79,790,206	4,386,608	32,716,538	37,103,146
3.2.3.2. Foreign currency options-sell		30,981,804	49,922,969	80,904,773	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		157,191	153,088	310,279	342,400	278,432	620,832
3.2.4.1. Foreign currency futures-buy		-	153,088	153,088	278,663	53,802	332,465
3.2.4.2. Foreign currency futures-sell		157,191	-	157,191	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. CUSTODY AND PLEDGED ITEMS (IV+V+VI)		6,167,664,409	2,314,895,573	8,482,559,982	4,062,254,583	1,557,535,712	5,619,790,295
IV. ITEMS HELD IN CUSTODY		334,089,569	316,047,889	650,137,458	186,707,542	163,867,632	350,575,174
4.1. Customer Fund and Portfolio Assets		201,252,005	244,436,761	445,688,766	124,042,975	123,705,730	247,748,705
4.2. Investment securities held in custody		49,076,286	57,312,679	106,388,965	7,197,478	31,289,577	38,487,055
4.3. Checks received for collection		76,245,053	8,607,942	84,852,995	47,554,597	3,587,290	51,141,887
4.4. Commercial notes received for collection		7,516,225	2,325,776	9,842,001	7,912,492	2,649,524	10,562,016
4.5. Other assets received for collection		-	-	-	-	-	-
4.6. Assets received for public offering		-	-	-	-	-	-
4.7. Other items under custody		-	3,364,731	3,364,731	-	2,635,511	2,635,511
4.8. Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		3,256,459,913	1,056,067,329	4,312,527,242	2,199,855,869	730,804,542	2,930,660,411
5.1. Marketable securities		52,120,069	88,378,930	140,498,999	11,029,178	35,956,788	46,985,966
5.2. Guarantee notes		2,009,608	813,522	2,823,130	1,942,813	575,537	2,518,350
5.3. Commodity		1,826,684	-	1,826,684	1,878,689	-	1,878,689
5.4. Warranty		-	-	-	-	-	-
5.5. Properties		768,773,800	460,401,695	1,229,175,495	553,311,156	330,679,284	883,990,440
5.6. Other pledged items		2,431,729,752	506,473,182	2,938,202,934	1,631,694,033	363,592,933	1,995,286,966
5.7. Pledged items-depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES		2,577,114,927	942,780,355	3,519,895,282	1,675,691,172	662,863,538	2,338,554,710
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		8,294,597,779	4,179,920,149	12,474,517,928	5,435,003,695	2,638,227,864	8,073,231,559

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

QNB BANK ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED DECEMBER 31, 2025

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

III. STATEMENT OF PROFIT OR LOSS

INCOME AND EXPENSE ITEMS		Part 5 Note IV	Current Period 01.01 - 31.12.2025	Prior Period 01.01 - 31.12.2024
I.	INTEREST INCOME	(1)	420,789,651	302,966,443
1.1	Interest income on loans		286,692,404	212,923,326
1.2	Interest income on reserve deposits		36,467,696	19,605,106
1.3	Interest income on banks		18,686,685	3,712,499
1.4	Interest income on money market transactions		126,269	608,268
1.5	Interest income on securities portfolio		78,094,759	65,547,226
1.5.1	Financial assets measured at FVTPL		2,134,743	1,533,509
1.5.2	Financial assets measured at FVOCI		49,433,819	35,223,853
1.5.3	Financial assets measured at amortized cost		26,526,197	28,789,864
1.6	Financial lease income		-	-
1.7	Other interest income		721,838	570,018
II.	INTEREST EXPENSE (-)	(2)	319,687,102	236,169,422
2.1	Interest on deposits		240,289,694	192,222,073
2.2	Interest on funds borrowed		16,620,906	12,859,203
2.3	Interest on money market transactions		48,854,232	22,800,451
2.4	Interest on securities issued		12,914,429	7,020,913
2.5	Interests on leases		683,691	311,511
2.6	Other interest expenses		324,150	955,271
III.	NET INTEREST INCOME/EXPENSE (I - II)		101,102,549	66,797,021
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSES		71,469,721	49,642,031
4.1	Fees and commissions received		90,327,302	61,688,235
4.1.1	Non-cash loans		1,813,157	1,367,186
4.1.2	Others		88,514,145	60,321,049
4.2	Fees and commissions paid (-)		18,857,581	12,046,204
4.2.1	Non-cash loans		1,756	1,816
4.2.2	Others		18,855,825	12,044,388
V.	DIVIDEND INCOME	(3)	13,943	18,048
VI.	TRADING INCOME / LOSSES (Net)	(4)	(35,608,187)	(29,888,057)
6.1	Trading income/losses on securities		4,267,949	1,157,210
6.2	Income/losses from derivative transactions		(30,540,724)	(39,779,065)
6.3	Foreign exchange income/losses		(9,335,412)	8,733,798
VII.	OTHER OPERATING INCOME	(5)	2,123,813	1,043,409
VIII.	TOTAL OPERATING GROSS PROFIT (III+IV+V+VI+VII)		139,101,839	87,612,452
IX.	EXPECTED CREDIT LOSSES (-)	(6)	36,457,708	17,422,026
X.	OTHER PROVISION LOSSES (-)	(6)	3,089,977	(1,917,781)
XI.	PERSONNEL EXPENSES (-)		22,968,711	16,290,275
XII.	OTHER OPERATING EXPENSES (-)	(7)	28,197,988	18,175,491
XIII.	NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		48,387,455	37,642,441
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XV.	INCOME/LOSS FROM INVESTMENTS UNDER EQUITY ACCOUNTING		11,299,293	6,670,444
XVI.	INCOME/LOSS ON NET MONETARY POSITION		-	-
XVII.	OPERATING PROFIT/LOSS BEFORE TAXES (XII+...+XV)	(9)	59,686,748	44,312,885
XVIII.	PROVISION FOR TAXES OF CONTINUED OPERATIONS (±)	(10)	11,871,965	8,138,544
18.1	Current tax charge		8,794,873	6,572,107
18.2	Deferred tax charge (+)		5,885,524	4,570,951
18.3	Deferred tax credit (-)		(2,808,432)	(3,004,514)
XIX.	NET OPERATING PROFIT/LOSS AFTER TAXES (XVII±XVIII)	(11)	47,814,783	36,174,341
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from assets held for sale		-	-
20.2	Income from sale of associates, subsidiaries and joint-ventures		-	-
20.3	Others		-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses on assets held for sale		-	-
21.2	Expenses on sale of associates, subsidiaries and joint-ventures		-	-
21.3	Others		-	-
XXII.	PROFIT/LOSS BEFORE TAXES ON DISCONTINUED OPERATIONS (XX+XXI)		-	-
XXIII.	PROVISION FOR TAXES OF DISCONTINUED OPERATIONS (±)		-	-
23.1	Current tax charge		-	-
23.2	Deferred tax charge (+)		-	-
23.3	Deferred tax credit (-)		-	-
XXIV.	NET PROFIT/LOSS AFTER TAXES ON DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	(12)	47,814,783	36,174,341
	Earnings Per Share		1.2973	0.9815

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

QNB BANK ANONİM ŞİRKETİ**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2025**

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

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Current Period	Prior Period
	01.01 - 31.12.2025	01.01 - 31.12.2024
I. CURRENT PERIOD PROFIT/LOSS	47,814,783	36,174,341
II. OTHER COMPREHENSIVE INCOME	6,059,661	1,208,584
2.1 Other Income/Expense Items not Reclassified to Profit or Loss	2,197,784	3,268,281
2.1.1 Revaluation Surplus on Tangible Assets	2,303,879	3,385,589
2.1.2 Revaluation Surplus on Intangible Assets	-	-
2.1.3 Defined Benefit Plans' Actuarial Income/Expense	(85,994)	(165,777)
2.1.4 Other Income/Expense Items not Reclassified to Profit or Loss	(45,899)	(1,264)
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	25,798	49,733
2.2 Other Income/Expense Items Reclassified to Profit or Loss	3,861,877	(2,059,697)
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Income/Expense from Valuation and/or Reclassification of Financial Assets Measured at FVOCI	6,046,433	(3,910,750)
2.2.3 Income/Expense from Cash Flow Hedges	(1,001,835)	978,348
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	330,658	(7,015)
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	(1,513,379)	879,720
III. TOTAL COMPREHENSIVE INCOME (I+II)	53,874,444	37,382,925

The accompanying notes are integral part of these financial statements.

QNB BANK ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2025

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

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CHANGES IN SHAREHOLDERS' EQUITY	Section 5 Part V	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reservs	Revaluation surplus on tangible and intangible assets	Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss		Translation Differences	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI		Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity
							Defined Benefit Plans' Actuarial Income/Loss	Other ^(*)		Other ^(**)	Other ^(**)				
Prior Period - 01.01 - 31.12.2024															
I. Balances at Beginning of Period		3,350,000	714	-	-	7,914,871	(554,429)	(30,498)	-	(1,493,790)	1,054,494	38,204,582	33,172,442	-	81,618,386
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	(554,429)	(30,498)	-	(1,493,790)	1,054,494	38,204,582	33,172,442	-	81,618,386
IV. Total Comprehensive Income		-	-	-	-	3,385,589	(116,044)	(1,264)	-	(2,737,525)	677,828	-	-	36,174,341	37,382,925
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		-	-	-	-	-	-	-	-	-	-	33,172,442	(33,172,442)	-	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	33,172,442	(33,172,442)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at end of the period (III+IV...+X+XI)		3,350,000	714	-	-	11,300,460	(670,473)	(31,762)	-	(4,231,315)	1,732,322	71,377,024	-	36,174,341	119,001,311

CHANGES IN SHAREHOLDERS' EQUITY	Section 5 Part V	Paid-in Capital	Share Premium	Share Cancellation Profits	Other Capital Reservs	Revaluation surplus on tangible and intangible assets	Other Comprehensive Income/Expense Items not Reclassified to Profit or Loss		Translation Differences	Income/Expenses from Valuation and/or Reclassification of Financial Assets Measured at FVOCI		Profit Reserves	Prior Periods' Profit/Loss	Current Period's Net Profit/Loss	Total Equity
							Defined Benefit Plans' Actuarial Income/Loss	Other ^(*)		Other ^(**)	Other ^(**)				
Current Period - 01.01 - 31.12.2025															
I. Balances at Beginning of Period		3,350,000	714	-	-	11,300,460	(670,473)	(31,762)	-	(4,231,315)	1,732,322	71,377,024	36,174,341	-	119,001,311
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	(670,473)	(31,762)	-	(4,231,315)	1,732,322	71,377,024	36,174,341	-	119,001,311
IV. Total Comprehensive Income		-	-	-	-	2,303,879	(60,196)	(45,899)	-	4,232,503	(370,626)	-	-	47,814,783	53,874,444
V. Capital Increase in Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase from Internal Sources ^(***)	(5)	2,150,000	-	-	-	-	-	-	-	-	-	(2,150,000)	-	-	-
VII. Capital Reserves from Inflation Adjustments to Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds		-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Others Changes		-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution	(3)	-	-	-	-	-	-	-	-	-	-	36,174,341	(36,174,341)	-	-
11.1 Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	36,174,341	(36,174,341)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at end of the period (III+IV...+X+XI)		5,500,000	714	-	-	13,604,339	(730,669)	(77,661)	-	1,188	1,361,696	105,401,365	-	47,814,783	172,875,755

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

(***) The Bank's resolution regarding the capital increase has been approved by the Capital Markets Board with its decision dated 8 January 2026 and numbered 1/3.

QNB BANK ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2025

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

VI. STATEMENT OF CASH FLOWS

	Section 5 Disclosure VI	Current Period 01.01 - 31.12.2025	Prior Period 01.01 - 31.12.2024
A. CASH FLOWS FROM / (TO) BANKING OPERATIONS			
1.1 Operating Profit Before Changes in Operating Assets and Liabilities		35,912,750	55,661,815
1.1.1 Interest Received		381,509,922	269,791,137
1.1.2 Interest Paid		(311,093,652)	(238,227,004)
1.1.3 Dividend Received		13,943	18,048
1.1.4 Fees and Commissions Received		90,446,564	61,753,458
1.1.5 Other Income		546,240	1,043,357
1.1.6 Collections From Previously Written Off Loans		14,556,095	7,133,860
1.1.7 Payments To Personnel and Service Suppliers		(20,402,220)	(14,455,570)
1.1.8 Taxes Paid		(14,352,117)	(9,046,240)
1.1.9 Others	(1)	(105,312,025)	(22,349,231)
1.2 Changes in Operating Assets and Liabilities		(139,254,306)	27,418,712
1.2.1 Net (Increase) Decrease in Financial Assets Measured at Fair Value Through Profit/Loss		1,109,110	(9,710,922)
1.2.2 Net (Increase) Decrease in Due From Banks		(24,866,904)	(54,424,753)
1.2.3 Net (Increase) Decrease in Loans		(154,600,229)	(260,622,273)
1.2.4 Net (Increase) Decrease in Other Assets	(1)	(29,224,189)	(20,617,081)
1.2.5 Net Increase (Decrease) in Bank Deposits		(16,716,130)	26,284,793
1.2.6 Net Increase (Decrease) in Other Deposits		94,986,843	185,784,678
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		3,862,460	2,882,955
1.2.9 Net Increase (Decrease) in Matured Payables		-	-
1.2.10 Net Increase (Decrease) in Other Liabilities	(1)	(13,805,267)	157,841,315
I. Net Cash Provided From / (Used in) Banking Operations		(103,341,556)	83,080,527
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided From / (Used in) Investing Activities		(11,722,040)	(74,244,293)
2.1 Purchase Of Entities Under Common Control, Associates and Subsidiaries		(1,097,800)	(1,993,986)
2.2 Sale of Entities Under Common Control, Associates and Subsidiaries		-	-
2.3 Fixed Assets Purchases		(9,215,519)	(8,348,909)
2.4 Fixed Assets Sales		997,042	264,499
2.5 Purchase of Financial Assets Measured at Fair Value Through Other Comprehensive Income		(168,513,677)	(161,889,518)
2.6 Sale of Financial Assets Measured at Fair Value Through Other Comprehensive Income		148,100,840	95,769,016
2.7 Purchase of Financial Assets Measured at Amortized Cost		(30,529,627)	(19,551,082)
2.8 Sale of Financial Assets Measured at Amortized Cost		48,536,701	21,505,687
2.9 Others		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Provided From / (Used in) Financing Activities		107,236,381	29,700,267
3.1 Cash Obtained From Funds Borrowed and Securities Issued		274,987,154	174,525,054
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(166,079,642)	(143,796,912)
3.3 Capital Increase		-	-
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		(1,671,131)	(1,027,875)
3.6 Other		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents		1,495,821	763,772
V. Net Increase / (Decrease) in Cash and Cash Equivalents (I+II+III+IV)		(6,331,394)	39,300,273
VI. Cash and Cash Equivalents at Beginning of the Period		157,680,038	118,379,765
VII. Cash and Cash Equivalents at End of the Period (V+VI)		151,348,644	157,680,038

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

QNB BANK ANONİM ŞİRKETİ

UNCONSOLIDATED STATEMENT OF PROFIT APPROPRIATION FOR THE YEAR ENDED DECEMBER 31, 2025

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

VII. UNCONSOLIDATED STATEMENT OF PROFIT APPROPRIATION

	Current Period 31.12.2025 ^(*)	Prior Period 31.12.2024
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1 CURRENT YEAR INCOME	59,686,748	44,312,885
1.2 TAXES AND DUTIES PAYABLE (-)	11,871,965	8,138,544
1.2.1 Corporate Tax (Income Tax)	8,794,873	6,572,107
1.2.2 Income Withholding Tax	-	-
1.2.3 Other Taxes And Duties (**)	3,077,092	1,566,437
A. NET INCOME FOR THE YEAR (1.1-1.2)	47,814,783	36,174,341
1.3 PRIOR YEAR LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES (-)	-	-
1.5 OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5))]	47,814,783	36,174,341
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1 To Owners Of Ordinary Shares	-	-
1.6.2 To Owners Of Privileged Shares	-	-
1.6.3 To Owners Of Preferred Shares	-	-
1.6.4 To Profit Sharing Bonds	-	-
1.6.5 To Holders Of Profit And (Loss) Sharing Certificates	-	-
1.7 DIVIDENDS TO PERSONNEL (-)	-	-
1.8 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9 SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.9.1 To Owners Of Ordinary Shares	-	-
1.9.2 To Owners Of Privileged Shares	-	-
1.9.3 To Owners Of Preferred Shares	-	-
1.9.4 To Profit Sharing Bonds	-	-
1.9.5 To Holders Of Profit And (Loss) Sharing Certificates	-	-
1.10 SECOND LEGAL RESERVES (-)	-	-
1.11 STATUTORY RESERVES (-)	-	-
1.12 EXTRAORDINARY RESERVES	-	36,147,017
1.13 OTHER RESERVES	-	-
1.14 SPECIAL FUNDS	-	27,324
II. DISTRIBUTION OF RESERVES		
2.1 APPROPRIATED RESERVES	-	-
2.2 SECOND LEGAL RESERVES (-)	-	-
2.3 DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1 To Owners Of Ordinary Shares	-	-
2.3.2 To Owners Of Privileged Shares	-	-
2.3.3 To Owners Of Preferred Shares	-	-
2.3.4 To Profit Sharing Bonds	-	-
2.3.5 To Holders Of Profit And (Loss) Sharing Certificates	-	-
2.4 DIVIDENDS TO PERSONNEL (-)	-	-
2.5 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. EARNINGS PER SHARE		
3.1 TO OWNERS OF ORDINARY SHARES	1.2973	1.0798
3.2 TO OWNERS OF ORDINARY SHARES (%)	129.73%	107.98%
3.3 TO OWNERS OF PRIVILEGED SHARES	-	-
3.4 TO OWNERS OF PRIVILEGED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1 TO OWNERS OF ORDINARY SHARES	-	-
4.2 TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3 TO OWNERS OF PRIVILEGED SHARES	-	-
4.4 TO OWNERS OF PRIVILEGED SHARES (%)	-	-

(*) Decision regarding the profit distribution for the 2025 will be taken at the General Meeting.

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

**SECTION THREE
ACCOUNTING POLICIES**

I. Basis of Presentation

1. Preparation of the 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 unconsolidated financial statements are prepared 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 Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") 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 financial statements

The accounting policies and valuation principles followed in the preparation of financial statements have been determined and applied in accordance with the principles outlined in the "BRSA Accounting and Financial Reporting Regulations". It is consistent with the accounting policies applied in the annual unconsolidated financial statements prepared for the year ending December 31, 2024. The accounting policies and valuation principles related with current period are explained in Notes II to XXVI below.

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

In preparing the unconsolidated financial statements in accordance with TFRS, the 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 UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

ACCOUNTING POLICIES (Continued)

I. Basis of Presentation (Continued)

2. Accounting policies and valuation principles used in the preparation of the 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. However, in the decision numbered 11021 dated December 5, 2024, the BRSA has decided that banks, as well as financial leasing, factoring, financing, savings financing, and asset management companies, will not apply inflation accounting in 2025. Furthermore, in the decision numbered 11340 dated December 18, 2025, the BRSA has revoked the Board Decision numbered 10825 dated January 11, 2024, and reaffirmed that inflation accounting will not be applied by banks and financial leasing, factoring, financing, savings financing, and asset management companies. Accordingly, when preparing the financial statements as of December 31, 2025, no inflation adjustment has been made 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. In this regard, the bank has not applied the relevant standard in its unconsolidated financial statements for its subsidiary, QNB Sigorta.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

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 Bank are customer deposits, bond issues and funds borrowed from international markets. The customer deposits bear 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 Bank diverts its placements to assets with high return and sufficient collaterals. The 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 higher return on long-term placements is aimed.

Besides customer deposits, the 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 Bank converts the foreign currency liquidity obtained from customer deposit accounts and the international markets to TL liquidity using long term swap transactions (fixed TL interest rate and floating FC interest rate). Thus, the Bank generates TL denominated resources for funding long term loans with fixed interest rates.

The 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 the 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 Bank'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 Bank accounts for the transactions denominated in foreign currencies in accordance with The Effects of Changes in Foreign Exchange Rates ("TAS 21"). Foreign exchange incomes and losses arising from transactions that are completed as of December 31, 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 Bank for the period end and the resulting exchange differences are recorded as foreign exchange incomes and losses. Foreign currency non-monetary items measured at fair value are converted with currency exchange rates at the time of fair value measurement.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

ACCOUNTING POLICIES (Continued)

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

2. Foreign currency transactions (Continued)

2.2. Net income or loss is included in the total foreign exchange differences for the period

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

As of December 31, 2025, derivative financial transactions loss amounting to TL 30,540,724 (December 31, 2024 – TL 39,779,065 derivative financial transactions loss) and net foreign exchange income amounting to TL 9,335,412 (December 31, 2024 – TL 8,733,798 net foreign exchange income), excluding net interest expense amounting to TL 46,524,466 (December 31, 2024 – TL 36,497,617 net interest expense) arising from derivative financial transactions, the net profit on foreign currency transactions the net profit on foreign currency transactions is TL 6,648,330 (December 31, 2024 – TL 5,452,350 net profit on foreign currency transactions).

III. Information on Associates, Subsidiaries and Entities Under Common Control

The Communiqué Amending the “Communiqué on the Turkish Accounting Standard 27 (“TAS 27”) Concerning Individual Financial Statements” published in the Official Gazette dated April 9, 2015, and numbered 29321 came into effect for the accounting periods after January 1, 2016. While it is stated that a business that prepared its individual financial statements before the amendment can account for investments in its subsidiaries, under common control and associates at cost or in accordance with TFRS 9 Financial Instruments standard, with the amendment, while the business prepares its individual financial statements, its investments in subsidiaries, under common control and affiliates are accounted for using the equity method. also has the opportunity to be accounted for.

In unconsolidated financial statements, the Bank accounts its financial subsidiaries according to the equity method defined in TAS 28 within the framework of TAS 27.

IV. Explanations on Futures and Options Contracts and Derivative Products

The Bank 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 Bank also carries out currency and interest options, credit default swap and futures agreements.

Besides customer deposits, the 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 Bank converts the foreign currency liquidity obtained from customer deposit accounts and the international markets 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 against interest rate risk.

The Bank’s derivative instruments held for trading and derivative instruments hedging purpose are classified, measured and accounted in accordance with "TFRS 9" and Financial Instruments: Recognition and Measurement (“TAS 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.

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ACCOUNTING POLICIES (Continued)

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

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 or Loss”, “Derivative Financial Assets at Fair Value Through Other Comprehensive Income” or “Derivative Financial Liabilities at Fair Value Through Profit/Loss” 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 forward 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 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 Bank’s credit derivatives portfolio included in the off-balance sheet accounts composes of credit default swaps resulted from protection buying or sell.

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/Loss from Derivative Financial Transactions. These foreign currency valuation differences are accounted for under “Foreign Exchange Incomes/Losses” account.

In cash flow hedge accounting

The 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 creditor loans which have floating interest payment. The 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 Accumulated 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.

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 incomes 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 Bank applies fair value hedge accounting in accordance with TAS 39 by performing swap transactions to hedge long term, fixed rate installment loans against fluctuations in market interest rates.

The Bank applies fair value hedge accounting using interest rate swap transactions to hedge long term, fixed rate, foreign currency Eurobonds in financial assets which is classified as fair value through Other Comprehensive Income portfolio against interest rate fluctuations.

ACCOUNTING POLICIES (Continued)

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

The 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 which is classified as fair value through Other Comprehensive Income portfolio using swap transactions as hedging instruments.

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

At each balance sheet date, the Bank applies effectiveness tests for fair value hedge accounting.

The effects of hedge accounting for fair value risk have been recognized in the "Income/Loss from Derivative Financial Transactions" line item in the profit or loss statement.

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 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 December 31, 2025, fair value exchange difference adjustment amounting to TL 1,059,318 (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 and liabilities) defined in the TFRS 9 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 method 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 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.

If the financial asset is impaired and classified as a non-performing receivable, the 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 calculated amount.

ACCOUNTING POLICIES (Continued)

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 Bank shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets shall be recognized and derecognized, as applicable, using trade date accounting or settlement date accounting. Purchase and sale transactions of securities are accounted at the settlement date.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on the contractual conditions and the relevant business model. A financial asset or financial liability, excluding assets assessed under TFRS 15, is initially measured at its fair value when first recognized in the financial statements. In the initial measurement of financial assets and liabilities, excluding those for which fair value changes are reflected in profit or loss, transaction costs directly attributable to the acquisition or issuance are either added to or deducted from their fair value.

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 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 Bank tested all financial assets whether their “contractual cash-flows solely represent payments of principal and interest” and assessed the asset classification within the business model.

Assessment of business model

As per TFRS 9, the 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 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, Money Market Placements, investments under financial assets measured at amortized cost, loans, leasing receivables, factoring receivables and other receivables are assessed within this business model.

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ACCOUNTING POLICIES (Continued)

VII. Explanations and Disclosures on Financial Instruments (Continued)

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. 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 in case 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 and derivative financial assets 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
- Financial assets measured at amortized cost

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 aimed 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 in case of 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 incomes 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 (UCoA) explanations, the positive difference between the acquisition cost and the discounted value of a financial asset is recorded under "Interest Income" If the fair value of the asset exceeds the discounted value, the positive difference is recorded in the "Capital Market Transactions Profits" account. Conversely, if the fair value is lower than the discounted value, the negative difference between the discounted value and the fair value is recorded in the "Capital Market Transactions Losses" account. In cases where such assets are sold before their maturities, the incomes/losses on such sales are recorded under trading account income/losses.

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 the statement of profit or loss.

ACCOUNTING POLICIES (Continued)

VII. Explanations and Disclosures on Financial Instruments (Continued)

Financial assets at fair value through other comprehensive income (Continued)

Unrealized incomes 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 they are accounted under the “Other Accumulated Comprehensive Income or Expenses Reclassified to Profit or Loss” under shareholders’ equity. When the aforementioned securities are collected or disposed, accumulated fair value differences which were reflected under equity, are reflected in the statement of profit or loss and other comprehensive income. 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 Bank 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 Republic of Türkiye Ministry of Treasury and Finance. As disclosed in ‘Inflation Indexed Bonds Manual’ published by Turkish Republic of Türkiye Ministry of Treasury and Finance, reference index used for the real payments is determined based on the inflation rates of two months before. The Bank determines the estimated inflation rates used for valuation of securities in line with this. The estimated inflation rate used is updated during the year when necessary. At the end of the year, the actual inflation rate is used.

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 “Capital Market Transactions Profit/Loss” 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 to 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 Bank as explained in part IV, “Explanations on Derivative Financial Assets and Liabilities”, performs 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 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 income or loss to respective period’s statement of profit or loss and other comprehensive income.

When the fair value hedge accounting cannot 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.

ACCOUNTING POLICIES (Continued)

VIII. Explanations on Expected Credit Losses

The Bank 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 Bank shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. The Bank considers the changes in the default risk of financial instrument, when making the assessment.

The expected credit losses estimate is unbiased, probability-weighted, and includes supportable information about estimates of past events, current conditions, and future economic conditions. These financial assets are divided into the following three categories based on the increase in credit risk observed from the time they are first recognized in the financial statements:

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 December 31, 2025, minimum probability of default of Basel II is used in the calculation for the expected loss 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. The calculation method is similar to the one described in the above paragraph, but the probability of default and the loss rate in default are estimated throughout the life of the instrument.

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 the Bank accounts lifetime expected credit losses. In determining the impairment, the Bank takes into consideration the following criteria:

- Delay of over 90 days and impairment of creditworthiness.
- Collateral and/or equity of debtor is inadequate cover the payment of receivables on the maturity.
- In case the management believes that collection of receivables will be delayed by more than 90 days due to the macroeconomic, sector-specific or customer-specific reasons.

Calculation of expected credit losses

The Bank 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, three scenarios (internal base, internal mild negative, internal severe negative) are evaluated. Each of these scenarios was associated with the probability of different default and loss in default.

ACCOUNTING POLICIES (Continued)

VIII. Explanations on Expected Credit Losses (Continued)

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 losses which is unbiased and probability-weighted determined by evaluating a range of possible outcomes.

Probability of Default

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. PD models used in the retail portfolio include the behavioral data of the customer and the product in the bank and the demographic information of the customer. Probability of default calculation has been carried out based on past information, current conditions and forward looking macroeconomic parameters.

Loss Given Default

The LGD represents an estimate of the 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. The Bank bases its estimates on models for collateralized portfolios and on previous experience for unsecured parties, except for corporate loans that are assigned by the Basel Committee individually or as designated by the Basel Committee.

Exposure at Default

The EAD represents an estimate of the exposure to credit risk at the time of a potential default occurring during the life of a financial instrument. It represents the cash flows outstanding at the time of default, considering expected repayments, interest payments and accruals, discounted at the effective interest rate. Future drawdowns on facilities are considered through a credit conversion factor (CCF) that is reflective of historical drawdown and default patterns and the characteristics of the respective portfolios. While the expected credit loss is estimated, three scenarios (internal base, internal mild negative, internal severe negative) are evaluated. Each of these scenarios was associated with the probability of different default and loss in default.

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 years credit risk of Türkiye (CDS spread),
- Real GDP growth,
- Unemployment rate,
- Inflation rate,
- Five years government bond interest rate of Türkiye.
- Policy Interest Rate

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ACCOUNTING POLICIES (Continued)

VIII. Explanations on Expected Credit Losses (Continued)

The stages were determined through the models created using internal information for the Bank.

The Bank updates the macroeconomic variables used in expected credit loss calculations twice a year and applies them to its models. In addition, The Bank revised its macroeconomic expectations and weights in the calculation of expected credit losses on December 31, 2025. Due to the nature of the model effects, events that cause changes and their effects occur at different times. For this reason, the Bank has made individual valuations in order to eliminate the timing difference and provided additional provisions for the sector and customers that are considered to have a high impact.

This approach, which is preferred in provision calculations for 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 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 Bank. Behavioral maturity analysis has been performed on credit cards 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.

Significant increase in credit risk

The 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 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 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 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,
- 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 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 numbered 31533, they are classified under the "Fifth Group-Loans with Losses" and are expected 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 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.

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.

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ACCOUNTING POLICIES (Continued)

VIII. Explanations on Expected Credit Losses (Continued)

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 Bank during the period is TL 7,050,445 (December 31, 2024 – TL 86,331), of which TL 6,867,261 consists of non-performing loans transferred to Enpara Bank A.Ş. through the partial spin-off process. The impact of the amount written off on the NPL ratio is 0.59% (December 31, 2024 – 0.01%). While the NPL ratio is 3.76% (December 31, 2024 – 2.70%) with the current period non-performing loan figures, the calculated rate including the loans written off during the year is 4.35% (December 31, 2024 – 2.71%).

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 Bank 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

1. 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 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 income 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 Bank retains control of the asset, the Bank continues to recognize the remaining portion of the asset and liabilities arising from such asset. When the 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.

2. Derecognition of financial assets without any change in contractual terms

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 is derecognized. Except for equity instruments measured at fair value through other comprehensive income, the total amount consisting of the income or loss arising from the difference between the book value and the amount obtained and any accumulated income directly accounted in equity shall be recognized in profit/loss.

3. 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.

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ACCOUNTING POLICIES (Continued)

X. Derecognition of Financial Instruments (Continued)

4. 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.

5. Restructuring and refinancing of financial instruments

The 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 made for changing 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 to the original terms of a credit risk can be made in an existing contract or in a new contract. Corporate and commercial companies that are 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 starting from the date when the debt is restructured all due principal and interest payments are made on time,
- At least 1 year should pass over the date of restructuring (or if it is later), the date of removal from nonperforming 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.

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.

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 Bank in case of temporary liquidity problems due to the failure of the payment obligation to the 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 Allocated These”.

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ACCOUNTING POLICIES (Continued)

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 Bank 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.

As of the balance sheet date, securities subject to repo amounting to TL 110,625,733 (December 31, 2024 – TL 178,932,556).

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

Securities purchased with a commitment to resell (reverse repurchase agreements) are recorded in a separate account under “Cash and Cash Equivalents” and 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

In accordance with TFRS 5 (“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 bank’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 December 31, 2025 the Bank has assets held for sale and discontinued operations and it is explained in footnote 1.17. of Section Five.

A discontinued operation is a part of the Bank’s 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 Bank has no discontinuing operations.

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

XIII. Explanations on Goodwill and Other Intangible Assets

The Bank’s intangible assets consist of software and intangible rights.

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.

Software has been classified as other intangible fixed assets. The useful life of software 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. There is no goodwill regarding the associates, entities under common controls and subsidiaries in the accompanying unconsolidated financial statements.

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ACCOUNTING POLICIES (Continued)

XIV. Explanations on Tangible Assets

Initial records of tangible fixed assets are made based on their cost, which is calculated by adding the acquisition amount and other direct expenses necessary to make the asset usable. Tangible assets are valued at their remaining amounts after deducting accumulated depreciation and accumulated value decreases, if any, from their cost in the period following their recording.

The Bank accounts for its properties, which are classified under tangible fixed assets, using revalued amounts instead of cost in accordance with IAS 16 "Property, Plant and Equipment" ("IAS 16"). The revaluation difference resulting from the valuations performed by appraisal firms authorized by the Capital Markets Board ("CMB") and the Banking Regulation and Supervision Agency is recognized under equity in the "Revaluation Surplus of Property, Plant and Equipment" line item.

As of each reporting date, the Bank evaluates whether there is any indication that its assets may be impaired; If such an indication exists, the recoverable amount of the relevant asset is estimated within the framework of Impairment of Assets ("TAS 36") standard and allocates a provision for impairment if the recoverable amount is below the book value of the relevant asset.

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 statement of profit or loss and other comprehensive income when the fair value is below the net book value in accordance with (TAS 36).

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

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

The 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.

Incomes 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.

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 that 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.

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ACCOUNTING POLICIES (Continued)

XV. Explanations on Leasing Transactions

With the introduction of IFRS 16 Leases, the distinction between operating leases and finance leases has been eliminated. Fixed assets acquired through leasing are recorded as "Tangible Fixed Assets" on the asset side and "Finance Lease Liabilities" on the liability side of the Bank's balance sheet at the commencement of the lease. At the start of the lease, the Bank calculates the right-of-use asset by taking the present value of the lease payments and presents it under "Tangible Fixed Assets." On the liability side, the Bank records the unpaid lease payments as "Finance Lease Liabilities," measured at their present value as of the relevant date. Lease payments are discounted using the borrowing interest rate. Direct costs incurred for the lease are added to the cost of the assets acquired through financial leasing and capitalized. Lease payments include both the financing costs arising from the lease and the portion of the leased asset's value attributable to that period.

IFRS 16 Leases

The IFRS 16 Standard eliminates the dual accounting model, where finance leases are shown on the balance sheet and operating leases are off-balance sheet, which was the current practice for lessees. Instead, a single balance sheet-based accounting model similar to the existing financial lease accounting is introduced. For lessors, accounting continues to be largely similar to the current practices.

Set out below are the accounting policies of the Bank upon application of IFRS 16:

Right of use assets

The Bank 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 incentives received from all lease payments made on or before the date the lease actually begins and
- All initial direct costs incurred by the Bank.

At the end of the lease term of the underlying asset's service, the transfer of the Bank is reasonably finalized, and the Bank 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.

Lease Liabilities

The Bank 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 Bank under the residual value commitments,
- The use price of this option and, if the Bank is reasonably confident that it will use the purchase option,
- Fines for termination of the lease if the lease term indicates that the Bank 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 Bank 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 Bank's alternative borrowing interest rate at the date of the revaluation.

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ACCOUNTING POLICIES (Continued)

XV. Explanations on Leasing Transactions (Continued)

After the effective date of the lease, the Bank 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 Bank 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 Provisions and Contingent Liabilities

Provisions, other than expected credit loss for loans and other receivables, and contingent liabilities are provided for in accordance with TAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. 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 Bank. Whenever the amount of such obligations cannot be measured, they are regarded as “contingent”. In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled, and a reliable estimate can be made of the amount obligation. If these criteria are not met, the Bank discloses these issues in the explanations and notes 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.

XVII. Explanations on Obligations of the Bank Concerning Employee Benefits

Provision for employee severance benefits has been accounted for in accordance with Employee Benefits (“TAS 19”).

In accordance with the existing social legislation in Türkiye, the Bank 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 Bank 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 Bank.

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

The Bank 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 funds or similar associations of which the employees are members.

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ACCOUNTING POLICIES (Continued)

XVIII. 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 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 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. Additionally, with the Presidential Decree No. 9160 published in the Official Gazette dated November 27, 2024, the exemption rate for incomes on the 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 2025 and subsequent taxation periods, starting from the declarations that must be submitted as of October 1, 2023, for the 2023 and the following taxation periods, and they declare and pay it until the 17th day of the second month following that period.

With the publication of Law No. 7566 on December 19, 2025, in the Official Gazette numbered 33112, the second article of this law amends the repeated Article 120 of the Income Tax Law No. 193. It has been stated that, effective from the declarations to be submitted for the 2025 taxation period, temporary tax will be calculated and paid based on the quarterly earnings determined for the relevant accounting period. Consequently, it has been mandated that a temporary tax declaration will also be submitted for the last quarter of the 2025 accounting period. The temporary tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If the amount of temporary tax paid remains despite the deduction, this amount can be refunded in cash or deducted.

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.

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ACCOUNTING POLICIES (Continued)

XVIII. Explanations on Taxation (Continued)

1. Corporate Tax (Continued)

In cases where the period's profit is not distributed, is added to the capital, or is distributed to fully liable entities, no withholding tax is applied. However, with the decision of the Council of Ministers No. 2009/14593 and No. 2009/14594, published in the Official Gazette dated February 3, 2009, and based on Articles 15 and 30 of the Corporate Tax Law No. 5520, distributions of profits to fully liable individuals, individuals and entities not subject to corporate or income tax, entities exempt from corporate and income tax, limited liability companies (except those obtaining dividends through a permanent establishment or representative in Türkiye), and limited liability individuals are subject to a 15% withholding tax rate. This rate was changed to 10% with the Presidential Decree published in the Official Gazette dated December 22, 2021, No. 31697. However, with the Presidential Decree No. 9286 dated December 21, 2024, the dividend withholding tax rate was increased from 10% to 15%. In the application of withholding tax rates for profit distributions to limited liability entities and individuals, the provisions in the relevant Double Taxation Avoidance Agreements are also taken into account.

On December 25, 2025, Article 37 of the Provisional Tax Procedure Law was amended through Law No. 33118 published in the Official Gazette, together with amendments to the Turkish Penal Code and certain other laws. In accordance with the relevant article, financial statements shall not be subject to inflation adjustment for the 2025 fiscal year and for the 2026 and 2027 fiscal years, including interim tax periods (and, for entities assigned a special fiscal year, for the fiscal years ending in 2026, 2027 and 2028), regardless of whether the conditions for inflation adjustment under repeated Article 298 are met. The President is authorized to extend the periods specified under this paragraph for up to three fiscal years, including interim tax periods. For the purposes of the application of paragraph (Ç) of repeated Article 298, the periods during which inflation adjustment is stated not to apply under the first paragraph (including any periods extended under such authority) shall be deemed as periods in which the conditions for inflation adjustment have not been met.

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.

2. Deferred Taxes

The 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 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 December 31, 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 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.

ACCOUNTING POLICIES (Continued)

XVIII. Explanations on Taxation (Continued)

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 Pillar II 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 Pillar II 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 II 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.

On December 26, 2025, the General Communiqué on the Implementation of the Domestic and Global Minimum Top-up Corporate Tax was published in the Official Gazette No. 33119.

Additionally, with the Tax Procedure Law Circular No. 195 published by the Revenue Administration on January 13, 2026, the filing deadline for the Domestic Minimum Top-up Corporate Tax returns relating to the 2024 fiscal period, which must be submitted by the end of December 31, 2025, as well as the payment deadlines for the taxes accrued based on these returns, have been extended until the end of January 28, 2026.

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.

XIX. Explanations on Borrowings

The Bank generates 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.

XX. Explanations on Share Issues

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

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ACCOUNTING POLICIES (Continued)

XXI. 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.

XXII. Explanations on Government Incentives

As of December 31, 2025 the Bank does not have any government incentives or supports (December 31, 2024 – None).

XXIII. Explanations on Segment Reporting

In addition to corporate banking, retail banking and commercial banking services, the Bank also provides private banking, SME banking, treasury operations and credit card services through branches and alternative channels. The Bank 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 Bank provides services including deposit and loans, foreign trade financing, forward and option agreements to its corporate clients. The Bank also serves in trading financial instruments and treasury operations.

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 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 Bank's senior management and which are updated periodically. In this pricing method, general market conditions and the 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.

QNB BANK ANONİM ŞİRKETİ

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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ACCOUNTING POLICIES (Continued)

XXIII. Explanations on Segment Reporting (Continued)

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 Bank and interest and foreign currency risks resulting from market conditions. This segment is in close relation with corporate, commercial, retail and private banking units in order to increase the number of customers and the volume of transactions in treasury products of the Bank.

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury and Head Office	Total Operations of the Bank
Operating Income	91,311,695	42,556,250	16,533,187	150,401,132
Dividend Income	-	-	13,943	13,943
Income/(Loss) on joint venture accounted for at equity method	-	-	11,299,293	11,299,293
Profit Before Taxes	31,395,696	19,288,920	9,002,132	59,686,748
Provision Taxes (-)	-	-	11,871,965	11,871,965
Net Profit/Loss	31,395,696	19,288,920	(2,869,833)	47,814,783
Total Assets	495,673,536	585,790,170	621,126,372	1,837,281,208
Segment Assets	495,673,536	585,790,170	621,126,372	1,702,590,078
Associates, Subsidiaries and Entities Under Common Control (Joint Ventures)	-	-	-	29,567,043
Undistributed Assets	-	-	-	105,124,087
Total Liabilities	606,227,413	347,494,120	570,402,079	1,837,281,208
Segment Liabilities	606,227,413	347,494,120	570,402,079	1,524,123,612
Undistributed Liabilities	-	-	-	140,281,841
Equity	-	-	-	172,875,755
Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury and Head Office	Total Operations of the Bank
Operating Income	67,073,597	33,046,280	(5,836,981)	94,282,896
Dividend Income	-	-	18,048	18,048
Income/(Loss) on joint venture accounted for at equity method	-	-	6,670,444	6,670,444
Profit Before Taxes	30,447,716	23,935,723	(10,070,554)	44,312,885
Provision Taxes (-)	-	-	8,138,544	8,138,544
Net Profit/Loss	30,447,716	23,935,723	(18,209,098)	36,174,341
Total Assets	433,539,717	436,848,744	546,773,201	1,511,869,768
Segment Assets	433,539,717	436,848,744	546,773,201	1,417,161,662
Associates, Subsidiaries and Entities Under Common Control (Joint Ventures)	-	-	-	19,587,542
Undistributed Assets	-	-	-	75,120,564
Total Liabilities	567,916,244	254,736,964	474,182,109	1,511,869,768
Segment Liabilities	567,916,244	254,736,964	474,182,109	1,296,835,317
Undistributed Liabilities	-	-	-	96,033,140
Equity	-	-	-	119,001,311

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ACCOUNTING POLICIES (Continued)

XXIV. Profit Reserves and Profit Distribution

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

2024 profit distribution table

Current Year Profit	36,174,341
A- Real Estate Sales Profit Fund (Corporate Tax Law 5.1/E) 5%	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.

XXV. Earnings Per Share

Earnings per share listed on the 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.

	Current Period	Prior Period
Net Profit for the Period	47,814,783	36,174,341
Weighted Average Amount of Shares Issued (Thousands)	36,857,534	36,857,534
Earnings Per Share	1.2973	0.9815

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.

As of December 31, 2025, there are no bonus shares issued (December 31,2024 - None).

XXVI. Explanations on Other Matters

As stated in the PDP disclosure dated November 25, 2022, it was decided to continue the Enpara.com banking services offered under the “Enpara” trademark within the Bank under a separate legal entity independent from the Bank. In order to implement this decision, the founding shareholders applied to the BRSA for permission to establish a deposit bank under the name of Enpara Bank A.Ş., and this application was concluded on August 5, 2023, with the establishment permit obtained for Enpara Bank A.Ş., and the incorporation of Enpara Bank A.Ş. was registered on December 4, 2023.

The application for obtaining an operating permit as required by the legislation was submitted to the BRSA on December 5, 2023, and this permit was granted by the BRSA’s decision, published in the Official Gazette dated August 23, 2024. Enpara Bank A.Ş. started its operations on December 30, 2024.

As a result of the application submitted to the BRSA for the transfer of Enpara.com banking services to Enpara Bank A.Ş. through a partial spin-off, permission to initiate the necessary procedures regarding the partial spin-off within the scope of the applicable legislation was granted on February 11, 2025. At the Bank’s General Assembly meeting held on March, 17 2025, the Board of Directors was authorized to prepare and execute the spin-off Agreement and to carry out the transactions required under the relevant legislation. Following this authorization, the submission of the partial spin-off transaction to the general assemblies of the involved banks was deemed appropriate with the BRSA’s approval dated June 20, 2025 and numbered 157914, and the CMB’s approval dated July 17, 2025 and numbered 40/1243.

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ACCOUNTING POLICIES (Continued)

XXVI. Explanations on Other Matters (Continued)

Within this scope, the transfer of the banking services under “Enpara.com” within the Bank to Enpara Bank A.Ş. through a partial spin-off, pursuant the Banking Law No. 5411, the regulation on ‘Merger, Acquisition, Division and Changes in Shares of Banks’ published in the Official Gazette dated November 1, 2006, and the Communiqué on Mergers and Demergers No. II-23.2, was approved at the Bank’s Extraordinary General Assembly held on August 19, 2025. The relevant General Assembly resolutions were approved by the BRSA with its decision dated August 21, 2025 and numbered 11257, and this approval decision was published in the Official Gazette dated August 23, 2025 and numbered 32995. Following the publication of the BRSA approval decision in the Official Gazette, the registration process was completed upon the announcement of the Extraordinary General Assembly resolutions regarding the partial spin-off in the Turkish Trade Registry Gazette dated August 28, 2025.

As of August 27, 2025, the assets and liabilities pertaining to the Enpara.com service unit, which were transferred to Enpara Bank A.Ş. at their book values through a partial spin-off as of the registration date of the General Assembly resolutions are presented below. The relevant assets and liabilities were transferred at their carrying amounts in the Bank’s records and no profit or loss arose as a result of the partial spin-off.

The assets and liabilities transferred through the partial spin-off represent 12% of the Bank’s unconsolidated loan portfolio, 18% of its deposit portfolio, and 10% of its total assets and liabilities. The completed transfer does not require any restatement to the Bank’s prior-period financial statements and has no impact on its prior period financial results.

Registration Balance Sheet of Enpara.com Service Business Subject to Transfer

Assets	27.08.2025
Cash and Cash Equivalents (*)	40,640,408
Financial Assets at Fair Value Through Other Comprehensive Income	11,901,691
Loans	139,756,262
Other Financial Assets Measured at Amortized Cost	7,871,291
Expected Loss Provisions (-)	8,200,914
Tangible Assets (Net)	113,987
Intangible Assets (Net)	581,593
Other Assets (Net)	1,970,236
Total Assets	194,634,554
Liabilities	27.08.2025
Deposits	189,551,907
Lease Liabilities (Net)	38,791
Reserve for Employee Benefits	217,215
Other Provisions (**)	2,720,186
Other Liabilities	2,428,278
Other Comprehensive Income/Expense	
Items Reclassified to Profit or Loss	(321,823)
Total Liabilities	194,634,554

(*) Includes expected loss provisions amounting to TL 5,145.

(**) Includes free provision amounting to TL 2,500,000.

SECTION FOUR

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

I. Explanations on 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 December 31, 2025 Bank’s total capital has been calculated as TL 216,455,819 (TL 158,376,693), capital adequacy ratio is 18.17% (December 31, 2024 – 17.35%). The partial spin-off explained in Section III, Note XXVI has an impact of increasing the Bank’s capital adequacy standard ratio by 148 basis points.

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

I. Explanations on Equity (Continued)

Explanations on Equity	Current Period December 31, 2025	Prior Period December 31, 2024
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	5,500,000	3,350,000
Share issue premiums	714	714
Reserves	105,401,365	71,377,024
Income recognized in equity as per TAS	18,203,078	12,713,686
Profit	47,814,783	36,174,341
Current Period Profit	47,814,783	36,174,341
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
Common Equity Tier 1 Capital Before Deductions	176,921,557	123,617,382
Deductions from Common Equity Tier 1 Capital		
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	1,271,929	1,346,672
Improvement costs for operating leasing	647,765	509,197
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	6,638,405	5,546,358
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	-	-
Total Deductions from Common Equity Tier 1 Capital	8,558,099	7,402,227
Total Common Equity Tier 1 Capital	168,363,458	116,215,156

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

I. Explanations on Equity (Continued)

	Current Period December 31, 2025	Prior Period December 31, 2024
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	22,493,993	18,522,158
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	22,493,993	18,522,158
Deductions from Additional Tier I Capital		
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	-	-
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total Deductions from Additional Tier I Capital	-	-
Total Additional Tier I Capital	22,493,993	18,522,158
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	190,857,451	134,737,314
TIER II CAPITAL		
Debt instruments and premiums deemed suitable by the BRSA	-	-
Debt instruments and premiums deemed suitable by BRSA (Temporary Article 4)	12,853,710	13,582,916
Provisions (Article 8 of the Regulation on the Equity of Banks)	13,013,317	10,320,763
Tier II Capital Before Deductions	25,867,027	23,903,679
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8,	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Tier II Capital	-	-
Total Capital (The sum of Tier I Capital and Tier II Capital)	25,867,027	23,903,679
Deductions from Total Capital		
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	67,082	50,295
Other items to be defined by the BRSA (-)	-	-
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components	201,577	214,005
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-

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

I. Explanations on Equity (Continued)

	Current Period December 31, 2025	Prior Period December 31, 2024
TOTAL CAPITAL		
Total Capital	216,455,819	158,376,693
Total Risk Weighted Amounts	1,191,470,654	912,944,388
C Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	14.13	12.73
Tier I Capital Adequacy Ratio (%)	16.02	14.76
Capital Adequacy Ratio (%)	18.17	17.35
BUFFERS		
Bank specific total common equity tier 1 capital ratio (%)	2.51	2.51
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 (%) ^(*)	0.00	0.00
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 (%)	8.13	6.73
Amounts below the Excess Limits as per the Deduction Principles		
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	-	-
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before ten thousand twenty five limitation) Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	26,889,557	23,217,774
Excess amount of total provision amounts to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	13,013,317	10,320,763
Excess amount of total provision amounts 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	-	-
Debt instruments subjected to Article 4 (to be implemented between January 1. 2018 and January 1. 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	22,493,993	18,522,158
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	12,853,710	13,582,916
	-	-

(*) The systemically important bank buffer ratio is required to be filled by systemically important banks that are not subject to the obligation of preparing consolidated financial statements under the fourth paragraph of Article 4 of the 'Regulation on Systemically Important Banks'. Therefore, it is shown as 0.00% in the unconsolidated financial report.

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

I. Explanations on Equity (Continued)

Information on debt instruments included in the calculation of equity

Information on debt instruments included in the calculation of equity		
	1	2
Issuer	QATAR NATIONAL BANK Q.P.S.C.	QNB BANK A.Ş.
Unique identifier (e.g. CUSIP, ISIN)	-	ISIN: XS2678233243 Common Code: 267823324
Governing law(s) of the instrument	BRSA	It is subject to English Law and, with respect to certain articles, to Turkish regulations (CMB-BRSA).
Regulatory treatment		
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)	22,508	13,030
Par value of instrument (Currency in million)	22,508	13,030
Accounting classification	Liability – Subordinated Loans- amortized cost	Liability – Subordinated Debt Instruments- amortized cost
Original date of issuance	June 30, 2019	Nov 15, 2023
Perpetual or dated	Undated	Dated
Original maturity date	-	Nov 15, 2033
Issuer call subject to prior BRSA approval	Yes	Yes
Optional call date, contingent call dates and redemption amount	June 29 – 29, USD 525,000,000	November-15-28, USD 300,000,000
Subsequent call dates, if applicable	-	-
Coupons/dividends		
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

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

I. Explanations on Equity (Continued)

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

	1	2
Existence of any incentive to redeem (e.g. interest rate step-up)	-	-
Cumulative or non-cumulative feature	Noncumulative	Non-cumulative
	Convertible or non-convertible	
If convertible, conversion trigger event(s)	-	-
If convertible, full or partial conversion feature	-	-
If convertible, conversion rate	-	-
If convertible, mandatory or optional conversion	-	-
If convertible, types of instruments convertible into equity	-	-
If convertible, issuer of the instrument to be converted	-	-
	-	-
	Write-down feature	
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	Partially or fully	Partially or fully
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 debt instruments and additional tier 1 capital instruments	After debt instruments and additional tier 1 capital, ranking pari passu with other additional tier 1 instruments
Incompliance with article number 7 and 8 of "Own fund regulation"	It complies with the requirements specified in Article 7 of the regulation on Banks' Equity.	It complies with the requirements specified in Article 8 of the regulation on Banks' Equity
Details of incompliances with article number 7 and 8 of "Own fund regulation"	It does not comply with the conditions laid down in Article 8.	It does not comply with the conditions laid down in Article 7.

(*) The conversion rate/value will be calculated based on the market data prevailing at the time the right is exercised.

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

I. Explanations on Equity (Continued)

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

	Current Period	Prior Period
Balance sheet total equity	172,875,755	119,001,311
Hedge funds	(1,087,356)	(1,865,452)
Discounts made within the scope of the regulation	(7,286,173)	(6,055,557)
Accumulated revaluation and/or reclassification incomes/losses on financial assets at fair value through other comprehensive income	3,861,232	5,134,854
Core Capital	168,363,458	116,215,156
Additional capital	22,493,993	18,522,158
Capital	190,857,451	134,737,314
Expected loss allowance (Stages 1 and 2)	13,013,317	10,320,763
Debt instruments deemed appropriate by the institution	12,853,710	13,582,916
Discounts made within the scope of the regulation	(268,659)	(264,300)
Total Equity	216,455,819	158,376,693

II. Explanations on Risk Management

1. Explanations on credit risk

Credit risk represents the risk arising due to the counter party's not fulfilling its responsibilities stated in the agreement either partially or totally.

Loan strategies and policies are determined by the Policy Committees. These policies and strategies are constituted in line with the applications of the Bank, and credit risk is managed according to these policies and strategies. The quality of loan portfolio is monitored regularly with the help of metrics which are in line with the Bank's risk appetite, as specified in Risk Management Strategies.

Credit Risk Management takes place in every step of the Bank's credit process from the beginning. Loan applications are evaluated by non-profit oriented independent loan granting departments. Loan limits are determined on a product basis and in the aggregate for every individual, corporate customer and risk group. Furthermore, concentration on product, industry, region, are monitored within the frame of loan limits in line with the regulation.

The credibility of the debtors is monitored periodically in accordance with the related regulation. The statements presenting the financial position of the borrowers are obtained in accordance with the related regulation.

Loan limits of the loan customers are revised periodically in line with the Bank's loan limit revision procedures.

The Bank analyses the credibility of the loans within the framework of its loan policies and obtains collaterals for loans

The Bank has control limits over the positions of forward transactions, options and other similar agreements. The credit risk arising from these instruments are managed together with the risks resulting from market fluctuations.

The Bank monitors risks of forward transactions, options and other similar agreements and reduces the risk if necessary.

Indemnified non-cash loans are weighted in the same risk group with the past due but not impaired loans.

The restructured and rescheduled loans are monitored by the Bank in line with Bank's credit risk management procedures. The debtor's financial position and commercial activities are continuously analyzed and the principal and interest payments of rescheduled loans are monitored by the related departments.

The restructured and rescheduled loans are evaluated in the Bank's current internal rating system besides the follow up method determined in the related regulation.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

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

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

The risk of banking operations abroad and credit transactions is acceptable and there is no significant credit risk density in the international banking market.

The policies implemented by the bank regarding the calculation of expected loss provisions are explained in note VIII of the third part. The bank has taken into consideration the general provision for overdue loans and special provision for impaired loans under the Regulation on Identification of and Provision against Non-Performing Loans and Other Receivables (the Provisioning Regulation).

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 December 12, 2023 and numbered 10747; 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. It has been decided to terminate the implementation as of 1/1/2026 in accordance with the Decision of the Banking Regulation and Supervision Board dated 13/11/2025 and numbered 11286.

In case the net valuation differences of the securities held by the banks in the portfolio of "Securities at Fair Value Through Other Comprehensive Income" as of the date of this Decision are negative, these differences will be calculated in accordance with the Regulation on the Equity of Banks published in the Official Gazette dated September 5, 2013, and allowing the opportunity not to be taken into account in the amount of equity to be used for the capital adequacy ratio, continuing to apply the existing provisions of the aforementioned Regulation for "Securities at Fair Value Reflected in Other Comprehensive Income" acquired after the date of this decision. It has been decided to terminate the implementation as of 1/1/2026 in accordance with the Decision of the Banking Regulation and Supervision Board dated 13/11/2025 and numbered 11286.

With the attached decision of the Banking Regulation and Supervision Agency dated November 13, 2025 and numbered 11287, the Capital Adequacy Regulation, the limit related to the definition of small and medium-sized enterprises (SMEs) stated in the first paragraph of Article 3(vv) is determined as TL 1,000,000,000 for domestically resident SMEs and for internationally resident SMEs, it determined to use the SME definition employed by the banking authority of the country where the SME is located for the calculation of capital adequacy. It has been reported that a decision has been made to set the retail credit limit mentioned in the first sentence of the second paragraph of Article 6(c) at TL 50,000,000.

- The receivables of the Bank from its top 100 cash loan customers are 21% in the total cash loans (December 31, 2024 – 21%).
- The receivables of the Bank from its top 200 cash loan customers are 26% in the total cash loans (December 31, 2024 - 25%).
- The receivables of the Bank from its top 100 non-cash loan customers are 38% in the total non-cash loans (December 31, 2024 – 43%).
- The receivables of the Bank from its top 200 non-cash loan customers are 49% in the total non-cash loans (December 31, 2024 – 53%).
- The share of cash and non-cash receivables of the Bank from its top 100 loan customers in total cash and non -cash loans are 21% (December 31, 2024 – 21%).
- The share of cash and non-cash receivables of the Bank from its top 200 loan customers in total cash and non -cash loans are 26% (December 31, 2024 – 25%).
- The general loan loss provision taken by the Bank is TL 26,889,557 (December 31, 2024 – TL 23,217,774).
- As of December 31, 2025, the Bank does not take any provision for probable risks in loan portfolio amounted (December 31, 2024 - None).

QNB BANK ANONİM ŞİRKETİ

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

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Exposure Categories	Current Period		Prior Period	
	Risk Amount ^(*)	Average Risk Amount ^(**)	Risk Amount ^(*)	Average Risk Amount ^(**)
Conditional and unconditional receivables from central governments and Central Banks	508,542,658	565,748,639	474,016,974	397,352,856
Conditional and unconditional receivables from regional or local governments	151,399	212,492	189,547	194,373
Conditional and unconditional receivables from administrative bodies and noncommercial enterprises	693,482	782,848	912,779	858,189
Conditional and unconditional receivables from multilateral development banks	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	160,571,789	201,103,943	208,351,966	134,327,871
Conditional and unconditional receivables from corporates	433,090,318	436,595,230	340,733,767	292,859,971
Conditional and unconditional receivables from retail portfolios	632,125,432	588,707,644	511,520,756	336,199,903
Conditional and unconditional receivables secured by mortgages	58,250,298	48,353,291	37,640,563	30,872,152
Past due receivables	10,618,909	8,395,999	5,155,349	3,210,440
Receivables defined under high risk category by BRSA	3,692,330	3,681,548	3,027,347	116,695,264
Securities collateralized by mortgages	-	-	-	-
Securitization positions	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-
Investments similar to collective investment funds	-	-	-	-
Investment in equities	28,957,724	22,533,986	17,657,568	15,395,582
Other receivables	92,173,409	70,808,373	61,987,574	45,079,460

^(*) The risk amounts are given after the loan conversion rate and before Loan Risk Reduction.

^(**) The average risk amount is determined by calculating the arithmetic average of the post-transformation risk amounts for the January, 2025 – December, 2025 periods.

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

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Profile of significant exposures in major region

	Exposure Categories ^(*)																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Current Period																		
Domestic	508,542,658	151,399	693,482	-	-	88,035,215	428,526,588	631,765,415	58,156,166	10,606,033	3,692,330	-	-	-	-	28,957,724	92,173,409	1,851,300,419
EU countries	-	-	-	-	-	6,899,212	426,634	12,262	-	-	-	-	-	-	-	-	-	7,338,108
OECD countries ^(**)	-	-	-	-	-	45,894,553	22	9,171	-	43	-	-	-	-	-	-	-	45,903,789
Off-shore banking regions	-	-	-	-	-	9,321,457	128,067	52,564	-	-	-	-	-	-	-	-	-	9,502,088
USA, Canada	-	-	-	-	-	8,917,539	-	6,575	-	6	-	-	-	-	-	-	-	8,924,120
Other countries	-	-	-	-	-	1,503,813	4,009,007	279,445	94,132	12,827	-	-	-	-	-	-	-	5,899,224
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undistributed Assets/Liabilities ^(***)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	508,542,658	151,399	693,482	-	-	160,571,789	433,090,318	632,125,432	58,250,298	10,618,909	3,692,330	-	-	-	-	28,957,724	92,173,409	1,928,867,748

	Exposure Categories ^(*)																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Prior Period																		
Domestic	474,016,974	189,547	912,779	-	-	118,624,604	336,691,169	511,442,711	37,573,206	5,147,162	3,027,347	-	-	-	-	17,657,568	61,987,573	1,567,270,640
EU countries	-	-	-	-	-	9,228,452	398,947	756	-	11	-	-	-	-	-	-	-	9,628,166
OECD countries ^(**)	-	-	-	-	-	60,664,755	1,189,337	461	-	-	-	-	-	-	-	-	-	61,854,553
Off-shore banking regions	-	-	-	-	-	13,655,788	218,371	794	-	1	-	-	-	-	-	-	-	13,874,954
USA, Canada	-	-	-	-	-	5,698,302	-	55	-	-	-	-	-	-	-	-	-	5,698,357
Other countries	-	-	-	-	-	480,065	2,235,944	75,979	67,357	8,175	-	-	-	-	-	-	-	2,867,520
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undistributed Assets/Liabilities ^(***)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	474,016,974	189,547	912,779	-	-	208,351,966	340,733,768	511,520,756	37,640,563	5,155,349	3,027,347	-	-	-	-	17,657,568	61,987,573	1,661,194,190

^(*) Exposure categories based on "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks. The risk amounts are given after the loan conversion rate, and before Loan Risk Reduction.

^(**) Includes OECD countries other than EU countries, USA and Canada.

^(***) Includes assets and liability items that cannot be allocated on a consistent basis

- 1-Conditional and unconditional receivables from central governments or central banks
- 2-Conditional and unconditional receivables from regional or local governments
- 3-Conditional and unconditional receivables from administrative units and non-commercial enterprises
- 4-Conditional and unconditional receivables from multilateral development banks
- 5-Conditional and unconditional receivables from international organizations
- 6-Conditional and unconditional receivables from banks and brokerage houses
- 7-Conditional and unconditional receivables from corporates
- 8-Conditional and unconditional retail receivables
- 9-Conditional and unconditional receivables secured by mortgages
- 10-Past due receivables
- 11-Receivables defined as high risk category by the Regulator
- 12-Mortgage-backed Securities
- 13-Securitization Positions
- 14-Short-Term Receivables and Short-Term Corporate Receivables from banks and brokerage houses
- 15-Investments in the Nature of Collective Investment
- 16-Investment in equities
- 17-Other receivables

QNB BANK ANONİM ŞİRKETİ

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Risk profile by sectors or counterparties

Current Period	Exposure Categories ^(*)																	TL	FC	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17			
Agriculture	-	-	251	-	-	-	2,713,755	1,757,869	143,466	44,236	-	-	-	-	-	-	-	2,636,289	2,023,288	4,659,577
Farming and Livestock	-	-	251	-	-	-	1,200,887	1,610,706	140,539	34,007	-	-	-	-	-	-	-	2,317,036	669,354	2,986,390
Forestation	-	-	-	-	-	-	2,912	55,965	2,927	10,225	-	-	-	-	-	-	-	72,029	-	72,029
Fishing Industry	-	-	-	-	-	-	1,509,956	91,198	-	4	-	-	-	-	-	-	-	247,224	1,353,934	1,601,158
Industrial	-	10,654	1,658	-	-	-	202,921,903	44,734,793	10,785,053	588,142	255,085	-	-	-	-	-	-	101,785,184	157,512,104	259,297,288
Mining and Quarrying	-	-	-	-	-	-	1,433,780	652,513	51,441	5,249	-	-	-	-	-	-	-	1,566,926	576,057	2,142,983
Manufacturing Industry	-	-	1,658	-	-	-	185,944,673	43,596,868	10,591,506	571,919	255,085	-	-	-	-	-	-	97,272,518	143,689,191	240,961,709
Electricity, Gas, Water	-	10,654	-	-	-	-	15,543,450	485,412	142,106	10,974	-	-	-	-	-	-	-	2,945,740	13,246,856	16,192,596
Construction	-	-	-	-	-	-	27,353,791	21,238,790	5,019,380	155,742	39,638	-	-	-	-	-	-	40,872,374	12,934,967	53,807,341
Services	213,925,605	-	13,919	-	-	155,996,310	156,682,281	109,137,400	37,092,734	1,230,789	3,397,607	-	-	-	-	-	-	367,032,769	310,443,876	677,476,645
Wholesale and Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade	-	-	711	-	-	-	81,257,657	80,622,783	9,579,656	664,336	-	-	-	-	-	-	-	137,667,949	34,457,194	172,125,143
Hotels and Restaurants	-	-	-	-	-	-	8,882,395	1,233,719	13,366,016	2,872	-	-	-	-	-	-	-	3,508,811	19,976,191	23,485,002
Transportation and Communi	-	-	-	-	-	-	40,115,560	11,927,934	708,918	76,797	3,397,607	-	-	-	-	-	-	14,231,111	41,995,705	56,226,816
Financial Institutions	213,925,605	-	151	-	-	155,996,310	1,328,584	1,098,446	326,557	3,514	-	-	-	-	-	-	-	186,208,606	186,470,561	372,679,167
Real Estate and Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	-	-	176	-	-	-	10,891,226	1,619,839	11,067,895	443,436	-	-	-	-	-	-	-	6,541,656	17,480,916	24,022,572
Independent Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	-	-	12,322	-	-	-	3,480,397	7,395,590	981,611	26,228	-	-	-	-	-	-	-	9,466,049	2,430,099	11,896,148
Education Services	-	-	-	-	-	-	182,153	1,245,920	98,036	1,839	-	-	-	-	-	-	-	1,517,597	10,351	1,527,948
Health and Social Services	-	-	559	-	-	-	10,544,309	3,993,169	964,045	11,767	-	-	-	-	-	-	-	7,890,990	7,622,859	15,513,849
Other	294,617,053	140,745	677,654	-	-	4,575,479	43,418,588	455,256,580	5,209,665	8,600,000	-	-	-	-	-	-	-	28,957,724	92,173,409	839,275,088
Total	508,542,658	151,399	693,482	-	-	160,571,789	433,090,318	632,125,432	58,250,298	10,618,909	3,692,330	-	-	-	-	-	-	28,957,724	92,173,409	1,351,601,704
																		577,266,044		1,928,867,748

^(*) Includes risk amounts before the effect of credit risk mitigation but after the credit conversions.

