

Yapı ve Kredi Bankası A.Ş.

**Publicly announced consolidated financial statements and
related disclosures at December 31, 2025 together with
independent auditor's report**

**(Convenience translation of publicly announced consolidated financial statements and audit report
originally issued in Turkish)**

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

Independent Auditors’ Report on Audit of Consolidated Financial Statements

To the General Assembly of Yapı ve Kredi Bankası A.Ş.

Opinion

We have audited the consolidated statement of financial position of Yapı ve Kredi Bankası A.Ş. (“the Bank”) and its subsidiaries (collectively referred as “Group”) as of December 31, 2025 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders’ equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and consolidated financial performance and consolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial Reporting Legislation which includes “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published in the Official Gazette no.26333 dated November 1, 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Financial Reporting Standards (“TFRS”) for those matters not regulated by the aforementioned regulations.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	How the Key Audit Matter is addressed in our audit
<p><i>Financial impact of TFRS 9 “Financial Instruments” standard and recognition of measurement and impairment on financial assets and related important disclosures</i></p>	
<p>As presented in Section 3, disclosure 8, the Group recognizes expected credit losses of financial assets in accordance with TFRS 9 Financial Instruments standard. We considered impairment of financial assets as a key audit matter since:</p> <ul style="list-style-type: none"> - Amount of on and off-balance sheet items that are subject to expected credit loss calculation is material to the financial statements - There are complex and comprehensive requirements of TFRS 9 - The classification of the financial assets is based on the Group’s business model and characteristics of the contractual cash flows in accordance with TFRS 9 and significant judgment is used on the assessment of the business model and identification of the complex contractual cash flow characteristics of financial instruments - Policies implemented by the management include compliance risk to the regulations and other practices - Processes of TFRS 9 are advanced and complex - Judgements and estimates used in expected credit loss, complex and comprehensive - Disclosure requirements of TFRS 9 are comprehensive and complex. 	<p>Our audit procedures included among others include:</p> <ul style="list-style-type: none"> - Evaluating the appropriateness of accounting policies as to the requirements of TFRS 9, Group’s past experience, local and global practices - Reviewing and testing of processes which are used to calculate expected credit losses by involving our Information technology and process audit specialists - Evaluation of the reasonableness and appropriateness of key judgments and estimates determined by management and the methods, judgments and data sources used in calculating expected loss, taking into account standard requirements, industry and global practices - Reviewing the appropriateness of criteria in order to identify the financial assets having solely payments of principal and interest and checking the compliance to the Group’s Business model - Evaluating the alignment of the significant increase in credit risk determined during the calculation of expected credit losses, default definition, restructuring definition, probability of default, loss given default, exposure at default and macro-economic variables that are determined by the financial risk management experts with the Group’s past performance, regulations, and other processes that has forward looking estimations - Assessing the completeness and the accuracy of the data used for expected credit loss calculation. - Testing the mathematical accuracy of expected credit loss calculation on sample basis - Evaluating the necessity, accuracy and estimates used for post-model adjustment process - Auditing of TFRS 9 disclosures.

<i>Pension Fund Obligations</i>	<i>How the Key Audit Matter is addressed in our audit</i>
<p>Employees of the Bank are members of Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı (“the Fund”), which is established in accordance with the temporary Article 20 of the Social Security Act No. 506 and related regulations. The Fund is a separate legal entity and foundation recognized by an official decree, providing all qualified employees with pension and post-retirement benefits. As disclosed in the “Section Three Note 16.2 to the financial statements, Banks will transfer their pension fund to the Social Security Institution and the authority of the “Council of Ministers” on the determination of the mentioned transfer date is changed as “President” in the Decree Law No. 703 published in the Official Gazette numbered 30473 and dated July 9, 2018.</p> <p>As of December 31, 2025, the Bank’s transferrable liabilities are calculated by an independent actuary using the actuarial assumptions regulated by Law, and in accordance with the Decision of the Council of Ministers announced in the Official Gazette dated 15 December 2006 and No.26377.</p> <p>Considering the subjectivity of key judgements and assumptions used in the calculation of transfer obligations, together with the potential effects of possible changes in these assumptions, as well as the uncertainty around the transfer date and the effects on the transfer calculation given the fact that the technical interest rate is prescribed under the law, we considered this to be a key audit matter.</p>	<p>It has been addressed whether there have been any significant changes in regulations governing pension liabilities, employee benefits plans during the period, that could lead to adjust the valuation of employee benefits. Support from actuarial auditor of another entity who is in the same audit network within our firm, has been taken to assess the appropriateness of the actuarial assumptions and calculations performed by the external actuary.</p> <p>Furthermore, the accuracy and adequacy of the footnotes in the consolidated financial statements of the Group have been evaluated.</p>

Responsibilities of Management and Directors for the Consolidated Financial Statements

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

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

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

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with

BRSA Independent Audit Regulation and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner who supervised and concluded this independent auditor’s report is Emre elik.

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

Emre elik, SMMM
Partner

February 5, 2026
Istanbul, Türkiye

Convenience translation of publicly announced consolidated year end financial statements and audit report originally issued in Turkish

**THE CONSOLIDATED YEAR END FINANCIAL REPORT OF
YAPI VE KREDI BANKASI A.Ş. AS OF DECEMBER 31, 2025**

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The consolidated financial report for the year end which is prepared in accordance with the “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 PARENT BANK**
- **CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK**
- **EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD**
- **INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP**
- **EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS**
- **OTHER EXPLANATIONS**
- **INDEPENDENT AUDITOR’S REPORT**

Investments in subsidiaries and associates, whose financial statements have been consolidated in these consolidated financial statements are as follows.

Subsidiaries	Associates
1. Yapı Kredi Finansal Kiralama A.O.	1. Banque de Commerce et de Placements S.A.
2. Yapı Kredi Faktoring A.Ş.	2. Allianz Yaşam ve Emeklilik A.Ş.
3. Yapı Kredi Yatırım Menkul Değerler A.Ş.	
4. Yapı Kredi Portföy Yönetimi A.Ş.	
5. Yapı Kredi Holding B.V.	
6. Yapı Kredi Bank Nederland N.V.	
7. Stichting Custody Services YKB	
8. Yapı Kredi Bank Azerbaijan CJSC	
9. Yapı Kredi Bank Deutschland OHG	

Although Yapı Kredi Diversified Payment Rights Finance Company (the Structured Entity) is not a subsidiary of the Bank, it has been included in the consolidation since the Bank has 100% control.

The accompanying consolidated financial statements related disclosures and footnotes which have been independently audited and presented in this report are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, the related statements and guidances, and in compliance with the financial records of the Bank, and unless stated otherwise, presented in **thousands of Turkish Lira (TL)**.

Y. Ali KOÇ
Chairman of the
Board of
Directors

Gökhan ERÜN
Executive Director and
CEO

Demir KARAASLAN
Chief Financial Officer

Barış SAVUR
Financial Reporting and
Accounting Executive Vice President

Dr. Ahmet ÇİMENÖĞLU
Chairman of the Audit
Committee

Nevin İPEK
Member of the Audit
Committee

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

Name-Surname / Title : Murat SUZEYHUZ / International Reporting and Consolidation Manager
Telephone : 0212 339 77 69
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Section one – General information		
1.	History of the Parent Bank including its incorporation date, initial legal status and amendments to legal status,	1
2.	Explanation about the Parent Bank’s capital structure, shareholders holding directly or indirectly, collectively or individually, the management and controlling power and changes in current year, if any and explanations on the controlling group of the Bank	1
3.	Explanations regarding the board of directors, members of the audit committee, chief executive officer and executive vice presidents and their areas of responsibility and shares if any	2
4.	Information on the individual and corporate shareholders having control shares of the Parent Bank	3
5.	Summary information on the Parent Bank’s activities and service types	3
6.	Differences between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods	3
7.	The existing or potential, actual or legal obstacles on the immediate transfer of shareholder’s equity between the Bank and its subsidiaries or reimbursement of liabilities	3
Section two - Consolidated financial statements		
1.	Consolidated balance sheet (Statement of Financial Position)	4
2.	Consolidated off-balance sheet commitments	6
3.	Consolidated statement of profit or loss	7
4.	Consolidated statement of profit or loss and other comprehensive income	8
5.	Consolidated statement of changes in shareholders’ equity	9
6.	Consolidated statement of cash flows	11
7.	Profit distribution	12
Section three – Accounting policies		
1.	Explanations on basis of presentation	13
2.	Explanations on strategy of using financial instruments and foreign currency transactions	14
3.	Information on consolidation principles	14
4.	Explanations on forward and option contracts and derivative instruments	16
5.	Explanations on interest income and expense	18
6.	Explanations on fee and commission income and expense	18
7.	Explanations on financial assets	18
8.	Explanations on impairment of financial assets	22
9.	Explanations on offsetting financial assets	24
10.	Explanations on sales and repurchase agreements and securities lending transactions	24
11.	Information on assets held for sale and related to discontinued operations and explanations on liabilities related with these assets	25
12.	Explanations on goodwill and other intangible assets	25
13.	Explanations on property and equipment	25
14.	Explanations on leasing transactions	26
15.	Explanations on provisions, contingent assets and liabilities	26
16.	Explanations on obligations related to employee benefits	27
17.	Explanations on taxation	28
18.	Explanations on borrowings	30
19.	Explanations on issuance of share certificates	30
20.	Explanations on confirmed bills of exchange and letter of acceptances	30
21.	Explanations on government grants	30
22.	Profit reserves and profit distribution	30
23.	Earnings per share	30
24.	Related parties	31
25.	Explanations on operating segments	31
26.	Explanations on other matters	31
Section four- Financial Position and Risk Management		
1.	Explanations on consolidated equity	32
2.	Explanations on consolidated credit risk	36
3.	Explanations on consolidated risk management	44
4.	Explanations on consolidated currency risk	74
5.	Explanations on consolidated interest rate risk	76
6.	Explanations on share certificates position risk from banking book	77
7.	Explanation on consolidated liquidity risk management, liquidity coverage ratio and net stable funding ratio	77
8.	Explanations on leverage ratio	85
9.	Explanations on the presentation of financial assets and liabilities at fair values	86
10.	Explanations on hedge accounting	87
11.	Explanations on the activities carried out on behalf of others and fiduciary transactions	89
12.	Explanations on consolidated operating segments	90
13.	Explanations on fees for services received from independent auditor	91
Section five - Explanations and notes related to consolidated financial statements		
1.	Explanations and notes related to consolidated assets	92
2.	Explanations and notes related to consolidated liabilities	106
3.	Explanations and notes related to consolidated off-balance sheet accounts	112
4.	Explanations and notes related to consolidated income statement	115
5.	Explanations and notes related to consolidated statement of changes in shareholders’ equity	119
6.	Explanations and notes related to consolidated statement of cash flows	120
7.	Explanations and notes related to Group’s risk group	121
8.	Explanations and notes related to the domestic, foreign, off-shore branches or associates and foreign representatives of the Parent Bank	122
9.	Explanations and notes related to subsequent events	122
Section six – Other explanations		
1.	Other explanations on the Parent bank’s operations	123
Section seven – Independent auditor’s report		
1.	Explanations on independent auditor’s report	123
2.	Explanations and notes prepared by independent auditor	123

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section One

General Information

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

Yapı ve Kredi Bankası A.Ş. ("the Bank", "Yapı Kredi" or "the Parent Bank"), was established and started operations on September 9, 1944 with the permission of the Council of Ministers No. 3/6710 as a private capital commercial bank authorised to perform all banking, economic, financial and commercial activities which are allowed by the laws of the Turkish Republic. The statute of the Bank has not changed since its incorporation.

2. Explanation about the Parent Bank's capital structure, shareholders holding directly or indirectly, collectively or individually, the management and controlling power and changes in current year, if any and explanations on the controlling group of the Bank:

The Parent Bank's publicly traded shares are traded on the Borsa Istanbul ("BIST") since 1987. As of December 31, 2025, 38,83% of the shares of the Bank are publicly traded (December 31, 2024 - 38,83%). 40,95% of the shares out of the remaining 61,17% is owned by Koç Finansal Hizmetler A.Ş. ("KFS") which is owned by Koç Group, 20,22% is owned by Koç Holding A.Ş.

KFS was established on March 16, 2001 to combine Koç Group finance companies under one organisation and it became the main shareholder of Koçbank in 2002. On October 22, 2002, Koç Group established a strategic partnership with UniCredit Group ("UCG") over KFS.

In 2005, the Bank's shares that were owned by Çukurova Group Companies and the Saving Deposits Insurance Fund ("SDIF") were purchased by Koçbank. In 2006, Koçbank purchased additional shares of the Bank from BIST and an investment fund and, during the same year, all rights, receivables, debts and liabilities of Koçbank were transferred to the Bank pursuant the merger of the two banks. As a result of the merger and the share transfer procedures in 2007 and of a capital increase by TL 920 million in 2008, KFS shares in the Parent Bank increased to 81,80%. KFS shares increased to 81,90% with the capital increase by TL 4,1 billion in 2018.

As of November 30, 2019, Koç Group and UCG have reached a deal to exchange their shares in the Parent Bank and KFS.

Accordingly, all the shares of KFS, which was a joint venture, were transferred to Koç Group. Besides, after the shares were transferred, KFS held 40,95%, UCG held 31,93% directly and Koç Group held a total of 49,99% directly and indirectly of the Parent Bank shares and became controlling shareholder.

In addition, as of February 6, 2020, UniCredit also announced the placement of an 11,93% shares in Parent Bank to institutional investors. The transaction completed on February 13, 2020. As a result UCG held directly 20,00% of the Parent Bank shares.

In year 2021, UCG completed the sale of 2,00% shares in stock market and for the sale of remaining 18,00% shares UCG came to an agreement with Koç Group as per the Share Sale and Purchase Agreement relating to the sale of the Parent Bank publicly disclosed on November 30, 2019. Accordingly, it was announced that Koç Group used its right of first offer for the sale of the Parent Bank shares which were planned to be sold by UCG on November 9, 2021. The sale of the relevant shares was completed on April 1, 2022, and Koç Holding A.Ş.'s share ratio increased from 9,02% to 27,02%.

As of July 28, 2023, Koç Holding A.Ş sold its 6,81% share in the Bank to institutional investors through off-exchange sale. After the sale, shareholding of Koç Holding A.Ş in the Bank decreased to 20,22%.

In 2006 and 2007, with the acquisition of Yapı Kredi and its subsidiaries, KFS Group launched structural reorganisation and the following subsidiaries is still under the control of group were legally merged:

Merging entities		Merger date	Merged entity
Yapı Kredi	Koçbank	October 2, 2006	Yapı Kredi
Yapı Kredi Finansal Kiralama A.O. ("Yapı Kredi Leasing")	Koç Leasing	December 25, 2006	Yapı Kredi Leasing
Yapı Kredi Faktoring A.Ş. ("Yapı Kredi Faktoring")	Koç Faktoring	December 29, 2006	Yapı Kredi Faktoring
Yapı Kredi Portföy Yönetimi A.Ş. ("Yapı Kredi Portföy")	Koç Portföy	December 29, 2006	Yapı Kredi Portföy
Yapı Kredi Yatırım Menkul Değerler A.Ş. ("Yapı Kredi Menkul")	Koç Yatırım	January 12, 2007	Yapı Kredi Menkul
Yapı Kredi Bank Nederland N.V. ("Yapı Kredi NV")	Koçbank Nederland N.V.	July 2, 2007	Yapı Kredi NV

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Explanations regarding the board of directors, members of the audit committee, Chief Executive Officer and executive vice presidents, and their areas of responsibility and shares if any:

As of December 31, 2025 the Parent Bank's Board of Directors, Members of the Audit Committee, General Manager and Assistant General Managers are as follows:

Board of Directors Members:

Name	Responsibility
Y. Ali KOÇ	Chairman
Levent ÇAKIROĞLU	Vice Chairman
Gökhan ERÜN	Executive Director and CEO
A. Ümit TAFTALI	Member
Ahmet ÇİMENOĞLU	Independent Member
Ahmet Fadıl ASHABOĞLU	Member
Nevin İPEK	Independent Member
Polat ŞEN	Member
Virma SÖKMEN	Independent Member

Audit Committee Members:

Name	Responsibility
Ahmet ÇİMENOĞLU	Chairman
Nevin İPEK	Member

General Manager:

Name	Responsibility
Gökhan ERÜN	Executive Director and CEO

Assistant General Managers:

Name	Responsibility
Abdullah GEÇER	Internal Audit
Akif Cahit ERDOĞAN	Commercial and SME Banking Management
Demir KARAASLAN	Financial Planning and Administration
Hakan KAYA	Chief Legal Officer
Mehmed Erendiz Kürşad KETECİ	Strategy Management
Mehmet Erkan AKBULUT	Corporate Banking
Mehmet Erkan ÖZDEMİR	Compliance, Internal Control and Risk Management / Consumer Relations Coordination Officer
Nursezil KÜÇÜK KOÇAK	Credits
Özden ÖNALDI	Human Resources, Organization and Internal Services Management
Saruhan YÜCEL	Treasury Management
Serkan ÜLGEN	Retail Banking
Uğur Gökhan ÖZDİNÇ	Technology, Data and Process Management
Yakup DOĞAN	Limitless Banking

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4. Information on the individual and corporate shareholders having control shares of the Parent Bank:

Name/Commercial title	Share amounts (nominal)	Share percentage (%)	Paid-in capital (nominal)	Unpaid portion
Koç Finansal Hizmetler A.Ş.	3.459.065.642,23	40,95	3.459.065.642,23	-
Koç Holding A.Ş.	1.707.666.574,00	20,22	1.707.666.574,00	-

Koç Finansal Hizmetler A.Ş. is owned by Koç Group and Temel Ticaret ve Yatırım A.Ş.

5. Summary information on the Parent Bank's activities and service types:

The Parent Bank's activities summarized in the section 3 of the articles of association are as follows:

The Parent Bank's purpose and subject matter in accordance with the Banking Law, regulations and existing laws include:

- The execution of all banking activities,
- The execution of all economic and financial activities which are allowed by the regulation,
- The execution of the representation, attorney and agency activities related to the subjects written above,
- The purchase and sale of share certificates, bonds and all the capital market instruments, in accordance with Capital Market Law and regulations.

In case of necessity for performing activities which are useful and required but that are not specified in the articles of association, a Board of Directors' proposal is to be presented to the General Assembly. With the approval of the General Assembly the proposal becomes applicable, subject to the approvals required by law.

As of December 31, 2025, the Parent Bank has 739 branches operating in Türkiye and 1 branch in overseas (December 31, 2024 - 771 branches operating in Türkiye, 1 branch in overseas).

As of December 31, 2025, the Parent Bank has 14.637 employees (December 31, 2024 – 14.402 employees). The Parent Bank together with its consolidated subsidiaries is referred to as the "Group" in these consolidated financial statements. As of December 31, 2025 the Group has 15.634 employees (December 31, 2024 – 15.311 employees).

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

According to Communiqué of the Preparation Consolidated Financial Statements and Turkish Accounting Standards, Banque de Commerce et de Placements SA, the associate of the Bank is consolidated through "Equity Method" in the accompanying consolidated financial statements of the Group. Allianz Yaşam ve Emeklilik A.Ş., on which the Bank has indirect participation, is also consolidated through "Equity Method" in the consolidated financial statements of the Group.

Yapı Kredi Kültür Sanat Yayıncılık Tic. ve San. A.Ş., Enternasyonal Turizm Yatırım A.Ş., Yapı Kredi Teknoloji A.Ş. and Yapı Kredi Finansal Teknolojiler A.Ş., which are subsidiaries and Tanı Pazarlama ve İletişim Hizmetleri A.Ş., which is an associate of the Bank are not consolidated into the Bank's consolidated financial statements in accordance with Communiqué on Preparation of Consolidated Financial Statements since these entities are not financial institutions.

All other subsidiaries are fully consolidated.

7. The existing or potential, actual or legal obstacles on the immediate transfer of shareholder's equity between the Bank and its subsidiaries or reimbursement of liabilities:

None.

Yapı ve Kredi Bankası A.Ş.**Consolidated financial statements as of December 31, 2025 and 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Two - Consolidated financial statements**1. Consolidated balance sheet (Statement of Financial Position)**

ASSETS	Note (Section Five)	Current Period (31/12/2025)			Prior Period (31/12/2024)		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		451.542.913	411.479.825	863.022.738	331.294.428	301.020.584	632.315.012
1.1 Cash and Cash Equivalents	1.1	277.903.416	369.793.581	647.696.997	219.513.565	259.413.668	478.927.233
1.1.1 Cash and Balances with Central Bank		234.635.754	306.807.645	541.443.399	210.221.739	205.294.473	415.516.212
1.1.2 Banks	1.4	43.340.083	63.225.335	106.565.418	9.402.784	54.343.315	63.746.099
1.1.3 Money Markets Receivables	1.4.3	-	-	-	-	-	-
1.1.4 Expected Credit Losses (-)		72.421	239.399	311.820	110.958	224.120	335.078
1.2 Financial Assets Measured at Fair Value Through Profit Or Loss	1.2	3.472.674	513.712	3.986.386	1.203.080	1.700.282	2.903.362
1.2.1 Government debt securities		-	290.336	290.336	-	292.948	292.948
1.2.2 Share certificates		12	-	12	9.264	-	9.264
1.2.3 Other financial assets		3.472.662	223.376	3.696.038	1.193.816	1.407.334	2.601.150
1.3 Financial Assets Measured at Fair Value Through Other Comprehensive Income	1.5,1.6	163.058.968	30.900.266	193.959.234	104.395.790	29.293.722	133.689.512
1.3.1 Government debt securities		162.656.584	30.830.064	193.486.648	104.125.343	29.036.704	133.162.047
1.3.2 Share certificates		241.776	65.466	307.242	204.694	22.563	227.257
1.3.3 Other financial assets		160.608	4.736	165.344	65.753	234.455	300.208
1.4 Derivative Financial Assets	1.3	7.107.855	10.272.266	17.380.121	6.181.993	10.612.912	16.794.905
1.4.1 Derivative financial assets measured at fair value through profit or loss		7.014.429	8.792.794	15.807.223	5.637.670	8.771.398	14.409.068
1.4.2 Derivative financial assets measured at fair value through other comprehensive income		93.426	1.479.472	1.572.898	544.323	1.841.514	2.385.837
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		1.501.967.237	841.698.131	2.343.665.368	1.119.765.719	588.148.948	1.707.914.667
2.1 Loans	1.7	1.255.138.250	642.167.173	1.897.305.423	873.801.596	430.397.373	1.304.198.969
2.2 Receivables From Leasing Transactions (Net)	1.12	13.668.397	45.881.193	59.549.590	13.288.115	26.997.956	40.286.071
2.3 Factoring Receivables		26.694.804	10.143.051	36.837.855	17.789.116	6.593.152	24.382.268
2.4 Financial Assets Measured at Amortised Cost	1.8	260.690.290	160.553.008	421.243.298	250.375.315	137.550.062	387.925.377
2.4.1 Government debt securities		258.340.136	144.590.788	402.930.924	241.778.828	122.375.621	364.154.449
2.4.2 Other financial assets		2.350.154	15.962.220	18.312.374	8.596.487	15.174.441	23.770.928
2.5 Expected Credit Losses (-)		54.224.504	17.046.294	71.270.798	35.488.423	13.389.595	48.878.018
III. ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	1.17	2.218.119	112.228	2.330.347	560.125	59.186	619.311
3.1 Held for Sale Purposes		2.218.119	112.228	2.330.347	560.125	59.186	619.311
3.2 Related to Discontinued Operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		3.231.964	11.330.021	14.561.985	1.577.432	7.820.018	9.397.450
4.1 Investments in Associates (Net)	1.9	2.574.648	11.330.021	13.904.669	1.545.116	7.820.018	9.365.134
4.1.1 Consolidated based on Equity Method		2.335.392	11.330.021	13.665.413	1.506.670	7.820.018	9.326.688
4.1.2 Unconsolidated		239.256	-	239.256	38.446	-	38.446
4.2 Subsidiaries (Net)	1.10	657.316	-	657.316	32.316	-	32.316
4.2.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Subsidiaries		657.316	-	657.316	32.316	-	32.316
4.3 Joint Ventures (Net)	1.11	-	-	-	-	-	-
4.3.1 Consolidated based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated		-	-	-	-	-	-
V. PROPERTY AND EQUIPMENT (Net)	1.13	43.777.072	670.353	44.447.425	30.515.068	417.471	30.932.539
VI. INTANGIBLE ASSETS (Net)	1.14	4.894.272	619.210	5.513.482	3.170.046	233.175	3.403.221
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		4.894.272	619.210	5.513.482	3.170.046	233.175	3.403.221
VII. INVESTMENT PROPERTY (Net)	1.15	-	-	-	-	-	-
VIII. CURRENT TAX ASSETS		4.204.985	-	4.204.985	4.228.487	-	4.228.487
IX. DEFERRED TAX ASSETS	1.16	421.014	133.258	554.272	13.185.424	1.102	13.186.526
X. OTHER ASSETS (Net)	1.18	185.704.728	58.926.756	244.631.484	98.992.057	52.891.514	151.883.571
TOTAL ASSETS		2.197.962.304	1.324.969.782	3.522.932.086	1.603.288.786	950.591.998	2.553.880.784

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

Yapı ve Kredi Bankası A.Ş.**Consolidated financial statements as of December 31, 2025 and 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1. Consolidated balance sheet (Statement of Financial Position)

