

**TURKLAND BANK ANONİM ŐİRKETİ
INDEPENDENT AUDITOR'S REPORT,
UNCONSOLIDATED FINANCIAL STATEMENTS
AND NOTES FOR THE PERIOD ENDED
31 DECEMBER 2025**

*Translated into English from the report and financial
statements originally issued in Turkish*



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Convenience Translation of the Independent Auditor's Report Originally Prepared and Issued in Turkish to English

To the General Assembly of Turkland Bank A.Ş.

A) Audit of the Unconsolidated Financial Statements

Qualified Opinion

We have audited the unconsolidated financial statements of Turkland Bank A.Ş. ("the Bank") which comprise the unconsolidated balance sheet as at 31 December 2025 and the unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, except for the effect of the matter described in the *Basis For Qualified Opinion* section of our report, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of Turkland Bank A.Ş. as at 31 December 2025, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the "Banking Regulation and Supervision Agency ("BRSA") Accounting and Reporting Legislation" which includes the "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 Board and circulars and interpretations published by BRSA and requirements of Turkish Financial Reporting Standards ("TFRS") for the matters not regulated by the aforementioned legislations.

Basis for Qualified Conclusion

As stated in Note II.8.e1 and II.8.e2 of Section Five, the accompanying unconsolidated financial statements as at 31 December 2025, general provision amount of TL 18,000 thousand which fully recognized in prior periods by the bank management for the possible effects of the negative circumstances which may arise in the economy or market conditions which is not in line with the requirements of BRSA Accounting and Financial Reporting Legislation was reversed in current period. If the related general provision was not recognized in prior periods and was not reversed in current period, "Other operating income" and "Deferred tax income" presented in the Statement of Profit or Loss as of 31 December 2025 would be decreased by TL 18,000 thousand and would be increased by TL 5,400 thousand respectively, and prior period income would be increased by TL 12,600 thousand for the year ended 31 December 2025.



According to TAS 12 “Income Taxes” standard, deferred tax asset and liabilities should be calculated based on the differences between the carrying amounts of assets or liabilities in the statement of financial position and their tax bases. Income tax amounts to be recovered or settled in future periods are recognized in the financial records based on the deductible or taxable temporary differences. In accordance with paragraph (A) of the duplicate article 298 and temporary article 33 of the Law No. 213, the Bank has considered the difference between the carrying amounts of tangible and intangible assets recognized for tax purposes when accounting for the tax effects arising from the inflation adjustment of corporate tax. As of 31 December 2024, the Bank, while identifying temporary differences for the calculation of deferred tax assets and liabilities in accordance with TAS 12, did not take into account the carrying amounts of tangible and intangible assets and their inflation-adjusted tax bases in accordance with the aforementioned tax legislation. This approach constitutes a non-compliance with the provisions of TAS 12 “Income Taxes” standard. As of 31 December 2025, the Bank recognized the related deferred tax amount on its unconsolidated financial statements as at 31 March 2025 by considering its balance sheet prepared in accordance with inflation accounting for tax purpose. As a result of this issue, if this deferred tax amount had been corrected as of 31 December 2024, the Bank’s deferred tax income and therefore net profit for the period would be decreased by TL 27,393 thousand and prior period income would be increased by TL 27,393 thousand for the year ended 31 December 2025.

We conducted our audit in accordance with the “Regulation on Independent Audit of the Banks” (“BRSA Audit Regulation”) published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) (“Standards on Auditing issued by POA”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report. We declare that we are independent of the Bank in accordance with the Code of Ethics for Auditors issued by POA (“POA’s Code of Ethics”), as applicable to audits of the unconsolidated financial statements of public interest entities, and the ethical requirements in other regulations that are relevant to audits of unconsolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the POA’s Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

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

Impairment of loans measured at amortised cost

The details of accounting policies and significant estimates and assumptions for impairment of loans measured at amortised cost are presented in Section III, No: VI of the unconsolidated financial statements.

Key audit matter	How the matter is addressed in our audit
<p>As of 31 December 2025, loans measured at amortised cost comprise 49% of the Bank’s total assets.</p> <p>The Bank recognizes its loans measured at amortised cost in accordance with the Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside (the “Regulation”) published on the Official Gazette No. 29750 dated 22 June 2016 which became effective on 1 January 2018 and TFRS 9 Financial Instruments standard (“Standard”).</p> <p>The Bank applies the “expected credit loss model” in determining the impairment of financial assets in accordance with the Regulation and Standard. The model which contains significant assumptions and estimates is reviewed by the Bank management annually.</p>	<p>Our procedures for testing the impairment of loans measured at amortised cost are as below:</p> <ul style="list-style-type: none">• We tested the design, implementation and operating effectiveness of the controls on lending, collateralization, collection, follow-up, classification and impairment procedures are tested with the involvement of information system specialists.• We evaluated the adequacy of the subjective and objective criteria that is defined in the Bank’s impairment accounting policy compared with the Regulation and Standard.• We evaluated the Bank’s business model and methodology and the evaluation of the calculations carried out with the control testing and detail analysis with the involvement of specialists.

<p>The significant assumptions and estimates of the Bank management are as follows:</p> <ul style="list-style-type: none"> • significant increase in credit risk, • incorporating the forward looking macroeconomic information in calculation of credit risk, • design and implementation of expected credit loss model. <p>The determination of the impairment of loans measured at amortised cost depends on the credit default status, the model based on the change in the credit risk at the initial recognition date and the classification of the loans measured at amortised cost according to the model. The classification of loans is important because expected credit loss provisions are calculated according to the stage of financial assets.</p> <p>The Bank calculates expected credit losses on both individual and collective basis. The Bank consider the estimated future cash flows of the asset and the market value of the collateral provided for credit transactions in individual provision calculation.</p> <p>The collective basis expected credit loss calculation is based on processes which are modelled by using current and past data sets and incorporating the future expectations. The completeness and accuracy of data sets in the model are also considered. Also, the forward-looking expectations are reflected by macroeconomic models.</p> <p>Impairment on loans measured at amortised cost was considered to be a key audit matter, due to its complex structure, the level of judgments of management and significance of the estimates and assumptions as explained above.</p>	<ul style="list-style-type: none"> • We performed loan reviews which include a detailed examination of loan files and related information and testing their classification. • For the calculation of expected credit losses related to loans subject to individual assessment, the accuracy of the provisions allocated for losses has been evaluated with the forward-looking collection forecasts of the collateral values. • We tested the accuracy and completeness of the data in calculation of the data in the calculation models for the loans which are assessed on collective basis. We recalculated the expected credit loss calculation. The models used for the calculation of the risk parameters were examined and recalculated. • We assessed the macroeconomic models that are used to reflect forward looking expectations and tested the effect of the risk parameters by recalculation method. • We evaluated the qualitative and quantitative criteria, which are used in determining the significant increase in credit risk. • We evaluated the sufficiency and adequacy of the unconsolidated financial statements' disclosures related to impairment provisions.
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Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

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

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

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

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

Responsibilities of auditors in an audit are as follows:

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

As part of an audit in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

1) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code ("TCC") numbered 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities for the period 1 January - 31 December 2025 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.

2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Alper Güvenç, SMMM
Partner

12 March 2026
İstanbul, Türkiye

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED PERIOD END FINANCIAL REPORT AS OF 31 DECEMBER 2025

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The unconsolidated financial report for the period end prepared in accordance with "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" as regulated by the Banking Regulation and Supervision Agency includes the following sections:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE RELEVANT PERIOD
- INFORMATION ON FINANCIAL STRUCTURE OF THE BANK AND RISK MANAGEMENT
- EXPLANATORY DISCLOSURES AND FOOTNOTES ON UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- INDEPENDENT AUDITOR'S REPORT

The unconsolidated financial statements and the explanatory footnotes and disclosures, unless otherwise indicated, are prepared in thousands of Turkish Lira, in accordance with the Communiqué on Banks' Accounting Practice and Maintaining Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, related communiqués and the Bank's records, have been independently audited and presented as attached.

Michel ACCAD
Chairman of the
Board of Directors

Servet TAZE
General Manager

Cenk ERÜSTÜN
Financial Control and Reporting
Director

Tania
MOUSSALLEM

Chairman of Audit Committee

Nabil
RAFEİ

Member of Audit Committee

Information related to responsible personnel for the questions that can be raised about financial statements:

Name-Surname / Title : Sevgi Üstün / Manager
Telephone Number : (0 212) 368 37 24
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TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

SECTION ONE

GENERAL INFORMATION ABOUT THE BANK

I. Bank's Incorporation Date, Beginning Statue, Changes in the Existing Statue

Turkland Bank Anonim Şirketi ("the Bank"), was established in 1991 in İstanbul under the name of "Bahreyn ve Kuveyt Bankası Anonim Şirketi" (BB&K). Its name was changed as "Tasarruf ve Kredi Bankası Anonim Şirketi" with its acquisition by Doğu Group in 1992. After the change in the name of the bank as "Garanti Yatırım ve Ticaret Bankası Anonim Şirketi" in 1994, Mehmet Nazif Günel (the main shareholder of MNG Group Companies) has acquired the Bank in 1997 and the name of the Bank has been changed as "MNG Bank Anonim Şirketi".

An agreement has been made with Arab Bank and BankMed for the sale of 91% of MNG Bank's shares in mid of 2006 and this agreement was approved by Banking Regulation and Supervision Agency (BRSA) on 29 December 2006. In this regard, while Arab Bank and BankMed purchasing 50% and 41% of MNG bank shares respectively, Mehmet Nazif Günel retained 9% of the shares. Transfer of the Bank was made on 29 January 2007. The title of the Bank was changed as "Turkland Bank Anonim Şirketi" with the amendment to the Articles of Association by the decision of the Extraordinary General Assembly at the meeting on 22 March 2007.

On 3 April 2007, "MNG BANK Anonim Şirketi" title of the bank was registered as "TURKLAND BANK Anonim Şirketi".

According to the Share Sale and Purchase Agreement and Board of Directors' Decision dated 26 February 2010 and 15 July 2010, respectively, Mehmet Nazif Günel's 153 million shares with TL 15,300 nominal value were transferred to BankMed SAL. As of 22 July 2010, the share transfer was realized.

According to the Extraordinary General Assembly decision dated 30 May 2011, it was decided to increase the Bank's capital from TL 170,000 to TL 300,000 and it was registered in the Turkish Trade Registry Gazette dated 20 June 2011 numbered 7840. According to the BRSA approval dated 15 September 2011 numbered 4381 the unused pre-emptive right of Arab Bank Plc amounting to TL 65,000 have been used by Arab Bank (Switzerland) Ltd (ABS). Capital commitments paid by shareholders, according to the BRSA decision dated 20 October 2011 numbered 22244, have been transferred to the capital accounts.

According to the Ordinary General Assembly decision dated 18 April 2013, it has been decided to increase the Bank's paid in capital from TL 300,000 to TL 500,000. According to the Ordinary General Assembly decree dated 15 April 2014, it was decided to increase the Bank's paid in capital from TL 500,000 to TL 650,000.

In accordance with the BRSA's approval letter dated 7 May 2019, 16.67% of the shares of Arab Bank (Switzerland) Ltd (ABS), one of the shareholders of the Bank, was transferred to Arab Bank Plc. which is the other shareholder of the Bank.

Capital increase and decrease of USD 30,000 additional capital as TL 164,000 has been realized simultaneously on 25 September 2019 with the approval of BRSA on 2 August 2019.

According to the Extraordinary General Assembly decree dated 17 February 2020, it was decided to increase the Bank's paid in capital from TL 650,000 to TL 1,000,000 with the approval of BRSA dated 29 January 2020 numbered 1027. The amount has been transferred to capital accounts as of 4 March 2020 with the approval of BRSA dated 3 March 2020 numbered 2400.

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

II. Explanations Regarding Bank's Shareholding Structure, Shareholders Holding Directly or Indirectly, Collectively or Individually, the Managing and Controlling Power and Changes in Current Year

Name/Title	Share Amount	Share Ratios	Paid up Shares	Unpaid Shares
ARAB BANK PLC	499,999.99	50.0%	499,999.99	-
BANKMED, SAL	499,999.99	50.0%	499,999.99	-
OTHER	<1	0.0%	<1	-
Total	1,000,000.00	100.0%	1,000,000.00	-

As of 31 December 2025, the nominal value of the Bank's capital is TL 1,000,000 and consists of 10 billion shares.

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

III. Explanations Regarding the Chairman and the Members of Board of Directors, Audit Committee, General Manager and Assistants and Their Shares and Areas of Responsibility in the Bank

Title	Name and Surname (*)	Responsibility	Education
Chairman of the Board of Directors	MICHEL ACCAD	Chairman	MASTER DEGREE
Members of the Board of Directors	MOHAMMAD ABDEL-FATTAH HAMADAL GHANAMAH	Vice Chairman	BACHELOR'S DEGREE
	TANIA MOUSSALLEM	Chairman of Audit Committee	BACHELOR'S DEGREE
	NADYA NABIL TAWFIK TALHOUNI	Member	BACHELOR'S DEGREE
	MUSTAFA SELÇUK TAMER	Member of Audit Committee	BACHELOR'S DEGREE
	NABİL RAFEL	Member	MASTER DEGREE
	FİRAS JASER JAMİL ZAYYAD (****)	Member	MASTER DEGREE
	HAITHAM HELMİ	Member	BACHELOR'S DEGREE
	MOHAMMAD FOUDEH (***)	Member	BACHELOR'S DEGREE
Member of Board of Directors and General Manager	SERVET TAZE	General Manager Close Monitoring and Legal Follow-up	BACHELOR'S DEGREE MASTER DEGREE
Assistant General Mangers	BENAN BAŞAK	Corporate and Commercial Banking	MASTER DEGREE
	UMUT ÜLBEGİ		
	HAKKI EFE İÇLİ (**) SERKAN ÇELİK	Financial Control Internal Systems Group	BACHELOR'S DEGREE MASTER DEGREE

(*) The individuals mentioned above do not hold any shares in the Bank.

(**) Resigned as of 15 January 2025.

(***) Resigned as of 28 March 2025.

(****) Mr. Firas Jaser Jamil Zayyad has been appointed as a Member of the Board of Directors pursuant to the minutes of the Board of Directors dated 25 June 2025.

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

Information about the persons and institutions that have qualified shares as of 31 December 2025:

Name/Title	Share Amount	Share Ratios	Paid up Shares	Unpaid Shares
ARAB BANK PLC	499,999.99	50.0%	499,999.99	-
BANKMED, SAL	499,999.99	50.0%	499,999.99	-

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

V. Summary on the Bank's Functions and Areas of Activity

The Bank has 6 branches and 191 personnel. The Bank does not have any subsidiaries (31 December 2024: 6 branches, 201 personnel).

The Bank established with private capital, has the authority to accept deposits and its operations are mostly based on retail and corporate banking transactions. As it is indicated in Articles of Association, the Bank is mainly dealing with the transactions below:

- a. Acceptance of Deposit
- b. Corporate and Retail Banking
- c. Foreign Trade
- d. Capital Market Transactions
- e. Bank Assurance

VI. Differences between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting Standards and short explanation about the institutions subject to full consolidation method or proportional consolidation and institutions, which are deducted from equity or not included in these three methods

None.

SECTION TWO
UNCONSOLIDATED FINANCIAL STATEMENTS

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2025 AND 2024
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

I. BALANCE SHEET – ASSETS (STATEMENT OF FINANCIAL POSITION)

ASSETS	Note (Section Five I)	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		2,446,892	5,255,810	7,702,702	2,485,887	4,206,843	6,692,730
1.1 Cash and Cash Equivalents		2,410,113	5,255,810	7,665,923	2,022,146	4,206,807	6,228,953
1.1.1 Cash and The Central Bank of Turkiye	1	238,000	4,269,304	4,507,304	279,996	3,209,379	3,489,375
1.1.2 Banks	3	681	986,506	987,187	523	997,428	997,951
1.1.3 Money Market Placements		2,172,317	-	2,172,317	1,742,324	-	1,742,324
1.1.4 Expected Credit Losses (-)		(885)	-	(885)	(697)	-	(697)
1.2 Financial Assets at Fair Value Through Profit and Loss	2	-	-	-	-	-	-
1.2.1 Government Debt Securities		-	-	-	-	-	-
1.2.2 Equity Instruments		-	-	-	-	-	-
1.2.3 Other Financial Assets		-	-	-	-	-	-
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	4	36,779	-	36,779	463,741	36	463,777
1.3.1 Government Debt Securities		36,641	-	36,641	463,603	36	463,639
1.3.2 Equity Instruments		138	-	138	138	-	138
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	11	-	-	-	-	-	-
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		-	-	-	-	-	-
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)	6	6,559,163	3,526,353	10,085,516	5,379,205	2,880,816	8,260,021
2.1 Loans	5	5,630,626	3,526,353	9,156,979	5,590,278	2,880,816	8,471,094
2.2 Lease Receivables	10	-	-	-	-	-	-
2.3 Factoring Receivables		-	-	-	-	-	-
2.4 Other Financial Assets Measured at Amortised Cost		1,135,456	-	1,135,456	51,232	-	51,232
2.4.1 Government Debt Securities		1,135,456	-	1,135,456	51,232	-	51,232
2.4.2 Other Financial Assets		-	-	-	-	-	-
2.5 Expected Credit Loss (-)		(206,919)	-	(206,919)	(262,305)	-	(262,305)
III. NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	16	25,122	-	25,122	27,252	-	27,252
3.1 Held for Sale		25,122	-	25,122	27,252	-	27,252
3.2 Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		7,659	-	7,659	7,659	-	7,659
4.1 Associates (Net)	7	7,659	-	7,659	7,659	-	7,659
4.1.1 Associates Consolidated Under Equity Accounting		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		7,659	-	7,659	7,659	-	7,659
4.2 Subsidiaries (Net)	8	-	-	-	-	-	-
4.2.1 Unconsolidated Financial Investments in Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Investments in Subsidiaries		-	-	-	-	-	-
4.3 Joint Ventures (Net)	9	-	-	-	-	-	-
4.3.1 Joint-Ventures Consolidated Under Equity Accounting		-	-	-	-	-	-
4.3.2 Unconsolidated Joint-Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)	12	151,350	-	151,350	156,106	-	156,106
VI. INTANGIBLE ASSETS (Net)	13	14,465	-	14,465	12,367	-	12,367
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		14,465	-	14,465	12,367	-	12,367
VII. INVESTMENT PROPERTIES (Net)	14	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		36,085	-	36,085	-	-	-
IX. DEFERRED TAX ASSET	15	69,440	-	69,440	52,970	-	52,970
X. OTHER ASSETS (Net)	17	784,866	169	785,035	561,375	54	561,429
TOTAL ASSETS		10,095,042	8,782,332	18,877,374	8,682,821	7,087,713	15,770,534

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2025 AND 2024
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

I. BALANCE SHEET – LIABILITIES (STATEMENT OF FINANCIAL POSITION)

LIABILITIES	Note (Section Five II)	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	1	4,301,668	10,597,162	14,898,830	4,741,662	8,088,504	12,830,166
II. FUNDS BORROWED	3						
III. MONEY MARKET FUNDS		510,692		510,692			
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 FAIR VALUE THROUGH PROFIT AND LOSS							
VII. DERIVATIVE FINANCIAL LIABILITIES	2						
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss							
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income							
VIII. FACTORING LIABILITIES							
IX. LEASE LIABILITIES (Net)	6	84,197		84,197	102,752		102,752
X. PROVISIONS	8	136,330	1,396	137,726	195,200	28,361	223,561
10.1 Restructuring Provisions							
10.2 Reserve for Employee Benefits		73,436		73,436	52,960		52,960
10.3 Insurance Technical Provisions (Net)							
10.4 Other Provisions		62,894	1,396	64,290	142,240	28,361	170,601
XI. CURRENT TAX LIABILITY	9	103,275		103,275	59,561		59,561
XII. DEFERRED TAX LIABILITY							
NON CURRENT LIABILITIES HELD FOR SALE AND DISCONTINUED							
XIII. OPERATIONS (Net)							
13.1 Held for Sale							
13.2 Discontinued Operations							
XIV. SUBORDINATED DEBT INSTRUMENTS							
14.1 Loans							
14.2 Other Debt Instruments							
XV. OTHER LIABILITIES	5	367,634	1,247,010	1,614,644	318,955	793,889	1,112,844
XVI. SHARE HOLDERS' EQUITY	12	1,528,010		1,528,010	1,441,650		1,441,650
16.1 Paid-in Capital		1,000,000		1,000,000	1,000,000		1,000,000
16.2 Capital Reserves		25,430		25,430	25,430		25,430
16.2.1 Share Premium							
16.2.2 Share Cancellation Profits							
16.2.3 Other Capital Reserves		25,430		25,430	25,430		25,430
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		(16,088)		(16,088)	(16,715)		(16,715)
16.3 Loss							
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		536		536	5,929		5,929
16.5 Profit or Loss		427,006		427,006	72,405		72,405
16.5.1 Legal Reserves		52,702		52,702	37,330		37,330
16.5.2 Status Reserves							
16.5.3 Extraordinary Reserves		355,066		355,066	62,982		62,982
16.5.4 Other Profit Reserves		19,238		19,238	(27,907)		(27,907)
16.6 Income or (Loss)		91,126		91,126	354,601		354,601
16.6.1 Prior Period Income or (Loss)							
16.6.2 Current Period Income or (Loss)		91,126		91,126	354,601		354,601
TOTAL LIABILITIES		7,031,806	11,845,568	18,877,374	6,859,780	8,910,754	15,770,534

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF OFF-BALANCE SHEET ITEMS
AS OF 31 DECEMBER 2025 AND 2024

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

II. STATEMENT OF OFF-BALANCE SHEET ITEMS

II. OFF BALANCE SHEET ITEMS	Note (Section Five III)	Audited Current Period 31 December 2025			Audited Prior Period 31 December 2024		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET LIABILITIES (I+II+III)		8,210,842	3,227,455	11,438,297	4,237,478	2,055,360	6,292,838
I. GUARANTEES AND SURETIES	1	5,001,289	177,515	5,178,804	2,261,200	193,868	2,455,068
1.1 Letter of Guarantee		751,789	109,307	861,096	390,700	151,551	542,251
1.1.1 Guarantees Subject to State Tender Law		2,823	1,371	4,194	2,858	1,108	3,966
1.1.2 Guarantees Given for Foreign Trade Operations		7,954	17,656	25,610	8,026	20,659	28,685
1.1.3 Other Letters of Guarantee		741,012	90,280	831,292	379,816	129,784	509,600
1.2 Bank Loans		-	-	-	-	-	-
1.2.1 Import Letter of Acceptance		-	-	-	-	-	-
1.2.2 Other Bank Acceptance		-	-	-	-	-	-
1.3 Letters of Credit		-	68,208	68,208	-	42,317	42,317
1.3.1 Documented Letters of Credit		-	68,208	68,208	-	42,317	42,317
1.3.2 Other Letters of Credit		-	-	-	-	-	-
1.4 Guaranteed Prefinancing		-	-	-	-	-	-
1.5 Endorsement		4,249,500	-	4,249,500	1,870,500	-	1,870,500
1.5.1 Endorsements to the Central Bank of Turkiye		4,249,500	-	4,249,500	1,870,500	-	1,870,500
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7 Factoring Guarantees		-	-	-	-	-	-
1.8 Other Guarantees		-	-	-	-	-	-
1.9 Other Collaterals		-	-	-	-	-	-
II. COMMITMENTS	1	641,201	629,152	1,270,353	311,103	344,829	655,932
2.1 Irrevocable Commitments		641,201	629,152	1,270,353	311,103	344,829	655,932
2.1.1 Asset Purchase and Sale Commitments		630,887	629,152	1,260,039	296,966	333,071	630,037
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Commitments for Loan Limits		854	-	854	397	-	397
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheques		9,460	-	9,460	13,740	-	13,740
2.1.8 Tax and Fund Obligations on Export Commitments		-	-	-	-	-	-
2.1.9 Commitments for Credit Card Limits		-	-	-	-	-	-
2.1.10 Commitments for Credit Cards and Banking Services Related		-	-	-	-	-	-
2.1.11 Receivables from Short Sale Commitments		-	-	-	-	-	-
2.1.12 Payables from Short Sale Commitments		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		-	-	-	-	11,758	11,758
2.2 Revocable Commitments		-	-	-	-	-	-
2.2.1 Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2 Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		2,568,352	2,420,788	4,989,140	1,665,175	1,516,663	3,181,838
3.1 Derivative Financial Instruments for Hedging Purposes		-	-	-	-	-	-
3.1.1 Transactions for Fair Value Hedging		-	-	-	-	-	-
3.1.2 Transactions for Cash Flow Hedging		-	-	-	-	-	-
3.1.3 Transactions for Hedging the Risk of Net Investments Abroad		-	-	-	-	-	-
3.2 Trading Transactions		2,568,352	2,420,788	4,989,140	1,665,175	1,516,663	3,181,838
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 Currency and Interest Swap Transactions		-	-	-	-	-	-
3.2.2.1 Currency Swaps-Purchases		-	-	-	-	-	-
3.2.2.2 Currency Swap-Sales		-	-	-	-	-	-
3.2.2.3 Swap Interest Purchase Transactions		-	-	-	-	-	-
3.2.2.4 Swap Interest Sale Transactions		-	-	-	-	-	-
3.2.3 Currency, Interest and Securities Options		-	-	-	-	-	-
3.2.3.1 Currency Call Options		-	-	-	-	-	-
3.2.3.2 Currency Put Options		-	-	-	-	-	-
3.2.3.3 Interest Call Options		-	-	-	-	-	-
3.2.3.4 Interest Put Options		-	-	-	-	-	-
3.2.3.5 Security Call Options		-	-	-	-	-	-
3.2.3.6 Security Put Options		-	-	-	-	-	-
3.2.4 Currency Futures		2,568,352	2,420,788	4,989,140	1,665,175	1,516,663	3,181,838
3.2.4.1 Currency Futures-Purchases		-	2,420,788	2,420,788	-	1,516,663	1,516,663
3.2.4.2 Currency Futures-Sales		2,568,352	-	2,568,352	1,665,175	-	1,665,175
3.2.5 Interest Futures		-	-	-	-	-	-
3.2.5.1 Interest Futures-Purchases		-	-	-	-	-	-
3.2.5.2 Interest Futures-Sales		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGE ITEMS (IV+V+VI)		18,826,336	8,968,410	27,794,746	17,040,499	9,570,456	26,610,955
IV. ITEMS HELD IN CUSTODY		5,584,610	288,587	5,873,197	4,738,923	13,483	4,752,406
4.1 Customer Fund and Portfolio Asset		-	-	-	-	-	-
4.2 Investment Securities Held in Custody		70,182	6,088	76,270	46,425	9,818	56,243
4.3 Checks Received for Collection		5,514,052	282,499	5,796,551	4,691,806	3,665	4,695,471
4.4 Commercial Check Received for Collection		376	-	376	692	-	692
4.5 Other Assets Received for Collection		-	-	-	-	-	-
4.6 Assets Received through Public Offering		-	-	-	-	-	-
4.7 Other Items Under Custody		-	-	-	-	-	-
4.8 Custodians		-	-	-	-	-	-
V. PLEDGED ITEMS		13,241,726	8,679,823	21,921,549	12,301,576	9,556,973	21,858,549
5.1 Securities		-	-	-	-	-	-
5.2 Guarantee Notes		62	-	62	62	-	62
5.3 Commodities		1,646	-	1,646	1,646	-	1,646
5.4 Warranties		-	-	-	-	-	-
5.5 Real Estates		892,888	46,882	939,770	1,049,993	38,610	1,088,603
5.6 Other Pledged Items		12,347,130	8,632,941	20,980,071	11,249,875	9,518,363	20,768,238
5.7 Pledged Items-Depository		-	-	-	-	-	-
VI. CONFIRMED BILLS OF EXCHANGE AND SURETIES (IV+V+VI)		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ITEMS (A+B)		27,037,178	12,195,865	39,233,043	21,277,977	11,625,816	32,903,793

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

TURKLAND BANK ANONİM ŞİRKETİ UNCONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

III. STATEMENTS OF PROFIT OR LOSS

	Note (Section Five IV)	Audited	
		Current Period 1 January-31 December 2025	Prior Period 1 January – 31 December 2024
INCOME AND EXPENSE ITEMS			
I. INTEREST INCOME	1	4,234,019	4,151,683
1.1 Interest on Loans		3,173,627	2,781,392
1.2 Interest on Reserve Requirements		202,259	96,395
1.3 Interest on Banks		105,853	65,337
1.4 Interest on Money Market Transactions		454,142	775,016
1.5 Interest on Marketable Securities Portfolio		298,133	433,353
1.5.1 Fair Value Through Profit or Loss		-	-
1.5.2 Fair Value Through Other Comprehensive Income		169,376	212,261
1.5.3 Measured at Amortised Cost		128,757	221,092
1.6 Finance Lease Interest Income		-	-
1.7 Other Interest Income		5	190
II. INTEREST EXPENSE (-)	2	(2,737,601)	(2,717,975)
2.1 Interest on Deposits		(2,624,383)	(2,655,347)
2.2 Interest on Funds Borrowed		(9)	(17)
2.3 Interest on Money Market Transactions		(76,891)	(35,142)
2.4 Interest on Securities Issued		-	-
2.5 Interest Lease Expenses		(23,243)	(21,288)
2.6 Other Interest Expenses		(13,075)	(6,181)
III. NET INTEREST INCOME/EXPENSE (I - II)		1,496,418	1,433,708
IV. NET FEES AND COMMISSIONS INCOME/EXPENSE		17,742	34,160
4.1 Fees and Commissions Received		43,091	49,591
4.1.1 Non-Cash Loans		38,814	45,584
4.1.2 Other	12	4,277	4,007
4.2 Fees and Commissions Given		(25,349)	(15,431)
4.2.1 Non-Cash Loans		(729)	(951)
4.2.2 Other	12	(24,620)	(14,480)
V. DIVIDEND INCOME	3	532	234
VI. TRADING PROFIT / (LOSS) (Net)	4	(468,500)	(436,587)
6.1 Profit/Loss from Capital Market Transactions		1,619	(26,401)
6.2 Profit/Loss from Derivative Financial Transactions		(223,997)	(270,467)
6.3 Foreign Exchange Profit/Loss		(246,122)	(139,719)
VII. OTHER OPERATING INCOME	5	80,520	120,461
VIII. GROSS PROFIT FROM OPERATIONS (III+IV+V+VI+VII)		1,126,712	1,151,976
IX. ALLOWANCE FOR EXPECTED CREDIT LOSSES (-)	6	53,985	207,275
X. OTHER PROVISION EXPENSE (-)	12	-	(18,000)
XI. PERSONNEL EXPENSES (-)		(597,287)	(479,971)
XII. OTHER OPERATING EXPENSES (-)	7	(496,110)	(401,389)
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		87,300	459,891
XIV. AMOUNT IN EXCESS RECOGNISED AS GAIN AFTER MERGER		-	-
XV. PROFIT/LOSS ON EQUITY METHOD		-	-
XVI. PROFIT/LOSS ON NET MONETARY POSITION		-	-
XVII. PROFIT/LOSS FROM CONTINUED OPERATIONS BEFORE TAXES (XIII+...+XVI)	8	87,300	459,891
XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)	9	3,826	(105,290)
18.1 Provision for Current Income Taxes		(10,601)	(152,435)
18.2 Deferred Tax Expense Effect (+)		14,427	47,145
18.3 Deferred Tax Income Effect (-)		-	-
XIX. NET PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	10	91,126	354,601
XX. INCOME ON DISCONTINUED OPERATIONS		-	-
20.1 Income on Assets Held for Sale		-	-
20.2 Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
20.3 Income on Other Discontinued Operations		-	-
XXI. LOSS FROM DISCONTINUED OPERATIONS (-)		-	-
21.1 Income on Assets Held for Sale		-	-
21.2 Income on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-	-
21.3 Income on Other Discontinued Operations		-	-
XXII. PROFIT/LOSS ON DISCONTINUED OPERATIONS BEFORE TAXES (XX-XXI)		-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1 Provision for Current Income Taxes		-	-
23.2 Deferred Tax Expense Effect (+)		-	-
23.3 Deferred Tax Income Effect (-)		-	-
XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)	10	-	-
XXV. NET PROFIT/LOSS FOR THE PERIOD (XIX+XXIV)	11	91,126	354,601
Profit/Loss per Share		0.0091	0.03546

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Audited Current Period 1 January-31 December 2025	Audited Prior Period 1 January-31 December 2024
I. PROFIT/LOSS FOR THE PERIOD	91,126	354,601
II. OTHER COMPREHENSIVE INCOME	(4,766)	8,607
2.1 Items not to be Reclassified to Profit or Loss	627	2,678
2.1.1 Increase/Decrease in Revaluation of Tangible Assets	-	-
2.1.2 Increase/Decrease in Revaluation of Intangible Assets	-	-
2.1.3 Defined Benefit Plans Remeasurement Gains/Losses	895	(5,688)
2.1.4 Other Items of Comprehensive Income not to be Reclassified as Other Profit or Loss	-	-
2.1.5 Taxes on Other Comprehensive Income not to be Reclassified to Profit or Loss	(268)	8,366
2.2 Items to be Reclassified to Profit or Loss	(5,393)	5,929
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Valuation and/or Classification Income/Expense of Financial Assets at Fair Value through Other Comprehensive Income	(7,704)	8,470
2.2.3 Cash Flow Hedging Income/Expense	-	-
2.2.4 Hedging Income/Expense on Investment Risk Related to be Operation Abroad	-	-
2.2.5 Other items of Comprehensive Income not to be Reclassified Other Profit or Loss	-	-
2.2.6 Taxes on Other Comprehensive Income not to be Reclassified to Profit or Loss	2,311	(2,541)
III. TOTAL COMPREHENSIVE INCOME (I+II)	86,360	363,208

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

TURKLAND BANK ANONİM ŞİRKETİ
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CHANGES IN SHAREHOLDERS' EQUITY		Paid-in Capital	Share Issue Premiums	Share Cancellation Profit	Other Capital Reserves	Other Items of Comprehensive Income not to be Reclassified as Other Profit or Loss			Other Items of Comprehensive Income to be Reclassified as Other Profit or Loss			Profit Reserves	Prior Periods' Profit/Loss	Net Profit or Loss for the Period	Total Shareholders' Equity	
						1	2	3	4	5	6					
Prior Period 31 December 2024 Audited																
I.	Balance at the End of the Prior Period	1,000,000	-	-	25,430	-	(22,200)	2,807	-	-	-	(362,548)	-	434,953	1,078,442	
II.	Correction made as per TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)	1,000,000	-	-	25,430	-	(22,200)	2,807	-	-	-	(362,548)	-	434,953	1,078,442	
IV.	Total Comprehensive Income/Expense	-	-	-	-	-	2,678	-	-	5,929	-	-	-	354,601	363,208	
V.	Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase in Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease Due to Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	434,953	-	(434,953)	-	-
11.1	Dividends Distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	434,953	-	-	(434,953)	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the End of the Period (III+IV+.....+X+XI)		1,000,000	-	-	25,430	-	(19,522)	2,807	-	5,929	-	72,405	-	354,601	1,441,650	
Current Period 31 December 2025 Audited																
I.	Balance at the End of the Prior Period	1,000,000	-	-	25,430	-	(19,522)	2,807	-	5,929	-	72,405	-	354,601	1,441,650	
II.	Correction made as per TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)	1,000,000	-	-	25,430	-	(19,522)	2,807	-	5,929	-	72,405	-	354,601	1,441,650	
IV.	Total Comprehensive Income/Expense	-	-	-	-	-	627	-	-	(5,393)	-	-	-	91,126	86,360	
V.	Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase in Internal Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in Capital Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease Due to Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	354,601	-	(354,601)	-	-
11.1	Dividends Distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers to Reserves	-	-	-	-	-	-	-	-	-	354,601	-	-	(354,601)	-	-
11.3	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the End of the Period (III+IV+.....+X+XI)		1,000,000	-	-	25,430	-	(18,895)	2,807	-	536	-	427,006	-	91,126	1,528,010	

1. Accumulated revaluation increases/decreases on non-current assets,
2. Accumulated remeasurement gains/losses of defined benefit plans,
3. Other (Shares of other comprehensive income of investments accounted through equity method that will not be reclassified to profit or loss and accumulated amounts of other comprehensive income items that will not be reclassified to profit or loss)
4. Foreign currency translation differences,
5. Accumulated revaluation and/or reclassification gains/losses of financial assets at fair value through other comprehensive income,
6. Other (Cash flow hedge gains/losses, share of other comprehensive income of investments accounted for using the equity method that will be reclassified to profit or loss and accumulated amounts of other comprehensive income items that will be reclassified to profit or loss).

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024
(Amounts expressed in thousands of Turkish Lira (TL) unless otherwise stated.)

VI. STATEMENT OF CASH FLOWS

	Audited Current Period 1 January-31 December 2025	Audited Prior Period 1 January-31 December 2024
A. CASH FLOWS FROM BANKING OPERATIONS		
1.1 Operating Profit Before Change in Banking Operations Assets and Liabilities	737,986	894,763
1.1.1 Interest Received	4,187,313	4,363,815
1.1.2 Interest Paid	(2,878,207)	(2,919,462)
1.1.3 Dividend Received	532	234
1.1.4 Fees and Commissions Received	63,179	36,808
1.1.5 Other Income	828,546	368,905
1.1.6 Collections from Previously Written-off Receivables	62,958	223,410
1.1.7 Cash Payments to Personnel and Service Suppliers	(654,771)	(475,392)
1.1.8 Taxes Paid	(33,554)	31,419
1.1.9 Other	(838,010)	(734,974)
1.2 Change in Assets and Liabilities Subject to Banking Activities	(16,791)	(2,416,242)
1.2.1 Net (Increase) / Decrease in Financial Assets Measured at FVTPL	-	-
1.2.2 Net (Increase) / Decrease in Due from Banks	(772,119)	(895,391)
1.2.3 Net (Increase) / Decrease in Loans	(157,846)	1,241,149
1.2.4 Net (Increase) / Decrease in Other Assets	(78,689)	(469,595)
1.2.5 Net (Increase) / Decrease in Bank Deposits	513,611	(4,968)
1.2.6 Net (Increase) / Decrease in Other Deposits	447,687	(2,935,333)
1.2.7 Net (Increase) / Decrease in Financial Liabilities Measured at FVTPL	-	-
1.2.8 Net (Increase) / Decrease in Funds Borrowed	-	-
1.2.9 Net (Increase) / Decrease in Matured Payables	-	-
1.2.10 Net (Increase) / Decrease in Other Liabilities	30,565	647,896
I. Net Cash Flow from Banking Operations	721,195	(1,521,479)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
II. Net Cash Flows from Investing Activities	(604,401)	752,244
2.1 Cash Paid for Purchase of Associates, Subsidiaries, and Joint-Ventures	-	-
2.2 Cash Obtained from Sale Associates, Subsidiaries, and Joint-Ventures	-	-
2.3 Purchases of Tangible Assets	(47,538)	(17,026)
2.4 Sales of Tangible Assets	14,373	5,805
2.5 Cash Paid for Purchase of Financial Assets at Fair Value Through Other Comprehensive Income	(86,831)	(481,107)
2.6 Cash Obtained from Sale of Financial Assets at Fair Value Through Other Comprehensive Income	508,224	23,702
2.7 Cash Paid for Purchase of Investment Securities	(984,232)	(52,973)
2.8 Cash Obtained from Sale of Investment Securities	1,935	1,278,851
2.9 Other	(10,332)	(5,008)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
III. Net Cash Flow from Financing Activities	(63,906)	(53,664)
3.1 Cash Obtained from Funds Borrowed and Securities Issued	-	-
3.2 Cash Outflows from Repayment of Funds Borrowed and Securities Issued	-	-
3.3 Equity Instruments Issued	-	-
3.4 Dividends Paid	-	-
3.5 Payments for Leases	(63,906)	(53,664)
3.6 Other	-	-
IV. Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents	612,152	433,911
V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)	665,040	(388,988)
VI. Cash and Cash Equivalents at the Beginning of Period	3,987,843	4,376,831
VII. Cash and Cash Equivalents at the End of Period	4,652,883	3,987,843

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

TURKLAND BANK ANONİM ŞİRKETİ
UNCONSOLIDATED STATEMENTS OF PROFIT DISTRIBUTION
FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024

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

VII. STATEMENT OF PROFIT DISTRIBUTION

	Audited	Audited
	Current Period	Prior Period
	31 December 2025	31 December 2024
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1. CURRENT YEAR INCOME	87,300	459,891
1.2. TAXES AND DUTIES PAYABLE (-)	(3,826)	105,290
1.2.1. Corporate Tax (Income Tax)	10,601	152,435
1.2.2. Income Withholding Tax	-	-
1.2.3. Other Taxes and Duties (**)	(14,427)	(47,145)
A. NET INCOME FOR THE YEAR (1.1-1.2)	91,126	354,601
1.3. PRIOR YEARS' LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVES (-)	-	15,372
1.5. OTHER STATUTORY RESERVES (-)	-	-
B. NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]	91,126	339,229
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 (Pre- emptive 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 (Pre- emptive Rights)	-	-
1.9.4. To Profit Sharing Bonds	-	-
1.9.5. To Holders of Profit and Loss Sharing Certificates	-	-
1.10. SECOND LEGAL RESERVES (-)	-	-
1.11. STATUTORY RESERVES (-)	-	-
1.12. EXTRAORDINARY RESERVES	-	292,084
1.13. OTHER RESERVES	-	47,145
1.14. SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES		
2.1. DISTRIBUTED RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1. To Owners of Ordinary Shares	-	-
2.3.2. To Owners of Preferred Shares	-	-
2.3.3. To Owners of Preferred Shares (Pre- emptive Rights)	-	-
2.3.4. To Profit Sharing Bonds	-	-
2.3.5. To Holders of Profit and Loss Sharing Certificates	-	-
2.4. DIVIDENDS TO PERSONNEL (-)	-	-
III. EARNINGS PER SHARE (***)		
3.1. TO OWNERS OF ORDINARY SHARES	-	-
3.2. TO OWNERS OF ORDINARY SHARES (%)	-	-
3.3. TO OWNERS OF PREFERRED SHARES	-	-
3.4. TO OWNERS OF PREFERRED SHARES (%)	-	-
IV. DIVIDEND PER SHARE		
4.1. TO OWNERS OF ORDINARY SHARES	-	-
4.2. TO OWNERS OF ORDINARY SHARES (%)	-	-
4.3. TO OWNERS OF PREFERRED SHARES	-	-
4.4. TO OWNERS OF PREFERRED SHARES (%)	-	-

(*) Profit distribution is decided by the General Assembly of the Bank. As of the report date, the General Assembly meeting has not been held yet.

(**) Deferred Tax Income/(Expense) shown in Other Taxes and Legal Liabilities line is not subject to profit distribution.

(***) Since the Bank is not publicly traded, it has no obligation to calculate profit/loss per share.

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

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

SECTION THREE

ACCOUNTING POLICIES

I. Basis of Presentation

The unconsolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” related to Banking Act numbered 5411 published in the Official Gazette No.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency (“BRSA”), and in case where a specific regulation is not made by BRSA, and “Turkish Financial Reporting Standards” (“TFRS”) and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”). The format and content of the publicly announced unconsolidated 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” and “Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks “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.

The financial statements are prepared in accordance with the historical cost basis except for financial instruments measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income which are presented on a fair value basis.

The Bank has started to apply TFRS 9 Financial Instruments (“TFRS 9”) published by Public Oversight Accounting and Auditing Standards Authority (“POA”) in the accompanying unconsolidated financial statements starting from 1 January 2018 for the first time based on the regulation published in the Official Gazette no. 29750 dated 22 June 2016 in connection with procedures and principals regarding classification of loans and allowances allocated for such loans which came into force starting from 1 January 2018.

The preparation of financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement.

In the announcement made by the POA on 23 November 2023, it was stated that financial statements for annual reporting periods ending on or after 31 December 2023, of entities applying the Turkish Financial Reporting Standards (TFRS) should be adjusted for the effects of inflation in accordance with the relevant accounting principles outlined in TAS 29 Financial Reporting in Hyperinflationary Economies. Additionally, institutions or organizations authorized to regulate and supervise specific sectors may determine different transition dates for the application of the provisions of TAS 29. In this context:

- By the decision of the Banking Regulation and Supervision Agency (BRSA) dated 11 January 2024, and numbered 10825, the transition date for banks, financial leasing, factoring, financing, savings finance, and asset management companies to apply TAS 29 has been set as 1 January 2025.
- According to the BRSA Board decision numbered 11021 dated 5 December 2024, it was decided that banks, as well as financial leasing, factoring, financing, savings finance, and asset management companies, would not apply inflation accounting in 2025.

As a result, the Bank has not applied TAS 29 Financial Reporting in Hyperinflationary Economies in its unconsolidated financial statements as of 31 December 2025.

Changes in accounting policies and disclosures

The changes in TFRS, effective from 1 January 2025, have no significant impact on the Bank’s accounting policies, financial position, and performance. The TFRS changes that have been published but not yet in effect as of the finalization date of the financial statements are not expected to have a significant impact on the Bank's accounting policies, financial position, and performance.

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

I. Basis of Presentation (cont'd)

Additional paragraph for convenience translation to English:

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

Accounting estimates and assumptions

Management is responsible for applying the Bank's accounting policies in the preparation of the financial statements. In this context, management exercises judgment and makes estimates and assumptions that affect the carrying amounts of assets and liabilities, as well as the recognition of income and expenses. These judgments, estimates, and assumptions reflect management's current expectations regarding future conditions and events; however, actual results may differ from those estimates.

Management reviews estimates and the underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the period of the revision and in future periods to the extent that they are impacted.

A. Judgments: Information regarding the judgments made in the application of accounting policies that have the most significant effect on the amounts recognized in the financial statements is disclosed in the relevant notes below.

The definition of Expected Credit Loss ("ECL") operates fundamentally as follows:

- a) Basic Principles: The expected credit loss model applies to financial instruments measured at amortized cost or at fair value through other comprehensive income (such as bank deposits, loans, and finance lease receivables). In addition, it is applied to lease receivables that cannot be measured at fair value through profit or loss, as well as to contract assets, loan commitments, and financial guarantee contracts.

The main principle of the expected credit loss model is to reflect the overall deterioration or improvement in the credit quality of financial instruments. The amount of expected credit loss, also referred to as the loss allowance or provision, varies depending on the extent of the increase in credit risk. Under the general approach, two measurement categories exist:

- 12-month Expected Credit Loss (Stage 1): Applies to all financial instruments unless there has been a significant deterioration in credit quality.
- Lifetime Expected Credit Loss (Stage 2): Applies when there has been a significant increase in credit risk since initial recognition.

Expected credit loss represents an estimate of credit losses expected to occur over the life of a financial instrument; however, the following considerations are important in the measurement process.

- An unbiased and probability-weighted amount that reflects a range of possible outcomes.
- The time value of money.
- Reasonable and supportable information available at the reporting date without undue cost or effort, regarding past events, current conditions, and forecasts of future economic circumstances.

12-month expected credit losses represent a portion of the lifetime expected credit losses and relate to default events that are possible within 12 months after the reporting date (or a shorter period if the remaining life of the financial instrument is less than 12 months).

- b) Assessment of Credit Risk: At each reporting date, the Bank assesses whether there has been a significant increase in the credit risk of a financial instrument since initial recognition. In making this assessment, the Bank evaluates changes in the risk of default over the expected life of the financial instrument, rather than changes in the amount of expected credit losses. To perform this assessment, the Bank compares the risk of default as at the reporting date with the risk of default as at the date of initial recognition, taking into account reasonable and supportable information that is available without undue cost or effort and that indicates significant increases in credit risk since initial recognition. Management adjustments may be applied in exceptional circumstances or when specific risk factors exist that are not fully captured by the model.

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

I. Basis of Presentation (cont'd)

Accounting estimates and assumptions (cont'd)

Such management overlays and other exceptions applied to the model output are considered only to the extent that they are consistent with the objective of identifying significant increases in credit risk. As of 31 December 2025, no additional adjustments have been applied to the model output.

TFRS 9 was introduced to eliminate the delays in recognizing impairment by replacing the incurred loss model with an expected credit loss model. The expected credit loss model is used to assess increases in credit risk and to calculate the loss allowance.

- c) **Assessment Method:** The Bank does not apply an individual assessment approach for Stage 1 and Stage 2 exposures. The measurement of 12-month expected credit losses and lifetime expected credit losses is explained in detail in Note VI.
- d) **Effective Interest Rate:** The time value of money varies over time and TFRS 9 requires that the time value at the reporting date be used when determining impairment. In calculating the time value of money, the effective interest rate is applied.
- e) **Forward-Looking Information:** TFRS 9 requires that the credit risk models used in the calculation of expected credit losses incorporate forward-looking, credit-specific, macroeconomic and market-related developments. Accordingly, the impact of forward-looking expectations linked to macroeconomic factors is incorporated into the model used for calculating loss allowances. In this context, year-end calculations were performed using the table below, and the 2026 projections were used in the calculations as at December 2025.

	Scenario	Unemployment	Consumer Price Index	Bond	Growth	Commercial Interest Rate
2026	Base	8.40%	19.00%	21.40%	3.90%	32.00%
2027	Base	8.20%	12.00%	13.50%	4.30%	17.00%
2028	Base	8.00%	9.00%	10.10%	5.00%	14.00%
2026	Negative	10.00%	32.00%	31.50%	1.00%	42.00%
2027	Negative	10.80%	29.00%	29.50%	2.70%	39.00%
2028	Negative	11.00%	25.00%	26.00%	3.50%	35.00%
2026	Extremely Negative	12.80%	45.00%	39.50%	4.50%	60.00%
2027	Extremely Negative	13.50%	40.00%	36.00%	2.50%	55.00%
2028	Extremely Negative	14.00%	35.00%	32.00%	3.00%	50.00%

Scenario	Scenario weight
Base	65.0%
Negative	30.0%
Extremely Negative	5.0%

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

I. Basis of Presentation (cont'd)

Standards and Amendments Issued but Not Yet Effective as of 31 December 2025

A number of new accounting standards are effective for annual reporting periods beginning after 1 January 2025 and earlier application is permitted. However, the Bank has not early adopted the following new or amended accounting standards in preparing these consolidated financial statements.

a) TFRS 18 – Presentation and Disclosures in Financial Statements

On 9 April 2024, IASB has issued TFRS 18 Presentation and Disclosure in Financial Statements that TFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. POA issued the standard “TFRS 18 Presentation and Disclosure in Financial Statements” on 8 May 2025, announcing that with its effective date, the currently applied “TAS 1 Presentation of Financial Statements” will be superseded. The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities’ net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

TFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and applies retrospectively. Early adoption is permitted. The Bank is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Bank’s statement of profit or loss, the statement of cash flows and the additional disclosures required for Management-defined performance measures.

b) Other Accounting Standards

The following new and amended accounting standards are not expected to have a significant impact on the Group’s unconsolidated financial statements:

- *Classification and Measurement of Financial Instruments (Amendments to TFRS 9 and TFRS 7);*
- *Contracts Referencing Nature-dependent Electricity (Amendments to TFRS 9 and TFRS 7);*
- *TFRS 19 Subsidiaries without Public Accountability: Disclosures;*
- *Annual Improvements to TFRS Accounting Standards- Volume 11;*

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Accounting and Auditing Standards Authority (“POA”)

- *TAS 21 – Translation to a Hyperinflationary Presentation Currency*

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions

The Bank focuses its activities in corporate banking. The primary objective of the Bank is to sustain liquidity while fulfilling customer needs. Thus, the Bank places approximately 23.87% of its resources in liquid assets, while the Bank also aims for the highest yield possible with effective maturity management.

Besides its principle activity, the main financial instruments of the Bank are money market placements, treasury bills and government bonds.

Marketable securities comprising 6.21% of total assets are assets with low risk and high yield. Placements in banks are 16.74% of the total assets and these assets provide liquidity with low risk and yield.

The Bank aims at creating an optimum maturity risk and working with a positive margin between cost of resource and product yield in the process of asset and liability management.

As a component of the risk management strategy of the Bank, the management of risk bearing short positions of currency, interest or price movements is performed only by the Treasury and using the limits defined by the Board of Directors.

TURKLAND BANK ANONİM ŞİRKETİ
EXPLANATIONS AND NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025

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

III. Explanations on Forward and Option Contracts and Derivative Instruments

The Bank's derivative transactions consist of options, foreign currency swaps, and forward foreign exchange contracts. Derivative transactions are initially recognized at fair value and subsequently measured at fair value in the following periods. Certain derivative instruments, although economical hedges, are accounted as trading transactions since they are not qualified to be a hedging instrument as per "Financial Instruments" ("TFRS 9"). Realized gains or losses on these instruments are reflected in the statement of profit or loss.

Receivables and payables arising from derivative transactions are recorded in off-balance sheet accounts at their contractual amounts. There are no embedded derivatives of the Bank separated from the host contract or that are designated as hedging instruments as of the balance sheet date.

IV. Explanations on Interest Income and Expenses

Interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset, in accordance with the effective interest method defined in TFRS 9 (the rate that exactly discounts estimated future cash flows over the expected life of the financial asset or liability), except for financial assets that are credit-impaired at initial recognition and financial assets that were not credit-impaired at initial recognition but subsequently become credit-impaired. When applying the effective interest method, the Bank identifies fees that are an integral part of the effective interest rate of the financial instrument. Unless the financial instrument is measured at fair value through profit or loss, such fees that are an integral part of the effective interest rate are considered as an adjustment to the effective interest rate. In such cases, these fees are recognized in the financial statements as income or expense at the time the financial instrument is initially recognized.

In applying the effective interest method, the Bank amortizes the fees included in the calculation of the effective interest rate, transaction costs and other premiums or discounts over the expected life of the financial instrument.

If expectations regarding the cash flows of a financial asset are revised for reasons other than credit risk, the change is reflected in the carrying amount of the asset and the related income statement line item and is amortized over the estimated remaining life of the financial instrument.

If a financial asset becomes credit-impaired and is classified as a non-performing loan, the Bank applies the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods. The interest income calculation for such assets is performed on a contract-by-contract basis for all financial assets subject to impairment calculation. The effective interest rate is applied in the calculation of loss given default in expected credit loss models, and the expected credit loss calculation also includes such interest amounts.

V. Explanations on Fees and Commission Income and Expenses

Fees and commissions other than those that are an integral part of the effective interest rate of financial instruments measured at amortized cost are accounted for in accordance with TFRS 15 Revenue from Contracts with Customers. Except for fee income related to certain banking transactions that is recognized as income at a point in time in the period in which the service is provided, fee and commission income and expenses, as well as loan fee and commission expenses paid to other credit institutions and organizations, are recognized on an accrual basis over the period during which the service is rendered. Income obtained through contracts or through the acquisition of assets on behalf of a third natural or legal person is recognized in the period in which it is realized.

VI. Explanations on Financial Assets

In the framework of "TFRS 9 Financial Instruments", which is effective as of 1 January 2018, the Bank classifies its financial assets as "Financial assets at fair value through profit or loss", "Financial assets at fair value through other comprehensive income" or "Financial assets at amortised cost". This classification is made during initial recognition based on the contractual cash flow characteristics with the business model of the financial assets determined by the management.

The financial assets are recognized or derecognized in accordance with the "Recognition and Derecognition" principles defined in Section 3 related to classification and measurement of financial instruments of the "TFRS 9 Financial Instruments". At initial recognition, financial assets are measured at fair value. In the case of financial assets are not measured at fair value through profit or loss, transaction costs are added or deducted to/from their fair value. Financial instruments are included in the Bank's balance sheet if the Bank is a legal party to these financial instruments.

Financial instruments comprise financial assets and financial liabilities. Financial instruments affect liquidity, market, and credit risks on the Bank's balance sheet in all aspects. The Bank trades these instruments on behalf of its customers and on its own behalf.

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VI. Explanations on Financial Assets (cont'd)

Mainly, financial assets create the majority of the commercial activities and operations of the Bank. These instruments expose, affect and diminish the liquidity, credit and interest risks in the financial statements.

All regular way purchases and sales of financial assets are recognized on the settlement date. The settlement date is the date that the asset is delivered to or by the Bank. Settlement date accounting requires (a) accounting of the asset when acquired by the institution and (b) disposing of the asset out of the balance sheet on the date settled by the institution; and accounting of gain or loss on disposal. Changes in fair value of assets to be received during the period between the trade date and the settlement date are accounted for in the same way as the acquired assets.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

Business Model Assessment

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

The Bank's business model does not depend on management's intention for an individual financial instrument; therefore, it does not represent a classification approach on an instrument-by-instrument basis, but rather an assessment made based on a portfolio of financial assets.

Assessing the business model used for managing financial assets, the Bank considers all relevant evidence available at the date of assessment. Such evidence includes, but is not limited to, the following:

- How the performance of the business model and the financial assets held within that business model is reported to the Bank's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, how those risks are managed.

The business model assessment is not performed based on scenarios that the entity does not reasonably expect to occur, such as "worst-case" or "stress" scenarios.

The fact that cash flows are realized differently from the expectations at the date on which the business model is assessed does not require the Bank to correct errors in the financial statements or to change the classification of other financial assets to which the same business model is applied, provided that the Bank has considered all relevant information available at the date of the business model assessment. However, in assessing the business model for newly originated or newly acquired financial assets, the Bank considers information on how cash flows were realized in the past together with other relevant information.

The Bank's business models consist of three categories, as set out below:

- Business model with the objective of holding financial assets to collect contractual cash flows: This is the business model in which the Bank holds financial assets in order to collect the contractual cash flows arising over the life of the assets. Financial assets held under this business model are measured at amortized cost, provided that the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Business model with the objective of collecting contractual cash flows and selling financial assets: This is the business model in which the Bank holds financial assets both to collect contractual cash flows and to sell the financial assets. Financial assets held under this business model are measured at fair value through other comprehensive income, provided that the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Other business models: These are business models in which financial assets are not held either to collect contractual cash flows or to collect contractual cash flows and sell financial assets, and are measured at fair value through profit or loss.

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VI. Explanations on Financial Assets (cont'd)

Contractual cash flows that are solely payments of principal and interest

In accordance with TFRS 9, when the Bank holds a financial asset within a business model whose objective is either to collect contractual cash flows or to collect contractual cash flows and sell financial assets, the Bank classifies such financial asset based on the characteristics of the contractual cash flows.

In a basic lending arrangement, consideration for the time value of money and credit risk generally represents the most significant elements of interest.

The Bank applies judgment to assess whether such consideration represents solely payment for the passage of time and takes into account relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set. In cases where the contractual terms expose the financial asset to risks or variability in cash flows that are inconsistent with a basic lending arrangement, the related financial asset is measured at fair value through profit or loss.

The methods and assumptions used in the recognition and measurement of financial instruments are mentioned below.

Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss are financial assets other than the ones that are managed with business model that aims to collect and sell contractual cash flows and the business model that aims to collect and sell contractual cash flows, and when the contractual terms of the financial asset on certain dates only do not result in cash flows involving the principal and interest payments arising from the principal amount balance, they are also financial assets that are acquired to profit from fluctuations in prices and similar factors in the short-term in the market, or that are part of a portfolio to make a profit in the short-term, regardless of the reason for their acquisition.

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.

Financial Assets at Fair Value Through Other Comprehensive Income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) The financial asset is held within a business model whose objective is to collect contractual cash flows and sell the financial asset,
- (b) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding at specific dates.

“Unrealized gains and losses” arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the receipt of consideration against that asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted for under the “other comprehensive income or expense items to be recycled to profit or loss” under shareholders’ equity. The Bank applies impairment requirements when recognizing and measuring loss allowances for financial assets measured at fair value through other comprehensive income; however, the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

Equity instruments classified as financial assets measured at fair value through other comprehensive income are recognized at their fair values. Gains or losses arising from changes in the fair value of such financial assets are not recognized in the statement of profit or loss until the related financial asset is collected, sold, derecognized or becomes impaired. For equity instruments, these fair value changes are recognized in equity under “Accumulated other comprehensive income or loss not reclassified through profit or loss.”

Financial Assets at Amortised Cost

A financial asset is classified as a financial asset measured at amortised cost, if the financial asset is held within the scope of a business model for the collection of contractual cash flows and the contractual terms of the financial asset result in cash flows that include payments arising only from principal and interest on the principal amounts on specific dates.

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VI. Explanations on Financial Assets (cont'd)

Financial Assets at Amortised Cost (cont'd)

After the initial recognition, provision for impairment to be deducted, if any, financial assets measured at amortised cost are recognized with discounted value using effective interest method.

Interest earned on financial assets measured at amortised cost is recognized as interest income. The Bank classifies financial assets according to the classifications described above at the time of acquisition of the respective assets.

Loans:

Loans are financial assets created by providing money, goods, or services to the debtor. These loans and receivables are initially recognized at their acquisition cost, which reflects their fair value, and subsequently measured at amortised cost using the effective interest (internal rate of return) method. Fees and other expenses paid related to the collateral taken for these loans are not considered part of the transaction costs and are recognized in the expense accounts.

Individual and corporate loans, which are monitored under cash loans, are accounted for in the accounts specified in the Chart of Accounts ("COA") and the Prospectus based on their original balances, according to their content.

Foreign currency indexed individual and commercial loans are tracked in Turkish Lira ("TL") accounts based on their Turkish Lira equivalents at the exchange rate on the opening date. Repayments are calculated based on the exchange rate at the payment date, and the resulting exchange differences are reflected in the income and expense accounts.

Explanations on TFRS 9 Financial Instruments:

TFRS 9 introduced new requirements for the classification and measurement of financial assets/liabilities and for derecognition and for general hedge accounting:

- All recognized financial assets that are within the scope of TFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVOCI. All other debt instruments and equity instruments are measured at their fair value at the end of subsequent accounting periods. In addition, under TFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognized by an acquirer in a business combination) in other comprehensive income, with only dividend income generally recognized in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, TFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under TAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, TFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under TAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in TAS 39. Under TFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

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VI. Explanations on Financial Assets (cont'd)

Explanations on TFRS 9 Financial Instruments (cont'd):

Classification and Measurement

Classification and measurement of financial assets in accordance with TFRS 9 standard are determined by whether the financial asset is based on the business model in which the financial asset is managed and whether it is based on contractual cash flows including interest payments on principal and principal balance only.

At the time of initial recognition in the financial statements, each financial asset can be classified as either measured at fair value through profit or loss, measured at amortised cost, or measured at fair value through other comprehensive income, based on its classification.

Impairment:

In accordance with the "Regulation on Procedures and Principles for the Classification of Loans and the Provisions to be Reserved" published in the Official Gazette dated 22 June 2016 and numbered 29750, the Bank started to recognize provision for impairment in accordance with the provisions of TFRS 9 as of 1 January 2018. The expected credit losses estimate is unbiased, weighted by probability and should include supportable information about estimates of past events, current conditions and future economic conditions. These financial assets have been classified into the following three categories based on the increase in the credit risks observed since the first receipt of financial assets:

Stage 1: Includes financial assets with no significant increase in credit risk starting from initial recognition until the next reporting period. For these assets, the expected credit loss of 12 months is accounted.

Stage 2: Includes financial assets that have a significant increase in credit risk after initial recognition but an objective evidence of impairment does not exist. For these assets, expected lifetime credit losses are accounted.

Stage 3: Includes financial assets that have objective evidence of impairment as of the reporting date. For these assets, expected lifetime credit losses are accounted.

The Bank assesses, at each reporting date, whether there are any objective indicators of impairment for a financial asset or a group of financial assets. If such an indicator exists, the Bank determines the amount of the impairment loss accordingly.

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VII. Explanations on Impairment of Financial Assets

As of 1 January 2018, the Bank recognizes expected credit losses for all loans and financial assets measured at amortised cost and at fair value through other comprehensive income, as well as for off-balance sheet exposures, in accordance with TFRS 9 and the “Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside” published in the Official Gazette No. 29750 dated 22 June 2016 and effective as of 1 January 2018. Financial assets measured at fair value through profit or loss are not subject to impairment. In this context, the Bank determines its estimates by considering its credit risk policies, the overall structure of its loan portfolio, the financial strength of its customers, non-financial information and the broader economic environment. The related provisions are recognized in profit or loss using the “TFRS 9 Expected Credit Loss Provision Expenses” accounts. Provisions made for loan losses in the current period and provision made in the previous periods are reversed as a result of principal collections made for the related loans or that are written off are recorded in the "Allowance for Expected Credit Losses" account.

Calculation of expected credit losses:

Expected credit losses are calculated based on a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due based on the contract and the cash flows that are expected to be received.

Probability of Default (PD): PD refers to the likelihood that a loan will default, which is usually set at 12 months, given certain characteristics. Based on TFRS 9, two different PDs are used in order to calculate expected credit losses:

-12-month PD: as the estimated probability of default occurring within the next 12 months.

-Lifetime PD: as the estimated probability of default occurring over the remaining life of the financial instrument.

Internal rating systems are used in the Bank.

Probability of default calculation has been carried out based on past information, current conditions and forward looking macroeconomic parameters.

Loss Given Default (LGD): If a loan default occurs, it represents the economic loss incurred on the loan. It is expressed as a percentage. LGD calculations are performed using historical data which best reflects current conditions, by formation of segments based on certain risk factors that are deemed important for each portfolio and inclusion of forward-looking information and macroeconomic expectations. LGD summarizes all cash flows from customers subsequent to default. It covers all costs and collections that occur during the collection cycle, including collections from collaterals. It also includes the "time value of money" calculated by means of deducting costs and additional losses from the present value of collections.

Exposure at Default (EAD): For cash loans, it corresponds to the amount of loan granted as of the reporting date. For non-cash loans and commitments, it is the value calculated through using credit conversion factors.

Stage 1: 12-month expected credit loss represents the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date and calculated as the portion of lifetime expected credit losses. 12-month expected credit loss is calculated based on a probability of default realized within 12 months after the reporting date. Such expected 12-month probability of default is applied on an expected exposure at default, multiplied by loss given default rate and discounted with the original effective interest rate.

Stage 2: Lifetime expected credit losses are expected credit losses from all possible default events that can occur during the expected life of a financial instrument (the risk of a default occurring during the expected life of the financial instrument is estimated). In Stage 2, the provision is calculated for financial assets whose credit risk has deteriorated but not impaired.

Stage 3: The Bank evaluates all impaired accounts individually. The methodology is individual assessment and the probability of default is considered as 100%.

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VII. Explanations on Impairment of Financial Assets (cont'd)

Default Definition: It means debt having past due more than 90 days. Whenever it is considered that an obligor is unlikely to pay its credit obligations, it should be considered as defaulted regardless of the existence of any past-due amount or of the number of days past due.

The Bank calculates the expected credit losses in Stage 1 and Stage 2 by groups based on the following criteria.

- Cash Products / Non-cash Products
- Customer Segments: Commercial and Retail / Corporate
- Product Types: Instalment Credits, Renewable Loans (Rotative), Spot Loan, Overdraft Accounts and Other

VIII. Explanations on Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset when the Bank has a legally enforceable right to set off, and the intention of collecting or paying the net amount of related assets and liabilities or the right to offset the assets and liabilities simultaneously. Otherwise, there is not any offsetting transaction about financial assets and liabilities.

IX. Explanations on Sales and Repurchase Agreements and Lending of Securities

The sales and purchase of government securities under repurchase agreements made with the customers are being recorded in balance sheet accounts in accordance with the Uniform Chart of Accounts. Accordingly in the financial statements, the government bonds and treasury bills sold to customers under repurchase agreements are classified under financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets measured at amortised cost depending on the portfolio they are originally included in and are valued according to the valuation principles of the related portfolios. Funds obtained from repurchase agreements are classified as a separate sub-account under money markets borrowings account in the liabilities.

Funds given against securities purchased under agreements to resell (“reverse repo”) are accounted under “Money Markets Placements” on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the effective interest method. The Bank does not have any securities that are subject to any payment.

The income and expenses from these transactions are reflected to the “Interest Income on Money Market Transactions” and “Interest Expense on Money Market Transactions” accounts in the income statement.

As of 31 December 2025, the Bank does not have any reverse repo transactions (31 December 2024: TL 1,742,324).

As of 31 December 2025, the Bank does not have any marketable securities lending transaction (31 December 2024: None).

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X. Explanations on Non-current Assets Held for Sale and Discontinued Operations and Liabilities Related to These Assets

Assets held for sale should meet the criteria of highly probable sale and the appropriate level of management must be committed to a plan to sell the asset (or the disposal group), and an active program to complete the plan should be initiated to locate a customer. Also, the asset (or the disposal group) should have an active market sale value, which is a reasonable value in relation to its current fair value. Also, the sale must be expected to be accounted for as a completed sale within one year from the date of classification and the actions required to complete the plan must demonstrate that it is unlikely that significant changes will be made to the plan or likelihood of the plan will be cancelled is low.

As of 31 December 2025, the Bank has assets held for sale amount of TL 25,122 (31 December 2024: TL 27,252). These assets consist of real estates acquired through the settlement of non-performing loans.

A discontinued operation is a component of a bank that either has been disposed of, or is classified as held for sale. Gains or losses relating to discontinued operations are presented separately in the statement of profit or loss. The Bank does not have any discontinued operations.

XI. Explanations on Goodwill and Other Intangible Assets

There is no goodwill regarding the investments in associates and subsidiaries.

Other intangible assets are accounted for at cost less accumulated amortization. Other intangible assets are amortised with straight-line method based on their economic lives. There is no change in the amortization method in the current period.

The intangible assets comprising purchased software are in the other intangible fixed assets. As of the balance sheet date, all software are purchased and there are no completed or continuing software development projects by the Bank.

	%
Intangible Assets	7-33

XII. Explanations on Tangible Fixed Assets

Tangible fixed assets are accounted for at acquisition cost less accumulated depreciation. Tangible fixed assets are depreciated with straight-line method. While those acquired before 1 January 2004 are depreciated with the rates valid in prior periods, the fixed assets acquired after 1 January 2004 are depreciated with the rates determined by the Ministry of Finance based on useful economic lives.

Depreciation of assets held less than one year as of the balance sheet date is accounted for proportionately. Depreciation method is not changed in the current period. The annual rates used, which approximate rates based on the estimated economic useful lives of the related assets, are as follows:

	%
Cash	2-13
Furniture, Fixtures and Others	7-33
Office Equipment	10-25

Gain or loss resulting from disposals of the tangible fixed assets is reflected to the income statement as the difference between the net proceeds and net book value.

Normal maintenance and repair cost of the properties are expensed.

There is no pledge, mortgage, or any other restrictions on tangible fixed assets.

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XIII. Explanations on Leasing Transactions

As of the balance sheet date, the Bank does not have authorization for any leasing transactions as lessor.

As a lessee:

“IFRS 16 Leases” Standard was published in the Official Gazette dated 16 April 2018 and numbered 29826. According to this standard, the difference between operating leases and financial leases has been eliminated and leasing transactions is reflected on the balance sheet by the lessee as the asset (right of use) and lease payable, and the interest expense related to the lease liability has reflected to the accounts separately. The Bank started to use IFRS 16 Leases standard starting from 1 January 2019.

The Bank measures the leasing liability at the present value of the remaining lease payments, discounted at the Bank's application date using the reference interest rate at the date of application. In addition, the Bank measures the existence of the right to use of such right at an amount equal to the lease obligation which is reflected in the statement of financial position immediately after the first application date and adjusted for the amount of all prepayment or accrued lease payments.

In accordance with IFRS 16, the Bank measures the lease obligation based on the present value of the lease payments, which were not paid at the date of the lease commencement. Lease payments are discounted using the alternative borrowing rate of the Bank.

The Bank assesses whether the contract has the quality of a lease or whether the lease includes the transaction at the beginning of a contract. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Bank reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

Right of use assets:

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

- a) The initial measurement amount of the lease obligation,
- b) The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) All initial direct costs incurred by the Bank

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

- a) The initial measurement amount of the lease obligation,
- b) The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) All initial direct costs incurred by the Bank

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

- a) accumulated depreciation and accumulated impairment losses are deducted and
- b) measures the restatement of the lease obligation at the restated cost. The bank applies TAS 16 Property, Plant and Equipment while depreciating the right of use assets.

Lease obligations:

At the effective date of the lease, the Bank measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Bank's average borrowing interest rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

After the effective date of the lease, the Bank measures the leasing liability as follows:

- a) Increases the book value to reflect the interest on the lease obligation
- b) Reduces the book value to reflect the lease payments made and
- c) The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

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

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XIV. Explanations on Provisions and Contingent Liabilities

Provisions are recognized when there is a present obligation due to a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by using the Bank's best expectation of expenses in fulfilling the obligation, and discounted to present value if material.

According to the legal department of the Bank, the total number of ongoing cases against the Bank is 296. The total amount of those cases consists of TL 12,943, USD 804,000 and EUR 193,000. There is a provision of TL 30,033 in the accompanying financial statements for these cases (31 December 2024: TL 54,807).

XV. Explanations on Liabilities Regarding Employee Benefits

Defined Benefit Plans:

Obligations related to employee benefits are recognized in accordance with the provisions of TAS 19 "Employee Benefits Standard." The Bank is required to pay severance pay to employees who retire, pass away, leave due to military service, or have their employment terminated as per the relevant legislation, as well as to female employees who voluntarily leave within one year after marriage, in accordance with the applicable laws and collective labor agreements. The Bank recognizes a provision by estimating the present value of the future potential obligation related to severance pay.

In accordance with the revised TAS 19 standard, effective as of 1 January 2013, the Bank recognizes actuarial gains and losses under equity.

	December 2024	December 2025	Financial Assumptions
Real discount rate	2.58%	3.35%	Long-term inflation estimates have been based on the real yields of inflation-linked government bonds denominated in TL that were outstanding as of 31 December 2025. In alignment with the nominal discount rate assumption, the yield of inflation-linked government bonds with a maturity close to 10 years is 3.35%.
Nominal discount rate	26.67%	26.60%	In accordance with IAS 19, the discount rate should be estimated for maturities that are consistent with the timing of the post-employment benefit obligations and in the currency in which such obligations will be settled. The same standard recommends that the discount rate be determined by reference to market yields on high-quality corporate bonds at the end of the reporting period. In markets where there is insufficient depth, maturity, or liquidity in such instruments, the use of government bond yields is considered acceptable. Within this framework, the yield curve for TL-denominated government bonds published by Bloomberg (BVAL) as at 31 December 2025 has been used for the valuation. Based on the duration of the obligations, the longest available maturity (10 years) implies a nominal annual yield of 26.60%.
Inflation rate	23.49%	22.50%	It is calculated using both the real discount rate and the nominal discount rate.
Salary increase rate	Inflation above 2%	Inflation above 2%	An additional 2% above inflation may be used for promotion and merit increases to reflect the general trend in Türkiye.
Severance pay ceiling increase rate	At the same level as inflation	At the same level as inflation	We assume that the increase will be in line with inflation.
	December 2024	December 2025	Demographic Assumptions
Mortality table	TUIK 2023 Female/Male	TUIK 2023 Female/Male	The TUIK 2023 Female/Male mortality table has been used in the valuation study.
Voluntary turnover rate	-	-	The rates have remained unchanged.
Estimated retirement age	Earliest age calculated in accordance with the Social Security Institution (SGK) requirements	Earliest age calculated in accordance with the Social Security Institution (SGK) requirements	It is assumed that individuals will retire at the earliest date on which they become eligible for retirement. Therefore, it is recommended that the earliest retirement age calculated in accordance with SGK rules be used as the retirement age.

The Bank does not have any pension funds, foundations, or similar organizations to which its employees are members.

Defined Contribution Plans:

The Bank pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Bank has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

Short-term Employee Benefits:

In accordance with TAS 19 "Turkish Accounting Standard on Employee Benefits", defined liabilities that arise from unused leave payments are accrued in the related period and are not discounted.

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XVI. Explanations on Taxation

Corporate Tax:

The Bank is subject to the tax legislation and practices in force in Türkiye. Corporate tax is payable in one installment by the end of the fourth month following the end of the accounting period to which it relates. Corporations are required to calculate advance tax at the current rate on their quarterly financial profits, declare it until the 17th day of the second month following the relevant period and pay it until the evening of the same day. Advance taxes paid during the year are offset against the corporate tax calculated on the annual corporate tax return for that year. In the event that there is an amount of advance tax paid despite the offset, this amount can be refunded in cash or offset against other financial debts.

In Turkey, the commercial profit of corporations is subject to corporate tax based on the legal tax base, which is calculated by adding expenses not legally deductible and subtracting deductions and exemptions included in tax legislation. The general corporate tax rate applied to this base is 30% for profits earned in 2023 and subsequent tax periods for banks, companies under Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies.

In accordance with the General Communiqué No. 555 on the Tax Procedure Law published in the repeated Official Gazette No. 32415 dated 30 December 2023 and the repeated Article 298 of the Tax Procedure Law No. 213, financial statements prepared within the scope of tax legislation for the 2023 accounting period of the enterprises operating in Turkey have been subjected to mandatory inflation adjustment. The opening balance sheet of the financial statements prepared within the scope of tax legislation starting from 1 January 2024 in tax declarations has been taken as the basis. In this context, the Company's financial statements prepared for tax purposes have been subject to inflation adjustment starting from the 2023 accounting period.

However, according to Article 17 of the Law No. 7491 "Law on the Amendment of Certain Laws and Decree Laws" published in the Official Gazette No. 32413 dated 28 December 2023; the inflation adjustment to be made in the 2024 and 2025 accounting periods by banks, companies within the scope of the Law on Financial Leasing, Factoring, Financing and Saving Financing Companies No. 6361 dated 21 November 2012, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, and insurance and reinsurance companies and pension companies, including the advance tax periods, will not be taken into account in the determination of earnings. Therefore, no period tax expense arose from the application of inflation accounting in the relevant periods.

However, in accordance with the Provisional Article 37 added to the Tax Procedure Law with the Law published in the Official Gazette No. 33118 dated 25 December 2025; in the 2026 and 2027 accounting periods including advance tax periods, regardless of whether the conditions for inflation adjustment are met, the financial statements prepared within the scope of tax legislation will not be subject to inflation adjustment. In the said periods, in accordance with paragraph (Ç) of the repeated Article 298 of the Tax Procedure Law, depreciable economic assets and their related accumulated depreciation included in the liabilities of the financial statements prepared within the scope of tax legislation may be subject to revaluation for tax purposes. If the value increase resulting from the said revaluation is transferred to another account in any way other than being added to the capital or withdrawn from the enterprise, these portions are subject to income or corporate tax in the current period without being associated with the income of the period in which this transaction was performed. The Bank has not utilized the relevant revaluation opportunity in its 31 December 2025 financial statements.

According to the Corporate Tax Law, financial losses shown on the tax return can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. There is no practice of reaching an agreement with the tax authorities regarding taxes to be paid in Turkey. Tax authorities may examine tax returns and related accounting records within five years following the accounting period and may make reassessments based on their findings.

Dividend payments made by resident joint-stock companies in Turkey to non-resident real persons and non-resident legal entities (excluding those not responsible for corporate and income tax and those who are exempt) are subject to 15% income tax. There is a withholding tax obligation on dividend distributions, and this withholding obligation is declared in the period when the dividend is paid in cash or on account.

Dividend payments made by resident joint-stock companies in Turkey to other resident joint-stock companies in Turkey are not subject to income tax. Furthermore, in the event that the profit is not distributed or is added to the capital, income tax is not calculated.

In the application of withholding tax rates on profit distributions made to non-resident companies and real persons, the withholding rates stipulated in the relevant Double Taxation Treaties are taken into consideration.

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XVI. Explanations on Taxation (cont'd)

Dividend income obtained by corporations from participating in the capital of another resident corporation with full tax liability is exempt from corporate tax. In addition, 50% of the gains derived from the sale of participation shares, founder's shares, dividend shares, and pre-emptive rights held in the assets of corporations for at least two full years, as well as the participation certificates of investment funds that fall under the scope of the earnings exemption of the Corporate Tax Law, are exempt from corporate tax. 50% of the gains derived from the sale of real estate (immovables) held by corporations for the same period, along with the founder's shares, dividend shares, and pre-emptive rights on them, were also exempt from corporate tax. However, with the amendment made, effective from 15 July 2023, the 50% tax exemption stipulated in the Corporate Tax Law for gains from the sale of real estate has been abolished. Nevertheless, this exemption will be applied at a rate of 25% for the sales of real estate that were included in the assets of the enterprises before 15 July 2023.

To benefit from the exemption, the said gain must be kept in a fund account under liabilities in the financial statements prepared in accordance with tax legislation and must not be withdrawn from the enterprise for a period of 5 years. The said gain can be added to the capital within this period. The sales proceeds must be collected by the end of the second calendar year following the year in which the sale was made.

Transfer pricing regulations

Transfer pricing regulations in Türkiye are set out under Article 13 of the Corporate Tax Law, titled "Concealed Profit Distribution Through Transfer Pricing" The communiqué dated 18 November 2007 on concealed profit distribution through transfer pricing provides detailed guidance regarding the implementation of these rules.

If a tax payer engages in the purchase or sale of goods or services with related parties at prices or values that are not in compliance with the arm's-length principle, the profit is deemed to have been wholly or partially distributed in a disguised manner through transfer pricing. Such disguised profit distribution through transfer pricing is not deductible in determining the corporate tax base and is treated as a distributed dividend.

Deferred Tax:

The tax liability on profit or loss for the period comprises current and deferred tax. Current year tax liability consists of tax liability on period income calculated in accordance with the tax rates enacted as of the balance sheet date and tax legislation in force as of the balance sheet date and includes adjustments related to previous years' tax liabilities.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax is recognized on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit. Deferred tax is measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset in the financial statements.

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XVII. Additional Explanations on Borrowings

The borrowing costs related to purchase, production, or construction of qualifying assets that require significant time to be prepared for use and sale are included in the cost of assets until the relevant assets become ready to be used or to be sold. Financial investment income obtained by temporary placement of undisbursed investment loan in financial investments is offset against borrowing costs qualified for capitalization.

All other borrowing costs are recorded to the income statement in the period they are incurred.

The Bank has not issued convertible bonds.

XVIII. Explanations on Issued Share Certificates

The Bank does not have any issued debt securities. As of the date of approval of these financial statements, there is no subsequent dividend announcement of the Bank.

XIX. Explanations on Acceptances

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

XX. Explanations on Government Incentives

There are no government incentives utilized by the Bank.

XXI. Explanations on Segment Reporting

As of 31 December 2025 and 31 December 2024, the Bank has not reported its financial information according to segments since it mainly serves corporate/commercial customers.

XXII. Explanations on Other Matters

The Bank's current period unconsolidated financial statements are prepared comparatively with the prior period. In order to maintain consistency with the presentation of the current period unconsolidated financial statements, comparative information may be reclassified if necessary. As of current period, there is no matter subject to reclassification.

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SECTION FOUR

INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT

I. Explanations Related to Items of Shareholders' Equity

Total capital and capital adequacy ratio have been calculated in accordance with the “Regulation on Equity of Banks” and “Regulation on Measurement and Assessment of Capital Adequacy of Banks”.

As of 31 December 2025, the Bank’s total equity has been calculated as TL 1,522,070 capital adequacy ratio is 14.40%. 31 December 2024 calculations have been made within the framework of the abolished regulations and the Bank’s total equity amounted to TL 1,438,060 capital adequacy ratio was 20.64% calculated pursuant to former regulations. The Bank's capital adequacy standard ratio is above the minimum ratio determined by the relevant legislation.

Information related to the items of shareholders' equity(*):

	Current Period 31 December 2025(*)
Common Equity Tier I Capital	
Paid-in capital to be entitled for compensation after all creditors	1,000,000
Share issue premiums	-
Retained earnings	427,006
Earnings reflected in equity in accordance with Turkish Accounting Standards (TAS)	34,295
Profit	91,126
Net profit of the period	91,126
Prior years' profit	-
Bonus Shares from Associates, Affiliates and Joint-Ventures not Accounted in Current Period's Profit	2,807
Common Equity Tier I Capital Before Deductions	1,555,234
Deductions from Common Equity Tier I Capital	
Valuation adjustments calculated as per the article 9. (i) of the Regulation on Bank Capital	-
The sum of the net loss for the current period and the previous years which could not be absorbed by the retained earnings and losses recognized in equity in accordance with TAS	(27,223)
Improvement costs for operating leasing (-)	(2,112)
Goodwill remaining after offsetting with the related deferred tax liability	(14,465)
Other intangible assets, excluding mortgage servicing rights, after offsetting with the related deferred tax liability	-
The remaining part of the deferred tax asset based on future taxable income, excluding deferred tax assets based on temporary differences, after offsetting with the related deferred tax liability	-
Differences that arise when assets or liabilities that are not monitored at fair value are subject to cash flow hedges	-
The portion of the total expected loss amount calculated in accordance with the Communiqué on the Calculation of the Amount Subject to Credit Risk with Approaches Based on Internal Ratings, exceeding the total provision amount	-
Gains from securitization transactions	-
Unrealized gains and losses resulting from differences in the fair value of the bank's liabilities due to changes in credit worthiness	-
Net amount of defined benefit plan assets	-
Direct or indirect investments made by the bank in its own core capital	-
Credits extended contrary to the fourth paragraph of Articles 56 of the Banking Law	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-
Mortgage servicing rights (amount above 10% threshold)	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
Amount exceeding the 15% threshold (as set out in the paragraph 2 of the Provisional Article 2 of the Regulation on Banks' Own Funds)	-
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 not deducted from Tier I Capital (-)	-
Excess amount arising from the rights to provide mortgage services	-
Excess Amount arising from Deferred Tax Assets from Temporary Differences	-
Other items to be determined by the BRSA	-
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-
Total Deductions From Common Equity Tier I Capital	(43,800)
Total Common Equity Tier I Capital	1,511,434

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I. Explanations Related to Items of Shareholders' Equity (Cont'd)

Additional Tier 1 Capital	
Preferred shares that are not included in Common Equity Tier 1 capital and related shares issue premiums	-
Eligible capital instruments and relevant share issue premiums that are approved by the Agency	-
Eligible capital instruments and relevant share issue premiums that are approved by the Agency (For the purposes of the Provisional Article 4 of the Regulation on Banks' Own Funds)	-
Additional Tier 1 capital before regulatory adjustments	-
Additional Tier 1 capital: regulatory adjustments	-
Direct and indirect investments of the bank on its own additional tier i capital	-
Investments in equity instruments issued by banks or financial institutions invested in bank's additional Tier I Capital and having conditions stated in the Article 7 of the Regulation	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I Capital	-
The total of net long position of the direct or indirect investments in additional Tier I Capital of unconsolidated banks and financial institutions where the bank owns more than 10% of the issued share capital	-
Other items to be defined by the BRSA	-
Regulatory Adjustments which will be deducted from Tier I Capital During the Transition Period	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-
The amount to be deducted from the additional main capital in case of insufficient contribution capital (-)	-
Total Deductions from Tier II Capital	-
Total Additional Tier I capital	-
Total Tier I Capital (Tier 1 capital = Common Equity Tier 1 capital + Additional Tier I capital)	1,511,434
Tier II Capital	
Eligible capital instruments and relevant share issue premiums that are approved by the Agency	-
Eligible capital instruments and relevant share issue premiums that are approved by the Agency (For the purposes of the Provisional Article 4 of the Regulation on Banks' Own Funds)	-
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital)	10,636
Tier II Capital Before Deductions	10,636
Deductions From Tier II Capital	
Direct and indirect investments of the bank on its own Tier II Capital (-)	-
Investments in equity instruments issued by banks and financial institutions invested in Bank's Tier II Capital and having conditions stated in the Article 8 of the Regulation	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I Capital (-)	-
Total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or more of the issued share capital exceeding the 10% threshold of above Tier I Capital (-)	-
Other items to be defined by the BRSA (-)	-
Total regulatory adjustments to Tier II Capital	-
Total Tier II Capital	10,636
Total Capital (The Sum of Tier I Capital and Tier II Capital)	1,522,070
Deductions from Total Capital	
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-
Other items to be defined by the BRSA	-
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components	-
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first and second sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-

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I. Explanations Related to Items of Shareholders' Equity (Cont'd)

Capital	1,522,070
Total Capital (The sum of Tier 1 capital and Tier 2 capital)	1,522,070
Total Risk Weighted Assets	10,573,223
CAPITAL ADEQUACY RATIOS	
Common Equity Tier 1 Capital Adequacy Ratio (%)	14.30
Tier 1 Capital Adequacy Ratio (%)	14.30
Capital Adequacy Ratio (%)	14.40
BUFFERS	
Total buffer requirement (%)	2.55
Capital conservation buffer requirement (%)	2.50
Bank specific countercyclical buffer requirement (%)	0.05
Additional CET1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation (%)	9.79
Amounts Below the Thresholds for Deduction	
Remaining total of net long positions of the investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital	-
Remaining total of net long positions of the investments in Tier I Capital of unconsolidated banks and financial institutions where the bank owns more than 10% of the issued share capital	-
Mortgage servicing rights	-
Deferred tax assets arising from temporary differences	-
Applicable Caps on The Inclusion of Provisions in Tier 2 Capital	
General loan provisions for exposures in standard approach (before limit of one hundred and twenty-five per ten thousand)	10,636
General loan provisions for exposures in standard approach limited by 1.25% of risk weighted assets	10,636
Total loan provision that exceeds total expected loss calculated according to Communiqué on calculation of credit risk by internal ratings-based approach	-
Total loan provision that exceeds total expected loss calculated according to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, limited by 0.6% risk weighted assets	-
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)	
Current cap on Additional Tier 1 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
Current cap on Tier 2 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
There are no amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and will be taken into consideration at the end of transition process.	-

^(*) Under the Transitional Provisions of the "Regulation on Banks' Equity," there are no amounts to be considered at the end of the transition period for items subject to the transition rules.

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I. Explanations Related to Items of Shareholders' Equity (Cont'd)

	Prior Period 31 December 2024(*)
Common Equity Tier 1 Capital	
Paid-in Capital to be Entitled for Compensation after All Creditors	1,000,000
Share premium	-
Legal reserves	72,405
Accumulated other comprehensive income in accordance with Turkish Accounting Standards (TAS)	31,359
Profit	354,601
Net profit for the period	354,601
Prior periods' profit	-
Bonus shares from associates, subsidiaries and joint ventures not accounted in current period's profit	2,807
Common Equity Tier 1 Capital Before Deductions	1,461,172
Deductions from Common Equity Tier 1 Capital	
Valuation adjustments calculated according to clause (I) of first paragraph of the 9th article of the Regulation on Owners Equity of Banks	-
The portion of the net period loss and the sum of previous years' losses that cannot be covered by reserves and losses reflected in equity in accordance with TAS	(19,522)
Leasehold improvements on operational leases (-)	(2,995)
Goodwill remaining after offsetting with the related deferred tax liability	-
Other intangible assets, excluding mortgage servicing rights, after offsetting with the related deferred tax liability	(12,367)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-
Differences that 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 more than 10% of the issued common share capital exceeding 10% of Common Equity of the Bank	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 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	(34,884)
Total Common Equity Tier 1 Capital	1,426,288

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I. Explanations Related to Items of Shareholders' Equity (Cont'd)

Additional Tier I Capital

The capital corresponding to the privileged shares not included in the core capital and the issuance premiums related to them	-
Debt instruments and premiums approved by BRSA	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-
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 unconsolidated Banks and financial institutions where the Bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-
The total of net long position of the direct or indirect investments in additional Tier I capital of unconsolidated banks and financial institutions where the bank owns more than 10% of the issued share capital	-
Other items to be defined by the BRSA	-
Items that will Continue to deduce from the Core Capital during Transition	
Portion of the goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-
Portion of the 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 (-)	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions (-)	-
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)	1,426,288
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)	-
<u>Provisions (Article 8 of the Regulation on the Equity of Banks)</u>	<u>11,772</u>
Tier II Capital Before Deductions	11,772
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 more than 10% 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	11,772
Total Capital (The sum of Tier I Capital and Tier II Capital)	1,438,060
Deductions from Total Capital	
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-
Other items to be defined by the BRSA	-
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components	
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank owns more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first and second sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-

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Capital	1,438,060
Total Capital (The sum of Tier 1 capital and Tier 2 capital)	1,438,060
Total Risk Weighted Assets	6,968,723
CAPITAL ADEQUACY RATIOS	
Common Equity Tier 1 Capital Adequacy Ratio (%)	20.47
Tier 1 Capital Adequacy Ratio (%)	20.47
Capital Adequacy Ratio (%)	20.64
BUFFERS	
Total buffer requirement (%)	2.57
Capital conservation buffer requirement (%)	2.50
Bank specific countercyclical buffer requirement (%)	0.07
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 (%)	15.97
Amounts Below the Excess Amount in the Discount Principles to be Applied	
The amount arising from the net long positions of the investments made in the equity elements of the unconsolidated banks and financial institutions in which 10% or less of the partnership interests are held	-
The amount arising from the net long positions of the investments made in the core capital elements of unconsolidated banks and financial institutions in which more than 10% of the partnership shares are held	-
Mortgage servicing rights	-
Deferred tax assets arising from temporary differences	-
Applicable Caps on the Inclusion of Provisions in Tier 2 Capital	
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	11,772
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	11,772
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)	
Current cap on Additional Tier 1 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
Current cap on Tier 2 capital instruments which subject to phase out arrangements in the Provisional Article 4 of the Regulation on Banks' Own Funds	-
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) which subject to Provisional Article 4 of the Regulation on Banks' Own Funds	-
There are no amounts to be taken into consideration at the end of the transition period for the items subject to the transition provisions within the Provisional Articles of the "Regulation on Owners' Equity of Banks".	-
(*) Under the Transitional Provisions of the "Regulation on Banks' Equity," there are no amounts to be considered at the end of the transition period for items subject to the transitional provisions.	

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II. Explanations Related to Credit Risk

Credit risk is the risk that the Bank is a party in a contract whereby the counterparty fails to meet its obligation partially or fully on time and cause to incur a financial loss.

The credit allocation is performed on a debtor and a debtor group basis within the limits and updated on a defined frequency based on market developments. In the credit allocation process, many financial and non-financial criteria are taken into account within the framework of the internal rating procedures of the Bank. These criteria include geographical and sector concentrations. The sector concentrations for loans are monitored closely. In accordance with the Bank's loan policy, the rating of the companies, credit limits and guarantees are considered together, and credit risks incurred are monitored.

Risks and limits related to treasury activities and customer based commercial activities are monitored daily. Moreover, the limits of the correspondent banks that are determined by their ratings and the control of the maximum acceptable risk level in relation to the equity of the Bank are monitored daily. Risk limits are determined in connection with these daily transactions, and risk concentration is monitored systematically concerning off balance sheet operations.

The credit worthiness of the debtors of the loans and other receivables is monitored regularly as prescribed in the Communiqué on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves". The majority of the account status documents obtained for the loans granted were sourced from audited financial statements. The unaudited documents result from the timing differences between the loan allocation and the audit dates of the financial statements of the companies and subsequently the audited financial statements are obtained from the companies when the companies are audited. Credit limits are determined according to the audited statement of accounts, and guarantee factors are developed in accordance with the decision of the credit committee considering the characteristics of the transactions and the financial structures of the companies.

For positions held in the form of futures contracts and other similar agreements, the Management Board allocates transaction limits, and transactions are carried out within these limits.

In futures transactions, the fulfillment of rights and acquisitions is possible at maturity. However, in order to minimize risk, the opposite positions of the current positions are taken from the markets when necessary to close the risk.

The bank's foreign country and financial institution risks are generally taken on financial institutions and countries that are at investment grade, meaning they do not pose a risk of failing to meet their minimum obligations, as rated by international rating agencies. Therefore, the potential risks that may be encountered do not constitute a significant risk given the bank's financial structure.

Moody's credit risk module which is Risk Analyst is used for managing/monitoring corporate business lines and construction sector portfolios. The bank has integrated the Moody's system with its core banking system.

Qualitative Information About Credit Risk

The Bank's credit risk policy and risk limits are determined by the risk appetite of the bank, in line with the business model and targets. In addition to observing legal compliance at all times, consistency with internally defined limits is continuously monitored.

Internal control and risk management departments, under the Internal Systems framework, perform various controls and follow-ups on credit risk, while being the primary business units in managing credit risk. On the other hand, the Internal Audit Department controls the accuracy of processes through regular audits.

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II. Explanations Related to Credit Risk (cont'd)

The credit risk management unit regularly conducts various analyzes of the credit risk concentration, default portfolio analysis and portfolio analysis while the compliance department is involved in the principle of diagnosis of the customer and the internal control department is involved in the sampling control of credit files.

The scope of the reporting consists of various concentrations in the loan portfolio (debtor/group, business line, sector, maturity, currency, collateral, debt rating, etc.), analyzes on the portfolio of default loans and stress tests and analyzes on capital adequacy. In addition, analyzes on the status and development of loans in the banking sector are also included.

As of 31 December 2025, the share of cash loans of the Bank from its top 100 and top 200 customers respectively in the total balance sheet are TL 8,743,623 and TL 8,746,626 (31 December 2024: TL 7,743,521 and TL 7,744,690), the share of total cash loans are 95.49% and 95.49%(31 December 2024: 91.41% and 94.42%).

As of 31 December 2025, the share of non-cash loans of the Bank from its top 100 and top 200 customers respectively in the total balance sheet are TL 5,169,935 and TL 5,186,410 (31 December 2024: TL 2,443,186 and TL 2,476,175), the share of total non-cash loans are 99.63% and 99.95% (31 December 2024: 98.48 % and 99.81%).

As of 31 December 2025, the share of cash and non-cash receivables of the Bank from its top 100 and 200 customers respectively in the total balance sheet and non-cash risks are 57.05% and 57.85% (31 December 2024: 52.33% and 55.90%).

As of 31 December 2025, expected credit loss for Stage 1 and Stage 2 loans related to the credit risk is TL 3,966 (31 December 2024: TL 7,880).

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II. Explanations Related to Credit Risk (cont'd)

31 December 2025	Due from Central Governments or Central Banks	Receivables on Administrative Units and Non- commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Contingent and Non-contingent Corporate Receivables	Contingent and Non-contingent Retail Receivables	Contingent and Non- contingent Receivables Secured by Mortgages	Past Due Receivables	Receivables Defined in High Risk Category by BRSA	Share Investments	Other Receivables	Total
Domestic	6,321,700	-	949,790	12,490,046	25,564	13,296	210,634	1,457	7,796	1,091,312	21,111,595
European Union Countries	-	-	730,892	-	-	-	-	-	-	-	730,892
OECD Countries	-	-	1,776	-	1	-	-	-	-	-	1,777
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	36,780	-	-	-	-	-	-	-	36,780
Other Countries	-	-	10,496	-	-	-	-	-	-	-	10,496
Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities	-	-	-	-	-	-	-	-	-	-	-
Total	6,321,700	-	1,729,734	12,490,046	25,565	13,296	210,634	1,457	7,796	1,091,312	21,891,540

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II. Explanations Related to Credit Risk (cont'd)

	Due from Central Governments or Central Banks	Receivables on Administrative Units and Non- commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Contingent and Non-contingent Corporate Receivables	Contingent and Non-contingent Retail Receivables	Contingent and Non- contingent Receivables Secured by Mortgages	Past Due Receivables	Receivables Defined in High Risk Category by BRSA	Share Investments	Other Receivables	Total
31 December 2024											
Domestic	3,116,223	-	35,037	11,058,247	74,160	10,540	196,451	2,359	7,796	632,504	15,133,317
European Union Countries	-	-	825,850	-	-	-	-	-	-	-	825,850
OECD Countries	-	-	1,791	-	1	-	-	-	-	-	1,792
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-
USA, Canada	-	-	140,799	-	-	-	-	-	-	-	140,799
Other Countries	-	-	11,620	-	-	-	-	-	-	-	11,620
Associates, Subsidiaries and Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	-
Unallocated Assets/Liabilities	-	-	-	-	-	-	-	-	-	-	-
Total	3,116,223	-	1,015,097	11,058,247	74,161	10,540	196,451	2,359	7,796	632,504	16,113,378

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II. Explanations Related to Credit Risk (cont'd)

Risk Profile by Sectors or Counterparties

31 December 2025 Sectors/Counterparties	Due from Central Governments or Central Banks	Receivables on Administrative Units and Non- commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Other Corporate Receivables	SME Corporate Receivables	Other Retail Receivables	SME Retail Receivables	Receivables from collateralized by real estate mortgage for residence	Receivables from collateralized by commercial real estate mortgage	Past Due Receivables	Receivables defined in high risk category by BRSA	Share Investments	Other Receivables	TL	FC	Total
1 Agriculture	-	-	-	43,288	12,500	9	3	-	-	-	-	-	-	32,822	22,978	55,800
1.1 Farming and Raising Livestock	-	-	-	43,288	12,500	-	-	-	-	-	-	-	-	32,810	22,978	55,788
1.2 Forestry, Wood and Paper	-	-	-	-	-	-	3	-	-	-	-	-	-	3	-	3
1.3 Fishery	-	-	-	-	-	9	-	-	-	-	-	-	-	9	-	9
2 Manufacturing	-	-	-	3,001,110	590,788	1,682	5,742	335	-	24,174	88	-	-	3,066,506	557,413	3,623,919
2.1 Mining and Quarry	-	-	-	215,381	26,000	1,654	476	-	-	-	2	-	-	224,252	19,261	243,513
2.2 Production	-	-	-	2,785,017	314,249	28	5,266	335	-	24,174	86	-	-	2,704,714	424,441	3,129,155
2.3 Electricity, Gas and Water	-	-	-	712	250,539	-	-	-	-	-	-	-	-	137,540	113,711	251,251
3 Construction	-	-	-	357,159	-	132	-	-	-	73,641	538	-	-	424,681	6,789	431,470
4 Services	5,091,559	-	1,729,734	6,211,071	1,486,026	-	6,901	115	4,022	105,701	807	7,796	1,091,312	9,836,591	5,898,453	15,735,044
4.1 Wholesale and Retail Trade	-	-	-	1,776,406	74,934	-	-	-	3,993	88	807	-	3,993	921,108	939,113	1,860,221
4.2 Hotel, Tourism, Food and Beverage Services	-	-	-	120	-	-	-	115	-	95,373	-	-	-	95,608	-	95,608
4.3 Transportation and Communication	-	-	-	93,542	-	-	-	-	-	-	-	-	-	93,116	426	93,542
4.4 Financial Institutions	5,091,559	-	1,729,734	4,082,585	1,405,183	-	3,733	-	-	-	-	7,796	1,087,319	8,454,904	4,953,005	13,407,909
4.5 Real Estate and Renting Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.6 Self-Employment Services	-	-	-	255,709	-	-	-	-	-	10,240	-	-	-	265,949	-	265,949
4.7 Education Services	-	-	-	2	-	-	-	-	-	-	-	-	-	2	-	2
4.8 Health and Social Services	-	-	-	2,707	5,909	-	3,168	-	29	-	-	-	-	5,904	5,909	11,813
5 Other	1,230,141	-	-	704,373	83,731	9,112	1,984	-	8,824	7,118	24	-	-	1,853,259	192,048	2,045,307
Total	6,321,700	-	1,729,734	10,317,001	2,173,045	10,935	14,630	450	12,846	210,634	1,457	7,796	1,091,312	15,213,859	6,677,681	21,891,540

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II. Explanations Related to Credit Risk (cont'd)

Risk Profile by Sectors or Counterparties

31 December 2024 Sectors/Counterparties	Due from Central Governmen ts or Cenral Banks	Receivables on Administrative Units and Non- Commercial Enterprises	Receivables on Banks and Capital Market Intermediary	Other Corporate Receivables	SME Corporate Receivables	Other Retail Receivables	SME Retail Receivables	Receivables	Receivables from	Receivables defined in		Share Investments	Other Receivables	TL	FC	Total
								collateralized by real estate mortgage for residence	collateralized by commercial real estate mortgage	Past Due Receivables	high risk category by BRSA					
1 Agriculture	-	-	-	154,743	12,500	11	34	-	-	-	-	-	-	145,338	21,950	167,288
1.1 Farming and Raising Livestock	-	-	-	154,741	12,500	-	15	-	-	-	-	-	-	145,306	21,950	167,256
1.2 Forestry, Wood and Paper	-	-	-	2	-	-	19	-	-	-	-	-	-	21	-	21
1.3 Fishery	-	-	-	-	-	11	-	-	-	-	-	-	-	11	-	11
2 Manufacturing	-	-	-	2,034,260	498,969	28	20,018	248	-	26,620	87	-	-	1,990,563	589,667	2,580,230
2.1 Mining and Quarry	-	-	-	98,074	55,500	-	7,008	-	-	-	2	-	-	80,652	79,932	160,584
2.2 Production	-	-	-	1,936,153	281,371	28	12,470	248	-	26,620	85	-	-	1,909,878	347,097	2,256,975
2.3 Electricity, Gas and Water	-	-	-	33	162,098	-	540	-	-	-	-	-	-	33	162,638	162,671
3 Construction	-	-	-	31,574	-	4	2,882	11	-	74,602	1,441	-	-	92,899	17,615	110,514
4 Services	2,538,304	-	1,015,097	2,466,831	2,845,740	1	30,488	92	4,265	86,203	807	7,796	-	4,733,336	4,262,288	8,995,624
4.1 Wholesale and Retail Trade	-	-	-	807,615	161,337	-	11,305	-	1,021	2,126	807	-	-	262,128	722,083	984,211
4.2 Hotel, Tourism, Food and Beverage Services	-	-	-	79	-	-	4,719	92	3,218	78,137	-	-	-	86,245	-	86,245
4.3 Transportation and Communication	-	-	-	24,644	-	1	2,991	-	-	-	-	-	-	14,667	12,969	27,636
4.4 Financial Institutions	2,538,304	-	1,015,097	1,572,955	2,546,239	-	95	-	-	-	-	7,796	-	4,159,549	3,520,937	7,680,486
4.5 Real Estate and Renting Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.6 Self-Employment Services	-	-	-	30,584	110,000	-	-	-	-	5,940	-	-	-	146,524	-	146,524
4.7 Education Services	-	-	-	2	-	-	-	-	-	-	-	-	-	2	-	2
4.8 Health and Social Services	-	-	-	30,952	28,164	-	11,378	-	26	-	-	-	-	64,221	6,299	70,520
5 Other	577,919	-	-	2,754,318	259,312	5,181	15,514	-	5,924	9,026	24	-	632,504	3,864,404	395,318	4,259,722
Total	3,116,223	-	1,015,097	7,441,726	3,616,521	5,225	68,936	351	10,189	196,451	2,359	7,796	632,504	10,826,540	5,286,838	16,113,378

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II. Explanations Related to Credit Risk (cont'd)

Average amounts of risks incurred after offsetting transactions, regardless of credit risk reduction:

Risk Types	Net Credit Risk Amount	Current Year Average Net
31 December 2025	After Provisions	Credit Risk Amount
		After Provisions
Contingent and non- contingent receivables from central governments or central banks	6,321,700	5,249,964
Contingent and non-contingent receivables on regional governments and local authorities	-	-
Contingent and non-contingent receivables on administrative units and non-commercial enterprises	-	-
Contingent and non-contingent receivables on multilateral development banks	-	-
Contingent and non-contingent receivables on international organizations	-	-
Contingent and non-contingent receivables on banks and capital market intermediary	2,406,455	1,764,870
Contingent and non-contingent corporate receivables	10,563,335	10,846,092
Contingent and non-contingent SME corporate receivables	2,218,322	2,268,671
Contingent and non-contingent retail receivables	14,128	13,597
Contingent and non-contingent SME retail receivables	26,121	29,228
Contingent and non-contingent receivables secured by mortgages	1,302	1,414
Contingent and non-contingent receivables secured by corporate mortgages	17,225	22,878
Past Due Receivables	210,634	200,567
Receivables Defined in High-Risk Category by BRSA	2,970	3,542
Collateralized Mortgage Marketable Securities	-	-
Short-Term Receivables from Banks, brokerage houses and Corporate	-	-
Share Investments	7,796	7,796
Other Receivables	1,091,312	877,357
Total	22,881,300	21,285,976

Risk Types	Net Credit Risk Amount	Current Year Average Net
31 December 2024	After Provisions	Credit Risk Amount
		After Provisions
Contingent and non- contingent receivables from central governments or central banks	3,116,223	4,209,437
Contingent and non-contingent receivables on regional governments and local authorities	-	-
Contingent and non-contingent receivables on administrative units and non-commercial enterprises	-	-
Contingent and non-contingent receivables on multilateral development banks	-	-
Contingent and non-contingent receivables on international organizations	-	-
Contingent and non-contingent receivables on banks and capital market intermediary	1,363,862	1,903,181
Contingent and non-contingent corporate receivables	7,600,456	7,288,729
Contingent and non-contingent SME corporate receivables	3,635,361	3,393,920
Contingent and non-contingent retail receivables	7,279	10,931
Contingent and non-contingent SME retail receivables	101,642	98,241
Contingent and non-contingent receivables secured by mortgages	915	1,010
Contingent and non-contingent receivables secured by corporate mortgages	11,710	17,241
Past Due Receivables	196,451	194,036
Receivables Defined in High-Risk Category by BRSA	4,776	179,399
Collateralized Mortgage Marketable Securities	-	-
Short-Term Receivables from Banks, brokerage houses and Corporate	-	-
Investment Similar to Collective Investment Funds	7,796	7,796
Other Receivables	632,504	653,186
Total	16,678,975	17,957,107

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II. Explanations Related to Credit Risk (cont'd)

Maturity Distribution of Remaining Maturities of Time Exposures:

Risk Classes 31 December 2025	Time to Maturity				
	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Due from Central Governments or Central Banks	3,550,464	-	-	-	2,771,236
Regional Governments or Local Authorities Receivables	-	-	-	-	-
Receivables on Administrative Units and Non-commercial Enterprises	-	-	-	-	-
Receivables on Multilateral Development Banks	-	-	-	-	-
Receivables on International Organizations	-	-	-	-	-
Receivables on Banks and Capital Market Intermediary	390,614	75,772	20,020	38	1,243,290
Other Corporate Receivables	1,192,820	1,223,789	600,573	378,697	6,921,122
SME Corporate Receivables	532,999	275,430	67,511	80,177	1,216,928
Other Retail Receivables	1,573	509	548	1,064	7,241
SME Retail Receivables	7,548	-	1,313	1,042	4,727
Receivables Secured by Mortgages	191	69	-	44	146
Collateralized Receivables	-	-	-	-	12,846
Receivables Secured by Corporate Mortgage	-	-	-	-	210,634
Past Due Receivables	-	-	-	-	1,457
Receivables Defined in High-Risk category by BRSA	-	-	-	-	-
Collateralized Mortgage Marketable Securities	-	-	-	-	-
Short-Term Receivables from Banks, Brokerage Houses and Short-Term Corporate Receivables	-	-	-	-	-
Other Receivables	-	-	-	-	7,796
Share Investments	53,286	5,855	408	1,099	1,030,664
Total	5,729,495	1,581,424	690,373	462,161	13,428,087

Risk Classes 31 December 2024	Time to Maturity				
	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
Due from Central Governments or Central Banks	2,538,304	27	-	-	577,892
Regional Governments or Local Authorities Receivables	-	-	-	-	-
Receivables on Administrative Units and Non-commercial Enterprises	-	-	-	-	-
Receivables on Multilateral Development Banks	-	-	-	-	-
Receivables on International Organizations	-	-	-	-	-
Receivables on Banks and Capital Market Intermediary	618,837	-	7,747	-	388,513
Other Corporate Receivables	3,385,532	1,875,722	1,215,524	871,356	93,592
SME Corporate Receivables	1,853,972	1,168,145	423,001	168,650	2,753
Other Retail Receivables	306	431	614	1,650	2,224
SME Retail Receivables	11,758	9,160	10,501	20,596	16,921
Receivables Secured by Mortgages	-	-	-	-	351
Collateralized Receivables	-	-	-	5,705	4,484
Receivables Secured by Corporate Mortgage	-	-	-	-	196,451
Past Due Receivables	-	-	-	-	2,359
Receivables Defined in High-Risk category by BRSA	-	-	-	-	-
Collateralized Mortgage Marketable Securities	-	-	-	-	-
Short-Term Receivables from Banks, Brokerage Houses and Short-Term Corporate Receivables	-	-	-	-	-
Other Receivables	-	-	-	-	7,796
Share Investments	98,578	-	-	-	533,926
Total	8,507,287	3,053,485	1,657,387	1,067,957	1,827,262

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

Risk by Risk Weight Balances:

Risk Weights (*)	0%	10%	20%	35%	50%	75%	100%	150%	200%	Deductions from Equity
31 December 2025										
1 Amount before the credit risk mitigation	6,755,693	31,342	5,522,412	-	1,785,824	21,782	7,753,054	21,383	-	-
2 Amount after the credit risk mitigation	6,303,046	31,342	5,522,410	450	1,785,801	15,620	6,850,763	142	-	-
31 December 2024										
1 Amount before the credit risk mitigation	3,516,751	-	4,818,127	-	421,010	69,382	5,498,204	44,030	-	-
2 Amount after the credit risk mitigation	3,569,916	-	4,818,129	351	421,010	57,930	4,555,989	3,111	-	-

(*) Amounts of the financial collateral are shown as 0% weight.

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II. Explanations Related to Credit Risk (cont'd)

Important Sectors or Type of Information According to Counterparty

Current Year	Loans		
	Significant Increase In Credit Risk(Stage 2)	Credit Default (Stage 3)	Expected Credit Losses (IFRS 9)
Sectors/ Counterparties			
Agricultural	-	584	584
Farming and Raising Livestock	-	146	146
Forestry, Wood and Paper	-	438	438
Fishery	-	-	-
Manufacturing	7,425	47,385	23,378
Mining and Quarry	-	-	-
Production	7,425	47,385	23,378
Electricity, Gas and Water	-	-	-
Construction	-	118,150	44,509
Services	-	237,930	132,313
Wholesale and Retail Trade	-	3,923	3,922
Hotel, Tourism, Food and Beverage Services	-	206,216	110,841
Transportation and Communication	-	19	19
Financial Institutions	-	2,742	2,742
Real Estate and Renting Services	-	20,999	10,759
Self-Employment Services	-	4,031	4,030
Education Services	-	-	-
Health and Social Services	-	-	-
Other	-	9,304	2,189
Total	7,425	413,353	202,973

Information on Credit Value Adjustments and Change in Loan Loss Provisions

	Opening Balance	The provision amount recognized in the period	Reversal of provision	Other Adjustments	Closing Balance
1 Stage 3 Provisions	254,304	5,852	(57,437)	-	202,719
2 Stage 1 & Stage 2 Provisions	10,955	9,301	(10,740)	-	9,516

Risks Involved in Countercyclical Capital Buffer Calculation

Country of ultimate risk	Private sector credit exposures in banking book	Risk weighted equivalent trading book	Total
Turkey	8,809,693	-	8,809,693
Germany	142,526	-	142,526
USA	7,356	-	7,356
Jordan	10,354	-	10,354
England	9,102	-	9,102
Japan	355	-	355
Lebanon	213	-	213
Norway	12	-	12
Korea	1	-	1

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II. Explanations Related to Credit Risk (cont'd)

The table below shows the maximum exposure to credit risk for the components of the financial statements;

	31 December 2025	31 December 2024
Gross maximum exposure		
Due from Central Bank	4,345,315	3,358,935
Due from banks	986,302	997,251
Due from money market placements	2,172,317	1,742,324
Derivative financial assets	-	-
Financial assets at fair value through other comprehensive income	36,641	463,603
Financial assets measured at amortised cost	1,135,456	51,232
Loans	8,743,626	8,020,339
Total	17,419,657	14,633,684
Contingent liabilities	5,178,804	2,455,068
Irrevocable commitments	1,270,353	655,932
Total	6,449,157	3,111,000
Total credit risk exposure	23,868,814	17,744,684

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II. Explanations Related to Credit Risk (cont'd)

Credit quality per class of financial assets as of 31 December 2025 is as follows;

	Neither past Due nor impaired	Past due or individually impaired	Total
Due from banks	986,302	-	986,302
Financial assets at fair value through profit or loss	-	-	-
Loans			
<i>Corporate loans</i>	8,729,549	7,425	8,736,974
<i>Small business loans</i>	-	-	-
<i>Retail loans</i>	6,652	-	6,652
<i>Other</i>	-	-	-
Total	9,722,503	7,425	9,729,928
Financial investments			
<i>Quoted on a stock exchange – Government debt securities</i>	1,172,235	-	1,172,235
<i>Quoted on a stock exchange - Other debt securities</i>	-	-	-
<i>Unquoted on a stock exchange – Debt securities</i>	-	-	-
Total	1,172,235	-	1,172,235
Total	10,894,738	7,425	10,902,163

Credit quality per class of financial assets as of 31 December 2024 is as follows;

	Neither past Due nor impaired	Past due or individually impaired	Total
Due from banks	997,251	-	997,251
Financial assets at fair value through profit or loss	-	-	-
Loans			
<i>Corporate loans</i>	7,548,013	18,111	7,566,124
<i>Small business loans</i>	-	-	-
<i>Retail loans</i>	454,175	40	454,215
<i>Other</i>	-	-	-
Total	8,999,439	18,151	9,017,590
Financial investments			
<i>Quoted on a stock exchange – Government debt securities</i>	515,009	-	515,009
<i>Quoted on a stock exchange - Other debt securities</i>	-	-	-
<i>Unquoted on a stock exchange – Debt securities</i>	-	-	-
Total	515,009	-	515,009
Total	9,514,448	18,151	9,532,599

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II. Explanations Related to Credit Risk (cont'd)

				Provisions/ depreciation and impairment	Net value
		Defaulted	Non-defaulted		
1	Loans	413,353	8,743,626	(206,685)	8,950,294
2	Borrowing instruments	-	1,172,097	(161)	1,171,936
3	Off-balance sheet receivables	17,327	5,171,791	(19,863)	5,169,255
4	Total	430,680	15,087,514	(226,709)	15,291,485

Changes in deferred receivables and debt securities inventory

1	Defaulted loans and debt securities at end of the previous reporting period	450,755
2	Loans and debt securities that have defaulted since the last reporting period (*)	36,515
3	Returned to non-defaulted status	-
4	Amounts written off	(10,959)
5	Other changes (**)	(62,958)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	413,353

(*) It also includes the interest income from credit-impaired financial assets in accordance with TFRS 9.

(**) It represents the collections from non-performing loans.

Additional Explanations of the Credit Quality of Assets

In accordance with the regulation on "Methods and Principles for the Determination of Loans and Other Receivables to be Reserved and Allocation of Reserves" published in the Official Gazette numbered 26333 dated 1 November 2006, uncollectible receivables are considered "deferred" receivables from the date on which they are due or payable, or on the date on which they are due or payable, and a specific provision is provided for receivables that are overdue more than ninety days after the date on which they are due. In this context, the Bank considers the general structure of the loan portfolio, the financial structure of its customers, non-financial data and economic conjuncture by taking of consideration of policies of credit risks while determining its estimation. Relevant special provisions transferred to the profit and loss accounts by using the "Expected Credit Losses Expenses" accounts.

With the provisional Article 13 of the "Regulation on the Amendment of the Regulation on the Procedures and Principles for the Determination of the Qualifications of Banks and Other Receivables and Provisions to be Issued" published in the Official Gazette dated 14 December 2016 and numbered 29918, for credit debtors who were closed within the scope of the state of emergency declared by the Council of Ministers Decision dated 20 July 2016 and 2016/9064 and transferred to the General Directorate of Foundations or the Treasury, for whom the Savings Deposit Insurance Fund was appointed as a trustee, public officials who were dismissed, and real and legal persons whose assets were subject to measures, the delay periods beginning from 21 January 2017 has been introduced. As of 31 December 2025, the Bank has no 90-day delay period and there is no information regarding the provisional provision.

In accordance with the regulation, in the event that the fulfillment of the obligation to the Bank related to loans and other receivables arises due to the temporary liquidity shortage, to provide liquidity power to the debtor and to collect the receivable of the Bank, loans and other receivables, including the delayed interest rates can be restructured or linked to a new payment plan.

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II. Explanations Related to Credit Risk (cont'd)

As of 31 December 2025, the amount of loans and other receivables restructured in non-performing loans is TL 3,220 (31 December 2024: TL 12,068). The expected loss provision amount for these loans and other receivables is TL 843 (31 December 202: TL 3,624).

Aging Analysis for Past Due Receivables

	1-30 days	31-60 days	61-90 days	Over 90 days	Total
Past Due Receivables	7,425				7,425

Credit risk mitigation techniques – Overview

The Bank does not perform on-balance sheet and off-balance sheet netting.

The Bank has determined the structure and policy of collaterals in detail under the credit policy and carries out the guarantees for credit activities in accordance with these policies and regulations. The collateralization policy specifies the phases and requirements of the collateralization process in order to reduce the credit risk. In addition to supervising compliance with other banks, collateral is also carried out by observing the provision of special conditions to the bank. In policy, all types of coverage are discussed in detail and their characteristics are explained.

Collateral concentrations are monitored on a monthly basis for standard, close monitoring and non-performing loans.

Credit risk mitigation techniques – Overview

	31 December 2025	Unsecured receivables Amount valued in accordance with TAS	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	7,912,361	1,037,933	969,920	859,767	849,977	-	-
2	Borrowing instruments	1,171,936	-	-	-	-	-	-
3	Total	9,084,297	1,037,933	969,920	859,767	849,977	-	-
4	Defaulted	105,443	105,191	105,191	1,449	1,419	-	-

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II. Explanations Related to Credit Risk (cont'd)

Qualitative information about ratings

The Bank contracted with Fitch as the Credit Rating Agency. There has been no change in the CRA within the reporting period.

The Bank uses the Credit Rating Agency for other receivables and risk classes to be taken from other banks and other financial intuitions.

The credit rating of the borrower is applied in the same way to the other assets that are from the debtor in the banking accounts.

Ratings which is provided by external sources are used in computation of risk weighted assets for central government and foreign banks.

The equivalence of ratings to credit quality are as follows:

Credit Quality Level	Rating of Fitch Long term credit	Risk Classes			
		Contingent and Non-Contingent Receivables from Central Governments or Central Banks	Receivables from Banks and Intermediaries		Corporate Receivables
			Receivables that original maturities are lower than 3 months	Receivables that original maturities are higher than 3 months	
1	AAA to AA-	0%	20%	20%	20%
2	A+ to A-	20%	20%	50%	50%
3	BBB+ to BBB-	50%	20%	50%	100%
4	BB+ to BB-	100%	50%	100%	100%
5	B+ to B-	100%	50%	100%	150%
6	CCC+ and lower	150%	150%	150%	150%

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II. Explanations Related to Credit Risk (cont'd)

Standard Approach – Credit risk exposure and credit risk mitigation effects

	31 December 2025	Credit conversion rate and credit amount before credit risk amount		Credit conversion rate and credit amount after credit risk mitigation		Risk weighted amount and risk weighted amount concentration	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	5,811,058	-	5,869,053	-	-	20.00%
2	Exposures to regional governments or local authorities	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and intermediary institutions	1,668,318	738,137	1,668,317	61,417	369,849	21.38%
7	Corporate receivables	7,778,365	4,971,949	6,953,690	4,616,125	7,651,718	66.31%
8	Retail receivables	10,222	29,977	10,210	9,143	12,461	64.39%
9	Receivables secured by a residential real estate mortgage	45	1,257	45	405	157	34.98%
10	Receivables secured by commercial real estate mortgages	8,757	8,468	8,757	4,089	6,423	50.00%
11	Overdue receivables	210,634	-	209,215	-	154,506	73.85%
12	Receivables with high risk determined by the Board	-	2,970	-	2	2	100.00%
13	Mortgage-backed securities	-	-	-	-	-	-
14	Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-
15	Investments as a collective investment institution	-	-	-	-	-	-
16	Stock investments	7,796	-	7,796	-	7,796	100.00%
17	Other receivables	1,091,312	-	1,091,310	-	657,946	60.23%
18	Total	16,586,507	5,752,758	15,818,393	4,691,181	8,860,858	44.88%

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II. Explanations Related to Credit Risk (cont'd)

Standard Approach – Credit risk exposure and credit risk mitigation effects

31 December 2024		Credit conversion rate and credit amount before credit risk amount		Credit conversion rate and credit amount after credit risk mitigation		Risk weighted amount and risk weighted amount concentration	
	Risk classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	3,116,223	-	3,169,388	-	-	20.00%
2	Exposures to regional governments or local authorities	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises						
4	Receivables from multilateral development banks	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-
6	Receivables from banks and intermediary institutions	954,987	408,875	954,987	60,110	293,403	28.90%
7	Corporate receivables	7,283,862	2,206,080	6,375,303	1,960,162	5,053,335	60.86%
8	Retail receivables	22,918	86,003	19,499	43,210	48,476	77.30%
9	Receivables secured by a residential real estate mortgage	32	883	32	319	123	34.99%
10	Receivables secured by commercial real estate mortgages	8,695	3,015	8,695	1,494	5,094	50.00%
11	Overdue receivables	196,451	-	192,893	-	138,111	71.60%
12	Receivables with high risk determined by the Board	1	4,777	1	43	44	99.55%
13	Mortgage-backed securities	-	-	-	-	-	-
14	Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-
15	Investments as a collective investment institution	-	-	-	-	-	-
16	Stock investments	7,796	-	7,796	-	7,796	100.00%
17	Other receivables	632,503	-	632,504	-	231,976	36.68%
18	Total	12,223,468	2,709,633	11,361,098	2,065,338	5,778,358	43.25%

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II. Explanations Related to Credit Risk (cont'd)

Standard Approach: Receivables by asset classes and risk weights

	Asset classes/ Risk weight 31 December 2025	0%	10%	20%	35%	50%	75%	100%	150%	200%	Total credit risk exposure amount (after CCF and CRM)
1	Receivables from central governments or central banks	5,869,053	-	-	-	-	-	-	-	-	5,869,053
2	Receivables from regional or local governments	-	-	-	-	-	-	-	-	-	-
3	Receivables from administrative units and non-commercial enterprises	-	-	-	-	-	-	-	-	-	-
4	Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-
5	Receivables from international organizations	-	-	-	-	-	-	-	-	-	-
6	Receivables from banks and intermediary institutions	-	-	1,667,790	-	51,447	-	10,354	142	-	1,729,733
7	Corporate receivables	-	31,342	3,850,887	-	1,612,089	-	6,075,496	-	-	11,569,814
8	Retail receivables	-	-	-	-	-	57,930	4,280	499	-	62,709
9	Receivables secured by a residential real estate mortgage	-	-	-	450	-	-	-	-	-	450
10	Receivables secured by commercial real estate mortgages	-	-	-	-	12,846	-	-	-	-	12,846
11	Overdue receivables	-	-	-	-	109,419	-	99,796	-	-	209,215
12	Receivables with high risk determined by the Board	-	-	-	-	-	-	2	-	-	2
13	Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-
14	Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-	-	-	-	-
15	Investments as a collective investment institution	-	-	-	-	-	-	-	-	-	-
16	Stock investments	-	-	-	-	-	-	7,796	-	-	7,796
17	Other Receivables	433,993	-	-	-	-	-	657,319	-	-	1,091,312
18	Total	6,303,046	31,342	5,522,410	450	1,785,801	15,620	6,850,763	142	-	20,509,574

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III. Explanations Related to Counterparty Credit Risk

The object of counterparty and financial institutions credit risk determination process is to identify the default risk of counterparties and financial institutions which the bank has indirectly or indirectly anticipated risk through the bank or plans to receive the risk in the future and to establish risk-based limits for current and future counterparties and financial institutions.

The Bank's counterparty risk is limited solely to Takasbank (Istanbul Settlement and Custody Bank). Therefore, there is no operational limit allocation method determined within the scope of internal capital calculated for "Counterparty Credit Risk" ("CCR") and "Central Counterparty Risk" ("CCP").

The Bank calculates the risks of the CCR and CCP in accordance with the regulations of the BRSA by using the fair valuation method and includes it to CAR. Repo-Reverse Repo transactions use BIST Repo Reverse Repo Market and CBRT OMT Repo Market. The products which are subject to market risks consist of liquid products issued by the Treasury of the Republic of Turkey. As a policy, collateral from the private sector and foreign entities are not used.

There are no established rules regarding reverse trend risk, which refers to the positive correlation between the counterparty's probability of default and market risk factors, as well as the measurement of such risk.

In the event that there is a decrease in the credit rating, the amount of the additional collateral that the Bank has to give is not included in the Bank portfolio if there is a decrease in the credit rating of the bank.

Analysis of counterparty credit risk (CCR) exposure by approach

		Revaluation cost	Potential credit risk amount	EEPRA (*)	The alpha used to calculate the legal risk amount	Risk amount after credit risk mitigation	Risk weighted amounts
	31 December 2025						
1	Standard Approach-CCR (for derivatives)	131,645	12,608		1.4	31,343	627
2	Internal Model Approach (derivative financial instruments, repurchase agreements, securities or commodities lending or borrowing transactions, transactions with long clearing periods, and margin securities transactions)						
3	Simple method for credit risk mitigation - (for repurchase transactions, securities or commodities lending or borrowing transactions, transactions with long clearing periods, and overdraft transactions)						
4	Comprehensive method for credit risk mitigation - (for repurchase transactions, securities or commodity lending or borrowing transactions, transactions with long clearing periods, and overdraft transactions)		510,692			7,222	1
5	Value-at-risk for repurchase agreements, securities or commodities lending or borrowing transactions, long clearing transactions, and overdraft transactions						
6	Total	131,645	523,300			38,565	628

(*) Effective expected positive risk amount

Capital requirement for credit valuation adjustments

		Risk amount (After the use of credit risk mitigation techniques)	Risk weighted amounts
	31 December 2025		
	Total portfolio value with comprehensive approach CVA capital adequacy		
1	(i) Value at risk component (3*multiplier included)	-	-
2	(ii) Stressed Value at Risk (3*multiplier included)	-	-
3	Total portfolio value with standard approach CVA capital adequacy	1,782	1,782
4	Total amount of CVA capital adequacy	1,782	1,782

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III. Explanations Related to Counterparty Credit Risk (cont'd)

Standard approach - Counterparty credit risk by risk classes and risk weights

Risk Weights Risk Classes 31 December 2025	0%	2%	20%	50%	75%	100%	150%	Other	Total credit risk (*)
Receivables from Central governments and central banks	-	-	-	-	-	-	-	-	-
Receivables from Local governments and municipalities	-	-	-	-	-	-	-	-	-
Receivables from Administrative and non-commercial	-	-	-	-	-	-	-	-	-
Receivables from Multilateral Development Bank	-	-	-	-	-	-	-	-	-
Receivables from International Organizations	-	-	-	-	-	-	-	-	-
Receivables from Banks and Intermediary Institutions	-	-	-	-	-	-	-	-	-
Corporate receivables	-	38,565	-	-	-	-	-	-	38,565
Retail receivables	-	-	-	-	-	-	-	-	-
Mortgage receivables	-	-	-	-	-	-	-	-	-
Non performing receivables	-	-	-	-	-	-	-	-	-
High risk defined receivables	-	-	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-
Short-term credit rated banks and Intermediary Institutions receivables	-	-	-	-	-	-	-	-	-
Collective investment undertaking investments	-	-	-	-	-	-	-	-	-
Stock investments	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	38,565	-	-	-	-	-	-	38,565

(*) Total credit risk: The amount related to the capital adequacy calculation after applying the counterparty credit risk measurement techniques.

Collaterals for counterparty credit risk

31 December 2025	Derivative financial instrument collaterals				Other transaction collaterals	
	Collaterals received		Collaterals given		Collaterals received	Collaterals given
	Allocated	Unallocated	Allocated	Unallocated		
Cash - local currency	-	-	-	-	-	-
Cash - foreign currency	-	-	-	-	-	-
Government bonds/bills - domestic	-	-	-	-	510,692	502,571
Government bonds/bills - other	-	-	-	-	-	-
Public institution bonds/bonds	-	-	-	-	-	-
Corporate bonds/bonds	-	-	-	-	-	-
Share certificate	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	510,692	502,571

Credit Derivatives

There are no credit derivatives in the Bank.

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III. Explanations Related to Counterparty Credit Risk (cont'd)

Risks to the central counterparty

	31 December 2025	
	Exposure post-CRM	RWA
Total exposures arising from transactions with Qualified Central Counterparties (QCCPs)	523,300	628
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)		
(i) Over the counter derivative financial instruments	12,608	627
(ii) Other derivative financial instruments		
(iii) Repo-reverse repo transactions, margin trading and securities or commodity lending or borrowing	510,692	1
(iv) Counterparties where cross product netting applied		
Reserved initial collateral		
Unreserved initial collateral		
Pre-funded guarantee fund contributions		
Unfunded guarantee fund contributions		
Total Exposures to Non-QCCPs		
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)		
(i) Over the counter derivative financial instruments		
(ii) Other derivative financial instruments		
(iii) Repo-reverse repo transactions, margin trading and securities or commodity lending or borrowing		
(iv) Counterparties where cross product netting applied		
Reserved initial collateral		
Unreserved initial collateral		
Pre-funded guarantee fund contributions		
Unfunded guarantee fund contributions		

IV. Explanations Related to Currency Risk

Foreign currency risk indicates the probability of loss that banks are subject to due to the exchange rate movements in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Bank are taken into consideration and value at risk is calculated by using the standard method.

The Board of Directors sets limits for the positions and stop losses, which are followed up daily and weekly. Any possible changes in the foreign currency transactions in the Bank's positions are also monitored.

The announced current foreign exchange buying rates of the Bank at 31 December 2025 and the previous five working days are as follows (Bank's FC evaluation rates):

	24 December 2025	25 December 2025	26 December 2025	29 December 2025	30 December 2025	31 December 2025
USD	42.7490	42.6911	42.5799	42.8659	42.8935	42.8458
CHF	54.2163	54.1010	53.9758	54.2263	54.2687	54.0273
GBP	57.7099	57.5903	57.5327	57.8205	57.8320	57.6242
100 JPY	27.3870	27.3480	27.2240	27.4230	27.4460	27.3080
EUR	50.3596	50.2389	50.1842	50.4304	50.4337	50.2855

The simple arithmetic averages of the major current foreign exchange buying rates of the Bank for the thirty days before at 31 December 2025 are as follows:

	Monthly Average Foreign Exchange Rate
USD	42.5855
CHF	53.4658
GBP	57.0274
100 JPY	27.2884
EUR	49.8823

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IV. Explanations Related to Currency Risk (cont'd)

31 December 2025	EUR	USD	YEN	OTHER FC	TOTAL
Assets					
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased, Precious Metal Reserve) and the Central Bank of Turkey	665,573	3,603,730	-	1	4,269,304
Banks	73,172	907,121	2,381	3,832	986,506
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-
Receivables from Money Market Placements	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-
Loans (*)	1,822,483	1,703,870	-	-	3,526,353
Associates, Subsidiaries and Joint Ventures (Joint partnerships)	-	-	-	-	-
Financial Assets Measured at Amortised Cost	-	-	-	-	-
Derivative Financial Assets	-	-	-	-	-
Tangible Assets	-	-	-	-	-
Intangible Assets	-	-	-	-	-
Other Assets	57	95	-	17	169
Total Assets	2,561,285	6,214,816	2,381	3,850	8,782,332
Liabilities					
Bank Deposits	-	750	-	-	750
Currency Deposit Account	2,643,380	7,952,840	1	191	10,596,412
Money Market Funds	-	-	-	-	-
Funds Provided From Other Financial Institutions	-	-	-	-	-
Securities Issued	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-	-
Other Liabilities	47,157	1,201,199	28	22	1,248,406
Total Liabilities	2,690,537	9,154,789	29	213	11,845,568
Net Balance Sheet Position	(129,252)	(2,939,973)	2,352	3,637	(3,063,236)
Net Off-Balance Sheet Position	251,189	2,798,751	-	-	3,049,940
Receivables from Derivative Financial Instruments	251,189	2,798,751	-	-	3,049,940
Payables from Derivative Financial Instruments	-	-	-	-	-
Non-Cash Loans (**)	84,153	93,362	-	-	177,515
31 December 2024					
Total Assets (*)	2,337,789	4,740,026	2,236	7,662	7,087,713
Total Liabilities	2,356,834	6,552,830	24	1,066	8,910,754
Net Balance Sheet Position	(19,045)	(1,812,804)	2,212	6,596	(1,823,041)
Net Off-Balance Sheet Position	-	1,516,663	-	-	1,516,663
Receivables from Derivative Financial Instruments	-	1,516,663	-	-	1,516,663
Payables from Derivative Financial Instruments	-	-	-	-	-
Non-Cash Loans (**)	70,540	123,328	-	-	193,868

(*) The amounts included under the Loans provided item do not include foreign currency indexed loan accounts.

(**) There is no effect on the net off-balance sheet position.

Foreign currency sensitivity

The following table details the Bank's sensitivity to a 10% increase or decrease in the TL against USD, EUR and other currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. Positive/ (Negative) number indicates a change in profit or loss and other equity where USD, EUR and other currencies increase 10% against TL.

	Change in currency rate %	Effect on profit/loss		Effect on equity	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
USD	10 increase	(14,122)	(29,614)	(14,122)	(29,614)
USD	10 decrease	14,122	29,614	14,122	29,614
EUR	10 increase	12,194	(1,905)	12,194	(1,905)
EUR	10 decrease	(12,194)	1,905	(12,194)	1,905
Other Currency	10 increase	599	881	599	881
Other Currency	10 decrease	(599)	(881)	(599)	(881)
Total Increase (Net)		(1,330)	(30,638)	(1,330)	(30,638)
Total Decrease (Net)		1,330	30,638	1,330	30,638

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V. Explanations Related to Interest Rate Risk

Interest rate risk shows the probability of loss related to the changes in interest rates depending on the Bank's position, and the Asset-Liability Committee manages it. The interest rate sensitivity of assets, liabilities and off-balance sheet items related to this risk are measured by using the standard method and included in the market risk for capital adequacy.

Risk Department performs duration, maturity and sensitivity analysis to protect the effect of interest rate volatility and reported to the Asset-Liability Committee.

Simulations on interest income are performed in connection with the forecasted economic indicators used in the budget of the Bank. The negative effects of the fluctuations in the market interest rates on the financial position and the cash flows are minimized by revising budgeted targets.

The Bank management follows the market interest rates daily and revises the interest rates of the Bank whenever necessary.

Since the Bank does not permit maturity mismatches or imposes limits on mismatch, a significant interest rate risk exposure is not expected.

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest bearing	Total
31 December 2025							
Assets							
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased, Precious Metal Reserve) and the Central Bank of Turkey	3,198,118	-	-	-	-	1,308,307	4,506,425
Banks	-	-	-	-	-	987,181	987,181
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-
Receivables from Money Markets Placements	2,172,317	-	-	-	-	-	2,172,317
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	36,641	-	138	36,779
Loans (*)	-	3,630,707	911,612	583	-	205,549	8,950,221
Financial Assets Measured at Amortised Cost	-	-	-	1,135,295	-	-	1,135,295
Other Assets (**)	-	-	-	-	-	1,089,156	1,089,156
Total Assets	9,572,205	3,630,707	911,612	1,172,519	-	3,590,331	18,877,374
Liabilities							
Bank Deposits	-	-	-	-	-	2,389	2,389
Other Deposits	9,391,476	3,569,733	198,252	20,856	-	1,716,124	14,896,441
Payables to Money Markets	510,692	-	-	-	-	-	510,692
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Other Liabilities (***)	1,713,816	1	-	-	-	1,754,035	3,467,852
Total Liabilities	11,615,984	3,569,734	198,252	20,856	-	3,472,548	18,877,374
Balance Sheet Long Position	-	60,973	713,360	1,151,663	-	117,783	2,043,779
Balance Sheet Short Position	(2,043,779)	(2,043,779)	-	-	-	-	(2,043,779)
Off-Balance Sheet Long Position	-	-	-	-	-	2,420,788	2,420,788
Off-Balance Sheet Short Position	-	-	-	-	-	(2,568,352)	(2,568,352)
Total Position	(2,043,779)	60,973	713,360	1,151,663	-	(29,781)	(147,564)

(*) Revolving loans and Corporate foreign currency indexed revolving loans are classified under the "up to 1 month" column

(**) Tangible fixed assets, intangible assets, and other assets are presented under the "non-interest-bearing fixed assets" column.

(***) Equity is presented under the "non-interest-bearing other liabilities" column.

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V. Explanations Related to Interest Rate Risk (cont'd)

Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Non-interest bearing	Total
31 December 2024							
Assets							
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased, Precious Metal Reserve) and the Central Bank of Turkey	2,487,825	-	-	-	-	1,001,550	3,489,375
Banks	706,535	-	-	-	-	291,416	997,951
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-
Receivables from Money Markets Placements	1,741,627	-	-	-	-	-	1,741,627
Financial Assets at Fair Value Through Other Comprehensive Income	-	36	-	463,603	-	138	463,777
Loans (*)	4,755,703	2,489,581	773,370	2,502	-	187,703	8,208,859
Financial Assets Measured at Amortised Cost	-	-	-	51,162	-	-	51,162
Other Assets (**)	-	-	-	-	-	817,783	817,783
Total Assets	9,691,690	2,489,617	773,370	517,267	-	2,298,590	15,770,534
Liabilities							
Bank Deposits	-	-	-	-	-	2,357	2,357
Other Deposits	7,423,840	4,312,822	806,686	-	-	284,461	12,827,809
Money Market Funds	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Other Liabilities (***)	1,165,480	3	-	-	-	1,774,885	2,940,368
Total Liabilities	8,589,320	4,312,825	806,686	-	-	2,061,703	15,770,534
Balance Sheet Long Position	1,102,370	-	-	517,267	-	236,887	1,856,524
Balance Sheet Short Position	-	(1,823,208)	(33,316)	-	-	-	(1,856,524)
Off-Balance Sheet Long Position	-	-	-	-	-	1,943,792	1,943,792
Off-Balance Sheet Short Position	-	-	-	-	-	(1,683,524)	(1,683,524)
Total Position	1,102,370	(1,823,208)	(33,316)	517,267	-	497,155	260,268

(*) Revolving loans and Corporate foreign currency indexed revolving loans are classified under the "up to 1 month" column

(**) Tangible fixed assets, intangible assets, and other assets are presented under the "non-interest-bearing fixed assets" column.

(***) Equity is presented under the "non-interest-bearing other liabilities" column.

Average interest rates applied to monetary financial instruments:

	EUR %	USD %	YEN %	TL %
31 December 2025				
Assets				
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased) and The Central Bank of Turkey	-	-	-	-
Banks	-	3.10	-	-
Financial Assets at Fair Value through Profit or Loss	-	-	-	-
Money Market Placements	-	-	-	42.66
Financial Assets at Fair Value through Other Comprehensive Income	-	-	-	48.27
Loans	6.81	5.75	-	49.21
Financial Assets Measured at Amortised Cost	-	-	-	34.94
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	2.79	4.45	-	42.56
Money Market Funds	-	-	-	41.98
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-

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V. Explanations Related to Interest Rate Risk (cont'd)

Average interest rates applied to monetary financial instruments:

31 December 2024	EUR	USD	YEN	TL
	%	%	%	%
Assets				
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Purchased) and The Central Bank of Turkey	-	-	-	-
Banks	-	4.13	-	-
Financial Assets at Fair Value through Profit or Loss	-	-	-	-
Money Market Placements	-	1.45	-	49.17
Financial Assets at Fair Value through Other Comprehensive Income	-	6.38	-	48.87
Loans	6.88	4.94	-	46.64
Financial Assets Measured at Amortised Cost	-	-	-	25.00
Liabilities				
Bank Deposits	-	-	-	-
Other Deposits	2.55	3.95	-	37.87
Money Market Funds	-	-	-	48.63
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-

Interest rate risk arising from banking accounts:

According to the “Regulation on Measurement and Evaluation of the Interest Rate Ratio of Banking Accounts Based on Standard Shock”, which is divided into different currencies of the Bank, the following table shows the economic value differences arising from interest rate fluctuations as of 31 December 2025:

Type of Currency	Shocks Applied (+ / - basis points)*	Gains / Losses	Gains / Equity – Losses / Equity
TL	500	(79,415)	(5%)
	(400)	69,287	5%
EUR	200	(2,025)	(0%)
	(200)	3,365	0%
	200	2,001	(0%)
USD	(200)	(2,000)	0%
Total (of Negative Shocks)		70,652	5%
Total (of Positive Shocks)		(80,667)	(5%)

* Separate lines are entered for each shock with a different magnitude and direction applied to a currency.

It is calculated on a monthly basis in accordance with the procedures and principles set out in the Regulation on Measurement and Assessment of Standard Approach on the interest rate risk arising from banking accounts published in the Official Gazette No. 32898 dated 12 May 2025, and the Circular No. 2025/1 on Explanatory Notes Regarding the Measurement and Assessment of Interest Rate Risk Arising from Banking Accounts Using the Standard Approach, as well as the Guide on the Management of Interest Rate Risk Arising from Banking Accounts, which was adopted by the Board Decision No. 11197 dated 17 April 2025.

The objective is to measure and assess the interest rate risk arising from banking book positions—both on-balance sheet and off-balance sheet—using the standard approach. The calculations are performed by taking into account interest rate shock scenarios and stress scenarios.

Interest Rate Risk Arising from Banking Accounts is calculated in accordance with the Regulation on Measurement and Assessment of Standard Approach on the interest rate risk arising from banking accounts, published by the BRSA in the Official Gazette No. 32898 dated 12 May 2025. Under this regulatory framework, all interest-sensitive financial assets and liabilities within the banking book are measured based on their interest rate profile and the remaining time to maturity or next repricing date. In accordance with the Regulation, the behavioural profile for core non-maturity deposits is calculated separately for each currency.

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V. Explanations Related to Interest Rate Risk (cont'd)

Current Period	CEVE
Parallel Up	82,123
Parallel Down	(86,779)
Steeper	(25,399)
Flattener	40,192
Short-Term Up	70,845
Shor-Term Down	(73,766)
Maximum	(86,779)
Period	Current Period
Tier 1 Capital	1,511,434

VI. Explanations on Stock Position Risk

The Bank has no outstanding stock position.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio

Liquidity risk is the risk that arises as a result of not having enough cash or cash inflows to meet the cash outflows fully and on time as a result of the imbalance in the cash flow.

Liquidity risk may also occur when the market penetration is not adequate, when the open positions cannot be closed quickly at suitable prices and sufficient amounts due to barriers and break-ups at the markets.

The Bank's policy is to establish an asset structure that can meet all kinds of liabilities by liquid sources at all times. In this context, liquidity problem has not been faced in any period. In order to maintain this, the Board of Directors of the Bank continuously determines standards for the liquidity ratios and monitors them.

In accordance with the Bank's general policies, the harmony of maturity structures of assets and liabilities and interest rates is ensured within the Asset-Liability Management strategies, and the difference between the return and cost of Asset-Liability items in the balance sheet is constantly tried to be managed positively. In line with this strategy, various crisis scenarios created by the Risk Management Group are presented to the Senior Management and the Audit Committee.

When the funding and liquidity sources are considered, the Bank covers majority of its liquidity need by deposits, and in addition to this source, it makes use of pre-financing and syndication products to generate additional sources.

The Bank calculated liquidity adequacy ratio in both foreign currency and total amount as per Basel III and reported to BRSA according to Bank's Regulation on Measurement and Evaluation of Liquidity Adequacy Ratio declared in 2013. Furthermore, the Bank reports liquidity risk analysis form weekly to BRSA in 2013.

While the unconsolidated FC liquidity coverage ratios calculated weekly for the last three months were the lowest (21/12/2025) (155.59%) and the highest FC (14/11/2025) (460.88%), total liquidity coverage ratios are the lowest (16/11/2025) (240.37%) and the highest (28/11/2025) (482.87%).

Liquidity risk in a Bank is evaluated separately with respect to normal market conditions and market fluctuations, which can possibly occur. The Bank makes the required diversification in its assets and liabilities via considering related currencies in order to meet its obligation to pay.

Liquidity deficit report is issued through the quantitative evaluation of daily and cumulative deficits in local currency and foreign currency in the framework of ordinary and stressful environment. Liquidity deficit report includes deficit-maturing liabilities in any period of borrowings and placements made in order to replacement assets. Liquidity deficit report is based on current balance sheet and includes off-balance sheet derivative transactions and commitments, which can affect the balance sheet. Liquidity report is issued quarterly over TL and foreign currency.

Liquidity Risk Measurement is to determine the mismatch between assets and liabilities, which can occur because of challenges encountered in decreasing the asset positions if the assets of the Bank are pledged, and the assets cannot be sold with relative ease or the market returns to liquid assets at different levels. The liquidity of the Bank is designed to meet the due liabilities of the bank. The main actions followed by the bank to reach the aforementioned purpose are as follows:

- Measurement of day liquidity
- Short-term funding
- Liquid assets
- Structural liquidity
- Diversification of liquidity resources
- Stress tests

The Treasury department in coordination with marketing department performs liquidity management while stress test and scenario analyses studies are performed under the coordination of Risk Management Group with the views and suggestions of other related departments. Results of stress test are reported to executives regularly and submitted to Audit Committee quarterly by the Risk Management Group. Loan losses, delays in loan repayment and deposit withdrawals are used as variables in these stress test scenarios. Additional capital allocation is not made for liquidity risk.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Stress tests examine the possible effect of an event on balance sheet and net potential cumulative deficit quantitatively and foresee the required additional funding with respect to a defined stress scenario. Stress tests are performed quarterly over TL and foreign currency unless they are required to be performed more often due to a change occurring in market conditions.

The Bank operates periodical liquidity analyses, which compare the inflows and outflows of funds and cover a specific period. The following issues are taken into consideration in these analyses:

- Assumptions based on anticipated inflow and outflow of funds
- Capability of bank to convert its assets into cash
- Liquidity instruments provided by the Central Bank
- Loss of value which occurs while liquidating assets in market fluctuations
- Market conditions for specified several asset classifications

Sensitivity tests are performed periodically with scenarios, which are peculiar to banks and particular to the market. These scenarios are reviewed periodically.

A brief update on the latest developments in market is presented during the weekly Committee of Assets and Liabilities meetings. Departments of Treasury, Budget Planning and Management Reporting and Retail Banking inform the Committee regarding the recent liquidity of the Bank.

Credit/Deposit rate defined by the Board of Directors of the Bank provides short-term liquidity needs of the bank not to drop below a certain level of liquidity. The Credit/Deposit rate is monitored by departments of Treasury, Budget Planning and Management Reporting and Retail Banking and discussed in Committee of Assets and Liabilities meetings. Decisions regarding liquidity are made in the light of aforementioned information. The Treasury examines weekly Liquidity Analysis Form, biweekly Stock Liquidity Rate Notification Form and weekly Liquidity Rate Notification Form (first maturity segment) and related departments in order to determine liquidity balance between assets and liabilities of the Bank in accordance with the communicate of Banking Regulation and Supervision Agency.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Liquidity Coverage Ratio:

31 December 2025		Total Value with Disregard Ratio Unapplied (*)		Consideration Rate Applied Total Value (*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets	7,409,116	6,367,243	4,695,159	2,195,324
CASH OUTFLOWS					
2	Real person deposits and retail deposits	6,097,844	4,558,641	611,900	460,879
3	Stable deposit	90,886	190	4,594	10
4	Low stable deposit	6,006,958	4,558,451	607,306	460,869
5	Unsecured debts excluding real person deposits and retail deposits	8,254,044	5,124,503	4,115,129	2,681,021
6	Operational deposit	-	-	-	-
7	Non-operational deposit	6,955,748	4,120,426	2,809,199	1,665,459
8	Other unsecured borrowings	1,298,296	1,004,077	1,305,930	1,015,562
9	Secured borrowings	-	-	-	-
10	Other cash outflows	1,014,938	164,669	162,355	32,104
11	Derivative liabilities and collateral liabilities	-	-	-	-
12	Payables from structured financial instruments	-	-	-	-
13	Payment commitments for debts to financial markets and other off-balance sheet liabilities	1,014,938	164,669	162,355	32,104
14	Non-revocable off-balance sheet liabilities and other contractual Liabilities	-	-	-	-
15	Other irrevocable or conditionally revocable off-balance sheet liabilities	-	-	-	-
16	TOTAL CASH OUTFLOWS			4,889,384	3,174,004
CASH INFLOWS					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	5,243,249	1,799,812	5,004,578	1,695,820
19	Other cash inflows	-	-	-	-
20	TOTAL CASH INFLOWS	5,243,249	1,799,812	5,004,578	1,695,820
				Upper Limit Applied Values	
21	TOTAL STOCK OF HQLA			4,695,159	3,651,903
22	TOTAL NET CASH OUTFLOWS			1,222,346	1,478,184
23	LIQUIDITY COVERAGE RATIO (%)			384.11	247.05

(*) Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Liquidity Coverage Ratio (cont'd):

31 December 2024		Total Value with Disregard Ratio Unapplied (*)		Consideration Rate Applied Total Value (*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	High quality liquid assets	4,988,184	4,007,226	3,178,276	2,195,324
CASH OUTFLOWS					
2	Real person deposits and retail deposits	6,057,683	2,944,383	596,980	294,342
3	Stable deposit	173,422	324	8,666	16
4	Low stable deposit	5,884,261	2,944,059	588,314	294,326
5	Unsecured debts excluding real person deposits and retail deposits	5,563,763	4,494,522	2,834,425	2,272,118
6	Operational deposit	-	-	-	-
7	Non-operational deposit	4,539,115	3,697,697	1,809,290	1,475,127
8	Other unsecured borrowings	1,024,648	796,825	1,025,135	796,991
9	Secured borrowings	-	-	-	-
10	Other cash outflows	900,524	158,107	123,942	40,481
11	Derivative liabilities and collateral liabilities	19,267	19,222	19,054	19,009
12	Payables from structured financial instruments	-	-	-	-
13	Payment commitments for debts to financial markets and other off-balance sheet liabilities	881,257	138,885	104,888	21,472
14	Non-revocable off-balance sheet liabilities and other contractual Liabilities	-	-	-	-
15	Other irrevocable or conditionally revocable off-balance sheet liabilities	-	-	-	-
16	TOTAL CASH OUTFLOWS			3,555,347	2,606,941
CASH INFLOWS					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	6,132,436	1,876,418	5,897,978	1,727,387
19	Other cash inflows	114	12	114	12
20	TOTAL CASH INFLOWS	6,132,550	1,876,430	5,898,092	1,727,399
				Upper Limit Applied Values	
21	TOTAL STOCK OF HQLA			3,178,276	2,195,324
22	TOTAL NET CASH OUTFLOWS			888,837	879,542
23	LIQUIDITY COVERAGE RATIO (%)			357.58	249.60

(*) Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

High quality liquid assets consist of cash assets, central banks, financial assets at fair value through profit or loss and reverse repo items.

A significant proportion of daily cash inflow of the Bank consists of payments related to loans issued and placement of banks while a significant proportion of daily cash outflow of the Bank consists of payments related to collected deposits. Domestic and foreign banks and loan clients constitute the resource of cash inflows. The Bank applies limits for the transactions, which shall be made with domestic and foreign banks, and these limits are monitored by the Risk Management Department daily.

A "Recovery Plan" is prepared once a year regarding the liquidity emergency and contingency plans and is submitted for approval to the Board of Directors. This plan includes liquidity scenario impact analysis, stress scenarios, and recovery actions.

As of 31 December 2025, the Bank's NSFR ratio, calculated from the three-month average amounts, is 305.5% (31 December 2024: 297%). This ratio is above the minimum required ratio. The regulation has set the minimum NSFR ratio at 100%. The following tables reflect the details of the NSFR ratio at the end of the period.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Current Period		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Demand	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
31 December 2025						
Available stable funding						
1	Capital Instruments	1,522,070	-	-	-	1,522,070
2	Tier 1 Capital and Tier 2 Capital	1,522,070	-	-	-	1,522,070
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	-	6,008,014	14,366	-	5,426,343
5	Stable Deposits	-	124,030	-	-	117,828
6	Less Stable Deposits	-	5,883,984	14,366	-	5,308,515
7	Other Obligations	2,631,494	7,059,656	24	-	3,937,713
8	Operational deposits	-	-	-	-	-
9	Other Obligations	2,631,494	7,059,656	24	-	3,937,713
10	Liabilities equivalent to interconnected assets	-	-	-	-	-
11	Other Liabilities	-	-	-	-	-
12	Derivative liabilities	-	-	-	-	-
13	All other equity not included in the above categories	-	-	-	-	-
14	Available stable funding					10,886,126
Required stable funding						
15	High quality liquid assets	-	-	-	-	33,638
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	103,386	8,601,927	68,297	-	2,263,384
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	6,316,834	-	-	1,009,020
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	103,386	2,285,093	68,297	-	1,254,364
21	<i>Loans with a risk weight of less than or equal to 35%</i>	-	-	-	-	-
22	Residential mortgages	-	-	-	-	-
23	<i>Residential mortgages with a risk weight of less than or equal to 35%</i>	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	-	-	-	-
25	Assets equivalent to interconnected liabilities	-	-	-	-	-
26	Other Assets	1,208,971	-	-	-	1,208,971
27	Physical traded commodities, including gold	-	-	-	-	-
28	Initial margin posted or given guarantee fund to central counterparty	-	-	-	-	-
29	Derivative Assets	-	-	-	-	-
30	Derivative Liabilities before the deduction of the variation margin	-	-	-	-	-
31	Other Assets not included above	1,208,971	-	-	-	1,208,971
32	Off-balance sheet commitments	13,664	131,386	204,817	528,673	43,927
33	Total Required stable funding					3,549,920
34	Net Stable Funding Ratio (%)					306.7

(*) It presents the value calculated as of the period-end.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Prior Period		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Demand	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
31. December 2024						
Available stable funding						
1	Capital Instruments	1,438,060	-	-	-	1,438,060
2	Tier 1 Capital and Tier 2 Capital	1,438,060	-	-	-	1,438,060
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	-	5,682,063	7,537	-	5,130,357
5	Stable Deposits	-	193,931	398	-	184,612
6	Less Stable Deposits	-	5,488,132	7,139	-	4,945,745
7	Other Obligations	1,865,174	6,247,943	20	-	3,451,919
8	Operational deposits	-	-	-	-	-
9	Other Obligations	1,865,174	6,247,943	20	-	3,451,919
10	Liabilities equivalent to interconnected assets	-	-	-	-	-
11	Other Liabilities	-	-	-	-	-
12	Derivative liabilities	-	-	-	-	-
13	All other equity not included in the above categories	-	-	-	-	-
14	Available stable funding					10,020,336
Required stable funding						
15	High quality liquid assets	-	-	-	-	112,979
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	98,666	8,210,253	-	1,740,000	2,541,995
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	1,740,000	174,000
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	-	5,111,067	-	-	766,660
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	98,666	3,099,186	-	-	1,601,335
21	<i>Loans with a risk weight of less than or equal to 35%</i>	-	-	-	-	-
22	Residential mortgages	-	-	-	-	-
23	<i>Residential mortgages with a risk weight of less than or equal to 35%</i>	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	-	-	-	-
25	Assets equivalent to interconnected liabilities	-	-	-	-	-
26	Other Assets	896,753	-	-	-	896,753
27	Physical traded commodities, including gold	-	-	-	-	-
28	Initial margin posted or given guarantee fund to central counterparty	-	-	-	-	-
29	Derivative Assets	-	-	-	-	-
30	Derivative Liabilities before the deduction of the variation margin	-	-	-	-	-
31	Other Assets not included above	896,753	-	-	-	896,753
32	Off-balance sheet commitments	-	194,952	28,330	317,283	27,028
33	Total Required stable funding					3,578,755
34	Net Stable Funding Ratio (%)					280

(*) It presents the value calculated as of the period-end.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Presentation of assets and liabilities according to their remaining maturities:

31 December 2025	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Undistributed^(*)	Total
Assets								
Cash Values (Cash, Effective Reserve, Cash in Transit, Cheques Received, Precious Metal Reserve) and Central Bank of Turkey ^(****)	1,874,558	1,873,305	712,810	39,587	4,165	-	-	4,506,425
Banks	987,181	-	-	-	-	-	-	987,181
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-	-	-	-	-
Receivables from Money Market Placements	-	2,172,317	-	-	-	-	-	2,172,317
Financial Assets at Fair Value at Other	138	-	-	-	36,641	-	-	36,779
Comprehensive Income	-	-	-	-	-	-	-	-
Loans ^(***)	-	4,201,770	3,630,707	911,612	583	-	205,549	8,950,221
Financial Assets Measured At Amortised Cost	-	-	-	-	1,135,295	-	-	1,135,295
Other Assets	-	-	-	-	-	-	1,089,156	1,089,156
Total Assets	2,861,877	8,249,392	4,343,517	951,199	1,176,684	-	1,294,705	18,877,374
Liabilities								
Bank Deposits	2,389	-	-	-	-	-	-	2,389
Other Deposits	1,716,124	9,391,476	3,569,733	198,252	20,856	-	-	14,896,441
Payables to Money Markets	-	510,692	-	-	-	-	-	510,692
Funds from Other Financial Institutions	-	-	-	-	-	-	-	-
Issued Securities	-	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-	-
Other Liabilities ^(**)	-	1,713,816	1	-	-	-	1,754,035	3,467,852
Total Liabilities	1,718,513	11,615,984	3,569,734	198,252	20,856	-	1,754,035	18,877,374
Liquidity Gap	1,143,364	(3,366,592)	773,783	752,947	1,155,828	-	(459,330)	-
Net Off-Balance Position								
Receivables from Derivative Financial Instruments	-	786,504	(934,068)	-	-	-	-	(147,564)
Payables from Derivative Financial Instruments	-	-	2,568,352	-	-	-	-	2,568,352
Non-Cash Loans	-	249,833	195,395	1,205,144	529	3,527,903	-	5,178,804
31 December 2024								
Total Assets	1,617,910	8,484,058	3,233,335	912,478	517,267	-	1,005,486	15,770,534
Total Liabilities	286,818	8,589,320	4,312,825	806,686	-	-	1,774,885	15,770,534
Liquidity Gap	1,331,092	(105,262)	(1,079,490)	105,792	517,267	-	(769,399)	-
Net Off-Balance Position								
Receivables from Derivative Financial Instruments	-	17,761	(166,273)	-	-	-	-	(148,512)
Payables from Derivative Financial Instruments	-	843,785	672,878	-	-	-	-	1,516,663
Non-Cash Loans	-	249,874	513,211	1,345,245	42,338	304,400	-	2,455,068

(*) The assets, which are necessary to provide banking services and cannot be liquidated in the short term, such as tangible assets, investments in subsidiaries and associates and non-performing loans are classified under undistributed.

(**) Shareholders' equity is presented under "Other Liabilities" in "Undistributed Column".

(***) Revolving loans and corporate foreign currency indexed revolving loans are classified in up to 1-month column.

(****) Reserve requirement distribution is based on maturity distribution of liabilities on which the reserve is calculated.

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VII. Explanations on Liquidity Risk and Liquidity Coverage Ratio (cont'd)

Analysis of financial liabilities by remaining contractual maturities:

	Up to 1 Month (*)	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Adjustments	Total
31 December 2025							
Bank Deposits	2,389	-	-	-	-	-	2,389
Other Deposits	11,156,368	3,569,733	198,252	20,856	-	(48,768)	14,896,441
Money Markets Funds	512,561	-	-	-	-	(1,869)	510,692
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Total	11,620,681	3,569,733	198,252	20,856	-	(50,667)	12,830,166

	Up to 1 Month (*)	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Adjustments	Total
31 December 2024							
Bank Deposits	2,357	-	-	-	-	-	2,357
Other Deposits	1,187,520	4,948,549	6,920,218	-	-	(228,478)	12,827,809
Money Markets Funds	-	-	-	-	-	-	-
Funds Provided from Other Financial Institutions	-	-	-	-	-	-	-
Total	1,189,877	4,948,549	6,920,218	-	-	(228,478)	12,830,166

(*) Includes demand deposits.

Analysis of contractual expiry by maturity of the Bank's derivative financial instruments is as follows:

31 December 2025	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
Trading Derivatives Instruments						
Foreign Exchange Derivatives	786,504	(934,068)	-	-	-	(147,564)
- Addition	786,504	1,634,284	-	-	-	2,420,788
- Disposal (-)	-	2,568,352	-	-	-	2,568,352
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Hedging Assets						
Foreign Exchange Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Total cash inflow	786,504	1,634,284	-	-	-	2,420,788
Total cash outflow	-	2,568,352	-	-	-	2,568,352

31 December 2024	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
Trading Derivatives Instruments						
Foreign Exchange Derivatives	17,761	(166,273)	-	-	-	(148,512)
- Addition	843,785	672,878	-	-	-	1,516,663
- Disposal (-)	826,024	839,151	-	-	-	1,665,175
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Hedging Assets						
Foreign Exchange Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Interest Rate Derivatives	-	-	-	-	-	-
- Addition	-	-	-	-	-	-
- Disposal (-)	-	-	-	-	-	-
Total cash inflow	843,785	672,878	-	-	-	1,516,663
Total cash outflow	826,024	839,151	-	-	-	1,665,175

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VIII. Explanations Related to Leverage Ratio

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

As of 31 December 2025, the leverage ratio of the Bank calculated from quarterly average amounts is 6.31% (31 December 2024: 7.58%). This rate is above the minimum rate. The regulation stipulates the minimum leverage ratio as 3%.

Leverage ratio:

Serial Number	Serial Name	31 December 2025 (*)	31 December 2024 (*)
1	Main capital	1,573,745	1,445,924
2	Total risk amount (3+4+7+8-11)	24,926,007	19,080,664
3	On-balance sheet assets	18,442,485	15,800,895
4	Off-balance sheet transactions (5+6)	6,441,392	3,278,438
5	Commitments that may be revoked by the Bank at any time without being subject to any condition or prior notice	-	-
6	Other off-balance sheet transactions	6,441,392	3,278,438
7	Derivative financial instruments and credit derivatives	59,138	16,763
8	Securities or commodity financing transactions (9+10)	-	-
9	Transactions carried out on its own behalf and for its own account	-	-
10	Transactions for which settlement is committed to be completed through intermediation	-	-
11	Assets that are deducted from core capital	17,008	15,432
12	Leverage Ratio (1/2) %	6.31	7.58

(*) The three-month average of the amounts in the table is taken.

IX. Explanations Related to Market Risk

Market risk is the risk that influence the Bank's income, capital or the supporting capacity of business development according to the changes of the market rate or the prices related to the market rate, stock prices, credit margins and currency rates. The description of market risk element is mentioned below:

a. Interest Rate Risk is the influence on market value of equity and the Bank's income according to the changes in interest rate. This risk divided to two risks:

Specific Risk: It causes by adverse price movements in debt securities or the factors related to issuer.

General Market Risk: It causes by adverse market conditions.

b. Equity Position Risk: It is the risk that the depreciation of Bank's investments caused by the dynamics of stock market.

c. Currency Risk: It causes by net foreign currency position including the balance sheet and off-balance sheet transactions.

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IX. Explanations Related to Market Risk (cont'd)

The market risk caused by financial assets at fair value through profit or loss portfolio, is calculated by standardized approach and the result is used in determining the amount of capital required for the market risk. The primary market risk types of the Bank are currency risk, interest rate risk, investment and asset/liability management activities. The influence of different factors in different scenarios to the market risk is analyzed by using stress tests. The changes in the currency and interest rate in TL and FC are the basic parameters of the stress tests and scenario analysis. There is an economic capital limit determined by Board Decision for stress tests. The effect of one point difference in interest rate to all assets and liabilities of the Bank which are sensitive to the interest rate is calculated for TL and FC separately.

The market risk of the Bank measured by consistent risk measurement models, methods such as interest rate/price volatility levels and Value at Risk (VAR), establishing appropriate procedures for controls and observing compliance with predetermined risk limits, ultimately to search and find risk sources within the organizational structure and to provide consistent information on market risk for all levels of the organization.

Market risk management is conducted in coordination with Risk Management Market Risk Unit, Treasury and Financial Institutions departments. The market is monitored at weekly ALCO meetings and necessary actions are taken. The limits determined by the Bank's Board of Directors are monitored on a daily basis. In the event of oversight, the relevant unit/department managers, the oversight information is sent to the Board Member Responsible for Internal Systems and General Manager and the results are monitored. The related parties are in communication from the creation of market risk management structure to the follow-up operation of the structure. The Financial Institutions Department and the Risk Management Department work in coordination to monitor the Country and Correspondent Bank limits and risks. Similarly, there is a coordination in the ISEDES/ICAAD work. In this context, Financial Institutions act as approval authority and Risk Management as reviewer authority.

Monthly risk reports are prepared and presented to top management. On a quarterly basis, the Audit Committee are informed by reports. Value at Risk (VAR) calculations are made through the market risk module and reported to the relevant departments/units. For these calculations, market data is withdrawn at the same period and transferred to the market risk module. VAR calculations include market sensitive instruments such as securities in the Bank's portfolio (TL/FC) and foreign exchange position.

Market risk under standardized approach

	RWA
Outright products	
Interest rate risk (general and specific)	-
Equity risk (general and specific)	-
Foreign exchange risk	19,339
Commodity risk	-
Options	
Simplified approach	-
Delta-plus method	-
Scenario approach	-
Securitization	-
Total	19,339

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X. Explanations Related to Operational Risk

Basic indicators method:

	2 PY Amount	1 PY Amount	CY Amount	Total/ Positive Number of years	Rate (%)	Total
Gross income	457,377	1,088,919	1,159,692	901,996	15	135,299
The Amount Subject to Operational Risk (Total *12.5)						1,691,243

Operational risk is the risk of a loss resulting from inadequate or failed internal processes, employee faults or system errors or external factors. The Bank's units manage this risk through clearly defined policies, procedures and internal controls. The risks related to the banking processes and the controls related to these risks are based on the inventory of the Inspection Board and Internal Control Center and are updated annually.

Risk Management Group calculates operational risk according to Basel II Basic Indicator Method. The Risk Management Group raises awareness about operational risks, audits and residual risks by reporting to the Senior Management. In addition, there is a risk appetite limit based on the professional risk loss amount approved by the Board of Directors.

Thanks to the application it uses to centrally manage operational risks, T-Bank can gather all operational and IT risks in a single center and provide control. The Risk Management Group, with the independent system it uses and ensures that operational risks and losses are recorded regularly, independent of execution and integrated with daily risk management processes.

In accordance with Procurement of Support Services, operational risk of support service firms are assessed. With departments related to support service firms, risk analysis studies are conducted by Risk Management Group. For support service firms, annual risk management program is formed and then presented to the Board of Directors. In addition, the qualifications of the support services are assessed annually by the Audit Committee and the results of the assessment are presented to the Board of Directors with a report.

Implementation steps of business processes are passed through and actions are suggested for improvement in case of necessity. Relevant departments are continuously monitoring whether these actions are put into effect.

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XI. Risk Management Objectives and Policies

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to be Announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. Pursuant to the relevant communiqué, the tables below that are required to be submitted on a quarterly basis have not been presented since the Bank applies the Standardized Approach in the calculation of capital adequacy as of 31 December 2025:

- RWA flow statements of credit risk exposures under IRB
- RWA flow statements of CCR exposures under the Internal Model Method (IMM)
- RWA flow statements of market risk exposures under an IMA

Bank's Risk Management Approach

Risks for all banking processes and related sub-processes are identified and risk values are defined. In order to evaluate the effectiveness of the defined risk-based controls, the risk values are now automatically calculated and the changes are monitored continuously. The Bank focuses on lending in the corporate and SME segments, operates within the limits set for market risk, and cannot carry operational risk appetite in order to minimize operational risk. The Bank's risk profile and business model are integrated under the risk appetite policy. Accordingly, the Bank must proceed in line with the limits set in the business model.

The structure and organization of the risk management system in terms of the function and responsibilities of the Risk Management Group depends on the Board of Directors. Loyalty to the Board of Directors takes place through the Audit Committee. Risk Management conducts its activities under the supervision of the Audit Committee within the framework of the provisions of the "Regulation on Internal Systems of Banks and Internal Capital Adequacy Assessment Process" published by BRSA. Risk management considers credit, market, interest rate, concentration, liquidity risks and operational risks in their works as the basic principle to establish the limits of these risks and control processes. The Bank has established a stress-test-driven management by taking into account the changes in the market, as well as the maximum amount of loss that may arise in Credit Risk, Operational Risk, Market Risk and other risks within the scope of internal capital management.

Policies, procedures, workflows and similar documents published by internal systems and all other departments are in a common portal accessible to all bank employees, and changes made to existing documents or newly published documents are provided to employees via e-mail. There are many policies and procedures including Credit Policy, Risk Management Policies (Risk Appetite Policy, Market Risk, Liquidity Risk, Operational Risk, Concentration Risk, Country and Counterparty Risks etc.) assessed and reviewed annually.

The Risk Management Department inform the Board of Directors and top management by monthly basis reports on credit risk, market risk, and operational risk areas. Credit risk concentration (borrower/group, business line, sector, maturity, currency, collateral etc.), analyses on the defaulting loan portfolio and stress tests, and analyses of capital adequacy; internal and legal market risk limits and compliance with operational risk losses. Apart from this, with the PD analysis reports made in the field of Credit Risk for 3 months, various breakdowns are analyzed based on the number of defaults in which the borrower has the default rate. In addition, the report of the Audit Committee, which is prepared for 3 months, includes analyses on all risk types (capital adequacy, limits on market and liquidity risk, defaulting loan portfolio, sectoral information, credit concentration, risks related to information technology, etc.).

The Bank reduces the risks arising from the credit activity as determined by the process and policies it has established. The main instrument used in risk mitigation is collateral, and the collaterals obtained by the collateralization policy are managed by the Credits and Risk Management divisions such as portfolio, customer, collateral type, etc. and monitored regularly.

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XI. Risk Management Objectives and Policies (cont'd)

Overview of Risk Weighted Assets

		Risk Weighted Amount		Minimum capital requirement	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
1	Credit risk (excluding counterparty credit risk) (CCR)	8,860,231	5,778,358	708,818	462,269
2	Standardised approach (SA)	8,860,231	5,778,358	708,818	462,269
3	Internal rating-based (IRB) approach	-	-	-	-
4	Counterparty credit risk	2,410	50,370	193	4,030
5	Standardised approach for counterparty credit risk (SA-CCR)	2,410	50,370	193	4,030
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 - 1250% 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	19,339	72,861	1,547	5,829
17	Standardised approach (SA)	19,339	72,861	1,547	5,829
18	Internal model approaches (IMM)	-	-	-	-
19	Operational Risk	1,691,243	1,067,134	135,299	85,370
20	Basic Indicator Approach	1,691,243	1,067,134	135,299	85,370
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)	10,573,223	6,968,723	845,857	557,498

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XI. Risk Management Objectives and Policies (cont'd)

Risk management strategies and practices are defined as follows: The Bank's Risk Management Group was established in 2001 as an independent unit which reports to the Member of Audit Committee have been responsible for the Audit, Internal Control and Risk Management.

Risk management is committed to control processes in order to determine the limits and measurement of operational risks, including the risks comprising of credit, market, interest rate, concentration, counterparty, liquidity, banking accounts and IT risks.

Objective of risk policies: In line with "Regulation on Internal Systems of Banks (published in the Official Gazette dated 11 July 2014 numbered 29057)", sustaining the Bank's operations in accordance with the Banks' strategic plans, mission, targets, profitability and productivity principles by determining Bank's risk strategy and maximum risk level in line with the volume, qualification and complexity of the Bank's operations by taking into consideration the Bank's past experience and performance. Moreover, ensuring to conserve the interests of depositors and the Bank's shareholder's interest at a maximum level.

Risk management regularly reports to Senior Management and the Audit Committee all the risks the bank is exposed to and concentrations, and the Bank's own internal limits of the legal limits are monitored daily, weekly, monthly and quarterly. These reports consist of VAR analysis, market risk limits, stress testing and scenario analysis, liquidity and interest rate, economic capital and capital adequacy analysis. These reports (daily value at risk (VAR) analysis, weekly interest rate risk, market risk limits and contains the calculation of economic capital) are also presented to Asset-Liability Management Committee on a weekly basis.

Quarterly stress tests and scenario analyses on economic capital, capital adequacy, liquidity and profitability scenarios and credit risk on Bank's loan portfolio including benchmark of similar banks are presented to the Audit Committee. Management follows the Bank's performance and the limits by using these detailed reports.

The Bank has a system set reporting in accordance with the legislation and the standard shock method for measuring and evaluating the interest rate risk arising from on-balance sheet and off-balance sheet positions in the banking accounts by using the standard shock method. The Regulation on Measurement and Evaluation and the Regulation on Credit Risk Mitigation Techniques is intended to be reported based on risk classes according to the procedures described. In addition, the liquidity coverage ratio calculated under Basel III is calculated using a separate reporting system and it is aimed to measure and monitor the balance between the Bank's net cash outflows and high-quality liquid assets and total and foreign currency liquidity coverage ratios.

Risk Management Group calculates Basel II capital adequacy calculation systematically, namely Credit Risk, Market Risk and Operational Risk, in accordance with "Regulation on Measurement and Assessment of Capital Adequacy of Bank's" published in the Official Gazette dated 23 October 2015, numbered 29511.

Starting from 1 January 2014 equity and the capital adequacy ratio of the Bank is calculated in accordance with the "Change in the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" published in the Official Gazette no. 29511, dated 23 October 2015 and "Regulation on Equities of Banks" published in the Official Gazette no.28756, dated 5 September 2013.

The Bank updated its disclosures in accordance with the "Change in the Communique on the Financial Statements to be announced to public by Banks as well as Explanations and Footnotes Thereof" published in the Official Gazette no.28983, dated 26 April 2014 and in accordance with "Communiqué on Disclosures about Risk Management to Be Announced to Public by Banks" published in the Official Gazette no.29599, dated 20 January 2016.

At the Bank, by considering Regulation on the Internal Systems of Banks published in the Official Gazette No. 29057 dated 11 July 2014, banking processes and policies were revised. Consequently, related procedures/policies are updated/formed and then approved by the Board of Directors.

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XI. Risk Management Objectives and Policies (cont'd)

The Bank has completed and constantly updated its processes in order to manage the operational risks it is exposed to more effectively and to create an integrated risk management perspective. The Bank's operational risks and controls related to these risks are managed through a central application and are updated periodically. Issues identified in the results of the evaluation made by the Internal Systems departments are also recorded and followed up through this application. The Operational Risk Policy, in which operational risk processes are expressed, is regularly reviewed and necessary updates are made. Market Risk Policy has been established in order to define, measure, limit and report the market risk that the Bank is exposed to. While the Bank manages the Treasury securities portfolio within the market risk limits determined by the Board of Directors, the Risk Management Group checks daily whether it is within the Treasury's risk limits.

Liquidity Risk is the risk that the Bank cannot fulfil its payment obligations fully and on time due to its insufficient cash inflow or due to inadequate available cash resulting from the mismatch between cash inflows and outflows. In order to define, measure, follow, report the liquidity risk the Bank is exposed to and take necessary actions for the results, Liquidity Risk Policy is formed. When Liquidity Risk Policy is formed, to manage the net liquidity position and liquidity requirement on an ongoing and forward-looking basis is aimed at.

Concentration risk is the risk within credit risk that is exposed according to individual debtor and debtor groups, to debtor groups that indicate similar characteristics in terms of economic and regional sector qualities, on the basis of the assets subject to the collateral securities that show similar price pattern behavior; the risk that is to be considered also within the scope of the market risk and operational risk. In order to define, measure, follow and manage the concentration risk the Bank is exposed to, Concentration Risk Policy is formed. Concentration limits are monitored in compliance with the credit, deposit and related policies.

Counterparty credit risk refers to the default risk of the counterparty of the transaction before the last payment in the cash flow of this transaction of which brings an obligation to both sides. In order to define measure, follow and manage the counterparty credit risk the Bank is exposed to Counterparty Credit Risk Policy is formed. Counterparty credit risk management is conducted by the Financial Institutions Department of the Bank by taking into account the counterparty's financial reports, general overview, rating, current and expected transaction volumes with the Bank. The limits for counterparties are determined by the Board of Directors.

Banking book includes all Assets and Liabilities (including credit) except trading securities portfolio. In order to define, measure, follow, report the interest rate risk related to banking book risk the Bank is exposed to and take necessary actions for the results, interest rate risk policy related to banking book is formed. Interest rate risk is managed by senior management in order to avoid losses from adverse interest rate movements.

Regarding internal assessment process which aims at the Bank has capital requirement according to its risk profile, Internal Capital Management Procedure is formed. Within internal capital management scope, the Bank has established a stress test based management by taking into account the estimated maximum loss amount that may occur in credit, operational, market and other risks as well as the changes in the market.

In order to ensure that the Bank's term deposit structure is in line with the Bank's strategies and budget targets and is in a robust and sustainable structure, Deposit Policy is formed. Policies and systems in order to define, measure and follow the concentration risk of the Bank's deposit is also explained in Deposit Policy.

Organization and structure of Risk Management Group: Risk Management Group work under the Board of Directors as their functions and responsibilities. The connection with the Board of Directors and Risk Management Group is provided through the Audit Committee.

Risk Reporting and Scope and Nature of Measurement Systems: Limits and market risk reports are presented daily basis by the Risk Management Group, value at Risk report (ALCO), ECAP stress test, scenario analysis, Duration Gap primary shock, the market data and limit reports are presented a weekly basis to Assets-Liability Committee. On a quarterly basis, the rest of the reports and other works are reported to Audit Committee and Board of Directors. The results of other studies and analysis are also reported to the Audit Committee and the Board of Directors every 3 months.

Hedging risk and process of risk mitigation policies and process related to control their effectiveness continuously: The Bank carries out risk mitigation processes and risk hedging for credit risk in accordance with credit risk policies.

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XI. Risk Management Objectives and Policies (cont'd)

Risks related to market risks are measured and monitored in line with policies and implementation procedures and are kept under control with allocated limits. Accordingly, risk limits have been allocated by the Board of Directors. Limits are monitored and reported, and in case of exceeding any limit, the excess is notified to the relevant units via written/e-mail and reported to the relevant committees. In addition, presentations are made to the Audit Committee and the Board of Directors on a quarterly basis, including information on the use cases of limits and sector concentrations of loans.

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

The fair values of the Bank's financial assets and liabilities are presented below;

	Book Value		Fair Value	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Financial Assets	13,487,695	11,725,543	3,653,783	11,579,977
Receivables from Money Markets Placements	2,172,317	1,742,324	2,172,317	1,742,324
Banks	986,302	997,254	986,302	997,254
Financial Assets at Fair Value Through Other Comprehensive Income (*)	36,641	463,639	36,641	463,639
Financial Assets Measured at Amortised Cost	1,135,456	51,232	1,166,146	52,194
Loans	9,156,979	8,471,094	9,292,377	8,324,566
Financial Liabilities	16,578,184	13,571,416	16,579,355	13,597,065
Bank Deposits	2,389	2,357	2,389	2,357
Other Deposits	14,896,441	12,827,809	14,897,612	12,853,458
Funds Borrowed From Other Financial Institutions	-	-	-	-
Money Markets Placements	510,692	-	510,692	-
Miscellaneous Payables	1,168,662	741,250	1,168,662	741,250

(*) The non-quoted shares with a value of TL 138 have not been included.

The following methods and assumptions were used to estimate the fair value of the financial instruments:

i. Financial Assets:

Money market placements and banks are accounted in the financial statements at amortised cost and it is assumed that their fair values approximate their carrying values due to their short-term nature.

The fair values of financial assets measured at amortised cost are calculated based on market prices (Level 1 Hierarchy).

The discount rates used as the basis for the calculation of the fair value of the loans granted are the interest rates valid in the markets for the relevant loan type on 31 December 2025 (Level 2 Hierarchy).

ii. Financial Liabilities:

Bank deposits, money market payables and miscellaneous payables are assumed to approximate their fair values to their book values due to their short-term nature.

The discount rates used as a basis for calculating the fair value of other deposits and funds provided by other financial institutions are the interest rates valid in the markets for the relevant deposit type and the loan type on 31 December 2025 (Level 2 Hierarchy).

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XII. Explanations Related to Presentation of Financial Assets and Liabilities at Fair Value (cont'd)

Fair Value Measurement Classification

The "IFRS 7 – Financial Instruments: Disclosures" standard requires the fair values of financial instruments measured and presented in the financial statements to be classified and presented in a manner that reflects the importance of the data used in determining their fair value. This classification is primarily based on whether the data is observable or not. Observable data refers to the use of market data obtained from independent sources, while non-observable data refers to the use of the Bank's market forecasts and assumptions. This distinction generally results in the following classifications:

Level 1: Financial assets and liabilities are valued based on quoted prices in active markets for identical assets and liabilities.

Level 2: Financial assets and liabilities are valued based on inputs that are directly or indirectly observable in the market, other than the quoted prices mentioned in Level 1.

Level 3: Financial assets and liabilities are valued based on inputs that are not observable in the market for determining the fair value of the asset or liability.

Classification requires using observable market data if possible.

In this context, the fair value hierarchy of financial assets and liabilities measured at fair values are as followed:

31 December 2025	Level 1	Level 2	Level 3
Financial Assets			
Financial Assets at Fair Value through Profit and Loss	-	-	-
Financial Assets at Fair Value at Other Comprehensive Income	36,641	-	-
31 December 2024	Level 1	Level 2	Level 3
Financial Assets			
Financial Assets at Fair Value through Profit and Loss	-	-	-
Financial Assets at Fair Value at Other Comprehensive Income	463,639	-	-

XIII. Explanations Related To Transactions Made on Behalf of Others and Fiduciary Transactions

The Bank provides security purchase-sell and safe keeping services in the name of real persons and legal entities. Details of investment securities held in custody are given in the Statement of Off Balance Sheet.

XIV. Explanations on Securitization Positions

There are no securitization positions in the bank portfolio.

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SECTION FIVE

EXPLANATIONS AND DISCLOSURES ON UNCONSOLIDATED FINANCIAL STATEMENTS

I. Explanations and Disclosures Related to the Assets of the Balance Sheet

1. a) Information on cash values and CBRT:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Cash/Effective	3,722	158,267	4,232	6,209
CBRT	234,278	4,111,037	275,764	3,083,170
Total	238,000	4,269,304	279,996	3,209,379

b) Information related to the account of the Central Bank of Turkey:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Unrestricted Demand Deposits	197,215	1,136,492	249,171	871,098
Unrestricted Time Deposits	-	-	-	-
Unrestricted Time Account	-	-	-	-
FC Required Reserve	37,063	2,974,545	26,593	2,212,072
Total	234,278	4,111,037	275,764	3,083,170

c) Explanations related to reserve deposits:

Banks operating in Turkey pursuant to the Communiqués of the Central Bank of the Republic of Turkey No. 2011/11 and 2011/13 on Amending the “Communiqué on Required Reserves” maintain required reserves at the Central Bank of the Republic of Turkey over its Turkish Lira and foreign currency liabilities, in US Dollars and/or Euros, at the rates specified below.

As per the Communiqué no. 2013/15 “Reserve Deposits” of the Central Bank of the Republic of Türkiye (CBRT), banks operating in Turkey keep reserve deposits for their TL liabilities with reserve deposit rates between 10%-22% (31 December 2024: 22%-33%) varied according to their maturity compositions, for their FC liabilities and precious metal liabilities at TL, USD, EUR and/or standard gold with reserve deposit rates between 5%- 32% (31 December 2024: 5%-30%) varied according to their maturity compositions.

For deposits in foreign currency (excluding foreign bank deposits and precious metal deposit accounts), an additional reserve requirement of 6% (31 December 2024: 4%) is established in Turkish Lira.

In addition, if the growth in TL cash loans exceeds 1.5% from the programming details of 6 May 2025, to be calculated in four-week periods, a block installation application of the Turkish Lira mandatory fee for the total amount of the loan exceeding this rate has been initiated.

There are reserve requirement commission practices that include targets aimed at increasing the share of Turkish lira deposits held by real and legal persons in addition to promoting the renewal of foreign-currency-protected deposit accounts and their conversion into Turkish lira. If the targets regarding the rates calculated as “Renewal and Transition to TL Rate”, “Transition to TL Rate”, “Real Person TL Share” and “Legal Entity TL Share” are not achieved, in four-week periods, commission rates are determined based on the ratios and the commission amount is calculated in US Dollars based on the required reserve amount that must be established for foreign currency deposit liabilities.

On the other hand, for banks with a “Renewal and Transition to TL Rate” of 90% and above for foreign exchange convertible deposit accounts, the Central Bank of the Republic of Turkey has started to pay interest on the required reserves established for currency protected accounts and demand deposit accounts with a maturity of 1-91 days in TL, as of 20 January 2024. Interest rates are determined based on the “Renewal and Transition to TL Rate” and the “Transition to TL Rate”.

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

2. Information on financial assets at fair value through profit/loss (shown in net worth):

- a.1) Information on financial assets at fair value through profit/loss given as collateral or blocked: None.
a.2) Financial assets at fair value through profit/loss subject to repurchase agreements: None (31 December 2024: None.).

The Bank does not have net book value of unrestricted financial assets at fair value through profit and loss (31 December 2024: None).

- b) Positive differences related to derivative financial assets held-for-trading: None. (31 December 2024: None).

3. a) Information on banks:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Banks				
Domestic	681	5,826	523	1,059
Foreign	-	980,680	-	996,369
Branches and Head Office Abroad	-	-	-	-
Total	681	986,506	523	997,428

b) Information on foreign banks account:

	Restricted Balance		Unrestricted Balance	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
EU Countries	929,877	793,730	-	-
USA, Canada	48,237	199,214	-	-
OECD Countries (*)	2,381	2,236	-	-
Other	185	1,189	-	-
Total	980,680	996,369	-	-

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

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

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

- a.1) Information on financial assets given as collateral/blocked at fair value through other comprehensive income:

As of 31 December 2025, the financial assets whose fair value difference is reflected in other comprehensive income given as collateral or blocked are TL 6,836 Interbank Money Market balance (31 December 2024: the financial assets whose fair value difference is reflected in other comprehensive income given as collateral or blocked are TL 43,733 Interbank Money Market, TL 149,205 OMO and TL 80,777 Takasbank collateral balance).

- a.2) Information on financial assets subject to repurchase agreements at fair value through other comprehensive income:

As of 31 December 2025, the Bank does not have any repo transactions (31 December 2024: None).

As of 31 December 2025, the carrying amount of financial assets measured at fair value through other comprehensive income held as a free (non-bonded) warehouse at the Central Bank is TL 29,943 (31 December 2024: TL 190,062).

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

	31 December 2025	31 December 2024
Debt Securities	36,641	463,639
<i>Quoted on a Stock Exchange</i>	36,641	463,603
<i>Not Quoted on a Stock Exchange</i>	-	36
Share Certificates	138	138
<i>Quoted on a Stock Exchange</i>	-	-
<i>Not Quoted on a Stock Exchange</i>	138	138
Impairment Provision (-)	-	-
Total	36,779	463,777

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans:

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

	31 December 2025		31 December 2024	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Given to Bank Partners	185	23,464	154	25,617
Credits Given to Legal Entity Partners	185	23,464	154	25,617
Loans Given to Real Person Partners	-	-	-	-
Indirect Loans Given to Bank Partners	-	36,777	-	28,024
Loans Given to Bank Members	6,081	790	3,507	540
Total	6,266	61,031	3,661	54,181

b) Information on the Stage 1 and Stage 2 loans and other receivables including restructured or rescheduled loans:

Cash Loans	Standard Loans and Other Receivables			Loans and Other Receivables Under Close Monitoring		
	Loans and Other Receivables	Changes Regarding the Extension of Payment Plan	Other	Loans and Other Receivables	Changes Regarding the Extension of Payment Plan	Other
Non-Specialized Loans	8,736,201	-	-	7,425	-	-
Business Loans	2,363,703	-	-	7,425	-	-
Export Loans	1,324,474	-	-	-	-	-
Import Loans	-	-	-	-	-	-
Loans Given to Financial Sector	5,704,378	-	-	-	-	-
Foreign Loans	-	-	-	-	-	-
Consumer Loans	6,654	-	-	-	-	-
Credit Cards	-	-	-	-	-	-
Precious Metals Loans	-	-	-	-	-	-
Other	37,230	-	-	-	-	-
Specialized Loans	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-
Total	8,736,201	-	-	7,425	-	-

Expected Loss Provisions	Standard Qualification Loans	Loans in Close Monitoring
12 Months Expected Credit Loss		3,712
Significant Increase in Credit Risk		-
Total		3,712

c) Information on standard loans and closely monitored loans with maturity extensions in the contract:

	Standard Loans	Loans Under close- Monitoring	
		Loans Subject Not To Restructuring	Loans Subject to Restructured
Short-Term Loans	8,617,120	-	-
Medium and Long-Term Loans	119,081	7,425	-
Total	8,736,201	7,425	-

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans: (cont'd)

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

	Short-Term	Medium and Long-Term	Total
Consumer Loans-TL	347	226	573
Mortgage Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	347	226	573
Other	-	-	-
Consumer Loans-Currency Indexed	-	-	-
Mortgage Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Individual Credit Cards-TL	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Individual Credit Cards-FC	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Personnel Loans-TL	2,193	3,687	5,880
Mortgage Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	2,193	3,687	5,880
Other	-	-	-
Personnel Loans-Currency Indexed	-	-	-
Mortgage Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Vehicle Loans	-	-	-
General Purpose Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Personnel Credit Cards-FC	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Overdraft Account-TL (Real Persons) (*)	201	-	201
Overdraft Account-FC (Real Persons)	-	-	-
Total	2,741	3,913	6,654

(*) TL 201 portion of the overdraft account consists of the loans extended to the personnel.

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans: (cont'd)

e) Information on commercial loans with instalments and corporate credit cards:

	Short-Term	Medium and Long-Term	Total
Installment Trade Loans -TL	157,369	115,170	272,539
Business Loan	-	-	-
Vehicle Loan	-	-	-
Personal Finance Credit	157,369	115,170	272,539
Other	-	-	-
Installment Trade Loans - Currency Indexed	-	-	-
Business Loan	-	-	-
Vehicle Loan	-	-	-
Personal Finance Credit	-	-	-
Other	-	-	-
Installment Trade Loans -FC	-	-	-
Business Loan	-	-	-
Vehicle Loan	-	-	-
Personal Finance Credit	-	-	-
Other	-	-	-
Corporate Credit Cards -TL	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Corporate Credit Cards -FC	-	-	-
Installments	-	-	-
Without Installments	-	-	-
Overdraft Account-TL (Legal Entity)	-	-	-
Overdraft Account-FC (Legal Entity)	-	-	-
Total	157,369	115,170	272,539

f) Allocation of loans by customers:

	31 December 2025	31 December 2024
Private	8,743,626	8,020,339
Public	-	-
Total	8,743,626	8,020,339

g) Distribution of domestic and international loans:

	31 December 2025	31 December 2024
Domestic Loans	8,743,626	8,020,339
Foreign Loans	-	-
Total	8,743,626	8,020,339

h) Loans granted to subsidiaries and associates:

None.

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans: (cont'd)

i) Expected credit losses for loans (Stage 3):

	31 December 2025	31 December 2024
Stage 3 Expected Loss Provisions		
Allocated for Limited Collection Loans and Other Receivables	-	-
Allocated for Uncollectible Loans and Other Receivables	-	-
Allocated for Loss Loans and Other Receivables	202,719	254,304
Total	202,719	254,304

j) Information on non-performing (Net):

j.1) Information on loans and other receivables included in non-performing loans, which are restructured or rescheduled:

	III. Group	IV. Group	V. Group
	Loans and Receivables with Limited Collectability	Uncollectible Loans and Other Receivables	Loss Loans and Other Receivables
31 December 2025			
(Gross Amount Before Provision) (*)	-	-	3,220
Restructured Loans and Other Receivables	-	-	3,220
Loans and Other Receivables Under a New Amortization Plan	-	-	-
31 December 2024			
(Gross Amount Before Provision) (*)	-	-	12,068
Restructured Loans and Other Receivables	-	-	12,068
Loans and Other Receivables Under a New Amortization Plan	-	-	-

(*)As of 31 December 2025, the specific provision for loans and other receivables restructured or rescheduled is TL 843 (31 December 2024: TL 3,264).

j.2) Information on total non-performing credit transactions:

	III. Group	IV. Group	V. Group
	Loans and Receivables with Limited Collectability	Uncollectible Loans and Other Receivables	Loss Loans and Other Receivables
31 December 2024 Balance^(*)	-	-	450,755
Additions During the Period (+)	-	-	36,515
Inflow from Other Non-Performing Accounts Receivable (+)	-	-	-
Outflow from Other Non-Performing Accounts Receivable (-)	-	-	-
Collection During the Period (-)	-	-	(62,958)
Write-Off (-)	-	-	(10,959)
Corporate and Trade Loans	-	-	-
Personal Loans	-	-	-
Credit Cards	-	-	-
Indexing Difference (-)	-	-	-
Other	-	-	-
31 December 2025 Balance	-	-	413,353
Provision (-)	-	-	(202,719)
Net Balance on the Balance Sheet	-	-	210,634

(*) The provision balance includes the provision for accrued interest on TFRS non-performing loans.

j.3) Information on foreign currency non-performing loans and other receivables: None.

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans: (cont'd)

j.4) Information regarding gross and net amounts of non-performing loans with respect to user groups:

	III. Group	IV. Group	V. Group
	Loans and Receivables with Limited Collectability	Uncollectible Loans and Other Receivables	Loss Loans and Other Receivables
31 December 2025 (Net)			
Loans to Real Persons and Legal Entities (Gross)	-	-	413,353
Provision Amount (-) (*)	-	-	(202,719)
Loans to Real Persons and Legal Entities (Net)	-	-	210,634
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-
31 December 2024 (Net)			
Loans to Real Persons and Legal Entities (Gross)	-	-	450,755
Provision Amount (-) (*)	-	-	(254,304)
Loans to Real Persons and Legal Entities (Net)	-	-	196,451
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loans and Receivables (Net)	-	-	-

(*) The provision balance includes the provision for accrued interest on TFRS non-performing loans.

j.4) Interest accruals and valuation differences calculated for non-performing loans with expected credit losses in accordance with TFRS 9 are as follows:

As of 31 December 2025, within the scope of TFRS 9, TL 34,198 interest income has been calculated for credit-impaired loans and a provision is recognized for credit-impaired loans. (31 December 2024: TL 38,268).

k) Main principles of liquidation policies of non-performing loans and receivables:

According to the “Methods and Principles for the Determination of Loans and Other Receivables to be Reserved for and Allocation of Reserves”; legal action is carried on considering firms, guarantors and existing collaterals and provisions are made for non-performing loans in accordance with the relevant decree.

l) Explanations on write-off policy:

As of 31 December 2025, TL 10,959 interest accrual was written off from the assets (31 December 2024: None).

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans: (cont'd)

m) Other explanations and notes:

31 December 2025	Corporate	Retail	Other	Total
Neither past due nor impaired	8,729,549	6,652	-	8,736,201
Past due not impaired	-	-	-	-
Restructured loans ^(*)	7,425	-	-	7,425
Impaired loans	404,049	9,304	-	413,353
Total	9,141,023	15,956	-	9,156,979
Less: allowance for individually impaired loans ^(**)	(200,531)	(2,188)	-	(202,719)
Net loan balance	8,940,492	13,768	-	8,954,260

31 December 2024	Corporate	Retail	Other	Total
Neither past due nor impaired	7,548,013	454,175	-	8,002,188
Past due not impaired	18,111	40	-	18,151
Restructured loans ^(*)	-	-	-	-
Impaired loans	441,508	9,247	-	450,755
Total	8,007,632	463,462	-	8,471,094
Less: allowance for individually impaired loans ^(**)	(250,863)	(3,441)	-	(254,304)
Net loan balance	7,756,769	460,021	-	8,216,790

(*) Pursuant to Article 11 of the Regulation on the Procedures and Principles for the Qualification of Loans and Other Receivables by Banks and the Provisions Set Aside for Them, this refers to restructured loan receivables.

(**) As of 31 December 2025, the provision amount set aside for non-impaired loans is TL 3,966 (31 December 2024: TL 7,880).

As of 31 December 2025, the fair value of the collateral held by the Bank regarding the loans determined to be impaired is TL 326,130 (31 December 2024: TL 208,902).

The distribution of overdue but not impaired financial assets by financial instrument classes is as follows:

31 December 2025	Less than 31 Days (*)	31- 60 Days	61- 90 Days	More than 91 Days	Total
Loans and Receivables					
<i>Trade Loans</i>	7,425	-	-	-	7,425
<i>Small Business Loans</i>	-	-	-	-	-
<i>Consumer Loans</i>	-	-	-	-	-
<i>Other</i>	-	-	-	-	-
Total	7,425	-	-	-	7,425

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

5. Information on loans: (cont'd)

m) Other explanations and notes: (cont'd)

31 December 2024	Less than 31 Days (*)	31- 60 Days	61- 90Days	More than 91 Days	Total
Loans and Receivables					
<i>Trade Loans</i>	18,111	-	-	-	18,111
<i>Small Business Loans</i>	-	-	-	-	-
<i>Consumer Loans</i>	40	-	-	-	40
<i>Other</i>	-	-	-	-	-
Total	18,151	-	-	-	18,151

(*) Includes total risks of watchlist firms.

TL 871,349 of loans and other receivables are variable interest loans consisting of up to 1 month revolving loans (31 December 2024: TL 1,282,304), the remaining TL 7,872,277 is fixed interest (31 December 2024: TL 6,738,035).

n) Information on Expected Credit Losses:

Current Period	Stage 1	Stage 2	Stage 3	Total
Provision at the Beginning of the Period	7,830	51	254,304	262,185
Additional Provision During the Period	3,655	503	5,852	10,010
Collections During the Period	(7,773)	(300)	(57,437)	(65,510)
Transferred Loan	-	-	-	-
Write Off	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Exchange Difference	-	-	-	-
Provision at the End of the Period	3,712	254	202,719	206,685

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

6. Financial assets at amortised cost:

a.1) Financial assets given as collateral / blocked:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Stocks	-	-	-	-
Bond, Treasury Bill and Similar Securities	292,479	-	51,232	-
Other	-	-	-	-
Total	292,479	-	51,232	-

As of 31 December 2025, amortised financial assets given as collateral or blocked, TL 118,195 is Interbank money market balance and TL 174,284 is collateral with Takasbank (31 December 2024: TL 51,232 of amortized financial assets given as collateral or blocked is Interbank money market balance).

a.2) Liabilities under regulatory of amortised financial assets subject to repo transactions:

	31 December 2025	31 December 2024
Stocks	-	-
<i>Bond, Treasury Bill and Similar Securities</i>	502,571	-
<i>Other</i>	-	-
Total	502,571	-

Free deposits is not included in amortised financial assets.

b) Information on amortised financial assets:

	31 December 2025	31 December 2024
Government Bonds	1,135,456	51,232
Treasury Bills	-	-
Other Public Sector Debt Securities	-	-
Total	1,135,456	51,232

c) Information on amortised financial assets:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Debt Securities	1,135,456	-	51,232	-
Quoted on a Stock Exchange	1,135,456	-	51,232	-
Not Quoted on a Stock Exchange	-	-	-	-
Provision for Impairment (-)	-	-	-	-
Total	1,135,456	-	51,232	-

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

d) Movement of amortised financial assets during the year:

	31 December 2025	31 December 2024
Amount at Beginning of the Period	51,232	1,338,761
Foreign Currency Differences on Monetary Assets ^(*)	105,150	(61,333)
Purchases During Year	984,232	52,955
Disposal Through Sales and Amortization	(1,935)	(1,278,851)
Impairment Provision (-)	(3,223)	-
End of Period	1,135,456	51,232

^(*) Interest income rediscount changes were presented in "foreign currency differences on monetary assets" line.

7. Information on associates (Net):

The Bank has 1.4925% participation in the Credit Guarantee Fund (31 December 2024: 1.4925%).

8. Information on subsidiaries (Net):

The Bank has no subsidiaries in the current period (31 December 2024: None.).

9. Information on jointly controlled entities: The Bank has no jointly controlled entities in the current period (31 December 2024: None.).

10. Information on lease receivables (Net):

The Bank has not any lease receivables in the current period (31 December 2024: None.).

11. Information on derivative financial instruments for hedging purposes:

The Bank has not any derivative financial instruments for hedging purposes in the current period (31 December 2024: None.).

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

12. Information on tangible assets:

Current Period	End of the Prior Period Balance 31 December 2024	Purchases	Sales	End of the Current Period Balance 31 December 2025
Cost:				
Vehicles	39,898	24,000	(3,140)	60,758
Leasehold improvements	12,397	21	-	12,418
Right of use assets	164,494	41,869	(37,646)	168,717
Other (*)	83,723	23,517	(11,233)	96,007
Total Cost	300,512	89,407	(52,019)	337,900

	End of the Prior Period Balance 31 December 2024	Period expenses	Sales	End of the Current Period Balance 31 December 2025
Accumulated Depreciation:				
Vehicles	(15,417)	(9,752)	1,414	(23,755)
Leasehold improvements	(9,402)	(904)	-	(10,306)
Right of use assets	(70,422)	(45,316)	21,798	(93,940)
Other	(49,165)	(14,182)	4,798	(58,549)
Total Accumulated Depreciation	(144,406)	(70,154)	28,010	(186,550)

Net Carrying Value	156,106	19,253	(24,009)	151,350
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(*) Other tangible assets consist of office equipment, safes, furniture and other movables.

Prior Period	End of the Prior Period Balance 31 December 2023	Purchases	Sales	End of the Current Period Balance 31 December 2024
Cost:				
Vehicles	39,898	-	-	39,898
Leasehold improvements	17,177	233	(5,013)	12,397
Right of use assets	126,845	56,850	(19,201)	164,494
Other	67,721	16,794	(792)	83,723
Total Cost	251,642	73,876	(25,006)	300,512

	End of the Prior Period Balance 31 December 2023	Period expenses	Sales	End of the Current Period Balance 31 December 2024
Accumulated Depreciation:				
Vehicles	(7,437)	(7,980)	-	(15,417)
Leasehold improvements	(11,142)	(1,040)	2,780	(9,402)
Right of use assets	(46,816)	(38,180)	14,574	(70,422)
Other	(37,743)	(11,986)	3,505	(49,164)
Total Accumulated Depreciation	(103,138)	(59,186)	20,859	(144,405)

Net Carrying Value	148,503	14,690	(45,865)	156,106
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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

13 Information on tangible assets:

- a) For an individual asset, In the current period the amount of impairment losses recorded or revoked is crucial to the whole of the financial statements:
 - a.1) Impairment to be recorded or cancellation of events that led to and no term of events: None.
 - a.2) Recorded in the financial statements or canceled amount of impairment losses: None.
- b) Recorded in the current period or cancelled, and each one or some financial statements as a whole are not significant, but sum of impairment losses recorded or revoked is significant for the whole of the financial statements, reasons and circumstances: None.
- c) For pledge on tangible assets, mortgages and other restrictions if there exists and tangible assets, the amount of the expenditures made during construction, the commitments for the purchase of tangible assets: None.

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

14. Information on intangible assets:

Current Period:

	End of the Prior Period Balance 31 December 2024	Additions	Sales	Other	Change in estimate	End of the Current Period Balance 31 December 2025
Cost:						
Software Costs	86,131	10,332	-	-	-	96,463
Total Cost	86,131	10,332	-	-	-	96,463

	End of the Prior Period Balance 31 December 2024	Charge for the Period	Sales	Other	Change in estimate	End of the Current Period Balance 31 December 2025
Accumulated Amortisation:						
Software Costs	(73,764)	(8,234)	-	-	-	(81,998)
Total Accumulated Amortisation	(73,764)	(8,234)	-	-	-	(81,998)
Carrying Value	12,367	2,098	-	-	-	14,465

Prior Period:

	End of the Prior Period Balance 31 December 2023	Additions	Sales	Other	Change in estimate	End of the Current Period Balance 31 December 2024
Cost:						
Software Costs	81,145	4,986	-	-	-	86,131
Total Cost	81,145	4,986	-	-	-	86,131

	End of the Prior Period Balance 31 December 2023	Charge for the Period	Sales	Other	Change in estimate	End of the Current Period Balance 31 December 2024
Accumulated Amortisation:						
Software Costs	(66,609)	(7,177)	22	-	-	(73,764)
Total Accumulated Amortisation	(66,609)	(7,177)	22	-	-	(73,764)
Carrying Value	14,536	(2,191)	22	-	-	12,367

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

15. Investment Properties (Net):

None.

16. Explanations on Deferred Tax Assets:

Deferred tax liability is calculated for all taxable temporary differences, while deferred tax assets arising from deductible temporary differences are calculated provided that it is highly probable that these differences will be utilized by generating taxable profit in the future.

The Bank did not calculate deferred tax assets on temporary differences and tax losses in previous periods, as the formation of a tax base in future years was not certain. The Bank has started to calculate deferred tax assets on temporary differences because it is probable that a current tax liability will arise (all tax losses have been utilized) and that there will be sufficient taxable income to deduct the temporary differences.

If the differences between the carrying amount and the tax base of the assets subject to deferred tax are related to the equity accounts group, the deferred tax asset or liability is netted with the relevant accounts in this group.

	Current Period		Prior Period	
	Deferred Tax Base Temporary Differences	Deferred Tax Amount	Deferred Tax Base Temporary Differences	Deferred Tax Amount
Employee Rights Provision	73,436	22,031	52,960	15,888
Expected Credit Losses Provisions	10,636	3,191	11,772	3,531
Other Provisions	76,185	22,855	88,503	26,551
Depreciation	35,557	10,667	-	-
Premium Provisions	-	-	63,750	19,125
Rediscounts	4,580	1,374		
Carry Forward Tax Losses	-	-	-	-
Other	31,073	9,322	14,407	4,322
Total Deferred Tax Assets	231,467	69,440	231,392	69,417
Depreciation	-	-	(46,107)	(13,832)
Rediscounts	-	-	(8,716)	(2,615)
Other	-	-	-	-
Total Deferred Tax Liabilities	-	-	(54,823)	(16,447)
Deferred Tax Assets / (Liabilities), net	231,467	69,440	176,569	52,970

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I. Explanations and Disclosures Related to the Assets of the Balance Sheet (cont'd)

16. Explanations on Deferred Tax Assets: (cont'd)

The movements in deferred tax assets for the current period are as follows:

	31 December 2025	31 December 2024
Deferred Tax Asset / (Liability), Beginning of Period	52,970	-
Current Period (Expense) / Income	14,427	47,145
Deferred Tax Recognized in Equity	2,043	5,825
Deferred Tax Asset / (Liability), End of Period	69,440	52,970

17. Information on assets held for sale and discontinued operations:

	31 December 2025	31 December 2024
End of Current Period		
Beginning of the Period	27,252	61,121
Acquisitions	3,250	2,632
Assets Sold (Cost)	(5,380)	(36,501)
Impairment	-	-
Carrying Value	25,122	27,252

18. Information on other assets:

a) The distribution of other assets is as follows:

	31 December 2025	31 December 2024
Cash Guarantees Given	17,061	7,556
Assets to be Disposed of	2	166
Clearing Accounts	299,927	286,589
Prepaid Expenses	63,814	49,123
Collateral given	399,113	213,741
Other	5,118	4,254
Total	785,035	561,429

b) If the other assets item of the balance sheet exceeds 10% of the balance sheet total excluding the commitments in the off-balance sheet accounts, the names and amounts of the sub-accounts constituting at least 20% of them: None.

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II. Explanations and Disclosures Related to the Liabilities

1. Information on maturity structure of deposits:

a.1) 31 December 2025:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Years	1 Year and Over	Acc. Deposits	Total
Saving Deposits	23,163	-	114,900	1,288,217	907	75	437	-	1,427,699
Foreign Currency Deposits	1,638,689	-	97,125	7,669,861	920,683	237,885	32,169	-	10,596,412
Residents in Turkey	328,138	-	96,609	7,624,040	885,477	221,108	27,887	-	9,183,259
Residents Abroad	1,310,551	-	516	45,821	35,206	16,777	4,282	-	1,413,153
Public Sector Deposits	376	-	-	-	-	-	-	-	376
Commercial Deposits	53,288	-	2,690,723	107,085	423	45	26	-	2,851,590
Other Institutions Deposits	608	-	7,477	12,279	-	-	-	-	20,364
Precious Metals Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	2,389	-	-	-	-	-	-	-	2,389
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	302	-	-	-	-	-	-	-	302
Foreign Banks	2,087	-	-	-	-	-	-	-	2,087
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	1,178,513	-	2,910,225	9,077,442	922,013	238,005	32,632	-	14,898,830

a.2) 31 December 2024:

	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months - 1 Years	1 Year and Over	Acc. Deposits	Total
Saving Deposits	11,160	-	53,603	1,882,226	696,488	6,928	3,866	-	2,654,271
Foreign Currency Deposits	219,743	-	216,055	7,213,060	394,011	35,333	9,684	-	8,087,886
Residents in Turkey	215,350	-	214,913	7,158,378	382,991	32,187	6,483	-	8,010,302
Residents Abroad	4,393	-	1,142	54,682	11,020	3,146	3,201	-	77,584
Public Sector Deposits	713	-	-	-	-	-	-	-	713
Commercial Deposits	52,259	-	631,790	513,821	672,643	117,057	-	-	1,987,570
Other Institutions Deposits	586	-	5,408	91,375	-	-	-	-	97,369
Precious Metals Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	2,357	-	-	-	-	-	-	-	2,357
Central Bank of Turkey	-	-	-	-	-	-	-	-	-
Domestic Banks	200	-	-	-	-	-	-	-	200
Foreign Banks	2,157	-	-	-	-	-	-	-	2,157
Participation Banks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	286,818	-	906,856	9,700,482	1,763,142	159,318	13,550	-	12,830,166

b.1) Information on saving deposits under the guarantee of saving deposits insurance:

i. Information on saving deposits:

Saving Deposits	Under the Guarantee of Insurance		Exceeding the Limit of Insurance	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Saving Deposits	527,634	661,025	1,083,320	3,194,831
Foreign Currency Saving Deposits	496,179	333,121	8,266,181	7,697,622
Other Deposits in the Form of Saving Deposits	2,987	5,717	42,392	133,559
Foreign Branches' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Off-Shore Banking Regions' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Total	1,026,800	999,863	9,391,893	11,026,012

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

1. Information on maturity structure of deposits (cont'd):

- ii. Deposit amounts not under the guarantee of saving deposit:

Deposits of real persons not under the guarantee of insurance:

	31 December 2025	31 December 2024
Deposits and Other Accounts in Foreign Branches	-	-
Deposits and Other Accounts of the Controlling Partners and Their Mother, Father, Spouse and Children under Custody	-	-
Deposits and Other Accounts of the Chairman and Members of the Board of Directors or Managers, General Manager and Assistants and Their Mother, Father, Spouse and Children under Custody	3,908,173	1,240,043
Deposits and Other Accounts Within the Scope of Assets Resulting from Crime in Article 282 of TCK dated 26/9/2004 and numbered 5237	-	-
Deposits in Deposit Banks Established Exclusively for Offshore Banking Activities in Turkey	-	-

2. Information on derivative financial liabilities held for trading:

- a) Negative differences table related to derivative financial liabilities held-for-trading: None (31 December 2024: None).

3. Information on borrowings:

- a) Information on banks and other financial institutions:
None (31 December 2024: None.).
- b) Recognition of the loans taken by maturity:
None (31 December 2024: None.).

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

3. Information on borrowings (cont'd)

- c) Additional explanations related to the concentrations of the Bank's major liabilities:

The Bank diversifies its funding sources with customer deposits and foreign loans. Foreign currency deposits account for 31% of bank deposits and 71% of other deposits.

4. Information on funds obtained from repo transactions:

As of 31 December 2025, the total amount of funds provided by the Bank from repo transactions is TL 510,692 (31 December 2024: TL None).

5. Other liabilities which exceed 10% of the balance sheet total (excluding off-balance sheet commitments) and the breakdown of these which constitute at least 20% of grand total:

None.

6. Information on debts from lease transactions (Net):

- a) The general explanations on criteria used in determining instalments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the Bank:

In the financial lease agreements, instalments are based on useful life, usage periods and provisions of the Tax Procedure Law.

The movement of the Company's lease liabilities for the periods 1 January – 31 December 2025 and 1 January – 31 December 2024 is as follows:

	31 December 2025	31 December 2024
Openin Balance - 1 January	102,752	84,503
Additions during the period	45,351	71,913
Rent paid during the period (-)	(63,906)	(53,664)
Closing Balance – 31 December	84,197	102,752

- b) Explanations regarding operational leases:

Head-Office and all branch premises of the Bank are leased under operational leases. In 2025, operational lease expenses amounting to TL 23,243 have been recorded in the profit and loss accounts. The lease periods vary between 5 and 10 years (31 December 2024: TL 21.288).

- c) Explanations on the lessor and lessee in sale and lease back transactions, agreement conditions, and major agreement terms: None.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

7. Information on derivative financial liabilities for hedging purposes:

None.

8. Information on provisions:

a) Information on general provisions: None.

b) Provisions for depreciation of principal on foreign currency indexed loans and financial leasing receivables: There is no provision for currency differences for foreign currency indexed loans (31 December 2024: None).

c) The specific provisions of TL 19,863 was provided for indemnified and unfunded non-cash loans (31 December 2024: TL 18,650).

d) Liabilities regarding leave, severance pay:

The Bank has calculated the reserve for employee termination benefits by using actuarial valuation methods as set out in the TAS No: 19 and reflected this in the financial statements.

d.1) Severance pay liability movement table:

	31 December 2025	31 December 2024
As of 1 January	32,056	23,287
Service expense (*)	5,077	9,287
Interest expense (*)	7,950	6,726
Actuarial loss/ (gain)	(895)	5,688
Paid during the period	(2,655)	(12,932)
End of the Period	41,533	32,056

(*) Service and interest costs are recognized under personnel expenses.

d.2) Movement of unused provisions:

	31 December 2025	31 December 2024
As of 1 January	20,904	14,726
Provision recognised during the period	10,999	6,178
Toplam	31,903	20,904

d.3) Employee benefits table:

	31 December 2025	31 December 2024
Employee termination benefit provision	41,533	32,056
Unused vacation provision	31,903	20,904
Total of Provision for Employee Benefits	73,436	52,960

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

8. Information on provisions (cont'd):

d) Obligations regarding leave, severance pay liabilities:

d.2) Employee benefits movement table (cont'd):

According to the Turkish Accounting Standard Regarding the Benefits Provided to Employees numbered TAS 19, the total benefit is calculated for the employees who complete one year of working service and whose working period ends due to retirement or if the service is terminated earlier. The cost of the services rendered by the employees in the current or previous periods is calculated annually by independent actuaries within the framework of the defined benefit plan, using the liability method. In accordance with the Turkish Accounting Standard on Employee Benefits (TAS 19) published in the Official Gazette dated 12 March 2013 and numbered 28585, actuarial loss accounted under shareholders' equity as of 31 December 2025 is TL 26,993 (31 December 2024: TL 27,888 loss).

While making actuarial valuations, severance pay liability to be received in retirement defined in the Labor Law No. 1475 and details of active employees as of the valuation date were taken as basis. The assumptions used in the actuarial calculation have been determined within the framework of TAS 19 are as follow:

	Assumptions
Discount rate	30.74%
Inflation rate	26.20%

e) Information on other provisions:

e.1) Information on general provisions for potential risks:

The accompanying unconsolidated financial statements as at 31 December 2025, general provision amount of TL 18,000 thousand which fully recognized in prior periods was reversed in current period by the bank management for the possible effects of the negative circumstances which may arise in the economy or market conditions which is not in line with the requirements of BRSA Accounting and Financial Reporting Legislation.

e.2) In case other provisions exceed 10% of the total provisions, the names and amounts of the sub-accounts causing the excess:

	31 December 2025	31 December 2024
Provision for Unindemnified Non-Cash Loans	19,863	18,650
Other Provisions (*)	44,427	151,951
Total	64,290	170,601

(*) Other provisions consist of TL 30,033 of litigation provisions and TL 14,394 of non-litigation provisions. (31 December 2024: Other Provisions consist of TL 63,750 in success bonus provisions, TL 54,807 in litigation provisions, TL 15,394 in non-litigation provisions and TL 18,000 in general provisions).

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

8. Information on provisions (cont'd):

The movement of the Company's other provisions for the periods 1 January – 31 December 2025 and 1 January – 31 December 2024 is as follows:

31 December 2025	Provision for Unindemnified Non- Cash Loans	Other Provisions	Total
Opening Balance - 1 January	18,650	151,951	170,601
Provision recognised in period	1,213	-	1,213
Reversal during the period	-	(89,524)	(89,524)
Reversed general provision	-	(18,000)	(18,000)
Closing Balance – 31 December	19,863	44,427	64,290

In the current period, the Bank paid a performance bonus amounting to TL 117,000 to its employees which has been recognized under 'personnel expenses' for the period ended 31 December 2025. Accordingly, no provision related to this amount is included in the accompanying financial statements.

- f) Liabilities arising from retirement benefits: None.
- f.1) Liabilities of pension funds founded as per the Social Security Institution: None.
- f.2) Liabilities resulting from all kinds of pension funds, foundations etc. which provide post-retirement benefits for the employees: None.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

9. Explanations on taxes payable:

a. Information on current tax liability:

a.1) Information on corporate tax:

As of 31 December 2025, remaining tax liability/(receivable) after deducting temporary taxes paid during the period from corporate tax:

	31 December 2025	31 December 2024
Current Period Tax Payable	10,601	152,435
Prepaid Tax	(46,686)	(149,964)
Current tax liability / (asset)	(36,085)	2,471

a.2) Explanations on taxes payable:

	31 December 2025	31 December 2024
Corporate Tax Payable	-	2,471
BITT	14,148	13,445
Securities Capital Income Tax	21,282	17,457
Income Tax Deducted from Salaries	49,196	14,394
Real Estate Capital Income Tax	1,899	1,338
Value Added Tax Payable	2,406	2,367
Stamp Tax	1,048	410
Other	179	404
Toplam	90,158	52,286

a.3) Information on premiums:

	31 December 2025	31 December 2024
Social Security Premiums-Employer	8,290	4,673
Social Security Premiums-Employee	4,179	2,270
Unemployment Insurance-Employer	432	221
Unemployment Insurance-Employee	216	111
Bank Social Aid Pension Fund Premium-Employee	-	-
Bank Social Aid Pension Fund Premium-Employer	-	-
Pension Fund Membership Fees and Provisions-Employee	-	-
Pension Fund Membership Fees and Provisions-Employer	-	-
Other	-	-
Total	13,117	7,275

b. Information on deferred tax liability:

This matter is explained in the Explanations And Notes Related To The Assets footnote numbered 15th of Section Five.

10. Information on liabilities for non-current assets related to held for sale and discontinued operations:

None.

11. Detailed explanations on the number of subordinated loans used by the bank, their maturity, interest rate, the institution from which the loan was borrowed and the option to convert into shares, if any:

The Bank does not have subordinated loans.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

12. Information on shareholders' equity:

a. Presentation of paid-in capital:

As of 31 December 2025, the nominal value of the Bank's capital is amounting to TL 1,000,000 and consists of 10 billion shares (As of 31 December 2024: the nominal value of the Bank's capital is amounting to TL 1,000,000 and consists of 10 billion shares).

	31 December 2025	31 December 2024
Stock Provision ^(*)	1,000,000	1,000,000
Provision for Preferred Stock	-	-

^(*) Represents Nominal Capital.

b. The Bank does not apply registered share capital system.

c. Information on share capital increases' their sources and other information on increased capital shares in the current period: Explained in a) section.

d. Information on share capital increases from revaluation funds in the current period: None.

e. Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and projected resources required to meet these commitments: None.

f. Disclosures on foreign exchange differences: None.

g. Accumulated Other Comprehensive Income/(Loss) to be Reclassified to Profit or Loss and Accumulated Other Comprehensive Income/(Loss) Not to be Reclassified to Profit or Loss

Remeasurement Gains/(Losses) on Defined Benefit Plans

As of 31 December 2025, the balance consists of an actuarial loss of TL 16,088 (31 December 2024: TL 16,715) recognized in other comprehensive income in relation to the provision for employment termination benefits.

Financial Assets at Fair Value Through Other Comprehensive Income

Gains or losses arising from changes in the fair values of Financial Assets at Fair Value Through Other Comprehensive Income are not recognized in the statement of profit or loss until the related financial assets contractual cash flows are collected, or the asset is sold, disposed of, or becomes impaired. If the related assets are equity instruments, such fair value changes are recognized within 'Accumulated Other Comprehensive Income/(Loss) Not to Be Reclassified to Profit or Loss' under equity; whereas if the related assets are debt securities, the changes are recognized within 'Accumulated Other Comprehensive Income/(Loss) to Be Reclassified to Profit or Loss' under equity.

h. Indicators of the Bank's income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Bank's equity due to the uncertainty of these indicators:

Prior year income, profitability and liquidity of the Bank is closely monitored by the Financial Reporting Department and reported to the Board of Directors, Asset and Liability Committee. Risk Management tries to forecast the effects of interest, currency and maturity fluctuations that change these indicators with static and dynamic scenario analysis. Net asset value, which is defined as the difference of fair values of assets and liabilities, is measured. Expectations are made for Bank's future interest income via simulations of net interest income and scenario analysis.

i. Information on preferred shares: None.

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II. Explanations and Disclosures Related to the Liabilities (cont'd)

12. Information on Shareholders' Equity (cont'd):

j) Information on marketable securities revaluation fund:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
From subsidiaries, associates and jointly controlled entities (joint ventures)				
<i>Valuation differences</i>	-	-	-	-
<i>Exchange rate difference</i>	-	-	-	-
Financial assets at fair value through other comprehensive income				
<i>Valuation differences</i>	(5,393)	-	5,929	-
<i>Exchange rate difference</i>	-	-	-	-
Total	(5,393)	-	5,929	-

Information on legal reserves:

	31 December 2025	31 December 2024
I. Legal Reserves	52,702	37,330
II. Legal Reserves	-	-
Other Legal Reserves Appropriated in accordance with Special Legislation	-	-
Toplam	52,702	37,330

Information on extraordinary reserves:

	31 December 2025	31 December 2024
Reserves Appropriated by the General Assembly	-	-
Undistributed Profit	355,066	62,982
Accumulated Losses	-	-
Foreign Currency Share Capital Exchange Difference	-	-
Toplam	355,066	62,982

Information on minority shares:

None.

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III. Explanations and Disclosures Related to the Off-Balance Sheet

1. Information on off-balance sheet liabilities:

a) Nature and amount of irrevocable loan commitments:

	31 December 2025	31 December 2024
Loan Granting Commitments	854	397
Payment Commitments for Checks	9,460	13,740
Forward Asset Purchase and Sales Commitments	1,260,039	630,037
Other Irrevocable Commitments	-	11,758
Total	655,932	57,984

b) The nature and amount of possible losses and commitments arising from off-balance sheet items:

The Bank, within the context of banking activities, undertakes certain commitments, consisting of loan commitments, letters of guarantee, acceptance credits and letters of credit.

b.1) Non-cash loans, including guarantees, bank acceptances and financial guarantees, and other letters of credit:

	31 December 2025	31 December 2024
Letters of Credit	68,208	42,317
Other Guarantees and Collaterals	4,249,500	1,870,500
Total	4,317,708	1,912,817

b.2) Definite guarantees, temporary guarantees, sureties and similar transactions:

	31 December 2025	31 December 2024
Definite Letter of Guarantees	746,757	468,531
Temporary Letter of Guarantees	3,657	24,226
Other Letter of Guarantees	110,682	49,494
Total	861,096	542,251

c) c.1) Total amount of non-cash loans:

	31 December 2025	31 December 2024
Non-Cash Loans Given Against Achieving Cash Loans	6,382	9,374
<i>With Maturity of 1 Year or Less Than 1 Year</i>	6,352	8,556
<i>With Maturity of More Than 1 Year</i>	30	818
Other Non-Cash Loans	5,172,422	2,445,694
Total	5,178,804	2,455,068

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IV. Explanations and Disclosures Related to the Off-Balance Sheet (cont'd)

c.2) Information on sectoral risk breakdown of non-cash loans and irrevocable loan commitments (excluding forward asset sales and purchase commitments):

	31 December 2025				31 December 2024			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	697,317	13.91	-	0.00	518,912	22.80	-	0.00
Farming and Raising Livestock	697,304	13.91	-	0.00	518,793	22.80	-	0.00
Forestry	13	0.00	-	0.00	105	0.00	-	0.00
Fishery	-	0.00	-	0.00	14	0.00	-	0.00
Manufacturing	3,521,134	70.26	70,225	39.56	1,090,131	47.91	69,985	34.03
Mining	29,368	0.59	-	0.00	56,444	2.48	-	0.00
Production Industry	3,491,627	69.67	68,297	38.47	1,033,575	45.43	68,579	33.35
Electric, gas and water	139	0.00	1,928	1.09	112	0.00	1,406	0.68
Construction	11,348	0.23	19,453	10.96	16,049	0.71	47,262	22.98
Services	776,999	15.50	87,408	49.24	595,556	26.18	46,619	22.68
Wholesale and Retail Trade	416,753	8.32	-	0.00	287,643	12.64	-	0.00
Hotel, Food and Beverage Services	251	0.01	-	0.00	302	0.01	-	0.00
Transportation and Telecommunication	111,508	2.22	1,220	0.69	1,570	0.07	8,679	4.22
Financial Institutions	245,198	4.89	86,188	48.55	91,854	4.04	37,940	18.45
Real estate and Renting Services	1,807	0.04	-	0.00	1,641	0.07	-	0.00
Self-Employment Services	1,209	0.02	-	0.00	201,239	8.85	-	0.00
Education Services	5	0.00	-	0.00	5	0.00	-	0.00
Health and Social Services	268	0.00	-	0.00	11,302	0.50	-	0.00
Other	4,805	0.10	429	0.24	54,689	2.40	41,760	20.31
Total	5,011,603	100.00	177,515	100.00	2,275,337	100.00	205,626	100.00

c.3) Information on Group I and II non-cash loans:

Guarantees and sureties	I. Group		II. Group	
	TL	FC	TL	FC
Letters of Guarantee	734,655	107,233	1,244	1,928
Aval and Acceptance Credits	-	-	-	-
Letters of Credit	-	68,208	-	-
Endorsements	4,249,500	-	-	-
Securities issue purchase and guarantees	-	-	-	-
Other Guarantees and Sureties	-	-	-	-
Total	4,984,155	175,441	1,244	1,928

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III. Explanations and Disclosures Related to the Off-Balance Sheet (cont'd)

2. Information related to derivative transactions:

	Derivative Transactions According to Purposes			
	Trading		Hedging	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Types of Trading Transactions				
Foreign Currency Related Derivative Transactions (I)	4,989,140	3,181,839		
Forward Currency Exchange Transactions	-	-	-	-
Swap Money Trading Transactions	-	-	-	-
Futures Money Transactions	4,989,140	3,181,838	-	-
Currency Options	-	-	-	-
Derivative Transactions Related to Interest (II):	-	-	-	-
Forward Interest Contract Trading Transactions	-	-	-	-
Swap Interest Trading Transactions	-	-	-	-
Interest Trade Options	-	-	-	-
Futures Interest Trading Transactions	-	-	-	-
Other Derivative Transactions Held for Trading (III)	-	-	-	-
A. Total Trading Derivative Transactions (I+II+III)	4,989,140	3,181,838	-	-
Types of Derivative Transactions for Hedging Purposes				
For Hedging the Risk of Change in Fair Value	-	-	-	-
For Cash Flow Hedging	-	-	-	-
Hedging Purposes of Subsidiary Investments	-	-	-	-
Made through FC	-	-	-	-
B. Derivative Transactions for Total Hedging	-	-	-	-
Total Derivative Transactions (A+B)	4,989,140	3,181,838	-	-

Forward foreign exchange and swap transactions are for protection from currency fluctuations. According to TAS, they do not qualify as hedging instruments but trading, are remeasured at fair value.

As of 31 December 2025 and 2024, breakdown of the Bank's foreign currency forward and swap transactions based on currencies are disclosed below in their TL equivalents:

	Forward Buy	Forward Sell	Swap Buy	Swap Sell	Option Buy	Option Sell	Futures Buy	Futures Sell
31 December 2025								
TL	-	-	-	-	-	-	-	2,568,352
USD	-	-	-	-	-	-	2,420,788	-
EUR	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	2,420,788	2,568,352
31 December 2024								
TL	-	-	-	-	-	-	-	1,665,175
USD	-	-	-	-	-	-	1,516,663	-
EUR	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	1,516,663	1,665,175

3. Information about credit derivatives and descriptions of the risks:

None.

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III. Explanations and Disclosures Related to the Off-Balance Sheet (cont'd)

4. Explanations on contingent liabilities and assets:

- a.1) The Bank's share in contingent liabilities arising from entities under common control (joint ventures) together with other venturer: None.
- a.2) Share of jointly controlled entity (joint venture) in its own contingent liabilities: None.
- a.3) The Bank's contingent liabilities resulting from liabilities of other venturers in jointly controlled entities (joint ventures): None.
- b) Accounting and presentation of contingent assets and liabilities in the financial statements:
 - b.1) Contingent assets are accounted for if probability of realization is almost certain. If probability of realization is high, then it is explained in the Notes. As of 31 December 2025 and 2024, there are no contingent assets that need to be explained.
 - b.2) A provision is made for contingent liabilities, if realization is probable and the amount can reliably be determined. If realization is remote or the amount cannot be determined reliably, then it is explained in the footnotes: as of 31 December 2025 and 2024, there are no contingent liabilities that need to be explained.

5. Explanations on services rendered on behalf and account of others:

The Bank provides security purchase-sell and safe keeping services in the name of real persons and legal entities. Details of investment securities held in custody are given in the Statement of Off Balance Sheet.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss

1. a) Information on interest income on loans:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Interest on Loans ^(*)				
Short-Term Loans	2,803,867	260,888	2,513,163	157,907
Medium and Long Term-Loans	60,788	6	56,578	290
Interests Received from Non-Performing Receivables	48,078	-	53,454	-
Total	2,912,733	260,894	2,623,195	158,197

^(*) Includes fees and commissions obtained from cash loans.

b) Information on interest income received from banks:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
The Central Bank of Turkey	-	-	-	-
Domestic Banks	81,766	-	29,977	-
Foreign Banks	-	24,087	-	35,360
Branches and Head Office Abroad	-	-	-	-
Toplam	81,766	24,087	29,977	35,360

c) Information on interest received from securities:

	31 December 2025		31 December 2024	
	TL	FC	TL	FC
From Financial Assets at Fair Value Through Profit and Loss	-	-	-	-
From Financial Assets at Fair Value Through Other Comprehensive Income	169,376	-	212,258	2
Financial Assets Measured at Amortised Cost	128,757	-	221,093	-
Total	298,133	-	433,351	2

d) Information on interest income received from associates and subsidiaries: None.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

2. a) Information on interest on funds borrowed:

Interest on Funds Borrowed (*)	31 December 2025		31 December 2024	
	TL	FC	TL	FC
Banks	9	-	17	-
The Central Bank of Turkey	-	-	-	-
Domestic Banks	9	-	17	-
Foreign Banks	-	-	-	-
Branches and Head Office Abroad	-	-	-	-
Other Institutions	-	-	-	-
Total	9	-	17	-

(*) Includes fees and commission expenses for borrowings.

b. Information on interest expense to associates and subsidiaries: None.

c. Information on interest paid to securities issued: None.

d. Display of the interest paid on the deposit according to the maturity structure:

Account Name	31 December 2025							Acc. Deposits	Total
	Time Deposits								
	Demand Deposits	Up to 1 month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Longer than 1 Year			
Turkish Lira									
Interbank Deposits	-	-	-	-	-	-	-	-	-
Savings Deposit	-	41,371	697,021	104,613	1,610	25	-	844,640	
Official Deposit	-	-	-	-	-	-	-	-	-
Trade Deposit	-	883,836	427,805	65,955	8,586	1	-	1,386,183	
Other Deposit	-	1,798	29,714	5,308	-	-	-	36,820	
7-Day Notice Deposit	-	-	-	-	-	-	-	-	-
Precious Metal Reserve	-	-	-	-	-	-	-	-	-
Total	-	927,005	1,154,540	175,876	10,196	26	-	2,267,643	
Foreign Currency									
Foreign currency deposits	-	9,534	304,856	38,279	3,922	149	-	356,740	
Interbank Deposits	-	-	-	-	-	-	-	-	-
7-Day Notice Deposit	-	-	-	-	-	-	-	-	-
Precious Metal Reserve	-	-	-	-	-	-	-	-	-
Total	-	9,534	304,856	38,279	3,922	149	-	356,740	
Grand Total	-	936,539	1,459,396	214,155	14,118	175	-	2,624,383	

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

d. Display of the interest paid on the deposit according to the maturity structure (cont'd):

31 December 2024								
Time Deposits								
Account Name	Demand Deposits	Up to 1 month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Longer than 1 Year	Acc. Deposits	Total
Turkish Lira								
Interbank Deposits	-	-	-	-	-	-	-	-
Savings Deposit	-	23,186	487,549	245,742	625,621	17,112	-	1,399,210
Official Deposit	-	-	-	-	-	-	-	-
Trade Deposit	-	224,475	91,489	160,512	479,693	57,660	-	1,013,829
Other Deposit	-	1,844	16,787	159	-	-	-	18,790
7-Day Notice Deposit	-	-	-	-	-	-	-	-
Precious Metal Reserve	-	-	-	-	-	-	-	-
Total	-	249,505	595,825	406,413	1,105,314	74,772	-	2,431,829
Foreign Currency								
Foreign currency deposits	-	2,756	196,658	22,416	1,284	404	-	223,518
Interbank Deposits	-	-	-	-	-	-	-	-
7-Day Notice Deposit	-	-	-	-	-	-	-	-
Precious Metal	-	-	-	-	-	-	-	-
Total	-	2,756	196,658	22,416	1,284	404	-	223,518
Grand Total	-	252,261	792,483	428,829	1,106,598	75,176	-	2,655,347

3. Information on dividend income: For the period ended 31 December 2025, there is TL 532 dividend income (31 December 2024: TL 234).

4. Explanations on trade profit and loss:

	31 December 2025	31 December 2024
Profit	380,172	1,302,753
Profit from Capital Market Transactions	2,817	-
From Derivative Financial Transactions	14,317	620,280
Profit from Foreign Exchange	363,038	682,473
Loss (-)	(848,672)	(1,739,340)
Loss from Capital Market Transactions	(1,198)	(26,401)
From Derivative Financial Transactions	(238,314)	(890,747)
Loss from Foreign Exchange	(609,160)	(822,192)
Total	(468,500)	(436,587)

5. Information on other operating income:

	31 December 2025	31 December 2024
Income from sales of assets	17,258	14,963
Provisions for communication expense collected from customers	294	462
Adjustment of prior years' expenses ^(*)	56,620	103,328
Other	6,348	1,708
Total	80,520	120,461

^(*) Includes general provision amounting to TL 18,000 thousand which reversed during the current period.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

6. Provision for impairment of loans and other receivables of banks

	31 December 2025	31 December 2024
Expected Credit Losses	(53,985)	(207,275)
12 Month ECL (Stage 1)	(1,358)	(20,695)
Significant Increase in Credit Risk (Stage 2)	222	(594)
Default (Stage 3)	(52,849)	(185,986)
Provision for Impairment Losses on Securities		
Financial Assets Measured At Fair Value through Other Comprehensive Income	-	-
Provision for Impairment Losses on Associates, Subsidiaries and Joint-ventures		
Associates	-	-
Subsidiaries	-	-
Partnerships under Common Control (Business partnerships)	-	-
Other	-	-
Total	(53,985)	(207,275)

7. Information on other operating expenses:

	31 December 2025	31 December 2024
Provision for Employee Termination Benefits	-	-
Tax, Duty, Fees	37,380	34,616
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	70,154	59,186
Impairment Expenses of Intangible Assets	-	-
Impairment Expense of Goodwill	-	-
Depreciation Expenses of Intangible Assets	8,234	7,177
Impairment for Investments Accounted for under Equity Method	-	-
Impairment Expenses of Assets to be Disposed	-	-
Depreciation Expenses of Assets to be Disposed	-	4
Impairment Expenses of Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	305,643	209,797
Leasing Expenses Related to TFRS 16 Exceptions	655	-
Maintenance Expenses	110,176	81,298
Advertisement Expenses	79	69
Other Expenses ^(*)	194,733	128,430
Loss on Sales of Assets	-	2
Other ^(**)	74,699	90,607
Total	496,110	401,389

^(*) Included in other operating expenses; vehicle expenses are TL 14,758, communication expenses are TL 17,004, heating-lightening expenses are TL 7,767, stationary expenses are TL 2,354, cleaning expenses are TL 4,335, non-deductible expenses are TL 2,883, computer usage expenses are TL 46,305, subcontractor company expenses are TL 29,586, expertise expenses are TL 1,523, common expenses are TL 8,394, insurance expenses are TL 10,300, representation expenses are TL 2,298, transportation expenses are TL 3,031, other expenses are TL 44,195 (31 December 2024: Included in other operating expenses; vehicle expenses are TL 9,144, communication expenses are TL 14,659, heating-lightening expenses are TL 7,095, stationery expenses are TL 1,979, cleaning expenses are TL 4,251, non-deductible expenses are TL 4,124, computer usage expenses are TL 33,069, subcontractor company expenses are TL 26,912, expertise expenses are TL 1,385, common expenses are TL 5,643, insurance expenses are TL 9,319, representation expenses are TL 2,260, other expenses are TL 8,847).

^(**) Other operating expenses consist of TL 48,257 of Audit and Consultancy expenses, TL 11,198 of Savings Deposit Insurance Fund, and TL 15,244 of other expenses (31 December 2024: Other operating expenses consist of TL 39,213 of Audit and Consultancy expenses, TL 11,903 of Savings Deposit Insurance Fund, and TL 57,491 of other expenses).

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

8. Information on profit / loss from continuing and discontinued operations before tax:

The Bank's pre-tax profit for the period ended 31 December 2025 is TL 87,300 (31 December 2024: TL 459,891).

9. Explanation on tax provision for continued and discontinued operations:

- a) There is TL 10,601 current tax expense for the period ended 31 December 2025 (31 December 2024: TL 152,435). For the period ended 31 December 2025, deferred tax income is TL 14,427 (31 December 2024: TL 47,145)
- b) There is no deferred tax asset arising from tax losses and origination or reversal of temporary differences (31 December 2024: None).
- c) There is no deferred tax asset in TL, except for those arising from tax losses and temporary differences (31 December 2024: None).

10. Explanation on net profit/loss of continued and discontinued operations:

The Bank's net profit for the period ended 31 December 2025 is TL 91,126 (31 December 2024: TL 354,601).

11. Explanations on net profit and loss for the period:

- a) If disclosure of the nature, size and recurrence rate of income and expense items arising from ordinary banking transactions is necessary for understanding the performance of the bank during the period, the nature and amount of these items: None.
- b) The effect of a change in the estimation made regarding the financial statement items on the profit/loss, if there is a possibility that it will affect the following periods, the effect including those periods: None.
- c) Profit/loss attributable to minority shares: None.

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IV. Explanations and Disclosures Related to the Statement of Profit and Loss (cont'd)

12. If the other items in the income statement exceed 10% of the income statement total, accounts amounting to at least 20% of these items are shown below:

	31 December 2025	31 December 2024
Other fees and commissions received		
Expertise fees collected from customers	1,309	1,257
Transfer commissions	805	792
Insurance commissions	529	710
Cheque expense	48	282
Safe deposit box commissions	152	51
Intelligence Fee	-	-
Letter of Credit Commissions	5	9
Credit Card Commissions and Fees	22	23
Collection item commissions	1	5
Other banking service income ^(*)	1,406	878
Total	4,277	4,007

(*) Other banking operations income includes accounts such as bank operations income, collection expenses and loan expenses.

	31 December 2025	31 December 2024
Other fees and commissions given		
Other commissions paid to banks	7,197	5,122
EFT expense commission	553	504
Bond stock market share	480	506
Transfer commissions	85	196
Exchange custody commission	936	604
Credit card commissions	2,070	1,263
ATM expense commission	6	9
Other	13,293	6,276
Total	24,620	14,480

(*) For the period ended 31 December 2025, other fees and commissions paid consist of TL 8,356 for brokerage transaction commissions and TL 3,937 for other fees and commissions (For the period ended 31 December 2024: Other fees and commissions paid consist of TL 2,316 for brokerage transaction commissions and TL 3,960 for other fees and commissions).

For the period ended 31 December 2025, there are no other provision expenses. (31 December 2024: The other provision expenses balance consists of a provision amounting to TL 18,000 set aside by the Bank for potential risks.)

13. Fees for services received from auditor / audit firm:

According to the decision of the KGK dated 26 March 2021, the fee information for services provided by the independent auditor or independent auditing firm for the reporting period, excluding VAT, is provided in the table below.

	31 December 2025	31 December 2024
Audit fee	14,640	8,000
Total	14,640	8,000

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V. Explanations and Notes on the Statement of Changes in Equity

- a) There is a decrease of TL 5,393 in financial investments measured at fair value through other comprehensive income.
- b) Information on increases in cash flow hedges: None.
- b.1) Beginning and end of the period: None.
- b.2) Amount recorded in the current period if the gain or loss of a derivative or non-derivative financial asset and liability designated as a hedging instrument in cash flow hedges is recorded in equity: None.
- c) Dividends declared after the balance sheet date but before the announcement of the financial statements: None.
- d) Proposed dividends per share to be distributed to shareholders after the balance sheet date: The distribution of dividends is subject to approval by the General Assembly. As at the date the accompanying financial statements were authorized for issue, the General Assembly meeting had not yet been held.
- e) Proposals to be made to the General Assembly about the timing of the dividend payment and the reasons if no dividends are to be distributed: As of the date of the finalization of the financial statements, the Board of Directors has not taken a decision on dividend distribution.
- f) The amount transferred to legal reserves is TL 15,372 (31 December 2024: TL 21,748).
- g) Information on share certificate issuance:

The Bank does not have any instruments representing the debt issued by the Bank itself. There are no dividends related to the shares of the Bank announced after the balance sheet date.

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VI. Matters to be Explained in the Statement of Cash Flows

1. The effect of other items in the Statement of Cash Flows and the change in the exchange rate on cash and cash equivalents:

“Other items” amounting to TL (838,010) in “Operating profit before changes in operating assets and liabilities” mainly consist of fees and commissions paid, gain/losses from derivative financial instruments and other operating expenses (except for personnel expenses, provision for employee termination benefits, depreciation expenses and taxes paid).

“Net increase/(decrease) in other liabilities” amounting to TL 30,565 in “Changes in assets and liabilities subject to banking activities” mainly consists of changes in sundry payables, other liabilities and tax liabilities. “Net increase/decrease in other assets” amounting to TL (78,689) mainly consists of changes in other assets.

The effect of the change in the foreign exchange rate on the cash and cash equivalents is calculated as approximately TL 612,152 and it represents the effect of the change in the foreign exchange rates over the foreign currency cash and cash equivalents.

2. Cash and cash equivalents at beginning and end of the period:

The reconciliation of the components of cash and cash equivalent assets, accounting policies used to determine these components, the effect of any change made in accounting principle in the current period, the recorded amounts of the cash and cash equivalent assets at the balance sheet and the recorded amounts in the statement of cash flow:

Beginning of the Period	31 December 2025	31 December 2024
Cash		
Cash and Effective Reserve	130,441	346,328
The Central Bank of Turkey	1,120,268	1,370,989
Other		
Cash Equivalent Assets		
Banks and Receivables from Financial Institutions	997,134	919,514
Money Market Placements	1,740,000	1,740,000
Total Cash and Cash Equivalent Assets	3,987,843	4,376,831
End of the Period	31 December 2025	31 December 2024
Cash		
Cash and Effective Reserve	161,989	130,441
The Central Bank of Turkey	1,333,707	1,120,268
Other		
Cash Equivalent Assets		
Banks and Receivables from Financial Institutions	987,187	997,134
Money Market Placements	2,170,000	1,740,000
Total Cash and Cash Equivalent Assets	4,652,883	3,987,843

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VII. Explanations on the Risk Group of the Bank

1. Volume of related party transactions, income and expense amounts involved and outstanding loan and deposit balances:

a) 31 December 2025:

Risk Group of The Bank	Associates and Subsidiaries		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons Included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at Beginning of Period	-	-	154	25,617	-	28,024
Balance at End of Period	-	-	185	23,464	-	36,777
Interest Received and Commission Income	-	-	-	-	-	-

Direct and indirect shareholders cash column includes “Foreign Banks” amounting to TL 185.

b) 31 December 2024:

Risk Group of The Bank	Associates and Subsidiaries		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons Included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at Beginning of Period	-	-	130	66,980	80	24,270
Balance at End of Period	-	-	154	25,617	-	28,024
Interest Received and Commission Income	-	-	-	-	-	-

Direct and indirect shareholders cash column includes “Foreign Banks” amounting to TL 154.

c.1) Information on deposits belonging to the risk group of the Bank:

Risk Group of The Bank	Associates and Subsidiaries		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons Included in the Risk Group	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Deposit						
Beginning of the Period	-	-	7,811	2,111	1,527	481
End of the Period	-	-	2,087	7,811	1,719	1,527
Deposit Interest Expense	-	-	-	-	452	-

In addition, the Bank has not any “Funds Borrowed” used from risk group of the Bank (31 December 2024: None) and there is no interest expense was incurred from funds borrowed in 2025 (31 December 2024:None).

c.2) Information on forward and option agreements and other similar agreements made with related parties: None.

d) For the period ended 31 December 2025, the total amount of remuneration and benefits provided to the senior management of the Bank TL 118,791 (31 December 2024: TL 77,880).

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VII. Explanations on the Risk Group of the Bank (cont'd)

2. Regarding the risk group that the Risk Group of the Bank:

- a) The relations of the Bank with the entities controlled by the Bank and its related parties, regardless of whether there are any transactions or not:

The Bank carries out various commercial banking transactions with its group companies.

- b) Besides the structure of relationship, nature of the transaction, amount and ratio to the total volume of transactions, amount of major items and ratio to all items, pricing policies and other factors:

	Balance	% Compared to the Amounts in the Financial Statements
Banks and other receivables	185	0.02
Loans	-	0.00
Non-cash loans	60,241	1.16
Deposits	3,807	0.03

These transactions are priced in accordance with the general pricing policies of the Bank.

- c) In cases whereby separate disclosure is not necessary, the total of similar items in order to present the total impact on the financial statements: Explained in disclosure b).
- d) Transactions accounted under the equity method: None.
- e) Disclosures related to purchase and sale of real estate and other assets, services given/received, agency contracts, leasing contracts, transferring information as a result of research and development, license contracts, financing (including supports in the form of loans, capital in cash and capital in kind), guarantees, and management contracts:

Within the limits of the Banking Law, the Bank renders cash and non-cash loans to its related parties and the ratio of these to the Bank's total cash and non-cash loan portfolio is 0.39%. Details of these loans are explained in 1a above.

VIII. Explanations on the Bank's Domestic Branches, Agencies and Branches Abroad and Off- Shore Branches

1. Explanations on the Bank's Domestic Branches, Agencies and Branches Abroad and Off- Shore Branches:

	Number	Number of Employees			
Domestic branches	6	191			
			Country		
Rep-offices abroad	-	-	-		
				Total Assets	Legal Capital
Branches abroad	-	-	-	-	-
Off-Shore Branches	-	-	-	-	-

2. Explanation on the Subject in Case the Bank Opens, Closes, or Changes Its Organization Significantly in Domestic and Abroad Branches or Representative Offices:

None.

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IX. Events After the Balance Sheet Date

The sale process of the Bank's shares is ongoing, and the completion of the transaction is subject to obtaining the necessary approvals from the regulatory authorities.

SECTION SIX

Other Explanations

I. Other explanations about the Bank's operations

In accordance with the Communiqué Regarding the Preparation of Consolidated Financial Statements of Banks published in the Official Gazette dated 8 November 2006 and numbered 26340, the Bank has no obligation to prepare consolidated financial statements.

SECTION SEVEN

INDEPENDENT AUDIT REPORT

I. Explanations Related to the Independent Audit Report

The Bank's unconsolidated financial statements as of 31 December 2025 and for the year then ended, have been audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ, and the independent audit report dated 12 March 2026 has been presented accompanying the unconsolidated financial statements.

II. Explanations and Notes Prepared by the Independent Auditor

None.