- 1-Conditional and unconditional receivables from central governments or central banks
- 2-Conditional and unconditional receivables from regional or local governments
- 3-Conditional and unconditional receivables from administrative units and non-commercial enterprises
- 4-Conditional and unconditional receivables from multilateral development banks
- 5-Conditional and unconditional receivables from international organizations
- 6-Conditional and unconditional receivables from banks and brokerage houses
- 7-Conditional and unconditional receivables from corporates
- 8-Conditional and unconditional retail receivables
- 9-Conditional and unconditional receivables secured by mortgages
- 10-Past due receivables
- 11-Receivables defined as high risk category by the Regulator
- 12-Mortgage-backed Securities
- 13-Securitization Positions
- 14-Short-Term Receivables and Short-Term Corporate Receivables from banks and brokerage houses
- 15-Investments in the Nature of Collective Investment
- 16-Investment in equities
- 17-Other receivable

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

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Prior Period	Risk Categories ^(*)																	TL	FC	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17			
Agriculture	-	-	220	-	-	-	2,210,319	1,265,050	326,893	15,597	3,721	-	-	-	-	-	-	2,361,307	1,460,493	3,821,800
Farming and Livestock	-	-	220	-	-	-	1,000,436	1,170,621	318,580	12,220	3,697	-	-	-	-	-	-	2,113,523	392,251	2,505,774
Forestation	-	-	-	-	-	-	9,508	46,177	8,313	356	24	-	-	-	-	-	-	64,378	-	64,378
Fishing Industry	-	-	-	-	-	-	1,200,375	48,252	-	3,021	-	-	-	-	-	-	-	183,406	1,068,242	1,251,648
Industrial	-	28,941	1,710	-	-	17	156,689,638	17,189,890	8,164,407	374,643	53,602	-	-	-	-	-	-	75,019,784	107,483,064	182,502,848
Mining and Quarrying	-	-	-	-	-	-	1,384,950	275,622	54,580	7,610	937	-	-	-	-	-	-	1,130,805	592,894	1,723,699
Manufacturing Industry	-	-	1,710	-	-	17	145,319,442	16,750,107	7,882,735	364,237	52,665	-	-	-	-	-	-	71,433,123	98,937,790	170,370,913
Electricity, Gas, Water	-	28,941	-	-	-	-	9,985,246	164,161	227,092	2,796	-	-	-	-	-	-	-	2,455,856	7,952,380	10,408,236
Construction	-	10,000	-	-	-	-	18,378,529	9,897,560	4,495,846	65,307	208,642	-	-	-	-	-	-	24,701,972	8,353,912	33,055,884
Services	216,735,788	-	5,533	-	-	198,134,501	136,483,699	42,401,037	21,588,733	710,388	2,758,773	-	-	-	-	-	-	379,368,477	239,449,977	618,818,452
Wholesale and Retail Trade	-	-	4,975	-	-	2,567	62,063,754	30,926,152	7,590,292	232,501	18,061	-	-	-	-	-	-	79,176,777	21,661,525	100,838,302
Hotels and Restaurants	-	-	-	-	-	-	6,750,328	431,482	7,167,643	1,518	19,602	-	-	-	-	-	-	1,849,506	12,521,067	14,370,573
Transportation and Communication	-	-	-	-	-	-	35,315,506	4,743,802	634,017	12,686	2,700,935	-	-	-	-	-	-	7,895,294	35,511,652	43,406,946
Financial Institutions	216,735,788	-	-	-	-	198,131,934	1,784,510	426,855	203,580	457	-	-	-	-	-	-	-	274,689,878	142,593,246	417,283,124
Real Estate and Rent Services	-	-	176	-	-	-	17,191,214	686,218	4,798,913	446,902	-	-	-	-	-	-	-	5,056,271	18,067,152	23,123,423
Independent Business Services	-	-	328	-	-	-	2,861,194	2,808,568	703,525	13,466	-	-	-	-	-	-	-	4,664,032	1,723,049	6,387,081
Education Services	-	-	-	-	-	-	561,883	620,351	21,177	823	-	-	-	-	-	-	-	1,202,845	1,389	1,204,234
Health and Social Services	-	-	54	-	-	-	9,955,310	1,757,609	469,586	2,035	20,175	-	-	-	-	-	-	4,833,872	7,370,897	12,204,769
Other	257,281,185	150,606	905,316	-	-	10,217,448	26,971,582	440,767,219	3,064,684	3,989,414	2,609	-	-	-	-	17,657,568	61,987,574	749,240,548	73,754,658	822,995,206
Total	474,016,973	189,547	912,779	-	-	208,351,966	340,733,767	511,520,756	37,640,563	5,155,349	3,027,347	-	-	-	-	17,657,568	61,987,574	1,230,692,086	430,502,104	1,661,194,190

^(*) Includes risk amounts before the effect of credit risk mitigation but after the credit conversions.

- 1-Conditional and unconditional receivables from central governments or central banks
- 2-Conditional and unconditional receivables from regional or local governments
- 3-Conditional and unconditional receivables from administrative units and non-commercial enterprises
- 4-Conditional and unconditional receivables from multilateral development banks
- 5-Conditional and unconditional receivables from international organizations
- 6-Conditional and unconditional receivables from banks and brokerage houses
- 7-Conditional and unconditional receivables from corporates
- 8-Conditional and unconditional retail receivables
- 9-Conditional and unconditional receivables secured by mortgages
- 10-Past due receivables
- 11-Receivables defined as high risk category by the Regulator
- 12-Mortgage-backed Securities
- 13-Securitization Positions
- 14-Short-Term Receivables and Short-Term Corporate Receivables from banks and brokerage houses
- 15-Investments in the Nature of Collective Investment
- 16-Investment in equities
- 17-Other receivable

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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

II. Explanations on Risk Management (Continued)

1. Explanations on credit risk (Continued)

Analysis of maturity-bearing exposures according to remaining maturities (*)

Current Period Exposure Categories	Term to Maturity				
	Up to 1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Conditional and unconditional receivables from central governments and Central Banks	29,040,645	2,904,715	1,336,757	14,380,364	265,294,880
Conditional and unconditional receivables from regional or local governments	2,628	-	49,176	17,776	81,785
Conditional and unconditional receivables from administrative bodies and noncommercial enterprises	9,906	822	12,000	1,874	166,434
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	19,563,240	6,838,504	3,459,914	7,385,431	3,059,451
Conditional and unconditional receivables from corporates	41,345,770	41,420,817	43,676,341	60,126,672	123,195,427
Conditional and unconditional receivables from retail portfolios	14,821,860	18,684,444	26,782,791	66,455,848	100,271,523
Conditional and unconditional receivables secured by mortgages	903,658	1,096,036	1,245,008	4,108,692	40,304,325
Past due receivables	-	-	-	-	-
Receivables defined under high risk category by BRSA	13,695	3,416,127	1,836	41,237	103,737
Securities collateralized by mortgages	-	-	-	-	-
Securitization positions	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-
Stock investments	-	-	-	-	-
Other receivables	-	-	-	-	-
Total	105,701,402	74,361,465	76,563,823	152,517,894	532,477,562

Prior Period Exposure Categories	Term to Maturity				
	Up to 1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Conditional and unconditional receivables from central governments and Central Banks	1,019,959	2,546,318	8,570,760	2,492,804	242,651,344
Conditional and unconditional receivables from regional or local governments	12,091	13,740	1,974	-	161,709
Conditional and unconditional receivables from administrative bodies and noncommercial enterprises	110,066	499,430	-	14,102	228,377
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	2,987,532	6,118,844	7,609,419	4,151,586	1,905,506
Conditional and unconditional receivables from corporates	26,562,319	48,077,812	44,905,796	70,438,874	114,928,125
Conditional and unconditional receivables from retail portfolios	26,613,396	38,548,507	46,413,290	104,304,324	61,221,269
Conditional and unconditional receivables secured by mortgages	1,220,660	1,819,359	3,115,075	6,883,397	23,508,918
Past due receivables	-	-	-	-	-
Receivables defined under high risk category by BRSA	5,290	2,706,375	31,589	9,855	88,856
Securities collateralized by mortgages	-	-	-	-	-
Securitization positions	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-
Investments similar to collective investment funds	-	-	-	-	-
Stock investments	-	-	-	-	-
Other receivables	-	-	-	-	-
Total	58,531,313	100,330,385	110,647,903	188,294,942	444,694,104

(*) Includes risk amounts before the effect of credit risk mitigation but after the credit conversions and items with maturity items are taken into consideration.

Exposures by Risk Weights

Current Period

Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	500%	2%	Deductions from Equity
1. Exposures Before													
Credit Risk Mitigation	524,437,894	-	129,275,322	-	91,824,327	651,469,771	527,117,362	341,185	-	-	3,397,606	1,004,281	4,175,228
2. Exposures After													
Credit Risk Mitigation	524,550,230	-	74,512,366	8,844,294	114,032,395	619,487,788	482,299,500	331,953	-	-	3,397,606	1,004,281	4,175,228

Prior Period

Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	500%	2%	Deductions from Equity
1. Exposures Before													
Credit Risk Mitigation	485,445,203	-	144,350,750	1,975	103,864,288	521,711,749	402,705,431	225,286	-	-	2,802,061	87,447	7,101,365
2. Exposures After													
Credit Risk Mitigation	486,646,064	-	35,762,645	5,661,263	88,275,567	506,917,630	376,579,779	222,756	-	-	2,802,061	87,447	7,101,365

QNB BANK ANONİM ŞİRKETİ

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

II. Explanations On Risk Management (Continued)

1. Explanations on credit risk (Continued)

Information by major sectors and type of counterparties

Information about impaired credits and past due credits and value adjustments and provisioning methods are described in Part IV Footnote 2.

Current Period	Loans ^(*)			Provisions	
	Impaired Loans (TFRS 9)		Non-Performing (Regulation of Provision)	Provision For Expected Losses (Regulation of Provision)	
Major Sectors/Counterparties	Significant Increase of Credit Risk (Stage 2)	Default (Stage 3)		of Credit (TFRS 9)	(Regulation of Provision)
1. Agriculture	180,906	276,165	-	249,458	-
1.1. Farming and Livestock	177,462	194,458	-	177,341	-
1.2. Forestation	1,767	80,172	-	70,364	-
1.3. Fishing	1,677	1,535	-	1,753	-
2. Industrial	16,713,447	3,836,446	-	5,468,154	-
2.1. Mining and Quarrying	85,685	27,039	-	24,740	-
2.2. Manufacturing Industry	14,031,213	3,736,990	-	4,758,221	-
2.3. Electricity, Gas, Water	2,596,549	72,417	-	685,193	-
3. Construction	3,964,014	694,232	-	1,840,395	-
4. Services	28,505,972	5,174,207	-	9,552,089	-
4.1. Wholesale and Retail Commerce	8,058,180	3,500,253	-	3,722,248	-
4.2. Hotel and Restaurant Services	1,594,900	227,609	-	381,746	-
4.3. Transportation and Communication	1,144,764	376,024	-	485,405	-
4.4. Financial Corporations	17,690	16,767	-	15,415	-
4.5. Real Estate and Loan Services	16,422,586	818,601	-	4,528,135	-
4.6. Independent Business Services	613,415	145,639	-	189,869	-
4.7. Education Services	95,953	14,120	-	22,401	-
4.8. Health and Social Services	558,484	75,194	-	206,870	-
5. Other	65,386,300	32,805,162	-	30,580,005	-
6. Total	114,750,639	42,786,212	-	47,690,101	-

^(*) Represents the distribution of cash loans.

Prior Period	Loans ^(*)			Provisions	
	Impaired Loans (TFRS 9)		Non-Performing (Regulation of Provision)	Provision For Expected Losses of Credit (TFRS 9) (Regulation of Provision)	
Major Sectors/Counterparties	Significant Increase of Credit Risk (Stage 2)	Default (Stage 3)		of Credit (TFRS 9)	(Regulation of Provision)
1. Agriculture	139,402	122,742	-	113,339	-
1.1. Farming and Livestock	136,421	111,959	-	105,628	-
1.2. Forestation	1,920	1,364	-	1,236	-
1.3. Fishing	1,061	9,419	-	6,475	-
2. Industrial	5,922,758	2,289,052	-	2,398,677	-
2.1. Mining and Quarrying	17,748	49,299	-	41,847	-
2.2. Manufacturing Industry	5,891,976	2,165,169	-	2,283,976	-
2.3. Electricity, Gas, Water	13,034	74,584	-	72,854	-
3. Construction	2,752,888	621,682	-	1,269,235	-
4. Services	26,254,133	3,300,416	-	7,441,885	-
4.1. Wholesale and Retail Commerce	5,269,948	2,020,224	-	2,145,093	-
4.2. Hotel and Restaurant Services	1,902,621	145,166	-	310,106	-
4.3. Transportation and Communication	867,145	154,867	-	225,996	-
4.4. Financial Corporations	32,392	10,246	-	12,690	-
4.5. Real Estate and Loan Services	17,189,204	824,995	-	4,449,525	-
4.6. Independent Business Services	296,293	96,070	-	109,882	-
4.7. Education Services	61,232	17,597	-	21,495	-
4.8. Health and Social Services	635,298	31,251	-	167,098	-
5. Other	61,692,119	18,290,080	-	20,880,586	-
6. Total	96,761,300	24,623,972	-	32,103,722	-

^(*) Represents the distribution of cash loans.

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

II. Explanations On Risk Management (Continued)

1. Explanations on credit risk (Continued)

Movements in value adjustments and provisions

Current Period	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments ^(*)	Closing Balance
1. Stage 3 Provisions ^(**)	19,053,631	26,018,316	(6,314,169)	(6,604,945)	32,152,833
2. Stage 1-2 Provisions	21,556,602	10,324,214	(7,250,628)	-	24,630,188

^(*) Represents the provision of loans written-off.

^(**) Demonstrates provision movement of Stage 3 cash loans.

Prior Period	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments ^(*)	Closing Balance
1. Stage 3 Provisions ^(**)	8,422,069	13,191,955	(730,489)	(1,829,904)	19,053,631
2. Stage 1-2 Provisions	18,582,159	9,816,682	(6,842,239)	-	21,556,602

^(*) Represents the provision of loans written-off.

^(**) Demonstrates provision movement of Stage 3 cash loans.

Exposures subject to countercyclical capital buffer

The exposures subject to countercyclical capital buffer table prepared in accordance with the communiqué “Regulation on Capital Conservation and Countercyclical Capital buffers of Banks” published in the Official Gazette No. 28812 dated November 5, 2013 is presented below:

Information on private sector receivables

Current Period	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
Turkey	992,344,816	-	992,344,816
Ireland	2,564,261	-	2,564,261
United Kingdom	1,499,792	-	1,499,792
Other	815,390	-	815,390
Total	997,224,259	-	997,224,259

Prior Period	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
Turkey	885,591,385	-	885,591,385
United Kingdom	1,559,875	-	1,559,875
Other	780,732	-	780,732
Total	887,931,992	-	887,931,992

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

II Explanations On Risk Management (Continued)

2. Risk Management and General Disclosures regarding Risk Weighted Amounts

2.1 GBA – Risk management approach of the Bank

2.1.1 The way risk profile of the Bank is determined by business model and the interaction between (e.g. key risks related to business model and in which way those risks are reflected to disclosures) and in which way the risk profile of the Bank is related to risk appetite approved by board of directors

Bank acknowledges that business and strategy risks are material since the Bank's growth oriented business plan is sensitive to changes in market conditions. From this point of view, Bank classifies business and strategy risk as an important risk. Bank reviews its 5-year long term business plans once a year periodically. If the economic developments and market conditions require, then business plans are reviewed and revised more often.

2.1.2 Risk management structure: Allocation of responsibilities in the Bank (e.g. supervision and delegation of authorization; separation of responsibilities with respect to their risk type, business unit etc.; relations between structures included in risk management processes [e.g. board of directors, senior management, separate risk committee, risk management unit, legal compliance, internal audit function])

Bank's risk measurement, monitoring, and control functions have clearly defined responsibilities that are sufficiently independent from position/risk taking functions. Risk exposures are directly reported to Senior Management and the Board of Directors/Board Risk Committee. Bank's internal control systems are designed to provide adequate segregation of duties, in order to prevent conflicts of interest with respect to the distinct functions of undertaking, approving, monitoring and controlling risks. In particular the functions that undertake transactions (front line) are administratively and operationally separate from the functions of, confirmation, accounting and settlement of transactions, as well as the safekeeping of the assets of the Bank or its customers.

Risk management governance at the Bank starts with the Board of Directors. The Board Risk Committee ("BRC"), Audit Committee (the "AC"), Assets and Liabilities Committee (the "ALCO"), Corporate and Retail Credit Policy Committee ("CPC"), Operational Risk Management Committee ("ORMC"), Reputation Risk Management and Risk Management Department are the important bodies of the risk management structure. The Board of Directors determines the general risk policy and the risk appetite of the Bank.

The Audit Committee is responsible for supervising whether the Bank complies with the provisions of applicable risk management legislation, and the internal risk management policies and procedures approved by the BoD. The AC reviewing whether the Bank has the methods, instruments and procedures required for identifying, measuring, monitoring and controlling the risk exposures of the Bank.

The ALCO, meeting monthly, is responsible for monitoring and managing the structural asset-liability mismatches of the Bank, as well as monitoring and controlling liquidity risk and foreign currency exchange risk.

The CPC meets monthly and is responsible for monitoring and evaluating the Bank's lending portfolio and determining principles and policies regarding the credit risk management processes such as loan approval, limit setting, rating, monitoring and problem management. The ORMC meets every three months and is responsible for reviewing operational risk issues of the Bank and defining the necessary actions to be taken to minimize these risks. The Reputation Risk Management Committee is established to identify, evaluate and monitor the reputational risks that the Bank is exposed to and to take necessary actions to prevent risks and meets quarterly.

The Risk Management Department, working independently from the executive functions and reporting to the Board of Directors, is organized under three main sections as market risk, credit risk, operational risk and model validation, each having responsibility for identifying, measuring, monitoring, controlling and managing the relevant risks as well as for model validation, assessing the predictive ability of risk estimates and the use of ratings in credit processes.

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

II. Explanations on Risk Management (Continued)

2. Risk Management and General Disclosures regarding Risk Weighted Amounts (Continued)

2.1 GBA – Risk management approach of the Bank (Continued)

2.1.2 Risk management structure: Allocation of responsibilities in the Bank (e.g. supervision and delegation of authorization; separation of responsibilities with respect to their risk type, business unit etc.; relations between structures included in risk management processes (e.g. board of directors, senior management, separate risk committee, risk management unit, legal compliance, internal audit function)) (Continued)

The Compliance function is ensuring, through proper procedures, that the requirements and deadlines provided for by the regulatory framework in force are observed. In doing so, the compliance function informs all Bank employees on the relevant changes to the regulatory framework and provides guidance on the required changes to internal rules and processes. Moreover, the Compliance function cooperates as appropriate with the Risk Management unit, as compliance risk is considered a subcategory of operational risk.

Internal audit function acts as one of the three lines of defense of Bank risk Management model and provides the independent review function. Risk assessments at internal audit are carried out by internal audit department by paying attention to exposures that Bank has and controls relevant to them during audit works.

2.1.3 Channels which are used to extend and apply risk culture in the Bank (e.g. behavior rules, manuals including operation limits or procedures which shall be applied when the risk limits are exceeded, procedures regarding sharing of risk matters between business units and risk units)

The Risk Appetite Statement stands out as the basic risk management policy document in which the Bank defines its risks and determines its risk appetite and management principles. It also defines current and targeted risk profile and appetite, risk management organization, and core risk management capabilities.

Corporate and Retail Loan Policies and application directions also determines the Bank's credit risk management workflow and procedures.

TFRS 9 Impairment Policy is to define TFRS 9 Impairment and related activities to be performed in accordance with the requirements of TFRS 9 Implementation Guide. The policy is to determine the roles and responsibilities of the Bank units within the framework of TFRS 9, to determine the changes specific to TFRS 9 apart from the existing credit policy guidelines, to establish guidelines for TFRS 9 risk monitoring, control and reporting activities, and to establish the TFRS 9 Impairment framework applied within the Bank. aims to provide.

Corporate Rating Governance Policy regulates the internal governance framework for corporate and commercial segment risk rating system operations.

Capital Management Policy sets a framework for managing capital requirements and adequacy assessment, capital planning, capital measurement and monitoring, capital allocation, risk-adjusted aims to establish performance measurement and pricing principles.

Counterparty Credit Risk Policy, the risk strategy determined by the Bank with risk policies and local legislation in comply with effective and sufficient counterparty credit risk management with caution, constant to establish based on the principles of applicability.

The Enterprise Risk Management Policy aims to coordinate the Bank's risk management activities, establish the necessary standards and optimize performance and decision-making through the classification of risks and developing a structured approach for the Bank to address these risks.

Country Risk Policy is to set a consistent framework for the identification, management and reporting of country risk that QNB Bank is exposed to through its counterparties in different countries.

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

II. Explanations on Risk Management (Continued)

2. Risk Management and General Disclosures regarding Risk Weighted Amounts (Continued)

2.1 GBA – Risk management approach of the Bank (Continued)

2.1.3 Channels which are used to extend and apply risk culture in the Bank (e.g. behavior rules, manuals including operation limits or procedures which shall be applied when the risk limits are exceeded, procedures regarding sharing of risk matters between business units and risk units) (Continued)

The Market Risk Management Policy determines the key principles underlying the operations of the Bank in money and capital markets including limit structure.

Banking Account Interest Rate Risk (BHFOR) Policy sets the basic principles for the management of interest rate risk related to banking activities other than trading accounts.

The liquidity policy outlines the Bank's view and identifies the guidelines for incurring, retaining and managing liquidity risk.

The Fair Value Policy aims to define the main principles, roles and responsibilities for measuring the fair value of financial instruments in accordance with accounting provisions and regulatory principles.

Investment Portfolio Risk Policy ensures that the activities related to the management of the Bank's investment portfolio are carried out in accordance with generally accepted practices. This policy explains the objectives and targets of the investment portfolio, whose management is given to the Treasury Trading and Asset-Liability Management units by the Asset-Liability Committee (ALCO). It also defines the management and risk control framework for managing and maintaining the investment portfolio.

The Operational Risk Management Policy ensures that all the Bank's stakeholders manage operational risk within a formalised framework aligned to business objectives.

Reputation Risk Policy, identifies the rules and frame of managing the reputation risk.

The Environmental and Social Risk Policy (Policy) sets forth QNB Bank's approach to environmental and social issues in line with the sustainability policy, strategy and ESG (Environmental, Social, Governance) commitments of QNB Group and QNB Bank.

2.1.4 Key elements and scope of risk measurement systems

Consistent across the Bank internal risk rating systems appropriate to the nature, size and complexity of each activity and fully integrated in credit processes. The internal risk rating system employs appropriate credit risk rating models the scope and coverage of which are adequate to accommodate the Bank's strategic aspirations and regulatory requirements. In particular, the Bank's internal rating systems form the basis of capital assessment and allocation and constitute a key element of risk adjusted performance measurement, pricing and profitability measurement.

Information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities, providing adequate information on the composition of the credit portfolio of the Bank, including identification of any concentrations of risk.

The Market Risk Management Policy determines the key principles underlying the operations of the Bank in money and capital markets. Key principles of Market Risk Management Framework are:

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

II. Explanations on Risk Management (Continued)

2. Risk Management and General Disclosures regarding Risk Weighted Amounts (Continued)

2.1 GBA – Risk management approach of the Bank (Continued)

2.1.4 Key elements and scope of risk measurement systems (Continued)

The Bank Risk Committee is responsible for ensuring that market risk strategy and policy are consistently implemented. This includes

- Implementation of the market risk management policy.
- Designation of risk limits.
- Definition of responsibilities for every unit involved in market risk management.
- Ongoing market risk monitoring and control, ensuring that risk appetite remains within the approved limits.
- Setting up appropriate IT systems for evaluating and monitoring the risks taken.
- Setting up standard models for market risk positions valuation and performance evaluation.
- Setting up comprehensive reporting and internal control systems.
- Providing for the maintenance of an adequate level of regulatory capital against the market risk undertaken.
- Providing for the disclosure of information regarding the type and level of the market risk assumed and for the implementation of policies for the management thereof.

2.1.5 Disclosures regarding risk reporting processes provided to Board of Directors and senior management (especially on the scope and main content of reporting)

Monthly risk reports are prepared for submission to the Board of Directors and the Board Risk Committee. These executive reports include information related to capital adequacy, Market Risk, Interest Rate Risk in the Banking Book (IRRBB), Liquidity Risk, Credit Risk, Counterparty Credit Risk and Operational Risk.

Credit Risk section of the report consists of three main sub sections such as General Outlook to the Total Portfolio, Business Loans and Retail Loans, and include;

- Basic risk appetite parameters included in the Bank's Risk Appetite Statement document,
- Exposures by segments, monthly and annual changes, portfolio growth
- Sector concentration and risk metrics
- Delinquency amounts, product types and delinquencies by segments, new NPLs and recoveries from NPLS
- Detailed watchlist analyses for business segments
- Rating distributions, PD distributions, expected loss trend, collateral structure
- New NPLs, vintage analyses, recoveries by segments and products
- Restructured credits by segments
- Derivative products exposures by segments, stress testing
- Credit risk information regarding subsidiaries

The Risk Management Division is required to inform Senior Management and Board Member who is responsible from Internal Systems on Market Risk of Trading Book and AFS portfolio.

Reports are prepared daily and indicatively include the following:

- Estimation of the VaR on aggregate basis and by type of risk (interest rate, FX, equity).
- Estimation of stress VaR on aggregate basis and by type of risk (interest rate, FX, equity).
- Sensitivity of the trading and AFS portfolio.
- Ratio of the securities portfolio to total assets
- Breakdowns of the portfolio and utilization of the relevant limits.
- Utilization of limits on option Greeks.

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

II. Explanations on Risk Management (Continued)

2. Risk Management and General Disclosures regarding Risk Weighted Amounts (Continued)

2.1 GBA – Risk management approach of the Bank (Continued)

2.1.5 Disclosures regarding risk reporting processes provided to Board of Directors and senior management (especially on the scope and main content of reporting) (Continued)

In addition, Board of Directors Risk Committee Report is prepared monthly in a way covering abovementioned market risk metrics and stress tests in order to be presented to Board of Directors and Risk Committee.

Operational Risk segment reporting broadly covers the following:

- Operational risk loss events experienced in the Bank
- Key risk indicators and risk metrics
- Action tracking

2.1.6 Disclosures regarding stress test (e.g. assets included in stress test, adapted scenarios and used methodologies and use of stress test in risk management)

Stress test constitute the center of capital planning within the scope of the Bank's APICA (Assessment Process of Internal Capital Adequacy). The Bank's general principles on these stress testing framework can be summarized as follows:

- Comprehensive stress testing, aggregated per risk category, is conducted at least annually on year end data and business plan.
- Stress testing is integrated to the ICAAP document which is subject to Board of Directors approval.
- A historical scenario is selected as an anchor scenario to be used on the construct of base adverse scenario for the stress test use. However, final scenario is applied by enriching with hypothetical components as independent from anchor scenario.
- Bank's stress testing framework encompasses sensitivity tests.
- The impact of the stress testing on the Bank's financial strength and capital position are analyzed through some key ratios and key items including but not limited to the following: Non-performing Loan Ratio, Return of Equity, Return on Asset, Leverage Ratio, Core Tier I Ratio, Capital Adequacy Ratio, Loan Balances, Balance Sheet Items, the Statement of Profit or Loss Items.
- The stress testing framework also includes reverse stress tests, where scenarios and shocks that could lead to the failure of the Bank are quantitatively or qualitatively outlined.

In scenarios using stress testing, as a result of increase in non-performing loans due to significant deterioration in asset quality and a decrease in capital adequacy, The Bank's ability to meet capital-strengthening actions and cash outflows that may occur in case of a possible liquidity crisis were tested. In this context, when potential risks are assessed, it is believed that the Bank has sufficient capacity for actions that may be taken.

Market Risk Management defines the stress test approaches as below;

- To move the risk factors parallel in one direction
- To move the risk factors non parallel.
- To perform tests to the existing portfolio based on past extreme situations.

The trading book consists of Financial Assets at Fair Value Through Profit or Loss, derivatives entered into for trading purposes, and open currency positions, which are clearly defined in the Market Risk Management Policy.

Within the scope of liquidity stress test to identify possible sources of liquidity weaknesses, scenarios that are specific to the bank, related to the market in general and taking both situations into account have been defined. Thus, the Bank's ability to meet its obligations during a funding crisis is tested. The Bank has had four different stress tests measuring how much it can meet its promises, without providing any new funds from the market or at very low levels of funds, cumulative cash outflows. For effective and sufficient liquidity risk management, the stress tests in question have been created based on crisis scenarios specific to the Bank, a general market crisis scenario, and a combined scenario in accordance with the "Guidance on Liquidity Risk Management".

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

II. Explanations on Risk Management (Continued)

2. Risk Management and General Disclosures regarding Risk Weighted Amounts (Continued)

2.1 GBA – Risk management approach of the Bank (Continued)

2.1.7 Risk management, protection and mitigation strategies and process of the Bank sourcing from its business model and Monitoring processes of continuing effects of protection and mitigation

Forecasts related to effectiveness of credit risk mitigation methods and collection ability of the Bank associated with miscellaneous collateral types are stated with consideration ratios on the basis of collaterals. The aforementioned ratios are determined based on long term historical observations of the Bank and judgement of expert business units and most importantly with precautionary principle.

Likewise, conservatism is also embedded in regulatory rules through respective haircuts, collateral eligibility requirements and so forth. Furthermore, the collaterals used as a risk mitigant in the Bank's capital adequacy calculations are predominantly cash or equivalent collaterals. The treatment of cash collaterals is straight forward, issues about recovery, and valuation are not relevant.

Regarding the exposure secured with mortgages, the new capital adequacy regime with Basel II increased the operational requirements for the recognition.

2.2. GB1 – Overview of Risk Weighted Assets

	Risk Weighted Amount		Minimum Capital Requirement
	31.12.2025	31.12.2024	31.12.2025
1 Credit Risk (excluding counterparty Credit Risk)	1,028,420,052	811,934,405	82,273,604
2 Standardized approach	1,028,420,052	811,934,405	82,273,604
3 Internal rating-based approach	-	-	-
4 Counterparty credit risk	12,645,292	13,726,603	1,011,623
5 Standardized approach for counterparty credit Risk	12,645,292	13,726,603	1,011,623
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 positions in banking accounts	-	-	-
13 IRB ratings-based approach	-	-	-
14 IRB Supervisory Formula Approach	-	-	-
15 SA/simplified supervisory formula approach	-	-	-
16 Market risk	31,554,788	13,237,775	2,524,383
17 Standardized approach	31,554,788	13,237,775	2,524,383
18 Internal model approaches	-	-	-
19 Operational Risk	118,850,522	74,045,605	9,508,042
20 Basic Indicator Approach	118,850,522	74,045,605	9,508,042
21 Standard Approach	-	-	-
22 Advanced measurement approach	-	-	-
23 The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24 Floor adjustment	-	-	-
25 TOTAL(1+4+7+8+9+10+11+12+16+19+23+24)	1,191,470,654	912,944,388	95,317,652

QNB BANK ANONİM ŞİRKETİ

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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

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

II. Explanations on Risk Management (Continued)

3. Linkages between financial statements and risk amount

3.1. B1 - Differences and matching between asset and liabilities' carrying values in financial statements and risk amounts

Current Period	Carrying values of items in accordance with TAS					
	Financial statements prepared as per TAS	Subject to credit risk	Subject to counterparty credit risk	Subject to the Securitization framework	Subject to market risk	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and balances with the Central Bank	255,839,456	255,851,506	-	-	-	-
Trading Financial Assets ^(*)	11,533,436	-	11,519,222	-	2,598,300	-
Financial Assets at Fair Value Through Profit or Loss	11,032,073	695,369	-	-	11,032,073	-
Banks	23,630,171	23,645,961	-	-	-	-
Money Market Placements	9,972,020	9,974,114	-	-	-	-
Financial Assets Available-for-Sale (net)	183,487,029	183,487,029	58,539,275	-	-	-
Loans and Receivables	1,081,463,706	1,105,825,227	-	-	-	268,667
Factoring Receivables	-	-	-	-	-	-
Held-to-maturity investments (net)	137,580,087	137,598,663	52,086,458	-	-	-
Investment in Associates (net)	53,722	53,722	-	-	-	-
Investment in Subsidiaries (net)	29,510,521	28,189,370	-	-	-	1,321,151
Investment in Joint ventures (net)	2,800	2,800	-	-	-	-
Lease Receivables	-	-	-	-	-	-
Derivative Financial Assets Held For Hedging ^(*)	9,638,441	-	9,638,441	-	-	-
Property And Equipment (Net)	25,980,872	25,333,107	-	-	-	647,765
Intangible Assets (Net)	6,258,048	34,376	-	-	-	6,223,672
Investment Property (Net)	463,819	463,819	-	-	-	-
Tax Asset	302,403	302,403	-	-	-	-
Assets Held For Resale And Related To Discontinued Operations (Net)	-	-	-	-	-	-
Other Assets	50,532,604	50,583,840	-	-	-	-
Cash and balances with the Central Bank	1,837,281,208	1,822,041,306	131,783,396	-	13,630,373	8,461,255
Liabilities						
Deposits	1,002,506,662	-	-	-	-	-
Derivative Financial Liabilities Held for Trading ^(**)	10,109,198	-	-	-	5,178,151	-
Funds Borrowed	238,988,035	-	-	-	-	-
Money Markets	91,954,058	-	91,954,058	-	-	-
Marketable Securities Issued	143,201,506	-	-	-	-	-
Funds	-	-	-	-	-	-
Miscellaneous Payables ^(***)	88,645,269	-	-	-	-	-
Other Liabilities ^(***)	33,249,435	-	-	-	-	-
Factoring Payables	-	-	-	-	-	-
Lease Payables	3,009,885	-	-	-	-	-
Derivative Financial Liabilities Held For Hedging ^(**)	1,826,169	-	-	-	-	-
Provisions	11,861,427	-	-	-	-	-
Tax Liability	3,515,825	-	-	-	-	-
Liabilities For Property And Equipment Held For Sale And Related To Discontinued Operations (net)	-	-	-	-	-	-
Subordinated Loans	35,537,984	-	-	-	-	-
Shareholder's Equity	172,875,755	-	-	-	-	-
TOTAL LIABILITIES	1,837,281,208	-	91,954,058	-	5,178,151	-

(*) Financial assets held for trading and derivative financial assets for hedging purposes are included in the "Derivative Financial Assets" item in the financial statements.

(**) Financial liabilities held for trading and derivative financial liabilities for hedging purposes are included in the "Derivative Financial Liabilities" item in the financial statements.

(***) Miscellaneous payables and other liabilities are presented under "Other Liabilities" items in the financial statements.

QNB BANK ANONİM ŞİRKETİ

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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

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

II. Explanations on Risk Management (Continued)

3. Linkages between financial statements and risk amount (Continued)

3.1. B1 - Differences and matching between asset and liabilities' carrying values in financial statements and risk amounts (Continued)

Prior Period	Carrying values of items in accordance with TAS					Not subject to capital requirements or subject to deduction from capital
	Financial statements prepared as per TAS	Subject to credit risk	Subject to counterparty credit risk	Subject to the Securitization framework	Subject to market risk	
Assets						
Cash and balances with the Central Bank	253,090,980	253,100,785	-	-	-	-
Trading Financial Assets	4,986,898	-	4,970,997	-	1,988,341	-
Financial Assets at Fair Value Through Profit or Loss	12,201,005	-	-	-	12,201,006	-
Banks	15,300,879	15,325,868	-	-	-	-
Money Market Placements	150,504	150,531	-	-	-	-
Financial Assets Available-for-Sale (net)	140,210,832	140,210,832	88,992,233	-	-	-
Loans and Receivables	870,388,461	891,680,763	-	-	-	264,300
Factoring Receivables	-	-	-	-	-	-
Held-to-maturity investments (net)	129,166,122	129,183,829	89,940,323	-	-	-
Investment in Associates (net)	53,737	53,737	-	-	-	-
Investment in Subsidiaries (net)	19,531,005	17,601,030	-	-	-	1,929,975
Investment in Joint ventures (net)	2,800	2,800	-	-	-	-
Lease Receivables	-	-	-	-	-	-
Derivative Financial Assets Held For Hedging ^(*)	5,956,427	-	5,956,427	-	-	-
Property And Equipment (Net)	21,281,303	20,772,106	-	-	-	509,197
Intangible Assets (Net)	4,407,812	9,919	-	-	-	4,397,893
Investment Property (Net)	-	-	-	-	-	-
Tax Asset	5,365,515	5,365,515	-	-	-	-
Assets Held For Resale And Related To Discontinued Operations (Net)	-	-	-	-	-	-
Other Assets	29,775,488	29,800,875	-	-	-	-
TOTAL ASSETS	1,511,869,768	1,503,258,590	189,859,980	-	14,189,347	7,101,365
Liabilities						
Deposits	880,223,329	-	-	-	-	-
Derivative Financial Liabilities Held for Trading ^(**)	7,228,941	-	-	-	4,321,727	-
Funds Borrowed	156,318,947	-	-	-	-	-
Money Markets	149,463,326	-	145,158,385	-	-	-
Marketable Securities Issued	67,182,070	-	-	-	-	-
Funds	-	-	-	-	-	-
Miscellaneous Payables ^(***)	56,849,530	-	-	-	-	-
Other Liabilities	23,540,340	-	-	-	-	-
Factoring Payables	-	-	-	-	-	-
Lease Payables	1,678,801	-	-	-	-	-
Derivative Financial Liabilities Held For Hedging ^(***)	4,119,865	-	-	-	-	-
Provisions	10,770,199	-	-	-	-	-
Tax Liability	3,194,270	-	-	-	-	-
Liabilities For Property And Equipment Held For Sale And Related To Discontinued Operations (net)	-	-	-	-	-	-
Subordinated Loans	32,298,839	-	-	-	-	-
Shareholder's Equity	119,001,311	-	-	-	-	-
TOTAL LIABILITIES	1,511,869,768	-	145,158,385	-	4,321,727	-

(*) Financial assets held for trading and derivative financial assets for hedging purposes are included in the "Derivative Financial Assets" item in the financial statements.

(**) Financial liabilities held for trading and derivative financial liabilities for hedging purposes are included in the "Derivative Financial Liabilities" item in the financial statements.

(***) Miscellaneous payables and other liabilities are presented under "Other Liabilities" items in the financial statements.

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

II. Explanations on Risk Management (Continued)

3. Linkages between financial statements and risk amount (Continued)

3.2. B2 - The main sources of the differences between the risk amounts and the amounts assessed in accordance with TAS in the financial statements

Current period	Total	Subject To Credit Risk	Subject to the Securitization	Subject To Counterparty Credit Risk	Subject To Market Risk
1 Asset carrying value amount under scope of regulatory consolidation	1,967,455,075	1,822,041,306	-	131,783,396	13,630,373
2 Liabilities carrying value amount under regulatory scope of consolidation	97,132,209	-	-	91,954,058	5,178,151
3 Total net amount under regulatory scope of consolidation	1,870,322,866	1,822,041,306	-	39,829,338	8,452,222
4 Off-Balance Sheet Amounts	187,406,717	187,406,717	-	-	-
5 Differences due to different netting rules	23,102,566	-	-	-	23,102,566
6 Repo transactions	(194,535,137)	(189,599,289)	-	(4,935,848)	-
7 Potential credit risk amount calculated for the counterparty	(26,281,811)	(22,313,983)	-	(3,967,828)	-
Risk Amounts	1,860,015,201	1,797,534,751	-	30,925,662	31,554,788

Prior period	Total	Subject To Credit Risk	Subject to the Securitization	Subject To Counterparty Credit Risk	Subject To Market Risk
1 Asset carrying value amount under scope of regulatory consolidation	1,707,307,917	1,503,258,590	-	189,859,980	14,189,347
2 Liabilities carrying value amount under regulatory scope of consolidation	149,480,112	-	-	145,158,385	4,321,727
3 Total net amount under regulatory scope of consolidation	1,557,827,805	1,503,258,590	-	44,701,595	9,867,620
4 Off-Balance Sheet Amounts	1,210,578,381	112,375,919	-	-	-
5 Differences due to different netting rules	3,370,155	-	-	-	3,370,155
6 Repo transactions	(142,484,213)	(129,972,182)	-	(12,512,031)	-
7 Potential credit risk amount calculated for the counterparty	(14,896,681)	(14,896,681)	-	-	-
Risk Amounts	2,614,395,447	1,470,765,646	-	32,189,564	13,237,775

3.3. BA - Disclosures regarding differences between amounts valued according to TAS and risk exposures

3.3.1 None.

3.3.2 There is no significant difference between amounts valued in accordance with TAS included in B2 and risk exposures except for “Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)”. There is a significant difference between amounts valued according to TAS and risk exposures, since the securities which are subject to repurchase that include in Money Market Payables account item are subject to counter party risk.

3.3.3 Valuation methodologies regarding the disclosure related to use of Market Value and Model Value

In general terms, market risk is the possibility of making loss as a result of changes occurring in the current market values of financial assets and positions in the bank's trading accounts. In this framework, the following elements of the Bank, which must be reflected on balance sheet over their current market values (market to market), are included in market risk.

- Equity shares included in trading, investment fund participation documents, securities such as bonds and bills,
- Open foreign exchange position with respect to each foreign currency,
- Derivative contracts concluded for trading that are sensitive to interest rate changes, forward and futures transactions considered within this scope, simple or complex options, swap transactions, and credit derivatives are,

subject to market risk. Classification of Trading Accounts is made in accordance with Appendix-3 of the Regulation on Measurement and Evaluation of Banks' Capital Adequacy.

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

II. Explanations on Risk Management (Continued)

3. Linkages between financial statements and risk amount (Continued)

3.3. BA - Disclosures regarding differences between amounts valued according to TAS and risk exposures (Continued)

Classification of Trading Accounts are made in accordance with Appedix-3 of Regulation on Measurement and Evaluation of Bank's Capital Adequacy.

QNB Bank calculates its value at market risk with standard method in the framework of "Regulation on Measurement and Evaluation of Bank's Capital Adequacy". Accordingly, capital requirement is reached through multiplying of total of general market risk, commodity risk, settlement risk, exchange risk option risk to 12.5.

The Bank's market risk basis value is reached by determining the amounts related to market risk. The details of the analysis are as follows:

- Commodity risk analysis: Simplified approach (Standard method).
- Interest rate risk analysis: General Market Risk Calculation (Standard method – maturity approach) – Specific risk calculation (standard method).
- Equity shares risk analysis: Position risk in equity share investments (Standard method).
- Exchange rate exposure analysis (standard method).
- Option risk analysis: Weighting method with delta factor (standard method).

Securities such as equity share, bond and bills, whose market prices are monitored directly, and derivative products such as futures, which are traded in stock exchange, are reviewed over their transaction prices as of reporting date. If a security included in Financial Assets at Fair Value through Profit/Loss portfolio cannot be treated as of reporting date, it is evaluated over the price determined in scope of precautionary principles.

Market value of products, which are traded at over the counter markets such as forward foreign exchange, foreign exchange swaps and interest swaps, are calculated in line with discounting of cash flows over market interest rates. Market value of option transactions is performed based on softwares which are internationally accepted valuation methodologies

Definition of independent price approval processes

There are four main price parameters which shall have an impact on current market value of financial assets and positions held by the Banks:

- Market interest rates (bond, bill and derivative prices),
- Share Prices,
- Exchange rates,
- Gold, other precious metals and commodity prices.

Total risk of loss sourcing from price movements (interest, equity share, exchange and commodity risk) related to financial assets and positions are called as "general market risk".

Independency of the price process is ensured through the controlled entry and management of the prices and data used in the valuation process into the Bank's systems by the Treasury Control Unit and Treasury Operations. In addition, the pricing and valuation systems in question are reviewed and validated periodically by the Risk Management Model Validation Unit.

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

II. Explanations on Risk Management (Continued)

3. Linkages between financial statements and risk amount (Continued)

3.3. BA - Disclosures regarding differences between amounts valued according to TAS and risk exposures (Continued)

Processes for valuation adjustments or differences (It includes definition of process and methodology definition for the valuation of trading positions according to type of financial instrument)

TRY borrowing instruments included in securities portfolio of Financial Assets at Fair Value through Profit/Loss account consist of government securities. The aforementioned securities are evaluated based on weighted average price traded in the market. For the TL securities not traded, market price is calculated based on CBRT prices. Average of quotation of purchase and sell in the market are accepted as market price for Foreign Currency securities included in the same portfolio.

4. Credit Risk Disclosures

4.1. General Information on Credit Risk

4.1.1. CRA – General Qualitative Information on Credit Risk

a) Conversion of Bank’s business model to components of credit risk profile

The Bank deploys forward looking, risk sensitive measurement systems and tools, including appropriate information technology applications and management information systems, to account for expected and unexpected losses in both normal and stress market conditions, for all types of risks as appropriate. The conversion of business model to components in risk profile is digitized through aforementioned instruments.

b) Criteria and approach used during the determination of credit risk policy and credit risk limits

Bank credit policies have been established to form effective and satisfactory loan allocation processes based on prudence and applicability principles in a way that it is in line with the risk boundaries set by the Bank, Bank Credit Policies and legal authorities. Pillars of credit risk management policy in Bank are;

- Rules and Regulations of BRSA (Banking Regulation and Supervision Agency).
- Decisions of institutions auditing QNB Group.
- Credit policies and procedures at Group level.
- Credit policies and procedures at Bank level.
- Risk Appetite Statement.
- Corporate, commercial and SME banking credit policies and corporate grading management documents.
- Individual credit and credit cards policies.

Risk Appetite Statement comes out as the main risk management policy document in which the Bank defines its risks, determines the risk appetite and the risk management principles. Credit risk limits are reviewed annually, consistent to risk strategy.

c) Structure and organization of credit risk management and control function

All of the process related to direct or indirect credit allocation, extension, monitoring and operation of the Bank in favor of individuals or legal entities are reviewed in scope of credit risk management. Activities related to capital management includes calculation of legal and economic capital requirement of annual and long term business plans of the Bank.

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

II. Explanations on Risk Management (Continued)

4. Credit Risk Disclosures (Continued)

4.1. General Information on Credit Risk (Continued)

4.1.1. CRA – General Qualitative Information on Credit Risk (Continued)

Activities related to Credit Risk and Capital Management are carried out by Credit Risk Analytic, Strategy and Capital Management unit. Bank's Credit Risk organization, duties and responsibilities, related units and responsibilities of those units are identified in detail in the own Credit Policy documents of the Bank, Risk Appetite Statement Document and Risk Management Department operation instruction and also main principles, applications, limits and reporting processes, which are going to be adopted in Credit Risk Management, are included.

Main responsibilities of Credit Risk Management Department are as follows:

- To establish risk management policies and strategies related to risks exposed by the Bank and to submit those policies and strategies for the approval of Board of Directors Risk Committee,
- To ensure fulfilment of risk identification, measurement, analysis, monitoring, control and mitigation activities in accordance with risk management policies and processes approved by Board of Directors and to report all significant in balance and off balance risks which are undertaken at Bank level to senior management,
- To make internal capital adequacy review covering all risks and to make forecasts related to course of capital adequacy ratio in the framework of long term business plans of the Bank,
- To make periodic stress tests and scenario analysis and establish early warning systems,
- To support decision-making processes of the Bank through providing reviews and risk point of view with respect to risk management,
- To encourage risk awareness and management culture at Bank level,
- To develop of forecasting models/approaches and the measurement monitoring of portfolio credit risk through Probability of Default (PD), Loss Given Default (LGD) and Exposure At Default (EAD),
- Implementation of risk based Credit Classification and Expected Credit Loss (ECL) calculations under TFRS 9, determination of credit risk measurement framework, development and implementation of relevant models/approaches.

d) Relationship between credit risk management, risk control, legal compliance and internal audit functions

Risk governance model includes three lines of defense consisting of:

- The risk taking units (lines of business) at the first level, responsible for assessing and minimizing risks for a given level of return.
- Risk Management Unit, at the second level, identifies, monitors, controls, quantifies risk, provides appropriate tools and methodologies, provides coordination and assistance; measures risk adjusted performance across the business lines; reports to appropriate levels and proposes mitigation measures, being supported by business lines, where the risk is actually created, and specialized units.
- Internal Audit – provides the independent review function.

The Compliance function is ensuring, through proper procedures, that the requirements and deadlines provided for by the regulatory framework in force are observed. the compliance function informs all Bank employees on the relevant changes to the regulatory framework and provides guidance on the required changes to internal rules and processes. Moreover, the Compliance function cooperates as appropriate with the Risk Management unit, as compliance risk is considered a subcategory of operational risk.

Internal audit function acts as one of the three lines of defense of Bank risk Management model and provides the independent review function. Risk assessments at internal audit are carried out by internal audit department by paying attention to exposures that Bank has and controls relevant to them during audit works.

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

II. Explanations on Risk Management (Continued)

4. Credit Risk Disclosures (Continued)

4.1. General Information on Credit Risk (Continued)

4.1.1. CRA – General Qualitative Information on Credit Risk (Continued)

e) Disclosures regarding risk reporting processes provided to Board of Directors and senior management (especially on the scope and main content of reporting)

A Board of Directors Risk Committee Report is prepared monthly to be submitted to the Board of Directors Risk Committee, and the report mainly consists of information on capital adequacy, Market Risk, Credit Risk, Counterparty Credit Risk and Operational Risk. The main content and scope of the report contains development in risk parameters, change in risk profile, concentration and risk metrics, stress tests and results, delay amounts and rates on the basis of segments, third stage, second stage, rating and default probability distributions, aging analysis collateral structure, collection amounts by segment and product, and non-performing loan restructurings. In addition to this monthly report, a quarterly comparison analysis with peer banks based on capital adequacy and credit risk metrics is reported to senior management and the board of directors.

4.2. CR1 – Credit quality of assets

Current Period	Gross carrying values of as per TAS		Provision/ Allowances/ Impairments	Net Values
	Defaulted Exposures	Non-defaulted Exposures		
1 Loans	42,786,212	1,095,460,514	56,783,020	1,081,463,706
2 Debt Securities	-	321,062,279	18,576	321,043,703
3 Off-balance sheet Exposures	904,920	1,659,782,978	2,234,282	1,658,453,616
4 Total	43,691,132	3,076,305,771	59,035,878	3,060,961,025

Prior Period	Gross carrying values of as per TAS		Provision/ Allowances/ Impairments	Net Values
	Defaulted Exposures	Non-defaulted Exposures		
1 Loans	24,623,972	886,374,722	40,610,233	870,388,461
2 Debt Securities	-	269,377,557	17,707	269,359,850
3 Off-balance sheet exposures	569,355	1,038,600,667	1,624,556	1,037,545,466
4 Total	25,193,327	2,194,352,946	42,252,496	2,177,293,777

4.3. 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	24,623,972	10,454,474
2 Loans and debt securities that have defaulted since the last reporting period	44,895,201	22,501,262
3 Returned to non-defaulted status	-	-
4 Amounts written off (*)	14,031,502	1,829,904
5 Other changes (**)	12,701,459	6,501,860
6 Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	42,786,212	24,623,972

(*) The current period includes the sale of non-performing loan receivables amounting to TL 6,981,057 (December 31, 2024 - TL 1,743,573).

(**) Includes collections from credits in default.

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

II. Explanations on Risk Management (Continued)

4. Credit Risk Disclosures (Continued)

4.4. CRB – Additional disclosures related to credit quality of assets

4.4.1 The criteria taken into consideration by the Bank in determining the impairment are explained in footnote VIII of the third section.

4.4.2 There is no part of past due receivables which is not reviewed as “loans subject to provisioning”.

4.4.3 The Bank’s specific provision calculation is explained in footnote VIII of the third section.

4.4.4 In receivables of the customers having difficulties in payment of receivables to the Bank or expected to have possible difficulties in payments then receivables in aforementioned scope are identified as “restructured receivables”.

4.4.5 Exposures provisioned according to major regions, major sectors and remaining maturity

Exposures provisioned against by major regions

Country	Current Period	Prior Period
Türkiye	1,088,069,085	882,515,564
European Union (EU) Countries	504	685
USA, Canada	-	-
OECD Countries ^(*)	4,059,048	1,093,507
Off-Shore Banking Regions	786,876	784,288
Other	2,545,001	1,980,678
Total^(*)	1,095,460,514	886,374,722

^(*) Includes OECD countries other than EU countries, USA and Canada.

Exposures provisioned against by major sectors

	Current Period	Prior Period
1. Agriculture	4,846,495	4,171,379
1.1. Farming and Raising Livestock	2,743,135	2,516,896
1.2. Forestry	55,193	62,820
1.3. Fishing	2,048,167	1,591,663
2. Manufacturing	247,521,013	179,403,349
2.1. Mining and Quarrying	1,571,048	1,669,523
2.2. Production	227,749,533	166,119,768
2.3. Electricity, Gas, Water	18,200,432	11,614,058
3. Construction	31,714,413	22,537,373
4. Services	344,841,482	268,204,619
4.1. Wholesale and retail trade	150,391,794	106,744,430
4.2. Hotel, food and beverage services	39,369,815	24,598,095
4.3. Transportation and telecommunication	67,815,395	55,971,907
4.4. Financial institutions	29,867,377	30,333,525
4.5. Real estate and leasing services	29,479,420	29,683,388
4.6. Self-employment services	9,813,763	6,312,908
4.7. Education services	1,460,652	1,373,848
4.8. Health and social services	16,643,266	13,186,518
5. Other	466,537,111	412,058,002
6. Total	1,095,460,514	886,374,722

Breakdown of Loans according to remaining maturity

Current Period	Demand	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over		Total
						Over	Total	
Loans and Receivables ^(*)	-	382,610,631	139,209,931	334,429,569	203,962,820	35,247,563	1,095,460,514	

^(*) Provision amounts have been deducted from current period balances.

Prior Period	Demand	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over		Total
						Over	Total	
Loans and Receivables ^(*)	-	311,572,897	125,739,603	288,977,940	134,972,814	25,111,468	886,374,722	

^(*) Provision amounts have been deducted from current period balances.

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

II. Explanations on Risk Management (Continued)

4. Credit Risk Disclosures (Continued)

4.4. CRB – Additional disclosures related to credit quality of assets

4.4.6. Exposures provisioned against by major regions and Loans written off during the period an uncollectible

Current Period	Loans Subject to Provision	Provision	Written-off from Assets
Türkiye	42,741,096	32,120,604	14,031,502
European Union (EU) Countries	25	14	-
USA, Canada	17	11	-
OECD Countries (*)	122	79	-
Off-Shore Banking Regions	-	-	-
Other Countries	44,952	32,125	-
Total	42,786,212	32,152,833	14,031,502

(*) Includes OECD countries other than EU countries, USA and Canada.

Prior Period	Loans Subject to Provision	Provision	Written-off from Assets
Türkiye	24,562,950	19,000,813	1,829,904
European Union (EU) Countries	27	16	-
USA, Canada	-	-	-
OECD Countries (*)	-	-	-
Off-Shore Banking Regions	-	-	-
Other Countries	60,995	52,802	-
Total	24,623,972	19,053,631	1,829,904

(*) Includes OECD countries other than EU countries, USA and Canada.

Exposures provisioned against by major sectors and Loans written off

	Current Period			Prior Period		
	Loans subject to provision	Provision	Written-off from Assets	Loans subject to provision	Provision	Written-off from Assets
1. Agriculture	276,165	232,273	13,428	122,742	103,080	17,152
1.1. Farming and Raising Livestock	194,458	160,796	13,421	111,959	95,813	17,096
1.2. Forestry	80,172	69,947	-	1,364	917	10
1.3. Fishing	1,535	1,530	7	9,419	6,350	46
2. Industrial	3,836,446	3,248,027	127,549	2,289,052	1,881,535	38,258
2.1. Mining and Quarrying	27,039	21,791	650	49,299	40,552	142
2.2. Production	3,736,990	3,164,822	126,899	2,165,169	1,769,228	38,021
2.3. Electricity. Gas. Water	72,417	61,414	-	74,584	71,755	95
3. Construction	694,232	538,435	99,639	621,682	404,165	16,882
4. Services	5,174,207	3,909,918	498,853	3,300,416	2,469,342	226,218
4.1. Wholesale and Retail Trade	3,500,253	2,835,431	401,364	2,020,224	1,705,645	166,036
4.2. Hotel. Food and Beverage Services	227,609	191,990	33,764	145,166	125,516	24,858
4.3. Transportation and Communication	376,024	299,155	33,439	154,867	128,789	18,202
4.4. Financial Institutions	16,767	13,252	999	10,246	9,626	467
4.5. Real Estate and Renting Services	818,601	375,163	3,421	824,995	376,870	2,919
4.6. Self-Employment Services	145,639	119,404	18,959	96,070	79,559	8,834
4.7. Educational Services	14,120	12,278	2,067	17,597	16,525	2,097
4.8. Health and Social Services	75,194	63,245	4,840	31,251	26,812	2,805
5. Other	32,805,162	24,224,180	13,292,033	18,290,080	14,195,509	1,531,394
6. Total	42,786,212	32,152,833	14,031,502	24,623,972	19,053,631	1,829,904

4.4.7 Aging Analysis

Overdue Days	Current Period	Prior Period
0-30	1,072,719,121	872,233,772
31-60	14,772,520	10,199,904
61-90	7,968,873	3,941,046
90+	42,786,212	24,623,972
Total	1,138,246,726	910,998,694

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

II. Explanations on Risk Management (Continued)

5. Credit risk mitigation

5.1. CRM - Qualitative disclosure on credit risk mitigation techniques

Collateralization is used as main risk mitigation method. Tangible and intangible assets which can be accepted as collateral and their consideration rates are defined in detail in instructions. The Bank follows a conservative approach in collateral valuation. The value of the collateral is determined both with independent valuation and also internal valuation.

Legality and operational applicability are the precondition for the validity of collaterals. Legal teams should have performed sufficient legal examinations and confirmed all legal regulations related to collateral and validity of collateral before the receipt of the collateral. In addition, all contracts and other related documents should be obtained.

Collateral value should not have a positive correlation with the credit worthiness of the debtor.

Monitoring of collateral values is important to maintain credit quality. Market value of the collateral is periodically reviewed in line with determined frequency in directives and necessary precautions are taken when there is a significant deterioration indication in market value of the collateral.

Insurance policies of the collaterals should be obtained.

Collateral value meets Debt-Collateral ratio determined for credit type or specific sectors legally or in internal application of the Bank.

The Bank takes netting agreements concluded with counterparties into account in the framework of rules mentioned in scope of Appendix-2 of Regulation on Measurement and Evaluation of Bank's Capital Adequacy during the counterparty risk measurement.

5.2. CR3 - Credit risk mitigation techniques – Overview

	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
Current Period							
1 Loans	1,052,003,429	29,460,277	15,598,532	-	-	-	-
2 Debt securities	321,043,703	-	-	-	-	-	-
3 Total	1,373,047,132	29,460,277	15,598,532	-	-	-	-
4 Of which defaulted	10,618,574	14,805	879	-	-	-	-
	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
Prior Period							
1 Loans	849,339,067	21,049,394	11,096,539	-	-	-	-
2 Debt securities	269,359,850	-	-	-	-	-	-
3 Total	1,118,698,917	21,049,394	11,096,539	-	-	-	-
4 Of which defaulted	5,417,452	152,889	1,691	-	-	-	-

6. Credit risk when standard approach is used

6.1. CRA – Qualitative disclosures which shall be made related to grading marks used by the Banks while calculating credit risk with standard approach

6.1.1 Ratings of Fitch and JCR Avrasya Derecelendirme A.Ş. credit rating agencies are used in credit risk standard approach calculations.

6.1.2 Ratings of Fitch credit rating agency are used to determine the risk weights of receivables from central governments or central banks, receivables from banks and intermediary institutions, which are subject to risk classes. The ratings of JCR Avrasya Değerlendirme A.Ş. are used in determining the risk weights for corporate receivables subject to risk categories.

6.1.3 Mark is assigned to a debtor by taking for all assets of the debtor into account.

6.1.4 CRA, which is not included in twinning table of the institution, is not used.

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

II. Explanations on Risk Management (Continued)

6. Credit risk when standard approach is used (Continued)

6.2. CR4 – Standard 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	RWA	RWA density	
1	Exposures to central governments or central banks	502,890,969	-	508,450,652	-	-	0%
2	Exposures to regional governments or local authorities	149,822	3,318	149,822	1,544	75,683	50%
3	Exposures to public sector entities	662,566	169,214	662,561	29,634	692,195	100%
4	Exposures to multilateral development banks	-	-	-	-	-	0%
5	Exposures to international organizations	-	-	-	-	-	0%
6	Exposures to institutions	50,234,109	59,312,520	50,205,956	7,132,416	18,687,179	33%
7	Exposures to corporates	302,536,638	323,880,736	292,630,449	125,312,373	386,285,359	92%
8	Retail exposures	600,650,124	1,394,017,080	589,399,339	29,868,214	464,450,664	75%
9	Exposures secured by residential property	8,278,947	1,178,924	8,278,946	565,348	3,095,503	35%
10	Exposures secured by commercial real estate	46,811,598	5,078,377	46,811,598	2,594,406	27,352,462	55%
11	Past-due loans	10,618,909	-	10,618,030	-	5,812,766	55%
12	Higher-risk categories by the Agency Board	3,666,044	61,585	3,666,045	26,285	17,430,115	472%
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	92,173,409	-	92,173,409	-	75,580,402	82%
17	Investments in equities	28,957,724	-	28,957,724	-	28,957,724	100%
18	Total	1,647,630,859	1,783,701,754	1,632,004,531	165,530,220	1,028,420,052	57%

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	RWA	RWA density	
1	Exposures to central governments or central banks	473,929,527	-	475,130,388	-	-	0%
2	Exposures to regional governments or local authorities	179,514	20,115	179,514	-	89,757	50%
3	Exposures to public sector entities	846,927	296,875	716,613	63,480	780,093	100%
4	Exposures to multilateral development banks	-	-	-	-	-	0%
5	Exposures to international organizations	-	-	-	-	-	0%
6	Exposures to institutions	29,815,924	7,838,829	29,815,691	4,477,976	15,315,619	45%
7	Exposures to corporates	260,421,664	237,467,936	251,890,298	76,136,673	306,664,347	93%
8	Retail exposures	496,099,799	924,404,505	492,468,092	14,422,741	380,168,125	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	28,949,769	6,403,993	28,949,769	3,029,531	21,580,636	67%
11	Past-due loans	5,155,349	-	5,153,658	-	2,880,162	56%
12	Higher-risk categories by the Agency Board	3,020,446	15,354	3,018,355	6,462	14,344,439	474%
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	61,987,574	455,718	61,987,574	-	50,471,898	81%
17	Investments in equities	17,657,568	-	17,657,568	-	17,657,568	100%
18	Total	1,383,345,097	1,177,608,695	1,372,248,556	98,517,090	811,934,086	55%

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

II. Explanations on Risk Management (Continued)

6. Credit risk when standard approach is used (Continued)

6.3. 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
1 Exposures to central governments or central banks	508,450,652	-	-	-	-	-	-	-	-	508,450,652
2 Exposures to regional governments or local authorities	-	-	-	-	151,366	-	-	-	-	151,366
3 Exposures to public sector entities	-	-	-	-	-	-	692,195	-	-	692,195
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	-	33,375,568	-	23,901,477	-	61,327	-	-	-	57,338,372
7 Exposures to corporates	-	21,894,348	-	28,283,970	-	367,764,504	-	-	-	417,942,822
8 Retail exposures	-	-	-	-	619,267,553	-	-	-	-	619,267,553
9 Exposures secured by residential property	-	-	-	8,844,294	-	-	-	-	-	8,844,294
10 Exposures secured by commercial real estate	-	-	-	-	44,107,083	-	5,298,921	-	-	49,406,004
11 Past-due loans	-	-	-	-	9,647,758	-	933,043	37,229	-	10,618,030
12 Higher-risk categories by the Agency Board	-	-	-	-	-	-	-	294,724	3,397,606	3,692,330
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	-	-	-	-	-	-	28,957,724	-	-	28,957,724
17 Other Assets	15,895,236	-	872,214	-	-	-	75,405,959	-	-	92,173,409
18 Total	524,345,888	-	56,142,130	8,844,294	106,091,654	619,267,553	479,113,673	331,953	3,397,606	1,797,534,751

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	475,130,388	-	-	-	-	-	-	-	-	475,130,388
2 Exposures to regional governments or local authorities	-	-	-	-	179,514	-	-	-	-	179,514
3 Exposures to public sector entities	-	-	-	-	-	-	780,093	-	-	780,093
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organizations	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	-	6,352,472	-	27,792,140	-	149,055	-	-	-	34,293,667
7 Exposures to corporates	-	13,996,674	-	20,330,570	-	293,699,727	-	-	-	328,026,971
8 Retail exposures	-	-	-	-	506,890,833	-	-	-	-	506,890,833
9 Exposures secured by residential property	-	-	-	5,661,263	-	-	-	-	-	5,661,263
10 Exposures secured by commercial real estate	-	-	-	-	20,797,329	-	11,181,971	-	-	31,979,300
11 Past-due loans	-	-	-	-	4,546,992	-	606,666	-	-	5,153,658
12 Higher-risk categories by the Agency Board	-	-	-	-	-	-	-	222,756	2,802,061	3,024,817
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	-	-	-	-	-	-	17,657,568	-	-	17,657,568
17 Other Assets	11,515,676	-	-	-	-	-	50,471,898	-	-	61,987,574
18 Total	486,646,064	-	20,349,146	5,661,263	73,646,545	506,890,833	374,546,978	222,756	2,802,061	1,470,765,646

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(Continued)**

II. Explanations on Risk Management (Continued)

7. Disclosures regarding counterparty credit risk

7.1. Qualitative disclosures regarding DCCR – CCR table

Counterparty credit risk (CCR) states the risk that the counterparty to a transaction that imposes obligations on both parties defaults before the final payment included in the cash flow of the relevant transaction. Counterparty Credit Risk (CCR) refers to the risk that the counterparty involved in a transaction, which imposes obligations on both parties, may default before the final payment in the cash flow of the transaction. CCR is managed within the framework of the Counterparty Credit Risk Policy approved by the Board of Directors. This policy outlines the scope of CCR, the risk calculation methodology, and the distribution of authority and responsibilities. In this context, the Bank's established risk appetite ensures compliance with local regulations and the establishment of effective risk management processes based on the principles of prudence and continuity.

It is essential to allocate credit limits for transactions falling under CCR. For the purposes of limit definition and risk monitoring, Financial Institutions, Corporate Customers, and Individual Customers are tracked separately. Approval authorities determined within the credit allocation process are applied for legal entities and individuals other than banks. For derivative transactions, limits are set in accordance with the Bank's risk appetite, policies, and strategies. The established limits for banks are approved by the Board of Directors. Relevant risk and limit amounts are monitored daily; in the event of a collateral shortfall, the missing collateral amount is completed in accordance with policy standards and the legal framework.

For the purpose of measuring Counterparty Credit Risk (CCR), potential, current, and maximum exposure amounts are calculated on a transaction basis. As part of transactions conducted with financial institutions, risk mitigation techniques—including the use of international master agreements (ISDA, CSA, GMRA, etc.) as well as collateralization and margin-call practices implemented through central clearing counterparties—are applied. For other counterparties, the collateralization principles and procedures established under the Bank's credit policies are implemented. Risk indicators related to CCR are periodically reported to senior management through reports and scenario analyses presented to the Risk Committee and the Executive Committee.

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(Continued)

II. Explanations on Risk Management (Continued)

7. Disclosures regarding counterparty credit risk (Continued)

7.2. CCR1 – Assessment of Counterparty Credit Risk according to the models of measurement

	Revaluati on Cost	Potential credit risk exposure	EEP E	The alpha used to calculate the legal risk amount	Exposure after credit risk mitigation	Risk Weighted Amounts
Current Period						
1 Standard approach - CCR (for derivatives)	4,901,845	5,582,533	-	1.4	14,678,130	6,579,111
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)	-	-	-	-	16,247,532	4,436,396
5 Repo transactions, securities or commodity lending or borrowing transactions, long-term transactions with risk exposure value for credit securities transactions	-	-	-	-	-	-
6 Total	-	-	-	-	-	11,015,507

	Revaluation Cost	Potential credit risk exposure	EEPE	The alpha used to calculate the legal risk amount	Exposure after credit risk mitigation	Risk Weighted Amounts
Prior Period						
1 Standard approach - CCR (for derivatives)	3,974,407	2,634,076	-	1.4	9,251,876	4,724,925
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)	-	-	-	-	22,937,689	7,726,933
5 Repo transactions, securities or commodity lending or borrowing transactions, long-term transactions with risk exposure value for credit securities transactions	-	-	-	-	-	-
6 Total	-	-	-	-	-	12,451,858

7.3. 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	-	-	-	-
1 (i) Value at risk component (3*multiplier included)	-	-	-	-
2 (ii) Stressed Value at Risk (3*multiplier included)	-	-	-	-
3 Total portfolio value with simplified approach CVA capital adequacy	14,678,130	9,251,876	1,628,963	1,274,745
4 Total amount of CVA capital adequacy	14,678,130	9,251,876	1,628,963	1,274,745

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II. Explanations on Risk Management (Continued)

7. Disclosures regarding counterparty credit risk (Continued)

7.4. CCR3 – Standardised approach – CCR exposures by regulatory portfolio and risk weights

Current Period										Total Credit Risk
Exposure Categories/Risk Weight	0%	10%	20%	50%	75%	100%	150%	Others		
1 Exposures from central governments or central banks	204,34	-	-	-	-	-	-	-	-	204,341
2 Exposures from regional or local governments	-	-	-	-	-	-	-	-	-	-
3 Exposures from administrative units and non-commercial enterprises	-	-	-	-	-	12	-	-	-	12
4 Exposures from multilateral development banks	-	-	-	-	-	-	-	-	-	-
5 Exposures from international organizations	-	-	-	-	-	-	-	-	-	-
6 Exposures from banks and brokerage houses	-	-	18,335,063	7,876,474	-	-	-	1,004,281	-	27,215,818
7 Exposures from corporates	-	-	35,173	64,267	-	3,185,815	-	-	-	3,285,255
8 Retail receivables	-	-	-	-	220,236	-	-	-	-	220,236
9 Mortgage receivables	-	-	-	-	-	-	-	-	-	-
10 Overdue 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	-	-	-	-	-	-	-	-	-	-
19 Total	204,341	-	18,370,236	7,940,741	220,236	3,185,827	-	1,004,281	-	30,925,662

Prior Period										Total Credit Risk
Exposure Categories/Risk Weight	0%	10%	20%	50%	75%	100%	150%	Others		
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	-	-	15,204,383	14,512,906	-	-	-	-	-	29,717,289
7 Exposures from corporates	-	-	209,116	116,115	-	2,032,774	-	-	-	2,358,005
8 Retail receivables	-	-	-	-	26,797	-	-	-	-	26,797
9 Mortgage receivables	-	-	-	-	-	-	-	-	-	-
10 Overdue 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	-	-	-	-	-	-	-	-	-	-
19 Total	-	-	15,413,499	14,629,021	26,797	2,032,801	-	87,447	-	32,189,565

7.5. CCR4 – Risk Class and Counterparty Credit Risk on the basis of Possibility of Default

Related table is not presented due to standard method is used for calculation of capital adequacy (December 31, 2024 – None).

7.6. CCR5 – Composition of collateral for CCR exposure

Current Period	Collaterals for Derivatives				Collaterals or Other Transactions	
	Collaterals Taken		Collaterals Given		Collaterals Taken	Collaterals Given
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-Local Currency	-	13,802	-	1,629,333	32,270,536	-
Cash - Foreign Currency	-	11,230,576	-	2,550,265	49,767,909	-
Government bond-domestic	-	-	-	-	-	-
Government bond-other	-	-	-	-	-	-
Public institution bonds	-	-	-	-	-	-
Corporate bond	-	-	-	-	-	-
Equity share	-	-	-	-	-	-
Other collaterals	-	-	-	-	-	-
Total	-	11,244,378	-	4,179,598	82,038,445	-

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

II. Explanations on Risk Management (Continued)

7. Disclosures Regarding Counterparty Credit Risk (Continued)

7.6. CCR5 – Composition of collateral for CCR exposure (Continued)

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

7.7. CCR6 – Credit derivatives

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

7.8. CCR7 – RWA changes on CCR within the internal model method

Related table is not presented due to usage of standard approach for the calculation of capital adequacy (December 31, 2024 - None).

7.9. CCR8 – Exposures to central counterparties

	Current Period		Prior Period	
	Exposure at Default (Post – CRM)	RWA	Exposure at Default (Post – CRM)	RWA
1 Exposure to Qualified Central Counterparties (QCCPs) Total	407,835	5,623	198,446	2,094
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions) of which	167,768	822	110,999	345
3 (i) OTC Derivatives	240,067	4,801	87,447	1,749
4 (ii) Exchange-traded Derivatives	-	-	-	-
5 (iii) Securities financing transactions	-	-	-	-
6 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
7 Segregated initial margin	-	-	-	-
8 Non-segregated initial margin	-	-	-	-
9 Pre-funded default fund contributions	-	-	-	-
10 Unfunded default fund contributions	-	-	-	-
11 Exposures to non-QCCPs (total)	-	-	-	-
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
13 (i) OTC Derivatives	-	-	-	-
14 (ii) Exchange-traded Derivatives	-	-	-	-
15 (iii) Securities financing transactions	-	-	-	-
16 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
17 Segregated initial margin	-	-	-	-
18 Non-segregated initial margin	-	-	-	-
19 Pre-funded default fund contributions	-	-	-	-
20 Unfunded default fund contributions	-	-	-	-

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

II. Explanations on Risk Management (Continued)

8. Securitization exposures

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

9. Disclosures regarding Market Risk

9.1. MRD – Qualitative information which shall be disclosed to public related to market risk

9.1.1 Market risk states the risk sourcing from change in market prices on positions held in order to make profit in trading accounts in line with short term expectations in market prices or interest rates. Financial Assets at Fair Value through Profit/Loss accounts covers all derivative products except for financial assets held for trading, open exchange position and having hedging purposes.

The Bank has established a structure to effectively define, monitor and manage the risk sourcing from changes in market prices including interest rates, stocks, bond prices, exchange rates and uncertainty of aforementioned prices in their volatility levels. The aforementioned structure is determined in Market Risk Policy of the Bank which is approved by the Board of Directors. This policy determines principles, measurement methods, processes and limits covering all transactions of the Bank sourcing from market risk.

Market risk is calculated and reported on a monthly basis with standard method for capital adequacy calculation in line with regulation on Measurement and Evaluation of Bank's Capital Adequacy published by BRSA.

Market risk also includes value at risk limits in line with internal policies based on internal model. Limits include value at risk limits, positions, limits on options sensitivity and loss cessation limits for each of the market risk types.

9.1.2 Risk Committee of the Bank is responsible to ensure implementation of market risk strategy and policies in a consistent manner. Market risk unit operates totally independent from risk carrying units and directly subject to Risk Committee of the Bank in given authorization and responsibilities framework.

Internal Control Department is responsible for the evaluation of internal control system related to market risk through periodical independent audits. Required system evaluation reports are shared with Board of Directors and other related authorities. Risk Committee of Board of Directors provides holding of sufficient capital against market risk carried by QNB Bank.

9.1.3 The Bank makes its capital calculation for market risk in accordance with standard method approach defined in Basel II first pillar. Capital calculation method for each risk category is made by BRSA in line with Basel standards as of month-ends as solo and consolidated.

The Bank calculates market risk with value at risk approach for the purpose of monitoring and management of risk at the Bank except for standard method. The aforementioned calculation is made both for the risk of trading portfolio and the risk of positions of the trading desk. Value at risk calculation is made daily with historical simulation at 99% confidence interval through 252 working days observation period and exponential weighted moving average volatility assumption. Dynamic structure of the volatility is reached through giving weight to recent observations in exponential weighted moving average. In addition to the VaR calculation, risk amounts are calculated by stress VaR and stress tests, taking into account the risk that may occur during stress periods.

9.2. MR1 – Standardized approach

		RWA (**)	
		Current Period	Prior Period
	Outright products (*)	30,990,350	13,205,839
1	Interest rate risk (general and specific)	8,021,662	3,680,538
2	Equity risk (general and specific)	2,968,025	2,151,100
3	Foreign exchange risk	13,214,825	6,997,313
4	Commodity risk	6,785,838	376,888
	Options	564,438	31,938
5	Simplified approach	-	-
6	Delta-plus method	564,438	31,938
7	Scenario approach	-	-
8	Securitization	-	-
9	Total	31,554,788	13,237,777

(*) 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.

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

II. Explanations on Risk Management (Continued)

10. Explanations related to the operational risk

The amount subject to operational risk is calculated in accordance with the ‘Regulation on Measurement and Assessment of Capital Adequacy of Banks’ published in the Official Gazette dated June 28, 2012 and numbered 28337. In accordance with Section 3 ‘Calculation of the Amount Subject to Operational Risk’, the amount subject to operational risk is calculated by using the ‘Basic Indicator Method’ by using the year-end gross revenues of the Bank for the last 3 years 2024, 2023 and 2022. As of December 31, 2025, the amount subject to operational risk is TL 118,850,522 (December 31, 2024 - TL 74,045,600).

Current Year Basic Indicator Method	2 PP Amount	1 PP Amount	CP Amount	Total/No. of Years of Positive Gross	Rate (%)	Total
Gross Income	42,847,205	63,537,231	83,776,401	63,386,946	15	9,508,042
Value at operational risk (Total*12,5)						118,850,522
Prior Year Basic Indicator Method	2 PP Amount	1 PP Amount	CP Amount	Total/No. of Years of Positive Gross	Rate (%)	Total
Gross Income	12,088,533	42,847,205	63,537,231	39,490,990	15	5,923,648
Value at operational risk (Total*12,5)						74,045,600

Annual gross income is calculated by deducting the profit/loss arising from the sale of securities followed up in the securities available for sale and held-to-maturity accounts, the extraordinary incomes and the amounts indemnified from insurance, from the sum of the net amounts of interest income and non-interest income.

III. Explanations on Foreign Currency Exchange Rate Risk

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

The difference between the 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 determine 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 Bank strategy and updated as deemed necessary.

In measuring the exchange rate exposure of the Bank, the “standard method” used in the legal reports and the internal method are used in the VaR. Measurements made within the scope of the standard method are conducted on a monthly basis and serve as the basis for determining the capital requirement arising from exchange rate risk. 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 currency types and trading desks, and daily limit compliance is monitored by Risk Management.

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

The Bank hedges foreign currency borrowings with derivative instruments. The Bank 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.

QNB BANK ANONİM ŞİRKETİ

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

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

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

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

US Dollar purchase rate at the date of the balance sheet TL 42.8457
Euro purchase rate at the date of the balance sheet TL 50.2859

<u>Date</u>	<u>US Dollar</u>	<u>Euro</u>
December 31, 2025	42.8457	50.2859
December 30, 2025	42.8623	50.4532
December 29, 2025	42.8542	50.4519
December 26, 2025	42.7656	50.3547
December 25, 2025	42.7641	50.3896

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

The arithmetical average of the Bank's US Dollar and Euro purchase rates for December, 2025 are TL 42.6074 and TL 49.9031 respectively.

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

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

5. Information on the foreign currency exchange rate risk

Current Period	EUR	USD	Other FC	Total
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R. Central Bank ⁽¹⁾	44,366,597	92,084,128	18,342,544	154,793,269
Due From Banks ⁽²⁾	4,551,010	13,759,168	2,808,111	21,118,289
Financial Assets at Fair Value through Profit/Loss ⁽³⁾	1,952,218	6,390,301	99,686	8,442,205
Money Market Placements	-	-	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	23,942	33,749,155	-	33,773,097
Loans ⁽⁴⁾	205,200,633	171,634,046	134,220	376,968,899
Investments in Assoc., Subsidiaries and Entities under Common Control (Joint Vent.)	-	-	-	-
Financial Assets Measured at Amortized Cost	2,445,515	40,411,658	-	42,857,173
Derivative Financial Assets Hedging Purposes	233,103	2,691,788	-	2,924,891
Tangible Assets	-	-	545	545
Intangible Assets	-	-	-	-
Other Assets ⁽⁵⁾	117,966	265,439	3,697	387,102
Total Assets	258,890,984	360,985,683	21,388,803	641,265,470
Liabilities				
Bank Deposits	4,372,796	24,699,983	1,483,345	30,556,124
Foreign Currency Deposits ⁽⁶⁾	75,863,540	115,537,046	149,168,391	340,568,977
Money Market Borrowings	-	42,120,432	-	42,120,432
Funds Provided from Other Financial Institutions	34,380,669	226,077,961	109	260,458,739
Securities Issued	16,550,485	101,243,514	17,025,454	134,819,453
Sundry Creditors	10,397,554	6,560,760	339,011	17,297,325
Derivative Fin. Liabilities for Hedging Purposes	86,820	627,038	-	713,858
Other Liabilities ⁽⁷⁾	3,580,984	1,925,591	90,876	5,597,451
Total Liabilities	145,232,848	518,792,325	168,107,186	832,132,359
Net Balance Sheet Position	113,658,136	(157,806,642)	(146,718,383)	(190,866,889)
Net Off-Balance Sheet Position	(117,915,688)	166,394,914	146,805,674	195,284,900
Financial Derivative Assets	173,187,398	579,563,866	186,919,378	939,670,642
Financial Derivative Liabilities	291,103,086	413,168,952	40,113,704	744,385,742
Non-Cash Loans ⁽⁸⁾	58,921,890	47,175,511	4,090,342	110,187,743
Prior Period				
Total Assets	163,346,148	291,892,236	10,840,675	466,079,059
Total Liabilities	100,130,324	406,823,557	79,850,074	586,803,955
Net Balance Sheet Position	63,215,824	(114,931,321)	(69,009,399)	(120,724,896)
Net Off-Balance Sheet Position	(63,147,786)	117,323,337	70,625,850	124,801,401
Financial Derivative Assets	94,812,418	375,173,872	72,564,216	542,550,506
Financial Derivative Liabilities	157,960,204	257,850,535	1,938,366	417,749,105
Non-Cash Loans	37,862,383	32,781,475	2,763,458	73,407,316

⁽¹⁾ Cash and Balances with TR Central Bank; Other FC include TL 17,127,713 (December 31, 2024 – TL 8,841,832) precious metal deposit account.

⁽²⁾ There are foreign bank guarantees amounting to TL 2,550,265 (December 31, 2024 – TL 5,198,458).

⁽³⁾ Does not include TL 6,655,580 (December 31, 2024 – TL 1,151,109) of foreign exchange income accruals related to derivative financial instruments and TL 989,497 (December 31, 2024 – TL 509,242) of foreign exchange income accruals related to items classified as Hedging of Risk.

⁽⁴⁾ Includes TL 53,128 (December 31, 2024 – TL 102,945) FC indexed loans.

⁽⁵⁾ Does not include FC prepaid expenses amounting to TL 1,848,321 (December 31, 2024 – TL 1,676,945) as per BRSA's Communique published in Official Gazette no 26085 on February 19, 2006.

⁽⁶⁾ Other foreign currency includes TL 125,751,791 (December 31, 2024 – TL 59,806,204) of precious metal deposit account.

⁽⁷⁾ Does not include currency expense accruals of derivative financial instruments kept in FC accounts amounting to TL 3,614,727 (December 31, 2024 – TL 2,397,734)

⁽⁸⁾ Does not have an effect on Net Off-Balance Sheet Position.

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

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

6. Sensitivity to foreign exchange risk

The Bank is exposed to currency risk in Euro and US Dollars.

The following table details the Bank's sensitivity to a 10% increase and decrease in USD and EUR. Other variables are assumed to be unchanged.

	Change in Currency rate in %	Net Effect on Profit or Loss (After Tax)	Net Effect on Equity ^(*)	Net Effect on Profit or Loss (After Tax)	Net Effect on Equity ^(*)
		Current Period	Current Period	Prior Period	Prior Period
US Dollar	%10 increase	(248,204)	(140,527)	(248,204)	(140,527)
	%10 decrease	248,204	140,527	248,204	140,527
EURO	%10 increase	(33,289)	(27,862)	(33,289)	(27,862)
	%10 decrease	33,289	27,862	33,289	27,862

^(*) Effect on Shareholders Equity include the effect of the change of exchange rates on the statement of profit or loss and other comprehensive income.

IV. Explanations on Interest Rate Risk

Interest rate risk that would arise from the changes in interest rates depending on the Bank's position is managed by the Asset/Liability Committee of the 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 Bank follows the interest rates in the market on a daily basis and revises interest rates of the Bank when necessary.

Besides customer deposits, the 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 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.

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

IV. Explanations on Interest Rate Risk (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 ⁽¹⁾	Total
End of Current Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R. Central Bank ⁽²⁾	142,198,103	-	-	-	-	113,629,193	255,827,296
Due from Banks ⁽³⁾	6,269,794	-	-	-	-	17,372,537	23,642,331
Financial Assets at Fair Value Through Profit/Loss ⁽⁴⁾	2,995,204	334,854	691,905	3,236,692	724,997	18,053,379	26,037,031
Money Market Placements ⁽⁵⁾	9,974,114	-	-	-	-	(2,094)	9,972,020
Financial Assets at Fair Value Through Other Comprehensive Income ⁽⁶⁾	20,496,551	37,295,688	34,339,423	55,390,616	25,353,471	16,778,199	189,653,948
Loans and Receivables	377,440,196	167,197,099	374,038,850	136,867,595	19,600,609	6,319,357	1,081,463,706
Financial Assets Measured at Amortized Cost ⁽⁷⁾	64,084,643	2,361,602	14,666,080	25,606,099	21,243,760	9,617,903	137,580,087
Other Assets	-	-	-	-	-	113,104,789	113,104,789
Total Assets	623,458,605	207,189,243	423,736,258	221,101,002	66,922,837	294,873,263	1,837,281,208
Liabilities							
Bank Deposits	27,373,726	13,618,876	6,507,259	-	-	1,285,268	48,785,129
Other Deposits	489,568,500	75,890,105	7,098,225	3,182,480	1,127	377,981,096	953,721,533
Money Market Borrowings	53,625,117	21,259,093	15,653,036	-	-	1,416,812	91,954,058
Miscellaneous Creditors	17,297,325	-	-	-	-	71,347,944	88,645,269
Securities Issued	4,834,513	33,773,089	56,320,806	48,273,099	13,029,875	-	156,231,382
Funds Borrowed	80,004,872	79,740,837	94,238,465	3,463,078	-	4,048,891	261,496,143
Other Liabilities ⁽⁸⁾	1,448	3,508	107,277	2,897,652	-	233,437,809	236,447,694
Total Liabilities	672,705,501	224,285,508	179,925,068	57,816,309	13,031,002	689,517,820	1,837,281,208
On Balance Sheet Long Position	-	-	243,811,190	163,284,693	53,891,835	-	460,987,718
On Balance Sheet Short Position	(49,246,896)	(17,096,265)	-	-	-	(394,644,557)	(460,987,718)
Off-Balance Sheet Long Position	58,451,329	40,863,523	-	-	-	-	99,314,852
Off-Balance Sheet Short Position	-	-	(16,017,987)	(54,962,410)	(13,202,736)	-	(84,183,133)
Total Position	9,204,433	23,767,258	227,793,203	108,322,283	40,689,099	(394,644,557)	15,131,719

⁽¹⁾ The interest-free column also includes Expected Credit Loss provisions calculated in accordance with TFRS 9 and the Fair Value Through Profit or Loss difference of derivative financial instruments.

⁽²⁾ Cash and Cash Equivalents (Cash, Cash in Transit, Cash Depot, Purchased Checks, Precious Metal Depot) and the Central Bank of the Republic of Türkiye include an Expected Credit Loss provision balance of TL 24,210.

⁽³⁾ Banks include an Expected Credit Loss provision balance of TL 3,630.

⁽⁴⁾ Financial Assets at Fair Value Through Profit or Loss include TL 15,004,958 of derivative financial assets measured at fair value through profit or loss.

⁽⁵⁾ Receivables from Money Markets include an Expected Credit Loss provision balance of TL 2,094.

⁽⁶⁾ Financial Assets at Fair Value Through Other Comprehensive Income include TL 6,166,919 of derivative financial assets measured at fair value through other comprehensive income.

⁽⁷⁾ Financial Assets Measured at Amortized Cost include an Expected Credit Loss provision balance of TL 18,576.

⁽⁸⁾ Other Liabilities include TL 11,935,367 of derivative financial liabilities.

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

IV. Explanations on Interest Rate Risk (Continued)

Interest rate sensitivity of assets, liabilities and off-balance sheet items (Continued)

	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing ⁽¹⁾	Total
End of Prior Period							
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R. Central Bank ⁽²⁾	72,629,814	-	-	-	-	180,444,299	253,074,113
Due from Banks ⁽³⁾	5,198,458	-	-	-	-	10,119,287	15,317,745
Financial Assets at Fair Value Through Profit/Loss ⁽⁴⁾	1,601,530	3,587,272	2,906,870	1,848,031	254,948	9,581,426	19,780,077
Money Market Placements ⁽⁵⁾	150,531	-	-	-	-	(27)	150,504
Financial Assets at Fair Value Through Other Comprehensive Income ⁽⁶⁾	22,737,548	37,362,817	24,374,480	22,408,102	31,212,713	5,479,426	143,575,086
Loans and Receivables	289,322,699	124,567,958	314,751,981	121,880,604	15,850,785	4,014,434	870,388,461
Financial Assets Measured at Amortized Cost ⁽⁷⁾	60,188,747	3,775,365	5,555,988	28,769,208	18,379,872	12,496,942	129,166,122
Other Assets	-	-	-	-	-	80,417,660	80,417,660
Total Assets	451,829,327	169,293,412	347,589,319	174,905,945	65,698,318	302,553,447	1,511,869,768
Liabilities							
Bank Deposits	35,771,868	19,119,979	1,971,644	-	-	706,631	57,570,122
Other Deposits	388,946,754	126,906,187	11,546,974	2,209,446	962	293,042,884	822,653,207
Money Market Borrowings	102,898,181	22,642,737	21,899,931	365,096	-	1,657,381	149,463,326
Sundry Creditors	5,953,994	-	-	-	-	50,895,536	56,849,530
Securities Issued	-	24,020,793	22,971,196	20,190,080	10,729,988	-	77,912,057
Funds Borrowed	41,455,314	47,953,217	84,874,385	634,141	-	2,970,742	177,887,799
Other Liabilities ⁽⁸⁾	24	3,444	44,201	1,631,132	-	167,854,926	169,533,727
Total Liabilities	575,026,135	240,646,357	143,308,331	25,029,895	10,730,950	517,128,100	1,511,869,768
On Balance Sheet Long Position	-	-	204,280,988	149,876,050	54,967,368	-	409,124,406
On Balance Sheet Short Position	(123,196,808)	(71,352,945)	-	-	-	(214,574,653)	(409,124,406)
Off-Balance Sheet Long Position	51,403,506	22,624,518	-	-	-	-	74,028,024
Off-Balance Sheet Short Position	-	-	(10,011,054)	(44,267,302)	(12,857,951)	-	(67,136,307)
Total Position	(71,793,302)	(48,728,427)	194,269,934	105,608,748	42,109,417	(214,574,653)	6,891,717

⁽¹⁾ The Non-Interest Bearing column includes Expected Credit Loss provisions calculated in accordance with TFRS 9 and the fair value valuation difference of derivative financial instruments.

⁽²⁾ Cash (Cash in Vault, Cash Depot, Money in Transit, Cheques Purchased, Precious Metals) and Balances with the Central Bank of the Republic of Türkiye include an Expected Credit Loss provision balance of TL 26,672.

⁽³⁾ Banks include an Expected Credit Loss provision balance of TL 8,123.

⁽⁴⁾ Financial Assets at Fair Value Through Profit or Loss include TL 7,579,072 of derivative financial assets measured at fair value through profit or loss.

⁽⁵⁾ Money Market Placements include an Expected Credit Loss provision balance of TL 27.

⁽⁶⁾ Financial Assets at Fair Value Through Other Comprehensive Income include TL 3,364,254 of derivative financial assets measured at fair value through other comprehensive income.

⁽⁷⁾ Financial Assets Measured at Amortized Cost include an Expected Credit Loss provision balance of TL 17,707.

⁽⁸⁾ Other Liabilities include TL 11,348,806 of derivative financial liabilities.

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

IV. Explanations on Interest Rate Risk (Continued)

Average interest rates applied to monetary financial instruments

	EURO %	USD %	JPY %	TL %
End of Current Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the T.R. Central Bank (*)	1.20	-	-	22.87
Due from Banks	2.01	3.87	-	37.20
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	3.96	5.00	-	44.41
Money Market Placements	-	-	-	39.04
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	3.14	6.29	-	40.65
Loans and Receivables	5.73	7.00	3.44	45.38
Financial Assets Measured at Amortized Cost	4.76	6.19	-	29.55
Liabilities				
Bank Deposits	2.20	4.36	-	35.31
Other Deposits	0.40	1.53	1.28	39.66
Money Market Borrowings	-	5.07	-	37.95
Sundry Creditors	2.02	3.63	-	-
Securities Issued	3.67	4.63	-	39.73
Funds Borrowed	3.43	6.18	-	37.70
	EURO %	USD %	JPY %	TL %
End of Prior Period				
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the T.R. Central Bank (*)	2.00	-	-	24.54
Due from Banks	2.99	4.49	-	-
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	3.48	5.66	-	53.01
Money Market Placements	-	-	-	48.83
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	2.77	6.39	-	49.65
Loans and Receivables	6.50	7.24	2.50	49.85
Financial Assets Measured at Amortized Cost	4.73	6.02	-	40.55
Liabilities				
Bank Deposits	4.32	5.70	-	46.81
Other Deposits	0.03	0.07	0.05	45.42
Money Market Borrowings	-	5.67	-	48.59
Sundry Creditors	3.05	4.38	-	-
Securities Issued	4.60	7.25	-	49.33
Funds Borrowed	4.22	7.14	-	43.69

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

Interest rate risk on banking book

The interest rate risk resulting from banking book comprises of maturity mismatch risk, yield-curve risk, base risk and option risk. Within the scope of the interest rate risk, the Bank analyzes all these risks periodically, and considering market conditions, manages all aspects of interest rate risk on banking book effectively in accordance with the bank strategy. In order to this, within the scope of "Banking Books Interest Rate Risk Management" risks are measured, monitored and limited on a regular basis.

In the calculation of the interest rate risk on banking book, income approach and the economic value approach are applied. The analysis of economic value, duration and gap analysis are calculated twice in a month, analysis of the standard economic value approach is supported by different scenarios.

Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) included in banking book are monitored daily. In this context, the risk level of this portfolio is managed considering the sensitivity of nominal interest rate and limits.

The interest rate risk on banking book is measured legally as per the "Regulation on Measurement and Evaluation of Interest Rate Risk Resulted from Banking Book as per Standard Shock Method" published in the Official Gazette No. 32898 dated May 12, 2025, and the legal limit as per this measurement is monitored and reported monthly to the Assets and Liability Committee, the Risk Committee and the Board of Directors. In the regulation aligned with Basel standards, six interest rate shock scenarios are taken into consideration, and the economic value change amount that would create the maximum loss for the Bank is calculated. Cash flows are discounted using the risk-free yield curves determined by the institution.

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

IV. Explanations on Interest Rate Risk (Continued)

Interest rate risk on banking book (Continued)

In calculations within the framework of the mentioned regulation, behavioral maturity modeling is carried out for demand deposits with low sensitivity to interest rate changes and with a principal maturity longer than the contract maturity. In the studies defined as core deposit analysis, based on historical data, analyses are conducted regarding how much of demand deposits will remain within the Company Bank at which maturity. These analyses are taken into account in economic value, gap, and duration analyses. In addition, the sensitivity of the net interest income is monitored, the prepayment rates of loans are considered managing the interest rate risk.

All these analyses are reported to Asset and Liability Committee and Risk Committee and by considering market conditions and the bank strategy, the interest rate risk on banking book is managed within specified limits parallel to the Bank's appetite of risk.

V. Explanations on Position Risk of Equity Securities Stemming from Banking Accounts

Equity Securities (shares)	Comparison		
	Carrying Value	Fair Value	Market Value
1. Investment in Shares- grade A	-	-	-
Quoted Securities	-	-	-
2. Investment in Shares- grade B	-	-	-
Quoted Securities	-	-	-
3. Investment in Shares- grade C	6,415,654	6,415,654	-
Quoted Securities	6,415,654	6,415,654	-
4. Investment in Shares- grade Other (*)	23,151,389	23,151,389	-

(*) Includes associates, subsidiaries and entities under common control not quoted to ISE and not classified as investment in shares by Capital Market Board.

Portfolio	Income/Loss in Current Period	Revaluation Surpluses		Unrealized Income and Losses		
		Total	Amount under Core Capital	Total	Amount under Core Capital	Amount under Supplementary Capital
1. Private Equity Investments	-	-	-	-	-	-
2. Quoted Shares	262,329	-	-	-	-	-
3. Other Shares	-	-	-	-	-	-
4. Total	262,329	-	-	-	-	-

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

VI. Explanations on Remarks Regarding Liquidity Risk Management

1. Explanations on Liquidity Coverage Ratio

Liquidity Risk of the 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 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 Bank in order to monitor related limits. Senior management of the Bank is informed periodically regarding current liquidity risk amount exposed in order to ensure being under the approved limits of 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 Bank monthly in addition to aforementioned meetings and informs Board of Directors. The 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 reserve liquidity and deposit concentration are monitored daily besides liquidity coverage rate (LCR) 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 Bank is decentralized; each partnership controlled by the Bank is carried out independently from the Bank by the authorities in charge of liquidity management. Each subsidiary subject to consolidation manages its own liquidity position separately from the Bank. The amount of funds to be used by the subsidiaries from the Bank is determined within the framework of the limits.

It is essential for the Bank to monitor its liquidity position and funding strategy consistently. The primary priority is to ensure that the liquidity risk to which the 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 Bank's basic strategies. It is essential that the 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 Bank's funding management is conducted in compliance with ALCO decisions within legal limits and internal alert levels. 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 obtain funding from sources that are as long-term and stable as possible. Deposits, which constitute the bank's main source of funding, are obtained from a large number of customers as a natural consequence of a stable core deposit base.

A large part of the Bank's liabilities consists of TL, USD, EUR and gold. Gap reports issued based on the aforementioned three currencies are presented in ALCO meetings. Maturity mismatches on a currency basis are managed through currency swaps, long-term cross-currency swaps and forward contracts.

The 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 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 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.

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

VI. Explanations on Remarks Regarding Liquidity Risk Management

1. Explanations on Liquidity Coverage Ratio (continued)

Emergency Funding Plan (EMP) of the Bank regulates funding activities to be used in liquidity crisis periods specific to the 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 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 Bank. The Bank manages LCR above the limit by keeping its high-quality liquid assets at a sufficient level. The 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 Bank withstands stress over the minimum life expectancy of 30 days.

Liquidity Coverage Ratio

Current Period – December 31, 2025		Consideration Rate Unweighted Amounts ^(*)		Consideration Rate Weighted Amounts ^(*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				409,394,723	155,986,427
1	High Quality Liquid Assets			409,394,723	155,986,427
CASH OUTFLOWS					
2	Retail and Small Business Customers Deposits	632,323,954	219,061,810	56,413,265	21,906,181
3	Stable deposits	136,382,607	-	6,819,130	-
4	Less stable deposits	495,941,347	219,061,810	49,594,135	21,906,181
5	Unsecured Funding other than Retail and Small Business Customers Deposits	375,188,472	130,288,436	223,495,086	83,017,908
6	Operational deposits	10,502,227	2,600,030	2,199,449	650,007
7	Non-Operational Deposits	279,817,303	107,488,968	154,786,836	62,578,417
8	Other Unsecured Funding	84,868,942	20,199,438	66,508,801	19,789,484
9	Secured funding	-	-	-	-
10	Other Cash Outflows	10,618,621	33,344,840	10,618,621	33,344,840
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	10,618,621	33,344,840	10,618,621	33,344,840
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets	-	-	-	-
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	104,243,792	-	5,212,190	-
15	Other irrevocable or conditionally revocable commitments	1,565,452,608	126,009,234	96,612,025	12,502,373
16	TOTAL CASH OUTFLOWS	-	-	392,351,187	150,771,302
CASH INFLOWS					
17	Secured Lending Transactions	-	-	-	-
18	Unsecured Lending Transactions	123,324,378	36,881,718	73,743,921	29,133,534
19	Other Cash Inflows	7,907,905	70,857,455	7,907,905	70,857,455
20	TOTAL CASH INFLOWS	131,232,283	107,739,173	81,651,826	99,990,989
				Upper Limit Applied Values	
21	TOTAL HIGH QUALITY LIQUID ASSETS			409,394,723	155,986,427
22	TOTAL NET CASH OUTFLOWS			310,699,361	51,033,474
23	LIQUIDITY COVERAGE RATIO (%)			131.77	305.66

^(*) Basic arithmetic average calculated for the last three months of values calculated by taking the weekly basic arithmetic average.

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(Continued)

VI. Explanations on Remarks Regarding Liquidity Risk Management (Continued)

1. Explanations on Liquidity Coverage Ratio (continued)

Prior Period – December 31, 2024	Consideration Rate Unweighted Amounts ^(*)		Consideration Rate Weighted Amounts ^(*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS			291,264,218	127,118,382
1 High Quality Liquid Assets	-	-	291,264,218	127,118,382
CASH OUTFLOWS				
2 Retail and Small Business Customers Deposits	594,220,300	169,534,895	52,507,106	16,953,489
3 Stable deposits	138,298,480	-	6,914,924	-
4 Less stable deposits	455,921,820	169,534,895	45,592,182	16,953,489
5 Unsecured Funding other than Retail and Small Business Customers Deposits	276,555,315	110,907,037	173,513,877	76,807,983
6 Operational deposits	8,044,161	1,368,525	2,011,040	342,131
7 Non-Operational Deposits	201,650,904	87,111,494	116,110,772	54,447,049
8 Other Unsecured Funding	66,860,250	22,427,018	55,392,065	22,018,803
9 Secured funding	-	-	-	-
10 Other Cash Outflows	64,886,042	28,246,630	64,886,042	28,246,630
11 Liquidity needs related to derivatives and market valuation changes on derivatives transactions	64,886,042	28,246,630	64,886,042	28,246,630
12 Debts related to the structured financial products	-	-	-	-
13 Commitment related to debts to financial markets	-	-	-	-
14 Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	105,240,644	-	5,262,032	-
15 Other irrevocable or conditionally revocable commitments	994,351,693	76,389,492	60,122,015	7,642,488
16 TOTAL CASH OUTFLOWS			356,291,072	129,650,590
CASH INFLOWS				
17 Secured Lending Transactions	44	-	-	-
18 Unsecured Lending Transactions	121,755,196	38,962,011	69,524,029	27,844,200
19 Other Cash Inflows	63,047,104	44,405,485	63,047,104	44,405,485
20 TOTAL CASH INFLOWS	184,802,344	83,367,496	132,571,133	72,249,685
			Upper Limit Applied Values	
21 TOTAL HIGH QUALITY LIQUID ASSETS	-	-	291,264,218	127,118,382
22 TOTAL NET CASH OUTFLOWS	-	-	223,719,939	57,432,398
23 LIQUIDITY COVERAGE RATIO (%)	-	-	130.19	221.34

^(*) Basic arithmetic average calculated for the last three months of values calculated by taking the weekly basic arithmetic average.

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(Continued)**

VI. Explanations on Remarks Regarding Liquidity Risk Management (Continued)

1. Explanations on Liquidity Coverage Ratio (continued)

The dates and values of minimum and maximum foreign currency and total liquidity coverage ratios calculated weekly related to the last three months of 2025 are explained in the table below. According to “Regulation on Liquidity Coverage Ratio Calculation” published in the Official Gazette numbered 28948, dated March 21, 2014.

	Maximum	Week	Minimum	Week	Average
TL+FC	142.01	24/10/2025	119.82	12/12/2025	132.06
FC	414.34	24/10/2025	245.91	05/12/2025	314.37

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

Almost all of Bank’s high quality liquid assets are comprised of first quality liquid assets, most of which are CBRT accounts and securities that are issued by the Republic of Türkiye Ministry of Treasury and Finance that have not been collateralized. Changes in the amount of repos cause periodic fluctuations in the liquidity coverage ratio. 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 Bank mainly consist of deposits which constitute 55% of total liabilities of the Bank (December 31, 2024 – 58%) and also include repo, syndication, securitization, securities issued and other instruments including subordinated debts.

The 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 1-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 Bank secured funding consists of repo transactions collateralized by bonds. A large part of securities which are subjects of aforementioned guaranteed funding transactions consist of Sovereign Bonds issued by Republic of Türkiye Ministry of Treasury and Finance and transactions are carried out both in CBRT market and interbank market.

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

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

VI. Explanations on on Remarks Regarding Liquidity Risk Management (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 (¹)	Total
Assets								
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R Central Bank (²)	113,653,403	142,198,103	-	-	-	-	(24,210)	255,827,296
Due from Banks (³)	17,376,167	6,269,794	-	-	-	-	(3,630)	23,642,331
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL) (⁴)	2,935,718	4,753,194	3,443,033	4,413,596	8,755,967	1,735,523	-	26,037,031
Money Markets Placements (⁵)	-	9,974,114	-	-	-	-	(2,094)	9,972,020
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) (⁶)	23,414	3,411,960	1,193,032	11,098,066	108,120,881	65,806,595	-	189,653,948
Loans and Receivables Financial Assets Measured at Amortized Cost (⁷)	-	382,610,631	139,209,931	334,429,569	203,962,820	35,247,563	(13,996,808)	1,081,463,706
Other Assets	-	20,704,970	2,459,521	8,462,388	46,129,035	59,842,749	(18,576)	137,580,087
Other Assets	-	48,554,639	-	-	2,029,202	-	62,520,948	113,104,789
Total Assets	133,988,702	618,477,405	146,305,517	358,403,619	368,997,905	162,632,430	48,475,630	1,837,281,208
Liabilities								
Bank Deposits	701,348	27,785,616	13,701,830	6,596,335	-	-	-	48,785,129
Other Deposits	368,693,752	495,946,441	77,308,369	8,255,724	3,516,043	1,204	-	953,721,533
Funds Borrowed	-	10,949,517	28,277,552	107,910,946	114,358,128	-	-	261,496,143
Money Market Borrowings	-	53,871,993	20,698,823	14,592,825	2,790,417	-	-	91,954,058
Securities Issued	-	4,834,513	27,435,315	56,320,806	54,610,872	13,029,876	-	156,231,382
Miscellaneous Payables	-	88,645,269	-	-	-	-	-	88,645,269
Other Liabilities (⁸)	-	36,971,081	2,274,231	1,830,677	6,633,516	485,182	188,253,007	236,447,694
Total Liabilities	369,395,100	719,004,430	169,696,120	195,507,313	181,908,976	13,516,262	188,253,007	1,837,281,208
Liquidity Excess/(Gap)	(235,406,398)	(100,527,025)	(23,390,603)	162,896,306	187,088,929	149,116,168	(139,777,377)	-
Net Off Balance Sheet Position (⁹)	-	650,340	(2,067,486)	(4,255,465)	10,629,782	-	-	4,957,171
Receivables from Financial Derivative Instruments	-	366,190,857	212,505,075	172,402,897	291,101,535	42,054,145	-	1,084,254,509
Liabilities from Derivatives	-	365,540,517	214,572,561	176,658,362	280,471,753	42,054,145	-	1,079,297,338
Non-cash Loans (¹⁰)	-	12,095,001	34,166,483	92,773,011	26,945,139	3,369,716	56,311,257	225,660,607
Prior period								
Total Assets	192,445,316	419,239,227	130,354,036	304,658,328	294,464,124	136,130,743	34,577,994	1,511,869,768
Total Liabilities	278,113,135	628,512,792	211,579,910	160,055,188	86,293,358	14,349,605	132,965,780	1,511,869,768
Liquidity Excess/(Gap)	(85,667,819)	(209,273,565)	(81,225,874)	144,603,140	208,170,766	121,781,138	(98,387,786)	-
Net-Off Balance Sheet Position (⁹)	-	(1,819,156)	(2,656,784)	(2,015,300)	4,537,202	-	-	(1,954,038)
Receivables from Derivative Instruments	-	157,536,759	94,228,392	102,368,223	208,316,714	57,983,684	-	620,433,772
Liabilities from Derivative Instruments	-	159,355,915	96,885,176	104,383,523	203,779,512	57,983,684	-	622,387,810
Non-cash Loans (¹⁰)	-	6,510,328	19,105,709	56,435,056	19,256,355	2,107,581	38,920,768	142,335,797

(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 "Unallocated" column. Unallocated other liabilities include shareholders' equity amounting to TL 172,875,755 (December 31, 2024 – TL 119,001,311), current tax liabilities amounting to TL 3,515,825 (December 31, 2024 – TL 3,194,270) and unallocated provisions amounting to TL 11,861,427 (December 31, 2024 – TL 10,770,199).

(2) Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased, Precious Metal) and Balances with the T.R Central Bank includes expected loss provisions the amount of TL 24,210 (December 31, 2024 – TL 26,672).

(3) Banks include balance of expected loss provisions amounting to TL 3,630 (December 31, 2024 – TL 8,123).

(4) Financial Assets at Fair Value Through Profit/Loss include TL 15,004,958 (December 31, 2024 – TL 7,579,072) derivative financial assets used for hedging purposes.

(5) Receivables from Money Markets includes the balance of expected loss provisions amounting to TL 2,094 (December 31, 2024 – TL 27).

(6) Financial Assets at Fair Value Through Other Comprehensive Income include TL 6,166,919 (December 31, 2024 – TL 3,364,254) derivative financial assets used for hedging purposes.

(7) Financial assets measured at amortized cost include TL 18,576 (December 31, 2024 – TL 17,707) of expected loss provisions.

(8) Other Liabilities include Derivative Financial Assets amounting to TL 11,935,367 (December 31, 2024 – TL 11,348,806).

(9) 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

(10) 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 BANK
(Continued)

VI. Explanations on Remarks Regarding Liquidity Risk Management (Continued)

2. Disclosures on Net Stable Funding Ratio (NSFR)

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

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 Period	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	
Available Stable Funding					
1 Capital Instruments	226,830,963	-	-	-	226,830,963
2 Tier 1 and Tier 2 Capital	226,830,963	-	-	-	226,830,963
3 Other Capital Instruments	-	-	-	-	-
4 Real-person and Retail Customer Deposits	251,613,703	398,377,960	4,589,522	3,538,027	599,263,731
5 Stable Deposit/Participation Fund	43,387,240	95,327,764	260,195	153,590	132,172,349
6 Low Stable Deposit/Participation Fund	208,226,463	303,050,196	4,329,327	3,384,437	467,091,382
7 Obligations to Other Parties	22,092,612	413,997,678	347,697,737	145,858,105	330,753,279
8 Operational Deposit/Participation Fund	22,092,612	-	-	-	11,046,306
9 Other Obligations	-	413,997,678	347,697,737	145,858,105	319,706,973
10 Liabilities Equivalent to Interconnected Assets	-	-	-	-	-
11 Other Liabilities	82,691,129	9,385,102	-	-	-
12 Derivative Liabilities	-	-	-	9,385,102	-
13 All other equity not included in the above categories	82,691,129	-	-	-	-
14 Available Stable Funding					1,156,847,973
Required Stable Funding					
15 High Quality Liquid Assets	-	-	-	-	14,327,430
16 Depository Institutions or Deposit/Participation Fund Held at Financial Institutions for Operational Purposes	-	-	-	-	-
17 Performing Loans	624,802	750,607,563	178,380,588	256,747,023	671,277,516
18 Encumbered Loans to Financial Institutions, Where The Loan is Secured Against Level 1 Assets	-	-	-	15,977,543	15,977,543
19 Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	39,835,278	34,091,298	3,239,989	26,260,930
20 Loans to corporate customers, real persons and/or retail customers, central banks, other than credit agencies and/or financial institutions	-	710,772,285	144,289,290	232,004,025	624,734,209
21 Loans with a risk weight of less than or equal to 35%	-	-	-	-	-
22 Residential mortgages	-	-	-	3,521,069	2,288,695
23 Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	3,521,069	2,288,695
24 Equity Instruments and Debt Instruments Traded on an Exchange that do not Have High-Quality Liquid Asset Characteristics	624,802	-	-	2,004,397	2,016,139
25 Assets equivalent to interconnected liabilities	-	-	-	-	-
26 Other Assets	129,276,549	-	-	-	140,303,336
27 Physical traded commodities, including gold	1,379,122	-	-	-	1,172,254
28 Initial Margin for Derivative Contracts or Guarantee Fund Given to Central Counterparty	-	-	-	158,015	134,312
29 Derivative Assets	-	-	-	9,905,806	9,905,806
30 Derivative Liabilities Before Deduction of Variation Margin	-	-	-	1,193,537	1,193,537
31 Other Assets not Included Above	127,897,427	-	-	-	127,897,427
32 Off-balance sheet commitments	-	313,639,789	64,216,566	1,383,722,994	88,078,967
33 Required Stable Funding					913,987,249
34 Net Stable Funding Rate (%)					126.57

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

VI. Explanations on Remarks Regarding Liquidity Risk Management (Continued)

2. Disclosures on Net Stable Funding Ratio (NSFR) (Continued)

Prior Period	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	
Available Stable Funding					
1 Capital Instruments	167,807,096	-	-	-	167,807,096
2 Tier 1 and Tier 2 Capital	167,807,096	-	-	-	167,807,096
3 Other Capital Instruments	-	-	-	-	-
4 Real-person and Retail Customer Deposits	201,208,885	401,475,483	4,093,067	2,523,202	556,547,059
5 Stable Deposit/Participation Fund	16,943,699	144,142,433	1,486,458	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	380,830,763	257,326,882	56,629,218	191,017,950
8 Operational Deposit/Participation Fund	11,450,582	-	-	-	5,725,291
9 Other Obligations	-	380,830,763	257,326,882	56,629,218	185,292,659
10 Liabilities Equivalent to Interconnected Assets					
11 Other Liabilities	43,321,079	6,794,196	-	-	-
12 Derivative Liabilities				6,794,196	
13 All other equity not included in the above categories	43,321,079	-	-	-	-
14 Available Stable Funding					915,372,105
Required Stable Funding					
15 High Quality Liquid Assets					11,365,766
16 Depository Institutions or Deposit/Participation Fund Held at Financial Institutions for Operational Purposes	-	-	-	-	-
17 Performing Loans	-	464,486,590	98,631,052	385,667,531	602,372,890
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	-	26,294,736	44,678,215	10,204,244	36,487,562
20 Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	438,191,854	53,952,837	362,069,254	553,831,211
21 Loans with a risk weight of less than or equal to 35%	-	-	-	-	-
22 Residential mortgages	-	-	-	3,500,662	2,275,430
23 Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	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	-	-	-	764,561	649,877
25 Assets equivalent to interconnected liabilities					
26 Other Assets	91,308,808	-	-	-	100,295,307
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				7,736,154	7,736,154
30 Derivative Liabilities Before Deduction of Variation Margin				1,200,700	1,200,700
31 Other Assets not Included Above	91,047,456			-	91,047,456
32 Off-balance sheet commitments			1,152,819,178		57,640,959
33 Required Stable Funding					771,674,922
34 Net Stable Funding Rate (%)					118.62

The simple arithmetic average of the net stable funding ratio for the last three months including the reporting period is 127.43% (December 31, 2024 - 119.38%).

The Bank's Net Stable Funding Ratio (NSFR) increased from 118.62% to 126.57% on an unconsolidated basis 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 period in question, NSFR increased due to the renewal of long-term debt instruments with a remaining maturity of more than 1 year and improvements in equity items, in addition to the increase in the loan/deposit ratio.

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(Continued)

VI. Explanations on Remarks Regarding Liquidity Risk Management (Continued)

Analysis of financial liabilities by remaining contractual maturities

The table below shows the Bank's maturity distribution of certain financial liabilities other than derivatives. The tables below are prepared by considering the future cash flows expected on the earliest cash flow dates. The total interest that will be paid for these assets and liabilities is included in the table below.

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total	Carrying Amount
Bank Deposits	701,348	27,974,143	13,867,941	6,732,044	-	-	49,275,476	48,785,129
Other Deposits	368,693,752	501,291,308	80,073,355	9,533,260	6,365,175	2,805	965,959,655	953,721,533
Payables to Money Market Funds from other Financial Institutions	-	54,017,620	21,791,523	15,139,595	2,914,093	-	93,862,831	91,954,058
Securities Issued	-	10,969,249	28,322,904	108,129,850	114,814,547	-	262,236,550	261,496,143
Noncash Loans ^(*)	56,311,257	12,095,001	34,166,483	92,773,011	26,945,139	3,369,716	225,660,607	225,660,607

Prior Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total	Carrying Amount
Bank Deposits	297,324	36,181,507	19,410,998	2,066,765	-	-	57,956,594	57,570,122
Other Deposits	277,815,811	403,302,853	137,903,312	14,751,955	3,748,513	2,899	837,525,343	822,653,207
Payables to Money Market Funds from other Financial Institutions	-	103,933,402	21,067,876	21,689,694	5,890,649	-	152,581,621	149,463,326
Securities Issued	-	7,536,552	19,326,023	101,907,418	46,516,411	3,035,135	178,321,539	177,887,799
Noncash Loans ^(*)	38,920,768	6,510,328	19,105,709	56,435,056	19,256,355	2,107,581	142,335,797	142,335,797

(*) Amounts related to letters of guarantee represent maturities based on contract and amounts per these maturities and the amounts have the nature to be withdrawn on demand optionally.

The table below shows the remaining maturities of derivative financial assets and liabilities:

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 years and Longer	Total
Forward Contracts Buy ^(**)	43,173,427	19,883,503	33,621,046	2,237,805	-	98,915,781
Forward Contracts Sell ^(**)	(43,689,728)	(21,288,954)	(39,224,833)	(3,115,646)	-	(107,319,161)
Swap Contracts Buy ^(*)	321,664,924	163,688,621	118,622,994	288,388,089	42,054,145	934,418,773
Swap Contracts Sell ^(*)	(320,471,865)	(164,048,802)	(116,489,526)	(276,945,565)	(42,054,145)	(920,009,903)
Futures Buy	-	153,088	-	-	-	153,088
Futures Sell	-	(157,191)	-	-	-	(157,191)
Options Buy	30,375,845	28,779,863	20,158,857	475,641	-	79,790,206
Options Sell	(30,472,612)	(29,077,615)	(20,944,003)	(410,543)	-	(80,904,773)
Other	-	-	-	-	-	-
Total	579,991	(2,067,487)	(4,255,465)	10,629,781	-	4,886,820

(*) This line also includes hedging purpose derivatives.

(**) This line also includes Forward Asset Purchase Commitments accounted for under Commitments.

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 years and Longer	Total
Forward Contracts Buy ^(**)	36,762,328	13,008,299	16,552,413	1,061,122	-	67,384,162
Forward Contracts Sell ^(**)	(37,043,064)	(14,367,170)	(19,786,359)	(1,135,083)	-	(72,331,676)
Swap Contracts Buy ^(*)	144,955,576	65,065,431	69,354,330	207,145,383	57,983,684	544,504,404
Swap Contracts Sell ^(*)	(146,459,019)	(64,999,462)	(67,634,954)	(202,469,053)	(57,983,684)	(539,546,172)
Futures Buy	-	324,986	7,479	-	-	332,465
Futures Sell	-	(278,685)	(9,682)	-	-	(288,367)
Options Buy	4,709,260	15,829,676	16,454,001	110,209	-	37,103,146
Options Sell	(4,763,930)	(17,239,860)	(16,952,528)	(175,375)	-	(39,131,693)
Other	-	-	-	-	-	-
Total	(1,838,849)	(2,656,785)	(2,015,300)	4,537,203	-	(1,973,731)

(*) This line also includes hedging purpose derivatives.

(**) This line also includes Forward Asset Purchase Commitments accounted for under Commitments.

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(Continued)

VII. Explanations on Leverage Ratio

Information in regards to the differences between current period and prior period leverage ratio

The Bank's leverage ratio, calculated in accordance with the "Regulation on Measurement and Evaluation of Bank's Leverage Levels" is 5.20% (December 31, 2024 – 5.17%). 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.

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 dated November 5, 2013 and numbered 28812 is below:

	Book Value	
	Current Period (*)	Prior Period (*)
Assets on Balance sheet		
Assets on Balance sheet (except for derivative financial instruments and credit)	1,804,781,829	1,447,024,117
Assets deducted from capital stock	7,222,393	5,664,904
Total risk amount related to Assets on Balance sheet	1,797,559,436	1,441,359,213
Derivative financial instruments and credit derivatives		
Replacement cost of derivative financial instruments and credit derivatives	18,736,953	13,966,320
Potential credit risk amount of derivative financial instruments and credit derivatives	8,464,029	431,044
Total risk amount related to derivative financial instruments and credit derivatives	27,200,982	14,397,364
Financial transactions having security or commodity collateral		
Risk amount of financial transactions having security or commodity collateral	-	-
Risk amount sourcing from transactions mediated	21,518,263	13,709
Total risk amount related to financial transactions having security or commodity collateral	21,518,263	13,709
Off-Balance sheet Transaction		
Gross nominal amount of off-balance sheet transactions	1,780,665,615	1,167,151,262
(Adjustment amount sourcing from multiplying to credit conversion rates)	93,918,141	94,885,947
Total risk amount related to off-balance sheet transactions	1,686,747,474	1,072,265,315
Capital and Total Risk		
Core Capital	183,725,237	130,650,569
Amount of total risk	3,533,026,155	2,528,035,601
Financial leverage ratio		
Financial leverage ratio %	5.20	5.17

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

VIII. Explanations Related to Presentation of Financial Assets and Liabilities at Their Fair Value

The fair value of the fixed rate loans is determined based on discounted cash flows using the current market interest rates. Book value of floating rate loans represent their fair value.

The fair value of financial assets measured at amortized cost; market prices or, where such price cannot be determined, interest is determined on the basis of quoted market prices for other securities subject to the same qualified amortization in terms of maturity and other similar conditions.

The estimated fair value of the demand deposit represents the amount payable at the time of demand. The fair value of floating rate placements and overnight deposits represents the book value. The estimated fair value of fixed rate deposits is calculated by finding the discounted cash flows using market interest rates applied to similar loans and other liabilities.

The estimated fair value of funds from banks, other financial institutions, is determined based on discounted cash flows using the current market interest rates.

In the table below; the fair values and the carrying values of some of the financial assets and liabilities are presented. Book value represents the total of cost of subject asset and liabilities and accrued interest.

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(Continued)

VIII. Explanations Related to Presentation of Financial Assets and Liabilities at Their Fair Value
(Continued)

Current Period	Book Value	Fair Value
Financial Assets	1,436,169,473	1,413,795,335
Money Market Placements	9,974,114	9,972,020
Due from Banks	23,645,961	23,642,331
Fair Value through Other Comprehensive Income (FVOCI)	183,487,029	183,487,029
Financial Assets Measured at Amortized Cost	137,598,663	119,430,040
Loans Granted	1,081,463,706	1,077,263,915
Financial Liabilities	1,600,833,514	1,605,471,232
Bank Deposits	48,785,129	48,827,990
Other Deposits	953,721,533	958,217,237
Funds from Other Financial Institutions	261,496,143	261,595,296
Payables to Money Market	91,954,058	91,954,058
Securities Issued	156,231,382	156,231,382
Other Debts	88,645,269	88,645,269
Prior Period	Book Value	Fair Value
Financial Assets	1,155,259,521	1,128,305,892
Money Market Placements	150,531	150,504
Due from Banks	15,325,868	15,317,745
Fair Value through Other Comprehensive Income (FVOCI)	140,210,832	140,210,832
Financial Assets Measured at Amortized Cost	129,183,829	108,571,875
Loans Granted	870,388,461	864,054,936
Financial Liabilities	1,342,336,041	1,347,157,968
Bank Deposits	57,570,122	57,605,139
Other Deposits	822,653,207	826,868,448
Funds from Other Financial Institutions	177,887,799	178,459,468
Payables to Money Market	149,463,326	149,463,326
Securities Issued	77,912,057	77,912,057
Other Debts	56,849,530	56,849,530

In accordance with “IFRS 13, Fair Value Measurement” accounts represented at fair value in the face of financial statements are required to be leveled according to the observability of the data used for the calculation of fair value.

The classification of fair value calculation is as follows.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities (market value);
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- Level 3: Inputs that are not observable for the asset and liability (Fair value calculations which are not observable).

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

**VIII. Explanations Related to Presentation of Financial Assets and Liabilities at Their Fair Value
(Continued)**

In the table below, the fair value classification of the financial instruments that are recorded at fair value at the financial statements is presented:

Current Period	Level 1	Level 2	Level 3	Total
Financial Assets	176,779,989	37,585,289	1,325,701	215,690,979
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	9,580,371	126,001	1,325,701	11,032,073
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	167,187,455	16,299,574	-	183,487,029
Derivative Financial Assets	12,163	21,159,714	-	21,171,877
Financial Liabilities	1,523	11,933,844	-	11,935,367
Derivative Financial Liabilities	1,523	11,933,844	-	11,935,367
Prior Period	Level 1	Level 2	Level 3	Total
Financial Assets	147,846,751	14,976,744	531,668	163,355,163
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	11,436,444	232,893	531,668	12,201,005
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	136,409,396	3,801,436	-	140,210,832
Derivative Financial Assets	911	10,942,415	-	10,943,326
Financial Liabilities	36	11,348,770	-	11,348,806
Derivative Financial Liabilities	36	11,348,770	-	11,348,806

Confirmation for fair value of financial assets under Level 3 is as below:

	Current Period	Prior Period
Opening Balance	531,668	384,544
Change in total income/loss	43,220	133,914
<i>Accounted in the statement of profit or loss and other comprehensive income</i>	43,220	133,914
<i>Accounted in other comprehensive income</i>	-	-
Purchases and Transfers	750,813	13,210
Disposals	-	-
Matured Loans	-	-
Sales from Level 3	-	-
Closing Balance	1,325,701	531,668

IX. Explanations Related to Transactions Carried on Behalf of Others and Fiduciary Transactions

The 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.

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to Assets

1. Cash and balances with the Central Bank of Türkiye

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	3,103,193	16,218,661	2,960,303	10,282,554
Central Bank of Türkiye	97,120,181	137,144,984	139,828,034	98,982,305
Other	834,863	1,429,624	731,579	316,010
Total	101,058,237	154,793,269	143,519,916	109,580,869

Balances with the Central Bank of Türkiye

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits	36,143,114	55,923,948	91,848,194	36,758,372
Unrestricted Time Deposits	5,000,000	-	-	-
Restricted Time Deposits	55,977,067	81,221,036	47,979,840	62,223,933
Total	97,120,181	137,144,984	139,828,034	98,982,305

As of December 31, 2025 amount of TL 24,210 (December 31, 2024 – TL 26,672) provision provided for the account Central Bank of Türkiye.

As of December 31, 2025, The 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

2.1 Information 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	-	37,354	-	-
Subject to repurchase agreements	-	-	-	-
Total	-	37,354	-	-

2.2 Positive differences related to derivative financial assets held for trading

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	416,758	76,419	412,983	19,352
Swap Transactions	1,197,241	8,591,037	833,727	3,216,184
Futures Transactions	-	-	-	-
Options	12,163	1,239,818	911	503,741
Others	-	-	-	-
Total	1,626,162	9,907,274	1,247,621	3,739,277

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

3. Information on banks accounts

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	2,506,729	2,237,392	9,785	386,592
Foreign	-	18,901,840	-	14,929,491
Foreign Head Offices and Branches	-	-	-	-
Total	2,506,729	21,139,232	9,785	15,316,083

As of December 31, 2025 amount of TL 3,630 provision provided for the Bank account (December 31, 2024 – TL 8,123).

Information on foreign bank accounts

	Unrestricted Amount		Restricted Amount ^(**)	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	2,992,662	1,864,128	725,155	1,672,474
USA and Canada	10,389,585	6,407,808	45,416	-
OECD Countries ^(*)	2,544,378	861,997	1,741,948	3,431,713
Off-shore Banking Regions	-	-	-	-
Other	424,950	597,100	37,746	94,271
Total	16,351,575	9,731,033	2,550,265	5,198,458

^(*) Includes OECD countries other than the EU countries, USA and Canada.

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

4. Receivables from Money Markets

As of 31 December 2025, there is a balance of TL 9,974,114 in receivables from Takasbank. (December 31, 2024 TL 150,531).

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

5. Information on Financial Assets Measured at Fair Value through Other Comprehensive Income

5.1 Information on financial assets measured at fair value through other comprehensive income that are subject to repurchase agreements and given as collateral/blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Given as Collateral/Blocked	5,763,403	8,007,873	14,919,937	-
Subject to repurchase agreements	48,254,842	10,284,433	68,863,943	20,128,290
Total	54,018,245	18,292,306	83,783,880	20,128,290

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

	Current Period	Prior Period
Debt securities	187,768,794	145,176,234
Quoted on a stock exchange (*)	187,768,794	145,176,234
Unquoted on a stock exchange	-	-
Share certificates	23,520	17,211
Quoted on a stock exchange	-	-
Unquoted on a stock exchange	23,520	17,211
Impairment provision(-) (**)	(4,305,285)	(4,982,613)
Total	183,487,029	140,210,832

(*) The Eurobond Portfolio amounting to TL 9,441,887 (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 December 31, 2025 amount of TL 24,811 (December 31, 2024 – TL 20,455) provision provided for financial assets measured at fair value through other comprehensive income account.

6. Information related to loans

6.1 Information on all types of loans and advances given to shareholders and employees of the Bank

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	2,179,722	-	2,270,807
Corporate Shareholders	-	2,179,722	-	2,270,807
Individual Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees (*)	1,405,007	-	817,098	-
Total	1,405,007	2,179,722	817,098	2,270,807

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

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

	Loans Under Close Monitoring			
	Standard Loans and	Loans Not Subject to restructuring	Restructured Loans	
			Loans with Revised Contract Terms	Refinance
Cash Loans				
Non-specialized Loans	980,709,875	56,455,673	1,887,942	56,407,024
Enterprise Loans	63,109,435	71,949	-	-
Export Loans	133,911,528	1,577,157	-	-
Import Loans	98,545	-	-	-
Loans Given to Financial Sector	28,697,215	11,214	-	-
Retail Loans	148,758,321	11,224,607	1,669,851	11,488,137
Credit Cards	283,091,968	23,530,247	-	19,489,991
Other	323,042,863	20,040,499	218,091	25,428,896
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	980,709,875	56,455,673	1,887,942	56,407,024

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

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

I. Explanations and Disclosures Related to Assets (Continued)

6. Information related to loans (Continued)

6.2 Information on standard loans, loans under close monitoring and restructured loans under close monitoring (Continued)

	Standard Loans	Loans Under Close Monitoring
Current Period		
Provision for 12 Month Expected Credit Losses	9,092,919	-
Significant Increase in Credit Risk	-	15,537,268
Prior Period		
Provision for 12 Month Expected Credit Losses	8,506,511	-
Significant Increase in Credit Risk	-	13,050,092

6.3 Distribution of cash loans according to maturity structure

	Standard Loans	Loans Under Close Monitoring	
		Loans Not Subject to Restructuring	Loans with Restructured Loans
Cash Loans			
Short-term Loans	660,296,491	23,530,247	19,489,992
Medium and Long-term Loans	320,413,384	32,925,426	38,804,974
Total	980,709,875	56,455,673	58,294,966

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

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

I. Explanations and Disclosures Related to Assets (Continued)

6. Information related to loans (Continued)

6.4 Information on consumer loans, individual credit cards, personnel loans and personnel credit cards

	Short Term	Medium and Long Term	Total
Consumer Loans-TL	44,270,736	83,581,589	127,852,325
Housing Loans	8,992	6,320,273	6,329,265
Automobile Loans	-	1,947	1,947
Personal Need Loans	44,261,744	77,259,369	121,521,113
Other	-	-	-
Consumer Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	255,969,463	18,747,285	274,716,748
Installment	65,146,442	14,869,186	80,015,628
Non- Installment	190,823,021	3,878,099	194,701,120
Individual Credit Cards-FC	853,190	1,834	855,024
Installment	-	-	-
Non- Installment	853,190	1,834	855,024
Personnel Loans-TL	250,890	636,449	887,339
Housing Loans	-	1,228	1,228
Automobile Loans	-	-	-
Personal Need Loans	250,890	635,221	886,111
Other	-	-	-
Personnel Loans-FC Indexed	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Housing Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	472,499	9,605	482,104
Installment	125,292	2,547	127,839
Non-Installment	347,207	7,058	354,265
Personnel Credit Cards-FC	5,332	11	5,343
Installment	-	-	-
Non-Installment	5,332	11	5,343
Overdraft Accounts-TL (Natural Persons)	42,539,608	1,861,644	44,401,252
Overdraft Accounts-FC (Natural Persons)	-	-	-
Total	344,361,718	104,838,417	449,200,135

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

I. Explanations and Disclosures Related to Assets (Continued)

6. Information related to loans (Continued)

6.5 Information on commercial loans with installments and corporate credit cards

	Short Term	Medium and Long Term	Total
Commercial Loans with Installment Facility – TL	9,129,273	86,754,581	95,883,854
Real Estate Loans	39,904	2,218,938	2,258,842
Automobile Loans	113,063	2,568,723	2,681,786
Personal Need Loans	8,976,306	81,966,920	90,943,226
Other	-	-	-
Commercial Loans with Installment Facility - FC Indexed	-	52,921	52,921
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	52,921	52,921
Other	-	-	-
Commercial Loans with Installment Facility – FC	-	-	-
Real Estate Loans	-	-	-
Automobile Loans	-	-	-
Personal Need Loans	-	-	-
Other	-	-	-
Corporate Credit Cards –TL	48,903,590	1,108,619	50,012,209
Installment	7,693,766	269,538	7,963,304
Non-Installment	41,209,824	839,081	42,048,905
Corporate Credit Cards –FC	40,691	87	40,778
Installment	-	-	-
Non-Installment	40,691	87	40,778
Overdraft Accounts-TL (Legal Entities)	4,491,787	15,539	4,507,326
Overdraft Accounts-FC (Legal Entities)	-	-	-
Total	62,565,341	87,931,747	150,497,088

6.6 Allocation of loans to customers (*)

	Current Period	Prior Period
Public	7,805,157	5,962,816
Private	1,087,655,357	880,411,906
Total	1,095,460,514	886,374,722

(*) The table does not include non-performing loan amount.

6.7 Distribution of domestic and foreign loans (*)

	Current Period	Prior Period
Domestic Loans	1,088,069,085	882,515,564
Foreign Loans	7,391,429	3,859,158
Total	1,095,460,514	886,374,722

(*) The table does not include non-performing loan amount.

6.8 Loans granted to subsidiaries and associates

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Associates	17,893,485	12,702,629
Indirect Loans Granted to Subsidiaries and Associates	-	-
Total	17,893,485	12,702,629

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

6. Information related to loans (Continued)

6.9 Specific provisions for loans (Stage III/Specific Provision)

	Current Period	Prior Period
Loans and Receivables with Limited Collectability	8,109,439	4,568,001
Doubtful Loans and Other Receivables	10,794,788	6,839,649
Uncollectible Loans and Receivables	13,248,606	7,645,981
Total	32,152,833	19,053,631

6.10 Non-performing loans (NPLs) (Net)

6.10.1 Non-performing loans and other receivables restructured or rescheduled

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible loans
Current Period			
Gross Amounts Before the Provisions	4,897	6,775	66,268
Restructured Loans	4,897	6,775	66,268
Prior Period			
Gross Amounts Before the Provisions	-	21,727	200,582
Restructured Loans	-	21,727	200,582

6.10.2 Movement of total non-performing loans

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible Loans
Prior Period End Balance	6,268,101	8,746,428	9,609,443
Additions (+)	41,577,130	1,141,341	2,176,730
Transfers from Other Categories of Non-Performing Loans (+)	-	29,887,791	17,950,187
Transfers to Other Categories of Non-Performing Loans (-)	29,887,791	17,950,187	-
Collections (-)	5,703,974	4,470,095	2,527,390
Write-offs (-)	1,376,556	2,596,989	3,076,900
Debt Sales (-) (*)	-	-	6,981,057
Corporate and Commercial Loans	-	-	281,036
Consumer Loans	-	-	2,681,814
Credit Cards	-	-	3,600,649
Others	-	-	417,558
Current Period End Balance	10,876,910	14,758,289	17,151,013
Provision (-)	8,109,439	10,794,788	13,248,606
Net Balances on Balance Sheet	2,767,471	3,963,501	3,902,407

(**) The amount written off includes TL 6,867,261 of non-performing loans transferred within the scope of the spin-off explained in Note XXVI of Section Three.

(**) The bank sold TL 6,981,057 of the non-performing loans portfolio to the asset management company for TL 1,854,636.

6.10.3 Information on foreign currency non-performing loans and other receivables

None (December 31, 2024 – None).

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

6. Information related to loans (Continued)

6.10.4 Breakdown of non-performing loans according to their gross and net values

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible Loans
Current Period (Net)	2,767,471	3,963,501	3,902,407
Loans to Natural Persons and Legal Entities (Gross)	10,876,910	14,758,289	15,964,534
Provision (-)	8,109,439	10,794,788	12,062,127
Loans to Natural Persons and Legal Entities (Net)	2,767,471	3,963,501	3,902,407
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	1,186,479
Provision (-)	-	-	1,186,479
Other Loans and Receivables (Net)	-	-	-
Prior Period (Net)	1,700,099	1,906,779	1,963,463
Loans to Natural Persons and Legal Entities (Gross)	6,268,100	8,746,428	8,920,626
Specific provision (-)	4,568,001	6,839,649	6,957,163
Loans to Natural Persons and Legal Entities (Net)	1,700,099	1,906,779	1,963,463
Banks (Gross)	-	-	-
Specific provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	688,818
Specific provision (-)	-	-	688,818
Other Loans and Receivables (Net)	-	-	-

6.10.5 Information on interest accruals, rediscounts and valuation differences calculated for non-performing loans and the related provisions.

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible loans
Current Period (Net)			
Interest Accruals and Valuation Differences	1,620,284	2,443,071	2,816,746
Provision (-)	594,014	811,461	1,269,858
Prior Period (Net)			
Interest Accruals and Valuation Differences	985,780	1,384,725	1,434,456
Provision (-)	360,681	541,768	822,370

6.10.6 Liquidation policies 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 Bank prefers to liquidate the risk through negotiations with the debtors. If this cannot be possible, then the 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.

6.10.7 Explanations on write-off policy

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

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

7. Information on Financial Assets Measured at Amortized Cost

7.1 Information on financial assets measured at amortized cost subject to repurchase agreements and provided as collateral/blocked

	Current Period		Prior Period	
	TL	FC	TL	FC
Given as Collateral/Blocked	11,269,972	7,040,217	26,984,053	1,198,217
Subject to repurchase agreements	23,690,613	28,395,845	56,020,248	33,920,075
Total	34,960,585	35,436,062	83,004,301	35,118,292

7.2 Information on government debt securities measured at amortized cost

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bond	94,741,490	42,857,173	92,712,302	36,326,963
Treasury Bill	-	-	-	-
Other Debt Securities	-	-	-	-
Total	94,741,490	42,857,173	92,712,302	36,326,963

7.3 Information on investment securities measured at amortized cost

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt Securities	94,741,490	42,857,173	92,712,302	36,471,527
Publicly-traded	94,741,490	42,857,173	92,712,302	36,471,527
Non-publicly traded	-	-	-	-
Provision for losses (-)	-	-	-	-
Total	94,741,490	42,857,173	92,712,302	36,471,527

7.4 Movement of investments measured at amortized cost within the period

	Current Period	Prior Period
Balance at the beginning of the period	129,183,829	102,093,865
Exchange differences on monetary assets	7,272,606	5,602,433
Acquisitions during the year	30,529,627	19,551,082
Disposals through sales and redemptions (*)	(48,536,701)	(21,505,687)
Provision for losses (-)	-	-
Valuation effect	19,149,302	23,442,136
Balance at the end of the period	137,598,663	129,183,829

(*) Includes the amount of TL 7,871,291 transferred within the scope of the partial spin-off explained in Section III, Note XXVI.

As of December 31, 2025, a provision amounting to TL 18,576 (December 31, 2024 – TL 17,707) is provided for the financial assets measured at amortized cost.

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

8. Investments in associates (Net)

8.1. Information on the unconsolidated subsidiaries

Title	Address (City/Country)	Bank's Share-If Different, Voting Rights(%)	Bank's Risk Group Share(%)
1. Bankalararası Kart Merkezi (BKM) (**)(***)	Istanbul/Türkiye	4.52	4.52
2. JCR Avrasya Derecelendirme A.Ş. (**)(***)	Istanbul/Türkiye	2.86	2.86
3. İhracatı Geliştirme A.Ş. (İGE) (**)(***)	Istanbul/Türkiye	0.31	0.31
4. Kredi Garanti Fonu A.Ş. (KGF) (**)(***)	Istanbul/Türkiye	1.49	1.49

	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.	10,697,526	9,124,490	1,682,888	2,158,700	-	2,261,467	1,878,600	-
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)	-

(*) Current period information is based on September 30, 2025 financials. Prior period profit and loss amounts are based on September 30, 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.

(***) Information for the current and prior periods are based on inflation adjusted financial statements.

(****) Total fixed assets consist of tangible and intangible fixed assets.

8.2. Information on the consolidated subsidiaries

None (December 31, 2024 – None).

8.3. Movements of investments in associates

	Current Period	Prior Period
Balance at the Beginning of Period	53,737	53,722
Movements During the Period	(15)	15
Purchases	-	-
Bonus Shares Received (*)	-	15
Dividends From Current Year Profit	-	-
Sales	-	-
Revaluation Increase	-	-
Impairment Provisions	(15)	-
Balance at the End of the Period	53,722	53,737
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) Bonus shares received includes the capital contribution amounts from Borsa İstanbul A.Ş. in prior period.

8.4. Sectoral information on investments and associates, and the related carrying amounts

	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Associates	53,722	53,737
Total	53,722	53,737

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

8.5. Quoted Associates

None (December 31, 2024 – None).

9. Investments in subsidiaries (Net)

9.1 Information on non-financial subsidiaries that are not consolidated

Title	Address (City/Country)	Bank's Share-If different, Voting Rights (%)	Bank's Risk Group Share (%)
1. Ibttech Uluslararası Bilişim ve İletişim Teknolojileri Araştırma, Geliştirme, Danışmanlık, Destek San. ve Tic. A.Ş.	Istanbul/Türkiye	99.91	99.99
2. QNB eSolutions Elektronik Ticaret ve Bilişim Hizmetleri A.Ş.	Istanbul/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	Company's Fair Value
1.	6,862,841	306,112	567,009	-	-	226,100	15,291	-
2.	9,689,061	1,235,310	93,504	319,780	-	575,791	82,005	-

9.2 Information on consolidated subsidiaries

Subsidiary	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 presented in the table above

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income on Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/Loss	Company's Fair Value
1.	11,982,566	7,913,584	136,290	3,150,592	283,077	2,587,130	1,724,786	-
2.	56,441,136	6,454,374	87,995	6,846,493	25,560	1,828,942	1,205,185	6,415,654
3.	3,709,780	2,666,726	6,839	28,436	-	1,496,388	776,336	-
4.	36,304,310	5,858,661	33,344	10,928,184	-	2,027,329	1,350,820	-
5.	1,555,864	3,544	-	-	-	1,192	829	-
6.	17,859,334	5,393,222	323,708	2,495,895	349,764	3,837,170	1,996,294	-

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

9. Investments in subsidiaries (Net) (Continued)

9.3 Movement of subsidiaries

	Current Period	Prior Period
Balance at the beginning of the period	19,024,959	9,789,830
Movements during the period	9,979,516	9,235,129
Purchases (*)	1,097,800	1,993,986
Bonus Shares Received	-	-
Dividends from Current Year Profit	11,299,293	6,670,444
Disposals	-	-
Revaluation Increase (**)(***)	(2,417,577)	570,699
Impairment Provision	-	-
Balance at the End of the Period	29,004,475	19,024,959
Capital Commitments	-	-
Share Percentage at the end of the Period (%)	-	-

(*) In the current period, with the decision of the Board of Directors of QNB Yatırım Menkul Değerler A.Ş. dated May 28, 2025, the company capital of TL 300,000 was increased to TL 1,400,000 through a capital increase by rights issue. In the previous period, with the Extraordinary General Assembly Decision of QNB Finansal Kiralama A.Ş. dated November 21, 2024, the company capital of TL 1,000,000 was increased to TL 2,000,000 through a capital increase by rights issue. With the decision of the Board of Directors of QNB Faktoring A.Ş. dated February 12, 2024, the company capital of TL 65,000 was increased to TL 1,065,000 through a capital increase by rights issue.

(**) Includes equity method accounting differences.

(***) It also includes the dividend income received during the current period.

9.4 Sectoral information on financial subsidiaries and the related carrying amounts

	Current Period	Prior Period
Factoring Companies	5,858,662	3,831,879
Leasing Companies	6,415,654	4,622,820
Finance Companies	6,712,016	5,504,259
Other Subsidiaries	10,018,143	5,066,001
Total	29,004,475	19,024,959

9.5 Consolidated subsidiaries quoted on stock exchange

	Current Period	Prior Period
Quoted on Domestic Stock Exchanges	6,415,654	4,622,820
Quoted on International Stock Exchanges	-	-
Total	6,415,654	4,622,820

9.6 Information on shareholders' equity of the significant subsidiaries

The Bank does not have any significant subsidiaries.

10. Information on joint ventures

Jointly Controlled Entities (Joint Ventures)	Bank's Share-If different. Voting Rights (%)	Bank's Risk Group Share (%)	Total Assets	Total Fixed Asset	Long Term Liabilities	Income	Expense
	Bantaş Nakit ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (*)	33.33	33.33	638,139	347,301	230,165	2,401,024

(*) Current period information is based on the financial statements prepared as of November 30, 2025.

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

11. Information on lease receivables (Net)

None (December 31, 2024 – None).

12. Information on the hedging derivative financial assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedge ^(*)	2,482,025	989,497	2,082,932	509,242
Cash Flow Hedge ^(**)	4,231,525	1,935,394	912,432	2,451,822
Foreign Net Investment Hedges	-	-	-	-
Total	6,713,550	2,924,891	2,995,364	2,961,064

^(*) The derivative financial instruments used for hedging the fair value risk consist of swaps. As of December 31, 2025, the fair value of these instruments is 2,482,025 TL (December 31, 2024 – TL 2,082,932) for loans, TL 394,945 for securities (December 31, 2024 – TL 470,559), and TL 594,552 for securities issued (December 31, 2024 – 38,683), representing the fair value of the derivative financial instruments used in hedging the fair value risk.

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

13. Explanations on tangible assets

Prior Year End	Land and	Fixed Assets	Other		Total
	Buildings ^(*)	from Finance Lease	Vehicles	Tangible Fixed Assets	
Cost	17,711,155	261,183	562,672	7,824,033	26,359,043
Accumulated Depreciation(-)	1,684,339	252,294	177,409	2,963,698	5,077,740
Net Book Value	16,026,816	8,889	385,263	4,860,335	21,281,303
Current Year End					
Cost at the Beginning of the Period	17,711,155	261,183	562,672	7,824,033	26,359,043
Additions ^(**)	2,506,381	31,109	741,017	2,033,228	5,311,735
Disposals (-)	318,869	7,124	112,184	150,932	589,109
Impairment (-)/(increase)	-	-	-	-	-
Revaluation cost	2,303,879	-	-	-	2,303,879
Current Period Cost	22,202,546	285,168	1,191,505	9,706,329	33,385,548
Accumulated Depreciation at the Beginning of the Period	1,684,339	252,294	177,409	2,963,698	5,077,740
Disposals (-)	70,710	3,456	47,893	82,636	204,695
Depreciation Amount	1,228,386	1,691	159,365	1,142,189	2,531,631
Current Period Accumulated Depreciation (-)	2,842,015	250,529	288,881	4,023,251	7,404,676
Net Book Value-end of the Period	19,360,531	34,639	902,624	5,683,078	25,980,872

^(*) Includes asset usage rights of real estate leased under “TFRS 16 Leases”. As of December 31, 2025, the asset usage rights amount to TL 6,297,494 and the related accumulated depreciation amount is TL 2,577,599.

^(**) As stated in footnote in Section III – Part 4, fair value exchange difference income amortized at an amount of TL 27,685 belonging to immovable property subjected to fair value hedge accounting by the Bank is shown on “Additions” line in Property, Plant and Equipment movement statement.

^(***) It includes the amount of TL 113,987 transferred within the scope of the spin-off explained in Note XXVI of Section Three.

13.1 If impairment on individual asset recorded or reversed in the current period is material for the overall financial statements

Events and conditions for recording or reversing impairment and amount of recorded or reversed impairment in the financial statements

There is no provision for impairment in the current period as a result of changes in the fair values of real estates determined by licensed real estate valuation companies (December 31, 2024 – None).

13.2 The impairment provision set or cancelled in the current period according to the asset groups not individually significant but materially affecting the overall financial statements, and the reason and conditions for this

None (December 31, 2024 - None).

13.3 Pledges, mortgages and other restrictions (if any) on the tangible fixed assets, expenses arising from the construction for tangible fixed assets, commitments given for the purchases of tangible fixed assets

None (December 31, 2024 - None).

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

I. Explanations and Disclosures Related to Assets (Continued)

14. Explanations on intangible assets

	Intangible Rights	Goodwill	Total
Prior Period End			
Cost	7,114,449	-	7,114,449
Accumulated Amortization (-)	2,706,637	-	2,706,637
Net Book Value	4,407,812	-	4,407,812
Current Period End			
Cost at the Beginning of the Period	7,114,449	-	7,114,449
Additions	3,931,469	-	3,931,469
Disposals(-)	948,811	-	948,811
Impairment (-)/(increase)	-	-	-
Revaluation cost	-	-	-
Current Period Cost	10,097,107	-	10,097,107
Accumulated Amortization at the Beginning of the Period	2,706,637	-	2,706,637
Disposals(-)	336,183	-	336,183
Amortization Charge (-)	1,468,605	-	1,468,605
Current Period Accumulated Amortization (-)	3,839,059	-	3,839,059
Net Book Value-End of the Period	6,258,048	-	6,258,048

^(*) It includes the amount of TL 581,593 transferred within the scope of the spin-off explained in Note XXVI of section three.

14.1 Disclosures for book value, description and remaining life to be amortized for a specific intangible fixed asset that is material to the financial statements

None (December 31, 2024 – None).

14.2 Disclosure for intangible fixed assets acquired through government grants and accounted for at fair value at initial recognition

None (December 31, 2024 – None).

14.3 The method of subsequent measurement for intangible fixed assets that are acquired through government incentives and recorded at fair value at the initial recognition

None (December 31, 2024 – None).

14.4 The book value of intangible fixed assets that are pledged or restricted for use

None (December 31, 2024 – None).

14.5 Amount of purchase commitments for intangible fixed assets

None (December 31, 2024 – None).

14.6 Information on revalued intangible assets according to their types

None (December 31, 2024 – None).

14.7 Amount of total research and development expenses recorded in the statement of profit or loss and other comprehensive income within the period if any

Amount of research expenses recorded in the statement of profit or loss and other comprehensive income within the current period TL 105,044 (December 31, 2024 – TL 71,883).

14.8 Positive or negative consolidation goodwill on entity basis

None (December 31, 2024 – None)

14.9 Information on goodwill

None (December 31, 2024 – None)

14.10 Movements on goodwill in the current period

None (December 31, 2024 – None)

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

15. Information on assets held for sale and discontinued operations

None (December 31, 2024 – None).

16. Information on Tax Asset

As of 2025, there is a current tax asset of TL 463,819 (December 31, 2024 – TL 29,322).

The Bank has a deferred tax asset amounting to TL 302,403 calculated in accordance with the relevant regulations as of December 31, 2025 (December 31, 2024 – TL 5,365,515).

Deferred tax assets and liabilities are reflected to the financial statements by netting off according to TAS 12. As of December 31, 2025, the Bank has deferred tax assets amounting to TL 15,570,340 and deferred tax liabilities amounting to TL 15,267,937 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.

Deferred tax is offset against deferred tax assets or liabilities, if the differences between the carrying amount and the fair value of the related assets are related to the equity account group. The deferred tax expense amounting to TL 1,487,581 has been netted under equity (December 31, 2024 – TL 929,453 deferred tax income).

	Accumulated Temporary Differences		Deferred Tax Assets/(Liabilities)	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Provision for Employee Rights	4,993,537	3,791,842	1,498,061	1,137,553
Difference Between the Book Value of Financial Assets and Tax Base	1,297,313	1,838,500	389,194	551,550
Other (*)	11,576,361	10,253,803	3,472,908	3,076,141
Deferred Tax Assets	34,033,921	32,611,629	10,210,177	9,783,488
Differences Between Carrying Value and Tax Value of Tangible Fixed Assets			15,570,340	14,548,732
Differences Between Carrying Value and Tax Basis of Financial Assets	(34,564,529)	(20,059,379)	(10,369,359)	(6,017,814)
Other	(16,328,593)	(10,551,346)	(4,898,578)	(3,165,403)
Deferred Tax Liabilities			(15,267,937)	(9,183,217)
Deferred Tax Assets/(Liabilities), Net			302,403	5,365,515

(*) TL 26,785,650 includes accumulated temporary differences related to expected loss provisions (December 31, 2024 - TL 23,166,023).

	Current Period 01.01-31.12.2025	Prior Period 01.01-31.12.2024
Deferred Tax as of January 1 Active/ Passive – Net	5,365,515	6,581,490
Deferred Tax (Loss) / Income - Net	(3,575,531)	(2,145,428)
Deferred Tax that is Realized Under Shareholder's Equity	(1,487,581)	929,453
Deferred Tax Active/ (Passive), Net	302,403	5,365,515

(*) It includes the amount of TL 680,562 transferred within the scope of the spin-off explained in Note XXVI of Section Three.

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

I. Explanations and Disclosures Related to Assets (Continued)

17. Explanations on non-current assets held for sale and discontinued operations

None (December 31, 2024 – None).

18. Information on other assets

Other assets item of the balance sheet does not exceed 10% of the balance sheet total excluding off balance sheet commitments.

As of December 31, 2025, provisions for other assets amount to TL 51,236 (December 31, 2024 – TL 25,388).

II. Explanations and Disclosures Related to 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	38,289,705	-	69,834,479	270,637,162	4,734,452	1,616,032	12,150,091	2,078	397,263,999
Foreign Currency	163,879,011	-	21,037,073	26,328,148	2,049,200	983,528	531,626	8,600	214,817,186
Residents in Türkiye.	148,485,504	-	20,655,937	25,858,895	2,035,070	976,082	487,416	8,600	198,507,504
Residents Abroad	15,393,507	-	381,136	469,253	14,130	7,446	44,210	-	16,309,682
Public Sector Deposits	8,931,004	-	5,264	125,323	-	-	-	-	9,061,591
Commercial Deposits	35,796,716	-	101,132,821	58,972,155	246,723	546,230	993,490	-	197,688,135
Other Ins. Deposits	436,303	-	780,697	7,894,909	25,800	886	236	-	9,138,831
Precious Metal Deposits	121,361,013	-	-	511,032	524,196	138,011	3,217,539	-	125,751,791
Bank Deposits	701,348	-	27,785,617	13,701,829	5,399,913	1,196,422	-	-	48,785,129
T.R Central Bank.	-	-	-	-	-	-	-	-	-
Domestic Banks	155,106	-	1,399,774	-	-	-	-	-	1,554,880
Foreign Banks	546,242	-	26,385,843	13,701,829	5,399,913	1,196,422	-	-	47,230,249
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total^(*)	369,395,100	-	220,575,951	378,170,558	12,980,284	4,481,109	16,892,982	10,678	1,002,506,662

(*) As of December 31, 2025, the balance of saving deposits includes TL 130,219 CBRT Currency Protected Deposits.

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

II. Explanations and Disclosures Related to 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	147,292,367	-	12,235,083	9,626,299	1,069,969	453,929	454,227	6,167	171,138,041
Residents in Türkiye	135,927,103	-	11,960,775	9,167,099	1,034,138	432,021	362,360	6,167	158,889,663
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	23,623,762	-	66,947,738	51,221,306	12,167,184	3,386,346	3,053,005	-	160,399,341
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	-	-	-	-	-	-	-	-	-
Total^(*)	278,113,135	-	199,004,838	303,069,084	67,410,078	20,558,210	12,060,061	7,923	880,223,329

(*) As of December 31, 2024, the balance of saving deposits includes TL 49,709,368 CBRT Currency Protected Deposits.

1.1. Information on savings deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit (*)

	Covered by Deposit Insurance Fund		Exceeding Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	150,881,963	170,872,167	462,270,593	420,836,795
Foreign Currency Savings Deposits	67,750,382	66,541,667	272,818,595	164,402,578
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	218,632,345	237,413,834	735,089,188	585,239,373

(*) 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 numbered 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 28,336,909 (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 the headquarter of the Bank is not located abroad.

1.3. Savings deposits that are not covered under the guarantee of deposit insurance fund

	Current Period	Prior Period
Deposits and accounts in branches abroad	7	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	1,856,137	1,456,117
Deposits obtained through illegal acts defined in the 282 nd Article of the 5237 numbered Turkish Criminal Code dated September 26, 2004	-	-
Saving deposits in banks established in Türkiye exclusively for off-shore banking activities	-	-
Total	1,856,144	1,466,864

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

II. Explanations and Disclosures Related to Liabilities (Continued)

2. Information on trading derivative financial liabilities

2.1 Negative differences table for derivative financial liabilities held for trading

	Current Period		Prior Period	
	TL	FC	TL	FC
Forwards transactions	2,256,547	74,796	2,647,549	15,429
Swaps transactions	2,405,127	4,537,363	882,852	2,620,293
Futures transactions	-	-	-	-
Options	1,523	833,842	36	1,062,782
Other	-	-	-	-
Total	4,663,197	5,446,001	3,530,437	3,698,504

2.2. Information on derivative financial liabilities held for hedging purposes

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair Value Hedging (*)	834,862	22,964	1,081,111	3,451
Cash Flow Hedging (**)	277,449	690,894	1,992,982	1,042,321
Hedge of Net Investment in a Foreign Operation	-	-	-	-
Total	1,112,311	713,858	3,074,093	1,045,772

(*) Derivative financial instruments designated for fair value hedging consist of swaps, and as of 31 December 2025, TL 22,964 of their fair value relates to securities (31 December 2024 – TL 3,451), and TL 834,862 relates to loans (31 December 2024 – TL 1,081,111). In the current period, there is no fair value related to derivative financial instruments used in fair value hedging of the securities issued (31 December 2024 – None).

(**) This amount represents the fair value of derivative financial instruments designated for cash flow hedging of deposits and foreign currency-denominated variable-rate borrowings.

(***) Derivative financial liabilities designated for fair value hedging are presented under line item 7.1 in the financial statements, whereas those designated for cash flow hedging are presented under line item 7.2.

3. Information on funds borrowed

3.1 Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
T.R. Central Bank Loans	-	-	-	-
Domestic Bank and Institutions	981,358	644,573	599,909	761,174
Foreign Bank, Institutions and Funds	56,046	237,306,058	40,000	154,917,864
Total	1,037,404	237,950,631	639,909	155,679,038

3.2 Maturity information on funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	1,037,404	5,752,775	639,909	47,808,479
Medium and Long-Term	-	232,197,856	-	107,870,559
Total	1,037,404	237,950,631	639,909	155,679,038

The Bank's fund sources include deposits, funds borrowed, securities issued and money market borrowings. Deposit is the most significant fund source of the 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 Bank.

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

II. Explanations and Disclosures Related to Liabilities (Continued)

3.3 Additional information on concentrations of the Bank's liabilities

As of December 31, 2025 the Bank's liabilities comprise; 55% deposits (December 31, 2024 – 58%), 13% funds borrowed (December 31, 2024 – 5%), 9% issued bonds (December 31, 2024 – 10%) and 5% money market debts (December 31, 2024 – 10%).

4. Information on funds provided under repurchase agreements

The information regarding the funds obtained from repurchase agreements classified under liabilities to money markets is as follows.

	Current Period		Prior Period	
	TL	FC	TL	FC
From domestic transactions	49,749,572	-	94,278,476	-
Financial institutions and organizations	49,738,350	-	94,250,112	-
Other institutions and organizations	2,381	-	19,195	-
Natural persons	8,841	-	9,169	-
From foreign transactions	18,337	42,120,432	2,412,256	48,467,653
Financial institutions and organizations	-	42,120,432	2,373,293	48,467,653
Other institutions and organizations	18,337	-	38,963	-
Natural persons	-	-	-	-
Total	49,767,909	42,120,432	96,690,732	48,467,653

5. Information on securities issued (Net)

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bonds	21,411,929	-	2,736,294	18,425,962
Bills	-	121,789,577	-	46,019,814
Total	21,411,929	121,789,577	2,736,294	64,445,776

The 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. If other liabilities account exceeds 10% of total liabilities excluding the off-balance sheet items, information given about components of other liabilities account that exceeds 20% of the individual liability item in the unconsolidated balance sheet

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 flow of the Bank are the main criteria which are taken into consideration determination of payment plans in the leasing contracts.

7.1. Explanations on financial lease liabilities

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	118,653	85,956	63,866	47,669
Between 1 - 4 years	4,124,743	2,923,929	2,170,101	1,631,132
More than 4 years	-	-	-	-
Total	4,243,396	3,009,885	2,233,967	1,678,801

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

II. Explanations and Disclosures Related to 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)

7.2. Explanations and disclosures related to leasing transactions

The bank makes operating lease agreements for some branches, ATM machines and vehicles. 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.

7.3. Information on “Sale -and- lease back” agreements

The Bank does non sale-and-lease back transactions in the current period (December 31, 2024 – None).

8. Information on provisions

8.1. Provision for currency exchange income/loss on foreign currency indexed loans

None (December 31, 2024: None).

8.2. Specific provisions for non-cash loans that are not indemnified and converted into cash or expected loss provision for non-cash

	Current Period	Prior Period
Stage 1	2,126,035	1,448,063
Stage 2	33,588	135,192
Stage 3	74,659	41,301
Total	2,234,282	1,624,556

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

II. Explanations and Disclosures Related to Liabilities (Continued)

8. Information on provisions (Continued)

8.3. Information on employee termination benefits

The Bank calculated the provision for employee benefits using the actuarial valuation method specified in 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 loan compensation liability. (December 31, 2024 – 4%)

As of December 31, 2025 the Bank presented the provision for severance pay of TL 1,478,130 (December 31, 2024 – TL 1,189,899) under the “Reserves for Employee Benefits” item in its financial statements.

As of December 31, 2025, the Bank has shown a total vacation liability of TL 558,098 (December 31, 2024 – TL 398,118) under the “Reserves for Employee Benefits” in its financial statements.

As of December 31, 2025 TL 2,597,309 (December 31, 2024 – TL 2,203,825) provision for salaries, bonuses and premiums to be paid to the personnel has been presented under the “Reserve for Employee Benefits” in its financial statements.

8.3.1. Movement of employee termination benefits

	Current Period	Prior Period
	01.01-31.12.2025	01.01-31.12.2024
As of January 1	1,189,899	919,522
Service Cost	147,798	126,830
Interest Cost	295,650	196,570
Settlement / curtailment / termination loss	183,017	131,975
Actuarial Difference	85,994	165,777
Paid during period	(344,933)	(350,775)
Others *	(79,295)	-
Total	1,478,130	1,189,899

(*) This amount represents the provision transferred within the scope of the spin-off explained in Note XXVI of Section Three.

8.4. Information on other provisions

Except for those mentioned in note 8.3 above, there is a provision for lawsuits against the Bank and tax lawsuits in the amount of TL 633,608 (December 31, 2024 – TL 653,801) in other provisions. The Bank has benefited from the relevant articles of the Law No. 7326 regarding various ongoing tax lawsuits.

As of 31 December 2025, the unconsolidated financial statements include a total amount of TL 4,000,000 of free provisions under “other provisions,” which have been set aside by the management of the Bank in addition to the requirements of the BRSA Accounting and Financial Reporting Legislation. Of this free provision, TL 4,700,000 was expensed in the prior year and TL 1,800,000 was expensed in the current period. An amount of TL 2,500,000 has been transferred to Enpara Bank A.Ş. within the scope of the partial spin-off process, as explained in Note XXVI of Section Three.

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

II. Explanations and Disclosures Related to Liabilities (Continued)

9. Explanations on taxation

9.1. Information on current taxes

9.1.1. Information on tax provision

The Bank has a tax liability of TL 3,515,825 as of December 31, 2025 (December 31, 2024 – TL 3,194,270). As of December 31, 2025, the Bank's prepaid tax is amounting to TL 463,819 (December 31, 2024 – TL 29,322).

9.1.2. Information on taxes payable

	Current Period	Prior Period
Corporate taxes payable	3,515,825	3,194,270
Banking and Insurance Transaction Tax (BITT)	3,167,335	2,913,565
Taxation on Securities Income	4,681,308	2,152,068
Taxation on Real Estates Income	15,640	11,000
Other	659,195	473,567
Total	12,039,303	8,744,470

The "Corporate Taxes Payable" balance is presented in the "Current Tax Liability" account and other taxes are presented in the "Other Liabilities" account in the accompanying unconsolidated financial statements.

9.1.3. Information on premiums

	Current Period	Prior Period
Social Security Premiums - Employee Share	144,791	115,454
Social Security Premiums - Employer Share	208,597	158,926
Unemployment Insurance - Employee Share	9,384	7,481
Unemployment Insurance - Employer Share	18,778	14,965
Total	381,550	296,826

10. Information on payables related to assets held for sale

None (December 31, 2024 – None).

11. Information on subordinated loans

	Current Period		Prior Period	
	TL	FC	TL	FC
To be included in the calculation of additional capital	-	22,508,108	-	18,533,717
Subordinated Loans	-	22,508,108	-	18,533,717
Subordinated debt instruments	-	-	-	-
Debt instruments to be included in contribution capital calculation	-	13,029,876	-	13,765,122
Subordinated loans	-	-	-	3,035,135
Subordinated debt instruments	-	13,029,876	-	10,729,987
Total	-	35,537,984	-	32,298,839

12. Information on shareholder's equity

12.1. Paid-in capital

	Current Period	Prior Period
Common Stock	5,500,000	3,350,000
Preferred Stock	-	-

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

II. Explanations and Disclosures Related to Liabilities (Continued)

12.2 Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital

Capital System	Paid-in Capital	Ceiling
Registered Capital System	5,500,000	20,000,000

12.3. Information on share capital increases and their sources; other information on any increase in capital shares during the current period

None (December 31, 2024 – None).

Capital Increase Date	Increase Amount	Cash	Retained Earnings Allocated to Capital Increase	Capital Reserves Allocated to Capital Increase
4 November 2025	2,150,000	-	2,150,000	-

12.4. Information on share capital increases from revaluation funds

None (December 31, 2024 – None).

12.5. Capital commitments in the last fiscal year and at the end of the following period, the general purpose of these commitments and projected resources required to meet these commitments

The Bank does not have any capital commitments, all of the capital is fully paid-in.

12.6. Prior periods' indicators related with the Bank's income, profit and liquidity and the possible effects of the uncertainties in these indicators on the Bank's equity

None (December 31, 2024 – None).

12.7. Information on the privileges given to stocks representing the capital

None (December 31, 2024 – None).

13. Common stock issue premiums

	Current Period	Prior Period
Number of Stocks (Thousands)	55,000,000	33,500,000
Preferred Capital Stock	-	-
Common Stock Issue Premiums (*)	714	714
Common Stock Withdrawal Profits	-	-
Other Capital Instruments	-	-

(*) Due to the Bank's capital increase at the prior periods, common stock issue premium accounted amounting to TL 714.

14. Securities value increase fund

	Current Period		Prior Period	
	TL	FC	TL	FC
Associates, Subsidiaries and Entities under Common Control	-	-	-	-
Valuation Difference	-	-	-	-
Foreign Exchange Rate Difference	-	-	-	-
Securities Measured at Fair Value Through Other Comprehensive Income (FVOCI)	(247,069)	248,257	(3,330,336)	(900,979)
Valuation Difference	(247,069)	248,257	(3,330,336)	(900,979)
Foreign Exchange Rate Difference	-	-	-	-
Total	(247,069)	248,257	(3,330,336)	(900,979)

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

III. Explanations and Disclosures Related to Off-Balance Sheet Items

1. Information related to off-balance sheet contingencies

1.1. Type and amount of irrevocable commitments

	Current Period	Prior Period
Credit Cards Limit Commitments	1,088,199,029	701,154,935
Commitment For Use Guaranteed Credit Allocation	300,309,795	170,604,108
Forward, Asset Purchase Commitments	58,117,029	57,800,503
Other Irrevocable Commitments	31,358,914	14,191,940
Payment Commitments for Cheques	13,909,224	9,978,545
Commitments for Promotions Related with Credit Cards and	251,784	266,571
Tax and Fund Liabilities due to Export Commitments	998,545	638,126
Total	1,493,144,320	954,634,728

1.2. Type and amount of possible losses and commitments from off-balance sheet items

A provision of TL 2,234,282 (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

	Current Period	Prior Period
Bank Loans	33,950,084	18,581,093
Letters of Credit	21,667,875	15,418,060
Total	55,617,959	33,999,153

1.4. Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period	Prior Period
Final Letters of Guarantee	67,204,834	40,096,354
Advance Letters of Guarantee	31,931,760	22,796,737
Provisional Letters of Guarantee	7,350,248	3,328,527
Letters of Guarantee Given to Customs Offices	2,263,312	1,548,798
Other Letters of Guarantee	61,292,494	40,566,228
Total	170,042,648	108,336,644

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Obtaining Cash Loans	21,943,448	16,069,874
Less Than or Equal to One Year with Original Maturity	3,098,126	1,394,237
More Than One Year with Original Maturity	18,845,322	14,675,637
Other Non-Cash Loans	203,717,159	126,265,923
Total	225,660,607	142,335,797

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

III. Explanations and Disclosures Related to Off-Balance Sheet Items (Continued)

3. Information on risk concentration in sector terms in non-cash loans

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	502,615	0.44	169,239	0.15	203,956	0.30	137,642	0.19
Farming and Raising Livestock	356,405	0.31	169,239	0.15	167,401	0.24	137,642	0.19
Forestry	10,413	0.01	-	-	22,753	0.03	-	-
Fishing	135,797	0.12	-	-	13,802	0.02	-	-
Manufacturing	36,221,373	31.37	55,487,095	50.36	22,312,681	32.37	37,145,186	50.60
Mining and Quarrying	849,874	0.74	57,167	0.05	274,712	0.40	78,391	0.11
Production	31,624,534	27.39	54,849,294	49.78	20,040,580	29.07	36,129,372	49.22
Electricity, gas and water	3,746,965	3.24	580,634	0.53	1,997,389	2.90	937,423	1.28
Construction	28,215,225	24.43	23,868,664	21.66	15,845,388	22.99	14,850,501	20.23
Services	48,974,593	42.41	26,974,995	24.48	29,755,760	43.17	17,894,744	24.38
Wholesale and Retail Trade	32,029,865	27.74	9,787,147	8.88	19,603,101	28.44	6,785,297	9.24
Hotel, Food and Beverage								
Services	2,808,024	2.43	419,893	0.38	1,165,628	1.69	392,619	0.53
Transportation&Communication	2,277,866	1.97	2,251,714	2.04	1,380,295	2.00	929,169	1.27
Financial Institutions	6,046,039	5.24	11,073,130	10.05	3,745,312	5.43	7,052,930	9.61
Real Estate and Renting Service:	276,992	0.24	615,152	0.56	282,648	0.41	319,959	0.44
Self Employment Services	3,121,192	2.70	1,719,301	1.56	1,801,022	2.61	1,306,032	1.78
Educational Services	82,202	0.07	20,010	0.02	27,813	0.04	-	-
Health and Social Services	2,332,413	2.02	1,088,648	0.99	1,749,941	2.54	1,108,738	1.51
Other	1,559,058	1.35	3,687,750	3.35	810,696	1.18	3,379,243	4.60
Total	115,472,864	100.00	110,187,743	100.00	68,928,481	100.00	73,407,316	100.00

4. Information on non-cash loans classified in first and second groups

	I. Group		II. Group	
	TL	FC	TL	FC
Current Period (*)				
Letters of Guarantee	100,960,884	67,457,316	842,436	707,353
Bills of Exchange and Acceptances	13,543,006	19,703,854	-	703,224
Letters of Credit	51,879	21,592,881	-	23,115
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	-	-	-	-
Total	114,555,769	108,754,051	842,436	1,433,692

(*) The amount of TL 74,659 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.

	I. Group		II. Group	
	TL	FC	TL	FC
Prior Period (*)				
Letters of Guarantee	53,170,953	42,210,592	9,024,909	3,888,889
Bills of Exchange and Acceptances	6,121,744	10,735,309	537,400	1,186,640
Letters of Credit	16,649	13,131,243	15,525	2,254,643
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	-	-	-	-
Total	59,309,346	66,077,144	9,577,834	7,330,172

(*) 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.

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

III. Explanations and Disclosures Related to Off-Balance Sheet Items (Continued)

5. Information on derivative financial instruments

	Current Period	Prior Period
Types of trading transactions		
Foreign Currency Related Derivative Transactions (I)	1,307,714,955	598,831,230
Forward transactions ^(*)	206,234,942	139,715,838
Swap transactions	940,474,755	382,259,721
Futures transactions	310,279	620,832
Option transactions	160,694,979	76,234,839
Interest Related Derivative Transactions (II)	523,597,784	387,054,514
Forward rate transactions	-	-
Interest rate swap transactions	523,597,784	387,054,514
Interest option transactions	-	-
Futures interest transactions	-	-
Security option transactions	-	-
Other trading derivative transactions (III)	-	-
A.Total Trading Derivative Transactions (I+II+III)	1,831,312,739	985,885,744
Types of hedging transactions		
Fair value hedges	113,065,923	84,605,800
Cash flow hedges	277,290,214	230,130,541
Net investment hedges	-	-
B.Total Hedging Related Derivatives	390,356,137	314,736,341
Total Derivative Transactions (A+B)	2,221,668,876	1,300,622,085

^(*) This line also includes Forward Asset Purchase Commitments accounted for under Commitments.

Breakdown of the Bank's foreign currency forward and swap and interest rate swap transactions based on currencies are disclosed below in their TL equivalents:

	Forward Buy ^(**)	Forward Sell ^(**)	Swap Buy ^(*)	Swap Sell ^(*)	Option Buy	Option Sell	Futures Buy	Futures Sell	Other
Current Period									
TL	1,960,480	80,218,098	121,180,430	228,420,451	20,865,403	30,981,804	-	157,191	-
USD	53,263,226	20,269,297	511,793,493	378,906,000	34,516,960	31,375,630	153,088	-	-
Euro	40,909,150	2,014,200	119,068,695	280,009,264	21,521,208	12,862,550	-	-	-
Other	2,782,925	4,817,566	182,376,155	32,674,185	2,886,635	5,684,789	-	-	-
Total	98,915,781	107,319,161	934,418,773	920,009,903	79,790,206	80,904,773	153,088	157,191	-

^(*) This column also includes hedging purpose derivatives.

^(**) This column also includes Forward Asset Purchase Commitments and accounted for under Commitments.

	Forward Buy ^(**)	Forward Sell ^(**)	Swap Buy ^(*)	Swap Sell ^(*)	Option Buy	Option Sell	Futures Buy	Futures Sell	Other
Prior Period									
TL	5,160,257	44,331,607	77,176,829	157,835,073	4,386,608	16,001,936	278,663	63,737	-
USD	36,870,865	13,310,896	330,391,505	240,102,603	18,553,816	12,376,054	53,802	224,630	-
Euro	24,510,539	14,115,716	65,308,196	140,420,002	13,661,381	10,234,813	-	-	-
Other	842,501	573,457	71,627,874	1,188,494	501,341	518,890	-	-	-
Total	67,384,162	72,331,676	544,504,404	539,546,172	37,103,146	39,131,693	332,465	288,367	-

^(*) This column also includes hedging purpose derivatives

^(**) This column also includes Forward Asset Purchase Commitments and accounted for under Commitments.

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

III. Explanations and Disclosures Related to Off-Balance Sheet Items (Continued)

5. Information on derivative financial instruments (Continued)

5.1. Fair value hedge accounting

5.1.1 Loans

The Bank 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. On December 31, 2025, the TL installment loans amounting to TL 38,979,874 (December 31, 2024 – TL 26,423,651) were subject to hedge accounting by swaps with a nominal amount of TL 22,682,199 (December 31, 2024 – TL 15,312,045). As of December 31, 2025, there was an income of TL 780,456 from the mentioned loans (December 31, 2024 – TL 190,365 expense) and a loss of TL 666,757 from swaps (December 31, 2024 - TL 261 income) resulting in a net market valuation difference income of TL 113,699 which has been recognized in the accompanying financial statements under the "Income/Losses from Derivative Financial Transactions" account (December 31, 2024 - TL 190,104 loss).

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 35,382 loss (December 31,2025- TL 31,650 income) related to the loans that are ineffective for hedge accounting under "Income/Losses from Financial Derivatives Transactions" as income during the current period.

5.1.2 Financial assets measured at fair value through other comprehensive income

The 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 Bank using swaps as hedging instruments. As of the balance sheet date, eurobonds with a nominal amount of USD 212,671 million (31 December 2024 – USD 212,671 million) have been designated in fair value hedge accounting through interest rate swaps of the same nominal amount. As of 31 December 2025, an income of TL 91,065 from these eurobonds (31 December 2024 – TL 329,370 loss) and an expense of TL 71,405 from the related swaps (31 December 2024 – TL 356,476 income) resulted in a net market valuation income of TL 19,660 which has been recognized under the 'Profit/Loss from Derivative Financial Transactions' line item in the accompanying financial statements (31 December 2024 – TL 27,106 income).

The Parent Bank does not apply fair value hedge on TL government bonds in the current period (December 31, 2024 – None).

5.1.3 Securities Issued

The 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 31 December 2025, an expense of TL 455,450 arising from the securities issued (31 December 2024 – TL 328,164 loss) and an income of TL 464,909 from the related swaps (31 December 2024 – TL 293,385 income) resulted in a net market valuation income of TL 9,459, which has been recognized under the 'Profit/Loss from Derivative Financial Transactions' line item in the accompanying financial statements (31 December 2024 – TL 34,778 loss).

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

III. Explanations and Disclosures Related to Off-Balance Sheet Items (Continued)

5. Information on derivative financial instruments (Continued)

5.2. Cash flow hedge accounting

5.2.1 Floating Rate Loans

The Bank subjects a certain portion of its floating rate TL and FX loans to cash flow hedge accounting using interest swaps in order to hedge against changes in market interest rates. The Bank applies efficiency tests for hedge accounting at every balance sheet date, the active parts are accounted under equity in the "Hedge Funds" account line in the financial statements as defined in TAS 39, and the amount related to the ineffective part is associated with the profit or loss.

The 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 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) regarding the floating rate FX loans extended by the Bank 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 540,951 (December 31, 2024 – TL 89,378 loss) has been accounted for under equity in the current period. The income of the ineffective portion amounting to TL 2,343 associated with the statement of profit or loss (December 31, 2024 – TL 13,380 income).

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 expense before tax amounting to TL 37,800 (December 31, 2024 – TL 137,569 income) has been accounted for under equity in the current period. The ineffective portion of the hedge income to TL 251 has been recognized in the income statement. (December 31, 2024 - None).

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

III. Explanations and Disclosures Related to Off-Balance Sheet Items (Continued)

5. Information on derivative financial instruments (Continued)

5.2. Cash flow hedge accounting

5.2.2. Deposit

The 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 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 18,031,000 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 expense before taxes amounting to TL 289,026 are accounted for under equity during the current period (December 31, 2024 – TL 333,579 income). An income of TL 339 relating to the ineffective portion of the hedge has been recognized in the income statement (31 December 2024 – TL 3 income).

As of the balance sheet date, swaps with a nominal amount of USD 1,726 Million (December 31, 2024 – USD 1,884 Million) have been subject to hedge accounting with USD deposits and swaps with a nominal amount of EUR 331 Million (December 31, 2024 – EUR 216 Million) have been subject to hedge accounting with Euro deposits. As a result of above mentioned hedge accounting, fair value expense before taxes amounting to TL 1,188,313 (December 31, 2024 – TL 425,597 income) are accounted under equity during the current period. The loss amounting to TL 26,375 (December 31, 2024 – TL 29,693 income) relating to the ineffective portion is accounted under at the statement of profit or loss and other comprehensive income.

5.2.3 Floating Rate Liabilities

The 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 70 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 37,360 (December 31, 2024 – TL 46,324 loss) before tax was recognized under equity. There is no amount to be recognized in the income statement relating to the ineffective portion (31 December 2024 – TL 943,920 income).

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 108,644 (December 31, 2024 – TL 90,902 loss) was transferred from the "Income/loss from derivative financial 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 473,349 (December 31, 2024 – TL 117,940 loss) from equity to the profit or loss statement related to terminated hedge accounting practices.

In the measurements made As of December 31, 2025, it has been determined that the above-mentioned cash flow hedging transactions are effective.

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**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

III. Explanations and Disclosures Related to Off-Balance Sheet Items (Continued)

6. Credit derivatives and risk exposures on credit derivatives

As of December 31, 2025, the Bank has no commitments “Credit Linked Notes” (As of December 31, 2024 – None).

As of December 31, 2025, the Bank has no commitments as “Other Derivative Financial Assets” (December 31, 2024 – none) which would be included in Bank’s “Credit Default Swap.”

7. Information on contingent liabilities and assets

The Bank has recorded a provision of TL 78,781 (December 31, 2024– TL 68,687) 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.

8. Information on the services in the name and account of third parties

The 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 the Statement of Profit or Loss and Other Comprehensive Income

1. Information on Interest Income

1.1 Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term Loans	179,987,530	12,830,765	130,937,551	8,087,777
Medium and Long-Term Loans	75,555,371	12,869,325	60,515,556	11,452,084
Non-Performing Loans	5,449,413	-	1,930,358	-
Resource Utilization Support Fund Premiums	-	-	-	-
Total (*)	260,992,314	25,700,090	193,383,465	19,539,861

(*) Includes fee and commission income related to cash loans.

1.2 Information on interest income from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
TR Central Bank	17,976,883	-	2,791,034	-
Domestic Banks	35,165	7,352	286,840	-
Foreign Banks	6,587	660,698	24,764	609,861
Foreign Headquarters and Branches	-	-	-	-
Total	18,018,635	668,050	3,102,638	609,861

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

IV. Explanations and Disclosures Related to the Statement of Profit or Loss and Other Comprehensive Income (Continued)

1.3 Information on interest income from securities portfolio

	Current Period	
	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	2,029,268	105,475
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	47,669,836	1,763,983
Financial Assets Measured at Amortized Cost	24,209,644	2,316,553
Total	73,908,748	4,186,011
	Prior Period	
	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss (FVTPL)	1,446,046	87,463
Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	33,538,318	1,685,535
Financial Assets Measured at Amortized Cost	26,852,432	1,937,432
Total	61,836,796	3,710,430

As stated in Section Three disclosure VII. 2, the Bank has inflation indexed (CPI) government bonds in its Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) and Financial Assets Measured at Amortized Cost portfolios. As disclosed in 'Inflation Indexed Bonds Manual' published by Republic of Türkiye Ministry of Treasury and Finance, reference index used for the actual payments is determined based on the inflation rates of two months before. As of December 31, 2025, an annual rate of 32.87% has been taken into account for the estimated inflation rate used in the valuation of these securities.

1.4 Information on interest income received from associates and subsidiaries

	Current Period	Prior Period
Interest Received from Associates and Subsidiaries	1,134,009	1,178,310

2. Information on Interest Expenses

2.1 Information on interest expense related to funds borrowed (*)

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	620,074	16,000,832	490,393	12,368,810
T.R. Central Bank	-	-	-	-
Domestic Banks	350,207	53,218	248,723	49,330
Foreign Banks	269,867	15,947,614	241,670	12,319,480
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	-	-	-
Total	620,074	16,000,832	490,393	12,368,810

(*) Includes fee and commission expenses related to cash loans.

2.2 Information on interest expense paid to associates and subsidiaries

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	600,323	296,144

2.3 Information on interest expense paid to securities issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest paid on marketable securities issued	5,281,664	7,632,765	1,460,192	5,560,721

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

IV. Explanations and Disclosures Related to the Statement of Profit or Loss and Other Comprehensive Income (Continued)

2. Information on Interest Expenses (Cotinued)

2.4 Information on maturity structure of interest expenses on deposits (Current Period)

Account	Time Deposits						Accumulated Deposit Account	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
Turkish Lira								
Bank Deposits	-	4,514,198	1,036,275	8,813	943	-	-	5,560,229
Saving Deposits	-	34,430,853	114,291,926	11,623,542	2,467,964	3,127,589	-	165,941,874
Public Sector Deposits	-	11,642	81,758	-	-	-	-	93,400
Commercial Deposits	-	33,208,262	26,421,832	1,869,271	793,451	536,417	-	62,829,233
Other Deposits	-	367,712	3,103,204	200,392	30,469	50	-	3,701,827
7 Days Call Accounts	-	-	-	-	-	-	-	-
Total	-	72,532,667	144,934,995	13,702,018	3,292,827	3,664,056	-	238,126,563
Foreign Currency								
Deposits	-	87,942	164,606	10,276	3,267	1,982	-	268,073
Bank Deposits	2,047	826,026	655,316	336,245	74,926	-	-	1,894,560
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	498	-	-	-	-	-	498
Total	2,047	914,466	819,922	346,521	78,193	1,982	-	2,163,131
Grand Total	2,047	73,447,133	145,754,917	14,048,539	3,371,020	3,666,038	-	240,289,694

Information on maturity structure of interest expense on deposits (Prior Period)

Account	Time Deposits						Accumulated Deposit Account	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
Turkish Lira								
Bank Deposits	-	2,388,162	184,230	-	-	-	-	2,572,392
Saving Deposits	-	27,459,827	50,207,874	34,666,624	18,406,914	3,030,440	-	133,771,679
Public Sector Deposits	-	26,025	35,212	1,448	-	-	-	62,685
Commercial Deposits	-	21,671,403	12,640,868	9,629,210	4,707,253	2,423,207	-	51,071,941
Other Deposits	-	377,108	996,360	695,739	183,253	2,925	-	2,255,385
7 Days Call Accounts	-	-	-	-	-	-	-	-
Total	-	51,922,525	64,064,544	44,993,021	23,297,420	5,456,572	-	189,734,082
Foreign Currency								
Deposits	-	44,082	278,712	24,490	4,212	14,809	-	366,305
Bank Deposits	288	1,131,959	891,176	48,024	48,851	-	-	2,120,298
7 Days Call Accounts	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	1,388	-	-	-	-	-	1,388
Total	288	1,177,429	1,169,888	72,514	53,063	14,809	-	2,487,991
Grand Total	288	53,099,954	65,234,432	45,065,535	23,350,483	5,471,381	-	192,222,073

2.5 Interest Expense on Money Market Transactions

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expense on Money Market	46,592,513	2,261,719	20,146,828	2,653,623

2.6 Information on lease interest expenses

	Current Period	Prior Period
Leasing Expenses	683,691	311,511

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

IV. Explanations and Disclosures Related to the Statement Profit or Loss and Other Comprehensive Income (Continued)

2.7 Information on interest expense on factoring payables

None (December 31, 2024 – None).

3. Information on dividend income

	Current Period	Prior Period
Financial Derivative Assets at Fair Value through Profit/Loss (FVTPL)	11,801	16,620
From Financial Assets at Fair Value through Other Comprehensive Income	-	-
Other	2,142	1,428
Total	13,943	18,048

4. Information on trading income/loss

	Current Period	Prior Period
Trading Income	137,656,779	83,062,747
Incomes on Capital Market Transactions	5,871,160	2,748,991
From Derivative Financial Instruments	87,624,407	57,444,372
Foreign Exchange Incomes	44,161,212	22,869,384
Trading Loss (-)	173,264,966	112,950,804
Losses on Capital Market Transactions	1,603,211	1,591,781
From Derivative Financial Instruments	118,165,131	97,223,437
Foreign Exchange Losses	53,496,624	14,135,586
Net Trading Income/Loss	(35,608,187)	(29,888,057)

5. Information on other operating income

The Bank recorded the current year collections from loans written off in the previous period, portfolio management fees and expense accrual cancelations in “Other Operating Income” account.

6. Provision for losses and other provision expenses

	Current Period	Prior Period
Expected Credit Loss	36,453,352	17,410,958
12 month expected credit loss (stage 1)	2,158,845	804,533
Significant increase in credit risk (stage 2)	3,889,204	2,173,331
Non-performing loans (stage 3)	30,405,303	14,433,094
Marketable Securities Impairment Expense	4,356	11,068
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value through Other Comprehensive Income	4,356	11,068
Investments in Associates, Subsidiaries and Held-to-maturity Securities Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	3,089,977	(1,917,781)
Total	39,547,685	15,504,245

(*) Includes free provision expense for possible risks amounting to TL 1,800,000 allocated in the current period. (December 31, 2024 – TL 2,100,000 free provision reversal income)

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT (Continued)

IV. Explanations and Disclosures Related to the Statement of Profit or Loss and Other Comprehensive Income (Continued)

7. Information on other operating expenses

	Current Period	Prior Period
Reserve for Employee Termination Benefits(*)	665,827	475,964
Depreciation Expenses of Fixed Assets	2,531,631	1,644,664
Amortization Expenses of Intangible Assets	1,468,605	837,891
Other Operating Expenses	14,648,528	9,514,557
<i>Leasing Expenses Related to TFRS 16 Exemptions</i>	22,032	12,428
<i>Maintenance Expenses</i>	2,909,054	1,544,758
<i>Advertisement Expenses</i>	1,315,201	1,119,794
<i>Other Expenses</i>	10,402,241	6,837,577
Loss on Sales of Assets	9,197	18,272
Other(**)	9,540,027	6,160,107
Total	28,863,815	18,651,455

(*) Includes in the Personnel Expenses item in the financial statement.

(**) An amount of TL 2,418,306 relates to the Savings Deposit Insurance Fund expense (December 31, 2024 – TL 1,900,000) and an amount of TL 5,686,861 relates to taxes, duties, fees and fund expenses (December 31, 2024 – TL 3,556,065).

8. Fees for Services Obtained from an Independent Auditor/Independent Audit Firm

	Current Period ^(*)	Prior Period ^(**)
Independent audit fee for reporting period	51,682	28,868
Fees for tax advisory services	-	-
Fee for other assurance services	21,033	11,273
Fees for services other than independent auditing	-	-
Total	72,715	40,141

(*) Consolidated amount reported.

(**) VAT excluded.

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

For the period ended December 31, 2025 net interest income in income items amounting to TL 101,102,549 (December 31, 2024 – TL 66,797,021), net fees and commission income amounting to TL 71,469,721 (December 31, 2024– TL 49,642,031) and other operating income amounting to TL 2,123,813 (December 31, 2024 – TL 1,043,409) constitute an important part of the income.

10. Explanations on tax provision for continued and discontinued operations

10.1. Current period taxation benefit or charge and deferred tax benefit or charge

As of December 31, 2025, the Bank has recorded tax charge TL 8,794,873 (December 31, 2024 – TL 6,572,107) and a deferred tax loss of TL 5,885,524 (December 31, 2024 – TL 4,570,951) and a deferred tax income of TL 2,808,432 (December 31, 2024 – TL 3,004,514) from its continuing operations.

10.2. Explanations on operating profit/loss after taxes

None (December 31, 2024 – None).

11. Explanations on net profit/(loss) from continued and discontinued operations

Net profit of the Bank from continued operations is TL 47,814,783 (December 31, 2024 – TL 36,174,341).

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

IV. Explanations and Disclosures Related to the Statement of Profit or Loss and Other Comprehensive Income (Continued)

12. Explanations on net income/loss for the period

12.1. 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 Bank's performance during the period, the nature and amount of these items

None (December 31, 2024 – None).

12.2. The effect of the change in the estimates made by the Bank regarding the financial statement items on profit/loss

None (December 31, 2024 – None).

12.3. Profit/loss attributable to minority rights in the accompanying unconsolidated financial statements.

None (December 31, 2024 – None).

12.4. There are no changes in the nature and amount of accounting estimates, which have a material effect on current period or expected to have a material effect on subsequent periods.

13. 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 Bank.

V. Explanations and Disclosures Related to Statement of Changes In Shareholder's Equity

1. Changes resulting from valuation of financial assets measured at fair value through other comprehensive income

Net increase of TL 4,232,503 (December 31, 2024 – TL 2,737,525 net decrease) after tax effect resulting from valuation of at financial assets measured at fair value through other comprehensive income is included in "accumulated other comprehensive income or loss reclassified through profit or loss" account under shareholders' equity.

2. Explanations on foreign exchange differences

None.

3. Explanations on dividend

3.1. Dividends declared subsequent to the balance sheet date, but before the announcement of the financial statements

There is no dividend notified before the promulgation of financial statements. It was decided to distribute the year 2024 profit as stated below at the Ordinary General Assembly held on March 27, 2025.

2024 profit distribution table

Current Year Profit	36,174,341
A - I. Legal Reserve (Turkish Commercial Code 466/1) at 5%	-
B - The First Dividend for Shareholders	-
C – Profit from Disposal of Associates	-
D- II. Legal Reserves	-
E- Profit from Disposal of Associates Fund	-
F - Property Sales Income Fund (CTL 5.1/E)	27,324
G- Extraordinary Reserves	36,147,017

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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

V. Explanations and Disclosures Related to Statement of Changes In Shareholder's Equity
(Continued)

3.2. Dividends per share proposed subsequent to the balance sheet date

No decision is taken concerning the profit distribution by the General Assembly as of the balance sheet date.

3.3. Transfers to legal reserves

	Current Period	Prior Period
Amount Transferred to Reserve from Retained Earnings	-	-

4. Information on issuance of share certificates

4.1. The rights, priorities and restrictions regarding the share capital including distribution of income and repayment of the capital

None (December 31, 2024 - None).

5. Information on the other capital increase items in the statement of changes in shareholders' equity

The entire amount of the TL 2,150,000 capital increase included in the statement of changes in equity for 2025 was funded from extraordinary reserves. (December 31, 2024 – none)

VI. Explanations And Disclosures Related Statement of Cash Flows

1. The effects of the other items stated in the cash flow statement and the changes in foreign currency exchange rates on cash and cash equivalents

“Other items” amounting to TL 105,312,025 (December 31, 2024- TL 22,349,231) in “Operating profit before changes in operating assets and liabilities” consist of fees and commissions paid amounting to TL 18,857,581 (December 31, 2024 – TL 12,046,204), net trading income amounting to TL 32,802,070 (December 31, 2024 – TL 3,557,602 net trading income) and other operating expenses amounting to TL 53,652,374 (December 31, 2024 – TL 13,860,629).

The “Other” item in the “change in other assets subject to banking activity” amounting to TL 29,224,189 (December 31, 2024 – TL 20,617,081) includes collaterals amounting to TL 817,644 (December 31, 2024 – TL 74,268) and other assets amounting to TL 28,406,545 (December 31, 2024 - TL 20,542,813).

“Other” item in the “Change in other liabilities of the field of banking” amounting to TL 13,805,267 (December 31, 2024 – TL 157,841,315) includes debts to money markets amounting to TL 57,631,413 (December 31, 2024 – TL 119,864,845), other liabilities amounting to TL 37,673,864 (December 31, 2024 – TL 41,132,881) and other capital reserves amounting to TL 6,152,282 (December 31, 2024 – TL 3,156,411).

The effect of change in foreign exchange rate on cash and cash equivalents is the sum of the foreign exchange differences arising from the conversion of the average balances of cash and cash equivalents in foreign currency to TL at the beginning of the period and at the end of the period. As of December 31, 2025, TL 1,495,821 (December 31, 2024 – TL 736,772).

2. Information regarding the balances of cash and cash equivalents at the beginning of the period

	Prior Period December 31, 2024
Cash	14,290,446
Cash in TL	2,960,303
Cash in Foreign Currencies	10,282,554
Other	1,047,589
Cash Equivalents	143,389,592
Balances with the T.R. Central Bank	139,012,448
Banks	14,632,495
Money Market Placements	150,531
Less: Accruals	(10,405,882)
Cash and Cash Equivalents	157,680,038

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
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EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

VI. Explanations And Disclosures Related To Statement of Cash Flows (Continued)

3. Information regarding the balances of cash and cash equivalents at the end of the period

	Current Period December 31, 2025
Cash	21,586,341
Cash in TL	3,103,193
Cash in Foreign Currencies	16,218,661
Other	2,264,487
Cash Equivalents	129,762,303
Balances with the T.R. Central Bank	105,113,528
Banks	22,721,654
Money Market Placements	9,974,114
Less: Accruals	(8,046,993)
Cash and Cash Equivalents	151,348,644

4. Restricted cash and cash equivalents due to legal requirements or other reasons

A portion of foreign bank accounts amounting to TL 924,307 (December 31, 2024 - TL 693,373) includes blocked cash for foreign money and capital market transactions and for borrowings from foreign markets.

5. Additional information

5.1. Restrictions on the Bank's potential borrowings that can be used for ordinary operations or capital commitment

None (December 31, 2024 - None).

5.2. The sum of cash flows that show the increases in banking activity capacity, apart from the cash flows needed to maintain current banking activity capacity

None (December 31, 2024 - None).

VII. Explanations and Disclosures Related to the Bank's Risk Group

1. Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period

1.1. As of December 31, 2025, the Bank's risk group has deposits amounting to TL 11,809,745 (December 31, 2024 - TL 5,705,035), cash loans amounting to TL 17,913,838 (December 31, 2024 - TL 12,704,270) and non-cash loans amounting to TL 3,248,775 (December 31, 2024 - TL 2,883,932).

Current Period

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
Loans						
Balance at the Beginning of the Period	12,702,629	478,452	-	2,270,807	1,641	134,673
Balance at the End of the Period	17,893,485	855,474	-	2,179,722	20,353	213,579
Interest and Commission Income	1,134,009	917	-	1,075	43,807	1,356

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)

VII. Explanations and Disclosures Related to the Bank's Risk Group (Continued)

1. Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period (Continued)

Prior Period

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
Loans						
Balance at the Beginning of the Period	4,948,468	385,274	-	2,316,570	5,469	88,689
Balance at the End of the Period	12,702,629	478,452	-	2,270,807	1,641	134,673
Interest and Commission Income (***)	1,178,310	2,874	-	2,402	61,414	89

(*) As described in the Article 49 of Banking Law No 5411.

(**) Includes the loans given to the Bank's indirect subsidiaries.

(***) The prior period balances represent the balances as of December 31, 2024

1.2. Information on deposits held by the Bank's risk group

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
Deposit						
Balance at the Beginning of the Period	2,575,279	1,322,572	-	-	3,129,756	8,822,133
Balance at the End of the Period	3,326,638	2,575,279	-	-	8,483,107	3,129,756
Interest on deposits	600,323	296,144	-	-	1,283,097	876,043

(*) As described in the Article 49 of Banking Law No 5411.

(**) Includes the deposits received from the Bank's indirect subsidiaries.

(***) The prior period balances represent the balances as of December 31, 2024

1.3. Information on forward and option agreements and similar agreements made with the Bank's risk group

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
Transactions for Trading Purposes						
Beginning of the Period	3,388,101	2,088,948	-	-	-	-
End of the Period	6,083,132	3,388,101	-	-	54,382,160	-
Total Income/Loss (***)	562,424	(19,722)	-	-	(2,001,763)	-
Transactions for Hedging Purposes						
Beginning of the Period	-	-	-	-	-	-
End of the Period	-	-	-	-	-	-
Total Income/Loss	-	-	-	-	-	-

(*) As described in the Article 49 of Banking Law No 5411.

(**) Includes derivative transactions carried out with the Bank's indirect subsidiaries.

(***) The prior period balances represent the balances as of December 31, 2024

1.4. Information on benefits provided to top management

As of December 31, 2025, the total amount of remuneration and bonuses paid to top management of the Bank is TL 764,215 (December 31, 2024 – TL 678,963).

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

**EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENT
(Continued)**

VII. Explanations and Disclosures Related to the Bank's Risk Group (Continued)

2. Disclosures of transactions with the Bank's risk group

2.1. Relations with entities in the risk group of/or controlled by the Bank regardless of the nature of 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

As of December 31, 2025, cash loans of the risk group represented 1.6% of the Bank's total cash loans (December 31, 2024 – 1.4%), the deposits represented 1,2% of the Bank's total deposits (December 31, 2024 – 0.6%) and derivative transactions represented 2.8% of the Bank's total derivative transactions (December 31, 2024 – 0.3%).

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 Bank enters into finance lease agreements with QNB Finansal Kiralama A.Ş. As of December 31, 2025, the Bank has net finance lease liabilities to QNB Finansal Kiralama A.Ş. amounting to TL 33,167 (December 31, 2024 – TL 332) relating with finance lease agreements.

The 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 Bank participated 33.33% shareholding, provides cash transfer services to the Bank.

Information about the Bank's subordinated loans is explained under Section 5, Part II. footnote 11.

The Bank provides insurance services to QNB Sağlık Hayat Sigorta ve Emeklilik A.Ş. and agency services to QNB Yatırım Menkul Değerler A.Ş. for the purchase/sale of securities.

VIII. Explanations on the Bank's Domestic, Foreign and Off-Shore Banking Branches and Foreign Representatives

1. Information relating to the Bank's domestic and foreign branch and representatives

	Number	Employees			
Domestic Branch	417	10.405			
				Country	
Foreign Representation	-	-			
					Total Assets
					Capital
Foreign Branch	1	7	1- Bahrain	198.703.112	-
Off-shore Banking and Region Branches	-	-			

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

SECTION SIX

OTHER EXPLANATIONS

I. Explanations Related to the Bank's Operations

1. Disclosure related to subsequent events and transactions that have not been finalized yet, and their impact on the financial statements

The Bank's bond issuances realized subsequent to the balance sheet date are as follows:

Issue Date	Currency	Nominal Amount (Full TL)	Days to Maturity
06.01.2026	USD	5,850,000	371
12.01.2026	EUR	20,000,000	371
12.01.2026	EUR	20,000,000	371
12.01.2026	USD	20,000,000	371
14.01.2026	USD	20,000,000	372
14.01.2026	EUR	40,000,000	373
14.01.2026	USD	30,000,000	373
27.01.2026	USD	15,000,000	1,835
27.01.2026	EUR	25,000,000	742
11.02.2031	USD	500,000,000	1,839

2. Information on the effects of significant changes in foreign exchange rates after balance sheet date on the items denominated in foreign currency and financial statements and the Bank's operations abroad that would affect decision making process of users and foreign operations of the Bank

There are no significant fluctuations in the currency exchange rates after the balance sheet date that would affect the analysis and decision making process of the readers of the financial statements.

3. Other matters

None.

4. Summary information on the ratings obtained by the Banks from international rating agencies

MOODY'S July 2025		FITCH January 2026	
Outlook	Stable	Long-term FC Issuer Default Rating	BB- (Positive)
Long-term FC Deposit Rating	Ba2	Short-term FC Issuer Default Rating	B
Long-term LC Deposit Rating	Ba1	Long-term LC Issuer Default Rating	BB- (Positive)
Short-term FC Deposit Rating	NP	Short-term LC Issuer Default Rating	B
Short-term LC Deposit Rating	NP	Long-term National Rating	AA(tur) (Stable)
Baseline Credit Assessment (BCA)	b1	Viability Rating	b+
Adjusted BCA	ba1	Shareholder Support Rating	bb-
Long-term FC Debt Rating / MTN	Ba2	Long-term Senior Unsecured Debt	BB-
Subordinated Debt	Ba3 (hyb)	Long-term Subordinated Debt	B+

5. Other Explanations

None.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

SECTION SEVEN

INDEPENDENT AUDITOR'S REPORT

I. Explanations on the Independent Auditor's Report

The unconsolidated financial statements for the period ended December 31, 2025 have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Ernst & Young Global Limited) and the auditor's report dated February 4, 2026 has been presented before the accompanying unconsolidated financial statements.

II. Explanations and Notes Prepared by Independent Auditors

None (December 31, 2024 – None).

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