LIABILITIES	Note (Section Five)	Current Period (31/12/2025)				Prior Period (31/12/2024)	
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	2.1	1,064.681.828	894.461.192	1.959.143.020	812.228.502	562.028.901	1.374.257.403
II. BORROWINGS	2.3.1	97.624.311	314.485.040	412.109.351	91.489.493	205.840.908	297.330.401
III. MONEY MARKETS PAYABLES		96.359.189	5.848.911	102.208.100	179.579.140	16.431.455	196.010.595
IV. MARKETABLE SECURITIES ISSUED (Net)	2.3.3	42.917.927	256.109.691	299.027.618	10.527.536	140.642.182	151.169.718
4.1 Bills		28.031.477	-	28.031.477	10.198.915	51.438.572	61.637.487
4.2 Asset backed Securities		-	49.403.602	49.403.602	-	17.806.761	17.806.761
4.3 Bonds		14.886.450	206.706.089	221.592.539	328.621	71.396.849	71.725.470
V. FUNDS		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
VI. FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	2.3.4	-	63.182.808	63.182.808	-	75.234.394	75.234.394
VII. DERIVATIVE FINANCIAL LIABILITIES	2.2	14.227.295	5.397.137	19.624.432	13.383.546	5.582.709	18.966.255
7.1 Derivative liabilities measured at fair value through profit or loss		14.212.127	5.380.173	19.592.300	13.383.546	5.582.709	18.966.255
7.2 Derivative liabilities measured at fair value through other comprehensive income		15.168	16.964	32.132	-	-	-
VIII. FACTORING PAYABLES		-	-	-	-	-	-
IX. LEASE PAYABLES (Net)	2.5	7.007.331	544.187	7.551.518	5.046.173	353.613	5.399.786
X. PROVISIONS	2.6	25.456.569	1.165.222	26.621.791	20.857.723	716.643	21.574.366
10.1 Provisions for Restructuring		-	-	-	-	-	-
10.2 Provisions for Employee Benefits	2.6.1	6.012.029	13.809	6.025.838	3.922.614	14.281	3.936.895
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions	2.6.3	19.444.540	1.151.413	20.595.953	16.935.109	702.362	17.637.471
XI. CURRENT TAX LIABILITIES	2.7	15.278.419	283.425	15.561.844	9.443.366	246.863	9.690.229
XII. DEFERRED TAX LIABILITIES		4.022.619	33.082	4.055.701	-	6.810	6.810
LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	2.8	-	-	-	-	-	-
13.1 Held for Sale		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT	2.9	1.080.653	121.536.440	122.617.093	1.301.664	60.629.934	61.931.598
14.1 Loans		-	-	-	-	-	-
14.2 Other Facilities		1.080.653	121.536.440	122.617.093	1.301.664	60.629.934	61.931.598
XV. OTHER LIABILITIES	2.4	206.678.159	28.933.536	235.611.695	132.329.936	17.165.747	149.495.683
XVI. SHAREHOLDERS' EQUITY	2.10	252.641.679	2.975.436	255.617.115	191.341.717	1.471.829	192.813.546
16.1 Paid in Capital		8.447.051	-	8.447.051	8.447.051	-	8.447.051
16.2 Capital Reserves		2.358.261	-	2.358.261	2.268.850	-	2.268.850
16.2.1 Share premium		556.937	-	556.937	556.937	-	556.937
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		1.801.324	-	1.801.324	1.711.913	-	1.711.913
16.3 Other accumulated comprehensive income that will not be reclassified in profit or loss		12.734.631	478.186	13.212.817	6.620.513	77.931	6.698.444
16.4 Other accumulated comprehensive income that will be reclassified in profit or loss		8.216.216	2.538.657	10.754.873	(230.396)	1.435.305	1.204.909
16.5 Profit Reserves		172.148.179	(41.407)	172.106.772	143.574.250	(41.407)	143.532.843
16.5.1 Legal Reserves		3.473.904	-	3.473.904	3.473.904	-	3.473.904
16.5.2 Statutory reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		168.639.021	(41.407)	168.597.614	140.065.092	(41.407)	140.023.685
16.5.4 Other Profit Reserves		35.254	-	35.254	35.254	-	35.254
16.6 Profit or loss		48.730.105	-	48.730.105	30.656.777	-	30.656.777
16.6.1 Prior years' profits or losses		1.639.954	-	1.639.954	1.639.954	-	1.639.954
16.6.2 Current period net profit or loss		47.090.151	-	47.090.151	29.016.823	-	29.016.823
16.7 Minority interest		7.236	-	7.236	4.672	-	4.672
TOTAL LIABILITIES		1.827.975.979	1.694.956.107	3.522.932.086	1.467.528.796	1.086.351.988	2.553.880.784

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

Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2025 and 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2. Consolidated off-balance sheet commitments

Off-balance sheet commitments	Note (Section Five)	Current Period (31/12/2025)			Prior Period (31/12/2024)		
		TL	FC	Total	TL	FC	Total
A. Off-balance sheet commitments (I+II+III)		3,706,218.441	3,183,093.115	6,889,311.556	2,063,658.228	1,742,657.307	3,806,315.535
I. Guarantees and warranties	3.1.2.1.2	390,710.099	383,238.068	773,948.167	280,167.247	269,241.397	549,408.644
1.1. Letters of guarantee	3.1.2.2	364,116.176	236,614.924	600,731.100	261,058.918	178,626.002	439,684.920
1.1.1. Guarantees subject to state tender law		101,068.288	28,173.594	129,241.882	2,740.324	1,737.545	4,477.869
1.1.2. Guarantees given for foreign trade operations		117,737.508	204,063.343	321,800.851	92,074.311	173,381.096	265,455.407
1.1.3. Other letters of guarantee		145,310.380	4,377.987	149,688.367	166,244.283	3,507.361	169,751.644
1.2. Bank acceptances		-	3,401.206	3,401.206	-	3,164.183	3,164.183
1.2.1. Import letter of acceptance		-	3,401.206	3,401.206	-	3,164.183	3,164.183
1.2.2. Other bank acceptances		-	-	-	-	-	-
1.3. Letters of credit		106,624	109,132.138	109,238.762	45,163	63,737.737	63,782.900
1.3.1. Documentary letters of credit		106,624	109,121.487	109,228.111	45,163	63,727.501	63,772.664
1.3.2. Other letters of credit		-	10,651	10,651	-	10,236	10,236
1.4. Prefinancing given as guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of the Republic of Türkiye		-	-	-	-	-	-
1.5.2. Other endorsements		-	-	-	-	-	-
1.6. Purchase guarantees for Securities issued		-	-	-	-	-	-
1.7. Factoring guarantees		-	-	-	-	-	-
1.8. Other guarantees		26,487.299	20,294.737	46,782.036	19,063.166	15,796.931	34,860.097
1.9. Other warranties		-	13,795.063	13,795.063	-	7,916.544	7,916.544
II. Commitments		2,437,302.486	469,460.910	2,906,763.396	1,424,646.503	138,934.512	1,563,581.015
2.1. Irrevocable commitments	3.1.1	2,421,434.182	392,207.702	2,813,641.884	1,408,265.714	94,870.707	1,503,136.421
2.1.1. Asset purchase and sale commitments		95,859.343	387,804.598	483,663.941	11,334.397	92,109.874	103,444.271
2.1.2. Deposit purchase and sales commitments		-	-	-	-	-	-
2.1.3. Share capital commitments to associates and subsidiaries		-	-	-	-	-	-
2.1.4. Loan granting commitments		215,467.023	3,718.784	219,185.807	162,430.150	589.329	163,019.479
2.1.5. Securities issue brokerage commitments		-	-	-	-	-	-
2.1.6. Commitments for reserve requirements		-	-	-	-	-	-
2.1.7. Commitments for checks payments		17,128.402	-	17,128.402	10,835.555	-	10,835.555
2.1.8. Tax and fund liabilities from export commitments		28,260	-	28,260	4,749	-	4,749
2.1.9. Commitments for credit card expenditure limits		1,567,909.433	-	1,567,909.433	968,083.268	-	968,083.268
2.1.10. Commitments for credit cards and banking services promotions		97,325	-	97,325	76,560	-	76,560
2.1.11. Receivables from short sale commitments of marketable securities		-	-	-	-	-	-
2.1.12. Payables for short sale commitments of marketable securities		-	-	-	-	-	-
2.1.13. Other irrevocable commitments		524,944.396	684.320	525,628.716	255,501.035	2,171.504	257,672.539
2.2. Revocable commitments		15,868.304	77,253.208	93,121.512	16,380.789	44,063.805	60,444.594
2.2.1. Revocable loan granting commitments		15,773.733	76,671.091	92,444.824	16,380.789	43,526.072	59,906.861
2.2.2. Other revocable commitments		94,571	582.117	676.688	-	537.733	537.733
III. Derivative financial instruments		878,205.856	2,330,394.137	3,208,599.993	358,844.478	1,334,481.398	1,693,325.876
3.1. Derivative financial instruments held for hedging		3,008.900	48,176.416	51,185.316	6,150.000	35,896.539	42,046.539
3.1.1. Fair value hedges		-	4,600.556	4,600.556	-	3,820.124	3,820.124
3.1.2. Cash flow hedges		3,008.900	43,575.860	46,584.760	6,150.000	32,076.415	38,226.415
3.1.3. Hedges for investments made in foreign countries		-	-	-	-	-	-
3.2. Trading transactions		875,196.956	2,282,217.721	3,157,414.677	352,694.478	1,298,584.859	1,651,279.337
3.2.1. Forward foreign currency purchase and sale transactions		157,969.957	145,884.064	303,854.021	71,733.823	82,283.713	154,017.536
3.2.1.1. Forward foreign currency purchase transactions		24,444.755	120,580.575	145,025.330	12,337.757	61,452.452	73,790.209
3.2.1.2. Forward foreign currency sale transactions		133,525.202	25,303.489	158,828.691	59,396.066	20,831.261	80,227.327
3.2.2. Currency and interest rate swaps		609,445.041	1,513,297.968	2,122,743.009	253,282.672	894,720.341	1,148,003.013
3.2.2.1. Currency swap purchase transactions		4,754.262	347,472.060	352,226.322	296.085	191,916.920	192,213.005
3.2.2.2. Currency swap sale transactions		181,170.779	191,955.670	373,126.449	93,505.587	110,341.047	203,846.634
3.2.2.3. Interest rate swap purchase transactions		211,760.000	486,935.119	698,695.119	79,740.500	296,231.187	375,971.687
3.2.2.4. Interest rate swap sale transactions		211,760.000	486,935.119	698,695.119	79,740.500	296,231.187	375,971.687
3.2.3. Currency, interest rate and securities options		52,629.424	129,901.643	182,531.067	15,752.451	36,608.527	52,360.978
3.2.3.1. Currency purchase options		4,807.595	71,493.220	76,300.815	4,887.351	18,318.819	23,206.170
3.2.3.2. Currency sale options		47,821.829	30,603.880	78,425.709	10,865.100	13,988.297	24,853.397
3.2.3.3. Interest rate purchase options		-	16,563.326	16,563.326	-	4,301.411	4,301.411
3.2.3.4. Interest rate sale options		-	11,241.217	11,241.217	-	-	-
3.2.3.5. Securities purchase options		-	-	-	-	-	-
3.2.3.6. Securities sale options		-	-	-	-	-	-
3.2.4. Currency futures		54,553.429	52,598.024	107,151.453	11,037.994	9,557.292	20,595.286
3.2.4.1. Currency purchase futures		7,205	52,592.197	52,599.402	19,620	9,542.510	9,562.130
3.2.4.2. Currency sale futures		54,546.224	5,827	54,552.051	11,018.374	14,782	11,033.156
3.2.5. Interest rate futures		-	-	-	-	-	-
3.2.5.1. Interest rate purchase futures		-	-	-	-	-	-
3.2.5.2. Interest rate sale futures		-	-	-	-	-	-
3.2.6. Other		599.105	440,536.022	441,135.127	887.538	275,414.986	276,302.524
B. Custody and pledges received (IV+V+VI)		3,035,806.347	2,207,866.634	5,243,672.981	2,351,470.750	787,425.481	3,138,896.231
IV. Items held in custody		582,426.525	2,008,235.316	2,590,661.841	403,748.130	131,626.795	535,374.925
4.1. Assets under management		326,351.999	236,840.339	563,192.338	161,814.516	73,077.971	234,892.487
4.2. Securities held in custody		8,954.911	64,490.614	73,445.525	56,565.682	55,933.123	112,498.805
4.3. Checks received for collection		198,789.169	147.216	198,936.385	149,667.722	114.867	149,782.589
4.4. Commercial notes received for collection		48,272.302	6,088.126	54,360.428	35,642.066	2,000.146	37,642.212
4.5. Other assets received for collection		-	534.430	534.430	-	397.747	397.747
4.6. Securities received for public offering		-	-	-	-	-	-
4.7. Other items under custody		58.144	134.591	192.735	58.144	102.941	161.085
4.8. Custodians		-	-	-	-	-	-
V. Pledges received		2,392,127.249	1,768,173.482	4,160,300.731	1,900,352.335	569,976.070	2,470,328.405
5.1. Marketable securities		133,969.297	1,218.596	135,187.893	133,967.935	992.899	134,960.834
5.2. Guarantee notes		22,957.925	5,213.033	28,170.958	22,849.215	3,888.983	26,738.198
5.3. Commodity		7,545	-	7,545	8,270	-	8,270
5.4. Warrant		-	-	-	-	-	-
5.5. Immovables		1,356,109.692	9,476.050	1,365,585.742	993,881.069	6,052.203	999,933.272
5.6. Other pledged items		879,082.790	1,752,188.741	2,631,271.531	749,645.846	558,979.247	1,308,625.093
5.7. Depositories receiving pledged items		-	77,062	77,062	-	62,738	62,738
VI. Accepted independent guarantees and warranties		61,252.573	131,457.836	192,710.409	47,370.285	85,822.616	133,192.901
Total off-balance sheet commitments (A+B)		6,742,024.788	5,390,959.749	12,132,984.537	4,415,128.978	2,530,082.788	6,945,211.766

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

Yapı ve Kredi Bankası A.Ş.**Consolidated financial statements as of December 31, 2025 and 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Consolidated statements of profit or loss

Income and expense items		Note (Section Five)	Current Period (01/01/2025 - 31/12/2025)	Prior Period (01/01/2024 - 31/12/2024)
I.	INTEREST INCOME	4.1	618.159.750	478.646.927
1.1	Interest on Loans	4.1.1	402.477.746	299.202.563
1.2	Interest Received from Reserve Deposits		50.601.420	28.208.251
1.3	Interest Received from Banks	4.1.2	30.929.447	13.632.196
1.4	Interest Received from Money Market Transactions		1.025.406	380.812
1.5	Interest Received from Marketable Securities Portfolio	4.1.3	111.429.127	120.720.073
1.5.1	Financial Assets Measured at Fair Value Through Profit or Loss		181.381	178.325
1.5.2	Financial Assets Measured at Fair Value Through Other Comprehensive Income		43.370.041	36.662.391
1.5.3	Financial Assets Measured at Amortised Cost		67.877.705	83.879.357
1.6	Financial Lease Income		8.240.637	7.582.427
1.7	Other Interest Income		13.455.967	8.920.605
II.	INTEREST EXPENSE (-)	4.2	457.076.539	390.000.295
2.1	Interest on Deposits	4.2.6	296.445.911	261.351.231
2.2	Interest on Funds Borrowed	4.2.1	41.533.263	31.117.602
2.3	Interest expense on money market transactions	4.2.4	83.239.695	67.761.324
2.4	Interest on Securities Issued	4.2.3	34.052.716	27.212.781
2.5	Interest on Lease Payables		1.107.252	617.341
2.6	Other Interest Expense	4.2.5	697.702	1.940.016
III.	NET INTEREST INCOME/EXPENSE (I - II)		161.083.211	88.646.632
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		116.456.761	77.698.428
4.1	Fees and Commissions Received		176.276.383	117.248.888
4.1.1	Non-cash Loans		6.200.334	5.089.606
4.1.2	Other	4.1.2	170.076.049	112.159.282
4.2	Fees and Commissions Paid		59.819.622	39.550.460
4.2.1	Non-cash Loans		188.205	140.031
4.2.2	Other	4.1.2	59.631.417	39.410.429
V.	DIVIDEND INCOME	4.3	335.279	112.077
VI.	TRADING PROFIT/LOSS (Net)	4.4	(60.387.192)	(45.433.585)
6.1	Trading Gains/Losses on Securities		5.035.252	3.486.331
6.2	Derivative Financial Transactions Gains/Losses		7.004.381	(21.586.693)
6.3	Foreign Exchange Gains/Losses		(72.426.825)	(27.333.223)
VII.	OTHER OPERATING INCOME	4.6	21.146.750	28.987.836
VIII.	GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		238.634.809	150.011.388
IX.	ALLOWANCE FOR EXPECTED CREDIT LOSSES (-)	4.5	50.971.994	36.404.436
X.	OTHER PROVISION EXPENSES (-)	4.5	171.796	89.127
XI.	PERSONNEL EXPENSES (-)		44.099.798	30.021.689
XII.	OTHER OPERATING EXPENSES (-)	4.7	79.961.309	51.301.014
XIII.	NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		63.429.912	32.195.122
XIV.	SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-
XV.	PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		1.832.494	1.498.790
XVI.	NET MONETARY POSITION GAIN/LOSS		-	-
XVII.	PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XIII+...+XVI)	4.8	65.262.406	33.693.912
XVIII.	PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	4.9	18.168.988	4.674.920
18.1	Current Tax Provision		1.661.999	3.978.651
18.2	Expense effect of deferred tax (+)		16.506.989	696.269
18.3	Income effect of deferred tax (-)		-	-
XIX.	NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)		47.093.418	29.018.992
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from assets held for sale		-	-
20.2	Profit from sale of associates, subsidiaries and joint ventures		-	-
20.3	Other income from discontinued operations		-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses on assets held for sale		-	-
21.2	Losses from sale of associates, subsidiaries and joint ventures		-	-
21.3	Other expenses from discontinued operations		-	-
XXII.	PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX - XXI)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Current tax provision		-	-
23.2	Expense effect of deferred tax (+)		-	-
23.3	Income effect of deferred tax (-)		-	-
XXIV.	NET PROFIT/ LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV.	NET PROFIT/LOSS (XIX+XXIV)	4.10	47.093.418	29.018.992
25.1	Group's profit/loss		47.090.151	29.016.823
25.2	Minority shares	4.11	3.267	2.169
	Earnings/(loss) per share (full TL)		0,0557	0,0344

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

Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2025 and 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4. Consolidated statement of profit or loss and other comprehensive income

	Current Period (01/01/2025 - 31/12/2025)	Prior Period (01/01/2024 - 31/12/2024)
I. PROFIT / (LOSS)	47.093.418	29.018.992
II. OTHER COMPREHENSIVE INCOME	16.064.337	(4.907.888)
2.1 Other comprehensive income that will not be reclassified to profit or loss	6.514.373	3.923.255
2.1.1. Gains (losses) on Revaluation of Property, Plant and Equipment	10.079.361	8.377.677
2.1.2. Gains (losses) on Revaluation of Intangible Assets	-	-
2.1.3. Gains (losses) on Remeasurements of Defined Benefit Plans	(1.941.777)	(3.757.809)
2.1.4. Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	5.284	(40.745)
2.1.5. Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(1.628.495)	(655.868)
2.2. Other Comprehensive Income That Will Be Reclassified to Profit or Loss	9.549.964	(8.831.143)
2.2.1. Exchange Differences on Translation	12.854.772	3.804.780
2.2.2. Valuation and/or Reclassification Profit or Loss from Financial Assets Measured at Fair Value Through Other Comprehensive Income	5.369.940	(14.104.327)
2.2.3. Income (loss) Related with Cash Flow Hedges	(821.974)	(1.555.289)
2.2.4. Income (loss) Related with Hedges of Net Investments in Foreign Operations	(9.355.922)	(2.352.798)
2.2.5. Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	60.047	(27.252)
2.2.6. Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	1.443.101	5.403.743
III. TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	63.157.755	24.111.104

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

Yapı ve Kredi Bankası A.Ş.

Consolidated statement of changes in shareholders' equity as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5. Consolidated statement of changes in shareholders' equity

Current Period (31/12/2025)	Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit or Loss				Other Accumulated Comprehensive Income That Will Be Reclassified In Profit or Loss			Profit reserves	Prior period net profit/(loss)	Current period net profit/(loss)	Total equity except minority interest	Minority Interest	Total shareholders' equity			
	Paid in capital	Share premium	Share certificate cancellation profits	Other capital reserves	1	2	3							4	5	6
I. Balance at the beginning of the period	8.447.051	556.937	-	1.711.913	17.506.703	(10.898.501)	90.242	23.528.740	(12.810.095)	(9.513.736)	143.532.843	1.639.954	29.016.823	192.808.874	4.672	192.813.546
II. Adjustment in accordance with TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New balance (I+II)	8.447.051	556.937	-	1.711.913	17.506.703	(10.898.501)	90.242	23.528.740	(12.810.095)	(9.513.736)	143.532.843	1.639.954	29.016.823	192.808.874	4.672	192.813.546
IV. Total comprehensive income (loss)	-	-	-	-	7.868.333	(1.359.244)	5.284	12.854.772	3.759.672	(7.064.480)	-	-	47.090.151	63.154.488	3.267	63.157.755
V. Capital increase in cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital increase through internal reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Issued capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase (decrease) through other changes	-	-	-	37.103	-	-	-	-	-	-	(390.586)	-	-	(353.483)	-	(353.483)
XI. Profit distribution	-	-	-	52.308	-	-	-	-	-	-	28.964.515	-	(29.016.823)	-	(703)	(703)
11.1. Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(703)	(703)
11.2. Transfers to legal reserves	-	-	-	52.308	-	-	-	-	-	-	28.964.515	-	(29.016.823)	-	-	-
11.3. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period end balance (III+IV+.....+X+XI)	8.447.051	556.937	-	1.801.324	25.375.036	(12.257.745)	95.526	36.383.512	(9.050.423)	(16.578.216)	172.106.772	1.639.954	47.090.151	255.609.879	7.236	255.617.115

1. Tangible assets revaluation reserve,
2. Accumulated gains / losses on remeasurements of defined benefit plans,
3. Other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss and other accumulated amounts of other comprehensive income that will not be reclassified to profit or loss,
4. Exchange differences on translation reserve,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Accumulated gains or losses on cash flow hedges, other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss and net investment hedges.

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

Yapı ve Kredi Bankası A.Ş.

Consolidated statement of changes in shareholders' equity as of December 31, 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5. Consolidated statement of changes in shareholders' equity

Prior Period (31/12/2024)	Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit or Loss				Other Accumulated Comprehensive Income That Will Be Reclassified In Profit or Loss			Profit reserves	Prior period net profit/(loss)	Current period net profit/(loss)	Total equity except minority interest	Minority Interest	Total shareholders' equity			
	Paid in capital	Share premium	Share certificate cancellation profits	Other capital reserves	1	2	3							4	5	6
I. Balance at the beginning of the period	8.447.051	556.937	-	1.660.596	10.912.237	(8.268.035)	130.987	19.723.960	(2.937.085)	(6.750.823)	85.753.704	1.639.954	68.008.836	178.878.319	2.674	178.880.993
II. Adjustment in accordance with TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III. New balance (I+II)	8.447.051	556.937	-	1.660.596	10.912.237	(8.268.035)	130.987	19.723.960	(2.937.085)	(6.750.823)	85.753.704	1.639.954	68.008.836	178.878.319	2.674	178.880.993
IV. Total comprehensive income (loss)	-	-	-	-	6.594.466	(2.630.466)	(40.745)	3.804.780	(9.873.010)	(2.762.913)	-	-	29.016.823	24.108.935	2.169	24.111.104
V. Capital increase in cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI. Capital increase through internal reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII. Issued capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X. Increase (decrease) through other changes	-	-	-	22.620	-	-	-	-	-	-	-	-	-	22.620	-	22.620
XI. Profit distribution	-	-	-	28.697	-	-	-	-	-	-	57.779.139	-	(68.008.836)	(10.201.000)	(171)	(10.201.171)
11.1. Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	(10.201.000)	(10.201.000)	(171)	(10.201.171)
11.2. Transfers to legal reserves	-	-	-	28.697	-	-	-	-	-	-	57.779.139	-	(57.807.836)	-	-	-
11.3. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period end balance (III+IV+.....+X+XI)	8.447.051	556.937	-	1.711.913	17.506.703	(10.898.501)	90.242	23.528.740	(12.810.095)	(9.513.736)	143.532.843	1.639.954	29.016.823	192.808.874	4.672	192.813.546

1. Tangible assets revaluation reserve,
2. Accumulated gains / losses on remeasurements of defined benefit plans,
3. Other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss and other accumulated amounts of other comprehensive income that will not be reclassified to profit or loss,
4. Exchange differences on translation reserve,
5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,
6. Accumulated gains or losses on cash flow hedges, other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss and net investment hedges.

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

Yapı ve Kredi Bankası A.Ş.**Consolidated financial statements as of December 31, 2025 and 2024**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

6. Consolidated statement of cash flows

	Note (Section Five)	Current Period (31/12/2025)	Prior Period (31/12/2024)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		66.558.565	31.157.377
1.1.1 Interest received		552.874.401	418.997.750
1.1.2 Interest paid		(456.506.704)	(388.540.625)
1.1.3 Dividend received		335.279	112.077
1.1.4 Fees and commissions received		176.276.383	117.248.888
1.1.5 Other income		(41.311.288)	4.676.882
1.1.6 Collections from previously written-off loans and other receivables		24.158.090	11.667.593
1.1.7 Cash Payments to personnel and service suppliers		(117.924.483)	(79.359.261)
1.1.8 Taxes paid		(12.902.784)	(7.982.470)
1.1.9 Other	6.3	(58.440.329)	(45.663.457)
1.2 Changes in operating assets and liabilities subject to banking operations		(183.368.930)	4.157.800
1.2.1 Net (increase) decrease in financial assets measured at fair value through profit or loss		(1.099.092)	(583.076)
1.2.2 Net (increase) decrease in due from banks		(133.401.313)	(107.238.550)
1.2.3 Net (increase) decrease in loans		(634.694.852)	(396.296.087)
1.2.4 Net (increase) decrease in other assets		(57.624.407)	(60.104.492)
1.2.5 Net increase (decrease) in bank deposits		(6.419.012)	(6.225.251)
1.2.6 Net increase (decrease) in other deposits		593.764.937	274.371.797
1.2.7 Net increase (decrease) in financial liabilities measured at fair value through profit or loss		(11.233.370)	6.261.623
1.2.8 Net increase (decrease) in funds borrowed		89.296.868	254.798.475
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities	6.3	(21.958.689)	39.173.361
I. Net cash provided from banking operations		(116.810.365)	35.315.177
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities		(34.191.931)	(50.043.415)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(825.810)	(321.400)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		-	-
2.3 Cash paid for the purchase of tangible and intangible asset		(6.235.421)	(4.936.258)
2.4 Cash obtained from the sale of tangible and intangible asset		345.344	1.129.551
2.5 Cash paid for the purchase of financial assets measured at fair value through other comprehensive income		(160.662.178)	(79.078.530)
2.6 Cash obtained from the sale of financial assets measured at fair value through other comprehensive income		114.944.459	41.704.181
2.7 Cash paid for the purchase of financial assets at amortised cost		(28.177.342)	(29.958.564)
2.8 Cash obtained from sale of financial assets at amortised cost		46.419.017	21.417.605
2.9 Other		-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flows from financing activities		172.936.958	50.890.334
3.1 Cash obtained from funds borrowed and securities issued		312.972.470	244.104.520
3.2 Cash outflow from funds borrowed and securities issued		(137.176.342)	(181.124.505)
3.3 Equity instruments issued		-	-
3.4 Dividends paid		(703)	(10.201.171)
3.5 Payments for finance lease liabilities		(2.858.467)	(1.888.510)
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents	6.3	51.025.610	23.103.883
V. Net increase (decrease) in cash and cash equivalents		72.960.272	59.265.979
VI. Cash and cash equivalents at beginning of the period	6.1	287.776.844	228.510.865
VII. Cash and cash equivalents at end of the period	6.1	360.737.116	287.776.844

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

Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2025 and 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

7. Profit distribution^{(1),(2)}

	Current Period (31/12/2025)	Prior Period (31/12/2024)
I. Distribution of current year income		
1.1 Current year income	59.976.431	29.727.083
1.2 Taxes and duties payable (-)	12.886.280	710.260
1.2.1 Corporate tax (income tax)	452.018	115.614
1.2.2 Income withholding tax	-	-
1.2.3 Other taxes and duties	12.434.262	594.646
A. Net income for the year (1.1-1.2)	47.090.151	29.016.823
1.3 Prior year losses (-)	-	-
1.4 First legal reserves (-)	-	-
1.5 Other statutory reserves (-)	-	-
B. Net income available for distribution [(A+(1.3+1.4+1.5))]	47.090.151	29.016.823
1.6 First dividend to shareholders (-)	-	-
1.6.1 To owners of ordinary shares	-	-
1.6.2 To owners of privileged shares	-	-
1.6.3 To owners of preferred shares	-	-
1.6.4 To profit sharing bonds	-	-
1.6.5 To holders of profit and loss sharing certificates	-	-
1.7 Dividends to personnel (-)	-	-
1.8 Dividends to board of directors (-)	-	-
1.9 Second dividend to shareholders (-)	-	-
1.9.1 To owners of ordinary shares	-	-
1.9.2 To owners of privileged shares	-	-
1.9.3 To owners of preferred shares	-	-
1.9.4 To profit sharing bonds	-	-
1.9.5 To holders of profit and loss sharing certificates	-	-
1.10 Second legal reserves (-)	-	-
1.11 Statutory reserves (-)	-	-
1.12 Extraordinary reserves	-	28.964.515
1.13 Other reserves	-	-
1.14 Special funds	-	52.308
II. Distribution of reserves		
2.1 Appropriated reserves	-	-
2.2 Second legal reserves (-)	-	-
2.3 Dividends to shareholders (-)	-	-
2.3.1 To owners of ordinary shares	-	-
2.3.2 To owners of privileged shares	-	-
2.3.3 To owners of preferred shares	-	-
2.3.4 To profit sharing bonds	-	-
2.3.5 To holders of profit and loss sharing certificates	-	-
2.4 Dividends to personnel (-)	-	-
2.5 Dividends to board of directors (-)	-	-
III. Earnings per share		
3.1 To owners of ordinary shares (Full TL)	0,0557	0,0344
3.2 To owners of ordinary shares (%)	-	-
3.3 To owners of privileged shares	-	-
3.4 To owners of privileged shares (%)	-	-
IV. Dividend per share		
4.1 To owners of ordinary shares (Full TL)	-	-
4.2 To owners of ordinary shares (%)	-	-
4.3 To owners of privileged shares	-	-
4.4 To owners of privileged shares (%)	-	-

(1) Profit Distribution Statement has been prepared according to unconsolidated financial statements of the Parent Bank.

(2) Regarding profit distribution, the authorized body of the Bank is the General Assembly and the annual general assembly meeting has not been held as of the date of preparation of these financial statements. Since the dividend distribution proposal for 2025 has not yet been prepared by the Board of Directors, only the distributable profit is stated in the profit distribution table.

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

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Three - Accounting policies

1. Explanations on basis of presentation:

The Parent Bank maintains its books of accounts in Turkish Lira in accordance with the Banking Act No. 5411 ("Banking Act"), which is effective from November 1, 2005, the Turkish Commercial Code ("TCC") and Turkish Tax Legislation.

The consolidated financial statements prepared in accordance with the "Regulation on the Principles and Procedures Regarding Banks Accounting Applications and Safeguarding of Documents" published in the Official Gazette No. 26333 dated November 1, 2006 and other communiqués, interpretations and legislations published by the Banking Regulation and Supervision Agency ("BRSA") and Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA") for the matters not regulated by the aforementioned legislations published by BRSA. The format and the details of the publicly announced financial statements and related disclosures to these statements have been prepared in accordance with the "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" and changes and notes to this communiqué published in the Official Gazette No. 28337 dated June 28, 2012.

The accompanying consolidated financial statements and notes to these financial statements are expressed in thousands of Turkish Lira (TL), unless otherwise stated.

The financial statements of subsidiaries operating abroad have been prepared in accordance with legislations and regulations of the country in which they are operating, however in order to provide fair presentation according to TFRS, necessary adjustments and reclassifications are reflected to those financial statements.

The accompanying consolidated financial statements are prepared in accordance with the historical cost basis (restated for the changes in the general purchasing power of TL until December 31, 2004), except for financial assets and liabilities measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, derivative financial assets/liabilities, buildings and art objects and paintings in tangible assets. Besides, the carrying values of assets carried at amortized cost but subject to fair value hedge are adjusted to reflect the fair value changes related to the hedged risks.

The accounting policies and valuation principles employed for the preparation of consolidated financial statements are in compliance with TFRS requires the use of certain accounting estimates by the Group management to exercise its judgment on the assets and liabilities on the balance sheet and contingent assets and liabilities as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are explained in the related notes and reflected to the income statement.

The preparation and fair presentation of the financial statement and used principles of valuation in accordance with "Accounting and Reporting Legislation" published in the regulation, communiqué, interpretations and circular published by BRSA and If no specific regulation has been made by BRSA, it has been determined and applied according to the principles of TFRS.

On November 23, 2023, POA announced that entities reporting under the TFRS should begin implementing "TAS 29 - Financial Reporting in Hyperinflationary Economies" standard in their financial statements from periods ending on and after December 31, 2023. Besides, regulatory and auditing bodies that are authorized in their respective areas have flexibility to determine alternative transition dates for the application of TAS - 29.

Within the scope of decisions dated December 12, 2023 numbered 10744 and December 5, 2024 numbered 11021 respectively by the BRSA, banks, financial leasing, factoring, financing, savings financing, and asset management companies are not subject to inflation adjustments in their financial statements required under TAS 29 in 2023, 2024 and 2025.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

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

The general strategy of the Group in using financial instruments is to sustain an optimal balance between the yield of the instruments and their risks. The most important funding source of the Group is deposits. For non-deposit items, the Group maintains longer-term funding structure especially through long-term foreign borrowings. Funds obtained from deposits and other sources are invested in quality financial assets in order to keep currency, interest rate and liquidity risks within the limits determined by the asset-liability strategy. The currency, interest and liquidity risks of on-balance sheet and off-balance sheet assets and liabilities are managed in accordance with the risk limits accepted by the Group and the related legal limits. Derivative instruments are mainly utilised for liquidity needs and for mitigating currency and interest rate risks. The position of the Group as a result of foreign currency activities is being held at minimum levels and the currency risk exposure is monitored within limits determined levels by the Board of Directors under the context of Banking Act.

Foreign currency denominated monetary assets and liabilities are translated with the Parent Bank exchange rates prevailing at the balance sheet date. Gains and losses arising from such valuations are recognised in the income statement under the account of "Foreign exchange gains or losses", except for valuation differences arising from foreign currency participations, subsidiaries and foreign currency non-performing loans.

The Group hedges part of the currency translation risk of net investments in foreign operations through currency borrowings. The effective portion of the foreign exchange difference of these financial liabilities is recognised in "Other accumulated comprehensive income that will be reclassified in profit or loss" in equity.

In order to eliminate the inconsistency in the recognition, the Group, might classify its financial liabilities as the financial liabilities classified at fair value through profit/loss upon the initial recognition.

3. Information on consolidation principles:

3.1. Consolidation principles applied:

The consolidated financial statements have been prepared in accordance with the procedures listed in the "Communiqué related to the Regulation on the Preparation of the Consolidated Financial Statements of Banks" published in the Official Gazette No. 26340 dated November 8, 2006 and "TFRS 10 - Consolidated Financial Statements".

3.1.1. Consolidation principles of subsidiaries:

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

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

Subsidiaries are consolidated with full consolidation method by considering the results of their activities and the size of their assets and shareholders' equity. Financial statements of the related subsidiaries are included in the consolidated financial statements from the date control is transferred to the Group and they are taken out of consolidation scope when control no longer exists. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In accordance with the full consolidation method, balance sheet, income statement and off balance sheet items of the subsidiaries have been consolidated line by line with the balance sheet, income statement and off balance sheet of the Parent Bank. The book value of the investments of the Group in each subsidiary has been netted off with the portion of each subsidiary's capital that belongs to the Group. Unrealized gains and losses and balances resulting from the transactions among the entities included in consolidation have been eliminated. In the consolidated balance sheet and income statement, minority interest has been presented separately from the shares of the Group shareholders.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The subsidiaries included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	Incorporation (City/ Country)	Main activities	Effective rates (%) December 31, 2025	Direct and indirect rates (%) December 31, 2025
Yapı Kredi Leasing	Istanbul/Türkiye	Leasing	99,99	99,99
Yapı Kredi Faktoring	Istanbul/ Türkiye	Factoring	99,96	99,96
Yapı Kredi Menkul	Istanbul/ Türkiye	Investment Management	99,98	99,98
Yapı Kredi Portföy	Istanbul/ Türkiye	Portfolio Management	99,95	99,97
Yapı Kredi Holding B.V.	Amsterdam/Netherlands	Financial Holding	100,00	100,00
Yapı Kredi Bank Nederland N.V.	Amsterdam/Netherlands	Banking	100,00	100,00
Yapı Kredi Azerbaijan	Baku /Azerbaijan	Banking	100,00	100,00
Yapı Kredi Bank Deutschland OHG	Frankfurt/Germany	Banking	100,00	100,00
Stiching Custody Services YKB	Amsterdam/Netherlands	Custody services	100,00	100,00
Yapı Kredi Diversified Payment Rights Finance Company ⁽¹⁾	George Town/ Cayman Islands	Special Purpose Company	-	-

(1) It is a special purpose entity established for securitization transactions and is included in the consolidation although it is not a subsidiary of the Parent.

3.1.2. Consolidation principles of associates:

The associates are entities in which the Parent Bank participates in their capital and has significant influence on them, although the Parent Bank has no capital or management control, is established in domestic and abroad. The related associates are consolidated with equity method.

Significant influence refers to the participation power on the constitution of the financial and management policies of the participated associate.

Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in an associate from the changes in the participated associate's shareholders' equity during the period attributable to the portion of the investor and the deduction of the dividend received from the associate from the revised value of the associate amount.

The associates included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	Operation Centre (City/Country)	Main activities	Effective rates % December 31, 2025	Direct and indirect rates % December 31, 2025
Banque de Commerce et de Placements S.A.	Geneva/Switzerland	Banking	30,67	30,67
Allianz Yaşam ve Emeklilik A.Ş.	Istanbul/Türkiye	Insurance	20,00	20,00

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.1.3. Transactions with minority shareholders:

The Group applies a policy of treating transactions with minority interests as transactions within the Group. The difference between the acquisition cost and net asset acquired is recognised under equity. Disposals from minority interests are also considered as equity transactions and result in changes in the equity of the Group.

3.1.4. Presentation of unconsolidated subsidiaries, associates and joint ventures in consolidated financial statements:

Turkish Lira denominated investments in unconsolidated associates, subsidiaries and joint ventures are accounted at cost value, less any impairment, in accordance with "TAS 27 - Individual Financial Statements" in the consolidated financial statements.

Foreign currency denominated investments in unconsolidated associates, subsidiaries and joint ventures are accounted at their original foreign currency costs translated into Turkish Lira using the exchange rates prevailing at the transaction date less impairment, if any.

When the cost of associates, subsidiaries and joint ventures is higher than the net realizable value, the carrying amount is reduced to the net realizable or fair value considering whether the value decrease is temporary or permanent and the ratio of the value decrease.

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

The Group's derivative transactions mainly consist of money and interest rate swaps, forward foreign exchange purchase and sale transactions and options.

Derivative instruments are measured at fair value on initial recognition and subsequently remeasured at their fair values. As a result, the fair value of derivatives is reflected as net liability or net asset on a contract by contract basis. The accounting method applied to the income or loss arising from derivative instruments depends on whether the derivative is being used for hedging purposes or not and depends on the type of item being hedged.

At the transaction date, the Group documents the relationship between hedging instruments and hedged items, together with the risk management policies and the strategies on hedging transactions. Besides, the Group regularly documents the effectiveness of the hedging instruments in offsetting the changes in the fair value of the hedged items.

Changes in the fair value of derivative instruments subject to fair value hedges are recognized under profit or loss accounts together with the variation in the fair value of hedged items. The changes of fair value of derivative transactions for fair value hedge are classified in "Derivative Financial Transactions Gains/Losses" account. In the balance sheet, changes in the fair value of hedged assets and liabilities, during the period in which the hedge is effective, are shown with the related assets and liabilities.

The ineffective portion of the mentioned hedging transactions is reflected to the income statement. If the underlying hedge does not conform to the hedge accounting requirements, according to the adjustments made to the carrying value (amortized cost) of the hedged item, for which the risk is hedged by a portfolio hedge, are amortized with the straight line method within the time to maturity and recognized in profit or loss accounts. Fair value adjustments are recognized directly in the income statement in an event of repayment and/or unwinding and/or the recognition of the hedged item.

The Parent Bank hedges its cash flow risk arising from foreign currency and Turkish Lira floating interest rate liabilities by using interest rate and currency swaps. The effective portion of the fair value changes of the hedging instruments are recorded in "Other accumulated comprehensive income that will be reclassified in profit or loss" under shareholders' equity. These funds are transferred to profit or loss from equity when the cash flows of the hedged items (interest expense) impact the income statement.

In case the cash flow hedge accounting is discontinued due to the expiry, realization for sale of the hedging instrument, or due to the results of the effectiveness test the amounts accounted under shareholders' equity are transferred to the profit or loss accounts as these cash flows of the hedged item are realized (considering the original maturity of the hedging instrument).

Some of the trading purpose derivative transactions, even though they provide effective economic hedges under the Group's risk management policy, do not qualify for hedge accounting under the specific rules in "IFRS 9- Financial Instruments" and are therefore treated as "Derivative financial assets measured at fair value through profit or loss".

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

“Derivative financial assets measured at fair value through profit or loss” are measured at fair value. If the fair value of derivative financial instruments is positive, it is disclosed under the main account “Derivative financial assets measured at fair value through profit or loss” and if the fair value difference is negative, it is disclosed under “Derivative financial liabilities measured at fair value through profit or loss”. Fair value changes are recorded under “Derivative Financial Transactions Gains/ (Losses)” in the income statement.

The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

Parameters used for the valuation of the option portfolio of the Parent Bank are determined by market risk management and the confirmation of the accuracy of fair value calculations are monitored periodically by market risk management.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts as their contractual values. Embedded derivatives are separated from the host contract and accounted as derivative instruments according to “TFRS 9 – Financial Instruments”; in case, (i) the related embedded derivative’s economic features and risks are not closely related to the host contract, (ii) another instrument that has the same contract conditions with the embedded derivative satisfies the definition of a derivative instrument and (iii) the hybrid instrument is not carried at fair value through profit or loss.

Credit derivatives are capital market tools designed to transfer credit risk from one party to another.

As of December 31, 2025, the Parent Bank’s credit derivatives portfolio included total return swaps.

Credit linked notes are bonds that have repayments depending on a credit event or the credit risk evaluation of a reference asset or asset pool. Depending on whether the reference assets are included in the balance sheet of the issuer or the owner of the assets, these transactions can be accounted by the party assuming the credit risk as insurance or as an embedded derivative. As per the Bank’s management evaluation, the embedded derivatives included in the credit linked notes are separated from the host contracts in accordance with “TFRS 9 - Financial Instruments” and recorded and evaluated as credit default swaps. The bond itself (host contract) is valued in accordance with the valuation principles of the category it is classified.

Total return swaps are contracts, in which the seller commits to pay the contract value for all cash flows of the reference assets of the seller and the changes of the market values of these reference assets to the buyer during the contract maturity and bear all the decreases in the market value of these reference assets. The Bank uses the total return swaps to generate long term funding.

Market risks of these products are monitored using the Parent Bank’s internal modeling system for the Value-at-Risk and basis points sensitivity analysis; the liquidity risks are monitored using the short term liquidity report on daily and the long term liquidity report on monthly basis.

According to the regulations of BRSA, currency exchange transactions which are realized at value date in the initial phase of currency swaps are recorded and followed as irrevocable commitments in off-balance sheet accounts until the value date.

A Credit Valuation Adjustment (CVA) is applied to the Bank’s over-the-counter derivative exposures to take into account the counterparty’s risk of default when measuring the fair value of the derivative. CVA is the mark-to-market cost of protection required to hedge credit risk from counterparties in the Bank’s over-the-counter derivatives portfolio. The Bank calculates CVA based on collective provisioning methodology calculated in accordance with Turkish Financial Reporting Standards, “TFRS 9 – Financial Instruments”, comprising the product of Exposure, Probability of Default (PD) and Loss Given Default (LGD). CVA is calculated based on the exposure of each counterparty.

Within the scope of TFRS 13 – Fair Value Measurement standard; (i) if there is a significant decrease in the volume or level of activity for that asset or liability in relation to normal market activity for the asset or liability (or similar assets or liabilities); (ii) when the transaction or quoted price does not represent fair value; and / or (iii) when a price for a similar asset requires significant adjustment to make it comparable to the asset being measured, or (iv) when the price is stale, the Bank makes an adjustment to the transactions or quoted prices and reflects this adjustment to the fair value measurement. In this context, the Bank determines the point within the range that is most representative of fair value under current market conditions.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5. Explanations on interest income and expense:

Interest income and expenses are recognized in the income statement on an accrual basis by using the effective interest method periodically.

Retrospective rediscount calculation and foreign exchange evaluation is performed for non-performing ("NPL") loans, and accrued interest and discounts as of transfer to non-performing loan accounts are accounted under loan accrual/rediscount accounts as per Uniform Chart of Accounts ("UCA"). The Bank ceases accruing interest after non-performing loan classification. In place of that, interest amount representing the time value of future collections is recognized under interest income instead of provision expense.

6. Explanations on fee and commission income and expenses:

Fees and commissions received as a result of the service agreements or arising from negotiating or participating in the negotiation of a transaction on behalf of a third party are recognized either in the period when the transaction is realized or deferred based on the type of the underlying transaction. Other commission income and fees from various banking services are recorded as income at the time of realization.

Except for fees and commissions that are integral part of the effective interest rates of financial instruments measured at amortized costs, the fees and commissions are accounted for in accordance with TFRS 15 - "Revenue from Contract with Customers".

7. Explanations on financial assets:

As of January 1, 2018, the Group has applied TFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL)
- Fair value through other comprehensive income (FVOCI)
- Financial assets measured at amortised cost

According to TFRS 9 classification of financial assets is based on two criterias; business model under which the financial asset is being managed and contractual cash flows representing solely payments of principal and interest of the financial asset. This evaluation incorporates whether there is any clause that may change timing or amount of contractual cash flows of the financial asset.

Classification of financial assets reflects the business model of how the Group manages the assets in order to generate cash flows. Bank's business model may be to collect solely the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVPL.

Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

The Parent Bank owns Consumer Price Indexed (CPI) Government Bonds which are classified under "Fair value through other comprehensive income" and "measured at amortised cost" securities portfolio. The reference indices used in calculating the actual coupon payment amounts of these assets are based on the CPI of prior two months.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Assessment of the business model

The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The business model does not depend on management's intentions for an individual instrument. Accordingly, this condition is not a single instrument basis approach for classification and should be determined on a higher level of aggregation.

During the assessment of the business model for management of financial assets, all relevant evidences at the assessment date have been taken into consideration. Such relevant evidence includes below:

- How the performance of the portfolio is evaluated and reported to the Group's management;
- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets with duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- How managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- The risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

If cash flows are realised in a way that is different from the expectations on the date of the assessment of the business model, that does not give rise to a prior period error in the financial statements nor does it change the classification of the remaining financial assets held in that business model as long as all relevant information that was available at the time of business model assessment were. However, when the business model is assessed for newly originated or newly purchased financial assets, it must be considered information about how cash flows were realised in the past, along with all other relevant information. The business models are divided into three categories. These categories are defined below:

- Business model whose objective is to hold assets in order to collect contractual cash flows

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. That is, the Group manages the assets held within the portfolio to collect those particular contractual cash flows.

Although the objective of Group's business model may be to hold financial assets in order to collect contractual cash flows, the Group does not need to hold all of those instruments until the maturity. Thus Group's business model can be to hold financial assets to collect contractual cash flows even when sales of financial assets occur or are expected to occur in the future.

The business model may be to hold assets to collect contractual cash flows even if the Group sells financial assets when there is an increase in the assets' credit risk. The Group considers reasonable and supportable information, including forward looking information in order to determine whether there has been an increase in the assets' credit risk. Regardless of their frequency and value, sales due to an increase in the assets' credit risk are not inconsistent with a business model whose objective is to hold financial assets to collect contractual cash flows because the credit quality of financial assets is relevant to the Group's ability to collect contractual cash flows.

- A business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

The Group may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In this type of business model, the Group's management has made a decision on both collecting contractual cash flows and selling financial assets are necessary for achieving the objective of the business model. There are various objectives that may be consistent with this type of business model. For example, the objective of the business model may be to manage liquidity needs on daily basis, to maintain a particular interest yield profile or to match the duration of the financial assets to the duration of the liabilities funding those assets. To achieve such an objective, the Group will both collect contractual cash flows and sell financial assets.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Compared to a business model whose objective is to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective instead of being only incidental to it.

➤ Other business models

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

A portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Group is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Group considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

When the contractual conditions are exposed to the risks which are not consistent with the basic lending arrangement or variability of cash flows, the relevant financial asset is measured at fair value through profit or loss.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

7.1. Financial assets measured at fair value through profit or loss:

Financial assets, which are classified as "Financial assets measured at fair value through profit or loss", are trading financial assets and are either acquired for generating profit from short-term fluctuations in the price or dealer's margin, or are the financial assets included in a portfolio in which a pattern of short-term profit making exists independent from the acquisition purpose.

Trading financial assets are initially recognized at fair value and are subsequently re-measured at their fair value. However, if fair values cannot be obtained from active market transactions, it is assumed that the fair value cannot be measured reliably and fair values are calculated by alternative models. All gains and losses arising from these valuations are recognized in the income statement. Interest earned while holding financial assets is reported as interest income and dividends received are included separately in dividend income.

The principles regarding the accounting of derivative financial instruments are explained in detail in note 4 of this section.

7.2. Financial assets measured at amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. These financial assets are initially recognized at total of acquisition and transaction cost. After their initial recognition they are carried at "Amortized cost" using the "Effective interest method".

7.3. Loans:

Loans are financial assets raised through lending without having the intention to trade in the short term. Loans are non derivative financial assets with fixed or determinable payments and fixed maturities that are not quoted on active market. Loans are recognized initially at cost including transaction costs (which reflect fair values) and subsequently carried at the amortized cost using the "effective interest method". The expenses incurred for the assets received as collateral are not considered as transaction costs and are recognized in the expense accounts.

Retail, commercial and corporate loans included in cash loans are accounted for with their original maturities in accounts which are mentioned in the UCA. Foreign currency indexed loans are initially measured at local currency accounts with the foreign exchange rate prevailing at date of the initial recognition and re-valued with the relevant foreign currency rates prevailing at the date of the financial statements. Increase or decrease in the value of the principal amount of the loan due to changes in foreign exchange rates is accounted in the related income and expense accounts. Repayment amounts are translated with the foreign exchange rates prevailing at the repayment dates and the valuation differences are accounted for in foreign exchange gain/loss accounts.

The Parent Bank provides provision for expected credit losses based on the assessments and estimates of the management, by considering the "Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables" ("Provisioning Regulation") published in the Official Gazette No. 29750 dated June 22, 2016 and in line with "IFRS 9 - Financial Instruments". In this context, the management estimates are determined, on the basis of the prudence principle and Bank credit risk policies, considering the general structure of the loan portfolio, the financial conditions of the customers, non-financial information and the economic conjuncture.

As of December 31, 2025, the Bank has made its classifications in accordance with the IFRS 9 standard and reflected them in its financial statements. In this context; the Group has evaluated many reasonable and supportable qualitative and quantitative data in assessing whether there is a significant increase in credit risk in the classification of loans according to stages and determining the moment when the default situation occurs. It has classified the loans according to their stages according to its best judgment under the current conditions.

Expected Credit Losses are accounted for as an expense in the accounting period they are incurred. If there is a subsequent collection from a receivable that was already provisioned in previous years, the recovery amount is classified under "Other operating income". The write off policy is described in the explanations and notes related to assets, fifth section.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

7.4. Financial assets measured at fair value through other comprehensive income:

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI).

Financial assets measured at fair value through other comprehensive income are subsequently re-measured at fair value. When fair values based on market prices cannot be observed reliably, the financial assets at fair value through other comprehensive income are carried at fair values determined by using alternative models. "Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity as "Other accumulated comprehensive income that will be reclassified in profit or loss", until the related assets are impaired or disposed. When these financial assets are disposed or impaired, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement. Interest and dividends received from financial assets at fair value through other comprehensive income are recorded in interest income and dividend income as appropriate.

Interest income on financial assets at fair value through other comprehensive income are calculated by effective interest rate method and are accounted for in interest income account. At the time of sale of financial assets at fair value through other comprehensive income before the maturity, the difference between the profit, which is the difference between the cost and sales price of the financial assets, and the interest income accrual are accounted under "Profit/losses from capital market transactions".

7.5. Equity instruments measured at fair value through other comprehensive income:

At initial recognition, Group can make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an equity instrument within the scope of TFRS 9. Such election is made on an instrument basis. Fair value differences recognized in other comprehensive income are not transferred to profit or loss in the following periods and transferred to prior years' profit/loss. The equity instruments measured at fair value through other comprehensive income, are not subject to impairment calculation.

8. Explanations on impairment of financial assets:

The Parent Bank assesses the expected credit losses ("ECL") related with its debt instrument assets carried at amortised cost and at fair value through other comprehensive income, with the exposure arising from loan commitments and financial guarantee contracts on a forward-looking basis. The Parent Bank recognises a loss allowance for such losses at each reporting date. The measurement of expected credit losses reflects:

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

The measurement of the expected credit loss allowance:

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and at fair value through other comprehensive income is an area that requires the use of advanced models and significant assumptions about future economic conditions and credit behaviour.

These financial assets will be divided into three categories depending on the gradual increase in credit risk observed since their initial recognition. Impairment shall be recognized on outstanding amounts in each category, as follows:

Stage 1:

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk will be recorded in the amount of 12-month expected credit losses.

Stage 2:

In the event of a significant increase in credit risk since initial recognition, the financial asset will be transferred to this stage. Impairment for credit risk will be determined on the basis of the instrument's lifetime expected credit losses.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Stage 3:

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL are recognized and interest revenue is calculated on the net carrying amount.

Life-time expected credit loss is calculated on an individual or collective basis for the financial assets in stage 2 and stage 3.

General provisions represent ECLs for the first stage and the second stage, specific provisions represent ECLs for the third stage.

The Parent Bank has developed specific models for calculating the expected loss; such models are based on the parameters of PD, LGD and EAD and on the effective interest rate. In particular:

- The PD (Probability of Default), represents the customer's probability of more than 90 days delay, within 12-months;
- The LGD (Loss Given Default), represents the percentage of the estimated loss, and thus the expected rate of recovery, at the date of occurrence of the default event of the credit exposure;
- The EAD (Exposure at Default), represents the measure of the exposure at the time of the event of default of the credit exposure;
- The Effective interest rate is the discount rate that expresses of the time value of money.

Such parameters are calculated starting from the corresponding parameters used for IRB preparation purposes, with specific adjustments in order to ensure consistency between accounting and regulatory treatment despite different regulatory requirements.

The main adjustments aimed at:

- Removal of prudency principal used for IRB preparation phase;
- Introducing "point-in-time" adjustments to replace "through-the-cycle" adjustments required for IRB preparation phase (TFRS-9 parameters developed over these parameters.);
- With reference to lifetime PD, through-the-cycle PD curves obtained by adjusting observed cumulated default rates were calibrated in order to reflect point-in-time on portfolio default rates.

Recovery rate incorporated into through-the-cycle LGD was adjusted in order to remove prudency principle and to reflect the most updated trend of recovery rates discounted at effective interest rate or at its best approximation.

The lifetime EAD has been obtained by converting the 1 year regulatory or managerial model to life-time, removing margin of prudency and including the expected discounted cash flow.

The stage allocation model is a key aspect of the accounting model required to calculate expected credit losses which is aimed at transferring credit exposures from Stage 1 to Stage 2.

With reference to the quantitative component of the model for stage allocation, the Parent Bank has adopted a statistical approach based on a quantiles regression whose objective is to define a threshold in terms of maximum variation acceptable between the PD at the time of origination and the PD assessed at the reporting date.

The stage allocation model was based on a combination of relative and absolute elements. The main elements were:

- Comparison, for each transaction, between the PD measured at the time of recognition and PD as at the reporting date, both calculated according to internal models, through thresholds set in a way considering all key variables of each transaction that can affect the Bank's expectation of PD changes over time;
- Absolute elements such as the backstops required by law;
- Additional internal evidence.

Significant increase in credit risk

In the assessment of significant increase in credit risk quantitative and qualitative assessments are made;

Quantitative Assessment:

As a result of quantitative assessment, related financial asset is classified as stage 2 (Significant Increase in Credit Risk) when any of the following criterias are satisfied.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

As of reporting date:

- Lifetime expected credit losses shall be recognized on a transaction base, when more than 30 days past due status is passed. The Parent Bank can abandon this estimation when it has reasonable and supportable information about customers' contractual repayments.
- In case a loan has been restructured, it will be followed up under Stage 2 during the follow-up period mentioned in the related regulations. The loan can be transferred back to Stage 1 at end of the follow-up period if there is no significant deterioration.
- Provisions on non-funded non cash loans are evaluated as significant increase in credit risk.

Qualitative Assessment:

The probability of significant increase in credit risk under qualitative assessment is based on the comparison of probability of default of a loan in the origination and as of reporting date.

The Group uses distribution regression on segment basis in order to calculate the thresholds used in defining the significant increase in credit risk.

Low credit risk

Financial instruments defined as low risk for TFRS 9 are;

- Receivables from Central Bank of the Republic of Türkiye ("CBRT");
- Loans with counterparty of Treasury of the Republic of Türkiye;
- The issued securities or guaranteed marketable securities from central banks of the countries where Group's subsidiaries, associates are resident;
- Bank placements;
- Other money market transactions;
- Transactions of Group's associates and subsidiaries.

Forward Looking Macroeconomic Information:

Forward-looking macroeconomic information is incorporated into credit risk parameters during assessment of significant increase in credit risk and expected credit loss calculation.

For the calculation of expected credit loss, Bank uses macroeconomic estimation method which is developed during creation of various scenarios. Macroeconomic variables prevailing during these estimates are gross domestic product ("GDP") and CPI.

When expected credit losses are estimated in accordance with the forward looking macroeconomic information, the Bank evaluates three scenarios (base, pessimistic and optimistic) with various weights based. The Bank has reviewed the macroeconomic model used in the process and has been the subject of provision calculations using the data considered to reflect the current situation in the best way.

In the light of macroeconomic expectations, the Parent Bank reflected the calculations made to its financial statements considering the probability of default values and the possible changes in the exposure at default. In this context, the Bank has measured the effect of the change in macroeconomic data used in the calculation of expected credit loss such as GDP and CPI, on the non performing loans under different scenarios and reflected the increase coefficient, which was considered to be the most accurate, to its provision calculations by projecting it on the loan parameters within the range of NPL ratio obtained throughout the calculations.

9. Explanations on offsetting financial assets:

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

10. Explanations on sales and repurchase agreements and securities lending transactions:

Securities subject to repurchase agreements ("Repo") are classified as "Financial assets at fair value through profit or loss", "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost" according to the investment purposes of the Group and measured according to the portfolio to which they belong.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Funds obtained from repurchase agreements are accounted under "Money market funds" in liabilities and the difference between the sale and repurchase price is accrued over the life of the repurchase agreements using the "Effective interest method". Interest expense on repo transactions are recorded under "Interest expense on money market transactions" in the income statement.

Funds given against securities purchased under agreements to resell ("reverse repo") are accounted under "Money markets receivables" 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 Group has no securities lending transactions.

11. Information on assets held for sale and related to discontinued operations and explanations on liabilities related with these assets:

According to the "IFRS-5 Non-current Assets Held for Sale and Discontinued Operations" a tangible asset (or a group of assets to be disposed) classified as "Asset held for sale" is measured at lower of carrying value and fair value less costs to sell. An asset (or a group of assets to be disposed) is regarded as "Asset held for sale" only when the sale is highly probable and the asset (or a group of assets to be disposed) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively in the market at a price consistent with its fair value.

A discontinued operation is a part of the Group's business classified as sold or held for sale. The operating results of the discontinued operations are disclosed separately in the income statement.

12. Explanations on goodwill and other intangible assets:

12.1. Goodwill:

The excess of the cost of an acquisition over the fair value of the Group's share of the identifiable assets, liabilities or contingent liabilities of the acquired subsidiary at the date of acquisition of the control is recorded as goodwill and represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised. The acquirer also recognises assets that are capable of being individually identified and separately recognised, intangible assets (e.g. credit card brand value, deposit base and customer portfolio) and contingent liabilities at fair value, irrespective of whether the asset had been recognised by the acquire before the business combination, if it can be distinguished from the goodwill and if the asset's fair value can be measured reliably.

As of December 31, 2025, there is no goodwill (December 31, 2024 - None).

12.2. Other intangible assets:

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated amortization and the provision for impairment.

The Group evaluates the possibility of existence of impairment of intangible assets at the end of each reporting period. If there is an evidence of impairment, the Group estimates a recoverable amount in accordance with the "TAS 36 - Impairment of Assets". The recoverable amount is the higher of net sales price or the value in use. When the book value of another intangible asset exceeds the recoverable amount, the related asset is considered to be impaired. If there is no evidence of impairment, there is no need to estimate the recoverable amount.

Intangibles are amortized over their estimated useful lives using the straight-line method. The useful life of the asset is determined by assessing the expected useful life of the asset, technical, technological and other kinds of obsolescence and all required maintenance expenses necessary to utilise the economic benefit from the asset.

13. Explanations on property and equipment:

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement in accordance with "TAS 16-Property, Plant and Equipment". Subsequently, properties and equipments, except art objects, paintings and buildings, are carried at cost less accumulated depreciation and provision for impairment.

The Group adopted fair value accounting method for its buildings since March 31, 2015 in tangible assets in accordance with "TAS 16 - Property, Plant and Equipment".

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The depreciation rate for buildings is 2-4%; for movables and movables acquired under financial leasing depreciation is calculated over estimated useful life by using the straight-line method. The depreciation charge for items remaining in property and equipment for less than a full accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment.

In accordance with "TAS 36 - Impairment of Assets", where the carrying amount of an asset is greater than its estimated "recoverable amount", it is written down to its "recoverable amount" and the provision for impairment is charged to the income statement.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales proceeds.

Expenditures for the repair and maintenance of property and equipment are recognised as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalised on the cost of the tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

14. Explanations on leasing transactions:

The Group performs leasing transactions in the capacity of the lessee and lessor.

14.1. Accounting of leasing operations according to lessee:

The Group has adopted "IFRS 16 - Leases" in the accounting of leasing transactions.

In accordance with "IFRS 16 - Leases", the Group calculates "right-of-use" amount using the present value of the lease payments of fixed asset at the beginning of the leasing period and recognizes under "property and equipment". Unpaid leasing payments are calculated at their net present value and recognized under "lease payables" in liabilities. Lease payments are discounted using related borrowing rates.

Fixed assets that are subject to leasing is amortised on the basis of leasing period. Interest expense related to lease payables is classified under "interest on lease payables" under "interest expense" and exchange rate changes are classified under "foreign exchange gains/losses". Leasing payments are deducted from lease payables.

14.2. Accounting of leasing operations according to lessee:

Assets that are subject to financial leasing are reflected as a receivable equal to the net leasing amount in the consolidated financial statements. Interest income is earned to form a fixed periodical interest rate on net investment amount of the related leased asset by the lessor and the portion relating to subsequent periods is followed in the unearned interest income account.

14.2.1. Provision for doubtful lease receivables

The lease receivables provision for the impairment of investments in direct finance leases is established based on a credit review of the receivables portfolio. The Group has set this provision in accordance with the IFRS 9 rules.

Finance lease receivables and accounts receivables that cannot be recovered are written off and charged against the allowance for the impairment of lease and accounts receivables. Such receivables are written off after all the necessary legal proceedings have been completed and the amount of loss is finally determined. Recoveries of amounts previously provided for are treated as a reduction from the provision for the impairment of the lease receivable and are recognized as income.

15. Explanations on provisions, contingent liabilities and contingent assets:

Provisions and contingent liabilities, except for the expected credit loss recognized for financial instruments within the scope of IFRS 9 standards, are accounted in accordance with "TAS – 37 Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions for contingent liabilities arisen from past events are recognised in the period of occurrence in accordance with the "Matching principle".

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

A provision is recognised when it is probable that the contingent event will occur and a reliable estimate can be made. When a reliable estimate of the amount of obligation cannot be made, or it is not probable that an outflow of resources will be required to settle the obligation, it is considered that a “contingent” liability exists and it is disclosed in the related notes to the financial statements.

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

16. Explanations on obligations related to employee benefits:

16.1. Employee benefits

Obligations related to employee termination and vacation rights are accounted for in accordance with “TAS 19 - Employee Benefits” and are classified under “Provisions for employee benefits” account in the balance sheet.

Under the Turkish Labour Law, the Group is required to pay a specific amount to the employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labour Law. The reserve for employee termination represents the present value of the estimated total liability for the future probable obligation of the Group determined by using certain actuarial assumptions. Actuarial gains and losses are accounted for under equity in accordance with the “TAS – 19 Employee Benefits” standard.

16.2. Pension rights

The Parent Bank’s personnel are members of the Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı Vakfı (“the Fund”) which was established in accordance with the 20th temporary article of the Social Security Law No. 506. As of December 31, 2025, the defined benefit obligations of the Fund have calculated in the actuarial valuation report prepared by the registered actuary.

Temporary article 23th paragraph 1 of the Banking Act published in the Official Gazette No 25983 dated November 1, 2005 stated that foundations like the Fund are to be transferred to the Social Security Institution (“SSI”) within three years beginning from the publication date of the article.

The article of the Law related to the transfer was cancelled (pursuant to the application by the President on November 2, 2005) by the decision of Constitutional Court (decision no: E.2005/39, K. 2007/33 dated March 22, 2007) published in the Official Gazette No. 26479 dated March 31, 2007, and the effect of the law article was suspended from the date of the publication of the decision.

The reasoning of the Constitutional Court regarding the abrogation of the corresponding article was published in the Official Gazette dated December 15, 2007, No 26731. With the publication of the reasoning of the decision, the Grand National Assembly of Türkiye (“GNAT”) started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the “Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations” No 5754 (“the New Law”) regulating the transfer of the funds were approved by the GNAT on April 17, 2008. The New Law was published in the Official Gazette No. 26870 dated May 8, 2008. With the new law, the banks’ pension funds will be transferred to SSI within three years from the date of publication of the decree and this period can be extended for a maximum of two years with the decision of the Council of Ministers. The transfer period was extended for another two years with the decision of the Council of Ministers No. 2011/1559 published in the Official Gazette dated April 9, 2011. According to the “Amendment of Social Insurance and General Health Insurance Law No. 6283” published in the Official Gazette dated March 8, 2012, Council of Ministers was authorized to increase the two-year extension period mentioned above to four years.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

According to the decision of The Council of Ministers dated February 24, 2014, the transfer date is set as May 2015. The Council of Ministers was authorized to determine the transfer date of pension funds in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated April 23, 2015 and numbered 29335. The president was authorized to determine the transfer date of pension funds in accordance with the last amendment by the Law No. 30473 published in the Official Gazette dated July 9, 2018.

A commission (whose members are the representatives of the SSI, Ministry of Treasury and Finance of the Republic of Türkiye, State Planning Organization, BRSA, Saving Deposit Insurance Fund ("SDIF"), one member representing the Fund and one member representing the Fund members) is in charge of the calculation of the value of the payment that would need to be made to SSI to settle the obligation using a technical interest rate of 9,8% by law taking into consideration income and expenses by insurance branches of the funds and the excess of salaries and income paid by the funds over the salaries and income to be paid in accordance with the SSI arrangements which should not be less than SSI arrangements, related to the members of the Fund as of the date of the transfer including the members who have left the scheme.

In accordance with the New Law, after the transfer to SSI, any social rights and payments to Fund members and their beneficiaries which are not provided although they are included in the Fund Title Deed will continue to be provided by the Fund and the employers of the Fund members.

The Parent Bank accounts for a provision for the technical deficit based on the report prepared by a registered actuary in accordance with the rates determined by the New Law and in accordance with the "TAS 19 - Employee Benefits" standard.

16.3. Short term benefits of employee:

Within the scope of "TAS 19 - Employee Benefits", the Group measures the expected costs of accumulated paid leaves as expected payments it will make due to unused leave rights as at the end of the reporting date.

17. Explanations on taxation:

17.1. Current tax:

Pursuant to Law No. 7456 published in the Official Gazette dated July 15, 2023 and numbered 32249, the corporate income tax rate for banks has been determined as 30%.

The corporate income tax rate is applied to the taxable base calculated by adding non-deductible expenses to the commercial profit of corporations in accordance with tax legislation and deducting the exemptions and deductions regulated under the tax laws. In addition, corporate taxpayers have been included in the scope of the Domestic Minimum Corporate Tax Practice as of January 1, 2025. Accordingly, the corporate income tax calculated within the framework of general rules is compared with 10% of the corporate profit before deductions and exemptions specified in the law, and the higher of the two amounts is taken into account as corporate income tax.

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Fifty percent (50%) of the gains arising from the sale of participation shares that have been held for at least two years are exempt from corporate income tax, provided that such gains are either added to capital or retained in equity for a period of five years, as regulated under the Corporate Income Tax Law. The tax exemption for gains arising from the sale of immovable property was abolished as of July 15, 2023, and in the event of the sale of immovable assets included in the company's assets prior to this date, the exemption rate applicable to the gains has been determined as 25%.

Corporations calculate transitory tax on their quarterly financial profits and declare and pay such taxes by the 17th day of the second month following the relevant period. Transitory tax paid during the year are offset against the corporate income tax calculated based on the annual corporate tax return to be filed in the following year. If an excess amount remains after offsetting, this amount may either be refunded in cash or offset against other public receivables.

Corporate income tax returns are submitted to the relevant tax office by the end of the last day of the fourth month following the end of the accounting period, and the assessed tax is paid on the same date. In addition, authorized tax authorities may examine accounting records within a five-year period, and in case of detection of incorrect practices, the payable tax amounts may be subject to change.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

According to Turkish tax legislation, tax losses reported on tax returns may be carried forward and offset against corporate profits of subsequent periods for up to five years. However, such losses cannot be offset against prior years' profits.

No withholding tax is applied on dividend distributions made to non-resident corporations that generate income in Türkiye through a workplace or permanent representative, or to resident corporations in Türkiye. Dividend payments made to individuals and corporations out of this scope are subject to withholding tax at a rate of 15%. The capitalization of profits (i.e., adding profits to capital) is not considered dividend distribution and is therefore not subject to withholding tax.

Tax rates that are used in tax calculations before the exemptions by foreign subsidiaries by taking current tax regulations in their countries into consideration as of December 31, 2025 are as follows:

Netherlands	25,80%
Azerbaijan	20,00%
Germany	15,83%

In accordance with the Transitory Article 298/A of the Tax Procedure Law (TPL), non-monetary items included in the financial statements are required to be subject to inflation adjustment. Under Transitory Article 33 of the Tax Procedure Law, it was envisaged that inflation adjustment would be applied to the financial statements of corporations as of December 31, 2023. However, with Law No. 7491 published on December 28, 2023, it was regulated that banks, insurance companies and other financial institutions would not take into account the profit or loss differences arising from inflation adjustment in determining their taxable income for the 2024 and 2025 fiscal periods. The financial statements dated December 31, 2023 prepared within the scope of the Tax Procedure Law were subject to inflation adjustment. The profit or loss differences arising from inflation adjustment were presented under prior years' profit/loss accounts, however, they did not affect the corporate income tax base. In the 2024 fiscal period, including transitory tax periods, the profit or loss differences arising from inflation adjustment were not taken into account in determining taxable income. With Transitory Article 37 added to the Tax Procedure Law by Law No. 7571 published in the Official Gazette dated December 25, 2025 and numbered 33118, corporations shall not be required to apply inflation adjustment to their financial statements for the 2025, 2026 and 2027 fiscal periods, regardless of whether the conditions for inflation adjustment are met. Corporations may apply revaluation to the assets falling within the scope of paragraph (C) of repeated Article 298 in the fiscal periods in which inflation adjustment is not applied.

17.2. Deferred tax:

The Group calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "TAS 12 - Income Taxes" and in accordance with BRSA's explanations and circulars and the tax legislation. The Group calculates deferred tax on deductible temporary differences, to the extent that future taxable income is estimated to be available.

In the deferred tax calculation, the enacted tax rate is used as of the balance sheet date by estimating when the temporary differences will be taxable / deductible in accordance with the current tax legislation.

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that future taxable profit will be available against which the deferred tax asset can be utilised.

Deferred tax assets and liabilities of subsidiaries subject to consolidation have been netted of in their standalone financial statements in accordance with "TAS 12 - Income Taxes". The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements.

Tax effects of the transactions that are directly accounted under equity are also reflected to equity.

17.3. Transfer pricing:

The article no.13 of the Corporate Tax Law No.5520 describes the issue of transfer pricing under the title of "Disguised profit distribution" by way of transfer pricing (previously included as "Disguised profit" in the Corporate Tax Law No.5422). "The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing" published at November 18, 2007/26704, explains the application related issues on this topic effective from January 1, 2007, also taking into account the regulations in Article 41 of the Income Tax Law.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

“Arm’s length principle”, which is the basis for the transfer pricing rule, is the pricing system to be followed for purchase or sale activities between related parties for any product or service transactions as if the transaction is realized with any other third party. According to this communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm’s length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

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

18. Explanations on borrowings:

The financial liabilities classified at fair value through profit/loss, trading and derivative financial liabilities are valued with their fair values and the other financial liabilities are carried at “amortized cost” including costs of transactions using the “effective interest method”.

The Group classifies some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition. For the related liabilities until the maturity, the Bank presents interest expenses paid and the difference between amortized cost and acquisition cost in the interest expense, the difference between the fair value of the financial liabilities and amortized cost presents under the trading gain/(loss) in the income statement.

The Group utilises various hedging techniques to minimise the currency, interest rate and liquidity risks of its financial liabilities. No convertible bonds have been issued. Also, Group obtains funds by issuing bonds and bills.

19. Explanations on issuance of share certificates:

When shares are issued above their nominal value, the excess over the nominal value is accounted under shareholders’ equity as “Share premium”.

20. Explanations on confirmed bills of exchange and letter of acceptances:

Confirmed bills of exchange and acceptances are included in the “Off-balance sheet commitments”.

21. Explanations on government grants:

None (December 31, 2024 - None).

22. Profit reserves and profit distribution:

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below. Legal reserves consist of first and second reserves as foreseen in the TCC. The TCC specifies that the first legal reserve is appropriated at the rate of 5% until the total reserve is equal to 20% of paid-in capital and that the second legal reserve is appropriated at the rate of 10% of distributions in excess of 5% of paid-in capital; however holding companies are not subject to this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate for accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

No dividend payments of the Parent Bank were announced after the balance sheet date.

23. Earnings per share:

Earnings per share disclosed in the income statement are calculated by dividing net profit/loss for the year to the weighted average number of shares outstanding during the period concerned.

	Current Period	Prior Period
Net profit/(loss) to be appropriated to ordinary shareholders	47.090.151	29.016.823
Weighted average number of issued ordinary shares (thousand)	844.705.128	844.705.128
Earnings per share (full TL)	0,0557	0,0344

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. These bonus shares are treated as issued shares in earnings per share computations. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year is adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares.

No bonus shares were issued during 2025 (2024 - None).

24. Related parties:

For the purpose of these financial statements, shareholders having control shares of the Bank, key management personnel and board members together with their families and companies controlled by/affiliated with them, associated companies and joint ventures and the Fund providing post-employment benefits are considered and referred to as related parties in accordance with "TAS 24 - Related Parties". The transactions with related parties are disclosed in detail in note 7 of section 5.

25. Explanations on operating segments:

Information about operating segments which are determined in line with "TFRS 8 - Operating Segments" together with organizational and internal reporting structure of the Bank, are disclosed in note 12 of section 4.

26. Explanations on other matters:

None.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Four - Information related to financial position and risk management of the Group**1. Explanations on consolidated equity:**

The calculation of the own funds and the capital adequacy standard ratio are performed in accordance with the communiqués such as “Regulation Regarding the Measurement and Evaluation of Banks’ Capital Adequacy Ratio”, “Regulation Credit Risk Mitigation Techniques”, “Regulation on calculation of Risk-Weighted Amounts of Securitization” and “Regulation Regarding Banks’ Shareholders’ Equity”.

The consolidated capital adequacy ratio of the Group is 16,71% (December 31, 2024 – 17,32%) and the Parent Bank is 18,09% (December 31, 2024 – 18,55%).

1.1. Information on equity:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in Capital	8.447.051	8.447.051
Share premiums	556.937	556.937
Retained earnings	173.816.684	145.190.447
Other comprehensive income and other disclosed reserves which defined in the Turkish Accounting Standards	64.929.911	43.187.698
Profit	48.730.105	30.656.777
Net profit of the period	47.090.151	29.016.823
Profit of the previous years	1.639.954	1.639.954
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled subsidiaries and cannot be recognised within profit for the period	91.412	54.309
Minority interest	7.236	4.672
Common Equity Tier 1 capital before regulatory deductions	296.579.336	228.097.891
Common Equity Tier 1 capital: regulatory deductions		
Valuation adjustments	-	-
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 recognised in equity in accordance with TAS	30.402.540	24.311.665
Leasehold improvements for operating leasing	1.080.586	865.790
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	4.996.066	3.069.583
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Cash-flow hedge reserve	972.343	1.534.172
Total expected losses calculated according to the Internal Ratings Based Approach that exceed total provision	12.162.923	5.700.289
Securitization gain on sale	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Investments in own 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)	-	-
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 owns more than 10% of the issued share capital (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 (-) of the common equity Tier 1 in accordance with the second paragraph of the provisional article 2 in the regulation regarding the Banks’ Shareholders’ Equity	-	-
The amount above threshold for the 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 owns more than 10% of the issued share capital	-	-
The amount above threshold for mortgage servicing rights	-	-
The amount above threshold for deferred tax assets arising from temporary differences	-	-
National specific regulatory adjustments which shall 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 regulatory deductions to Common equity Tier 1	49.614.458	35.481.499
Common Equity Tier 1 capital (CET1)	246.964.878	192.616.392

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

ADDITIONAL TIER 1 CAPITAL	Current Period	Prior Period
Preferred shares that are not included in Common Equity Tier 1 capital and related shares issue premiums	-	-
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA	47.130.270	17.640.150
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA (For the purposes of the Provisional Article 4 of the Regulation on Banks' Own Funds)	-	-
Third parties' share in the Additional Tier 1 capital	-	-
Third parties' share in the Additional Tier 1 capital (Temporary Article 3)	-	-
Additional Tier 1 capital before regulatory deductions	47.130.270	17.640.150
Additional Tier 1 capital: regulatory deductions		
Investments in own Additional Tier 1 instruments	-	-
Reciprocal cross-holdings in Additional Tier 1 instruments	-	-
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 common share capital of the entity (amount above 10% threshold)	-	-
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-
National specific regulatory adjustments which shall be determined by the BRSA	-	-
Regulatory Adjustments which will be deducted from Tier 1 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 (-)	-	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
Total regulatory adjustments to Additional Tier 1 capital	-	-
Total Additional Tier 1 capital	47.130.270	17.640.150
Total Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital + Additional Tier 1 capital)	294.095.148	210.256.542
TIER 2 CAPITAL		
Eligible debt instruments and relevant share issue premiums that are approved by the Agency	71.175.405	41.212.345
Eligible debt 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)	-	-
Shares of Third Parties in Additional Tier 1 Capital	-	-
Shares of Third Parties in Additional Tier 1 Capital (Covered by Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	1.784.766	1.267.281
Tier 2 capital before regulatory adjustments	72.960.171	42.479.626
Tier 2 capital: regulatory adjustments		
Direct and indirect investments of the Bank on its own Tier 2 Capital (-)	-	-
Investments of the Bank to banks that invest on the Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8	-	-
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 common share capital of the entity (amount above the 10% threshold) (-)	-	-
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) (-)	-	-
National specific regulatory adjustments which shall be determined by the BRSA	-	-
Total regulatory adjustments to Tier 2 capital	-	-
Total Tier 2 capital	72.960.171	42.479.626
Total Capital (The sum of Tier 1 capital and Tier 2 capital)	366.789.446	252.547.121
The Sum of Tier 1 Capital and Tier 2 Capital (Total Capital)		
Credits extended contrary to the provisions of Articles 50 and 51 of the Banking Law	35.807	24.375
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 ⁽¹⁾	-	-
National specific regulatory adjustments which shall be determined by the BRSA	230.066	164.672
Regulatory Adjustments which will be deducted from Total Capital during the transition period		
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 common share capital of the entity (amount above the 10% threshold) 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 (-)	-	-
Significant 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, net of eligible short positions (amount above 10% threshold) 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 (-)	-	-
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) 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 (-)	-	-

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

OWN FUNDS	Current Period	Prior Period
Total Capital (The sum of Tier 1 capital and Tier 2 capital) ⁽²⁾	366.789.446	252.547.121
Total Risk Weighted Assets ⁽³⁾	2.194.645.281	1.458.076.711
CAPITAL ADEQUACY RATIOS		
Common Equity Tier 1 Capital Adequacy Ratio (%)	11,25	13,21
Tier 1 Capital Adequacy Ratio (%)	13,40	14,42
Capital Adequacy Ratio (%)	16,71	17,32
BUFFERS		
Institution specific buffer requirement of the Bank (a+b+c)	3,550	3,556
a)Capital conservation buffer requirement (%)	2,500	2,500
b)Bank's specific countercyclical buffer requirement (%)	0,050	0,056
c)Systemically important Bank buffer (%)	1,000	1,000
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 (%)	6,753	8,420
Amounts below the thresholds for deduction (before risk weighting)		
Non-significant investments in the capital of other financials	258.866	1.449.439
Significant investments in the common stock of financials	13.665.413	9.326.688
Mortgage servicing rights (net of related tax liability)	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	-	13.179.716
Applicable caps on the inclusion of provisions in Tier 2 capital		
General provisions for standard based receivables (before ten thousand twenty five limitation)	2.549.665	1.810.401
Up to 1,25% of total risk-weighted amount of general provisions for receivables where the standard approach used	1.784.766	1.267.281
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0,6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-

- (1) According to the "Regulation Regarding to changes on Regulation on Banks' Shareholders' Equity" published in Official Gazette No.30121 on July 11, 2017, related article has been abolished.
- (2) In the calculation of Capital Adequacy Ratios, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered 10747 dated December 12, 2023.
- (3) In the calculation of credit risk, foreign exchange rate is the rate that used in the preparation of financial statements as of June 28, 2024, according to BRSA numbered 11038 dated December 19, 2024.

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

1.2. Information on debt instruments included in the calculation of equity:

	1	2	3	4	5	6	7
Lender (1,2), Issuer (3,4,5)	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS3246209749 / US984848AW11	XS3169054049 / US984848AV38	XS2796491681 / US984848AS09	XS2741069996 / US984848AR26	XS2286436451 / US984848AN12	TRSYKKB92911	TRSYKKB62914
Governing law(s) of the instrument	English Law / Turkish Law	English Law / Turkish Law	English Law / Turkish Law	English Law / Turkish Law	English Law / Turkish Law	BRSA / CMB / Turkish Law	BRSA / CMB / Turkish Law
Regulatory treatment							
Transitional Basel III rules	No	No	No	No	No	No	No
Eligible at stand-alone / consolidated	Stand-alone - Consolidated	Stand-alone - Consolidated	Stand-alone - Consolidated	Stand-alone - Consolidated	Stand-alone - Consolidated	Stand-alone - Consolidated	Stand-alone - Consolidated
Instrument type (types to be specified by each jurisdiction)	Bond	Bond	Bond	Bond	Bond	Bond	Bond
Amount recognised in regulatory capital (Currency in mil. as of most recent reporting date)	21.423	25.707	21.423	27.850	21.423	180	300
Par value of instrument	21.423	25.707	21.423	27.850	21.423	300	500
Accounting classification	Liability – Subordinated Loans-amortised cost	Liability – Subordinated Loans-amortised cost	Liability – Subordinated Loans-amortised cost	Liability – Subordinated Loans-amortised cost	Liability – Subordinated Loans-amortised cost	Liability – Subordinated Loans-amortised cost	Liability – Subordinated Loans-amortised cost
Original date of issuance	December 11, 2025	September 4, 2025	April 4, 2024	January 17, 2024	January 22, 2021	October 3, 2019	July 3, 2019
Perpetual or dated	Dated	Perpetual	Perpetual	Dated	Dated	Dated	Dated
Original maturity date	10 years 6 month	-	-	10 years	10 years	10 years	10 years
Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	Call option is available between March 11, 2031 – June 11, 2031	In case of not calling within the period of September 4, 2030 - March 4,2031, call option is available every six months following the coupon payment dates	In case of not calling within the period of April 4, 2029 - July 4,2029, call option is available every six months following the coupon payment dates	5 years	5 years	After 5th year	After 5th year
Subsequent call dates, if applicable	-	-	-	-	-	After 5th year	After 5th year
Coupons / dividends							
Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed	Floating	Floating
Coupon rate and any related index	First 5 years 7,55% fixed, second 5 years U.S. five year treasury bond rate +383,10 basis points	First 5 years 8,25% fixed, second 5 years U.S. five year treasury bond rate +444,20 basis points	First 5 years 9,743% fixed, second 5 years U.S. five year treasury bond rate +549,90 basis points	First 5 years 9,25% fixed, second 5 years U.S. five year treasury bond rate +527,80 basis points	First 5 years 7,875% fixed, second 5 years U.S. five year treasury bond rate +741,50 basis points	TLREF index change + 1,30%	TLREF index change +1,93%
Existence of a dividend stopper	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount
Fully discretionary, partially discretionary or mandatory	Mandatory	Discretionary	Discretionary	Mandatory	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	-	-	-	-	-	-	-
Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
Convertible or non-convertible							
If convertible, conversion trigger (s)	-	-	-	-	-	-	-
If convertible, fully or partially	-	-	-	-	-	-	-
If convertible, conversion rate	-	-	-	-	-	-	-
If convertible, mandatory or optional conversion	-	-	-	-	-	-	-
If convertible, specify instrument type convertible into	-	-	-	-	-	-	-
If convertible, specify issuer of instrument it converts into	-	-	-	-	-	-	-
Write-down feature							
If write-down, write-down trigger(s)	In case of default	In case of default/ Common Equity Tier 1 capital adequacy ratio of the bank falls below 5,125%	In case of default/ Common Equity Tier 1 capital adequacy ratio of the bank falls below 5,125%	In case of default	In case of default	In case there is a possibility that the official authorization of the Bank is cancelled or the Bank shares are transferred to SDIF	In case there is a possibility that the official authorization of the Bank is cancelled or the Bank shares are transferred to SDIF
If write-down, full or partial	Partial and complete	Partial and complete	Partial and complete	Partial and complete	Partial and complete	Partial and complete	Partial and complete
If write-down, permanent or temporary	Permanent	Temporary	Temporary	Permanent	Permanent	Permanent	Permanent
If temporary write-down, description of write-up mechanism	-	In case of cancellation of default/ Common Equity Tier 1 capital adequacy ratio of the bank is higher than 5,125%	In case of cancellation of default/ Common Equity Tier 1 capital adequacy ratio of the bank is higher than 5,125%	-	-	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, and the TIER 2	After the senior creditors, and the TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2
In compliance with article number 7 and 8 of “Own fund regulation”	No	No	No	No	No	No	No
Details of incompliances with article number 7 and 8 of “Own fund regulation”	-	-	-	-	-	-	-

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.3. There are differences between the figures in the own funds and their corresponding amounts in the balance sheet. Within this context; gains that are related to cash flow hedge transactions are not considered in the own funds. The subordinated liabilities are considered after the adjustments made in accordance with the ninth paragraph of the eight article of the "Regulation Regarding Banks' Shareholders' Equity". In addition, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered 10747 dated December 12, 2023.

1.4. Exposures subject to countercyclical capital buffer:

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

Consolidated private sector receivables:

Country	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
Türkiye	1.583.886.108	-	1.583.886.108
Netherlands	12.153.469	-	12.153.469
Azerbaijan	7.739.356	-	7.739.356
Malta	6.845.320	-	6.845.320
Switzerland	5.560.805	-	5.560.805
Germany	4.212.755	-	4.212.755
Italy	3.950.061	-	3.950.061
Marshall Islands	3.469.486	-	3.469.486
France	3.357.879	-	3.357.879
Luxembourg	2.825.430	-	2.825.430
England	1.771.980	-	1.771.980
Spain	1.702.595	-	1.702.595
Egypt	1.380.018	-	1.380.018
Czech Republic	1.367.912	-	1.367.912
Macedonia	1.195.188	-	1.195.188
United States of America	855.698	-	855.698
Other	3.705.760	-	3.705.760
Total	1.645.979.820	-	1.645.979.820

2. Explanations on Consolidation Credit Risk:

The Bank calculates its credit risk, which is subject to the regulatory capital adequacy ratio reporting, with the Internal Rating-Based (IRB) approach. Foundation IRB approach is used for the corporate exposure class and advanced IRB approach is used for the retail exposure class as determined by "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

2.1. Credit risk is the loss or the risk of the Parent Bank in case a counterparty cannot fulfill its obligations stated in agreements where the Parent Bank is at a side. The Parent Bank identifies loan limits for each customer considering statutory regulations, the internal scoring system, financial analysis reports and geographical and industry concentration and considering credit policies determined by Board of the Directors each year. The limits defined by the Board of Directors for each correspondent bank are followed-up daily by Treasury Management for the transactions related with placements with domestic and correspondent banks or treasury operations such as forward buy and sell transactions. Moreover, daily positions and limit controls of each Treasury Management employee who is authorised for transactions in the market are controlled by the system. During the loan granting process, liquid collaterals are preferred to the greatest extent possible. Collaterals and guarantees must be obtained during credit underwriting based on credit worthiness, customers' financial status, and credit type. While granting of long term project finance loans, long term projections of the companies are analyzed both by financial analysis specialists and head office. Also the pricing of these commitments are decided by coordination with Treasury Management. The Parent Bank also monitors limitations on single borrower and group of borrowers in accordance with the regulations.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Rating system used for Medium Sized Entities (ME), Small and Medium Sized Entities (SME) and Corporate/Commercial customers is also used for defining the authorization level for loan granting. Thus, customers with a low rating are assigned to higher authority levels, whereas customers with a high rating are assigned to lower authority levels. By using this methodology it is aimed to establish risk based optimization in the loan processes.

Probability of default of a customer is calculated through this internally developed rating system. The rating concentration of Corporate/Commercial, ME and SME customers according to Parent Bank's rating system is as follows:

	Current Period	Prior Period
Strong	51,8%	57,6%
Standard	33,5%	24,3%
Below standard	14,7%	18,1%

The Parent Bank takes following criterias into consideration for the identification of default:

- The loan is overdue more than 90 days,
- The borrower is not able to pay at least one of the loans he received from the Bank (cross default),
- Having a negative intelligence and bad-record for the borrower in the market,
- Deterioration of the creditworthiness of the borrower.

The Group sets aside expected credit loss in accordance with the Provisioning Regulation within the scope of "provisions" and "value adjustments".

Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types, are disclosed below for the relevant period:

Risk classifications:	Current Period Risk Amount ⁽¹⁾	Average Risk Amount ⁽¹⁾
Exposures to central governments or central banks	1.025.651.153	991.442.332
Exposures to banks and financial institutions	291.563.066	395.976.258
Corporate exposures - Other	771.160.769	864.885.779
Specialised Lending	119.042.710	153.230.966
Corporate exposures - SME	217.823.317	237.192.313
Retail Exposures - Other	1.147.572.019	940.316.139
Retail exposures - Qualifying revolving	739.703.578	812.123.362
Retail exposures - SME	453.952.701	399.647.433
Investments in equities	11.599.346	11.696.268
Other Items	191.789.761	197.621.344
Total	4.969.858.420	5.004.132.194

(1) Includes credit risk amounts of total exposure before applying credit risk mitigations.

- 2.2. The Parent Bank has control limits over the positions of forwards, options and similar agreements. These positions are measured and managed by following their market values and by taking potential risk into considerations throughout their maturities, in accordance with Counterparty Credit Risk management. Limits are also calculated and dynamically managed by taking these potential risks into considerations. Daily market value calculations, limit controls, collateral assessments are performed and reported to the relevant departments within the Bank.

The Group may use its rights, as stated in the derivative agreements based on which the Group realizes derivative transactions, in order to eliminate the risks that may arise due to being exposed to severe risk levels arising from fluctuations in the market.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

- 2.3.** In line with the Provisioning Regulation, if the cash risk of a customer is classified as nonperforming, the non-cash risk is also classified as nonperforming under the same group where the cash risks were already followed and specific provision is reserved.

Restructured loans are also classified and followed up according to the regulation on provisions considering the Bank's credit risk policies. Accordingly, the financial position and commercial operations of related customers are monitored, their principal and interest payments are followed up with the restructured repayment schedule and the necessary precautions are taken.

- 2.4.** The Group's banking activities in foreign countries and credit transactions are subject to periodical follow-up in terms of the economic conditions of the related country and the evaluation of the creditworthiness of the customers and financial institutions. No material credit risk have been observed in scope of these operations.

- 2.5.** In terms of credit risk;

- The proportion of the Parent Bank's top 100 and 200 cash loan balances in total cash loans is 19% and 24%. (December 31, 2024- 21% and 25%).
- The proportion of the Parent Bank's top 100 and 200 non-cash loan balances in total non-cash loans is 36% and 46%. (December 31, 2024- 34% and 45%).
- The proportion of the Parent Bank's cash and non-cash loan balances with the first 100 and 200 customers comprises of 24% and 31% of total cash loans and non-cash loans. (December 31, 2024- 25% and 31%).

- 2.6.** The Group provided a general loan loss provision amounting to TL 30.791.552 (December 31, 2024 - TL 23.379.113).

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.7. Risk profile according to the geographical concentration:

	Risk Classifications ^{(1),(2)}										Total
	1	2	3	4	5	6	7	8	9	10	
Current Period											
Domestic	978.081.953	202.665.544	718.078.316	116.646.780	211.628.388	1.142.643.200	738.611.222	453.879.883	286.298	191.789.761	4.754.311.345
EU countries	45.001.995	63.450.392	34.669.332	2.213.432	4.767.775	1.512.761	682.540	18.865	192.051	-	152.509.143
OECD countries ⁽³⁾	-	1.551.646	5.312.685	-	-	73.483	46.667	1.170	-	-	6.985.651
Off-shore banking regions	-	-	389.375	-	-	2.904	1.420	2	-	-	393.701
USA, Canada	49.239	16.061.479	1.930.136	-	-	177.148	132.061	7.705	162.529	-	18.520.297
Other countries	2.517.966	7.834.005	10.780.925	182.498	1.427.154	3.162.523	229.668	45.076	4.608	-	26.184.423
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	10.953.860	-	10.953.860
Undistributed Assets / Liabilities ⁽⁴⁾	-	-	-	-	-	-	-	-	-	-	-
Total	1.025.651.153	291.563.066	771.160.769	119.042.710	217.823.317	1.147.572.019	739.703.578	453.952.701	11.599.346	191.789.761	4.969.858.420

- (1) Risk classifications in the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" is used.
(2) Includes credit risk amounts of total exposure before credit risk mitigation.
(3) OECD Countries other than EU countries, USA and Canada.
(4) Assets and liabilities are not allocated on a consistent basis.

- 1- Exposures to central governments or central banks
2- Exposures to banks and financial institutions
3- Corporate exposures - Other
4- Specialised Lending
5- Corporate exposures – SME
6- Retail Exposures - Other
7- Retail exposures - Qualifying revolving
8- Retail exposures – SME
9- Investments in equities
10- Other Items

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Risk Classifications ^{(1),(2)}										Total
	1	2	3	4	5	6	7	8	9	10	
Prior Period											
Domestic	799.406.262	297.647.498	552.101.248	105.112.423	173.300.724	489.394.323	632.830.133	264.544.004	410.554	124.641.382	3.439.388.551
EU countries	18.330.620	78.090.345	22.209.389	1.507.210	3.512.361	420.994	569.685	9.368	296.466	-	124.946.438
OECD countries ⁽³⁾	-	885.294	3.322.396	-	-	27.576	41.380	2.393	-	-	4.279.039
Off-shore banking regions	-	-	689.819	-	29.665	1.952	1.982	-	-	-	723.418
USA, Canada	339.799	20.468.673	3.135.891	-	1.037	95.867	111.630	3.442	1.030.085	-	25.186.424
Other countries	2.664.392	3.891.755	5.932.958	85.036	948.147	2.011.371	224.470	3.485	-	-	15.761.614
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	7.426.103	-	7.426.103
Undistributed Assets / Liabilities ⁽⁴⁾	-	-	-	-	-	-	-	-	-	-	-
Total	820.741.073	400.983.565	587.391.701	106.704.669	177.791.934	491.952.083	633.779.280	264.562.692	9.163.208	124.641.382	3.617.711.587

(1) Risk classifications in the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" is used.

(2) Includes credit risk amounts of total exposure before credit risk mitigation.

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

(4) Assets and liabilities are not allocated on a consistent basis.

1- Exposures to central governments or central banks

2- Exposures to banks and financial institutions

3- Corporate exposures - Other

4- Specialised Lending

5- Corporate exposures – SME

6- Retail Exposures - Other

7- Retail exposures - Qualifying revolving

8- Retail exposures – SME

9- Investments in equities

10- Other Items

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.8. Risk profile according to sectors and counterparties:

	1	2	3	4	5	6	7	8	9	10	TL	FC	Total
	Risk Classifications ^{(1),(2)}												
Agricultural	3.400	-	17.905.308	-	4.025.932	2.693	-	21.391.306	-	-	31.561.283	11.767.356	43.328.639
Farming and raising livestock	3.400	-	12.363.671	-	3.637.410	2.693	-	19.486.021	-	-	28.309.486	7.183.709	35.493.195
Forestry	-	-	2.782.941	-	352.876	-	-	1.728.536	-	-	3.049.248	1.815.105	4.864.353
Fishing	-	-	2.758.696	-	35.646	-	-	176.749	-	-	202.549	2.768.542	2.971.091
Manufacturing	10.935	-	409.036.357	60.957.547	124.669.149	-	-	204.672.228	1.870	-	464.959.711	334.388.375	799.348.086
Mining	-	-	8.769.892	-	548.873	-	-	894.813	-	-	3.931.892	6.281.686	10.213.578
Production	7.588	-	371.734.611	3.782.845	100.605.090	-	-	200.846.243	1.870	-	441.065.426	235.912.821	676.978.247
Electric, gas and water	3.347	-	28.531.854	57.174.702	23.515.186	-	-	2.931.172	-	-	19.962.393	92.193.868	112.156.261
Construction	28	22.897	43.555.575	29.070.562	28.038.346	-	-	46.783.934	-	-	92.366.548	55.104.794	147.471.342
Services	975.843.827	241.373.499	195.806.377	29.014.601	59.804.419	4.758	-	178.049.468	11.285.762	191.179.786	1.368.639.604	513.722.893	1.882.362.497
Wholesale and retail trade	10	-	49.950.145	-	20.937.300	-	-	60.427.601	-	-	103.038.458	28.276.598	131.315.056
Hotel, food and beverage services	9	-	24.643.693	61.844	12.287.342	-	-	20.024.987	-	-	29.451.981	27.565.894	57.017.875
Transportation and telecommunication	-	4.120	18.491.063	10.459.560	8.701.700	-	-	20.333.851	5.000	-	29.268.008	28.727.286	57.995.294
Financial institutions	966.633.526	241.313.570	63.917.361	166.760	1.432.400	-	-	5.925.842	10.396.910	191.179.786	1,095.252.815	385.713.340	1,480.966.155
Real estate and renting services	57	-	11.702.337	16.082.168	3.521.711	-	-	7.336.423	877.485	-	21.076.903	18.443.278	39.520.181
Professional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Education services	15.060	-	1.068.045	-	518.435	-	-	1.062.295	-	-	2.120.621	543.214	2.663.835
Health and social services	9.195.165	55.809	26.033.733	2.244.269	12.405.531	4.758	-	62.938.469	6.367	-	88.430.818	24.453.283	112.884.101
Other	49.792.963	50.166.670	104.857.152	-	1.285.471	1.147.564.568	739.703.578	3.055.765	311.714	609.975	1.927.580.538	169.767.318	2.097.347.856
Total	1.025.651.153	291.563.066	771.160.769	119.042.710	217.823.317	1.147.572.019	739.703.578	453.952.701	11.599.346	191.789.761	3.885.107.684	1.084.750.736	4.969.858.420

(1) Risk classifications in the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" will be used.

(2) Includes credit risk amounts of total exposure before credit risk mitigation.

- 1- Exposures to central governments or central banks
- 2- Exposures to banks and financial institutions
- 3- Corporate exposures - Other
- 4- Specialised Lending
- 5- Corporate exposures – SME
- 6- Retail Exposures - Other
- 7- Retail exposures - Qualifying revolving
- 8- Retail exposures – SME
- 9- Investments in equities
- 10- Other Items

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

2.9. Risk profile according to remaining maturities:

Risk classifications⁽¹⁾	1 month	1-3 months	3-6 months	6-12 months	1 year and over	Total
Exposures to central governments or central banks	379.902.595	102.131.656	5.587.353	5.620.438	532.152.371	1.025.394.413
Exposures to banks and financial institutions	132.404.783	55.603.438	26.423.086	29.764.056	33.599.043	277.794.406
Corporate exposures - Other	56.789.028	118.888.484	93.031.735	160.813.586	341.011.663	770.534.496
Specialised lending	2.253.492	7.773.629	911.915	5.316.929	102.786.745	119.042.710
Corporate exposures - SME	9.963.022	19.536.606	22.840.191	49.077.965	115.750.529	217.168.313
Retail exposures - Other	2.944.724	685.349.543	18.856.114	63.510.693	326.360.787	1.097.021.861
Retail exposures - Qualifying revolving	783	438.043.789	2.028	15	244.177.311	682.223.926
Retail exposures - SME	13.094.647	177.245.416	30.663.456	62.465.727	149.589.727	433.058.973
Investments in equities	-	-	-	-	-	-
Other items	597.823	-	-	-	-	597.823
Total	597.950.897	1.604.572.561	198.315.878	376.569.409	1.845.428.176	4.622.836.921

(1) Includes credit risk amounts of total exposure before applying credit risk mitigations.

2.10. Risk balances according to risk weights:

Total exposure amount before and after applying risk mitigation techniques and total amounts deducted from the capital which are calculated in accordance with the Appendix-1 of the “Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks” are presented below.

Risk Weights	0%-20%	20%-35%	35%-50%	50%-75%	75%-100%	100%-250%	250%	1250%	Total	Deduction's from the shareholders' equity
1 Total exposure before credit risk mitigation	2.128.465.061	830.807.887	296.785.506	657.338.552	390.645.312	642.413.509	23.402.593	-	4.969.858.420	6.342.525
2 Total exposure after credit risk mitigation	2.083.272.157	814.313.239	297.696.080	657.546.065	388.320.208	641.109.168	23.402.593	-	4.905.659.510	6.342.525

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

2.11. Information according to sectors and counterparties:

For loans which are classified as impaired loans due to delay of collection of principal or interest by 90 days and above and/or negative risk assessments of creditworthiness of the debtor; “Specific Provision” is set aside in the accompanying financial statements as of December 31, 2025.

For loans which are classified as past due but not impaired loans due to delay of collection of principal or interest up to 90 days; “General Provision” is set aside in the accompanying financial statements as of December 31, 2025.

Sectors / Counterparties	Loans		Provisions
	Impaired Loans (IFRS 9)		Expected Credit Losses (IFRS 9)
	Significant increase in credit risk (Stage 2)	Credit – Impaired (Stage 3)	
Agricultural	1.385.070	787.521	562.959
Farming and raising livestock	1.280.233	636.305	472.710
Forestry	90.403	127.800	69.785
Fishing	14.434	23.416	20.464
Manufacturing	97.353.881	20.070.052	22.962.845
Mining	378.651	56.195	48.972
Production	24.297.310	15.064.848	10.175.283
Electric, gas and water	72.677.920	4.949.009	12.738.590
Construction	12.567.207	9.951.830	4.005.779
Services	42.838.762	9.472.144	8.126.291
Wholesale and retail trade	4.727.073	3.683.303	2.698.980
Hotel, food and beverage services	5.313.066	980.270	544.848
Transportation and telecommunication	9.015.880	1.038.007	1.026.837
Financial institutions	317.912	88.151	50.941
Real estate and renting services	13.874.531	866.206	1.635.201
Education services	69.099	116.333	105.251
Health and social services	9.521.201	2.699.874	2.064.233
Other	74.140.014	39.244.861	29.045.509
Total	228.284.934	79.526.408	64.703.383

2.12. Information about value adjustments and changes in the loan impairment:

	Opening balance	Provision amounts set aside during the period	Reversal of provisions	Other adjustments ⁽¹⁾	Closing balance
1 Specific provisions	27.726.711	35.645.974	(12.724.446)	(6.876.217)	43.772.022
2 General provisions	23.379.113	15.326.020	(7.989.856)	76.275	30.791.552

(1) The figure represents the written off loans, foreign exchange differences and also includes non performing loan sales.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Explanations on Consolidated Risk Management:

3.1. General Information on Risk Management and Risk Weighted Amount

3.1.1. Risk management approach of the Bank

Risk management strategy of the Group ensures using the capital at an optimum level and provide sustainable growth in this framework through measurement of risks in accordance with international standards and local regulations and taking risk-return balance into consideration in the framework of sustainable growth. Risk management approach of the Group is based on strong risk management techniques of ISEDES (Evaluation Process of Internal Capital Adequacy) and prospective planning and capital evaluation depending upon risk profile.

A prospective capital planning approach is adopted for the Bank to carry out its operations if certain losses are incurred as a result of unexpected events or deteriorations in markets. The best international practices are utilized for the determination, measurement, analysis and control of risks. The process regarding identification of risks and determination of appropriate measurement method has a dynamic structure in which the risk management is improved through inspiring from advanced international practices and analyses updated in line with its business evolution. A risk appetite framework integrated to budget process, has been developed in order to carry out related activities at an optimum level while reaching predefined budget target of the Bank and therefore an appropriated risk positions are ensured to be taken.

Risk appetite, as an integral part of the main pillar and a crucial instrument of the Bank Management, is implemented in order to ensure the execution of Bank's activities in an ideal manner through taking appropriate risk positions at an acceptable level of risk. Risk appetite, is integrated to management and budget processes of the Bank with performance indicators which are sensitive to risk.

Risk appetite indicators, targets, limits and critical thresholds are determined by the Executive Committee with the joint recommendation of Compliance, Internal Control and Risk Management, Financial Planning and Administration Management. Possible changes which may occur in economic conditions are taken into consideration during the determination of aforementioned limits and thresholds.

Determined risk appetite indicators consists of capital adequacy, liquidity, assets quality, financial risk and operational risk ratios of the Bank and senior management ensures the Bank to carry out its activities in the range of such targets and critical thresholds. Senior management should be informed to take emergency precautions if the critical thresholds are exceeded. Monitoring and periodical reporting to senior management is performed by the related units in order to implement risk appetite framework.

The Bank implements internal policies and procedures that are audited and approved at least once a year by the Board of Directors in order to manage market risks arising from on-balance sheet and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Bank; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

The Credit Policy Directive, which reflects the general framework of the Parent Bank's credit allocation activities, is updated at least annually and implemented with the approval of the Board of Directors. Credit Policy Directive is based on improving asset quality, supporting effective risk management and compliance with legal practices. In addition, it includes management of lending activities according to the Bank's common standards, limitations and principles.

The main purpose of the credit risk management is to identify, measure and mitigate credit risk, react in a timely manner and take necessary actions with the help of efficient and well-functioning rating/scoring models, strategies and processes. The main strategies include topics like effective implementation of the Credit Policy Directive to reinforce the sustainability of common risk management approach, steering of the loan portfolio toward less risky sectors, avoidance of excessive concentration in Group exposures while strictly obeying statutory limits, focus on customers with better credit ratings, avoidance of transactions bearing high credit and reputational risk, managing country risk in line with established strategy, policy and rules, timely updates to senior management about all developments in credit risk area to ensure effective credit risk management, performing credit stress tests and participating in credit risk regulatory processes.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Risk Management reports to Board of Directors in organisation structure via Audit Committee. Risk Management organisation is divided into "Market Risk Management", "Credit Risk Strategy, Modelling and Reporting Management" and "Risk Validation" units.

In the process of market risk management, related business and risk units perform their activities within the scope of the principles determined by internal policies such as the Financial Markets Policy, Liquidity Policy, Liquidity Risk Limit Management Policy, Liquidity Emergency Policy, Interest Rate Risk Policy, Interest Rate Risk Limit Management Policy, Hedge Policy, Financial Investment Risk Policy, Immovables Risk Policy, Derivatives Policy, Independent Price Verification Policy, Policy due to inclusion on Financial assets where fair value change is reflected to income statement, Market Risk Stress Test Policy.

Value at Risk, Basis Point Value (interest rate sensitivity), and Credit Basis Point Value (credit spread sensitivity) are risk metrics calculated via internal models and used in measurement of market risks. Risk measures are monitored at product, portfolio and account (Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement) basis. Performance of internal models is measured by backtesting of the model's outputs. In addition, transaction limits are used at specific products.

Liquidity Risk measurement methods; consists of both short term risk metrics such as Liquidity Coverage Ratio, Short Term Liquidity, Intraday Liquidity, and Early Warning Indicators and long-term risk metrics such as the Net Stable Funding Ratio and the funding concentration structure. With various scenario analyzes aimed at stressing the liquidity, it is examined how the possible deterioration scenarios that can be observed in the parameters of the market or institution-specific or both cases affect the liquidity position of the Bank.

Measurements performed via internal models in the context of market risk management are reported to the Bank's Top Management, Treasury, Financial Reporting and Credit Monitoring Units (for the Counterparty Credit Risk process) on a daily basis and to the Board of Directors and Executive Committee on a monthly basis.

Stress tests, provide a prospective point of view during risk management, budget and capital planning processes through reviewing the impact of events or changes in markets, which have a low possibility to occur under normal conditions but may result in losses to Bank in case they occur. The Bank performs stress tests to measure impacts of temporary or continuous deteriorations in market risk factors on income statement and to make capital plans. Scenarios, having basis, medium and high stress levels, aim to measure impacts of adverse conditions across the country on the economic value of the Bank through risk factors. Other important risk elements such as Fixed Assets held by the Bank and financial investment risks faced through its subsidiaries, as well as price movements, are reviewed during stress test processes as well.

Stress test studies are made with the active participation of senior management and impact of the stress test to the general risk profile of the Bank is reported. Senior management participates in establishing of stress test's scenario, analyzing of its results, through determination of the scope and approach of the scenario, guidance of required directions and review of results and recommendation of action plans. Stress scenarios, up-to-date estimations and crisis scenarios are prepared by Research and Analytics Department.

The Parent Bank reduces market risk exposure within scope of its commercial activities through derivative instruments and makes an effort to control impacts of the risks on capital through hedge accounting implementation. It holds foreign exchange positions to manage residual positions as a result of banking activities through performing a conservative approach to exchange risk and manages its end of day positions at a minimum level.

For the detection and mitigation of risks, Operational and Reputational Risk Management defines policies and strategies and determines, reports and monitors actions to reduce potential operational and reputational risks via loss data, key risk indicators, scenario analysis and risk assessments. Operational Risk Management Policy and Reputational Risk Policy is updated every year and approved by the Board of Directors.

Business Continuity Management Policy aims at reducing the risks that may endanger the continuity of Banks operations to a minimum level and ensuring critical product and services in case of unexpected events in an acceptable period. Bank's resilience against unexpected events is increased through the Crisis Communication Plan, Emergency Response Plan, Business Recovery Plan and Crisis Communication Plan. Business Continuity Policy and Plans are regularly updated and approved by the Board of Directors.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Risk validation management is an independent team that reports directly to the Assistant General Manager of Compliance, Internal Control and Risk Management and responsible for the controls of all models, data and processes carried out within the scope of risk management. In addition to statistical practices, validation unit is also responsible for the compliance with the regulations, legal practices and internal policies. The risk validation unit is divided into three sub-units; regulatory risk validation unit, strategic risk validation unit and rating models validation unit. Legal risk validation unit is responsible for IRB models, TFRS 9 and credit risk validation in the second structural pillar. Strategic risk validation unit is responsible for strategy validation, managerial models, market risk validation and validation of other risk types as part of the second structural pillar. Rating models validation unit is responsible of validation activities of marketing models, macroeconomic forecasting models, project financing models and operational risk models.

3.1.2 Overview of Risk Weighted Assets

	Risk Weighted Assets		Minimum Capital Requirements
	Current Period	Prior Period	Current Period
1 Credit risk (excluding counterparty credit risk) (CCR)	1.892.177.702	1.240.744.211	151.374.216
2 Of which standardised approach (SA)	285.688.729	195.455.322	22.855.098
3 Of which internal rating-based (IRB) approach	1.606.488.973	1.045.288.889	128.519.118
4 Counterparty credit risk	11.632.445	10.256.788	930.596
5 Of which standardised approach for counterparty credit risk (SA-CCR)	11.632.445	10.256.788	930.596
6 Of which internal model method (IMM)	-	-	-
7 Equity positions in banking book under market-based approach			
8 Equity investments in funds - look-through approach	864.981	306.034	69.198
9 Equity investments in funds - mandate-based approach			
10 Equity investments in funds - fall-back approach			
11 Settlement risk			
12 Securitisation exposures in banking book			
13 Of which IRB ratings-based approach (RBA)	-	-	-
14 Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15 Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	40.494.671	18.634.498	3.239.574
17 Of which standardised approach (SA)	40.494.671	18.634.498	3.239.574
18 Of which internal model approaches (IMM)	-	-	-
19 Operational risk	224.498.290	169.906.912	17.959.863
20 Of which Basic Indicator Approach	224.498.290	169.906.912	17.959.863
21 Of which Standardised Approach	-	-	-
22 Of which Advanced Measurement Approach	-	-	-
23 Amounts below the thresholds for deduction (subject to 250% risk weight)	24.977.192	18.228.268	1.998.175
24 Floor adjustment			
25 TOTAL (1+4+7+8+9+10+11+12+16+19+23+24)	2.194.645.281	1.458.076.711	175.571.622

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

3.2. Linkages between financial statements and risk amounts:

3.2.1 Differences and matching between asset and liabilities’ carrying values in financial statements and risk amounts in capital adequacy calculation:

Current Period	Carrying values in financial statements prepared as per TAS	Carrying values in consolidated Financial statements prepared as per TAS but in compliance with the communiqué “Preparation of Consolidated Financial	Carrying values of items in accordance with TAS				
			Subject to credit risk	Subject to counterparty credit risk	Subject to the Securitisation framework	Subject to market risk	Not subject to capital requirements or subject to deduction from capital
Assets							
Financial Assets (Net)	863.519.660	863.022.738	845.664.101	88.960.907	-	7.920.551	-
Loans(Net)	2.349.422.278	2.343.665.368	2.412.672.944	24.097.039	-	-	265.873
Assets Held For Resale and Related To Discontinued Operations (Net)	2.330.347	2.330.347	2.330.347	-	-	-	-
Investment in Subsidiaries, Associates, Joint ventures (Net)	13.893.030	14.561.985	14.561.985	-	-	-	-
Property and Equipment (Net)	15.352.418	44.447.425	43.366.839	-	-	-	1.080.586
Intangible Assets (Net)	5.513.926	5.513.482	517.416	-	-	-	4.996.066
Tax Asset	5.347.152	4.759.257	4.759.257	-	-	-	-
Other Assets	242.542.051	244.631.484	256.757.582	-	-	-	-
Total Assets	3.497.920.862	3.522.932.086	3.580.630.471	113.057.946	-	7.920.551	6.342.525
Liabilities							
Deposits	2.044.505.483	1.959.143.020	-	-	-	-	1.959.143.020
Borrowings	412.109.351	412.109.351	-	-	-	-	412.109.351
Money Markets	16.845.637	102.208.100	-	67.339.979	-	-	34.868.121
Marketable Securities Issued (Net)	299.027.618	299.027.618	-	-	-	-	299.027.618
Financial liabilities measured at fair value through profit or loss	63.182.808	63.182.808	-	-	-	-	63.182.808
Derivative Financial Liabilities	19.624.432	19.624.432	-	-	-	10.052.533	19.624.432
Lease Payables (Net)	7.551.518	7.551.518	-	-	-	-	7.551.518
Provisions	20.939.390	26.621.791	-	-	-	-	26.621.791
Tax Liability	1.171.941	19.617.545	-	-	-	-	19.617.545
Subordinated Loans	122.617.093	122.617.093	-	-	-	-	122.617.093
Other Liabilities	255.097.537	235.611.695	-	-	-	-	235.611.695
Shareholder’s Equity	235.248.054	255.617.115	-	-	-	-	255.617.115
Total Liabilities	3.497.920.862	3.522.932.086	-	67.339.979	-	10.052.533	3.455.592.107

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

Prior Period	Carrying values in financial statements prepared as per TAS	Carrying values in consolidated Financial statements prepared as per TAS but in compliance with the communiqué “Preparation of Consolidated Financial	Carrying values of items in accordance with TAS					
			Subject to credit risk	Subject to counterparty credit risk	Subject to the Securitisation framework	Subject to market risk	Not subject to capital requirements or subject to deduction from capital	
Assets								
Financial Assets (Net)	632.236.414	632.315.012	615.562.237	79.428.096	-	6.573.011	-	-
Loans(Net)	1.710.492.362	1.707.914.667	1.754.912.752	178.287.340	-	-	-	189.047
Assets Held For Resale and Related To Discontinued Operations (Net)	619.311	619.311	619.311	-	-	-	-	-
Investment in Subsidiaries, Associates, Joint ventures (Net)	9.353.496	9.397.450	9.397.450	-	-	-	-	-
Property and Equipment (Net)	11.379.692	30.932.539	30.066.749	-	-	-	-	865.790
Intangible Assets (Net)	3.403.583	3.403.221	333.638	-	-	-	-	3.069.583
Tax Asset	19.143.487	17.415.013	17.415.013	-	-	-	-	-
Other Assets	153.149.027	151.883.571	157.422.589	-	-	-	-	-
Total Assets	2.539.777.372	2.553.880.784	2.585.729.739	257.715.436	-	6.573.011	-	4.124.420
Liabilities								
Deposits	1.567.775.360	1.374.257.403	-	-	-	-	-	1.374.257.403
Borrowings	297.330.401	297.330.401	-	-	-	-	-	297.330.401
Money Markets	2.492.673	196.010.595	-	187.538.791	-	-	-	8.471.804
Marketable Securities Issued (Net)	151.169.718	151.169.718	-	-	-	-	-	151.169.718
Financial liabilities measured at fair value through profit or loss	75.234.394	75.234.394	-	-	-	-	-	75.234.394
Derivative Financial Liabilities	18.966.255	18.966.255	-	-	-	9.286.365	-	18.966.255
Lease Payables (Net)	5.399.786	5.399.786	-	-	-	-	-	5.399.786
Provisions	18.087.389	21.574.366	-	-	-	-	-	21.574.366
Tax Liability	864.469	9.697.039	-	-	-	-	-	9.697.039
Subordinated Loans	61.931.598	61.931.598	-	-	-	-	-	61.931.598
Other Liabilities	161.350.596	149.495.683	-	-	-	-	-	149.495.683
Shareholder’s Equity	179.174.733	192.813.546	-	-	-	-	-	192.813.546
Total Liabilities	2.539.777.372	2.553.880.784	-	187.538.791	-	9.286.365	-	2.366.341.993

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.2.2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements:

Current Period		Total	Subject to Credit Risk	Subject to the Securitisation	Subject To Counterparty Credit Risk	Subject To Market Risk
1	Assets carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	3.701.608.968	3.580.630.471	-	113.057.946	7.920.551
2	Liabilities carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	77.392.512	-	-	67.339.979	10.052.533
3	Total net amount under scope of regulatory consolidation	3.624.216.456	3.580.630.471	-	45.717.967	(2.131.982)
4	Off-Balance Sheet Amounts	3.576.546.563	1.732.392.216	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences resulted from the BRSA's applications	-	(443.500.986)	-	(9.012.484)	42.626.653
9	Differences due to risk reduction	-	(567.674)	-	-	-
	Risk Amounts	-	4.868.954.027	-	36.705.483	40.494.671

Prior Period		Total	Subject to Credit Risk	Subject to the Securitisation	Subject To Counterparty Credit Risk	Subject To Market Risk
1	Assets carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	2.850.018.186	2.585.729.739	-	257.715.436	6.573.011
2	Liabilities carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	196.825.156	-	-	187.538.791	9.286.365
3	Total net amount under scope of regulatory consolidation	2.653.193.030	2.585.729.739	-	70.176.645	(2.713.354)
4	Off-Balance Sheet Amounts	2.063.010.216	1.072.184.984	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences resulted from the BRSA's applications	-	(284.023.961)	-	(8.403.311)	21.347.852
9	Differences due to risk reduction	-	(2.349.977)	-	-	-
	Risk Amounts	-	3.371.540.785	-	61.773.334	18.634.498

3.2.3 Disclosures regarding differences between exposures valued in accordance with TAS and risk exposures:

Main difference between amounts reported in financial statements and valued in accordance with TAS and amounts valued in accordance with TAS in scope of TAS in the framework of legal consolidation is that non-financial subsidiaries are not included in consolidation in scope of legal consolidation.

Group's financial instruments subject to fair value measurement are valued using Mark-to-Market or Mark-to-Model approach based on their product types. Implementation of valuation methodologies is carried out in accordance with the "Fair Value Measurement" policies in line with the prudent valuation principles set out in the annex of the Directive on Measurement and Assessment of Banks' Capital Adequacy. The Group uses market prices for bonds and futures contracts traded in organized markets, while it often uses platforms generating Mark-to-Model value for derivative transactions traded in OTC markets. Mark-to-Market or Mark-to-Model valuations are made on a daily basis so that changes in the market can be reflected in the Group's financials with the same frequency.

The Independent Price Control process (IPV) is designed to draw the errors or deviations that may occur in the valuations to the minimum level, to calculate the correct profit / loss and risk, through verification, comparison and approval of market prices and model inputs regularly with independent and different sources. The purpose of the IPV is to ensure that the data used for bank valuations are generated on a daily basis from a highly representative, adequately liquid and accurate instruments. All these processes have a clear, integrated and complementary approach that is in line with the objectives of the Bank.

The fair value of an instrument is recognized through the utilization of quotations for securities and derivatives in active markets. In instances where quotations are not available, the price is determined by using generally accepted pricing models for market operations.

Credit valuation adjustments (CVA) are also made by taking into account the possible changes in the credit value of the counterparties of the transactions made within the scope of counterparty credit risk (CCR). Credit valuation adjustments represent the current market value of the Parent Bank's credit risk arising from the failure to fulfil any of the obligations specified in the contract with the counterparty. Changes in the credit risk of all counterparties arising from derivative transactions due to market conditions are also included in regulatory capital adequacy calculations.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3. Explanations on credit risk

3.3.1. General information regarding credit risk

3.3.1.1. General qualitative information regarding credit risk

Credit Policy is prepared to be well-structured in line with the BRSA loan management guidebook.

Credit Policy is revised at least once a year, approved by Board of Directors, announced within the bank and implemented in accordance with the appropriate procedures in banks. During the review of credit policies, economic conjuncture, the bank's capital adequacy ratio and amendments in related regulation are taken into consideration. Key elements such as target markets, portfolio structure and concentration, large exposures, credit limit applications, approval authorities are determined in the credit policies. In the policies, key messages are provided based on principles of prudence, continuity about the customers' worthiness, specific sectors, segments and products for growth in accordance with the defined credit strategies.

Credit Risk Management Section is established to manage the credit risk of the Bank by determining, measuring, monitoring, evaluating and reporting the risks. In order to improve the asset quality of the Bank, the main roles and responsibilities of the section are composed of performing periodical analyses on credit portfolio trend, calculating credit risk cost based on segments and executing compliance activities between risk management practices with Basel requirements.

Credit Risk Management consists of two sub-units: Credit Risk Strategies and Operational Risk Management and Credit Risk Planning, Modeling and Reporting Management.

Credit Risk Strategies and Operational Risk Management is responsible for developing underwriting, monitoring, collection and workout strategies and following the actions taken in accordance with the Bank's risk appetite in terms of credit risk. The unit takes an active role in the development of these strategies by conducting risk analysis, determining the rules to be used in decision trees, putting them into practice through decision support systems, and running the flow smoothly. The unit is also responsible for definition of the operational and reputational risk policies, implementation of measurement, monitoring and reporting systems, identification of the key risk indicators, and performance of scenario analyses. The unit carries out the activities regarding Basel compliance, operational risk models setting and development, operational risk weighted asset calculation and risk based insurance activities.

The unit is responsible for the studies on Information Systems risk inventory, coordination of the Support Services Risk Management Program and setting up the relevant monitoring systems and management, as well as development of the Business Continuity Management Policy and Plans and continuous updating of these policy and plans. The unit also ensures the actions taken under business continuity and the coordination and control of Business Continuity Management projects and budget.

Credit Risk Planning, Modeling and Reporting Management is responsible for preparation of credit risk budgeting and credit risk reporting activities of the Bank, calculation of loan loss provisions; identification of the Credit Policy according to risk appetite of the Bank, implementation of the policy throughout the Banks and its subsidiaries, support to all units in the Bank for the related topics. The units establishes a common risk culture on group basis and performs process analyses of credit and risk management functions in subsidiaries to ensure standard risk management practices and establishes action plans for the standardization of all gaps within the group. The unit prepares reports for assessment of credit risk and for the preparation of various and comprehensive concentrations and forecasts on asset quality trends for the Bank, performs necessary calculations to measure the risk profile of the bank and ensures that the country risk is identified.

The unit is also responsible for taking part in the model development processes of PD, EAD, LGD models which are in the scope of IRB communique (issued by BRSA – using internal rating based approach for credit risk calculations) and giving opinions as the ultimate authority, supervising the rating systems, monitoring the performance, analysing the results regularly, ensuring the proper functioning of the rating systems, leading the studies for the areas that need improvement and the deficiencies identified, informing the BRSA about the changes made in the rating systems and the relevant units within the Bank, evaluating model use test, ensuring dissemination of the models in the bank internal processes within the scope requested by the BRSA and monitoring the projects carried out in the Bank within the scope of Basel for commercial customers.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

This business unit is also responsible for taking part in the development processes of operational models used in underwriting, monitoring, collection, etc. processes and monitoring their performance.

ISEDES report is prepared in accordance with the related guide of BRSA and submitted to the approval of the Board of Directors. The report mainly includes the Bank's approach for the review of risks and capital in order to preserve capital adequacy of the Bank with respect to its current and future activities and information on management structure and applied approaches.

Regular supervision and controls are performed to ensure that credit process is carried out in compliance with the Bank credit policies and procedures, loans are extended in accordance with principles and procedures determined by the Board of Directors and loans are reported properly with the information of maturity, quantity and qualification to top management.

Activities carried out by units within scope of internal systems are employed as a tool to define weak points regarding the credit risk management process, policy and procedures and to determine the transactions that are not compliant with limits, policy and procedures.

Issues that are observed during the examinations is being regularly reported to top management and Audit Committee considering importance level.

Summary of the activities of units within the scope of internal systems are effectively utilized by the management and actions are taken in order to prevent repetition of weaknesses and conflicts regarding credit management.

3.3.1.2. Credit quality of assets

Current Period	Gross carrying values of as per TAS		Allowances/ impairment	Net values
	Defaulted exposures	Non-defaulted exposures		
1 Loans	71.326.935	1.922.365.933	71.161.052	1.922.531.816
2 Debt Securities	-	618.881.664	155.290	618.726.374
3 Off-balance sheet exposures	8.199.473	3.579.390.578	2.427.980	3.585.162.071
4 Total	79.526.408	6.120.638.175	73.744.322	6.126.420.261

Prior Period	Gross carrying values of as per TAS		Allowances/ impairment	Net values
	Defaulted exposures	Non-defaulted exposures		
1 Loans	40.998.850	1.327.868.458	48.721.495	1.320.145.813
2 Debt Securities	-	524.325.382	200.175	524.125.207
3 Off-balance sheet exposures	6.487.637	2.046.057.428	1.552.700	2.050.992.365
4 Total	47.486.487	3.898.251.268	50.474.370	3.895.263.385

3.3.1.3. Changes in stock of defaulted loans and debt securities

	Current Period	Prior Period
1 Defaulted loans and debt securities at end of the previous reporting period	47.486.487	30.616.164
2 Loans and debt securities that have defaulted since the last reporting period	66.766.711	40.308.186
3 Returned to non-defaulted status (-)	1.115.273	5.929.621
4 Amounts written off (-)	8.813.453	5.684.099
5 Other changes	(24.798.064)	(11.824.143)
6 Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)	79.526.408	47.486.487

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.1.4. Additional disclosure related to the credit quality of assets

According to the BRSA Regulation "Regulation on the procedures and principles for the determination of qualification of loans and other receivables by Banks and provision to be set aside" in the cases:

- For which recovery of principal or interest or both delays for more than ninety days from their terms or due dates or;
- Which have limited means for total recovery because debtors' equity or guarantees extended by them are found inadequate to cover payment of debts on respective terms and are likely to lead to losses in case any such problems observed are not solved or;
- For which debtors have suffered deterioration in their creditworthiness and credits have suffered weakness consequently or;
- For which it is believed that recovery by banks of principal or interest or both would delay for more than ninety days from their terms or due dates due to reasons such as problems encountered by debtors over operating capital financing or additional liquidity creation,

Loans and receivables are classified as non performing loans and are transferred to non performing loan accounts. Within the scope of the same regulation, these loans are set aside for the expected credit loss according to the internal models developed by the Bank.

In accordance with the regulation; in the event that failure to meet payment obligations towards banks stems from temporary liquidity difficulties related to the loans and other receivables as part of the principles of classification, loans and other receivables including any overdue interest may be restructured or subject to a new redemption plan for the purpose of providing debtors with liquidity capability and ensuring recovery of receivables by Bank.

3.3.1.4.1. Exposures provisioned against by major regions ⁽¹⁾:

	Current Period	Prior Period
Domestic	2.579.363.303	1.783.314.570
USA, Canada	2.070.691	2.398.517
European Union (EU) Countries	66.676.298	52.387.069
OECD Countries	9.764.596	7.864.937
Off-Shore Banking Regions	900	1.098
Other Countries	36.917.614	22.281.531
Total	2.694.793.402	1.868.247.722

(1) Breakdown of cash, non-cash and non-performing loans with respect to geographical regions are provided.

3.3.1.4.2. Exposures provisioned against by major sectors ⁽¹⁾:

	Current Period	Prior Period
Agricultural	47.246.476	34.592.846
Farming and raising livestock	35.674.509	26.485.917
Forestry	5.506.905	4.457.046
Fishing	6.065.062	3.649.883
Manufacturing	1.024.943.607	708.143.009
Mining and Quarrying	19.686.735	14.527.003
Production	842.776.481	568.431.672
Electricity, Gas, Water	162.480.391	125.184.334
Construction	260.577.251	187.508.698
Services	629.340.792	406.562.941
Wholesale and retail trade	166.089.904	97.580.968
Hotel, food and beverage services	63.938.961	39.850.335
Transportation and telecommunication	73.177.392	59.362.244
Financial institutions	163.309.190	87.158.230
Real estate and leasing services	47.090.142	29.162.357
Education services	2.889.369	1.669.440
Health and social services	112.845.834	91.779.367
Other	732.685.276	531.440.228
Total	2.694.793.402	1.868.247.722

(1) Breakdown of cash loans, non cash loans and non performing loans by sector is as in the above table.

3.3.1.4.3. Receivables according to remaining maturities:

Receivables according to remaining maturities are explained note 7 of section 4.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.1.4.4. Exposures provisioned against by major sectors:

Information on the amount of receivables and provisions provided for on the sector basis are disclosed in note 2 of Section 4.

3.3.1.4.5. Exposures provisioned against by major regions:

The distribution of the specific provisions is predominantly domestic and a provision amounting to TL 69.034.690 (December 31, 2024- TL 39.354.132) has been set aside for the risk at an amount of TL 41.685.325 (December 31, 2024- TL 26.010.862).

3.3.1.4.6. Aging analysis for overdue receivables ⁽¹⁾:

Overdue days	Current Period	Prior Period
1-30 days	20.269.556	13.248.249
31-60 days	13.924.040	10.301.814
61-90 days	11.210.753	6.379.622
Total	45.404.349	29.929.685

(1) Overdue receivables under close monitoring represent overdue of cash loans.

Loans under close monitoring amounting to TL 172.464.012 (December 31, 2024- TL 118.607.586) are not overdue.

3.3.1.4.7. Breakdown of restructured receivables based on whether or not provisions are allocated:

Provisions are recognized for all non-performing loans in accordance with Provisioning Regulation.

Credit Class	Current Period	Prior Period
Loans restructured from loans and other receivables under close monitoring	132.554.240	93.451.947
Loans restructured from loans under legal follow-up	12.617.618	9.823.075
Total	145.171.858	103.275.022

3.3.1.4.8. Informations related to expected credit losses for loans:

Current Period	Stage 1	Stage 2	Stage 3	Total
Beginning of the period	5.202.805	16.741.860	26.776.830	48.721.495
Additions	10.371.399	17.825.192	29.622.233	57.818.824
Disposals (-)	10.617.536	9.362.805	12.147.339	32.127.680
NPL sales (-)	-	-	6.924.393	6.924.393
Write offs (-)	-	-	314.654	314.654
Transfer to stage 1	5.030.874	(4.876.967)	(153.907)	-
Transfer to stage 2	(2.379.945)	3.077.072	(697.127)	-
Transfer to stage 3	(313.920)	(5.751.453)	6.065.373	-
Exchange differences	669.397	3.122.949	195.114	3.987.460
End of the period	7.963.074	20.775.848	42.422.130	71.161.052

Prior Period	Stage 1	Stage 2	Stage 3	Total
Beginning of the period	6.038.668	15.558.739	19.716.840	41.314.247
Additions	2.996.289	14.822.412	22.849.576	40.668.277
Disposals (-)	7.566.765	9.872.350	12.482.034	29.921.149
NPL sales (-)	-	-	5.667.321	5.667.321
Write offs (-)	-	-	16.778	16.778
Transfer to stage 1	3.510.629	(3.508.361)	(2.268)	-
Transfer to stage 2	(132.242)	497.727	(365.485)	-
Transfer to stage 3	(1.602)	(2.665.002)	2.666.604	-
Exchange differences	357.828	1.908.695	77.696	2.344.219
End of the period	5.202.805	16.741.860	26.776.830	48.721.495

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.2. Credit risk mitigation

3.3.2.1. Qualitative disclosure on credit risk mitigation techniques

The Parent Bank employs on-balance sheet netting and/or general netting agreements for specific capital market transactions for credit risk mitigation, with the condition of meeting the requirements of having implemented corresponding system supported methods and processes and clear documentation of the required documents.

The Parent Bank may use assets and liabilities as an on balance sheet netting instrument considering them as cash collateral.

The capital requirements may be determined on the base of net exposure of assets and liabilities, if the following conditions are met:

- The agreement should provide the Bank the authorization to monitor the receivable of the payee over a single value after netting all payables and receivables even though there is no such indicator for the counterparty showing bankruptcy or financial difficulty in accordance with the regulations of governments.
- The Bank is provided the authority of netting and monitoring the risk over a single value even the counterparty is not in bankruptcy case of a bankruptcy of one counterparty, the other counterparty should have the authority to terminate all contracts under the agreement
- The agreement should provide the facility to monitor the receivable of the payee over a single value after netting all payables and receivables in case of the termination of all contracts

In the policies and procedures regarding the assessment and management of the collaterals as part of collateralized lending, credit risk mitigation techniques aims at:

- Determination of general and specific requirements for the improvement and optimization of collateral systems, processes, strategies and procedures;
- Valuation of collateral taking into consideration the local regulations and procedures;
- Provision of the soundness, legal enforceability and maintenance of ratable collateral based on a legal framework;
- Determination of the level of the collateral haircut taking the local conditions and the process of risk management into consideration;
- Regular monitoring of the collateral value;
- Differentiation between counterparty (economic) and country (political) risk aspects,
- Mitigation of concentration risks, correlation risks and residual risks through recognition of collateral;
- Improvement in the quality of strategic business and overall Bank management
- Clear definition of roles and responsibilities
- Determination of acceptable collaterals and collateral related conditions (list of collateral) / (non-parametric condition list)

In the calculations regarding credit risk mitigation, the Bank performs risk mitigation within the regulations set out in the Credit Risk Mitigation Techniques Notification dated September 6, 2014 and numbered 29111 and uses a comprehensive financial guarantee method for its financial collaterals. With the comprehensive financial collateral method, the relevant volatility adjustments specified in the regulation made on the value of the financial collaterals that are used in calculating the capital requirements.

The credit policies establish an operational connection between Bank's activities and its risk capacity and covers the main business areas in accordance with target portfolio structure, risk targets regarding expected and unexpected loss in line with risk capacity and limits relating to risk concentration. Limits are ensured to be compliant with restrictions determined by related regulation and regulatory authorities. Bank uses an integrated approach in concentration risk management, in which all risk concentrations are identified, monitored and evaluated. Therefore, besides the loans to individuals and companies, also the concentrations of market, sector, country and segment are being taken into consideration. Bank pays utmost attention to any concentration of the credit and market risks on a specific counterparty or risk classification in accordance with policies and internal procedures.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.2.2. Credit risk mitigation techniques – overview

Current Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
Loans	1.813.088.201	109.443.615	91.880.365	1.763.979	1.503.227	-	-
Debt securities	618.726.374	-	-	-	-	-	-
Total	2.431.814.575	109.443.615	91.880.365	1.763.979	1.503.227	-	-
Of which defaulted	26.620.381	2.284.424	1.334.419	577.203	263.356	-	-

Prior Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
Loans	1.220.533.394	99.612.419	79.079.909	1.507.124	1.255.959	-	-
Debt securities	524.125.207	-	-	-	-	-	-
Total	1.744.658.601	99.612.419	79.079.909	1.507.124	1.255.959	-	-
Of which defaulted	13.125.457	1.096.563	627.614	546.177	221.265	-	-

3.3.3. Credit risk under standardised approach**3.3.3.1. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk**

An international rating firm, Fitch Ratings' external risk ratings are used to determine the risk weights of the risk categories as per the Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks". The international risk ratings are used for all the exposures to central governments/central banks, for Financial Institutions, Corporations, Regional Governments, Administrative Bodies and for Multinational Development Banks asset classes of which the counterparty resides in foreign countries. For receivables denominated in Turkish Lira, national scale credit ratings assigned by JCR Eurasia Rating (JCR-ER) may also be utilized.

Exposures to central governments and central banks which are not rated by Fitch Ratings are included in the calculation of capital adequacy as unrated. Receivables from residents in Türkiye are classified as unrated.

Fitch Ratings' risk ratings as per the credit quality grades and the risk weights according to exposure categories are presented below:

Credit Quality Grade	Fitch Ratings	Claims on banks and intermediary institutions				
		Claims on sovereigns and Central Banks	Claims on administrative bodies and other non-commercial undertakings	Contractual maturity of claims under 3 months	Contractual maturity of claims over 3 months	Claims on corporates
1	AAA AA+ AA AA-	0%	20%	20%	20%	20%
2	A+ A A-	20%	50%	20%	50%	50%
3	BBB+ BBB BBB-	50%	100%	20%	50%	100%
4	BB+ BB BB-	100%	100%	50%	100%	100%
5	B+ B B-	100%	100%	50%	100%	150%
6	CCC+ CCC CCC- CC C D	150%	150%	150%	150%	150%

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.2. Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects

Current Period		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset 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	937.639.550	509	939.406.133	3.036	570.064	0,06%
2	Exposures to regional governments or local authorities	4.617.868	995	4.617.861	497	2.309.179	50,00%
3	Exposures to public sector entities	4.294.495	1.025.688	4.294.470	300.045	4.594.515	100,00%
4	Exposures to multilateral development banks	2.189.489	707.400	2.189.489	605.349	-	-
5	Conditional and unconditional receivables from banks and brokerage houses	218.473.998	327.792.319	218.471.723	16.278.227	73.663.449	31,38%
6	Exposures to institutions	180.095.242	123.543.242	179.469.455	38.373.649	173.005.212	79,42%
7	Exposures to corporates	25.175.124	5.823.864	24.047.846	242.610	18.217.842	75,00%
8	Retail exposures	939.982	610	939.982	305	340.985	36,26%
9	Exposures secured by residential property	325.089	915.749	325.089	537.874	568.498	65,88%
10	Exposures secured by commercial real estate	640.400	-	513.789	-	376.365	73,25%
11	Past-due loans	1.480.169	1.707.122	1.332.517	101.167	2.147.577	149,79%
12	Higher-risk categories by the Agency Board	1.246.948	-	1.246.948	-	864.981	69,37%
13	Investments in equities	11.599.346	-	11.599.346	-	26.585.661	229,20%
14	Other assets	48.861.100	-	48.861.100	-	8.286.574	16,96%
Total		1.437.578.800	461.517.498	1.437.315.748	56.442.759	311.530.902	20,86%

Prior Period		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset 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	796.301.041	389.702	797.778.265	164.505	488.133	0,06%
2	Exposures to regional governments or local authorities	2.944.892	27.855	2.939.316	12.997	1.476.157	50,00%
3	Exposures to public sector entities	2.850.915	790.175	2.850.899	171.049	3.021.948	100,00%
4	Exposures to multilateral development banks	1.284.245	304.168	1.284.245	153.310	-	-
5	Conditional and unconditional receivables from banks and brokerage houses	144.715.077	70.412.322	144.665.091	13.523.423	54.774.775	34,63%
6	Exposures to institutions	109.818.911	79.224.688	106.896.663	26.677.130	118.448.658	88,68%
7	Exposures to corporates	12.935.473	3.679.910	12.483.774	165.202	9.486.732	75,00%
8	Retail exposures	117.468	15.984	117.468	7.992	44.522	35,49%
9	Exposures secured by residential property	158.915	848.714	158.915	449.357	367.838	60,47%
10	Exposures secured by commercial real estate	483.497	-	342.075	-	226.448	66,20%
11	Past-due loans	561.109	1.505.472	481.073	109.536	885.914	150,00%
12	Higher-risk categories by the Agency Board	307.745	-	307.745	-	306.034	99,44%
13	Investments in equities	9.165.600	-	9.165.600	-	20.102.560	219,33%
14	Other assets	26.339.291	-	26.339.291	-	4.359.905	16,55%
Total		1.107.984.179	157.198.990	1.105.810.420	41.434.501	213.989.624	18,65%

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.3. Standard Approach: Receivables by risk classes and risk weights

Current Period												Total credit risk exposure amount (after CCF and CRM)
Asset classes/ Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	1250%	
1 Exposures to central governments or central banks	937.974.761	-	490.467	-	943.941	-	-	-	-	-	-	939.409.169
2 Exposures to regional governments or local authorities	-	-	-	-	4.618.358	-	-	-	-	-	-	4.618.358
3 Exposures to public sector entities	-	-	-	-	-	-	4.594.515	-	-	-	-	4.594.515
4 Exposures to multilateral development banks	2.794.838	-	-	-	-	-	-	-	-	-	-	2.794.838
5 Conditional and unconditional receivables from banks and brokerage houses	-	-	150.249.133	-	81.774.390	-	2.726.427	-	-	-	-	234.749.950
6 Exposures to institutions	-	-	21.777.286	-	54.832.127	-	141.233.691	-	-	-	-	217.843.104
7 Exposures to corporates	-	-	-	-	-	24.290.456	-	-	-	-	-	24.290.456
8 Retail exposures	-	-	-	910.575	-	29.712	-	-	-	-	-	940.287
9 Exposures secured by residential property	-	-	-	-	588.930	-	274.033	-	-	-	-	862.963
10 Exposures secured by commercial real estate	-	-	-	-	274.848	-	238.941	-	-	-	-	513.789
11 Past-due loans	-	-	-	-	2.199	-	1.500	1.429.985	-	-	-	1.433.684
12 Higher-risk categories by the Agency Board	144.071	-	283.135	-	22.777	-	796.965	-	-	-	-	1.246.948
13 Investments in equities	-	-	-	-	-	-	1.608.469	-	-	9.990.877	-	11.599.346
14 Other assets	40.574.526	-	-	-	-	-	8.286.574	-	-	-	-	48.861.100
Total	981.488.196	-	172.800.021	910.575	143.057.570	24.320.168	159.761.115	1.429.985	-	9.990.877	-	1.493.758.507

Prior Period												Total credit risk exposure amount (after CCF and CRM)
Asset classes/ Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	1250%	
1 Exposures to central governments or central banks	796.966.504	-	-	-	976.266	-	-	-	-	-	-	797.942.770
2 Exposures to regional governments or local authorities	-	-	-	-	2.952.313	-	-	-	-	-	-	2.952.313
3 Exposures to public sector entities	-	-	-	-	-	-	3.021.948	-	-	-	-	3.021.948
4 Exposures to multilateral development banks	1.437.555	-	-	-	-	-	-	-	-	-	-	1.437.555
5 Conditional and unconditional receivables from banks and brokerage houses	-	-	85.443.517	-	70.117.850	-	2.627.147	-	-	-	-	158.188.514
6 Exposures to institutions	-	-	267.940	-	29.821.566	-	103.484.287	-	-	-	-	133.573.793
7 Exposures to corporates	-	-	-	-	-	12.648.976	-	-	-	-	-	12.648.976
8 Retail exposures	-	-	-	123.932	-	1.528	-	-	-	-	-	125.460
9 Exposures secured by residential property	-	-	-	-	480.868	-	127.404	-	-	-	-	608.272
10 Exposures secured by commercial real estate	-	-	-	-	231.254	-	110.821	-	-	-	-	342.075
11 Past-due loans	-	-	-	-	-	-	-	590.609	-	-	-	590.609
12 Higher-risk categories by the Agency Board	1.264	-	240	-	510	-	305.731	-	-	-	-	307.745
13 Investments in equities	-	-	-	-	-	-	1.874.293	-	-	7.291.307	-	9.165.600
14 Other assets	21.979.386	-	-	-	-	-	4.359.905	-	-	-	-	26.339.291
Total	820.384.709	-	85.711.697	123.932	104.580.627	12.650.504	115.911.536	590.609	-	7.291.307	-	1.147.244.921

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.4. Explanations on the use of IRB Models

In the development of internal models;

- As the owners of the probability of default (PD), loss given default (LGD) and exposure at default (EAD) models used in capital adequacy calculations, credit risk control and modeling units (individual and commercial) are responsible for the development and implementation processes of the models, also the regular monitoring and updating of the models,
- In case of need, advanced analytics unit is responsible for the development of the PD, LGD, EAD models,
- Validation unit is responsible for performing the initial and periodic validation of the models and providing the regular validation report.

When the development of the models is completed and following the approval of the validation unit, they are submitted to the approval of the credit committee and the Board of Directors. The models can be got into use after the necessary approvals are obtained from the relevant committees.

Performance monitoring of the model, which has been developed and put into use, is carried out by the credit risk control and modeling units and the validation unit. Performance monitoring of the models is carried out through the credit risk control unit report prepared quarterly by the credit risk control and modeling teams and annual periodic validation studies. In addition, every month before the models are run, certification checks are carried out and the accuracy of the data used in the model is confirmed.

Re-development, re-train or re-calibration of the models can be done according to the performance monitoring results of the models in use.

In accordance with the IRB communiqué (issued by BRSA – using internal rating based approach for credit risk calculations) as published in the Official Gazette dated October 23, 2015 numbered 29511, all IRB models and validation processes are audited annually by the Internal Audit Department. The scope of audits consists of three main areas: governance and validation, rating systems and quantification of risks and usage testing. Audit processes include reviewing IRB models for compliance with all minimum requirements, as well as validation of models. In this framework, initial, periodic, data and process validation activities are examined and validation findings are also taken into account within the scope of relevant model audits.

Reports on credit risk models are prepared in order to explain the structure, process and performance of the rating system, the areas that need improvement, the activities to complete the identified deficiencies, and to monitor the credit risk. Commercial credit risk control and modeling and retail credit risk control and modeling units are responsible for reporting. The related report includes the risk profile according to grades, migrations between grades, comparison of the estimations of risk parameters and observed values, and analysis of the effectiveness of the override process. If there is a rating override for project finance loans in the relevant reporting period, the reasons for the change are also included.

For the capital calculation, BRSA allowed the use of PD and EAD models in the corporate receivables class, the PD, LGD and EAD models in the retail receivables class, and the use of the slotting method in project finance loans.

84% of the Group's total risk weighted assets is calculated with IRB approach. 6% of the total risk weighted assets is held in portfolios that do not have an IRB approach permission such as receivables from central governments or financial institutions. 7% of the total risk weighted assets related to subsidiaries is outside the scope of the IRB models. The corporate and commercial portfolio is under the foundation IRB approach, 72% of which is calculated with the IRB approach. The retail portfolio is under the advanced IRB approach and 98% of it is calculated with the IRB approach. The classification approach is used for all project financing risks.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

There are application and behavior PD Models for both corporate and retail receivables classes. Application models are the models that work at the moment in the Bank's proactive channel when a customer applies for a loan to the Bank. Behavioral models are run at the end of each month for customers with limits or risks in the bank (it is required to be older than six months in the retail portfolio).

- Individual portfolio PD application models consist of five models that work separately for each product in case the customer makes an application and in the Bank's proactive channel, while Behavior PD model is a model that consists of nine different segments.
- Individual portfolio EAD models consist of five different models that vary according to the limit usage rate and risk amount for the customer's credit card and overdraft products, while LGD models consist of five models with eleven different segments in terms of risk amount breakdown by product.
- SME portfolio PD application and behavior models consists of four different segments, which vary according to the customer's information such as turnover, customer type, sector information and risk center limit. The customer can only proceed from one of these segments.
- The same model is used for application and behavior in the corporate/commercial portfolio PD calculation. The model consists of four different segments that vary according to the customer's balance sheet type, turnover and risk center limit. The customer can only proceed from one of these segments.
- Corporate/commercial/SME portfolio EAD model consists of twelve different segments that vary according to the portfolio, limit, risk, limit usage rate and limit gap information for the customer's commercial overdraft, commercial credit card, non-cash (check, letter of guarantee, letter of credit) products. Five of the twelve segments are for the corporate/commercial portfolio and seven are for the SME portfolio. LGD Model consists of seven different segments that vary according to turnover, risk amount and collateral information at the customer level.

Bank's PD models are developed using logistic regression. At least five years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-of-sample (OOS) and out-of-time (OOT) data is separated. As stated in the Communique, the PD of the best grade can be at least 0,03%.

Due to the use of minimum five-year data during model development and the higher default rates during the model development period compared to the current period, the calculated PD value especially for the individual portfolio differs relatively from the observed DR.

The PD model is used in underwriting strategies, provision calculations and economic capital calculations as well as capital calculations.

Specialized loans can be defined as portfolios with low default rates. PD calculation is not made for specialized loans, the classification method is used.

While developing the LGD model, the gross LGD approach was used. At least 5-7 years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-of-sample (OOS) and out-of-time (OOT) data is separated. As stated in the communique, it has been ensured that the LGD value of mortgage loans is at least 10%. The downturn period effect for the individual portfolio is added as a conservatism margin:

- A random sample is selected one thousand times, with the LGD values calculated for the performing and default groups equal to the number of observations for each product.
- In each sample, the average of LGD values for the performing and default groups is calculated.
- LGD averages calculated in the previous step were ordered for all segments and groups, and the 75th percentile was determined as LGD with a conservatism margin added.
- In order to reflect the effect of the downturn period, the 90th percentile was chosen after the LGD averages were ranked for all segments and groups.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

For Commercial LGD model, the total collection amount in the first year when the customers entered the liquidation process was calculated and this amount was deducted from the default amount of the following year. Thus, the default amounts remaining in the following years spent by the customer in the liquidation process are reflected. The annual collection has been made taking into account these default amounts. Thus, the year in which the collection rate was bad in the economic cycle was taken into account. The through-the-cycle (TtC) LGD of the annual calculated LGD values was found. The year with the largest percentage difference of the annual LGD values from the calculated TtC LGD was determined as the downturn year, and the related percentage difference was determined as the downturn period coefficient.

The saturation point values used for the time between the default event and the closing of the receivable are as follows.

Product / Portfolio	Saturation Point
Consumer loan	74
Auto loan	30
Overdraft	42
Mortgage	33
Credit card	50
Commercial portfolio	73
SME portfolio	68
Corporate portfolio	50

EAD model begins by associating defaulted loans with the 12-month risk and limit information before the default date. A random observation month is selected from the 12-month period from the date of default by the customer, and the EAD parameters are calculated accordingly. In product segmentation, arithmetic mean EAD ratios were calculated by considering business requirements and statistical significance. The last step is to add a conservatism margin as required in the Basel and IDD communiqué to create the final model.

As a result of the analysis made for individual credit cards and overdraft products, it was decided to use the 60th and 70th percentiles for the conservatism margin and downturn period effect ratios, respectively, in risk conversion factor (RCF), limit conversion factor (LCF) and Non-limit conversion factor (NLCF).

For business card and commercial overdraft products, five quantile is added over the model output for the conservatism margin and the model output for the downturn period effect.

As a result of the analysis made for noncash products, it was decided to use the 70th and 80th percentiles for the conservatism margin and downturn period effect ratios, respectively, in RCF, LCF and NLCF.

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

3.3.3.5. Counterparty Credit Risk Amounts by Portfolio and PD Ranges

Current Period													
Foundation IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post-CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
Exposures to corporates	0-0,15	112.683.269	397.690.672	47,28%	300.720.518	0,07%	29.323	44,16%	1,62	54.928.924	18,27%	95.290	148.702
	0,15-0,25	19.622.310	34.847.886	43,37%	34.734.504	0,20%	23.963	43,10%	1,78	13.339.690	38,40%	31.958	997.157
	0,25-0,5	50.449.741	57.887.569	48,75%	78.668.002	0,35%	7.730	43,47%	1,40	37.857.485	48,12%	125.394	101.315
	0,5-0,75	46.792.125	36.553.257	47,73%	64.240.439	0,62%	9.882	44,03%	1,41	42.201.496	65,69%	180.178	183.917
	0,75-2,5	123.074.537	95.797.085	46,74%	167.850.946	1,50%	15.426	42,10%	1,53	150.897.234	89,90%	1.130.800	1.327.040
	2,5-10	49.734.723	34.659.435	34,84%	61.810.385	4,97%	11.279	40,67%	1,43	78.745.494	127,40%	1.381.999	657.050
	10-100	25.667.868	4.242.295	43,74%	27.523.261	24,22%	1.890	42,46%	1,91	62.514.605	227,13%	2.999.580	2.299.092
	100 (default)	14.970.063	4.630.808	20,61%	15.924.375	100,00%	4.256	43,33%	2,50	-	-	6.901.170	8.486.286
	Subtotal		442.994.636	666.309.007	46,30%	751.472.430	3,88%	100.438	43,20%	1,58	440.484.928	58,62%	12.846.369
Advanced IRB	0-0,15	20.580.432	190.537.364	63,92%	142.379.430	0,10%	1.894.740	56,22%	-	4.961.334	3,48%	77.320	49.497
	0,15-0,25	27.208.166	246.551.269	61,92%	179.880.862	0,19%	2.209.294	55,99%	-	11.043.220	6,14%	193.965	108.078
	0,25-0,5	9.141.576	62.327.586	63,74%	48.868.267	0,33%	629.292	56,24%	-	4.643.069	9,50%	90.148	50.015
	0,5-0,75	26.265.167	136.825.948	63,03%	112.502.991	0,64%	1.353.027	56,15%	-	18.241.230	16,21%	407.392	173.067
	0,75-2,5	42.646.062	155.741.598	63,52%	141.569.885	1,44%	2.006.599	56,20%	-	41.907.129	29,60%	1.143.204	526.788
	2,5-10	61.748.660	59.739.668	62,09%	98.842.755	5,10%	2.320.392	55,42%	-	68.687.526	69,49%	2.789.541	1.509.398
	10-100	13.826.057	1.529.577	69,23%	14.884.989	30,69%	451.311	54,72%	-	25.675.508	172,49%	2.506.879	1.026.470
	100 (default)	773.400	1.813	55,12%	774.399	100,00%	24.209	65,00%	-	83.321	10,76%	497.092	66.329
	Subtotal		202.189.520	853.254.823	63,00%	739.703.578	1,86%	10.709.101	56,02%	-	175.242.337	23,69%	7.705.541
Retail SME Exposures	0-0,15	29.479.007	133.243.279	52,73%	99.736.087	0,09%	203.289	52,56%	-	12.103.775	12,14%	45.505	67.212
	0,15-0,25	17.284.776	47.521.327	53,16%	42.546.588	0,20%	181.171	53,99%	-	9.718.523	23,03%	45.150	68.753
	0,25-0,5	28.534.758	50.613.055	49,08%	53.375.810	0,35%	145.245	52,29%	-	17.169.459	32,26%	97.448	70.910
	0,5-0,75	20.851.438	30.273.743	51,63%	36.481.541	0,63%	127.549	53,22%	-	16.582.365	46,05%	120.936	120.637
	0,75-2,5	69.969.909	58.580.173	49,13%	98.751.688	1,46%	250.259	50,95%	-	60.511.595	61,53%	729.381	400.973
	2,5-10	55.993.031	22.651.011	47,43%	66.737.097	5,10%	194.192	50,22%	-	52.521.074	78,68%	1.700.487	753.292
	10-100	25.335.612	5.239.414	36,97%	27.272.826	23,89%	61.522	48,80%	-	30.670.625	112,24%	3.193.791	1.042.893
	100 (default)	12.603.734	1.969.556	23,20%	13.060.651	100,00%	54.002	72,95%	-	2.245.117	16,92%	9.356.001	9.067.677
	Subtotal		260.052.265	350.091.558	50,82%	437.962.288	5,73%	1.018.536	52,38%	-	201.522.533	46,09%	15.288.699
Other Retail Exposures	0-0,15	49.073.475	303.000.857	57,32%	222.747.462	0,10%	435.955	55,44%	-	31.345.851	14,20%	118.122	81.380
	0,15-0,25	72.361.476	317.331.463	59,12%	259.958.101	0,19%	578.016	55,96%	-	59.632.684	23,42%	274.528	167.753
	0,25-0,5	25.970.426	74.847.068	59,06%	70.176.232	0,33%	155.952	56,08%	-	22.817.980	33,30%	126.270	70.760
	0,5-0,75	85.426.666	167.042.873	59,19%	184.292.299	0,64%	465.304	56,82%	-	89.526.328	49,50%	657.435	310.776
	0,75-2,5	124.802.622	126.773.284	59,05%	199.659.593	1,50%	574.002	57,69%	-	139.747.343	70,68%	1.706.459	849.041
	2,5-10	111.291.838	33.605.509	59,13%	131.161.340	5,02%	590.951	58,69%	-	120.221.549	91,85%	3.847.168	1.961.796
	10-100	28.268.704	491.634	67,80%	28.602.039	30,94%	180.961	60,22%	-	46.724.649	163,69%	5.275.431	1.939.224
	100 (default)	39.575.598	23.085	53,23%	39.587.886	100,00%	267.809	75,05%	-	3.410.914	8,46%	29.438.549	23.569.548
	Subtotal		536.770.805	1.023.115.773	58,59%	1.136.184.952	5,39%	3.242.586	57,42%	-	513.427.298	45,74%	41.443.962
Total (All portfolios)		999.012.590	2.226.462.154	59,06%	2.313.850.818	4,28%	13.827.706	55,56%	-	890.192.168	38,47%	64.438.202	44.052.267
Other Items	Subtotal	191.709.873	-	-	191.709.873	-	-	-	-	165.870.920	86,49%	-	-

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period													
Foundation IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post-CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
Exposures to corporates	0-0,15	117.107.414	287.309.991	52,81%	268.822.718	0,07%	32.453	43,81%	1,61	48.946.465	18,21%	86.799	90.484
	0,15-0,25	23.664.219	38.273.326	49,79%	42.719.601	0,20%	27.358	43,54%	1,40	14.932.201	34,95%	39.398	69.345
	0,25-0,5	38.956.705	51.298.628	47,90%	63.530.531	0,36%	9.267	42,78%	1,35	29.870.086	47,02%	102.859	218.105
	0,5-0,75	21.820.484	28.525.564	43,48%	34.223.053	0,62%	11.360	43,12%	1,39	21.770.669	63,61%	96.003	85.411
	0,75-2,5	101.645.380	70.832.065	47,15%	135.041.387	1,56%	18.835	42,15%	1,58	122.771.145	90,91%	949.584	1.149.449
	2,5-10	36.011.999	30.306.606	33,43%	46.144.847	5,03%	11.533	42,02%	1,43	60.741.314	131,63%	1.044.152	779.273
	10-100	15.872.947	2.263.979	46,41%	16.923.674	22,74%	1.786	42,89%	1,15	37.723.599	222,90%	1.731.591	1.478.565
	100 (default)	9.024.288	4.204.388	23,71%	10.021.104	100,00%	4.523	43,74%	2,50	-	-	7.218.386	5.423.050
Subtotal		364.103.436	513.014.547	49,38%	617.426.915	3,08%	113.310	43,12%	1,54	336.755.479	54,54%	11.268.772	9.293.682
Advanced IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post-CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
Qualifying Revolving Retail Exposures	0-0,15	20.187.962	150.878.983	60,52%	111.493.146	0,10%	1.846.005	50,85%	-	3.510.553	3,15%	54.701	38.778
	0,15-0,25	26.446.519	206.577.278	60,29%	150.997.583	0,19%	2.217.561	50,91%	-	8.429.196	5,58%	148.051	91.252
	0,25-0,5	8.830.978	50.546.442	61,93%	40.132.257	0,33%	620.270	51,52%	-	3.495.130	8,71%	67.870	38.590
	0,5-0,75	26.193.955	115.915.956	61,61%	97.610.901	0,64%	1.365.978	51,52%	-	14.519.729	14,88%	324.262	142.222
	0,75-2,5	41.300.599	128.825.371	61,58%	120.625.344	1,46%	1.975.018	51,65%	-	33.181.820	27,51%	908.649	398.806
	2,5-10	60.732.593	55.248.141	60,24%	94.012.202	5,29%	2.199.938	50,77%	-	61.211.676	65,11%	2.517.972	1.135.148
	10-100	16.607.274	2.025.260	66,28%	17.949.527	31,15%	442.099	50,28%	-	28.639.189	159,55%	2.815.406	1.093.085
	100 (default)	958.193	225	56,61%	958.320	100,00%	34.028	65,93%	-	105.461	11,00%	623.896	108.227
Subtotal		201.258.073	710.017.656	60,92%	633.779.280	2,28%	10.653.635	51,15%	-	153.092.754	24,16%	7.460.807	3.046.108
Retail SME Exposures	0-0,15	15.147.096	72.130.720	51,94%	52.608.689	0,09%	173.088	51,05%	-	6.385.746	12,15%	24.097	28.392
	0,15-0,25	10.228.250	29.912.008	52,36%	25.890.774	0,20%	168.704	50,92%	-	5.595.062	21,86%	25.914	31.746
	0,25-0,5	16.681.393	34.292.133	48,54%	33.326.112	0,35%	140.665	52,37%	-	10.745.935	32,37%	60.854	32.581
	0,5-0,75	12.600.099	18.909.278	51,67%	22.369.848	0,63%	121.843	50,89%	-	9.676.169	44,00%	70.481	53.846
	0,75-2,5	42.637.183	39.507.384	48,44%	61.774.770	1,46%	244.614	50,58%	-	37.509.198	61,02%	451.313	183.571
	2,5-10	33.384.896	14.058.849	46,38%	39.905.717	5,14%	184.289	49,68%	-	31.127.280	77,97%	1.009.932	355.233
	10-100	14.571.863	2.905.696	39,05%	15.706.572	22,60%	58.890	48,73%	-	17.516.932	111,27%	1.725.548	489.076
	100 (default)	4.535.901	862.542	22,80%	4.732.592	100,00%	46.374	72,38%	-	835.547	17,13%	3.359.005	3.794.414
Subtotal		149.786.681	212.578.610	50,11%	256.315.074	4,54%	949.628	51,12%	-	119.391.869	46,70%	6.727.144	4.968.859
Other Retail Exposures	0-0,15	21.543.544	115.076.921	54,88%	84.696.111	0,10%	213.133	49,01%	-	10.524.842	12,55%	39.657	28.982
	0,15-0,25	33.291.262	109.555.318	56,49%	95.183.018	0,19%	319.867	50,49%	-	19.642.220	21,13%	90.428	59.369
	0,25-0,5	11.891.957	26.053.016	56,42%	26.591.473	0,33%	90.109	50,87%	-	7.880.629	30,19%	43.594	25.131
	0,5-0,75	43.080.439	56.298.969	56,65%	74.972.388	0,64%	340.537	52,78%	-	33.861.963	45,95%	248.614	117.094
	0,75-2,5	64.377.655	40.885.932	56,68%	87.552.547	1,53%	468.800	54,61%	-	58.406.512	67,33%	722.513	325.630
	2,5-10	66.850.104	12.447.193	58,00%	74.069.558	5,24%	581.867	56,38%	-	65.634.190	88,76%	2.181.812	941.868
	10-100	19.928.195	309.580	64,72%	20.128.560	31,06%	200.198	59,03%	-	32.260.149	160,78%	3.648.992	1.391.614
	100 (default)	23.278.516	15.746	47,72%	23.286.030	100,00%	237.090	72,09%	-	1.991.599	8,39%	16.628.826	14.932.639
Subtotal		284.241.672	360.642.675	56,08%	486.479.685	7,44%	2.451.154	53,66%	-	230.202.104	47,87%	23.604.436	17.822.327
Total (All portfolios)		635.286.426	1.283.238.941	57,77%	1.376.574.039	4,48%	12.628.863	51,71%	-	502.686.727	36,52%	37.792.387	25.837.294
Other Items	Subtotal	124.549.103	-	-	124.549.103	-	2	-	-	105.194.125	84,42%	-	-

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.6. IRB: The effect of credit derivatives used as CRM technique on RWA

Current Period	RWA – PRE Credit	Actual RWA
1 Exposures to central governments or central banks -Foundation IRB	-	-
2 Exposures to central governments or central banks -Advanced IRB	-	-
3 Exposures to banks and financial institutions - Foundation IRB	-	-
4 Exposures to banks and financial institutions - Advanced IRB	-	-
5 Exposures to corporates -Foundation IRB	442.091.438	442.091.438
6 Exposures to corporates - Advanced IRB	-	-
7 Specialised Lending - Foundation IRB	-	-
8 Specialised Lending - Advanced IRB	110.612.382	110.612.382
9 Retail exposures - Qualifying revolving	175.242.337	175.242.337
10 Retail exposures - secured by real estate	8.275.932	8.275.932
11 Retail exposures – SME	200.129.367	200.129.367
12 Retail Exposures - Other	506.547.888	506.547.888
13 Investments in equities - Foundation IRB	-	-
14 Investments in equities - Advanced IRB	-	-
15 Purchased Receivables - Foundation IRB	-	-
16 Purchased Receivables - Advanced IRB	-	-
17 Other Items - Advanced IRB	165.870.920	165.870.920
Total	1.608.770.264	1.608.770.264

Prior Period	RWA – PRE Credit	Actual RWA
1 Exposures to central governments or central banks -Foundation IRB	-	-
2 Exposures to central governments or central banks -Advanced IRB	-	-
3 Exposures to banks and financial institutions - Foundation IRB	-	-
4 Exposures to banks and financial institutions - Advanced IRB	-	-
5 Exposures to corporates -Foundation IRB	337.875.902	337.875.902
6 Exposures to corporates - Advanced IRB	-	-
7 Specialised Lending - Foundation IRB	-	-
8 Specialised Lending - Advanced IRB	101.082.350	101.082.350
9 Retail exposures - Qualifying revolving	153.092.754	153.092.754
10 Retail exposures - secured by real estate	3.851.927	3.851.927
11 Retail exposures - SME	118.336.072	118.336.072
12 Retail Exposures - Other	227.406.344	227.406.344
13 Investments in equities - Foundation IRB	-	-
14 Investments in equities - Advanced IRB	-	-
15 Purchased Receivables - Foundation IRB	-	-
16 Purchased Receivables - Advanced IRB	-	-
17 Other Items - Advanced IRB	105.194.125	105.194.125
Total	1.046.839.474	1.046.839.474

3.3.3.7. RWA Movement Table Under IRB Approach ⁽¹⁾

	Current Period	Prior Period
1 Prior Period Closing Amount	1.045.288.889	849.958.363
2 Changes in Volume	416.289.591	334.808.972
3 Changes in Asset Quality	93.521.797	(44.867.320)
4 Model Updates	-	-
5 Policy and Regulatory Changes	51.388.696	(94.611.126)
6 Purchasing and Selling	-	-
7 FX Difference	-	-
8 Other	-	-
9 Current Period Closing Amount	1.606.488.973	1.045.288.889

(1) Counterparty credit risk is not included in the table.

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

3.3.3.8. IRB: Back-testing of probability of default in each asset class

Asset classes	PD Range	Equivalent External Rating	Weighted Average PD	Mean PD By Borrower	Number of Borrowers		Borrowers in default within the year	Borrowers in default for the first time within the year	Average historical annual default rate
					Prior Period	Current Period			
Corporate exposures - 1	0% - 0,14%	AAA to A+	0,06%	0,07%	31.425	28.510	24	7	0,04%
Corporate exposures - 2	0,14% - 0,41%	A to A-	0,27%	0,24%	37.468	32.322	68	20	0,10%
Corporate exposures - 3	0,41% - 1,17%	BBB+ to BBB-	0,70%	0,76%	19.041	16.309	124	50	0,32%
Corporate exposures - 4	1,17% - 3,22%	BB+ to BB-	1,71%	2,06%	15.135	12.970	280	95	0,98%
Corporate exposures - 5	3,22% - 15,08%	B+ to B-	5,50%	6,34%	7.855	7.622	450	156	3,34%
Corporate exposures - 6	15,08% - 33,77%	CCC+ to CCC-	23,25%	27,15%	1.371	1.404	299	89	14,61%
Corporate exposures - 7	33,77% - 99,99%	CC	43,95%	42,41%	116	111	27	37	14,92%
Corporate exposures - 8	100%	D	100,00%	100,00%	4.523	4.256	35	20	0,48%
Subtotal		Subtotal	3,85%	6,74%	113.432	100.582	1.307	474	0,72%
Retail exposures - Qualifying revolving - 1	0% - 0,14%	AAA to A+	0,10%	0,10%	1.846.005	1.894.740	878	27	0,04%
Retail exposures - Qualifying revolving - 2	0,14% - 0,41%	A to A-	0,22%	0,22%	2.837.656	2.838.318	3.430	279	0,08%
Retail exposures - Qualifying revolving - 3	0,41% - 1,17%	BBB+ to BBB-	0,78%	0,78%	2.222.095	2.202.366	11.364	1.363	0,33%
Retail exposures - Qualifying revolving - 4	1,17% - 3,22%	BB+ to BB-	2,26%	2,34%	2.023.419	2.096.655	31.441	4.601	1,07%
Retail exposures - Qualifying revolving - 5	3,22% - 15,08%	B+ to B-	7,01%	7,29%	1.340.065	1.461.836	75.216	10.940	3,95%
Retail exposures - Qualifying revolving - 6	15,08% - 33,77%	CCC+ to CCC-	31,37%	31,37%	399.345	334.324	79.261	899	15,99%
Retail exposures - Qualifying revolving - 7	33,77% - 99,99%	CC	-	-	-	-	-	-	-
Retail exposures - Qualifying revolving - 8	100%	D	100,00%	100,00%	34.028	24.209	20.496	153	57,86%
Subtotal		Subtotal	1,86%	2,98%	10.653.635	10.709.101	222.086	18.262	1,87%
Retail exposures - SME - 1	0% - 0,14%	AAA to A+	0,08%	0,09%	154.875	180.089	110	6	0,05%
Retail exposures - SME - 2	0,14% - 0,41%	A to A-	0,26%	0,25%	308.927	330.935	665	96	0,13%
Retail exposures - SME - 3	0,41% - 1,17%	BBB+ to BBB-	0,74%	0,76%	204.743	214.890	1.466	300	0,43%
Retail exposures - SME - 4	1,17% - 3,22%	BB+ to BB-	1,83%	2,07%	201.022	208.082	3.694	773	1,15%
Retail exposures - SME - 5	3,22% - 15,08%	B+ to B-	6,20%	6,47%	161.636	166.749	8.406	1.663	3,51%
Retail exposures - SME - 6	15,08% - 33,77%	CCC+ to CCC-	20,74%	23,57%	31.168	31.622	5.522	922	13,97%
Retail exposures - SME - 7	33,77% - 99,99%	CC	45,53%	47,19%	11.811	14.225	2.873	434	16,78%
Retail exposures - SME - 8	100%	D	100,00%	100,00%	46.250	53.898	69	83	0,15%
Subtotal		Subtotal	5,73%	8,78%	949.633	1.018.552	22.805	4.277	1,47%
Retail Exposures - Other - 1	0% - 0,14%	AAA to A+	0,10%	0,10%	210.803	432.301	117	25	0,03%
Retail Exposures - Other - 2	0,14% - 0,41%	A to A-	0,22%	0,22%	403.720	724.907	530	296	0,10%
Retail Exposures - Other - 3	0,41% - 1,17%	BBB+ to BBB-	0,76%	0,76%	526.046	704.137	2.154	2.628	0,38%
Retail Exposures - Other - 4	1,17% - 3,22%	BB+ to BB-	2,26%	2,29%	486.532	555.163	4.871	6.453	1,14%
Retail Exposures - Other - 5	3,22% - 15,08%	B+ to B-	6,87%	6,96%	373.577	367.132	6.517	9.352	3,37%
Retail Exposures - Other - 6	15,08% - 33,77%	CCC+ to CCC-	31,29%	31,22%	196.201	175.090	17.198	16.016	14,87%
Retail Exposures - Other - 7	33,77% - 99,99%	CC	-	-	-	-	-	-	-
Retail Exposures - Other - 8	100%	D	100,00%	100,00%	236.948	267.660	5.856	1.847	4,37%
Subtotal		Subtotal	5,39%	7,52%	2.433.827	3.226.390	37.243	36.617	2,55%
Other Items - 1	-	-	-	-	2	-	-	-	-

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.9. IRB - Specialized lending and equity investments subject to the simple risk weight approach

Current Period													
Specialised Lendings													
(Besides High-Volatility Commercial Real Estates)													
Category	Remaining Maturity	On-balance sheet amount	Off-balance sheet amount	Counterparty credit risk	Risk Weight	Project Finance	Object Finance	Commodities Finance	Income Producing Real Estate	Risk Amount		Counter Party Credit Risk	Expected Losses
										Total	Credit Risk		
Strong	<2,5 year	2.010.400	-	29.823	50,00%	2.040.223	-	-	-	2.040.223	1.005.200	14.912	-
	≥2,5 year	26.969.822	2.702.707	433.224	70,00%	27.955.314	-	-	-	27.955.314	19.265.463	303.257	111.821
Good	<2,5 year	9.783.658	2.553.488	281.327	70,00%	8.180.663	287.220	-	2.283.031	10.750.914	7.328.711	196.929	43.004
	≥2,5 year	15.305.415	10.929.214	-	90,00%	17.656.729	362.730	-	4.198.358	22.217.817	19.996.035	-	177.743
Satisfactory		53.495.601	1.962.038	135.937	115,00%	41.942.807	2.511.805	-	9.600.779	54.055.391	62.007.373	156.327	1.513.551
Weak		135.270	-	-	250,00%	135.270	-	-	-	135.270	338.175	-	10.822
Default		1.887.238	2.655	-	-	1.887.781	-	-	-	1.887.781	-	-	943.890
Total		109.587.404	18.150.102	880.311		99.798.787	3.161.755	-	16.082.168	119.042.710	109.940.957	671.425	2.800.831

Prior Period													
Specialised Lendings													
(Besides High-Volatility Commercial Real Estates)													
Category	Remaining Maturity	On-balance sheet amount	Off-balance sheet amount	Counterparty credit risk	Risk Weight	Project Finance	Object Finance	Commodities Finance	Income Producing Real Estate	Risk Amount		Counter Party Credit Risk	Expected Losses
										Total	Credit Risk		
Strong	<2,5 year	-	-	44.732	50%	44.732	-	-	-	44.732	-	22.366	-
	≥2,5 year	16.708.194	2.089.216	300.343	70%	17.435.444	-	-	-	17.435.444	11.994.571	210.240	69.742
Good	<2,5 year	4.584.675	2.128.042	172.246	70%	5.000.665	60.250	-	292.564	5.353.479	3.626.863	120.572	21.414
	≥2,5 year	26.694.100	8.697.115	15.574	90%	31.387.927	287.175	-	-	31.675.102	28.493.574	14.018	253.401
Satisfactory		48.781.026	1.743.152	54.432	115%	30.964.047	1.592.242	-	16.661.229	49.217.518	56.537.549	62.597	1.378.091
Weak		-	-	-	250%	-	-	-	-	-	-	-	-
Default		2.597.870	43.999	-	-	1.911.443	-	-	695.416	2.606.859	-	-	1.303.429
Total		99.365.865	14.701.524	587.327		86.744.258	1.939.667	-	17.649.209	106.333.134	100.652.557	429.793	3.026.077

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Explanation on counterparty credit risk**3.4.1. Qualitative evaluation for Counterparty Credit Risk**

Counterparty Credit Risk (CCR) is organized under Market Risk Management and is functioning within the scope of "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks". These functions include counterparty credit risk calculations within general risk appetite and control process of risk management policies for CCR.

Credit limits under CCR are defined within the scope of internal model method, specified in "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks - