

ARAP TÜRK BANKASI ANONİM ŞİRKETİ

**CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2025
WITH AUDITOR'S REPORT**

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



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH
(See Note I of Section Three)
INDEPENDENT AUDITOR'S REPORT**

To the General Assembly of Arap Türk Bankası A.Ş.

A. Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of Arap Türk Bankası A.Ş. (the "Bank"), and its subsidiary (collectively referred to as the "Group") which comprise the statement of consolidated balance sheet as at 31 December 2025, consolidated statements of profit and loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows for the year then ended and the notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated 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 1 November 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.

2. Basis for Opinion

Our audit was conducted in accordance with the "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") issued by the POA and applicable to audits of consolidated financial statements of public interest entities, the ethical requirements regarding independent audit in regulations issued by the POA as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.



3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<i>Key Audit Matter</i>	<i>How the key audit matter was addressed in the audit</i>
<p>Expected credit losses for loans and receivables</p> <p>The Group has total expected credit losses for loans and receivables amounting to TL 99,652 thousand in respect to total loans and receivables amounting to TL 14,586,748 thousand which represent a significant portion of the Group’s total assets in its consolidated financial statements as at 31 December 2025.</p> <p>Explanations and notes related to expected credit losses for loans and receivables are presented in Section Three Part VII, Section Four Part II, Section Five Part I.6 in the accompanying consolidated financial statements as at 31 December 2025.</p> <p>The Group recognizes provision for impairment in accordance with “IFRS 9 Financial Instruments” (“IFRS 9”) requirements and the “Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided” as published in the Official Gazette dated 22 June 2016 numbered 29750. The Group exercises significant decisions using subjective judgement, interpretation and assumptions over when and how much to record as loan impairment.</p> <p>By conducting quantitative and qualitative assessments in its consolidated financial statements, the Group evaluates significant increases in credit risk and default events and determines the stage of loans in accordance with applicable regulations.</p>	<p>With respect to stage classification of loans and receivables and calculation of expected credit losses, we have assessed policy, procedure and management principles of the Group within the scope of our audit. We tested the design and the operating effectiveness of relevant systems and processes implemented in accordance with these principles.</p> <p>We checked appropriateness of matters considered in methodology applied by the Group with IFRS 9 for calculation of the provision amount through stage classification of loans and receivables. For forward looking assumptions made by the Group’s management in its expected credit losses calculations, we held discussions with management and evaluated the assumptions using publicly available information. Regarding expected credit losses methodology; we have assessed and tested model segmentation, lifetime probability of default model, exposure at default model, loss given default model and the approaches to reflecting reasonable and supportable forward looking expectations (including macroeconomic factors) with our financial risk experts.</p> <p>Our procedures also included the following:</p> <ul style="list-style-type: none"> • Together with our financial risk experts, we evaluated and tested reasonableness of the expected credit loss allowance methodology



<i>Key Audit Matter</i>	<i>How the key audit matter was addressed in the audit</i>
<p data-bbox="272 646 766 709">Expected credit losses for loans and receivables (Continued)</p> <p data-bbox="272 772 902 898">The Group uses complex models that requires data to be derived from multiple systems, for determining significant increase in credit risk and calculation of TFRS 9 expected credit losses.</p> <p data-bbox="272 898 889 1024">These models contain judgement and estimations in regard to forward looking estimations, scenarios of macro-economic conditions and weighing of scenarios based on expert opinion.</p> <p data-bbox="272 1024 886 1150">Information used in accounting of expected credit loss such as historical loss experiences, current conditions and macroeconomic expectations should be supportable and appropriate.</p> <p data-bbox="272 1192 899 1696">Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as macro-economic expectations, current conditions, historical loss experiences, development and weighting of macro-economic scenarios; the significance of the loans and receivables balances; the classification of loans and receivables as per their credit risk (staging) and the importance of determination of the associated expected credit loss. Timely and correct identification of default event and significant increase in credit risk and level of judgements and estimations made by the management have significant impacts on the amount of impairment provisions for loans and receivables. Therefore, this area is considered as key audit matter.</p>	<ul data-bbox="928 562 1497 1591" style="list-style-type: none"> • We have checked Probability of Default (PD) models used in determination of provisions for credit portfolios with our financial risk experts by reperforming on a sample selection basis. • For a sample of exposures, we checked the accuracy of determining Exposure at Default. • We checked the calculation of the Loss Given Default (LGD) used by the Group in the expected credit losses calculation methodology, and tested collaterals. • We checked key data sources for data used in expected credit losses calculations. We tested reliability and completeness of the data used in expected credit losses calculations. • We checked, on a sample basis, the accuracy of the calculations to derive the final values in expected credit losses allowances. • To assess appropriateness of the Group's determination of staging for credit risk, identification of impairment and timely and appropriate provisioning for impairment we have performed loan review procedures based on a selected sample. • We evaluated the adequacy of the disclosures made in the consolidated financial statements regarding the provision for impairment of loans and receivables.



4. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error.

Misstatements 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 consolidated financial statements.

As part of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated 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.



- Assess the 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 Group'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 Group 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 consolidated 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 independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.



B. Other Responsibilities Arising From Regulatory Requirements

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

Additional Paragraph for Convenience Translation

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2025. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Özge Arslan Yılmaz, SMMM
Independent Auditor

Istanbul, 19 February 2026

**ARAP TÜRK BANKASI A.Ş. CONSOLIDATED FINANCIAL REPORT
AS OF 31 DECEMBER 2025**

Address of the Bank's Headquarters : Valikonağı Caddesi No:10, 34367 – ŞİŞLİ/İSTANBUL
Telephone and Fax Numbers : Tel : 0 212 225 05 00 Faks: 0 212 225 05 26
Website of the Bank : <http://www.atbank.com.tr>
E-mail address of the Bank : corp@atbank.com.tr

The consolidated financial report as of and for the year period ended 31 December 2025 prepared in accordance with the communiqué of “Financial Statements and Related Disclosures and Footnotes to be Announced to Public” by Banks as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE CONSOLIDATED GROUP
- DISCLOSURES AND FOOTNOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES
- INDEPENDENT AUDITOR'S REPORT

The subsidiaries, associates and jointly controlled companies included in the consolidated financial report are as follows:

	Subsidiaries	Associates	Jointly Controlled Companies
1	A&T Finansal Kiralama A.Ş.	-	-

The consolidated financial statements for the year end period and related disclosures and footnotes that were subject to independent audit, 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 and unless stated otherwise presented in **thousands of Turkish Lira**.

Yasin Öztürk
*Chairman of the Board of
Directors*

Abdalkhalig Mohamed M Ibrahim
*Member of The Board
of Directors and Chairman of The
Audit Committee*

Selen Giyim
*Member of The Board of
Directors and The Audit
Committee*

Hüseyin Serdar Yücel
*Member of The Board of
Directors and The Audit
Committee*

Faesal Kh Ali Khalil Othman
Deputy General Manager

Feyzullah Küpeli
*Group Manager Responsible
For Financial Management*

Cem Berk Bayer
*Group Manager Responsible
For Planning and Reporting*

Contact information of the personnel for addressing questions regarding this financial report

Name / Title: Utku Çelik / Unit Manager

Phone No : 0 212 225 05 00

Fax No : 0 212 225 05 26

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ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION ABOUT THE PARENT BANK

I. THE PARENT BANK’S DATE OF ESTABLISHMENT, BEGINNING STATUTE, ITS HISTORY REGARDING CHANGES ON ITS STATUTE

Arap Türk Bankası Anonim Şirketi (“the Bank” or “the Parent Bank”) has been established in 1977 as a joint stock entity in accordance with an agreement signed on 11 August 1975 between the Republic of Türkiye and the Libyan Arab Republic. The duration of the Bank is 50 years from the commencement of the Agreement. This period shall be renewable automatically unless agreed otherwise by an Extraordinary General Meeting held at least one year prior to expiration.

In accordance with the Articles of Association, the Board of Directors shall elect a Chairman among its Turkish members and a Deputy Chairman among its Arab members. The General Manager shall always be nominated by Libyan Foreign Bank assigned by the Board.

II. THE PARENT BANK’S SHARE CAPITAL STRUCTURE, SHAREHOLDERS DIRECTLY OR INDIRECTLY, ALONE OR TOGETHER HOLDING THE MANAGEMENT AND CONTROL OF THE BANK, RELATED CHANGES WITHIN THE YEAR AND INFORMATION ABOUT THE BANK’S GROUP

The Parent Bank is a foreign bank status incorporated in Türkiye. The main shareholder Libyan Foreign Bank is 100% owned by Central Bank of Libya. The main shareholder Libyan Foreign Bank has financial investments in various countries.

The shareholder’s other qualified shares are Türkiye İş Bankası A.Ş. and T.C. Ziraat Bankası A.Ş.

As of 31 December 2025, the Parent Bank’s share capital at the balance sheet date as follows:

Shareholders	Current Period		Prior Period	
	Share amounts	Share Percentages ⁽¹⁾	Share amounts	Share percentages ⁽¹⁾
Libyan Foreign Bank	2,036,681	63.23%	274,426	62.37%
T. İş Bankası A.Ş.	662,749	20.58%	90,534	20.58%
T.C. Ziraat Bankası A.Ş.	497,061	15.43%	67,900	15.43%
Kuwait Investment Co.	24,509	0.76%	7,140	1.62%
Total	3,221,000	100%	440,000	100%

(1) Emek İnşaat ve İşletme A.Ş. has 0.0000011% share in the paid capital by TL 36.35 (full digit in TL) (31 December 2024: 0.0000014% share and TL 6.20 (full digit in TL)).

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

GENERAL INFORMATION ABOUT THE PARENT BANK (Continued)

III. INFORMATION ABOUT THE PARENT BANK’S CHAIRMAN AND MEMBERS OF BOARD OF DIRECTORS, MEMBERS OF AUDIT COMMITTEE, GENERAL MANAGER AND ASSISTANT GENERAL MANAGERS AND THEIR QUALIFICATIONS, RELATED CHANGES WITHIN THE YEAR AND THEIR SHARES AT THE BANK

Chairmen of the Board of Directors and Board Members

Name	Job Title – Description
Yasin Öztürk	Chairman of the Board of Directors
Fakher Muftah Omar Buferna ⁽⁴⁾	Deputy Chairman of the Board of Directors
Faosal Kh Ali Khalil Othman ⁽³⁾	Member of the Board of Directors and Acting Chief Executive Officer
Abdalkhalig Mohamed M. Ibrahim ⁽¹⁾	Member of the Board of Directors and Member of the Audit Committee
Selen Giyim	Member of the Board of Directors and Member of the Audit Committee
Hüseyin Serdar Yücel	Member of the Board of Directors and Member of the Audit Committee
İmge Hilal Soyluoğlu Canlı	Member of the Board of Directors
Nouri Ali Mohamed Abofleğa	Member of the Board of Directors
Saleh Ah H. Keshlaf ⁽⁵⁾	Member of the Board of Directors

(1) Abdalkhalig Mohamed M. Ibrahim commenced his duty on January 16, 2025.

(2) Abdulkhalek Hussein Ergei resigned from his position as a Board Member on March 25, 2025.

(3) Wail J. A. Belgasem resigned from his position as the Bank’s General Manager on August 6, 2025. Zafer Basri Yüksel was appointed as Acting General Manager as of the same date. As of December 15, 2025, Faosal Kh Ali Khalil Othman was appointed as Acting General Manager of the Bank.

(4) Mohamed Milad Ebrayik Hassadi resigned from his positions as Vice Chairman of the Board and Chairman of the Audit Committee on May 21, 2025. Fakher Muftah Omar Buferna commenced his duty on April 10, 2025.

(5) Saleh Ah H. Keshlaf commenced his duty on September 24, 2025.

General Manager and Deputies

Name	Job Title – Description
Faosal Kh Ali Khalil Othman ⁽¹⁾	Member of the Board of Directors and Deputy General Manager – Assistant General Manager –Credits and Operations Division
Zafer Basri Yüksel ⁽¹⁾	Assistant General Manager– Treasury, FI, Sales & Marketing Division

(1) Zafer Basri Yüksel took office on 17 March 2025 and Faosal Kh Ali Khalil Othman took office on 15 December 2025.

(2) Salih Hatipoğlu resigned from his position as Executive Vice President of Financial Management, IT and Support Services on 2 May 2025. Reyad A. A. Dawiher resigned from his position as Executive Vice President of Loans & Operations on 15 December 2025.

IV. INFORMATION ON PEOPLE AND ENTITIES WHO HAVE QUALIFIED SHARE IN THE PARENT BANK

Name Surname/Entity Title	Share Amount	Share Percentage %	Paid-in Capital
Libyan Foreign Bank	2,036,681	63.23%	2,036,681
T. İş Bankası A.Ş.	662,749	20.58%	662,749
T.C. Ziraat Bankası A.Ş.	497,061	15.43%	497,061

V. INFORMATION ABOUT THE SERVICES AND NATURE OF ACTIVITIES OF THE PARENT BANK

The Parent Bank was established to incorporate commercial activities among Türkiye, Middle East and North African countries. The Bank is authorized to collect deposits and operates in corporate banking areas. The Bank has four branches; two in Istanbul, one in Ankara and one in Gaziantep and has share participations in a subsidiary operating in financial leasing business.

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

GENERAL INFORMATION ABOUT THE PARENT BANK (Continued)

VI. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND SHORT EXPLANATION ABOUT THE ENTITIES SUBJECT TO FULL CONSOLIDATION OR PROPORTIONAL CONSOLIDATION AND ENTITIES WHICH ARE DEDUCTED FROM EQUITY OR ENTITIES WHICH ARE NOT INCLUDED IN THESE THREE METHODS

There is no difference for the Parent Bank between the consolidation process according to the Turkish Accounting Standards and the Communiqué of the Preparation of Consolidated Financial Statements of Banks in Türkiye.

VII. THE EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES ON THE TRANSFER OF SHAREHOLDERS’ EQUITY BETWEEN THE PARENT BANK AND ITS SUBSIDIARIES OR THE REIMBURSEMENT OF LIABILITIES

None.

SECTION TWO

CONSOLIDATED FINANCIAL STATEMENTS

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- III CONSOLIDATED OFF-BALANCE SHEET COMMITMENTS
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ARAP TÜRK BANKASI A.Ş.

CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 31 DECEMBER 2025

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

I- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		CURRENT PERIOD			PRIOR PERIOD		
		31.12.2025			31.12.2024		
ASSETS	Note	TL	FC	TOTAL	TL	FC	TOTAL
I. FINANCIAL ASSETS (Net)		503,403	11,058,615	11,562,018	518,649	7,488,699	8,007,348
1.1 Cash and Cash Equivalents	(1)	124,740	10,989,812	11,114,552	189,393	6,894,898	7,084,291
1.1.1 Cash and Balances with Central Bank		25,348	5,433,952	5,459,300	10,474	4,122,804	4,133,278
1.1.2 Banks	(4)	104,162	5,555,925	5,660,087	111,586	2,772,104	2,883,690
1.1.3 Money Markets		-	-	-	70,092	-	70,092
1.1.4 Expected Credit Loss (-)		4,770	65	4,835	2,759	10	2,769
1.2 Financial Assets Measured at Fair Value Through Profit or Loss	(2)	-	-	-	-	-	-
1.2.1 Government Securities		-	-	-	-	-	-
1.2.2 Equity Securities		-	-	-	-	-	-
1.2.3 Other Financial Assets		-	-	-	-	-	-
1.3 Financial Assets Measured at Fair Value Through Other Comprehensive Income	(5)	378,663	68,803	447,466	329,256	593,801	923,057
1.3.1 Government Securities		378,439	21,670	400,109	329,032	555,529	884,561
1.3.2 Equity Securities		224	2,768	2,992	224	2,170	2,394
1.3.3 Other Financial Assets		-	44,365	44,365	-	36,102	36,102
1.4 Derivative Financial Assets	(3)	-	-	-	-	-	-
1.4.1 Derivative Financial Assets Measured at Fair Value Through Profit or Loss		-	-	-	-	-	-
1.4.2 Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		4,239,659	11,923,367	16,163,026	1,093,822	9,303,491	10,397,313
2.1 Loans	(6)	4,058,520	8,829,930	12,888,450	952,182	4,878,693	5,830,875
2.2 Lease Receivables		132,150	1,566,148	1,698,298	134,497	1,301,430	1,435,927
2.3 Factoring Receivables		-	-	-	-	-	-
2.4 Other Financial Assets Measured at Amortised Cost	(7)	140,927	1,536,321	1,677,248	44,086	3,128,476	3,172,562
2.4.1 Government Securities		140,927	1,242,830	1,383,757	44,086	2,892,450	2,936,536
2.4.2 Other Financial Assets		-	293,491	293,491	-	236,026	236,026
2.5 Expected Credit Loss (-)		91,938	9,032	100,970	36,943	5,108	42,051
III. ASSETS HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(17)	-	-	-	-	-	-
3.1 Held for Sale Purpose		-	-	-	-	-	-
3.2 Related to Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		-	-	-	-	-	-
4.1 Associations (Net)	(8)	-	-	-	-	-	-
4.1.1 Associates Accounted Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2 Subsidiaries (Net)	(9)	-	-	-	-	-	-
4.2.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)	(10)	-	-	-	-	-	-
4.3.1 Joint Ventures Accounted Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	(13)	1,950,311	-	1,950,311	1,441,993	-	1,441,993
VI. INTANGIBLE ASSETS (Net)	(14)	25,435	-	25,435	16,257	-	16,257
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		25,435	-	25,435	16,257	-	16,257
VII. INVESTMENT PROPERTY (Net)	(15)	-	-	-	-	-	-
VIII. CURRENT TAX ASSET	(16)	-	-	-	-	-	-
IX. DEFERRED TAX ASSET	(16)	-	-	-	2,296	-	2,296
X. OTHER ASSETS (Net)	(18)	191,492	255,060	446,552	109,244	81,102	190,346
TOTAL ASSETS		6,910,300	23,237,042	30,147,342	3,182,261	16,873,292	20,055,553

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

ARAP TÜRK BANKASI A.Ş.

CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 31 DECEMBER 2025

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

II- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note	CURRENT PERIOD			PRIOR PERIOD		
			31.12.2025			31.12.2024		
LIABILITIES			TL	FC	TOTAL	TL	FC	TOTAL
I.	DEPOSITS	(1)	875,329	13,885,265	14,760,594	150,268	10,321,863	10,472,131
II.	FUNDS BORROWED	(3)	3,212	8,702,606	8,705,818	33,505	6,108,716	6,142,221
III.	MONEY MARKETS		-	-	-	-	-	-
IV.	SECURITIES ISSUED (Net)		-	-	-	-	-	-
4.1	Bills		-	-	-	-	-	-
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	-	-	-	-	-
V.	FUNDS		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(2)	-	-	-	-	55	55
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		-	-	-	-	55	55
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	FACTORING LIABILITIES		-	-	-	-	-	-
IX.	LEASE LIABILITIES (Net)	(5)	861	602	1,463	1,344	881	2,225
X.	PROVISIONS	(7)	256,385	30,262	286,647	179,095	24,187	203,282
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		154,752	-	154,752	114,820	-	114,820
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		101,633	30,262	131,895	64,275	24,187	88,462
XI.	CURRENT TAX LIABILITY	(8)	140,093	-	140,093	72,968	-	72,968
XII.	DEFERRED TAX LIABILITY		198,301	-	198,301	90,715	-	90,715
XIII.	LIABILITIES FOR ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
13.1	Held for Sale Purpose		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS		-	-	-	-	-	-
14.1	Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	-	-	-	-	-
XV.	OTHER LIABILITIES	(4)	166,947	534,629	701,576	91,970	283,406	375,376
XVI.	SHAREHOLDERS' EQUITY	(9)	5,351,706	1,144	5,352,850	2,694,829	1,751	2,696,580
16.1	Paid-in capital		3,221,000	-	3,221,000	440,000	-	440,000
16.2	Capital Reserves		-	-	-	-	-	-
16.2.1	Share Premium		-	-	-	-	-	-
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		-	-	-	-	-	-
16.3	Accumulated Other Comprehensive Income or Loss that will not be Reclassified to Profit or Loss		1,380,928	-	1,380,928	1,029,335	-	1,029,335
16.4	Accumulated Other Comprehensive Income or Loss that will be Reclassified to Profit or Loss		(107,640)	1,144	(106,496)	(143,054)	1,751	(141,303)
16.5	Profit Reserves		89,560	-	89,560	79,232	-	79,232
16.5.1	Legal Reserves		89,559	-	89,559	79,231	-	79,231
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		1	-	1	1	-	1
16.5.4	Other Profit Reserves		-	-	-	-	-	-
16.6	Profit or (Loss)		767,858	-	767,858	1,289,316	-	1,289,316
16.6.1	Prior Periods' Profit or (Loss)		186,693	-	186,693	1,090,762	-	1,090,762
16.6.2	Current Period Profit or (Loss)		581,165	-	581,165	198,554	-	198,554
TOTAL LIABILITIES			6,992,834	23,154,508	30,147,342	3,314,694	16,740,859	20,055,553

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

ARAP TÜRK BANKASI A.Ş.

CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AS OF 31 DECEMBER 2025

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

	Note	CURRENT PERIOD			PRIOR PERIOD		
		31.12.2025			31.12.2024		
		TL	FC	TOTAL	TL	FC	TOTAL
A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)		4,672,933	24,626,808	29,299,741	1,102,370	15,459,337	16,561,707
I. GUARANTEES AND WARRANTIES	(1) (2) (3)	4,665,882	23,925,389	28,591,271	1,093,862	15,203,695	16,297,557
1.1 Letters of Guarantee		4,440,382	14,586,274	19,026,656	1,093,862	10,332,269	11,426,131
1.1.1 Guarantees Subject to State Tender Law		96,272	-	96,272	81,714	239	81,953
1.1.2 Guarantees Given for Foreign Trade Operations		201,382	14,411,599	14,612,981	10,762	10,129,605	10,140,367
1.1.3 Other Letters of Guarantee		4,142,728	174,675	4,317,403	1,001,386	202,425	1,203,811
1.2 Bank Acceptances		-	-	-	-	-	-
1.2.1 Import Letter of Acceptance		-	-	-	-	-	-
1.2.2 Other Bank Acceptances		-	-	-	-	-	-
1.3 Letters of Credit		-	8,930,252	8,930,252	-	4,871,426	4,871,426
1.3.1 Documentary Letters of Credit		-	-	-	-	-	-
1.3.2 Other Letters of Credit		-	8,930,252	8,930,252	-	4,871,426	4,871,426
1.4 Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5 Endorsements		-	-	-	-	-	-
1.5.1 Endorsements to the Central Bank of the Republic of Türkiye		-	-	-	-	-	-
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Purchase Guarantees on Marketable Security Issuance		-	-	-	-	-	-
1.7 Factoring Guarantees		-	-	-	-	-	-
1.8 Other Guarantees		225,500	408,863	634,363	-	-	-
1.9 Other Collaterals		-	-	-	-	-	-
II. COMMITMENTS	(1)	7,051	701,419	708,470	8,508	224,355	232,863
2.1 Irrevocable Commitments		1,305	171,472	172,777	908	5,748	6,656
2.1.1 Asset Purchase and Sale Commitments		-	-	-	-	-	-
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Loan Granting Commitments		-	-	-	-	-	-
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheques		1,176	-	1,176	908	-	908
2.1.8 Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9 Commitments for Credit Card Limits		-	-	-	-	-	-
2.1.10 Commitments for Credit Cards and Banking Services Promotions		-	-	-	-	-	-
2.1.11 Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12 Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		129	171,472	171,601	-	5,748	5,748
2.2 Revocable Commitments		5,746	529,947	535,693	7,600	218,607	226,207
2.2.1 Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2 Other Revocable Commitments		5,746	529,947	535,693	7,600	218,607	226,207
III. DERIVATIVE FINANCIAL INSTRUMENTS	(4)					31,287	31,287
3.1 Hedging Derivative Financial Instruments		-	-	-	-	-	-
3.1.1 Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2 Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3 Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2 Trading Transactions		-	-	-	-	31,287	31,287
3.2.1 Forward Foreign Currency Buy/Sell Transactions		-	-	-	-	-	-
3.2.1.1 Forward Foreign Currency Transactions-Buy		-	-	-	-	-	-
3.2.1.2 Forward Foreign Currency Transactions-Sell		-	-	-	-	-	-
3.2.2 Swap Transactions Related to Foreign Currency and Interest Rates		-	-	-	-	31,287	31,287
3.2.2.1 Foreign Currency Swap-Buy		-	-	-	-	15,498	15,498
3.2.2.2 Foreign Currency Swap-Sell		-	-	-	-	15,789	15,789
3.2.2.3 Interest Rate Swap-Buy		-	-	-	-	-	-
3.2.2.4 Interest Rate Swap-Sell		-	-	-	-	-	-
3.2.3 Foreign Currency, Interest rate and Securities Options		-	-	-	-	-	-
3.2.3.1 Foreign Currency Options-Buy		-	-	-	-	-	-
3.2.3.2 Foreign Currency Options-Sell		-	-	-	-	-	-
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		-	-	-	-	-	-
3.2.4.1 Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2 Foreign Currency Futures-Sell		-	-	-	-	-	-
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 PLEDGES RECEIVED (IV+V+VI)		4,768,033	24,757,734	29,525,767	2,926,733	17,103,414	20,030,147
IV. ITEMS HELD IN CUSTODY		243,263		243,263	5,981		5,981
4.1 Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2 Investment Securities Held in Custody		-	-	-	-	-	-
4.3 Checks Received for Collection		17,763	-	17,763	5,981	-	5,981
4.4 Commercial Notes Received for Collection		-	-	-	-	-	-
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Assets Received for Public Offering		-	-	-	-	-	-
4.7 Other Items Under Custody		225,500	-	225,500	-	-	-
4.8 Custodians		-	-	-	-	-	-
V. PLEDGES RECEIVED		4,524,770	24,757,734	29,282,504	2,920,752	17,103,414	20,024,166
5.1 Marketable Securities		-	-	-	-	-	-
5.2 Guarantee Notes		12,383	885,306	897,689	16,820	841,211	858,031
5.3 Commodity		-	-	-	-	-	-
5.4 Warranty		-	-	-	-	-	-
5.5 Immovable		106,394	1,036,866	1,143,260	106,394	853,783	960,177
5.6 Other Pledged Items		4,405,993	22,835,562	27,241,555	2,797,538	15,408,420	18,205,958
5.7 Pledged Items-Depository		-	-	-	-	-	-
VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES							
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		9,440,966	49,384,542	58,825,508	4,029,103	32,562,751	36,591,854

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

ARAP TÜRK BANKASI A.Ş.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF 31 DECEMBER 2025

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

IV. -STATEMENT OF PROFIT OR LOSS		Note	Current Period 01.01.2025- 31.12.2025	Prior Period 01.01.2024- 31.12.2024
I.	INTEREST INCOME	(1)	2,366,429	1,379,612
1.1	Interest on Loans		1,543,642	722,269
1.2	Interest on Reserve Requirements		11,596	15,984
1.3	Interest on Banks		167,562	120,731
1.4	Interest on Money Market Transactions		92,355	7,623
1.5	Interest on Marketable Securities Portfolio		315,658	324,412
1.5.1	Fair Value Through Profit or Loss		-	-
1.5.2	Fair Value Through Other Comprehensive Income		112,924	103,247
1.5.3	Measured at Amortised Cost		202,734	221,165
1.6	Financial Lease Income		230,843	187,991
1.7	Other Interest Income		4,773	602
II.	INTEREST EXPENSE (-)	(2)	493,591	456,886
2.1	Interest on Deposits		134,795	115,531
2.2	Interest on Funds Borrowed		358,796	341,355
2.3	Interest Expense on Money Market Transactions		-	-
2.4	Interest on Securities Issued		-	-
2.5	Lease Interest Expenses		-	-
2.6	Other Interest Expenses		-	-
III.	NET INTEREST INCOME (I - II)		1,872,838	922,726
IV.	NET FEES AND COMMISSIONS INCOME		397,055	245,892
4.1	Fees and Commissions Received		429,855	273,333
4.1.1	Non-cash Loans		83,842	60,177
4.1.2	Other		346,013	213,156
4.2	Fees and Commissions Paid		32,800	27,441
4.2.1	Non-cash Loans		17	54
4.2.2	Other		32,783	27,387
V.	DIVIDEND INCOME	(3)	420	206
VI.	TRADING INCOME /(LOSS) (Net)	(4)	64,968	54,959
6.1	Trading Gains / (Losses) on Securities		3,299	35,747
6.2	Gains / (Losses) on Derivative Financial Transactions		(251)	(463)
6.3	Foreign Exchange Gains / (Losses)		61,920	19,675
VII.	OTHER OPERATING INCOME	(5)	51,438	37,781
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII+VIII)		2,386,719	1,261,564
IX.	EXPECTED CREDIT LOSS (-)	(6)	106,768	21,858
X.	OTHER PROVISION EXPENSE (-)	(7)	25,700	22,493
XI.	PERSONNEL EXPENSE (-)		953,387	649,360
XII.	OTHER OPERATING EXPENSES (-)	(8)	449,701	315,994
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X)		851,163	251,859
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XV.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		-	-
XVI.	INCOME/(LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XII+...+XV)	(9)	851,163	251,859
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(10)	(269,998)	(53,305)
18.1	Current Tax Provision		(251,373)	(128,750)
18.2	Deferred Tax Income Effect (+)		177,415	162,955
18.3	Deferred Tax Expense Effect (-)		158,790	238,400
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVI±XVII)	(11)	581,165	198,554
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from Non-current Assets Held for Sale		-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
20.3	Income from Other Discontinued Operations		-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses for Non-current Assets Held for Sale		-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
21.3	Expenses for Other Discontinued Operations		-	-
XXII.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX-XX)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Current Tax Provision		-	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		-	-
XXIV.	CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)		-	-
XXV.	NET PROFIT/(LOSS) (XVIII+XXIII)	(12)	581,165	198,554
25.1	Group Profit / Loss		581,165	198,554
25.2	Minority Interest Profit / Loss(-)		-	-
	Earning/(Loss) per share (in TL full)		0.0018	0.0045

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

ARAP TÜRK BANKASI A.Ş.**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 31 DECEMBER 2025**

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

V.-STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		Current Period	Prior Period
		1 January- 31 December 2025	1 January- 31 December 2024
I.	CURRENT PERIOD PROFIT/LOSS	581,165	198,554
II.	OTHER COMPREHENSIVE INCOME	386,400	296,289
2.1	Other Comprehensive Income That will Not Be Reclassified To Profit or Loss	351,593	344,598
2.1.1	Tangible Assets Revaluation Increase/Decrease	427,966	455,394
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Pension Plan Remeasurement Gain/Loss	59	(2,821)
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	(76,432)	(107,975)
2.2	Reclassified to Profit or Loss	34,807	(48,309)
2.2.1	Foreign Currency Translation Differences	-	-
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	49,556	(69,721)
2.2.3	Cash Flow Hedge Income/Loss	-	-
2.2.4	Foreign Net Investment Hedge Income/Loss	-	-
	Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.5	Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	(14,749)	21,412
III.	TOTAL COMPREHENSIVE INCOME (I+II)	967,565	494,843

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

ARAP TÜRK BANKASI A.Ş.

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR
THE YEAR ENDED AT 31 DECEMBER 2025**

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

VI. - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in capital	Share premium	Share certificate cancel profits	Other capital reserves	Other Comprehensive Income/ Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/ Expense Items to be Recycled to Profit or Loss			Profit reserves	Prior period net income/(loss)	Current period net income/(loss)	Total Equity Excluding Non- Controlling Interests	Non- Controlling Interests	Total Equity
					1	2	3	4	5	6						
CURRENT PERIOD																
31 December 2025																
I. Balance at the beginning of the period	440,000	-	-	-	1,047,667	(18,332)	-	-	(141,303)	-	79,232	1,090,762	198,554	2,696,580	-	2,696,580
II. Adjustment in accordance with TMS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New balance (I+II)	440,000	-	-	-	1,047,667	(18,332)	-	-	(141,303)	-	79,232	1,090,762	198,554	2,696,580	-	2,696,580
IV. Total comprehensive income (loss)	-	-	-	-	351,458	135	-	-	34,807	-	-	-	581,165	967,565	-	967,565
V. Capital increase in cash	1,710,705	-	-	-	-	-	-	-	-	-	-	-	-	1,710,705	-	1,710,705
VI. Capital increase through internal reserves	1,070,295	-	-	-	-	-	-	-	-	-	-	(1,070,295)	-	-	-	-
VII. Issued capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase (decrease) through other changes, equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit distribution	-	-	-	-	-	-	-	-	-	-	10,328	166,226	(198,554)	(22,000)	-	(22,000)
11.1. Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	(22,000)	-	(22,000)	-	(22,000)
11.2. Transfers to legal reserves	-	-	-	-	-	-	-	-	-	-	10,328	188,226	(198,554)	-	-	-
11.3. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances (III+IV+..... +X+XI)	3,221,000	-	-	-	1,399,125	(18,197)	-	-	(106,496)	-	89,560	186,693	581,165	5,352,850	-	5,352,850

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/Losses on Remeasurements of Defined Plans,
3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of other Comprehensive Income that will not be Reclassified to Profit or Loss),
4. Exchange Differences on Translation,
5. Accumulated gains(losses) due for revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income
6. Other(Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

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

ARAP TÜRK BANKASI A.Ş.

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR
THE YEAR ENDED AT 31 DECEMBER 2025**

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

VI. - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in capital	Share premium	Share certificate cancel profits	Other capital reserves	Other Comprehensive Income/ Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/ Expense Items to be Recycled to Profit or Loss			Profit reserves	Prior period net income/(loss)	Current period net income/(loss)	Total Equity Excluding Non- Controlling Interests	Non- Controlling Interests	Total Equity
					1	2	3	4	5	6						
PRIOR PERIOD																
31 December 2024																
II. Balance at the beginning of the period	440,000	-	-	-	700,283	(15,546)	-	-	(92,994)	-	70,425	936,917	162,652	2,201,737	-	2,201,737
II. Adjustment in accordance with TMS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. New balance (I+II)	440,000	-	-	-	700,283	(15,546)	-	-	(92,994)	-	70,425	936,917	162,652	2,201,737	-	2,201,737
IV. Total comprehensive income (loss)	-	-	-	-	347,384	(2,786)	-	-	(48,309)	-	-	-	198,554	494,843	-	494,843
V. Capital increase in cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital increase through internal reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Issued capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase (decrease) through other changes, equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI. Profit distribution	-	-	-	-	-	-	-	-	-	-	8,807	153,845	(162,652)	-	-	-
11.1. Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2. Transfers to legal reserves	-	-	-	-	-	-	-	-	-	-	8,807	153,845	(162,652)	-	-	-
11.3. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances (III+IV+..... +X+XI)	440,000	-	-	-	1,047,667	(18,332)	-	-	(141,303)	-	79,232	1,090,762	198,554	2,696,580	-	2,696,580

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/ Losses on Remeasurements of Defined Plans,
3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of other Comprehensive Income that will not be Reclassified to Profit or Loss),
4. Exchange Differences on Translation,
5. Accumulated gains(losses) due for revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income
6. Other(Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

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

ARAP TÜRK BANKASI A.Ş.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AT 31 DECEMBER 2025

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

VII. STATEMENT OF CASH FLOWS	Note	Current Period 01.01.2025 - 31.12.2025	Prior Period 01.01.2024 - 31.12.2024
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating Profit Before Changes in Operating Assets and Liabilities		1,341,220	(135,588)
1.1.1 Interest Received		2,064,935	1,280,745
1.1.2 Interest Paid		(464,200)	(509,866)
1.1.3 Dividend Received		-	206
1.1.4 Fees and Commissions Received		429,855	273,333
1.1.5 Other Income		73,028	97,374
1.1.6 Collections from Previously Written-off Loans and Other Receivables		42,062	194
1.1.7 Payments to Personnel and Service Suppliers		(1,192,454)	(827,088)
1.1.8 Taxes Paid		(235,608)	7,044
1.1.9 Other	(1)	623,602	(457,530)
1.2 Changes in Operating Assets and Liabilities		(3,693,467)	(274,449)
1.2.1 Net Increase/Decrease in Financial Assets at Fair Value Through Profit or Loss		-	30,927
1.2.2 Net (increase) / decrease in due from banks and other financial institutions		-	-
1.2.3 Net (increase) / decrease in loans		(5,144,279)	(2,032,754)
1.2.4 Net (increase) / decrease in other assets		(233,342)	(47,406)
1.2.5 Net increase / (decrease) in bank deposits		396,295	480,881
1.2.6 Net increase / (decrease) in other deposits		1,020,041	1,703,123
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		785,243	(368,980)
1.2.9 Net increase / (decrease) in payables		-	-
1.2.10 Net increase / (decrease) in other liabilities	(1)	(517,425)	(40,240)
I. Net Cash Provided from Banking Operations		(2,352,247)	(410,037)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
II. Net Cash Provided from Investing Activities		2,549,238	1,821,103
2.1 Cash paid for acquisition of investments, associates and subsidiaries		-	-
2.2 Cash obtained from disposal of investments, associates and subsidiaries		-	-
2.3 Purchases of tangible assets		(122,748)	(214,985)
2.4 Disposals of tangible assets		10,155	105
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(126,171)	-
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		699,446	1,257,132
2.7 Purchase of Financial Assets Measured at Amortised Cost		(125,292)	-
2.8 Sale of Financial Assets Measured at Amortised Cost		2,223,928	785,990
2.9 Other	(1)	(10,080)	(7,139)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net Cash Provided from Financing Activities		1,686,376	(2,182)
3.1 Cash Obtained from Funds Borrowed and Securities Issued		-	-
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		-	-
3.3 Issued Equity Instruments		1,710,705	-
3.4 Dividends Paid		(22,000)	-
3.5 Payments for Finance Leases		(2,329)	(2,182)
3.6 Other		-	-
IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(1)	1,413,447	575,730
V. Net Decrease/ Increase in Cash and Cash Equivalents (I+II+III+IV)	(1)	3,296,814	1,984,614
VI. Cash and Cash Equivalents at the Beginning of the Period	(1)	4,582,254	2,597,640
VII. Cash and Cash Equivalents at the End of the Period	(1)	7,879,068	4,582,254

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

ARAP TÜRK BANKASI A.Ş.

CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION TABLE FOR THE YEAR ENDED 31 DECEMBER 2025

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

	Current Period(***) 31 December 2025	Prior Period 31 December 2024 ^(*)
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1 CURRENT YEAR INCOME	814,726	229,770
1.2 TAZES AND DUTIES PAYABLE(-)	(249,698)	(47,582)
1.2.1 Corporate Tax (Income Tax)	(237,238)	(117,155)
1.2.2 Income withholding tax	-	-
1.2.3 Other taxes and duties	(12,460)	69,573
A. NET INCOME FOR THE YEAR (1.1-1.2)	565,028	182,188
1.3 PRIOR YEARS LOSSES (-)	-	-
1.4 FIRST LEGAL RESERVES (-)	-	9,110
1.5 OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5)]	565,028	173,078
1.6 FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1 To owners of ordinary shares	-	-
1.6.2 To owners of preferred shares	-	-
1.6.3 To owners of preferred shares (preemptive rights)	-	-
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 preferred shares	-	-
1.9.3 To owners of preferred shares (preemptive rights)	-	-
1.9.4 To profit sharing bonds	-	-
1.9.5 To holders of profit and loss sharing certificates	-	-
1.10 STATUTORY RESERVES (-)	-	-
1.11 GENERAL RESERVES	-	-
1.12 OTHER RESERVES	-	-
1.13 SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES		
2.1 APPROPRIATED RESERVES	-	-
2.2 DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.2.1 To owners of ordinary shares	-	-
2.2.2 To owners of preferred shares	-	-
2.2.3 To owners of preferred shares (preemptive rights)	-	-
2.2.4 To profit sharing bonds	-	-
2.2.5 To holders of profit and loss sharing certificates	-	-
2.3 DIVIDENDS TO PERSONNEL (-)	-	-
2.4 DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. EARNINGS PER SHARE		
3.1 TO OWNERS OF ORDINARY SHARES	0,0018	0,0041
3.2 TO OWNERS OF ORDINARY SHARES (%)	0.18	0,41
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 PRIVILAGED SHARES	-	-
4.4 TO OWNERS OF PRIVILAGED SHARES (%)	-	-

(*) The profit distribution table for the previous period was finalised with the decision of the Ordinary General Assembly after the independently audited financial statements dated 31 December 2024 were published and restated accordingly.

(**) The Profit Distribution Table has been prepared based on the Parent Bank’s unconsolidated financial statements.

(***) The Bank’s authorized body for profit distribution is the General Assembly. As of the date these financial statements were prepared, the annual Ordinary General Assembly meeting has not yet been held.

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

SECTION THREE

EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS FOR BASIS OF PRESENTATION

The consolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards and Turkish Financial Reporting Standards (“TFRS”) and related appendices and interpretations (referred as “Turkish Accounting Standards” or “TAS”) put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”) (all referred as “Reporting Standards”).

The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements”, published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

With the announcement dated 23 November 2023, POA announced that the financial statements of the entities applying the Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2025 should be prepared in accordance with the Financial Reporting Standard in Hyperinflationary Economies (“TAS 29”), however, institutions or organisations authorised to regulate and supervise in their fields may determine different transition dates for the implementation of TAS 29. Based on this announcement of POA, BRSA has decided not to subject the financial statements of banks and financial leasing, factoring, financing, savings finance and asset management companies as of 31 December 2025 to inflation adjustment required under TAS 29 with its decision dated 12 December 2023 and numbered 10744. In accordance with the decision of BRSA dated 11 January 2024 and numbered 10825; banks, financial leasing, factoring, financing, savings financing and asset management companies will apply inflation accounting as of 1 January 2025. Accordingly, the unconsolidated financial statements as at 31 December 2025 have not been restated in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies. However, in accordance with the Banking Regulation and Supervision Agency’s (BRSA) decision dated December 5, 2024, and numbered 11021, banks, as well as financial leasing, factoring, financing, savings financing, and asset management companies, will not apply inflation accounting in 2025.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosed contingent assets and liabilities at the date of the balance sheet and the reported amounts of revenues and expenses during the period. Although these estimates are based on management's best judgement and knowledge, actual results may differ from these estimates. The assumptions and estimates used are disclosed in the related notes. The financial statements are prepared on the cost basis except for real estate and financial assets and liabilities which are shown at their fair values.. The accounting policies and valuation principles followed for the correct understanding of the financial statements are explained in Notes II to XXIV.

Effective from 1 January 2025, the amendments to TAS/TFRS do not have a significant impact on the accounting policies, financial position and performance of the Bank. The amendments to TAS and TFRS issued but not yet effective as at the date of finalisation of the financial statements are not expected to have a significant impact on the accounting policies, financial position and performance of the Bank.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

II. INFORMATION ON STRATEGY FOR THE USE OF FINANCIAL INSTRUMENTS AND FOREIGN CURRENCY TRANSACTIONS

The Bank's core business activities include corporate banking, commercial banking, securities transactions (Treasury operations) and international banking services. The Bank uses financial instruments extensively due to its nature. The Bank's funding sources are deposits, borrowings and shareholders' equity, which are invested in high quality financial assets. The Bank monitors the balance of the resources used and the placements made in various financial assets in terms of risk and return with an effective asset - liability management strategy.

21 of TAS 21 - The Effects of Changes in Foreign Exchange Rates, foreign exchange gains and losses arising from foreign currency transactions are translated into Turkish Lira at the exchange rates prevailing at the dates of the transactions and recognized in the records.

At the end of the relevant period, the balances of foreign currency assets and liabilities are translated into Turkish Lira at the exchange rates prevailing at the balance sheet date and the resulting exchange differences are recognized as foreign exchange gains and losses.

III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

The accompanying consolidated financial statements are prepared in accordance with “Communiqué on Preparation of Consolidated Financial Statements” which is published in the Official Gazette No. 26340 dated November 8, 2006. The Parent Bank directly owns the shares of A&T Finansal Kiralama A.Ş. and this subsidiary is consolidated accordingly. As of current period, the Parent Bank has no associates.

A&T Finansal Kiralama Anonim Şirketi, was founded in 1997 with the aim to provide financial leasing services.

The Parent Bank and its subsidiary A&T Finansal Kiralama A.Ş that is included in consolidation are together referred to as “Group” in the disclosures and footnotes related to the consolidated financial statements.

“Full Consolidation” method has been applied in consolidating the financial statements of the Parent Bank with the financial statements of its subsidiary. In accordance with this method, the financial statements of the Parent Bank and its subsidiary are combined on a line-by-line basis by adding together the all items of assets, liabilities, income, expenses and off-balance sheet items, in preparing consolidated financial statements. Minority interests are presented separately in the consolidated balance sheet and consolidated statement of income.

The major principles applied in the consolidation of subsidiaries

The carrying amount of the Parent Bank’s net investment in the subsidiary and the Parent Bank’s portion of equity of the subsidiary are eliminated.

All intercompany transactions and intercompany balances between the consolidated subsidiary and the Parent Bank are eliminated.

The financial statements which have been used in the consolidation are prepared as current period and appropriate adjustments are made to financial statements to use uniform accounting policies for similar transactions and events in similar circumstances.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

IV. INFORMATION ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS

Derivative financial instruments of the Bank are classified under "TFRS 9 Financial Instruments" ("TFRS 9"), "Derivative Financial Assets Designated at Fair Value through Profit or Loss".

Derivatives are initially recorded at their purchase costs including the transaction costs. The notional amounts of derivative transactions are recorded in off-balance sheet accounts based on their contractual amounts.

The derivative transactions are measured at fair value subsequent to initial recognition and if the fair value of a derivative financial instrument is positive, it is disclosed under trading derivative financial assets and if the fair value difference is negative, it is disclosed under trading derivative financial liabilities.

Gains and losses arising from a change in fair value of trading derivatives after the re measurement are accounted in the income statement. The fair value of the derivative financial instruments is calculated using quoted market prices by using discounted cash flows model.amounts.

V. INFORMATION ON INTEREST INCOME AND EXPENSE

Interest income and expense are recognized according to the effective interest method based on accrual basis. Effective interest rate is the rate that discounts the expected cash flows of financial assets or liabilities during their lifetimes to their carrying values. Effective interest rate is calculated when a financial asset or a liability is initially recorded and is not modified thereafter.

The computation of effective interest rate comprises discounts and premiums, fees and commissions paid or received and transaction costs. Transaction costs are additional costs that are directly related to the acquisition, issuance or disposal of financial assets or liabilities

VI. INFORMATION ON FEES AND COMMISSION

Fees and commission income and expenses are calculated on an accrual basis according to the nature of the fees and commissions and included in the effective interest method, and income provided through contracts or through the purchase of assets for a third real or legal person is recognised in the periods in which they are realised.

VII. INFORMATION ON FINANCIAL ASSETS

Financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Recognition and Derecognition. Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than “Financial Assets at Fair Value Through Profit or Loss”, transaction costs are added to fair value or deducted from fair value. They are included in the balance sheet of the group if the Bank is a legal party to these instruments.

Group categorizes its financial assets as “Fair Value Through Profit/Loss”, “Fair Value Through Other Comprehensive Income” or “Measured at Amortized Cost”. Financial instruments comprise financial assets and liabilities and derivative instruments. This classification is based on the contractual cash flow characteristics of the related business model used for management of the financial assets at initial recognition.

a. Financial Assets at Fair Value through Profit or Loss

“Financial assets at fair value through profit/loss” are financial assets 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 remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

Government bonds and treasury bills included in Financial Assets at Fair Value through Profit or Loss portfolios traded in BIST are carried at weighted average exchange rates of BIST as of the balance sheet date and those securities that are not traded in Borsa İstanbul A.Ş (BIST) are carried at other valuation models. All gains and losses arising from these valuations are reflected in the statement of profit or loss.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. INFORMATION ON FINANCIAL ASSETS (Continued)

b. 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 initially recognised at fair value plus transaction costs. Financial assets at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest method on marketable securities at fair value through other comprehensive income and dividend income on marketable securities representing a share in capital are recognised in the statement of profit or loss. The difference between the fair value and the amortised cost of financial assets at fair value through other comprehensive income, i.e. "Unrealised gains and losses", is not recognised in the statement of profit or loss until the collection of the fair value of the financial asset, sale, disposal or impairment of the financial asset, or until the asset is sold, disposed of or impaired, whichever occurs first. "Accumulated Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss" account. When these securities are collected or disposed of, the accumulated fair value differences reflected in equity are recognised in the statement of profit or loss.

Subsequent amendments to the values of investments in equity instruments are not reflected in the income statement except for the dividend.

At initial recognition, it can be made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which TFRS 3 applies.

The subsequent measurement of financial assets at fair value through other comprehensive income is based on fair value. However, securities that do not have a quoted market price in an active market, the fair value for the floating rate securities is measured at the amortized cost using the most probable effective interest method; for fixed interest securities, fair value pricing models or discounted cash flow techniques are used.

c. 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 income statement.

d. Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the “Effective Interest Rate Method”.

Bank loans and receivables are initially carried at cost value. Bank loans are measured at amortized cost with internal rate of return. Fees paid for the assets received as collateral against loans, such as transaction costs and other costs are part of acquisition cost and charged to the customer. Bank’s loans measured at amortized cost account.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. INFORMATION ON FINANCIAL ASSETS (Continued)

e. Impairment

The Group recognises expected credit loss provisions for financial assets measured at amortised cost and at fair value through other comprehensive income.

Pursuant to the “Regulation on the Procedures and Principles for the Classification of Loans and Provisions to be Set Aside for These Loans” published in the Official Gazette No. 29750 dated 22 June 2016, the Bank started to recognise impairment provisions in accordance with the expected credit loss model under TFRS 9 as from 1 January 2018. The expected credit loss estimate is unbiased, probability-weighted and includes supportable information about past events, current conditions and forecasts of future economic conditions.

The expected credit loss model is applied to instruments recognised at amortised cost or at fair value through other comprehensive income (bank deposits, loans, securities, etc.) and, in addition, to debt securities, contract assets, loan commitments and financial guarantee contracts.

Although expected credit loss represents the estimate of credit losses expected over the life of a financial instrument, the following matters are important for its measurement.

Expected credit loss is an estimate of the expected credit losses over the life of a financial instrument also the following aspects are important for the measurement.

- 1) Probability-weighted and neutral amount determined by taking into account possible outcomes
- 2) Time value of money
- 3) Reasonable and supportable information on past events, current conditions and forecast of future economic conditions, at the time of reporting, without excessive cost and effort

The expected 12 monthly credit loss values are part of the life expectancy loss calculation (within 12 months after the reporting date or within a shorter period if the life of a financial instrument is shorter than 12 months).

The main theme of the expected credit loss model can reflect the deterioration of the quality of financial instruments or the general view of recovery. The amount of expected credit loss, known as loss allowance or allowance, depends on the degree of credit deterioration. There are two measurements according to the general approach:

12-Month Expected Loss (1st Stage) is valid for all assets unless there is a significant deterioration in the quality of the loan.

Lifetime Expected Loss (2nd and 3rd Stage) is applied when a significant increase in credit risk occurs.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. INFORMATION ON FINANCIAL ASSETS (Continued)

e. Impairment (Continued)

Definition of Default

The debtor can be considered as the Stage 3 under conditions where the debtor fails to pay his obligations regardless of past due and the guarantees the debtor has.

These conditions have stated below:

- 1) To have a past due more than 90 days. (150 days for the financial leasing receivables)
- 2) The decision taken for bankruptcy or concordatum registration.
- 3) To have a loan classified as standard receivable by restructuring while monitored as non-performing loan and to have a past due more than 30 days of principal and/or interest payment delayed within the 1 year monitoring period or to have a loan restructured once more during this monitoring period.
- 4) Other neutral criteria deemed appropriate by management.

Significant increase in credit risk definition

Loans are designated as the First Group (Standard loans), the Second Group (loans under close monitoring), the Third Group (loans with limited collection), the Fourth Group (loans in suspicious cases where the loss is expected) and the fifth group (Losses).

In this context, in the criteria applied for the loans classified in the first Group; the issue of future payment issues is not expected and the credit worthiness of the borrower of the loan has not weakened. In accordance with TFRS 9, loans subject to 12-month credit impairment are classified under the First Group (Stage 1).

The criteria applied for the credits classified in the Stage 2 are; unfavourable developments in debt payment or cash flows of debtors are observed or anticipated, problems arises in principal and / or interest payments in accordance with the terms of the loan agreement and the credit risk of the borrower is considerably increased. In accordance with TFRS 9, loans classified in the Stage 2 are subject to the provision of an expected lifetime loan loss provision.

The conditions for the loans classified in the stage 2 are stated below;

1. Past due more than 30 days, but less than 90 days
2. Existence of an internal restructuring by the Bank
3. Highly adverse (negative) credit intelligence
4. Restructuring records in the Central Risk Register

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

VII. INFORMATION ON FINANCIAL ASSETS (Continued)

e. Impairment (Continued)

Loans classified as third, fourth and fifth groups are considered as non-performing loans. In accordance with TFRS 9, these loans, which are subject to a lifetime impairment application, are classified under the Stage 3.

The relevant Staging criteria and default definitions are set out in accordance with TFRS 9 regulation and specified in the monitoring policies.

Under the contractual cash flows, the cash flows from the sale of the collateral and the cash flows from the credit are also taken into account.

In accordance with TFRS 9, probability-weighted scenarios are taken into account over the expected life of the financial instrument in order to estimate the expected losses. The assessment consists of an assessment of the possible outcomes, including the amount and timing of cash flows for certain outputs and the identification of possible scenarios that indicate the estimated likelihood of that outcome.

Bank's loans have been evaluated and classified in line with the Regulation on the Classification of Loans and the Procedures and Principles Regarding Provisions to be Reserved for them a provision has been set aside.

Expected credit losses are measured using reasonable and supportable information and taking into account historical information as well as future base, favorable and unfavorable macroeconomic forecasts by including macroeconomic variables. Within the scope of the macroeconomic model, the final forecast obtained by weighting three scenarios (base, optimistic and negative) is used. The main macroeconomic independent variables used in these forecasts are the changes in "USDTRY, Consumer Price Index, Producer Price Index, Current Account Balance and Foreign Trade Balance". Credit risk parameters used in the calculation of expected credit losses are reviewed and evaluated at least once a year within the framework of model validation processes. Macroeconomic forecasts and past default data of portfolios used in risk parameter models are re-evaluated every quarter in order to reflect changes in the economic conjuncture and updated if necessary.

VIII. INFORMATION ON OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

IX. INFORMATION ON SALE AND REPURCHASE AGREEMENTS AND LENDING OF FINANCIAL ASSETS

Repurchase (“repo”) and resale (“reverse repo”) agreements of financial assets are followed at the balance sheet accounts. Financial assets which are sold to customers under repurchase agreements are categorized according to initial classification and are measured in accordance with the accounting policy of the related portfolio.

Funds obtained under repurchase agreements are accounted under funds provided under repurchase agreements in liability accounts. The interest expense accruals are calculated by means of internal rate of return method over the difference resulting from repurchase and sale prices for the relevant period.

Securities subject to repurchase agreements are reflected under receivables from reverse repurchase agreements. The difference between the purchase and resell price which is related with the period is computed with the effective interest rate method for accrued interest income.

As of the balance sheet date, there is no security lending transactions.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

X. INFORMATION ON ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS AND EXPLANATIONS ON LIABILITIES RELATED WITH THESE ASSETS

Property and equipment held-for-sale consist of tangible assets that were acquired due to non-performing loans and receivables, and are accounted in the financial statements in accordance with the regulations of “Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations (TFRS 5)”.

The assets that meet the criteria of being classified under assets held for sale are measured at the lower of their book values or fair value less costs to be incurred for sale, depreciation for these assets is ceased and these assets are presented separately in the balance sheet. In order for an asset to be classified as an asset held for sale, the related asset (or the asset group to be disposed) shall be ready to be sold immediately under usual conditions and should have a high possibility to be sold. To have a high possibility of sale, a plan should *have* been made for the sale of the asset (or the asset group to be disposed) and an active program should have been started by the management, aiming to complete the plan and determine the buyers. The related amount is very low. In addition, the asset should be actively marketed at a price that is consistent with the true value.

A discontinued operation is a part of an entity which is classified as to be disposed or held for sale. The results related to discontinuing operations are presented separately in the income statement. The Bank does not have any discontinued operations.

XI. INFORMATION ON GOODWILL AND OTHER INTANGIBLE ASSETS

There is no goodwill in the accompanying financial statements related to the acquisition of a subsidiary. The Group’s intangible assets consist of software.

Intangible assets are initially recorded at their costs in compliance with the “TAS 38 - Intangible Assets”.

The costs of the intangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs. The intangible assets are amortized based on straight line amortization. The useful life of software is determined as 3-15 years.

If there is objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the “TAS 36 - Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

XII. INFORMATION ON TANGIBLE ASSETS

The costs of the tangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. In subsequent periods no inflation adjustment is made for tangible assets, and costs which are restated as of 31 December 2004 are considered as their historical costs. Tangible assets purchased after 1 January 2005 are recorded at their historical costs after foreign exchange differences and financial expenses are deducted if any.

While the Parent Bank is using the cost model under the TAS 16 “Property, Plant and Equipment” for the valuation of the property under tangible assets, the current year has been changed to the revaluation model in the valuation of the property in use. The property value in the appraisal report prepared by the appraisal company and the net book value the positive difference is monitored in equity accounts. A&T Financial Leasing started to implement the relevant change in 2019.

Gains and losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sales price and recognized in the statement of profit or loss of the period.

Maintenance and repair costs incurred for tangible assets are recorded as expense. Expenditures incurred that extend the useful life and service capacity of the assets are capitalized.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XII. INFORMATION ON TANGIBLE ASSETS (Continued)

The depreciation rates used approximate the rates of the useful life of the tangible assets are as follows:

Tangible Assets	Estimated Useful Life (Years)	Depreciation Rate (%)
Buildings	37-44	2-3
Motor vehicles	5	20
Office equipment, furniture and fixture	4-33	2-33

There are no changes in the accounting estimates that are expected to have an impact in the current or subsequent periods.

At each reporting date, the Group evaluates whether there is objective evidence of impairment on its assets. If there is an objective evidence of impairment, the asset’s recoverable amount is estimated in accordance with the “TAS 36 - Impairment of Assets” and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

XIII. INFORMATION ON LEASING ACTIVITIES

Finance leasing activities as the lessee

Tangible assets acquired through financial leasing are recognized as assets and the related liabilities as lease payables in the Group’s assets and liabilities, respectively. Financing costs arising from the leasing are spread over the period to form a fixed interest rate throughout the lease term. Interest and foreign exchange expenses related to financial leasing are reflected in the profit or loss statement. Depreciation is calculated for the assets acquired through financial leasing in accordance with the principles applied for tangible fixed assets.

As of the end of the reporting period, the Group does not have the authority to make financial leasing, like a financial leasing company.

Explanations on TFRS 16 Leases

Group - as a tenant

The group assesses at the inception of a contract whether the contract is or contains a lease. If the contract transfers the right to control the use of the identified asset for a specified period of time, the contract is or includes a lease. The Group reflects a right-of-use asset and a lease liability in its financial statements at the commencement date of the lease.

Right-of-use asset

The right-of-use asset is initially accounted for using the cost method and includes:

- The initial measurement amount of the lease liability,
- The amount obtained by deducting all lease incentives received from all lease payments made on or before the actual commencement of the lease,
- All initial direct costs incurred by the group

When applying the group cost method, the right-of-use entity:

- Accumulated depreciation and accumulated impairment losses are deducted; and
- Measures at cost adjusted for remeasurement of the lease liability.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XIII. INFORMATION ON LEASING ACTIVITIES (Continued)

While depreciating right-of-use assets, the Group applies the depreciation provisions of TAS 16 Tangible Fixed Assets.

Rental liability

At the commencement date of the lease, the Group measures the lease liability at the present value of the lease payments not paid at that date. Lease payments are discounted using the alternative borrowing interest rate.

At the commencement date of the lease, the lease payments included in the measurement of the lease liability consist of payments for the right to use the underlying asset during the lease term that are not paid at the commencement date of the lease.

After the actual commencement date of the lease, the Group measures the lease liability as follows:

- a) Increases the book value to reflect the interest on the lease liability,
- b) Decrease book value to reflect lease payments made; and
- c) Remeasure book value to reflect reassessments and restructurings or to reflect revised lease payments that are fixed in substance.

The interest on the lease liability for each period in the lease term is the amount found by applying a fixed periodic interest rate to the remaining balance of the lease liability.

XIV. INFORMATION ON PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions and contingent liabilities are provided for in accordance with the “TAS 37 - Provisions, Contingent Liabilities and Contingent Assets”, except for the general and specific provisions set aside for the loans and other receivables.

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

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate the amount of the obligation can be made.

As of the balance sheet date, there are no probable contingent liabilities resulting from past events whose amount can be reliably measured.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements in which the change occurs.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XV. INFORMATION ON LIABILITIES REGARDING EMPLOYEE BENEFITS

Reserve for other benefits to employees

In accordance with existing Turkish Labor Law, the Bank is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Bank and whose employment is terminated due to retirement or for reasons other than resignation or as mentioned in related legislation. The Bank calculates and accounts in financial statements by estimating the present value of the future probable obligation regarding severance pay in accordance with the provisions of “TAS 19-Employee Benefits”. The resulting actuarial losses and gains are accounted for under equity in accordance with TAS 19.

In determining the liability, the Bank uses independent actuaries and makes assumptions on issues such as discount rate and inflation. The assumptions regarding the calculation are as follows.

	Current Year	Prior Year
Discount Rate	29.00%	29.32%
Inflation Rate	24.50%	25.55%

The vacation pay obligation is calculated over the cumulative total of the number of unused vacation days calculated by deducting the leaves used by all personnel from the legally entitled vacation period each year.

Other benefits to employees

In accordance with the revised TAS 19, the Group recognizes a provision for other employee benefits in its financial statements based on the undiscounted amounts expected to be paid in exchange for services rendered by employees during an accounting period.

XVI. INFORMATION ON TAX APPLICATIONS

Corporate tax

With the Law No. 7456 published in the Official Gazette No. 32249 dated July 15, 2023, the corporate tax rate for banks has been determined as 30% and this rate has entered into force to be applied to the corporate income for the accounting periods starting from January 1, 2023 and starting from the declarations to be submitted as of October 1, 2023.

Corporate tax rate is applied on the tax base which is calculated by adding non-deductible expenses and deducting exemptions and deductions in accordance with the tax laws to the commercial income of the corporations. If no profit is distributed, no further tax is payable.

Advance taxes are calculated and paid in the first quarter of the year at the corporate tax rate applicable to that year's earnings. Advance taxes paid during the year can be offset against the corporate tax calculated on the annual corporate tax return of that year.

Dividends paid to non-resident corporations that have a place of business or permanent representative in Türkiye and resident corporations are not subject to withholding tax. While 15% withholding tax is applied on dividend payments other than those made to non-resident corporations that have a place of business or permanent representative in Türkiye and resident corporations in Türkiye, this rate was changed to 10% with the Presidential Decree published in the Official Gazette dated December 22, 2021 and numbered 31697. In the application of withholding tax rates on dividend payments to non-resident corporations and real persons, the practices in the relevant Double Tax Treaty Agreements are also taken into consideration. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. INFORMATION ON TAX APPLICATIONS (Continued)

Under the provisions of the Corporate Tax Law No. 5520, 50% of the gains arising from the sale of participation shares held in assets for at least two full years and founders' shares, redeemed shares and preemptive rights held for the same period are exempt from corporate tax, provided that they are held in a special fund account in liabilities until the end of the fifth year following the year of sale or added to capital and collected until the end of the second calendar year. 25% of the gains from the sale of immovable properties acquired before July 15, 2023 are exempt from corporate tax.

The law numbered 7352 dated January 29, 2022 on the amendment of the Tax Procedure Law and the Corporate Tax Law was enacted in the Official Gazette numbered 31734 on January 29, 2022, and the financial statements will not be subject to inflation adjustment regardless of whether the conditions for inflation adjustment within the scope of Repeated Article 298 are met in the 2021 and 2022 accounting periods, including the temporary accounting periods, and the temporary tax periods of the 2023 accounting period, December 31, 2024 will be subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met. The provision added by Article 17 of Law No. 7491, following the third paragraph of temporary Article 33 of Law No. 213, states that 'Banks, companies within the scope of Law No. 6361 on Financial Leasing, Factoring, Financing, and Savings Financing Companies, payment and electronic money institutions, authorized exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies, are not taken into account in determining income for the fiscal periods, including temporary tax periods, in 2024 and 2025, regarding the profit/loss difference arising from the inflation adjustment.

In September 2023, the Public Oversight Accounting and Auditing Standards Authority (KGK) issued amendments to TAS 12 regarding the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes, introducing a mandatory exemption. These amendments were enacted to clarify that TAS 12 applies to income taxes arising from tax laws implemented or nearly certain to be implemented under the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development (OECD). Additionally, the amendments introduce specific disclosure requirements for entities affected by such tax laws. The exemption from recognizing and disclosing deferred taxes under this scope, as well as the requirement to disclose the application of this exemption, became effective immediately upon the publication of the amendments.

On July 16, 2024, a draft law was submitted to the Grand National Assembly of Türkiye (TBMM) to adopt the OECD's Global Minimum Tax (Pillar Two) regulations. These regulations came into effect through legislation published in the Official Gazette on August 2, 2024. The implementation in Türkiye largely aligns with the OECD's Pillar Two Model Rules, showing similarities in areas such as scope, exemptions, consolidation, tax calculations, and reporting deadlines. Although secondary regulations detailing calculation methods and implementation have not yet been published, preliminary assessments based on OECD regulations indicate that these changes are not expected to have a significant impact on the Bank's financial statements. Nevertheless, regulatory developments continue to be monitored.

Deferred tax

Deferred tax assets and liabilities are recognized on temporary differences arising between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method in accordance with TAS 12 - Income Taxes and related BRSA guidance. For tax purposes, differences that affect neither the taxable profit nor the accounting profit at the date of acquisition of assets and liabilities are excluded from this calculation.

If transactions and other events are recognized in profit or loss, the related tax effects are also recognized in profit or loss. If transactions and other events are recognized directly in equity, the related tax effects are also recognized directly in equity.

Deferred tax assets and deferred tax liabilities are netted off in the financial statements.

In accordance with Article 298 of the Tax Procedure Law, the tax advantage that will be provided in the future periods by the increase in the value of non-monetary items, fixed assets and prepaid expenses, which will be subject to inflation adjustment in the VUK Financial Statements dated December 31, 2024, is shown in the deferred tax asset.

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XVI. INFORMATION ON TAX APPLICATIONS (Continued)

Transfer Pricing

In Türkiye, the transfer pricing provisions has been stated under the Article 13 of Corporate Tax Law with the heading of disguised profit distribution via transfer pricing. “The General Communiqué on Disguised Profit Distribution via Transfer Pricing”, dated 18 November 2007 sets details about implementation.

If the companies enter into transactions concerning to the sale or the purchase of the goods or services with the related parties by setting the prices or amounts which are not in line with the arm’s length principle, related profits will be treated as having been wholly or partially distributed in a disguised way via transfer pricing. This kind of disguised profit distribution via transfer pricing cannot be deducted from tax base in accordance with corporate tax.

XVII. ADDITIONAL INFORMATION ON BORROWINGS

The Group accounts for its borrowing instruments in accordance with TFRS 9 “Financial Instruments” standard and evaluates all its financial liabilities with the “effective interest rate method” in subsequent periods. There are no borrowings required to apply the hedging techniques in respect of the accounting and valuation methods of borrowing instruments and liabilities that represent borrowing.

The Group did not issue any stocks convertible into bonds.

The Group does not have borrowing instruments issued by itself.

XVIII. INFORMATION ON SHARE ISSUANCES

The Group has not issued any share in the current year.

XIX. INFORMATION ON BILLS OF EXCHANGES AND ACCEPTANCES

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

There are no acceptances presented as liabilities against any assets.

XX. INFORMATION ON GOVERNMENT INCENTIVES

The Parent Bank has not received any government grants or government assistance.

XXI. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are cash on hand, demand deposits and other highly liquid short-term investments with maturities of 3 months or less following the date of acquisition, which is readily convertible to a known amount of cash, and does not bear the risk of significant amount of value change. The book values of these assets represent their fair values. Cash equivalents and balances regarding banks are valued by the period end counter foreign currency buying rate of the Bank.

For the purposes of the cash flow statement, “Cash” includes cash, effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and “Cash equivalents” include interbank money market placements and time deposits at banks with original maturity periods of less than three months.

XXII. INFORMATION ON SEGMENT REPORTING

Operating segment is the unit that operates in only one product or service of the Parent Bank or the group of products or services which are related each other and differs from other units from the point of risk and profit. Operating segments are presented in the footnote VIII of Fourth Section.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

XXIII. OTHER DISCLOSURES

Profit reserves and profit distribution

Retained earnings other than legal reserves are available for distribution, subject to legal reserve requirement referred to below.

The legal reserves are comprised of first and second reserves, in accordance with the Turkish Commercial Code (“TCC”). The first legal reserve is appropriated out of the profits at the rate of 5% until the total reserve reaches a maximum of 20% of the Bank’s paid in capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of the 5% of the Company’s share capital; however holding companies are not subject to this application. First and second legal reserves can only be used to compensate accumulated losses and cannot be used for profit distribution unless they exceed 50% of paid-in capital.

Related parties

In accompanying financial statements, shareholders, key management personnel and board members together with their families and companies controlled by or affiliated by them associated and jointly controlled entities are considered as Related Parties in compliance with “TAS 24 - Related Party Disclosures”.

SECTION FOUR

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP

The Group’s capital adequacy standard ratio is 19.45% (31 December 2024: 19.10%). The capital adequacy standard ratio has been calculated based on the Regulation on Banks’ Equity, the Regulation on the Measurement and Assessment of Capital Adequacy of Banks, the BRSA decision dated 12 December 2023 and numbered 10747, and other related legal regulations. Within the framework of the said Board decision, the amount subject to credit risk has been calculated by using the Central Bank of the Republic of Türkiye’s buying exchange rates dated 28 June 2024, and the equity item has been calculated without taking into account negative net valuation differences of securities acquired before 1 January 2024 and classified under the “Financial Assets at Fair Value Through Other Comprehensive Income” portfolio. Pursuant to the Board Decision dated 13 November 2025 and numbered 11286, the temporary regulations applied in the calculation of banks’ capital adequacy ratios have been terminated as of 1 January 2026, and the impact of this change on the capital adequacy ratio has been a decrease of approximately 418 basis points compared to the previous practice.

I. INFORMATION ON SHAREHOLDER’S EQUITY (Current Period)

Informations about Total Capital

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL	5,352,850	2,696,580
Paid-in capital following all debts in terms of claim in liquidation of the Bank	3,221,000	440,000
Share issue premiums	-	-
Reserves	89,560	79,232
Gains recognized in equity as per TAS	1,274,432	888,032
Profit	767,858	1,289,316
Current Period Profit	581,165	198,554
Prior Period Profit	186,693	1,090,762
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period	-	-
Minorities’ shares	-	-
Common Equity Tier 1 Capital Before Deductions	5,352,850	2,696,580
Deductions from Common Equity Tier 1 Capital	27,329	16,268
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	-	-
Improvement costs for operating leasing	1,894	11
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	25,435	16,257
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	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
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	27,329	16,268
Total Common Equity Tier 1 Capital	5,325,521	2,680,312

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

I. INFORMATION ON SHAREHOLDER’S EQUITY (Current Period) (Continued)

	Current Period	Prior Period
ADDITIONAL TIER I CAPITAL		
Debt instruments and premiums approved by BRSA	-	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Third parties’ share in the Additional Tier I Capital	-	-
Third parties’ share in the Additional Tier I Capital (Temporary Article 3)	-	-
Additional Tier I Capital before Deductions	-	-
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 Consolidated 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	-	-
Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Consolidated 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 be 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	-	-
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	5,325,521	2,680,312
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	-	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Shares of third parties in additional capital	-	-
Shares of third parties in the contribution capital (Those within the scope of Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	210,237	108,835
Tier II Capital Before Deductions	210,237	108,835
Deductions From Tier II Capital	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank’s Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	210,237	108,835
Total Capital (The sum of Tier I Capital and Tier II Capital)	5,535,758	2,789,147
The sum of Tier I Capital and Tier II Capital (Total Capital)	5,535,758	2,789,147
Deductions from Capital Loans granted contrary to the 50th and 51th 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	-	-
Other items to be defined by the BRSA (-)	-	-
Elements that will continue to be deducted from the Total Tier 1 Capital and Contribution Capital (from the Capital) in the Transition Period	-	-

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

I. INFORMATION ON SHAREHOLDER’S EQUITY (Current Period) (Continued)

Informations about Total Capital (Continued)

	Amount	
The Portion of the Total 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 not deducted from Tier I Capital, Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	-	-
The Portion of Total Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	-	-
The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital, of the Net Deferred Tax Assets arising from Temporary Differences and of the Mortgage Servicing Rights not deducted from Tier I Capital as per the Temporary Article 2, Clause 2, Paragraph (1) and (2) and Temporary Article 2, Clause 1 of the Regulation (-)	-	-
TOTAL CAPITAL	5,535,758	2,789,147
Total Capital (The sum of Tier I Capital and Tier II Capital)	5,535,758	2,789,147
Total risk weighted amounts	29,250,911	15,664,986
CAPITAL ADEQUACY RATIOS		
Consolidated Core Capital Adequacy Ratio (%)	18.73	18.40
Consolidated Tier 1 Capital Adequacy Ratio (%)	18.73	18.40
Consolidated Capital Adequacy Ratio (%) (*)	19.45	19.10
BUFFERS		
Total buffer requirement	2.889	2.877
Capital conservation buffer requirement (%)	2.500	2.500
Bank specific counter-cyclical buffer requirement (%)	0.389	0.377
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	14.23	13.90
Amounts below the Excess Limits as per the Deduction Principles	-	-
Portion of the total of net long positions of investments in equity items of consolidated 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 consolidated 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	-	-
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	210,237	108,835
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	210,237	108,835
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	-	-
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between 1 January 2018 and 1 January 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	-	-
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	-	-

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

I. INFORMATION ON SHAREHOLDER’S EQUITY (Continued)

The Parent Bank’s internal capital requirements within the scope of the internal capital adequacy assessment process in order to evaluate the adequacy of the approach in terms of current and future activities

Within the scope of internal capital adequacy assessment, the Parent Bank has reports, procedures and similar studies. In these studies, under the main headings of evaluation of the current year in terms of capital adequacy and development of legal ratios and evaluation of budget forecasts in terms of capital adequacy and development of legal ratios; there are detailed evaluations on quantifiable risks and non-quantifiable risks and all significant risks are covered.

Explanations Related to Debt Instruments included in Equity Calculation

None.

Necessary Explanations in order to Reach an Agreement Between the Statement of Shareholders’s Equity and Balance-Sheet Amounts

	Balance sheet value	Amount of adjustment	Value at capital report
Paid-in capital	3,221,000	-	3,221,000
Other Capital Reserves	-	-	-
Bonus Shares which are not accounted in the current period profit or loss of Associates, Subsidiaries and Joint-Ventures	-	-	-
Portion of the current and prior periods’ losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	-	-	-
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	1,380,928	-	1,377,572
Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss	(106,496)	-	(106,496)
Profit Reserves	89,560	-	89,560
Profit or Loss	767,858	-	771,213
Prior Periods’ Profit/Loss	186,693	-	186,692
Current Period Net Profit/Loss	581,165	-	584,521
Deductions from Common Equity TierI Capital ⁽¹⁾	-	27,329	(27,329)
Common Equity Tier 1 capital	-	-	5,325,521
Tier 1 capital	-	-	5,325,521
Provisions	-	(210,237)	210,237
Tier 2 capital ⁽²⁾	-	(210,237)	210,237
Shareholders’s Equity Adjustments ⁽³⁾	-	-	-
Total Shareholders’s Equity	5,352,850	(182,908)	5,535,758

⁽¹⁾ The regulations cover Common Equity Tier 1 capital adjustments within the framework of paragraphs 9-1-b and c.

⁽²⁾ The regulations cover general loan provisions included in Tier 2 capital within the framework of paragraphs 8-1-a.

⁽³⁾ The regulations cover Shareholders’s Equity adjustments within the framework of paragraphs 9-8-ç.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK

1. For Credit Risk Analysis;

Information on risk concentrations by debtors or group of debtors or geographical regions and sectors, basis for risk limits and the frequency of risk appraisals

In terms of credit risk, the amount of cash and non-cash loans to be extended to a borrower or a group of borrowers is classified according to the type of loan in question and subject to a risk limitation in proportion to the equity of the Parent Bank. In addition, the sectoral distribution is reviewed regularly and the distribution targets are revised according to market conditions. The general limit and other intermediate limits of a company are evaluated and renewed every year and daily utilizations are made within the framework of these limits.

Whether risk limits and distributions are determined for daily transactions, whether risk concentration for off-balance sheet risks is monitored on a daily basis on the basis of customers and treasury department officials of banks

Controls to be made during limit allocation and loan disbursement, marketing strategies and issues to be considered during the period until the loan is repaid to the Bank are determined in the Bank's procedures prepared for loans. The Credit Department, Risk Management Department, Treasury Financial Institutions Department and Central Operations Department coordinate the daily transactions (especially cash loans).

Whether the creditworthiness of the debtors of loans and other receivables is monitored at regular intervals in accordance with the relevant legislation, whether the account status documents received for the loans opened have been audited as stipulated in the relevant legislation, if not, the reasons, whether the credit limits have been changed, whether the loans and other receivables are collateralized

The creditworthiness of the borrowers of loans and other receivables is monitored in accordance with the "Regulation on Procedures and Principles for the Classification of Loans and Provisions to be set aside".

The Bank's credit limits are updated at the discretion of the General Directorate and Senior Management and in parallel with economic conditions. The Bank receives sufficient collateral for its loans and other receivables. Since the majority of the companies with which the Bank has credits are among the leading companies in Türkiye, the majority of the collaterals received are company signatures or sureties. In addition, real estate mortgages, bank counter-guarantees, cash blockage, financing notes and real customer checks/notes are also taken as collateral. The collaterals received are in line with market conditions and collateral conditions of other banks.

After completing the financial data inputs that form the basis for qualitative and quantitative measurement and answering subjective questions, the system assigns ratings to all credit customers. The rating scale has a wide range of 22 grades from minimum "D" to maximum "AA+".

In 2025, the grade distribution weight of corporate and commercial companies evaluated is as follows⁽¹⁾⁽²⁾:

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

1. For Credit Risk Analysis; (Continued)

The table below shows the distribution of corporate and commercial loans grades in respect of weight as of 31 December 2025:

Grade	Description	Weight
AA+	Maximum Reliability and Qualified	1.7%
AA	Maximum Reliability	10.3%
AA-	Maximum Reliability	13.7%
A+	Very Good Firm	20.0%
A	Very Good Firm	20.0%
A-	Very Good Firm	14.3%
BBB+	Reliable and Qualified	10.3%
BBB	Reliable and Qualified	2.8%
BBB-	Reliable and Qualified	3.4%
BB+	Low Reliable and risky	0.6%
BB	Low Reliable and risky	0.6%
BB-	Low Reliable and risky	0.6%
B-	Maximum Risk	1.7%

(1) The above distribution does not include customers, personal loans and loans granted to banks.

(2) Although the grade scale of the bank is composed of 22 grades, the grade items that do not have any loan amounts in both years are not shown in the table.

Accounting applications, the definition of non-performing and impaired elements

In accordance with Article 4 of the Regulation on Principles and Procedures Regarding the Classification of Loans and Provisions to be set aside for them, all receivables classified in Groups 3, 4 and 5 are considered non-performing regardless of whether the accrued interest and interest-like burdens on the borrower are added to the principal or refinanced.

Receivables whose collection of principal or interest payments is more than thirty days overdue from their due dates or due dates for various excusable reasons, although it is highly probable that they will be repaid, but which do not meet the overdue period condition and other criteria for classification in the third group are defined as overdue but not impaired.

Value adjustments and provisions methods and approaches

As of January 1, 2018, in accordance with the "Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions to be set aside" published in the Official Gazette dated June 22, 2016 and numbered 29750, the Bank started to set aside impairment provisions in accordance with TFRS 9. In this context, as of January 1, 2018, the method of allocating provisions for loan losses allocated within the framework of the relevant legislation of the BRSA has been changed by applying the expected credit loss model with the implementation of TFRS 9. The expected credit loss estimate is unbiased, weighted by probability and contains supportable information about past events, current conditions and forecasts of future economic conditions.

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

1. For Credit Risk Analysis; (Continued)

Credit risk is the risk reduction effects without taking into consideration the total amount of exposures after offsetting transactions with the related risks are differentiated according to the different risk classes and the types of the average amount for the period

Risk Classifications	Current Period												Average
	January	February	March	April	May	June	July	August	September	October	November	December	
Contingent and Non-Contingent Receivables from Sovereign Governments and Central Banks	7,097,673	6,670,266	6,539,542	5,328,148	5,266,836	5,113,304	5,226,172	5,301,435	5,248,883	4,695,900	4,878,528	4,932,336	5,524,919
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	10,479,954	10,797,631	11,474,639	14,161,114	13,182,722	13,208,677	14,111,163	14,263,826	14,055,233	13,849,491	13,914,268	14,731,796	13,185,876
Contingent and Non-Contingent Corporate Receivables	7,185,411	7,238,265	7,508,475	7,759,791	8,449,463	8,859,412	9,314,950	10,234,522	11,142,702	12,120,190	12,870,656	13,072,041	9,646,323
Contingent and Non-Contingent Retail Receivables	2,740	4,364	6,043	7,442	8,827	9,433	9,616	9,440	10,014	9,937	10,091	9,673	8,135
Contingent and Non-Contingent Receivables Secured by Property	-	-	-	-	-	-	-	-	-	-	-	-	-
Past Due Loans	54	54	28,225	28,434	32,996	30,848	32,229	41,031	40,573	38,283	39,368	2,058	26,179
Higher-Risk Receivables Defined by BRSA	2,418,616	2,189,973	1,767,558	1,726,722	2,067,150	2,096,350	2,557,370	3,634,689	3,470,749	3,254,492	3,674,651	3,649,175	2,708,958
Marketable Securities Collateralized Mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitization Exposures	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-Term Receivables from Banks and Corporate Undertakings for Collective Investments in Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	1,742,365	1,974,132	1,944,475	1,875,770	1,924,939	2,046,728	1,838,804	1,813,995	1,842,417	1,756,624	2,680,102	2,356,654	1,983,084
Total exposure to risks	28,926,813	28,874,685	29,268,957	30,887,421	30,932,933	31,364,752	33,090,304	35,298,938	35,810,571	35,724,917	38,067,664	38,753,733	33,083,474

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

1. For Credit Risk Analysis; (Continued)

Information on the control limits of the Bank for forward transactions, options and similar contracts, management of credit risk for these instruments together with the potential risks arising from market conditions

The Parent Bank evaluates and manages credit risks that are generated from forward transactions and similar contracts together with potential risks in the market.

Information on whether the Bank decreases the risk by liquidating its forward transactions, options and similar contracts in case of facing a significant credit risk or not

The Parent Bank tries to mitigate the total risk if it’s exposed to huge amount of risk over the forward transactions.

For Credit Risk Analysis;

Information on whether the indemnified non-cash loans are evaluated as having the same risk weight with non-performing loans or not

Indemnified non-cash loans are evaluated as having the same risk weight with cash loans which are collected upon maturity. These loans are classified according to their commitments and are recorded under the follow-up accounts.

Information on whether the loans that are structured and rescheduled are included in a new rating group as determined by the Bank’s risk management system, other than the follow-up plan defined in the banking regulations or not; whether new precautions are taken for these methods or not; whether the Bank’s risk management accepts long term commitments as having more risk than short term commitments which results in a diversification of risk or not

The Parent Bank acts in frame of the related regulations for the loans that are structured and rescheduled. On the other hand, while doing risk evaluation of the loans and commitments, maturity issue is also taken into consideration.

For Credit Risk Analysis;

Evaluation of the significance of country specific risk if the banks have foreign operations and credit transactions in a few countries or these operations are coordinated with a few financial entities

The Parent Bank has no activities abroad on the branch level. However in the loan lending processes to the foreign based firms, the economic conditions of the country and the financial structure of the company in question is taken into consideration.

Evaluation of the Bank’s competitive credit risk being an active participant of the international banking transactions market

The Parent Bank has significant relationship with the North Africa and Middle East Region within the international trade transactions. However in the volume of the banking transactions the Bank defines its credit risk concentration as limited from these regions.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

1. For Credit Risk Analysis; (Continued)

The share of the top 100 and 200 cash loan customers in total loan cash loans portfolio

The share of the top 100 and 200 cash loan customers comprises 99.95% and 100% of the total cash loans portfolio of the Parent Bank respectively.

The share of the top 100 and 200 non-cash loan customers in total loan non-cash loans portfolio

The share of the top 100 and 200 non-cash loan customers comprises 98.17% and 100% of the total non-cash loans portfolio of the Parent Bank respectively.

The share of the total cash and non-cash loan balance of the top 100 and 200 loan customers in total assets and off-balance sheet items

The Parent Bank’s total cash and non-cash loans from its top 100 and 200 loan customers comprise 83.35% and 91.02% of the total assets and off-balance sheet items.

The first and second stage provision amount provided by the Parent Bank for credit risk

The first and second stage provision amount provided by the Group for Stage 1 and Stage 2 credit risk is TL 88,649 (31 December 2024: TL 33,210).

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

2. Geographical distribution of risk amounts decomposed as part of significant risk groups. ⁽¹⁾

Current Period	Central Governments and Central Banks	Banks and Financial Intermediaries	Corporate Receivables	Retail Receivables	Receivables Secured by Residential Property	Past due loans ⁽⁴⁾	Higher-Risk Receivables Defined by BRSA	Other receivables	Total
Domestic	4,932,336	13,049,429	13,072,041	9,648	-	2,058	33,822	2,356,654	33,455,988
European Union Countries	-	268,513	-	-	-	-	-	-	268,513
OECD Countries ⁽²⁾	-	66,117	-	-	-	-	-	-	66,117
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-
USA, Canada	-	461,892	-	-	-	-	-	-	461,892
Other Countries	-	885,845	-	25	-	-	3,615,353	-	4,501,223
Associates, subsidiaries and jointly controlled partnership	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-
Total	4,932,336	14,731,796	13,072,041	9,673	-	2,058	3,649,175	2,356,654	38,753,733

Prior Period	Central Governments and Central Banks	Banks and Financial Intermediaries	Corporate Receivables	Retail Receivables	Receivables Secured by Residential Property	Past due loans ⁽⁴⁾	Higher-Risk Receivables Defined by BRSA	Other receivables	Total
Domestic	5,265,785	7,390,856	5,466,840	1,561	-	58	26,874	1,683,839	19,835,813
European Union Countries	-	184,672	-	-	-	-	-	-	184,672
OECD Countries ⁽²⁾	-	1,064	-	-	-	-	-	-	1,064
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-
USA, Canada	-	140,488	-	-	-	-	-	-	140,488
Other Countries	-	741,103	-	19	-	-	1,710,399	-	2,451,521
Associates, subsidiaries and jointly controlled partnership	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-
Total	5,265,785	8,458,183	5,466,840	1,580	-	58	1,737,273	1,683,839	22,613,558

⁽¹⁾ Regulation on Measurement and Assessment of Capital Adequacy of Banks in the risk classes are taken into consideration.

⁽²⁾ OECD Countries excluding European countries, USA and Canada

⁽³⁾ Assets and liabilities that cannot be allocated on a consistent basis

⁽⁴⁾ Net value of non performing loans

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

3. Risk profile by sector or counterparty ⁽¹⁾

	Central Governments and Central Banks		Banks and Financial Intermediaries	Corporate Receivables	Retail Receivables	Receivables Secured by Residential Property		Higher-Risk Receivables Defined by BRSA	Other Receivables	TL	FC	Total
	Banks	Intermediaries				Property	Past due loans					
Agricultural	-	-	-	260,052	-	-	5	-	-	146,842	113,214	260,056
Farming and Stockbreeding	-	-	-	260,052	-	-	5	-	-	146,842	113,214	260,056
Forestry	-	-	-	-	-	-	-	-	-	-	-	-
Fishing	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing	-	-	-	9,526,226	10	-	22	-	-	3,342,207	6,184,052	9,526,259
Mining	-	-	-	658,269	-	-	-	-	-	383	657,886	658,269
Production	-	-	-	8,709,143	10	-	22	-	-	3,318,630	5,390,546	8,709,176
Electric, gas and water	-	-	-	158,814	-	-	-	-	-	23,194	135,620	158,814
Construction	-	-	-	2,296,348	-	-	2,031	-	-	31,884	2,300,318	2,332,202
Services	4,932,336	14,731,796	-	989,413	4	-	-	3,615,353	-	5,469,807	18,799,093	24,268,900
Wholesale and retail trade	-	-	-	956,462	-	-	-	-	-	135,750	820,712	956,462
Hotel, food and beverage services	-	-	-	-	4	-	-	-	-	4	-	4
Transportation and telecommunication	-	-	-	4,118	-	-	-	871	-	874	4,115	4,989
Financial institutions	4,932,336	14,731,796	-	-	-	-	-	3,614,482	-	5,333,180	17,945,433	23,278,613
Real estate and Leasing services	-	-	-	12,273	-	-	-	-	-	-	12,273	12,273
“Self-employment” type Services	-	-	-	-	-	-	-	-	-	-	-	-
Education services	-	-	-	-	-	-	-	-	-	-	-	-
Health and social services	-	-	-	16,560	-	-	-	-	-	-	16,560	16,560
Other	-	-	-	3	9,659	-	-	-	2,356,654	2,044,059	322,257	2,366,316
Total	4,932,336	14,731,796	-	13,072,041	9,673	-	2,058	3,649,175	2,356,654	11,034,799	27,718,934	38,753,733

⁽¹⁾ Regulation on Measurement and Assessment of Capital Adequacy of Banks in the risk classes are taken into consideration.

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II INFORMATION ON CREDIT RISK (Continued)

4. Presentation of maturity risk bearing based on their outstanding maturities

Risk Classifications ⁽²⁾	Payment Term ⁽¹⁾				1 Year and Over
	1 Month	1-3 Month	3-6 Month	6-12 Month	
Contingent and Non-Contingent Receivables from Central Governments and Central Banks	364,185	617,656	32,763	32,401	-
Contingent and Non-Contingent Receivables from Regional Governments and Local Authorities	-	-	-	-	-
Contingent and Non-Contingent Receivables from Administrative Units and Non-commercial Enterprises	-	-	-	-	-
Contingent and Non-Contingent Receivables from Multilateral Development Banks	-	-	-	-	-
Contingent and Non-Contingent Receivables from International Organizations	-	-	-	-	-
Contingent and Non-Contingent Receivables from Banks and Financial Intermediaries	4,944,673	2,673,813	2,617,309	3,477,628	646,709
Contingent and Non-Contingent Corporate Receivables	860,568	1,720,472	2,953,363	4,249,185	3,284,747
Contingent and Non-Contingent Retail Receivables	59	397	1,683	4,234	3,272
Contingent and Non-Contingent Receivables Secured by Residential Property	-	-	-	-	-
Past Due Loans	-	-	-	-	-
Higher-Risk Receivables Defined by BRSA	1,146,733	3,077,706	173,874	772,047	160,549
Marketable Securities Collateralized Mortgages	-	-	-	-	-
Securitization Exposures	-	-	-	-	-
Short-Term Receivables from Banks and Corporate	-	-	-	-	-
Undertakings for Collective Investments in Mutual Funds	-	-	-	-	-
Other Receivables	-	-	-	-	-
Total	7,316,218	8,090,044	5,778,992	8,535,495	4,095,277

(1) Items that cannot be distributed are not included.

(2) It represents the total risk amount before credit risk reduction and after conversion to credit.

5. Information on risk classes

Assigned credit rating agencies and export credit agencies changed the names and the reasons for these organizations

The international credit rating agency Islamic International Rating Agency and the risk classification issued by the OECD are used for receivables from central governments and central banks. The rating agency note is not used for domestic resident customers.

With the export credit agency of a credit rating agency assigned to each risk classes are used

The risk classes of the Islamic International Rating Agency are used for central government / central bank receivables and for resident customers abroad. The OECD published country risk classification is used for those with no rating

The Group does not use credit rating for the domestic resident customers and banks.

If there is no credit rating for items not included in trading accounts but instead there is a credit rating for the issuer or issue, information on the process of using such credit ratings available for such items

For the short term receivables that has been issued by banks and financial intermediaries that has not any short term rating, risk weight of the issuer is used in the context of related regulation.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

5. Information on risk classes (Continued)

Assigned to each grade credit rating agencies and export credit agency ratings of the Regulation on Measurement and Assessment of Capital Adequacy of Banks to which of the credit quality of the stages

Credit Quality Level	Islamic International Rating Agency							
1	Between AAA and AA-							
2	Between A+ and A-							
3	Between BBB+ and BBB-							
4	Between BB+ and BB-							
5	Between B+ and B-							
6	Between CCC+ and below							

OECD Country Risk Classification	Credit Quality Tier	0	1	2	3	4	5	6	7
Risk weights (%)		0	0	20	50	100	100	100	150

Risk weight of the total amount of risk before and after credit risk mitigation and equity deducted amounts

Risk amount based on weight of risks

Risk weights	Before credit risk mitigation	After credit risk mitigation
0%	5,067,830	5,067,830
10%	-	-
20%	4,357,204	4,357,204
35%	-	-
50%	9,588,324	9,588,323
75%	9,673	9,673
100%	16,146,249	16,081,528
150%	5,345,230	3,649,175
200%	-	-
1250%	-	-
Deductible from Equity	27,329	27,329

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

6. Sector or counterparty type, individually impaired loans and non-performing loan amounts, value adjustments and provisions during the period information on value adjustments and provisions Miscellaneous information based on important sectors

Miscellaneous information by significant sectors or counterparty type

Important Sectors / Counterparties	Loans		Non-performing (Provision Regulation)*	Provisions Expected Credit Loss (TFRS 9)
	Impaired in Value (TFRS 9)	Defaulted (Stage 3)		
	Significant increase in credit risk (Stage 2)			
Agricultural	-	8	8	3
Farming and Stockbreeding	-	8	8	3
Forestry	-	-	-	-
Fishing	-	-	-	-
Manufacturing	357,944	1,380	1,380	1,358
Mining	-	-	-	-
Production	357,944	1,380	1,380	1,358
Electric, gas and water	-	-	-	-
Construction	460,083	3,320	3,320	1,289
Services	19,480	108	109	109
Wholesale and retail trade	1,853	-	-	-
Hotel, food and beverage services	-	-	-	-
Transportation and telecommunication	-	-	-	-
Financial institutions	-	-	-	-
Real estate and Leasing services	17,627	108	109	109
“Self-employment” type Services	-	-	-	-
Education services	-	-	-	-
Health and social services	-	-	-	-
Other	382	-	-	-

7. Value adjustments and provisions on the exchange of credit information

	Opening Balance	The amount of provision during the period	Reversal of provision	Other adjustments	Closing Balance
Stage 3 provisions	1,899	8,184	7,324	-	2,759
Stage 1 & 2 provisions	38,060	77,559	18,726	-	96,893

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

II. INFORMATION ON CREDIT RISK (Continued)

8. Other information on credit risk

Sectoral concentrations for cash loans

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	146,838	3.62	152,438	1.73	21,235	2.23	21,612	0.44
Farming and stockbreeding	146,838	3.62	152,438	1.73	21,235	2.23	-	-
Forestry	-	-	-	-	-	-	21,612	0.44
Fishing	-	-	-	-	-	-	-	-
Manufacturing	2,725,379	67.15	6,450,260	73.05	187,597	19.70	2,262,511	46.38
Mining	-	-	899,050	10.18	-	-	724,421	14.85
Production	2,725,379	67.15	5,508,364	62.38	187,597	19.70	1,538,090	31.53
Electric, gas and water	-	-	42,846	0.49	-	-	-	-
Construction	15,623	0.38	839,140	9.50	-	-	680,822	13.95
Services	1,161,053	28.61	1,012,164	11.46	741,713	77.90	1,586,314	32.52
Wholesale and retail trade	30,000	0.74	234,013	2.65	-	-	173,899	3.56
Hotel, food and beverage Services	-	-	-	-	-	-	-	-
Transportation and Telecommunication	-	-	-	-	-	-	-	-
Financial institutions	1,131,053	27.87	756,536	8.57	741,713	77.90	1,412,415	28.95
Real estate and Leasing Services	-	-	-	-	-	-	-	-
“Self-employment” type Services	-	-	-	-	-	-	-	-
Education services	-	-	-	-	-	-	-	-
Health and social services	-	-	21,615	0.24	-	-	-	-
Other	9,627	0.24	375,928	4.26	1,637	0.17	327,442	6.71
Total	4,058,520	100	8,829,930	100	952,182	100	4,878,701	100

Sectoral and regional concentration of impaired loans and receivables

Sectoral	Current Period	Prior Period
Farming and Stockbreeding	8	-
Manufacturing	1,380	1,404
Construction	3,320	473
Financial institutions	-	-
Hotel and Restaurant Services	-	-
Wholesale and retail trade	108	80
Total impaired loans and receivables	4,816	1,957
Regional	Current Period	Prior Period
Türkiye	4,816	1,957
Total impaired loans and receivables	4,816	1,957

Past due but not impaired loans and receivables

None. (31 December 2024: None).

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

III. INFORMATION ON CONSOLIDATED FOREIGN CURRENCY EXCHANGE RATE RISK

Whether the Group is exposed to foreign exchange risk, whether the effects of this situation are estimated, and whether the board of directors of the Bank sets limits for positions that are monitored daily

The Group complies with net general position-shareholder’s equity limits. The Group has the possibility to borrow a significant amount of foreign currency.

Within the context of the market risk management work of the Risk Management Department, the Parent Bank’s Exchange rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The Exchange rate risk is measured according to market risk calculated using the Standard Method and is included in the capital adequacy ratio. For testing effects of the unexpected exchange rate fluctuations on the Parent Bank monthly basis stress test analysis are done. In addition, by classifying the changes in risk factors different scenario analysis are done based on different exchange rate expectations. The sensitivity of assets, liabilities and off-balance sheets against exchange rate are measured by an analysis on a monthly basis.

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

The Group does not have any financial derivatives used for hedging.

Foreign exchange risk management policy

Transactions are being hedged according to the Central Bank of Türkiye’s basket of currencies instantly. Manageable and measurable risks are taken in the scope of the regulatory limits.

Foreign exchange buying rates of the last five business days before the balance sheet date as publicly announced by the Parent Bank, are as follows

Date	US Dollars	Euro
24 December 2025	42.7474	50.3857
25 December 2025	42.7434	50.4208
26 December 2025	42.7641	50.3896
27 December 2025	42.7656	50.3547
30 December 2025	42.8542	50.4519
31 December 2025	42.8623	50.4532
Balance Sheet Valuation Rate	42.8623	50.4532

The basic arithmetical average of the Parent Bank’s foreign exchange bid rate for the last thirty days

The basic arithmetical average of the Bank’s foreign exchange bid rate for December 2025 is TL 42.5861 for USD, TL 49.8477 for EURO.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

III. INFORMATION ON CONSOLIDATED FOREIGN CURRENCY EXCHANGE RATE RISK (Continued)

Information on Currency Risk of the Group

Current Period	Euro	USD	Other	Total
Assets				
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Türkiye	2,480,449	2,950,848	2,655	5,433,952
Banks	2,433,399	3,058,104	64,422	5,555,925
Financial Assets Measured at Fair Value through Profit or Loss	-	-	-	-
Interbank Money Market Placements	-	-	-	-
Financial Assets Measured at Fair Value through Comprehensive Income	1,162	67,641	-	68,803
Loans	4,324,584	4,505,346	-	8,829,930
Investments in Subsidiaries and Associates	-	-	-	-
Financial Assets Measured at Amortised Cost	682,436	853,885	-	1,536,321
Financial Derivative held for Hedging (Assets)	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	1,672,769	139,342	-	1,812,111
Total Assets	11,594,799	11,575,166	67,077	23,237,042
Liabilities				
Bank Deposits	2,533,021	1,566,981	2,576	4,102,578
Foreign Currency Deposits	3,915,499	5,803,492	63,696	9,782,687
Money Market Borrowings	-	-	-	-
Funds Borrowed from Other Financial Institutions	5,016,216	3,686,390	-	8,702,606
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	-	-	-	-
Financial Derivatives held for Hedging (Liabilities)	-	-	-	-
Other Liabilities ⁽²⁾	132,582	430,241	2,670	565,493
Total Liabilities	11,597,318	11,487,104	68,942	23,153,364
Net Balance Sheet Position	(2,519)	88,062	(1,865)	83,678
Net Off Balance Sheet Position	-	-	-	-
Financial Derivatives (Assets)	-	-	-	-
Financial Derivatives (Liabilities)	-	-	-	-
Non-Cash Loans	10,115,891	11,859,120	1,950,378	23,925,389
Prior Period				
Total Assets	7,107,853	9,693,517	71,922	16,873,292
Total Liabilities	7,089,257	9,595,185	54,666	16,739,108
Balance Sheet Position, net	18,596	98,332	17,256	134,184
Off Balance Sheet Position, net	15,498	(15,789)	-	(291)
Financial Derivatives (Assets)	15,498	-	-	15,498
Financial Derivatives (Liabilities)	-	(15,789)	-	(15,789)
Non-cash Loans	5,274,092	8,359,222	1,570,381	15,203,695

(1) In accordance with the provisions of the “Regulation on the Calculation and Application of Foreign Currency Net General Position / Equity Standard Ratio in Banks’ Consolidated and Non-Consolidated Basis”; Equity has not been taken into consideration in calculating the risk of exchange rate amounting to TL 1,751.

(2) Includes financial lease receivables.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

III. INFORMATION ON CONSOLIDATED FOREIGN CURRENCY EXCHANGE RATE RISK (Continued)

Exposed currency risk

The possible increases or decreases in the shareholders’ equity and the profit/loss as per an assumption of devaluation/appreciation by 10 percent of TL against currencies mentioned below as of 31 December 2025 and 31 December 2024 are presented in the below table. The other variables, especially the interest rates, are assumed to be fixed in this analysis.

Assuming 10 percent appreciation of TL;

	Current Period		Prior Period	
	Profit and Loss Statement	Shareholders’ Equity ⁽¹⁾	Profit and Loss Statement	Shareholders’ Equity ⁽¹⁾
Euro	252	252	(5,416)	(5,416)
US Dollar	(8,806)	(8,920)	(7,806)	(8,094)
Other Currencies	187	187	(868)	(868)
Total	(8,367)	(8,481)	(14,090)	(14,378)

(1) The effect on shareholders’ equity also includes the effect on the profit/loss.

Assuming 10 percent depreciation of TL;

	Current Period		Prior Period	
	Profit and Loss Statement	Shareholders’ Equity ⁽¹⁾	Profit and Loss Statement	Shareholders’ Equity ⁽¹⁾
Euro	(252)	(252)	5,416	5,416
US Dollar	8,806	8,920	7,806	8,094
Other Currencies	(187)	(187)	868	868
Total	8,367	8,481	14,090	14,378

(1) The effect on shareholders’ equity also includes the effect on the profit/loss.

IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK

Interest rate sensitivity of the assets, liabilities and off-balance sheet items

Within the context of the market risk management of the Risk Management Department, the Parent Bank’s interest rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The interest rate risk is measured according to market risk calculated using the standard method and is included in the capital adequacy ratio. To test the effect of the interest rate fluctuations on the Parent Bank monthly based stress test analysis are done.

In addition, by classifying the changes in risk factors different scenario analysis are done based on different interest rate expectations. The sensitivity of assets, liabilities and off-balance sheets against interest rate are measured by an analysis on a monthly basis.

The expected effects of the fluctuations of market interest rates on the Parent Bank’s financial position and cash flows, the expectations for interest income, and the limits the board of directors has established on daily interest rates

The early warning limit for the Securities Duration Risk/Total Assets ratio was set by the Board of Directors at a maximum of 10%, with a maximum limit of 12% and a maximum exception of 14%, and the early warning limit for the Interest Rate Risk arising from Banking Accounts/Total Equity ratio was set at a maximum of 12%, with a maximum limit of 13% and a maximum exception of 14%.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)

The precautions taken for the interest rate risk the Parent Bank was exposed to during the current year and their expected effects on net income and shareholders’ equity in the future periods

Although the increase in interest rates have a limited negative effect on the Parent Bank’s financial position the Parent Bank’s Equity structure is able to confront the negative effects of possible fluctuations in the interest rates.

Information related to interest rate sensitivity of assets, liabilities and off-balance sheet items

(Based on re-pricing dates)

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Türkiye	-	-	-	-	-	5,459,300	5,459,300
Banks	5,034,607	196,363	-	-	-	429,117	5,660,087
Financial assets at fair value through Profit or Loss	-	-	-	-	-	-	-
Interbank Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	20,354	-	45,681	378,439	-	2,992	447,466
Loans	1,942,379	3,827,487	4,922,249	2,195,227	-	1,108	12,888,450
Financial Assets Measured at Amortized Cost	500,896	823,362	352,990	-	-	-	1,677,248
Other Assets ⁽¹⁾⁽³⁾	94,506	248,136	644,550	672,249	-	2,355,350	4,014,791
Total assets	7,592,742	5,095,348	5,965,470	3,245,915	-	8,247,867	30,147,342
Liabilities							
Bank Deposits	1,396,593	-	-	-	-	3,176,562	4,573,155
Other Deposits	1,091,035	102,027	85,262	2,770	-	8,906,345	10,187,439
Money Market Borrowings	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	1,930,836	2,276,267	4,193,542	305,173	-	-	8,705,818
Other liabilities ⁽²⁾	126	277	465	595	-	6,679,467	6,680,930
Total liabilities	4,418,590	2,378,571	4,279,269	308,538	-	18,762,374	30,147,342
Long Position in the Balance Sheet	3,174,152	2,716,777	1,686,201	2,937,377	-	-	10,514,507
Short Position in the Balance Sheet	-	-	-	-	-	(10,514,507)	(10,514,507)
Long Position in the Off-balance Sheet	-	-	-	-	-	-	-
Short Position in the Off-balance Sheet	-	-	-	-	-	-	-
Total Position	3,174,152	2,716,777	1,686,201	2,937,377	-	(10,514,507)	-

- The amount of TL 2,355,350 presented under the non-interest-bearing column of other assets consists of tangible assets amounting to TL 1,950,311, expected loss provisions of TL 105,805, intangible assets of TL 25,435 and other non-interest-bearing and non-allocable amounts of TL 485,409.
- The amount of TL 6,679,467 presented under the non-interest-bearing column of other liabilities consists of equity amounting to TL 5,352,850, provisions of TL 286,647, current tax liabilities of TL 140,093, deferred tax liabilities of TL 198,301 and non-allocable amounts included in other liabilities of TL 701,576.
- Includes financial lease receivables

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Türkiye	-	-	-	-	-	4,133,278	4,133,278
Banks	2,837,04	-	-	-	-	46,676	2,883,690
Financial assets at fair value through Profit or Loss	-	-	-	-	-	-	-
Interbank Money Market Placements	70,092	-	-	-	-	-	70,092
Financial Assets at Fair Value Through Other Comprehensive Income	4,575	530,404	7,949	329,280	48,453	2,396	923,057
Loans	1,280,003	1,758,036	2,295,301	496,427	-	1,108	5,830,875
Financial Assets Measured at Amortized Cost	42,424	1,267,182	754,465	1,108,491	-	-	3,172,562
Other Assets ^{(1) (3)}	73,856	222,969	578,117	536,304	-	1,630,753	3,041,999
Total assets	4,307,964	3,778,591	3,635,832	2,470,502	48,453	5,814,211	20,055,553
Liabilities							
Bank Deposits	2,502,368	707,064	-	-	-	-	3,209,432
Other Deposits	238,613	60,203	413,059	505	-	6,550,319	7,262,699
Money Market Borrowings	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	2,022,933	1,670,471	2,408,156	40,661	-	-	6,142,221
Other liabilities ⁽²⁾	531	1,078	616	-	-	3,438,976	3,441,201
Total liabilities	4,764,445	2,438,816	2,821,831	41,166	-	9,989,295	20,055,553
Long Position in the Balance Sheet	-	1,339,775	814,001	2,429,336	48,453	-	4,631,565
Short Position in the Balance Sheet	(456,481)	-	-	-	-	(4,175,084)	(4,631,565)
Long Position in the Off-balance Sheet	15,498	-	-	-	-	-	15,498
Short Position in the Off-balance Sheet	(15,789)	-	-	-	-	-	(15,789)
Total Position	(456,772)	1,339,775	814,001	2,429,336	48,453	(4,175,084)	(291)

- The amount of TL 2,355,350 presented under the non-interest-bearing column of other assets consists of tangible assets amounting to TL 1,950,311, expected loss provisions of TL 105,805, intangible assets of TL 25,435 and other non-interest-bearing and non-allocable amounts of TL 485,409.
- The amount of TL 6,679,467 presented under the non-interest-bearing column of other liabilities consists of equity amounting to TL 5,352,850, provisions of TL 286,647, current tax liabilities of TL 140,093, deferred tax liabilities of TL 198,301 and non-allocable amounts included in other liabilities of TL 701,576..
- Includes financial lease receivables

ARAP TÜRK BANKASI A.Ş.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)**INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)****IV. INFORMATION ON CONSOLIDATED INTEREST RATE RISK (Continued)****Average interest rates applied to monetary financial instruments (%)**

Current Period	EURO	USD	TL
Assets			
Cash (cash in vault, effectives, money in transit, cheques purchased) and Balances with the Central Bank of Türkiye	-	-	-
Banks	1.82	3.89	40.07
Financial Assets at Fair Value through Profit or Loss	-	-	-
Money Market Placements	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	8.42	10.65
Loans	6.57	7.70	42.10
Financial Assets Measured at Amortized Cost	-	-	40.65
Financial Lease Receivables	10.19	8.11	53.33
Liabilities	-	-	-
Interbank Deposits	2.85	4.59	38.50
Other Deposits	0.49	0.98	37.10
Money Market Borrowings	-	-	-
Miscellaneous Payables	-	-	-
Marketable Securities Issued	-	-	-
Funds Borrowed from Other Financial Institutions	4.03	5.37	44.95
Prior Period	EURO	USD	TL
Assets			
Cash (cash in vault, effectives, money in transit, cheques purchased) and Balances with the Central Bank of Türkiye	-	-	8.50
Banks	2.59	4.82	48.24
Financial Assets at Fair Value through Profit or Loss	-	-	-
Money Market Placements	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	3.27	6.21	10.65
Loans	9.19	7.59	51.33
Financial Assets Measured at Amortized Cost	-	-	19.22
Financial Lease Receivables	9.98	7.43	50.68
Liabilities			
Interbank Deposits	5.07	7.10	-
Other Deposits	0.48	2.84	48.75
Money Market Borrowings	-	-	-
Miscellaneous Payables	-	-	-
Marketable Securities Issued	-	-	-
Funds Borrowed from Other Financial Institutions	4.76	6.07	44.95

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

V. INFORMATION ON CONSOLIDATED STOCK POSITION RISK

Equity investment risk due from banking book

The Parent Bank does not have equity investment risk due to subsidiary and securities issued capital which classified banking accounts are not traded on the stock exchange.

Information on booking value, fair value and market value of equity investments

None.

Information on equity investments realized gains or losses, revaluation increases and unrealized gains or losses and these amounts including capital contribution.

None.

Breakdown of the amount of capital requirements on investments in related stock exchange basis, depending on the Credit Risk Standard Method or the capital requirement calculation method which bank has chosen out of allowed methods stated in the Communique Regarding Calculation of Credit Risk Amount on Internal Rating Based Approach.

None.

VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK MANAGEMENT

Information on liquidity risk management regarding risk capacity of the Parent Bank, responsibilities and structure of the liquidity risk management, reporting of the liquidity risk in the Bank, the way that sharing liquidity risk strategy, policy and implementations with the board of directors and job fields.

Evaluation of capacity of liquidity risk position of the Parent Bank depends on current liquidity position, current and estimated asset quality, current and future income capacity, historical funding needs, estimated funding needs and decreasing funding needs or analysis of decrease in additional funding choices. One or more actions below are done to find funds in order to maintain liquidity needs.

- Disposal of the liquid assets
- Increase in short-term debt and/or additional short-term deposits and deposit-like resources,
- Decrease in moveable long term assets
- Increase in long term liabilities
- Increase in equity funds

Responsibility of the management of general liquidity belongs to Top Level Management, Treasury Department or Asset/Liability Committee (“ALCO”) which is consisting of Risk Management executives. Appropriate controls and balances are maintained in every condition.

Analysis of effects of various stress scenarios on the liquidity position and establishment of limits are crucial in order to establish effective liquidity risk management. Limits are determined according to the size of the Parent Bank, complexity of transactions and suitability of the financial conditions.

One of the important components of liquidity management is management information system which is created to offer information about the liquidity position of the Parent Bank to the Board of Directors, top level management and related appropriate personnel at the right time. Strong management information system is an integral part of the reliable decision making process of the liquidity.

One of the important aspects of liquidity management is making assumptions on prospective funding needs. Although final cash inflows and outflows can be easily calculated or estimated, the Parent Bank also makes short-term and long-term assumptions. Another important consideration is that the Parent Bank's reputation plays an important role in reaching the funds it needs in a reasonable amount of time.

Management also has an emergency plan to be implemented in the absence of accurate projections. An effective emergency planning consists of identifying minimum and maximum liquidity needs and weighting alternatives that will be used to meet these needs.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK MANAGEMENT (Continued)

The degree of centralization of liquidity management and funding strategy and information about the functioning between the Bank and its shareholders

The Parent Bank is backed by well-established shareholders who are among the strongest financial institutions in Türkiye and the MENA region. Libyan Foreign Bank, 100% owned by the Central Bank of Libya, is the largest shareholder of the Parent Bank. The share of funds obtained from the Parent Bank's risk group in liabilities is 23%.

Information on the Bank's funding strategy including the policies regarding diversification of funding sources and periods

The Parent Bank obtains its fund sources mainly from the parent Libyan Foreign Bank and its subsidiaries. These Funds are reliable sources which are ongoing for many years with renewing terms and expected to continue thereafter.

Currencies constituting minimum five percent of the Bank's total liabilities

The majority of the Parent Bank's liabilities consist of funds received from the main shareholder Libyan Foreign Bank and its related banks. 57% of these funds are denominated in USD and 43% in EUR.

Information regarding to the liquidity risk mitigation techniques used

The Parent Bank's liquidity risk mitigation techniques are retention of high-quality liquid assets on hand, provide maturity match between assets and liabilities and having the option to obtain funds from different banks in its risk groups.

Information regarding to the usage of Stress Tests

Stress tests are applied by changing the percentage of the parameters regarding to the liquidity ratio calculation. Subjected components, particularly high-quality liquid assets, including cash inflows and cash outflows are increased and decreased at various rates to measure the effects on the calculation. The test results provide guidance on liquidity management.

Information regarding to the Liquidity Emergency Action Plan

The Liquidity Emergency Action Plan prepared by the Parent Bank's Assets Liabilities Committee was presented to the Board of Directors and approved by Council Decision No. 316-A/6/18 at 5 October 2018. Decisions on the plan;

- Bank-specific crisis and general market crisis has been described,
- The decision of proportional and structural changes of assets and liabilities in the balance sheet is delegated to Assets and Liabilities Committee,
- Agreed that the Liquidity Dashboard which includes available and accessible liquidity sources of the Bank, asset sales, loan repayments and liquidity usage submitted periodically to Assets Liabilities Committee by the Treasury Department.
- Within the framework of an effective liquidity risk management of the Treasury Department, where necessary, acting jointly with other business units to avoid concentration of funding sources, following different funding options and current trends and reporting on costs is expressed,
- If necessary, making changes in the Emergency Action Plan and update it according to market conditions and balance sheet structure is delegated to Assets Liabilities Committee.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK MANAGEMENT (Continued)

Liquidity coverage ratio

Liquidity coverage ratios calculated in accordance with the "Regulation on Liquidity Coverage Ratio Calculation of Banks" published in the Official Gazette dated March 21, 2014 and numbered 28948 are disclosed to the public in the following format. Consolidated foreign currency and total liquidity coverage ratios for the last three months including the reporting period and the lowest and highest values of the consolidated foreign currency and total liquidity coverage ratios calculated weekly for the last three months are disclosed by indicating the weeks.

The lowest and highest values of the consolidated foreign currency and total liquidity coverage ratios for the last three months including the reporting period are given below by month:

	Month	FC	Month	FC+TL
Lowest	December		194 December	121
Highest	October		239 October	161

The average of the consolidated liquidity coverage ratio calculated by taking the monthly simple arithmetic average for the last three months is given below:

Current Period	Consideration Ratio Not Applied Total Value ⁽¹⁾		Consideration Ratio Applied Total Value ⁽¹⁾	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
1 High quality liquid assets	6,781,309	7,355,835	7,039,142	6,501,967
CASH OUTFLOWS				
2 Real person deposits and retail deposits	230,687	300,778	292,502	222,670
3 Stable deposit	-	67,508	66,265	-
4 Deposit with low stability	230,687	233,270	226,237	222,670
5 Unsecured debts except real person deposits and retail deposits	8,376,274	9,812,399	8,908,399	7,598,492
6 Operational deposit	-	-	-	-
7 Non-operating deposits	7,804,685	8,440,868	7,687,082	7,034,404
8 Other unsecured debts	571,589	1,371,531	1,221,317	564,088
9 Secured debts	-	-	-	-
10 Other cash outflows	1,316,398	2,925,938	2,634,656	1,195,757
11 Derivative liabilities and margin obligations	-	-	-	-
12 Debt from structured financial instruments	-	-	-	-
13 Other off-balance sheet liabilities and commitments for the payment owed to financial markets	-	-	-	-
14 Revocable off-balance sheet obligations regardless of any other requirement and other contractual obligations	-	-	-	-
15 Other irrevocable or provisory revocable off-balance sheet liabilities	1,316,398	2,925,938	2,634,656	1,195,757
16 TOTAL CASH OUTFLOW	9,923,359	13,039,115	11,835,557	9,016,919
CASH INFLOWS				
17 Secured receivables	-	-	-	-
18 Unsecured claims	6,423,910	7,162,343	6,598,627	5,860,541
19 Other cash inflows	13,946	13,946	3,471	3,471
20 TOTAL CASH INFLOWS	6,437,856	7,176,289	6,602,098	5,864,012
21 TOTAL HQLA STOCK			7,039,142	6,501,967
22 TOTAL NET CASH OUTFLOWS			5,233,460	3,152,907
23 LIQUIDITY COVERAGE RATIO (%)			134.50	206.22

(1) The average of the consolidated liquidity coverage ratio calculated by taking the monthly simple arithmetic average for the last three months.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK MANAGEMENT (Continued)

Prior Period	Consideration Ratio Not Applied Total Value ⁽¹⁾		Consideration Ratio Applied Total Value ⁽¹⁾		
	TL+FC	FC	TL+FC	FC	
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets	10,556,057	10,150,992	8,239,422	7,834,358
CASH OUTFLOWS					
2	Real person deposits and retail deposits	2,845,764	1,788,752	233,901	178,875
3	Stable deposit	1,013,517	-	50,676	-
4	Deposit with low stability	1,832,247	1,788,752	183,225	178,875
5	Unsecured debts except real person deposits and retail deposits	7,873,974	7,442,410	5,418,146	4,998,672
6	Operational deposit	-	-	-	-
7	Non-operating deposits	7,211,665	7,178,793	4,755,837	4,735,055
8	Other unsecured debts	662,309	263,617	662,309	263,617
9	Secured debts	-	-	-	-
10	Other cash outflows	15,911,106	14,811,974	1,212,370	819,976
11	Derivative liabilities and margin obligations	-	-	-	-
12	Debt from structured financial instruments	-	-	-	-
13	Other off-balance sheet liabilities and commitments for the payment owed to financial markets	-	-	-	-
14	Revocable off-balance sheet obligations regardless of any other requirement and other contractual obligations	-	-	-	-
15	Other irrevocable or provisory revocable off-balance sheet liabilities	15,911,106	14,811,974	1,212,370	819,976
16	TOTAL CASH OUTFLOW	26,630,844	24,043,136	6,864,417	5,997,523
CASH INFLOWS					
17	Secured receivables	-	-	-	-
18	Unsecured claims	4,621,562	4,180,070	4,122,549	3,733,773
19	Other cash inflows	2,545	2,545	2,545	2,545
20	TOTAL CASH INFLOWS	4,624,107	4,182,615	4,125,094	3,736,318
				Upper Limit Applied Amounts	
21	TOTAL HQLA STOCK			8,239,422	7,834,358
22	TOTAL NET CASH OUTFLOWS			2,739,323	2,261,205
23	LIQUIDITY COVERAGE RATIO (%)			300.78	346.47

(1) The average of the consolidated liquidity coverage ratio calculated by taking the monthly simple arithmetic average for the last three months.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK MANAGEMENT (Continued)

Important factors affecting the liquidity coverage ratio results and the change over time of those items taken into account while calculating this ratio

High-quality liquid assets and cash outflows are one of the most important factors affecting the calculation of the liquidity coverage ratio for Parent bank. A major portion of high-quality liquid assets of the Parent Bank are consisted of treasury bills and free deposits held in CBRT. High-quality liquid assets been on the rise throughout the year had a positive effect on the calculation of liquidity coverage ratio.

Sections High-quality liquid assets comprised of

High quality liquid assets consist of cash, cash equivalents, debt instruments issued by the CBRT and the Treasury and debt instruments with a credit rating or probability of default between A+ and BBB- or equivalent. The Bank's high quality liquid assets consist of 71% of CBRT accounts, 27% of debt instruments issued by the Treasury and 2% of cash and cash equivalents.

Sections Funding sources comprised of and their densities within all funds

A significant portion of fund resources is composed of deposits received. Deposits received account for 78% of total liabilities and 37% of these deposits are deposits received from banks.

Information on cash outflows arising from derivative transactions and transactions that are subject to collateralization

Cash outflows due to derivative contracts occur during periods when the bank's derivative liabilities exceed its derivative receivables. As at 31 December 2025, the net cash outflow from derivative transactions is none.

Counterparty and product-based funding sources and concentration limits on collaterals

A significant part of the funding sources are comprised of deposits received. 78% of the liability is deposits and 48% of these deposits are from banks. All of these liabilities are warrantless.

Funding needs in terms of the Bank itself, foreign branches and consolidated subsidiaries taking into account operational and legal factors that inhibits the Bank’s liquidity transfer and liquidity risk exposure

The Parent Bank obtains funds essentially from main shareholder Libyan Foreign Bank and its subsidiaries. These reliable and ongoing funds are renewed at different maturities and expected to continue for many years.

Other cash inflows and outflows that are included in liquidity coverage calculation but not included in the public disclosure template in the second paragraph and considered to be related with the Bank’s liquidity profile

None.

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK MANAGEMENT (Continued)

Presentation of assets and liabilities based on their outstanding maturities

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Unallocated	Total
Assets								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank of Türkiye balances	205,251	5,254,049	-	-	-	-	-	5,459,300
Banks	433,707	5,030,017	196,363	-	-	-	-	5,660,087
Financial Assets at Fair Value through Profit or Loss	-	-	-	-	-	-	-	-
Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	20,354	-	45,681	378,439	-	2,992	447,466
Loans	-	1,942,379	2,100,651	6,649,085	2,195,227	-	1,108	12,888,450
Investment securities held-to-maturity	-	500,896	823,362	352,990	-	-	-	1,677,248
Other assets ⁽¹⁾⁽³⁾	-	146,673	190,435	664,208	710,292	-	2,303,183	4,014,791
Total Assets		638,958	12,894,368	3,310,811	7,711,964	3,283,958	-	2,307,283
Liabilities								
Interbank Deposits	3,176,562	1,396,593	-	-	-	-	-	4,573,155
Other Deposits	8,906,345	1,091,035	102,027	85,262	2,770	-	-	10,187,439
Funds provided from other financial institutions	-	-	-	-	-	-	-	-
Money market borrowings	-	-	-	-	-	-	-	-
Marketable securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	-	1,260,795	2,146,949	3,572,545	1,725,529	-	-	8,705,818
Other liabilities ⁽²⁾	-	6,095	2,653	-	1,136	-	6,671,046	6,680,930
Total Liabilities	12,082,907	3,754,518	2,251,629	3,657,807	1,729,435	-	6,671,046	30,147,342
Net Liquidity Gap	(11,443,949)	9,139,850	1,059,182	4,054,157	1,554,523	-	(4,363,763)	-
Prior Period								
Total Assets	530,222	8,008,174	3,178,528	4,172,718	2,534,861	48,453	1,582,597	20,055,553
Total Liabilities	8,982,098	1,801,294	2,066,885	3,002,895	773,095	-	3,429,286	20,055,553
Net Liquidity Gap	(8,451,876)	6,206,880	1,111,643	1,169,823	1,761,766	48,453	(1,846,689)	-

(1) The amount of TL 2,303,183 in other assets unallocated column consists of TL 1,950,311 Tangible Fixed Assets, TL 105,805 Provisions for Expected Losses, TL 25,435 Intangible Fixed Assets, TL 0 Deferred Tax Assets, TL 221,632 other non-interest bearing amounts and other unallocated amounts.

(2) The amount of TL 6,671,046 in other liabilities unallocated column consists of Equity amounting to TL 5,352,850, Provisions amounting to TL 286,647, Current Tax Liability amounting to TL 140,423, Deferred Tax Liability amounting to TL 198,301, derivative liabilities amounting to TL 0 and other non-interest bearing amounts amounting to TL 692,825.

(3) Includes financial lease receivables

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VI. INFORMATION ON CONSOLIDATED LIQUIDITY RISK MANAGEMENT (Continued)

In addition to the Bank’s Liquidity Coverage Ratio, the Bank has started reporting the Net Stable Funding Ratio (NSFR) to the Banking Regulation and Supervision Agency (BDDK) in accordance with the Regulation on the Calculation of Banks’ Net Stable Funding Ratio, which was published in the Official Gazette dated May 26, 2023, and numbered 32202. This regulation ensures the measurement of medium- and long-term liquidity risk.

Current Period	Unweighted value by residual maturity				Weighted Value	
	Without Maturity*	Less than 6 Months	6 Months to < 1 Year	1 Year and More Than 1 Year		
Available Stable Funds						
1	Capital	-	-	5,372,044	5,372,044	
2	Tier I and Tier II Capital	-	-	5,372,044	5,372,044	
3	Other Capital Instruments	-	-	-	-	
Deposits from the Natural Persons and Small Business						
4	Customers	3,187,442	499,544	21,361	5,520	3,408,752
5	Stable Deposits / Participation Funds	1,155,411	159,577	8,316	2,119	1,259,153
6	Less Stable Deposits / Participation Funds	2,032,031	339,967	13,045	3,401	2,149,599
7	Wholesale Funding	6,869,551	5,701,562	2,471,076	1,995,665	6,188,479
8	Operational Deposits	-	-	-	-	-
9	Other Wholesale Funding	6,869,551	5,701,562	2,471,076	1,995,665	6,188,479
10	Liabilities with Matching Independent Assets	-	-	-	-	-
11	Other Liabilities	1,659,167	24,506	-	-	-
12	Derivative Liabilities	-	-	-	-	-
All Other Equity and Liabilities not Included in the Above						
13	Categories	1,659,167	24,506	-	-	-
14	Available Stable Fund	-	-	-	-	14,969,275
Required Stable Funding						
15	High Quality Liquid Assets (HQLA)	-	-	-	-	86,728
Deposits Held at Credit Institutions of Financial Institutions for						
16	Operational Purposes	-	-	-	-	-
17	Performing Loans and Securities	2,706,443	11,505,304	4,003,884	2,532,079	9,747,556
Performing Loans to Credit Institutions or Financial Institutions						
18	Secured by Level 1 HQLA	-	-	-	-	-
Performing Loans to Credit Institutions or Financial Institutions						
19	Secured by Non-Level 1 HQLA and Unsecured Performing Loans to Credit Institutions or Financial Institutions	623,580	7,295,195	345,356	-	1,890,537
Performing Loans to Non-Financial Corporate Clients, Loans to Natural Person Customers and Small Business Customers, and						
20	Loans to Sovereigns, Central Banks and PSEs	2,082,863	4,210,109	3,658,528	2,532,079	7,857,019
21	Loans with a risk weight of less than or equal to 35%	-	-	-	-	-
22	Performing Loans Encumbered with Residential Mortgages	-	-	-	-	-
23	Loans with a risk weight of less than or equal to 35%	-	-	-	-	-
Exchange Traded Equities and Securities That are not in Default and Do not Qualify as HQLA						
24		-	-	-	-	-
25	Assets with Matching Interdependent Liabilities	-	-	-	-	-
26	Other Assets	2,793,695	24,506	-	24,367	2,818,062
27	Physical Traded Commodities, Including Gold	-	-	-	-	-
Assets Posted as Initial Margin for Derivative Contracts or						
28	Contributions to Default Funds of Central Counterparties	-	-	-	-	-
29	Derivative Assets	-	-	-	-	-
Derivative Liabilities Before Deduction of Variation Margin						
30	Posted	-	-	-	-	-
31	All Other Assets Not Included in the Above Categories	2,793,695	24,506	-	24,367	2,818,062
32	Off-Balance Sheet Items	-	27,033,650	-	-	1,351,683
33	Required Stable Fund	-	-	-	-	14,004,029
34	Net Stable Funding Ratio (%)	-	-	-	-	106.68

* Items to be reported in the “without maturity” time bucket do not have a stated maturity. These may include but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-high quality liquid asset equities and physical traded commodities.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VII. EXPLANATIONS ON LEVERAGE RATIO

Leverage Ratio

Explanations on leverage ratio is calculated in accordance with the “Regulation on Equity of Banks” and “Regulation on Measurement and Assessment of Capital Adequacy of Banks” published in the Official Gazette numbered 28812, dated 5 November 2013.

Information on subjects that causes difference in leverage ratio between current and prior periods

The main difference between the current and prior period are capital and total risk amount. Additionally, Bank has no significant change in portfolio.

An Extract Comparison Table of Total Risks Placed in Consolidated Financial Statements Coordinated in

Accordance With TAS

	Current Period	Prior Period
Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards ⁽¹⁾	39,896	33,444
The difference between total assets prepared in accordance with Turkish Accounting Standards and total assets in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements”	-	-
The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such instruments	15,283	36,028
The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such instruments	2,829,961	4,402,774
The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such items	361,604	335,920
Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such items	-	-
Total Risk Amount	3,246,744	4,808,166

(1) The related amounts are calculated from financial tables in the Consolidated Financial Statements prepared in accordance with BRSA Accounting and Financial Reporting Legislation.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VII. EXPLANATIONS ON LEVERAGE RATIO (Continued)

Leverage ratio disclosure as follows:

	Balance sheet assets	Current Period ⁽¹⁾	Prior Period ⁽¹⁾
1	Balance sheet assets (Except for derivative financial instruments and credit derivatives, including warranties)	29,219,239	17,828,018
2	(Assets deducted from main capital)	(25,401)	(15,650)
3	Total risk amount of the balance sheet assets (Sum of 1st and 2nd rows)	29,193,839	17,812,368
	Derivative financial instruments and credit derivatives		
4	Replacement cost of derivative financial instruments and credit derivatives	-	-
5	Potential credit risk amount of derivative financial instruments and credit derivatives	-	-
6	Total risk amount of derivative financial instruments and credit derivatives (Sum of 4th and 5th rows)	-	-
	Security or secured financing transactions		
7	Risk amount of security or secured financing transactions (Except balance sheet)	-	-
8	Risk amount due to intermediated transactions	-	-
9	Total risk amount of security or secured financing transactions (Sum of 7th and 8th rows)	-	-
	Off-balance sheet transactions		
10	Gross nominal amount of off-balance sheet transactions	27,106,022	15,138,840
11	(Adjustment amount resulting from multiplying by credit conversion rates)	-	-
12	Risk amount of the off-balance sheet transactions (Sum of 10th and 11th rows)	27,106,022	15,138,840
	Equity and total risk		
13	Main capital	5,141,842	2,299,325
14	Total risk amount (Sum of 3th, 6th, 9th and 12th rows)	56,299,861	32,951,208
	Leverage ratio		
15	Leverage ratio	%9.13	%6.99

(1) Amounts in the table are obtained on the basis of three-month weighted average.

VIII. INFORMATION ON FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The fair value of the financial assets measured at amortised cost; in case of situations where market price or fair value cannot be determined; is calculated over the quoted market prices of other investment securities that are of the same interest, maturity and similar in other clauses.

The estimated fair value of the demand deposit represents the amount to be paid at the moment of demand. Placements of changing rates and the fair value of the overnight deposit equal to their book values. The fair value of the fixed yield deposit is calculated over the cash flows discounted using the market interest rates implicated on similar borrowing and other payables.

The estimated fair value of the loans is calculated over the cash flows discounted using the market interest rates implicated on the constant interest loans. The carrying values of floating-rate loans are deemed a reasonable proxy for their fair values.

In the table below; fair values and book values of some of the financial assets and liabilities are presented. The book value of the assets and liabilities is the total of the cost and accumulated interest accruals.

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VIII. INFORMATION ON FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (Continued)

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities,
 Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or,
 Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

	Carrying Value		Fair Value	
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets	22,371,549	14,316,203	20,911,628	10,879,154
Banks	5,660,087	2,883,690	5,660,087	1,298,462
Money market receivables	-	70,092	-	-
Financial Assets Measured at Fair Value				
Through Other Comprehensive Income	447,466	923,057	447,466	2,107,500
Financial Assets Measured at Amortised Cost	1,677,248	3,172,562	2,119,462	3,369,638
Loans	12,888,450	5,830,875	11,136,274	2,913,215
Leasing receivables	1,698,298	1,435,927	1,548,339	1,190,339
Financial Liabilities	24,167,988	16,989,728	24,167,988	13,069,400
Bank deposits	4,573,155	3,209,432	4,573,155	2,272,585
Other Deposits	10,187,439	7,262,699	10,187,439	4,641,642
Funds provided from other financial institutions	8,705,818	6,142,221	8,705,818	5,994,220
Money market borrowings	-	-	-	-
Marketable securities issued	-	-	-	-
Miscellaneous Payables	701,576	375,376	701,576	160,953
Current Period	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets measured at fair value through				
Profit or Loss	-	-	-	-
Public sector debt securities	-	-	-	-
Equity Securities	-	-	-	-
Other financial assets	-	-	-	-
Financial Assets Measured at Fair Value				
Through Other Comprehensive Income	444,474	-	2,992	447,466
Public sector debt securities	400,109	-	-	400,109
Equity Securities	-	-	2,992	2,992
Other financial assets	44,365	-	-	44,365
Prior Period	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets measured at fair value through				
Profit or Loss	-	-	-	-
Public sector debt securities	-	-	-	-
Equity Securities	-	-	-	-
Other financial assets	-	-	-	-
Financial Assets Measured at Fair Value				
Through Other Comprehensive Income	920,663	-	2,394	923,057
Public sector debt securities	884,561	-	-	884,561
Equity Securities	-	-	2,394	2,394
Other financial assets	36,102	-	-	36,102

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

VIII. INFORMATION ON FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (Continued)

The movement of the data related to assets or liabilities that are not based on observable market data during the period is as follows:

	Current Period	Prior Period
Balances at beginning of period	2,394	12,013
Purchases during the period	-	-
Disposals through sale/redemption	-	-
Valuation effect	598	(9,619)
Transfers	-	-
Balances at end of period	2,992	2,394

IX. TRANSACTIONS ON BEHALF AND ACCOUNT OF OTHERS AND FAITH-BASED TRANSACTIONS

Information on whether Bank carries out trading, custody, consulting, management services for third parties

The Bank does not carry out any other trading, custody, management and consulting services on behalf and account of others.

Information on trust transactions with other financial institutions or direct financial services given within the context of trust transactions to other financial institutions and possible affects of such transactions on Bank’s financial situation

The Bank does not have transactions based on trust.

Main sources of differences between risk amounts and amounts in financial statements which are evaluated in accordance with TAS

Risk Management process of the Bank passes through various stages; such as, defining, measuring, analyzing and pursuing risks, risk management policies and enactment of implementation principles and their realization, reporting, researching, conformity and auditing, within the frame of principles jointly fixed by the bank’s Risk Management Department, Audit Committee and High Level Management and approved by the Board of Directors.

The risk policy of the Bank is set out on the below mentioned principles.

- To be selective in risk taking.
- To define, measure, analyze and manage risks effectively.
- To secure the balance between the risk and return.
- To have adequate capital to cover existing and possible future risks.
- To have sound collaterals covering the existing and possible risks, and to follow up closely the sufficiency of the collaterals.
- To secure the appropriateness of risks to the defined limits.
- To keep under control the appropriateness of all kinds of operations to the approved policies and procedures.
- To supply the harmonization of the operations with the laws and regulations.
- To establish corporate risk culture within the Bank.
- To set out an effective reporting line and inform related management authorities on time to eliminate any kind of discrepancy.

The Bank defines, measures, analyzes and manages the risks involved in its operations and defines its risk management policies and application procedures on base of main risk categories on consolidated basis.

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT

Overview of Risk Weighted Amount

	Risk Weighted Amount		Minimum capital Requirement
	Current Period	Prior Period	Current Period
1 Credit risk (excluding counterparty credit risk) (CCR)	27,228,148	13,602,227	2,178,252
2 Standardised approach (SA)	27,228,148	13,602,227	2,178,252
3 Internal rating-based (IRB) approach	-	-	-
4 Counterparty credit risk	-	33	-
5 Standardised approach for counterparty credit risk (SA-CCR)	-	33	-
6 Internal model method (IMM)	-	-	-
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 - 12.50% weighted risk approach	-	-	-
11 Settlement risk	-	-	-
12 Securitization positions in banking accounts	-	-	-
13 IRB ratings-based approach (RBA)	-	-	-
14 IRB Supervisory Formula Approach (SFA)	-	-	-
15 SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	319,000	850,938	25,520
17 Standardised approach (SA)	319,000	850,938	25,520
18 Internal model approaches (IMM)	-	-	-
19 Operational Risk	1,703,763	1,211,788	136,301
20 Basic Indicator Approach	1,703,763	1,211,788	136,301
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)	29,250,911	15,664,986	2,340,073

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

Main sources of differences between TAS exposure amounts and carrying values in financial statements

	Gross Carrying Values of TAS						
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Cash And Balances With The Central Bank Of Türkiye	5,459,300	5,459,300	5,459,300	-	-	5,433,952	-
Financial assets held for trading	-	-	-	-	-	-	-
Financial Assets At Fair Value Through Profit Or Loss	-	-	-	-	-	-	-
Banks	5,660,087	5,660,087	5,660,087	-	-	5,555,925	-
Money Market Placements	-	-	-	-	-	-	-
Investment Securities Available-for-Sale (net)	447,466	447,466	2,992	-	-	447,466	-
Loans And Receivables	12,888,450	12,888,450	12,888,450	-	-	8,829,930	-
Factoring Receivables	-	-	-	-	-	-	-
Investment Securities Held-to-Maturity (net)	1,677,248	1,677,248	1,677,248	-	-	1,536,321	-
Associates (net)	-	-	-	-	-	-	-
Subsidiaries (net)	-	-	-	-	-	-	-
Joint Ventures (net)	-	-	-	-	-	-	-
Lease Receivables	1,698,298	1,698,298	1,698,298	-	-	1,566,148	-
Derivative Financial Assets Held For Hedging	-	-	-	-	-	-	-
Tangible Assets (net)	1,950,311	1,950,311	1,950,311	-	-	-	1,894
Intangible Assets (net)	25,435	25,435	-	-	-	-	25,435
Investment Property (net)	-	-	-	-	-	-	-
Tax Asset	-	-	-	-	-	-	-
Asset Held For Sale And Assets Of Discontinued Operations (Net)	-	-	-	-	-	-	-
Other Assets	340,747	340,747	354,451	-	-	255,060	-
Total Assets							
Liabilities							
Deposits	14,760,594	14,760,594	-	-	-	13,885,265	-
Derivative Financial Liabilities Held For Trading	-	-	-	-	-	-	-
Funds Borrowed	8,705,818	8,705,818	-	-	-	8,702,606	-
Interbank Money Market	-	-	-	-	-	-	-
Marketable Securities Issued (Net)	-	-	-	-	-	-	-
Funds	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Other External Resources	701,576	701,576	-	-	-	534,629	-
Factoring Payables	-	-	-	-	-	-	-
Leasing Transactions Payables	1,463	1,463	-	-	-	-	-
Derivative Financial Liabilities Held For Hedging	-	-	-	-	-	-	-
Provisions	286,647	286,647	-	-	-	30,262	-
Tax Liability	338,394	338,394	-	-	-	-	-
Liabilities For Assets Held For Resale And Assets Of Discontinued Operations	-	-	-	-	-	-	-
Subordinated Loans	-	-	-	-	-	-	-
Shareholders' Equity	5,352,850	5,352,850	-	-	-	-	-
Total Liabilities	30,147,342	30,147,342				23,152,762	

Main sources of differences between TAS exposure amounts and carrying values in financial statements

	Total	Subject to credit risk framework	Subject to the securitisation framework	Subject to counterparty credit risk framework	Subject to the market risk framework
Asset carrying value amount under scope of TAS	53,315,939	29,691,137	-	-	23,624,802
Liabilities carrying value amount under TAS of consolidation	23,152,762	-	-	-	23,152,762
Total net amount under regulatory scope of consolidation	-	-	-	-	-
Off-balance sheet amounts	53,192,856	29,095,995	-	-	24,096,861
Differences in valuations	-	-	-	-	-
Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
Differences due to consideration of provisions	-	-	-	-	-
Differences due to prudential filters	-	-	-	-	-
Risk amounts	129,661,557	58,787,132			70,874,425

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

General qualitative information on credit risk

The objective of the credit risk management is to maximize the risk-adjusted return of the bank by managing the risks in appropriate parameters that the bank may face. The credit risk management covers all types of credits and transactions and also considers the relationship of the credit risks with other risk types.

The widest and most visible sources of the credit risk are the loans extended by the Bank; however, there are also some other factors depending on the activities of the Bank. These stand on both banking books and accounts of on balance sheet and off balance sheet items. From day to day, banks face more credit risks not related to loans; for example different financial instruments like interbank transactions, acceptances, trade finance, foreign exchange transactions, swap transactions, bonds, options, futures, guarantees and commitments.

Effective applications related to the credit risk management cover especially the following fields;

- Clear definition of the responsibilities in credit risk management process,
- Effective functioning of the lending policy,
- Understanding the basic characteristics of credit risk,
- Making all related personnel aware of the credit risk management policies,
- Keeping appropriate credit risk measurement, review and follow-up functions,
- Setting limits for credit risk, periodically reviewing the limits and effectively controlling the risk-limit position,
- Analyzing the risk structure of a new instrument before using it,
- Having sufficient management reporting system,
- Providing sufficient audit and control function on credit risk,
- Separating credit utilization and marketing function,
- Evaluating credit risk on solo and consolidated basis.

Beside the standard credit risk in credit activities, also the risks related to the economic conditions in the country of the borrower should be considered.

Effective loan extension is based on the determination of a reliable and well-defined lending criterion. For the effective credit risk management, it is essential to have sufficient information that will enable the detailed evaluation of the real risk profile of the credit applicant.

The Bank’s credit risk amount is calculated by standard approach.

Credit quality of assets

	Gross Carrying Values of TAS according to Consolidated Financial Statements		Allowances / impairments	Net Values
	Defaulted exposures	Non-defaulted exposures		
1 Loans	4,816	22,231,978	89,757	22,147,037
2 Debt Securities	-	1,271,862	-	1,271,862
3 Of which defaulted	-	22,526,214	43,466	22,482,748
4 Total	4,816	46,030,054	133,223	45,901,647

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

Changes in stock of defaulted loans and debt securities

1	Defaulted loans and debt securities at end of the previous reporting period	1,956
	Loans and debt securities that have defaulted since the last reporting period	44,922
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	(42,062)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	4,816

Additional disclosure related to the credit quality of assets

None.

Qualitative requirements for public disclosure regarding credit risk mitigation techniques

Financial guarantees are used as a Credit Risk Mitigation Technique that affects the Bank's Credit Risk Amount. Financial collaterals consist of deposits that are blocked against risk.

Credit risk mitigation techniques – overview

	Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1 Loans	44,758,192	-	-	1,829,341	1,760,776	-	-
2 Debt Securities	1,271,862	-	-	-	-	-	-
3 Total	46,030,054	-	-	1,829,341	1,760,776	-	-
4 Of which defaulted	4,816	-	-	-	-	-	-

Qualitative disclosures regarding ratings which the Group uses in the calculation of credit risk by standard approach.

The Parent Bank credit risk of the counterparty when calculating the standard approach to Türkiye built Banks and Agent for the risks of the Corporation Islamic International Rating Agency of the country of its rating, while for those that are built outside of Türkiye the bank's Islamic International Rating Agency rating of about if any; if not, the country of residence uses the OECD rating. Counterparty Türkiye Central Government and / or the risks that the Central Bank uses the Islamic International Rating Agency notes Türkiye.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

Operational Risk

Standardised Approach – Credit risk exposure and credit risk mitigation effects

Risk Classes	Exposure amount before credit conversion factor and credit risk mitigation		Exposure amount after credit conversion factor and credit risk mitigation		Risk-weighted amount and risk-weighted amount density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk-weighted amount	Risk-weighted amount density
1 Claims on central governments or central banks	4,932,336	-	4,932,336	-	-	0%
2 Claims on regional governments or local authorities	-	-	-	-	-	-
3 Claims on administrative bodies and non-commercial undertakings	-	-	-	-	-	-
4 Claims on multilateral development banks	-	-	-	-	-	-
5 Claims on international organisations	-	-	-	-	-	-
6 Claims on banks and brokerage houses	6,118,379	12,580,126	6,118,379	8,613,418	6,451,883	44%
7 Corporate claims	9,802,470	4,636,749	9,802,470	3,269,571	13,072,041	100%
8 Retail claims	9,635	161	9,634	39	7,255	75%
9 Claims secured by residential real estate mortgages	-	-	-	-	-	-
10 Claims secured by commercial real estate mortgages	-	-	-	-	-	-
11 Past due claims	2,357	-	2,357	-	2,047	87%
12 High-risk claims as determined by the Board	279,551	5,285,991	279,551	3,369,624	5,473,762	150%
13 Covered bonds	-	-	-	-	-	-
14 Short-term claims on banks and brokerage houses and short-term corporate claims	-	-	-	-	-	-
15 Investments in collective investment undertakings	-	-	-	-	-	-
16 Other claims	2,356,356	-	2,356,354	-	2,221,160	94%
17 Equity investments	-	-	-	-	-	-
18 Total	23,501,083	22,503,028	23,501,080	15,252,653	27,228,148	70%

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

	Risk Classes / Risk Weight	%0	%10	%20	%35	%50	%75	%100	%150	%200	Others	Total exposure amount (CCF and CRM)
1	Claims on central governments or central banks	4,932,336	-	-	-	-	-	-	-	-	-	4,932,336
2	Claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-
3	Claims on administrative bodies and non-commercial undertakings	-	-	-	-	-	-	-	-	-	-	-
4	Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
5	Claims on international organisations	-	-	-	-	-	-	-	-	-	-	-
6	Claims on banks and brokerage houses	-	-	4,357,204	-	9,588,301	-	786,291	-	-	-	14,731,796
7	Corporate claims	-	-	-	-	-	-	13,072,041	-	-	-	13,072,041
8	Retail claims	-	-	-	-	-	9,673	-	-	-	-	9,673
9	Claims secured by residential real estate mortgages	-	-	-	-	-	-	-	-	-	-	-
10	Claims secured by commercial real estate mortgages	-	-	-	-	-	-	-	-	-	-	-
11	Past due claims	-	-	-	-	22	-	2,036	-	-	-	2,058
12	High-risk claims as determined by the Board	-	-	-	-	-	-	-	3,649,175	-	-	3,649,175
13	Covered bonds	-	-	-	-	-	-	-	-	-	-	-
14	Short-term claims on banks and brokerage houses and short-term corporate claims	-	-	-	-	-	-	-	-	-	-	-
15	Investments in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-
16	Other claims	-	-	-	-	-	-	-	-	-	-	-
17	Equity investments	135,494	-	-	-	-	-	2,221,160	-	-	-	2,356,654
18	Total	5,067,830	-	4,357,204	-	9,588,323	9,673	16,081,528	3,649,175	-	-	38,753,733

Qualitative disclosures related to IRB models

None.

IRB - Credit risk exposures by portfolio and PD range

None.

IRB – Effect on RWA of credit derivatives used as CRM techniques

None.

RWA flow statements of credit risk exposures under IRB

None.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

IRB – Backtesting of probability of default (PD) per portfolio

None.

IRB (specialised lending and equities under the simple risk weight method)

None.

Qualitative disclosure related to counterparty credit risk

This risk arises when a counterparty fails to fulfill its obligations. This is due to the refusal or inability of the counterparty to fulfill its obligations due to adverse price movements or unforeseen external conditions.

Counterparty Credit Risk is an important risk that causes credit risk for banks that perform money and capital market transactions. These transactions are listed below.

- Derivative Financial Instruments,
- Repo Transactions,
- Securities or Commodity Lending Transactions,
- Trades with Long Settlement Period,
- Overdraft Securities Transactions

Some of the characteristics of the CRR and credit risk are given below in comparison.

- Credit risk is one-way; only the lender is exposed to risk. ERR is two-way and both parties may suffer losses depending on the market value of the transaction.
- In credit risk, the amount of risk for the lender is always positive. In ERR, the value of the position created by the transaction can be positive or negative. Whichever party has a positive value of the position until maturity is the party exposed to risk.
- In any loan transaction, the loan principal is lent and collected at maturity along with interest. In transactions subject to ERR, it is possible to net mutual receivables and pay the remaining balance depending on the agreement to be made.

In credit risk, the amount of risk exposure is easily measurable, whereas in ERR, this amount is determined by the value of the asset subject to the transaction, the value of the collateral and market factors.

The Parent Bank uses the standard method for the calculation of counterparty credit risk amount.

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

Standardised approach – CCR exposures by regulatory portfolio and risk weights

Counterparty Credit Risk (CCR) approach analysis

None.

Credit valuation adjustment (CVA) capital charge

None.

IRB – CCR exposures by portfolio and PD scale

None.

Composition of collateral for CCR exposure

None.

Credit derivatives exposures

None.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

RWA flow statements of CCR exposures under Internal Model Method (IMM)

None.

Quantitative disclosure - description of a bank’s securitisation exposures

None.

Securitisation exposures in the banking book

None.

Securitisation exposures in the trading book

None.

Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor

None.

Securitisation exposures in the banking book and associated capital requirements – bank acting as investor

None .

Qualitative information on market risk for public disclosure

The objective of market risk management is to maximize the Parent Bank's risk-related returns by effectively managing market risk using parameters appropriate to the size of the Parent Bank.

Market risk management consists of interest rate risk, currency risk, liquidity risk and counterparty credit risk arising from trading accounts and takes into account the relationship between these risks and other risks. Since the Parent Bank does not have a commodity and equity portfolio, it is not exposed to commodity risk and equity position risk.

The market risk management of the Bank is based on below mentioned principles.

- Clear definition of the responsibilities in market risk management process,
- Effective determination, functioning and monitoring of the treasury policy,
- Having standards for valuing positions and measuring performance,
- Understanding the basic characteristics of the risks in market risk category,
- Making all related personnel aware of the market risk management policies,
- Keeping appropriate market risk measurement, review and follow-up functions,
- Setting limits for market risk, periodically reviewing the limits and effectively monitoring the risk-limit position,
- Analyzing the risk structure of a new instrument before using it,
- Having contingency planning for crisis situations,
- Having effective management reporting system,
- Providing strong audit and control function on market risk,
- Separating Treasury Front Office and Treasury Back Office function,
- Evaluating market risk on solo and consolidated basis.
- Sound market risk management involves the application of four basic elements in the management of assets, liabilities and off-balance-sheet instruments:
 - Appropriate board and high-level management oversight;
 - Adequate risk management policies and procedures;
 - Appropriate risk measurement, monitoring and control functions; and
 - Comprehensive internal controls and independent audits.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

Qualitative requirements for public disclosure regarding market risk (Continued)

The specific manner in which a bank applies these elements in managing its market risk will depend upon the complexity and nature of its holdings and activities as well as on the level of market risk exposure.

The market risk is managed in the Bank on portfolio level. In order to control the market risk exposure, the limits are used.

It is believed that having sufficient and correct information on a right time in a well-designed format is important for effective market risk management. The Board of Directors, High Level Management and ALCO should receive sufficient information on time to make decision about the treasury strategy of the Bank.

The Risk Management Department reviews the market risk level of the Bank periodically.

The market risk structure of the Bank and the harmony of the operations with the approved policies and limits are monitored and controlled by the internal audit and internal control functions of the Bank.

For the effective management of market risks, it is important to understand the basic characteristics of interest rate, foreign exchange and liquidity risks.

The Bank’s market risk amount is calculated by standard approach.

Qualitative disclosures for banks using the Internal Models Approach (IMA)

None.

Market risk under standardised approach

	RWA	RWA
Outright products		
1 Interest rate risk (general and specific)	138,675	695,088
2 Equity risk (general and specific)	-	-
3 Foreign exchange risk	180,325	155,850
4 Commodity risk	-	-
Options		
5 Simplified approach	-	-
6 Delta-plus method	-	-
7 Scenario approach	-	-
8 Securitisation	-	-
9 Total	319,000	850,938

RWA flow statements of market risk exposures under an IMA

None.

IMA values for trading portfolios

None.

Comparison of VaR estimates with gains/losses

None.

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

X. INFORMATION ON RISK MANAGEMENT (Continued)

Disclosures on Operational Risk

At the Parent Bank, the amount subject to operational risk is calculated once a year using the Basic Indicator Approach in accordance with Article 24 of the Regulation on the Measurement and Assessment of Capital Adequacy of Banks. As of 31 December 2025, the amount subject to operational risk is TL 1,703,763 (31.12.2024: TL 1,211,788), and information regarding the calculation is presented below.

Current Period	2 PY Amount	1 PY Amount	CP Amount	Total/Number of Years with Positive GI	Rate (%)	Total
Gross Income	672,915	810,616	1,242,480	908,670	15	136,301
Amount Subject to Operational Risk (Total*12.5)						1,703,763

Prior Period	2 PY Amount	1 PY Amount	CP Amount	Total/Number of Years with Positive GI	Rate (%)	Total
Gross Income	455,334	672,915	810,616	646,288	15	96,943
Amount Subject to Operational Risk (Total*12.5)						1,211,788

Disclosures to be made to the public regarding interest rate risk arising from banking book activities

The interest rate sensitivity of on-balance sheet and off-balance sheet assets and liabilities is regularly assessed at the Asset-Liability Committee meetings, taking into account developments in the market.

The standard ratio for interest rate risk arising from banking book activities is calculated by dividing the risk-weighted amount of the change in economic value by Tier 1 capital. In the calculation of the change in economic value, all interest-rate-sensitive on-balance sheet assets recorded in the banking book other than assets deducted from Common Equity Tier 1 capital, tangible fixed assets, intangible assets and equity investments, all on-balance sheet liabilities other than Common Equity Tier 1 capital, and all future cash flows arising from off-balance sheet items are taken into consideration.

INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)**X. INFORMATION ON RISK MANAGEMENT (Continued)****Disclosures Related to Operational Risk**

Interest rate risk arising from banking book activities is measured monthly, in accordance with the “Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Book Activities Using the Standardised Approach” published in the Official Gazette dated 12 May 2025 and numbered 32898, and the ratios based on this measurement are reported to the Asset-Liability Committee, the Audit Committee and the Board of Directors. Capital is maintained at a level commensurate with the interest rate risk arising from banking book activities.

Interest rate risk related to interest-sensitive financial instruments included in the trading portfolio is assessed within the scope of market risk.

In the regulation aligned with Basel standards, the risk-weighted amount of the change in economic value that would generate the highest loss for the Bank is calculated by considering 6 interest rate shock scenarios. Cash flows are discounted using risk-free yield curves determined by the institution.

In the measurement of the Change in Economic Value (CEV), cash flows generated based on the repricing dates of interest-sensitive on-balance sheet items in the banking book, including margins, are taken into consideration. For the parallel, short and long shocks, economic value changes are calculated for 6 scenarios constructed using shocks of 400 basis points, 500 basis points and 300 basis points for TL, 200 basis points, 300 basis points and 225 basis points for USD and other foreign currencies, and 225 basis points, 350 basis points and 200 basis points for EUR.

In the calculation made as of 31 December 2025, the highest change in economic value for the total portfolio arises under the “Parallel Upward” interest rate shock scenario, and the CEV is calculated as TL 168,331 thousand. Accordingly, the Standard Ratio for Interest Rate Risk Arising from Banking Book Activities (IRRBB Standard Ratio) is calculated as 3.23%.

Current Period	EDD
Parallel Upward	168.331
Parallel Downward	(169.278)
Steeper	(68.198)
Flattener	106.566
Short-term Upward	167.040
Short-term Downward	(164.211)
Maximum	168.331
Period	Current Period
Tier 1 Capital	5.204.133

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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INFORMATION ON THE FINANCIAL POSITION OF THE GROUP (Continued)

XI. INFORMATION ON CONSOLIDATED OPERATING SEGMENTS

The operating segments of the Parent Bank are determined in accordance with the organizational and internal reporting structure and TFRS 8 “Operating Segments”.

The Parent Bank operates in the areas of retail banking, Corporate and Commercial Banking, treasury and Leasing.

Information on operational segments on 31 December 2025 and 31 December 2024 are presented in the table below:

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Leasing	Other	Total Operations of the Group
Interest Income (Net)	(10,747)	1,531,423	177,308	174,854	-	1,872,838
Commission Income (Net)	-	386,635	-	10,420	-	397,055
Unallocated	-	(1,298,807)	-	(120,343)	-	(1,419,150)
Income/Expenses (Net)	-	-	-	-	420	420
<i>Income from Subsidiaries</i>	-	-	-	-	-	-
<i>Dividend Income</i>	-	-	-	-	420	420
<i>Other Dividend Income</i>	-	-	-	-	-	-
Operating Income	(10,747)	619,251	177,308	64,931	420	851,163
<i>Income before tax</i>	-	-	-	-	851,163	851,163
<i>Tax Provision</i>	-	-	-	-	(269,998)	(269,998)
Net Profit for the period	-	-	-	-	581,165	581,165

Current Period	Retail Banking	Corporate and Commercial Banking	Treasury	Leasing	Other	Total Operations of the Group
Segment Assets	9,626	1,667,622	23,789,013	2,413,869	-	27,880,130
Unallocated assets	-	-	-	-	2,267,212	2,267,212
Total Assets	9,626	1,667,622	23,789,013	2,413,869	2,267,212	30,147,342
Segment Liabilities	3,683,624	6,688,308	11,266,327	1,899,870	-	23,538,129
Unallocated Liabilities	-	-	-	-	1,256,363	1,256,363
Equity	-	-	-	-	5,352,850	5,352,850
Total Liabilities	3,683,624	6,688,308	11,266,327	1,899,870	6,609,213	30,147,342

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Leasing	Other	Total Operations of the Group
Interest Income (Net)	(16,008)	730,286	99,655	108,793	-	922,726
Commission Income (Net)	-	238,226	-	7,666	-	245,892
Unallocated	-	-	-	(86,372)	(830,593)	(916,965)
Income/Expenses (Net)	-	-	-	-	206	206
<i>Income from Subsidiaries</i>	-	-	-	-	-	-
<i>Dividend Income</i>	-	-	-	-	-	-
<i>Other Dividend Income</i>	-	-	-	-	206	206
Operating Income	(16,008)	968,512	99,655	30,087	(830,387)	251,859
<i>Income before tax</i>	-	-	-	-	251,859	251,859
<i>Tax Provision</i>	-	-	-	-	(53,305)	(53,305)
Net Profit for the period	-	-	-	-	198,554	198,554

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Leasing	Other	Total Operations of the Group
Segment Assets	1,630	3,170,932	10,923,399	1,716,305	-	15,812,266
Unallocated assets	-	-	-	-	4,243,287	4,243,287
Total Assets	1,630	3,170,932	10,923,399	1,716,305	4,243,287	20,055,553
Segment Liabilities	2,910,062	4,385,114	7,993,332	1,394,671	-	16,683,179
Unallocated Liabilities	-	-	-	-	675,794	675,794
Equity	-	-	-	-	2,696,580	2,696,580
Total Liabilities	2,910,062	4,385,114	7,993,332	1,394,671	3,372,374	20,055,553

SECTION FIVE

INFORMATION ON DISCLOSURES AND FOOTNOTES OF
CONSOLIDATED FINANCIAL STATEMENTS

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS

1. Information on cash equivalents and Central Bank of Türkiye

Information on cash equivalents

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Effective	1,600	179,903	1,489	134,010
Central Bank of Türkiye	23,748	5,254,049	8,985	3,988,794
Other	-	-	-	-
Total	25,348	5,433,952	10,474	4,122,804

Information related to the account of Central Bank of Türkiye

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits ⁽¹⁾	23,748	-	8,985	-
Unrestricted Time Deposits	-	2,016,341	-	1,494,349
Restricted Time Deposits	-	-	-	-
Reserve Deposits	-	3,237,708	-	2,494,445
Total	23,748	5,254,049	8,985	3,988,794

⁽¹⁾ General reserve amount requirements maintained at CBRT.

Information on Reserve Deposits

Banks established in Türkiye or operating in Türkiye through branches are subject to the Communiqué of the Central Bank of the Republic of Türkiye No. 2013/15 on Required Reserves. Based on the accounting standards and recording principles applicable to banks, the items specified in the communiqué, excluding liabilities to the Central Bank of the Republic of Türkiye, the Treasury, domestic banks and the Turkish headquarters and branches of banks established under international agreements, constitute their liabilities subject to required reserves.

Banks maintain required reserves with the Central Bank of the Republic of Türkiye for their Turkish Lira and foreign currency liabilities specified in the aforementioned communiqué. The maintenance period for required reserves starts on the Friday of the second week following the liability calculation date and lasts for 14 days. In accordance with the Communiqué on Required Reserves, required reserves may be held at the Central Bank of the Republic of Türkiye in Turkish Lira, USD, EUR and standard gold. Required reserve ratios vary depending on the maturity structure of liabilities and are applied in the range of 3%–17% for TL deposits and other liabilities, 22%–32% for FC deposits and precious metal deposit accounts, and 5%–32% for other FC liabilities. In addition, an additional required reserve in TL at a rate of 2.5% is maintained for foreign-currency-denominated deposits (excluding foreign bank deposits and precious metal accounts).

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

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

Information on transaction of repo and collateral/blocked financial assets (Net)

As of 31 December 2025, the Bank does not have any financial assets at fair value through other comprehensive income that are subject to repo transactions.

In the current period, the Parent Company does not have any securities given as collateral/blocked as assets at fair value through other comprehensive income (December 31, 2024: None).

Information on financial assets at fair value through other comprehensive income

	Current Period	Prior Period
Debt Securities	600,289	1,141,112
Quoted in stock exchange	600,289	1,141,112
Not quoted in stock exchange	-	-
Share Certificates	2,992	2,394
Quoted in stock Exchange	-	-
Not quoted in stock Exchange	2,992	2,394
Impairment provision (-)	155,815	220,449
Total	447,466	923,057

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

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	1,544,641	-	333,214
Corporate Shareholders	-	1,544,641	-	333,214
Individual Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to the Bank’s personnel	9,626	-	1,630	-
Total	9,626	1,544,641	1,630	333,214

Information about the first and second group loans and other receivables including loans that have been restructured or rescheduled

	Standard Loans	Loans Under Close Monitoring		
		Not Under the Scope of Restructuring or Rescheduling	Restructured or Rescheduled	
Cash Loans			Loans with revised contract terms	Refinancing
Non-Specialized Loans	12,443,816	439,818	-	-
Commercial Loans	-	-	-	-
Export Loans	2,964,418	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	1,872,169	-	-	-
Consumer Loans	9,244	382	-	-
Credit Cards	-	-	-	-
Other	7,597,985	439,436	-	-
Specialized Lending	-	-	-	-
Other Receivables	-	-	-	-
Total	12,443,816	439,818	-	-

(1) Includes spot loans.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

5. Information on financial assets at fair value through other comprehensive income (Continued)

Current Period

	Standard Loan ⁽¹⁾	Loans Under Close Monitoring ⁽¹⁾
12-Month expected credit losses	60,393	-
Significant increase in credit risk	-	36,500

Prior Period

	Standard Loan ⁽¹⁾	Loans Under Close Monitoring ⁽¹⁾
12-Month expected credit losses	20,031	-
Significant increase in credit risk	-	18,029

Cash Loans	Loans Under Close Monitoring	
	Standard Loans	Restructured
Short Term Loans	9,388,561	382
Medium and Long Term Loans	3,058,963	439,436
Total	12,447,524	439,818

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

Information on consumer loans, credit cards and loans given to employees

	Short Term	Middle and Long Term	Total
Consumer Loans-TL	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer Loans-Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer Loans-Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Individual Credit Cards-FC	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Personnel Loans- TL	4,686	4,940	9,626
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	4,686	4,940	9,626
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Personnel Credit Cards-FC	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
Deposits with Credit Limit-TL (Individual)	-	-	-
Deposits with Credit Limit-FC (Individual)	-	-	-
Total	4,686	4,940	9,626

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

5. Information on Loans (Continued)

Distribution of Loans by Type of Borrower

	Current Period	Prior Period
Public	-	-
Private	12,888,450	5,830,875
Total	12,888,450	5,830,875

Information on installment commercial loans and corporate credit cards

	Short-term	Medium and long-term	Total
Installment Commercial Loans – TL	79,628	23,418	103,046
Workplace Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	79,628	23,418	103,046
Other	-	-	-
Installment Commercial Loans – FX Indexed	-	-	-
Workplace Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Installment Commercial Loans – Foreign	-	301,255	301,255
Workplace Loans	-	-	-
Vehicle Loans	-	-	-
Consumer Loans	-	301,255	301,255
Other	-	-	-
Corporate Credit Cards – TL	-	-	-
Installment	-	-	-
Non-installment	-	-	-
Corporate Credit Cards – Foreign Currency	-	-	-
Installment	-	-	-
Non-installment	-	-	-
Overdraft Accounts – TL (Legal Entities)	-	-	-
Overdraft Accounts – Foreign Currency (Legal)	-	-	-
Total	79,628	324,673	404,301

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

5. Information on Loans (continued)

Information on installment commercial loans and commercial credit cards

Allocation of domestic and foreign loans

	Current Period	Prior Period
Domestic loans	12,512,521	5,503,434
Foreign loans	375,929	327,441
Total	12,888,450	5,830,875

Loans to subsidiaries and associates

	Current Period	Prior Period
Direct loans to subsidiaries and associates	11,712	34,758
Indirect Loans Granted to Subsidiaries and Associates	-	-
Total	11,712	34,758

Specific provisions for loans⁽¹⁾

Specific provisions	Current Period	Prior Period
Loans and receivables with limited collectibles	-	-
Loans and receivables with doubtful collectibles	-	-
Uncollectible loans and receivables	2,759	1,899
Total	2,759	1,899

(1) Includes Financial lease receivables.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

6. Information on Loans (Continued)

Information related to non-performing loans (Net)

Information on loans and other receivables that are restructured by the bank from non-performing loans or linked to a new amortization schedule

None.

Information on movement of total non-performing loans

Current Period

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibles	Loans and receivables with doubtful collectibles	Uncollectible loans and receivables
Balances at Beginning of Period	-	-	1,956
Additions (+)	-	-	44,922
Transfers from other categories of nonperforming loans (+)	-	-	-
Transfers to other categories of nonperforming loans (-)	-	-	-
Collections (-)	-	-	42,062
Write-offs (-)	-	-	-
Institutional and commercial credits	-	-	-
Individual credits	-	-	-
Credit cards	-	-	-
Others	-	-	-
Balances at End of the Period	-	-	4,816
Specific provisions (-)	-	-	2,759
Net Balance on Balance Sheet	-	-	2,057

Prior Period

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibles	Loans and receivables with doubtful collectibles	Uncollectible loans and receivables
Balances at Beginning of Period	-	-	3,451
Additions (+)	-	-	505
Transfers from other categories of nonperforming loans (+)	-	-	-
Transfers to other categories of nonperforming loans (-)	-	-	1,805
Collections (-)	-	-	194
Write-offs (-)	-	-	-
Institutional and commercial credits	-	-	-
Individual credits	-	-	-
Credit cards	-	-	-
Others	-	-	-
Balances at End of the Period	-	-	1,957
Specific provisions (-)	-	-	1,899
Net Balance on Balance Sheet	-	-	58

(1) Includes Financial lease receivables.

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

6. Information on Loans (Continued)

Information on foreign currency non-performing loans

None (December 31, 2024: None).

Information on gross and net loans under follow-up according to the borrowers

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Non-performing loans and receivables
Current Period (Net)	-	-	2,057
Loans granted to real persons and legal entities (Gross)	-	-	4,816
Specific provisions (-)	-	-	2,759
Loans granted to real persons and legal entities (Net)	-	-	2,057
Banks (Gross) ⁽¹⁾	-	-	-
Specific provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-
Prior Period (Net)	-	-	58
Loans granted to real persons and legal entities (Gross)	-	-	1,957
Specific provisions (-)	-	-	1,899
Loans granted to real persons and legal entities (Net)	-	-	58
Banks (Gross) ⁽¹⁾	-	-	-
Specific provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and receivables (Gross) ⁽²⁾	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS
(Continued)**

6. Information on Loans (Continued)

Information on accruals, valuation differences and related provisions calculated for non-performing loans for Banks which are providing expected credit loss according to TFRS 9

None.

Collection policy on loans determined as loss and other receivables

Loans determined as loans and other receivables are collected via legal follow-up and conversion of guarantees to cash.

Information on write-off policy

The Group is in the effort to provide collections from loans under legal follow-up under the leadership of Corporate and Commercial Credits Monitor and Follow-up Department and Legal and Legislation Services Department and other related departments. However the absence of reasonable collection ability in any condition and manner regarding the recovery of the mentioned loans, determined as loss in which the bank monitors by allocate 100% provision under 5th group (3rd group in TFRS) in accordance with TFRS 9 and the “Regulation on Procedures and Principles Concerning Classification of Loans and Provision” are written-off by presenting to Board of Directors’ approval upon gathering the opinion of Legal and Legislation Services Department and by obtaining approvals from Corporate and Commercial Credits Monitor and Follow-up Department.

The write-off of the uncollectible receivables is an accounting policy, it does not result in the right to waive.

The Group does not have any receivables written off during the period in accordance with TFRS 9 (December 31, 2024: None).

Expected credit loss for loans

Information on Expected Credit Loss

Current Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	16,885	16,325	1,108	34,318
Additions during the Period	54,622	16,214	7,324	78,160
Disposal	(15,370)	(27)	(7,324)	(22,721)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Balances at End of Period	56,137	32,512	1,108	89,757
Prior Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	11,788	15	2,913	14,716
Additions during the Period	15,565	16,325	-	31,890
Disposal	(10,468)	(15)	(1,805)	(12,288)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Balances at End of Period	16,885	16,325	1,108	34,318

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

6. Information on Loans (Continued)

Information on Expected Loss provisions for Receivables from leasing transactions

Current Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	3,146	1,705	791	5,642
Additions during the Period	2,846	3,730	830	7,406
Disposal	(1,605)	(1,548)	-	(3,153)
Transfer to Stage1	57	(57)	-	-
Transfer to Stage 2	(158)	158	-	-
Transfer to Stage 3	(30)	-	30	-
Write-offs	-	-	-	-
Balances at End of Period	4,256	3,988	1,651	9,895
Prior Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	3,012	2,621	332	5,965
Additions during the Period	2,038	1,610	504	4,152
Disposal	(2,188)	(2,242)	(45)	(4,475)
Transfer to Stage1	284	(284)	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Balances at End of Period	3,146	1,705	791	5,642

4. Information on financial assets measured at amortised cost

Information on transaction of repo and collateral/blocked financial assets (Net)

The Bank has no financial assets at amortized cost subject to repurchase agreements in the current period (December 31, 2024: None).

The Bank has no securities given as collateral/blocked as collateral from financial assets measured at amortized cost in the current period (December 31, 2024: None).

Information on government financial assets measured at amortised cost

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	140,927	1,242,830	44,086	2,892,450
Treasury Bonds	-	-	-	-
Other Public Bonds	-	293,491	-	236,026
Total	140,927	1,536,321	44,086	3,128,476

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

7. Information on financial assets measured at amortised cost (Continued)

	Current Period	Prior Period
Debt Instruments	1,677,248	3,172,562
Quoted at stock exchange	1,677,248	3,172,562
Not-quoted at stock exchange	-	-
Impairment loss provision (-)	-	-
Total	1,677,248	3,172,562

Movement of financial assets measured at amortised cost

	Current Period	Prior Period
Balances at the Beginning of the Period	3,172,562	3,386,775
Foreign Currency Gains / Losses on Monetary assets	603,322	571,777
Purchases during the Period	125,292	-
Disposals through sales and redemptions	(2,223,928)	(785,990)
Impairment loss provision	-	-
Period end balance	1,677,248	3,172,562

Information on Expected Credit Loss

Current Period	Stage 1	Stage 2	Stage 3	Total
Balance at Beginning of Prior Period	2,091	-	-	2,091
Additions during the Period	67	-	-	67
Disposals	(840)	-	-	(840)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Balance at End of Period	1,318	-	-	1,318
Prior Period	Stage 1	Stage 2	Stage 3	Total
Balance at Beginning of Prior Period	4,253	-	-	4,253
Additions during the Period	20	-	-	20
Disposals	(2,182)	-	-	(2,182)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Balance at End of Period	2,091	-	-	2,091

8 Information on associates

The Group does not have an associate.

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

9 Information on subsidiaries (Net)

Information on subsidiaries including consolidation

A&T Finansal Kiralama A.Ş.

Information on Shareholder’s Equity

	Current Period	Prior Period
CORE CAPITAL		
Paid in Capital	190,000	161,500
Capital Reserves	228	228
Legal Reserves	10,216	8,998
Extraordinary Reserves – Legal Reserve per General Legislation	1	1
Profit / Loss	55,093	36,954
<i>Net Profit</i>	47,987	24,494
<i>Prior Period Profit/Loss</i>	7,106	12,460
Intangible Assets (-)	3,614	4,945
Total Core Capital	251,924	202,736
SUPPLEMENTARY CAPITAL	-	-
CAPITAL	251,924	202,736
DEDUCTION FROM CAPITAL	-	-
NET AVAILABLE CAPITAL ⁽¹⁾	251,924	202,736

(1) There is no restriction on shareholders’ equity of subsidiary. After deduction from the capital, the total net available equity is TL 251,924.

There is no internal capital adequacy assessment approach for the subsidiary. There is no additional requirements in terms of the capital of the subsidiary.

Summary information on basic features of equity items

Paid-in capital is the capital amount stated in Turkish Lira in the articles of association and registered in the trade registry. Inflation adjustment to paid-in capital is the inflation adjustment to shareholders' equity. Extraordinary reserves are the reserves appropriated in accordance with the resolution of the general shareholders' meeting after the legal reserves are allocated from the profit after tax. Legal Reserves: The legal reserves are appropriated out of the annual profit in accordance with the first paragraph of Article 519 and the third subparagraph of the second paragraph, Article 521 of the Turkish Commercial Code No. 6102 and the Articles of Association.

Information about the consolidated financial statements of the subsidiaries

Total Assets	Shareholders Equity	Total Fixed Assets	Interest Income	Income from marketable securities portfolio	Current Period Profit / Loss	Prior Period Profit / Loss	Fair Value ⁽¹⁾
2,413,869	315,215	92,304	270,599	-	47,987	7,106	-

Description	Address (City/Country)	Bank’s share percentage-If different voting percentage (%)	Bank’s risk group share percentage (%)
1 A&T Finansal Kiralama A.Ş.	İstanbul	99,98	99,98

(1) As of the current period, there is no fair value measurement for the relevant subsidiary. The subsidiary’s financial information has been audited

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS
(Continued)

9 Information on subsidiaries (Net) (Continued)

Movement related to subsidiaries

	Current Period	Prior Period
Balance at the Beginning of the Period	161,695	153,696
Movements during the Period	28,532	7,999
Purchases	-	-
Bonus Shares Received	28,532	7,999
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase, Effect of Inflation and F/X Difference	-	-
Impairment Provision	-	-
Balance at the End of the Period	190,227	161,695
Capital Commitments	-	-
Share Percentage at the end of Period (%)	99.98	99.98

Valuation of investments in subsidiaries

The method used in accounting treatment of subsidiaries in consolidated financial statements is explained in Section III.

Sectoral Information on the subsidiaries

Subsidiaries	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	190,227	161,695
Finance Companies	-	-
Other Affiliates	-	-

Quoted Subsidiaries

The Parent Bank does not have a subsidiary that is quoted.

Subsidiaries sold and acquired in the current year

None.

10. Information on joint ventures

The Parent Bank has no joint ventures.

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

11. Information on Financial Lease Receivables (Net)

	Current Period	Prior Period
Gross Financial Lease Investment	1,931,794	1,633,359
Earned Financial Lease Income (-)	233,496	197,432
Cancelled Leasing Amounts	-	-
Net Investment on Leases	1,698,298	1,435,927

	Current Period	Prior Period
Stage 1	1,296,517	1,170,227
Stage 2	398,072	264,851
Stage 3	3,709	849
Total	1,698,298	1,435,927

Maturity analysis of financial lease receivables

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	1,140,010	988,006	967,911	835,254
Between 1-4 years	791,784	710,292	665,448	600,673
Over 4 years	-	-	-	-
Total	1,931,794	1,698,298	1,633,359	1,435,927

12. Information on financial derivatives for hedging

The Bank has no financial derivatives for hedging.

13. Information on tangible assets

Current Period	Real Estate	Leased Tangible Assets	Vehicles	Other Tangible Assets	Total
Balance at the End of the Prior Period- 31 December 2024					
Cost	1,419,066	14,082	5,408	54,510	1,493,066
Accumulated Depreciation (-)	(584)	(3,956)	(2,156)	(44,377)	(51,073)
Net Book Value	1,418,482	10,126	3,252	10,133	1,441,993
Balance at the End of the Current Period -31 December 2025					
Net Book Value at the Beginning of the Current Period	1,419,066	14,082	5,408	54,510	1,493,066
Additions	-	-	68,022	35,687	103,709
Disposals (-)	-	(10,116)	-	(39)	(10,155)
Revaluation Surplus	427,966	-	-	-	427,966
Cost at the End of the Current Period	1,847,032	3,966	73,430	90,158	2,014,586
Accumulated Depreciation (-)	(584)	(3,956)	(2,156)	(44,377)	(51,073)
Depreciation Expense (-)	(852)	-	(2,374)	(9,976)	(13,202)
Depreciation of Disposals (-)	-	-	-	-	-
Accumulated Depreciation at the End of the Current Period (-)	(1,436)	(3,956)	(4,530)	(54,353)	(64,275)
Net Book Value at the End of the Current Period	1,845,596	10	68,900	35,805	1,950,311

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

13. Information on tangible assets (Continued)

Prior Period	Real Estates	Leased Tangible Assets	Vehicles	Other Tangible Assets	Total
Balance at the End of the Prior Period- 31 December 2023					
Cost	963,672	12,636	5,327	51,594	1,033,229
Accumulated Depreciation (-)	(396)	(3,956)	(1,275)	(27,241)	(32,868)
Net Book Value	963,276	8,680	4,052	24,353	1,000,361
Balance at the End of the Current Period -31 December 2024					
Net Book Value at the Beginning of the Current Period	963,672	12,636	5,327	51,594	1,033,229
Additions	-	1,446	81	3,030	4,557
Disposals (-)	-	-	-	(114)	(114)
Revaluation Surplus	455,394	-	-	-	455,394
Cost at the End of the Current Period	1,419,066	14,082	5,408	54,510	1,493,066
Accumulated Depreciation (-)	(396)	(3,956)	(1,275)	(27,241)	(32,868)
Depreciation Expense (-)	(188)	-	(881)	(17,050)	(18,119)
Depreciation of Disposals (-)	-	-	-	(86)	(86)
Accumulated Depreciation at the End of the Current Period (-)	(584)	(3,956)	(2,156)	(44,377)	(51,073)
Net Book Value at the End of the Current Period	1,418,482	10,126	3,252	10,133	1,441,993

14. Information on intangible assets

	Current Period	Prior Period
Balance at the End of the Prior Period – 31 December 2024		
Cost	49,935	42,376
Accumulated Depreciation (-)	(33,678)	-26,538
Net Book Value	16,257	15,838
Balance at the End of the Current Period – 31 December 2025		
Net Book Value at the Beginning of the Current Period	49,935	42,376
Additions	19,259	7,559
Disposals (-)	-	0
Impairment(-)	-	0
Cost at the Beginning of the current period	69,194	49,935
Accumulated Depreciation (-)	(33,678)	-26,538
Amortization and amortization expense of disposals(-)	(10,081)	-7,140
Impairment Depreciation(-)	-	0
Accumulated Amortization at end of the current period	(43,759)	-33,678
Net Book Value at end of the current period	25,435	16,257

15. Information on investment property

The Group has no investment property.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED ASSETS (Continued)

16. Information on tax assets

The Group has no current tax assets.

17. Information about fixed assets held for sale

None.

18. Information on other assets

Other assets of the balance sheet have the correct form of TL 446,552 and do not exceed 10% of the general table total, excluding external commitments (31 December 2024: TL 190,346).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES

1. Information on maturity profile of deposits

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and over	Accumulating Deposit Accounts	Total
Saving Deposits	30,769	-	7,937	2,393	6,009	3,003	1,401	-	51,512
	8,725,29								
Foreign Currency Deposits	4	-	197,226	232,458	96,631	496,433	34,645	-	9,782,687
	2,861,11								
Residents in Türkiye	3	-	187,641	68,580	27,989	464,661	6,770	-	3,616,754
	5,864,18								
Residents Abroad	1	-	9,585	163,878	68,642	31,772	27,875	-	6,165,933
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	133,732	-	202,958	-	-	-	-	-	336,690
Other Ins. Deposits	16,550	-	-	-	-	-	-	-	16,550
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
	3,176,56								
Bank Deposits	2	-	642,043	754,542	8	-	-	-	4,573,155
	-								
Central Bank	-	-	-	-	-	-	-	-	-
	-								
Domestic Banks	-	-	470,503	754,542	-	-	-	-	1,225,045
	3,176,56								
Foreign Banks	2	-	171,540	-	8	-	-	-	3,348,110
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
									14,760,59
	12,082,9		1,050,16						4
Total	07	-	4	989,393	102,648	499,436	36,046	-	

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and over	Accumulating Deposit Accounts	Total
Saving Deposits	26,668	-	7,637	13,748	4,755	6,938	5,690	-	65,436
Foreign Currency Deposits	6,438,992	-	977	114,139	498,259	26,829	33,247	-	7,112,443
	2,476,306		977	50,953	389,545	5,288	2,640		2,925,709
Residents in Türkiye	3,962,686		-	63,186	108,714	21,541	30,607		4,186,734
Residents Abroad	-		-	-	-	-	-		-
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	62,426	-	-	161	-	-	-	-	62,587
Other Ins. Deposits	22,233	-	-	-	-	-	-	-	22,233
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	2,431,779	-	70,587	707,066	-	-	-	-	3,209,432
	-								
Central Bank	-	-	-	-	-	-	-	-	-
	-								
Domestic Banks	-	-	-	707,066	-	-	-	-	707,066
	2,431,779		70,587	-	-	-	-		2,502,366
Foreign Banks	-	-	-	-	-	-	-	-	-
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	8,982,098	-	79,201	835,114	503,014	33,767	38,937	-	10,472,131

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

1. Information on maturity profile of deposits (Continued)

Information on savings deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit

In accordance with the "Regulation on the Amendment to the Regulation on Deposits and Participation Funds Subject to Insurance and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 7/08/2022 and numbered 31936, all deposits and participation funds other than those belonging to official institutions, credit institutions and financial institutions in credit institutions have started to be insured. In this context, commercial deposits within the scope of insurance amounting to TL 287,864 are not included in the footnote. (31 December 2024: TL 199,760)

	Covered by Deposit Insurance Fund		Not Covered by Deposit Insurance Fund	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits	28,992	24,974	22,520	40,462
Foreign Currency Saving Deposits	1,321,178	947,591	2,310,934	1,897,035
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
Total	1,350,170	972,565	2,333,454	1,937,497

Saving deposits not covered by deposit insurance

The Bank does not have any branches in foreign and off-shore banking areas. Real persons who are not covered by the Savings Deposit Insurance Fund do not have special current and participation accounts.

The deposits that are covered in foreign branches of the Bank's that headquarters located in abroad

The Parent Bank's headquarter is located in Türkiye.

Amounts not covered by deposit insurance

Individual deposits not covered by deposit insurance

	Current Period	Prior Period
Deposits and Other Accounts held at Foreign Branches	-	-
Deposits and Other Accounts held by Shareholders and their Relatives	-	-
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	17,206	24,601
Deposits and Other Accounts held as Assets subject to the Crime defined in the Article 282 of the Turkish Criminal Code no. 5237 dated 26 September 2004	-	-
Deposits at Depositary Banks established for Off-Shore Banking Activities in Türkiye	-	-
Total	17,206	24,601

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES (Continued)

2. Information on derivative financial liabilities

The group has no financial derivative liabilities. (31 December 2024: 55 TL)

Negative differences on derivative financial liabilities

None.

3. Information on Funds Borrowed

Information on banks and other financial institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
From CBRT	-	-	-	-
From Domestic Banks and Institutions	3,212	337,979	33,505	28,934
From Foreign Banks, Institutions and Funds	-	8,364,627	-	6,079,782
Total	3,212	8,702,606	33,505	6,108,716

Presentation of funds borrowed based on maturity profile

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	3,212	2,096,634	-	2,973,539
Long-Term	-	6,605,972	33,505	3,135,177
Total	3,212	8,702,606	33,505	6,108,716

Additional explanation related to the concentrations of the Bank’s major liabilities on the basis of concentrations, fund providing customers, sector groups and other criteria where risk concentration is observed

Group's liabilities come from 50% of deposits. (31 December 2024: 52%).

4. Information on other liabilities

Other liabilities in the balance sheet amounts to TL 641,120 and does not exceed 10% of the total balance sheet (31 December 2024: TL 375,376).

5. Information on financial lease obligations

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than a year	638	1,463	590	418
Between 1 – 4 years	-	-	4,831	3,676
More than four years	-	-	1,026	855
Total	638	1,463	6,447	4,949

6. Information on liabilities arised from financial derivative transactions for hedging purposes

The Group does not have financial derivative instruments for hedging purposes.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES (Continued)

7. Information on provisions

Reserve for employee termination benefits

The Group accounts for its obligations related to severance pay and vacation rights in accordance with TAS 19 “Employee Benefits”, and has calculated its obligations arising from future severance and notice pay at their net present value and reflected them in the financial statements. As of the current period, employee benefits amounting to TL 110,583 (31 December 2024: TL 79,831) and provisions for severance pay amounting to TL 44,169 (31 December 2024: TL 34,989) have been recognized under the “Provision for Employee Benefits” account in the financial statements.

	Current Period	Prior Period
Prior period ending balance	34,989	33,568
Provision amount provided/reversed during the period	9,239	(2,558)
Actuarial gain/(loss)	(59)	3,979
Total	44,169	34,989

In the case of the other provisions, exceeds the 10% of the total provisions, those accounts and balances.

	Current Period	Prior Period
Provisions for non-cash loans	131,888	88,219
Provisions for law suits	7	8
Other provisions	-	235
Total	131,895	88,462

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

8. Explanations on tax liabilities

Information on current tax liability

As of 31 December 2025, the Bank’s corporate tax payable is TL 140,093 (31 December 2024: TL 72,968)

Information on deferred tax liability

As of the current period, the Group has a deferred tax asset of TL 243,740 calculated over tax deductions and exemptions, and over the differences between the carrying amounts of assets and liabilities in the balance sheet and their tax bases determined in accordance with the tax legislation, which will be taken into account in the calculation of taxable profit/loss in subsequent periods, and a deferred tax liability of TL 442,041. A net deferred tax liability of TL 198,301 has been reflected in the balance sheet after offsetting the deferred tax asset and liability.

The details of deferred tax assets and liabilities are as follows:

	Current Period		Prior Period	
	Accumulated temporary differences	Deferred tax asset/liability	Accumulated temporary differences	Deferred tax asset/liability
Provisions for employee benefits	125,752	37,730	105,820	31,748
Unearned revenues	20,908	6,272	11,799	3,540
Interest rediscounts	152,968	45,890	245,946	73,784
Provisions	202,575	60,772	104,350	31,305
Amortization	256,817	77,045	290,613	87,613
Other	53,442	16,031	26,790	7,607
Deferred tax asset	812,462	243,740	785,318	235,597
Tangible assets revaluation surplus	(1,826,035)	(408,132)	1,398,069	333,095
Interest accruals	93,381	(28,014)	-	-
Other	(19,936)	(5,895)	(30,267)	(9,079)
Deferred tax liability	(1,752,590)	(442,041)	1,367,802	324,016
Deferred tax asset/(liability) (net)		(198,301)		(88,419)

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES (Continued)

8. Explanations on tax liabilities (Continued)

Movement of deferred tax asset and liability:

	Current Period	Prior Period
Opening balance	(88,419)	(77,301)
Deferred tax income/(expense)(Net)	(18,625)	75,445
Deferred tax accounted under shareholder's equity	(91,257)	(86,563)
Net Deferred Tax Asset/(Liability)	(198,301)	(88,419)

	Current Period	Prior Period
Corporate Taxes Payable	88,756	41,118
Banking Insurance Transaction tax (BITT)	10,650	2,771
Taxation on Securities Income	494	287
Value Added Tax Payable	3,388	3,272
Value Added Tax Payable (Limited taxpayer)	184	337
Foreign exchange transaction tax	-	-
Taxation on real estate income	59	38
Other	22,879	14,898
Total	126,410	62,721

(1) TL 17,571 (31 December 2024: 10,392) includes income tax withheld from salaries and other taxes.

Information on premium payables

	Current Period	Prior Period
Social Security Premiums-Employee	4,589	3,388
Social Security Premiums-Employer	8,293	6,289
Bank Pension Fund Premium-Employee	-	-
Bank Pension Fund Premium-Employer	-	-
Pension Fund Membership Fee and Provisions-Employee	-	-
Pension Fund Membership Fee and Provisions-Employer	-	-
Unemployment Insurance-Employee	267	190
Unemployment Insurance-Employer	534	380
Others	-	-
Total	13,683	10,247

Information on liabilities of fixed asset held for sale and discontinued operations

The Parent Bank has no liability related to assets held for sale and discontinued operations.

Explanations on the number of subordinated loans the Parent Bank used, maturity, interest rate, institution that loan was borrowed from, and conversation option, if any

The Parent Bank has no subordinated loans.

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES**
(Continued)**9. Information on Shareholders’ Equity***Presentation of Paid-in Capital*

	Current Period	Prior Period
Common Stock	3,221,000	440,000
Preferred Stock	-	-

The decision to increase the share capital to TL 2,580,000 was approved at the Extraordinary General Assembly Meeting of the Parent Bank held on 4 December 2024, and the capital increase together with the related amendment to the relevant article of the Articles of Association was registered on 18 February 2025 and announced in the Trade Registry Gazette dated 18 February 2025 and numbered 11274. Pursuant to the permission obtained from the BRSA, the accounting of the said capital increase was made on 18 February 2025, with TL 1,070,295 from internal resources and TL 1,069,705 in cash. The decision to increase the share capital to TL 3,221,000 in cash was approved at the Extraordinary General Assembly Meeting of the Bank held on 4 March 2025, and the capital increase together with the related amendment to the relevant article of the Articles of Association was registered on 13 May 2025 and announced in the Trade Registry Gazette dated 13 May 2025 and numbered 11330. Pursuant to the permission obtained from the BRSA, the accounting of the said capital increase was made on 13 May 2025 in the amount of TL 641,000 in cash. In accordance with the resolution adopted at the 45th Ordinary General Assembly Meeting held on 25 March 2025, it was decided to distribute dividends in the amount of TL 22,000 from the 2024 profit, and such distribution was made on 25 April 2025.

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

Registered share capital system is not implemented in the Parent Bank.

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

None.

Information on share capital increases from capital reserves

None.

Capital commitments for current financial year and following period, general purpose of these commitments and estimated resources necessary for these commitments

No capital commitments have been made to current financial year and following period.

The impacts of the foresights, which are prospects according to Group’s prior periods income, profitability, and liquidity indicators and uncertainty, to shareholders’ equity

None.

Explanations on dividend distribution

None.

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

II. INFORMATION ON DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

9. Information on Shareholders’ Equity (Continued)

Information on the privileges given to stocks representing the capital

The share capital of the Parent Bank may be increased or decreased one or more times. Capital increase may be made by transferring money to the capital account and issuing new share certificates to the shareholders in proportion to their shares.

Each shareholder has the right to purchase the newly issued shares according to the ratio of his/her existing shares to the capital (pre-emptive right). This right may be exercised within thirty days following the date of the call to the shareholders. This call shall be made to the shareholders by sending registered letters to the addresses registered in the shareholders' ledger.

The pre-emptive right may be transferred only if it is approved by the affirmative votes of 80% majority of the members of the Board of Directors. New share certificates may not be issued with values below the nominal value of the initial share certificates.

Fractional share certificates are allocated and distributed by the Board of Directors.

The Parent Bank may not, directly or indirectly, finance the purchase of its own shares.

Arab shareholders shall be treated as Turkish citizens under Turkish law. This guarantee includes, but is not limited to, the transfer of share dividends and other distributed earnings, and Arab shareholders similarly benefit from and are protected by the Foreign Capital Incentive Law No. 6224

Gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income

	Current Period		Prior Period	
	TL	FC	TL	FC
Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)	-	-	-	-
Valuation Differences	(107,640)	1,144	(143,054)	1,751
Exchange Rate Differences	-	-	-	-
Total	(107,640)	1,144	(143,054)	1,751

Information on legal reserve

In accordance with the resolution adopted at the 45th Ordinary General Assembly Meeting held on 25 March 2025, it was decided that TL 9,109 of the profit for 2024 be appropriated to legal reserves by the Parent Bank.

Information on Minority Shares

None.

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**III. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED OFF-BALANCE SHEETS****1. Information on contingent liabilities in the off-balance sheets***Type and amount of irrevocable commitments*

The Group has TL 172,777 as irrevocable commitments (31 December 2024: TL 6,656).

Type and amount of possible losses from off-balance sheet items

As of the balance sheet date, the Group has allocated the provision amounting TL 30,262 over total non-cash loans (31 December 2024: TL 24,187).

Guarantees, bills of exchange and acceptances and other letters of credit which can be counted as financial collateral

The total amount of non-cash loans including guarantees, bills of exchange and acceptances and sureties on letters of credits and other guarantees is TL 9,564,615 (31 December 2024: TL 4,871,426).

Final guarantees, temporary guarantees, commitments and similar transactions

The total amount of the Group’s guarantee letters is TL 19,026,656 (31 December 2024: TL 11,426,131).

In accordance with the Council of Ministers' Decision dated 2011, the letters of guarantee given to Libya cannot be compensated. As per the BRSA's order dated 30 December 2019, The Memorandum of Understanding signed between the Government of the Republic of Türkiye and the Government of National Accord of Libya has entered into force as of 24 September 2020. This agreement hereby has the force of law and the implementation and results of the provisions of this agreement are closely monitored by Turkish Banks transacting with Libya.

2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Cash Loan Assurance	5,129,994	1,485,579
Less Than or Equal to One Year with Original Maturity	2,408,345	742,000
More Than One Year with Original Maturity	2,721,649	743,579
Other Non-Cash Loans	23,461,277	14,811,978
Total	28,591,271	16,297,557

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INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED OFF-BALANCE SHEETS (Continued)

3. Information on sectoral risk concentrations of non-cash loans

	Current Period				Prior Period			
	TL	%	FC	%	TL	%	FC	%
Agricultural	-	-	-	-	-	-	-	-
Farming and Raising livestock	-	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-
Fishing	-	-	-	-	-	-	-	-
Manufacturing	716,403	15.35	1,791,176	7.49	103,199	9.43	1,289,187	8.48
Mining	383	0.01	-	-	-	-	-	-
Production	669,632	14.35	1,633,983	6.83	89,323	8.17	1,280,166	8.42
Electric, gas and water	46,388	0.99	157,193	0.66	13,876	1.27	9,021	0.06
Construction	7,002	0.15	3,573,467	14.94	12,056	1.10	2,421,813	15.93
Services	3,942,477	84.50	18,560,746	77.58	978,390	89.44	11,492,695	75.59
Wholesale and Retail Trade	26,000	0.56	9,228	0.04	-	-	7,571	0.05
Hotel, Food and Beverage	-	-	-	-	-	-	-	-
Services	7	0.00	-	-	7	0.00	-	-
Transportation and	-	-	-	-	-	-	-	-
Telecommunication	1,743	0.04	11,701	0.05	1,917	0.18	8,626	0.06
Financial Institutions	3,914,727	83.90	18,539,817	77.49	976,466	89.27	11,476,498	75.48
Real Estate and Renting	-	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-	-
Self-Employment Services	-	-	-	-	-	-	-	-
Education Services	-	-	-	-	-	-	-	-
Health and Social Services	-	-	-	-	-	-	-	-
Other	-	-	-	-	217	0.02	-	-
Total	4,665,882	100.00	23,925,389	100.00	1,093,862	100.00	15,203,695	100.00

Current Period	Group I		Group II	
	TL	FC	TL	FC
Letters of guarantee	4,440,137	14,586,274	245	-
Bank acceptances	-	-	-	-
Letters of credit	-	8,930,252	-	-
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	225,500	408,863	-	-
Non cash loans	4,665,637	23,925,389	245	-

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INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED OFF-BALANCE SHEETS (Continued)

Prior Period	Group I		Group II	
	TL	FC	TL	FC
Letters of guarantee	1,093,617	10,332,269	245	-
Bank acceptances	-	-	-	-
Letters of credit	-	4,871,426	-	-
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring commitments	-	-	-	-
Other commitments and contingencies	-	-	-	-
Non cash loans	1,093,617	15,203,695	245	-

4. Information on derivative transactions

	Current Period		Prior Period	
	TL	FC	TL	FC
Swap currency purchase transactiontransactions	-	-	-	15,498
Swap currency sale transactions	-	-	-	15,789
Swap Money Buy Sell Transactions	-	-	-	31,287

5. Information on credit derivatives and related imposed risks

The Group does not have any credit derivate contract.

6. Information on contingent liabilities and assets

None.

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INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED OFF-BALANCE SHEETS (Continued)

7. Explanations Regarding Services Provided on Behalf and Account of Others

The Group does not provide custody services on behalf of its customers' clients.

8. Information on Expected Loss Provisions

Current Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	63,592	440	24,187	88,219
Additions during the Period	46,975	5,687	6,075	58,737
Disposal	(15,068)	-	-	(15,068)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Balances at End of Period	95,499	6,127	30,262	131,888
Prior Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	82,310	-	19,498	101,808
Additions during the Period	19,352	440	4,689	24,481
Disposal	(38,070)	-	-	(38,070)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Balances at End of Period	63,592	440	24,187	88,219

IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS

1. Information on interest income

Information on interest income received from loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Received from Loans ⁽¹⁾				
Short- Term Loans	998,803	351,231	239,575	194,044
Medium and Long- Term Loans	56,186	134,298	179,627	107,378
Interest Received From Non-Performing Loans	3,124	-	1,645	-
Premiums Received From Resource Utilization Support Fund	-	-	-	-
Total	1,058,113	485,529	420,847	301,422

⁽¹⁾ It contains fee and commission income related to cash loans.

Information on interest income received from banks

	Current Period		Prior Period	
	TL	FC	TL	FC
From Central Bank	-	-	-	-
From Domestic Banks	55,510	102,272	49,770	48,799
From Foreign Banks	-	9,780	886	21,276
From Foreign Headquarter and Branches	-	-	-	-
Total	55,510	112,052	50,656	70,075

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

Information on interest income on marketable securities

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value Through Profit or Loss	-	-	-	-
Financial Assets Measured at Fair Value Through Other Comprehensive Income	81,889	31,035	57,398	45,849
Financial Assets Measured at Amortised Cost	43,577	159,157	7,858	213,307
Total	125,466	190,192	65,256	259,156

Information on interest income received from associates and subsidiaries

None.

2. Interest Expense

Information on interest paid for funds borrowed

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	8,306	350,490	19,826	321,529
Central Bank	-	-	-	-
Domestic Banks	8,306	12,768	19,826	4,272
Foreign Banks	-	337,722	-	317,257
Other Institutions	-	-	-	-
Total	8,306	350,490	19,826	321,529

Information on interest expense paid to subsidiaries and associates

None.

Information on interest expense given on securities issued

None.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

2. Interest Expense (continued)

Maturity structure of the interest expense on deposits

Account Name	Non- interest Bearing Deposits	Term Deposits					Cumulative Deposits	Total
		Up to 1 Months	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
Current Period								
Turkish Lira								
Bank Deposits	-	66,620	-	-	-	-	-	66,620
Savings Deposits	-	3,005	2,051	1,704	1,279	745	-	8,784
Official Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	4,212	72	-	-	-	-	4,284
Other Deposits	-	-	-	-	-	-	-	-
7-Day Notice Deposits	-	-	-	-	-	-	-	-
Total	-	73,837	2,123	1,704	1,279	745	-	79,688
Foreign Currency								
Foreign Currency								
Deposit Accounts	-	158	3,004	3,008	1,720	903	-	8,793
Interbank Deposits	48	34,461	-	-	11,805	-	-	46,314
7-Day Notice Deposits	-	-	-	-	-	-	-	-
Precious Metals Deposits	-	-	-	-	-	-	-	-
Total	48	34,619	3,004	3,008	13,525	903	-	55,107
Grand Total	48	108,456	5,127	4,712	14,804	1,648	-	134,795

Maturity structure of the interest expense on deposits

Prior Period

Hesap Adı	Non- interest Bearing Deposits	Term Deposits					Cumulative Deposits	Total
		Up to 1 Months	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year		
Current Period								
Turkish Lira								
Bank Deposits	-	31,778	-	-	-	-	-	31,778
Savings Deposits	-	3,006	3,486	1,615	3,443	1,607	-	13,157
Official Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	450	118	-	-	-	-	568
Other Deposits	-	-	-	-	-	-	-	-
7-Day Notice Deposits	-	-	-	-	-	-	-	-
Total	-	35,234	3,604	1,615	3,443	1,607	-	45,503
Foreign Currency								
Foreign Currency								
Deposit Accounts	-	207	2,656	3,966	780	1,079	-	8,688
Interbank Deposits	37	45,662	-	-	15,641	-	-	61,340
7-Day Notice Deposits	-	-	-	-	-	-	-	-
Precious Metals Deposits	-	-	-	-	-	-	-	-
Total	37	45,869	2,656	3,966	16,421	1,079	-	70,028
Grand Total	37	81,103	6,260	5,581	19,864	2,686	-	115,531

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

3. Information on dividend income

	Current Period	Prior Period
Financial assets at fair value through profit or loss	-	-
Financial assets measured at amortized cost	-	-
Financial assets at fair value through other comprehensive income	420	206
Other	-	-
Total	420	206

4. Information on trading gain/loss

	Current Period	Prior Period
Gain	95,215,854	61,349,659
Gain from money market transactions	3,299	35,747
Gain from financial derivative transactions	-	-
Gain from exchange transactions	95,212,555	61,313,912
Loss (-)	(95,150,886)	(61,294,700)
Loss from money market transactions	-	-
Loss from financial derivative transactions	(251)	(463)
Loss from exchange transactions	(95,150,635)	(61,294,237)
Net Trading Gain/Loss	64,968	54,959

5. Information on impairment in loans

	Current Period	Prior Period
Cancellation of provisions of prior year	3,351	21,954
Provision for communication expenses	18,821	12,112
Gain on sales of assets	5,986	1,768
Other income ⁽¹⁾	23,280	1,947
Total	51,438	37,781

⁽¹⁾It consists of TL 21,440 of extraordinary income and gains from leasing arising from the remaining balance of severance pay

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INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

6. Information on Other Provision Expenses

	Current Period	Prior Period
Expected Credit Loss Provisions	106,768	21,858
12 month expected credit loss (stage 1)	79,269	2,109
Significant increase in credit risk (stage 2)	25,758	18,452
Non-performing loans (stage 3)	1,741	1,297
Marketable Securities Impairment Expense	-	-
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value Through Other	-	-
Comprehensive Income	-	-
Subsidiaries, Associates and Entities under Common Control	-	-
Provision Expenses for Impairment	-	-
Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other	-	-
Total	106,768	21,858

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

7. Information on other provision expenses

	Current Period	Prior Period
Securities Depreciation Expenses	25,700	22,493
Total	25,700	22,493

8. Information on other operating expense

	Current Period	Prior Period
Employee Termination Benefits Expense	17,048	13,445
Short-term Employee Benefits Expense	90,758	51,347
Tangible Fixed Asset Impairment Expense	-	-
Amortization Expenses of Tangible Assets	20,996	14,271
Intangible Fixed Asset Impairment Expense	-	-
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	10,080	7,139
Shareholders Equity Procedure Applied Equity	-	-
Interest Impairment Expense	-	-
Disposable Fixed Asset Impairment Expense	-	-
Amortization Expense of Assets Held for Resale	-	-
Impairment Expense related to Fixed Assets held for sale and discontinued operations	-	-
Other Operating Expenses	218,175	162,780
<i>Operating Lease Expenses out of the scope of TFRS 16</i>	2,545	1,354
<i>Maintenance Expenses</i>	66,269	49,045
<i>Advertisement Expenses</i>	3,229	1,636
<i>Other Expenses⁽²⁾</i>	146,132	110,745
Losses from sales of Assets	4	57
Other ⁽¹⁾	92,640	66,955
Total	449,701	315,994

1) The other line item within other operating expenses consists of taxes, duties, fees and funds amounting to TL 23,449, audit and consultancy fees of TL 29,070, SDIF (TMSF) expenses of TL 13,819 and other operating expenses of TL 26,302 (31 December 2024: The “other” line item within other operating expenses consists of taxes, duties, fees and funds amounting to TL 20,059, audit and consultancy fees of TL 18,587, SDIF (TMSF) expenses of TL 10,084 and other operating expenses of TL 18,225).

2) It consists of communication expenses of TL 37,793, non-deductible expenses of TL 22,292 and other operating expenses of leasing of TL 21,335, and non-deductible expenses and other operating expenses of TL 21,481 (31 December 2024: communication and other operating expenses of TL 22,532).

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

**IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF
PROFIT OR LOSS (Continued)**

9. Information on profit/loss before taxes including profit/loss from discontinued

The pre-tax income amount from continued operations is TL 851,163 (31 December 2024: TL 251,859).

10. Information on tax provision related to continued operations and discontinued operations

Current period taxation benefit or charge and deferred tax benefit or charge

Current period, current taxation provision is TL 251,373 (31 December 2024: TL 128,750) and the net impact of deferred tax income is TL 177,415 (31 December 2024: TL 162,955 deferred tax income).

Deferred tax charge/income represented in the statement of profit or loss within the context of temporary difference, financial loss and tax reduction.

The deferred tax income reflected in the statement of profit or loss computed over temporary difference and tax deductions and exemptions is TL 18,625 (31 December 2024: TL 75,445 deferred tax income).

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION AND FOOTNOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

11. Information on net profit or loss of the period including profit/loss from continued and discontinued operations

Current period profit from continued operations is TL 581,165 (31 December 2024: TL 198,554).

12. Information on net profit or loss of the period

Information on nature, dimension and frequency rate of income and expense accounts resulting from ordinary banking transactions if they are necessary for explaining the Bank’s current period performance

None.

Information on the profit or loss effect of a change in an estimation related to financial statements and future period effect of the change in this estimation

There is no change in accounting estimation related to consolidated financial statements.

Profit/loss regarding minority rights

There is no profit/loss regarding minority rights in the accompanying consolidated financial statements since the Parent Bank owns 99.98% of the consolidated subsidiary.

13. Information on 20% of other accounts in statement of profit or loss, if other accounts exceed 10% of total statement of profit or loss.

Other accounts which exceed the 10% of the statement of profit or loss, other than other operating income and other operating expense, amounting to TL 346,013 consist of transfer commissions, letter of credit commissions and other (31 December 2024: TL 213,156).

	Current Period	Prior Period
Letter of Credit Commissions	231,009	145,810
Transfer Commissions	87,217	50,813
Other	27,787	16,533
Total	346,013	213,156

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

V. INFORMATION AND DISCLOSURES RELATED TO STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

1. Changes due to revaluation of financial assets at fair value through other comprehensive income

In the current period, there is TL 34,807 (31 December 2024: TL 48,309) net decrease in value.

2. Increases due to cash flow hedges

None.

3. Confirmation on exchange rate differences between beginning and ending

None.

4. Information on issuance of common stock

Rights, priorities and restrictions for all classes of capital shares, including dividend distribution and recall of capital

None.

5. Information on dividend

Dividend amounts declared subsequent to the balance sheet date but before the issuance of the financial statement

None.

Net profit per share proposed to be distributed after the balance sheet date

None.

6. Amounts transferred to reserves

In the current period, amount of TL 10,328 have been transferred to legal reserves (31 December 2024: TL 8,807).

7. Information on other capital increment accounts at the equity movement table

Information on inflation restatement differences of shareholders equity accounts

None.

Explanations about the Share Capital increase

There are no capital reserves due to inflation accounting, which is followed in the "Paid capital inflation difference correction" account is added to the capital according to the subjected circular.

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INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VI. INFORMATION AND FOOTNOTES RELATED TO CASH FLOWS STATEMENT

1. Information on cash and cash equivalent assets

Balances that form the cash and cash equivalent assets, and the accounting policy used in the formation of these balances

Subject to the preparation of cash flows statements “Cash” refers to cash in vault, cash in transit, bank cheques purchased and demand deposits in banks including Central Bank of Türkiye; “Cash equivalents” refers to money market placements of original maturity less than three months and time deposits at banks, and investments in financial securities.

Information on cash and cash equivalents at the beginning of the period

	1 January 2025	1 January 2024
Cash	135,492	142,025
Cash in Vaults (Cash on Hand)	1,489	2,452
Cash in Transit	134,010	139,573
Cash and cash equivalents	4,446,762	2,455,615
Central Bank of the Republic of Türkiye	1,503,334	990,878
Banks and Other Financial Institutions	2,943,428	1,464,737
Total	4,582,254	2,597,640

Information on cash and cash equivalents at the end of the period

	31 December 2025	31 December 2024
Cash	181,503	135,492
Cash in Vaults (Cash on Hand)	1,600	1,489
Cash in Transit	179,903	134,010
Cash and cash equivalents	7,697,565	4,446,762
Central Bank of the Republic of Türkiye	2,040,089	1,503,334
Banks and Other Financial Institutions	5,657,476	2,943,428
Total	7,879,068	4,582,254

The TL 623,602 in the “Other” account that is under the “Operational Profit Before Operations of Banking on Assets and Liabilities” account is comprised of other operating income excluding collections from non performing loans, other operating expense excluding personnel expenses and exchange gain/loss (31 December 2024: TL 457,530).

The “Net increase/decrease in other assets” account under the “Changes in assets and liabilities subject to banking activities” amounting to TL (233,342) is composed of changes in fixed assets, associates, tax assets and other assets (31 December 2024: TL 47,406).

The “Net increase/decrease in other debts” account under the “Changes in assets and liabilities subject to banking activities” amounting to TL (517,425) is composed of changes in miscellaneous debts, other foreign resources and tax, duty, fees and premiums payable (31 December 2024: TL (40,240)).

“Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents” is computed by TL 1,413,447 which includes effects of changes in currency of monthly foreign currency denominated cash and cash equivalents translated to Turkish Lira (31 December 2024: TL 575,730).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025

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INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VII. INFORMATION ON THE GROUP’S RISK GROUP

1. Information on the volume of transactions with the Parent Bank’s risk group, lending and deposits outstanding at period end and income and expenses in the current period

Information on the loans of the Group’s risk group

Current Period

Bank’s Risk Group ⁽¹⁾	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-Cash	Cash	Non-cash
Loans and Other Receivables						
Balance at the beginning of the period	-	-	-	66,066	249	772,553
Balance at the end of the period	-	-	-	1,544,641	179,791	2,150,213
Interest and Commission						
Income received ⁽²⁾	-	-	-	-	291	-

⁽¹⁾ Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank’s Act.

⁽²⁾ Loans given to the Parent Bank’s direct and indirect shareholders are composed of forfeiting and letter of credit transactions which the interest and commission income are obtained not from the risk group but from the exporting firms.

Prior Period

Bank’s Risk Group ⁽¹⁾	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-cash	Cash	Non-Cash	Cash	Non-cash
Loans and Other Receivables						
Balance at the beginning of the period	-	-	-	66,066	249	772,553
Balance at the end of the period	-	-	-	333,214	118,992	1,350,296
Interest and Commission						
Income received ⁽²⁾	-	-	-	-	960	-

⁽¹⁾ Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank’s Act.

⁽²⁾ Loans given to the Parent Bank’s direct and indirect shareholders are composed of forfeiting and letter of credit transactions which the interest and commission income are obtained not from the risk group but from the exporting firms.

The Group has a loan amounting to TL 5,126,087 (31 December 2024: TL 4,644,675) from the risk group. There was an interest expense of TL 210,542 in the current period related to the loans used. (31 December 2024: TL 208,808).

Information on deposits of the Group’s risk group

Bank’s Risk Group ⁽¹⁾	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the beginning of the period	-	-	1,773,359	145,737	185,496	117,851
Balance at the end of the period	-	-	1,059,636	1,773,359	661,985	185,496
Interest expense on deposit:	-	-	40,568	6,449	94	2,208

⁽¹⁾ Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank’s Act.

Information on forward transactions, options and other contracts related to Group’s risk group

None.

Information on benefits provided for top level management:

For the year ended 31 December 2025, TL 193,439 has been paid to the top level management of the Group as salaries and fringe benefit (31 December 2024: TL 72,535).

ARAP TÜRK BANKASI A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2025 (Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON DISCLOSURES AND FOOTNOTES OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VIII. DOMESTIC, FOREIGN AND OFF SHORE BRANCHES OR INVESTMENTS AND FOREIGN REPRESENTATIVE OFFICES

1. Information on Bank’s domestic branches, foreign branches and representatives

	<u>Number of branches</u>	<u>Number of employees</u>			
Domestic Branch	4	251			
			<u>Country</u>		
Foreign representative office	-	-	-	<u>Total assets</u>	<u>Legal capital</u>
Foreign branch	-	-	-	-	-
Off shore branches	-	-	-	-	-

2. Disclosures regarding the Parent Bank’s opening or closing of branches or representative offices domestically and abroad, and significant changes in its organizational structure

None.

IX. FEES RELATED WITH THE SERVICES PROVIDED BY INDEPENDENT AUDITORS/ INDEPENDENT AUDIT AGENCIES

Pursuant to the decision of the POA dated 26 March 2021, the fee information for the services received from the independent audit firm for the reporting period is presented in the table below, excluding VAT. The said fees include the amounts relating to the services provided to the Parent Bank’s domestic subsidiary.

	<u>Current Period</u>	<u>Prior period</u>
Independent audit fees in the reporting period	10,750	7,425
Fees for tax advisory	-	-
Fees for other assurance services	2,800	-
Total	13,550	7,425

(*) Also includes the assurance engagement audit fee for the TSRS compliant 2024 sustainability report, which was carried out in 2025 for the accounting period 1 January – 31 December 2024.

X. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

According to the decision of the Parent Bank's Board of Directors dated February 17, 2026, it has been resolved to increase the Bank's capital by 589,000 TL, fully funded from internal resources, raising total capital to 3,810,000 TL, and to present this to the General Assembly after obtaining the necessary legal approvals.

SECTION SIX

INDEPENDENT AUDITOR’S REPORT

I. INFORMATION ON INDEPENDENT AUDITOR’S REPORT

As at and for the year ended 31 December 2025, the consolidated financial statements have been audited by PwC Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the auditors' report dated 19 February 2026 is presented before the consolidated financial statements.

II. INFORMATION AND FOOTNOTES PREPARED BY THE INDEPENDENT AUDITOR

None.

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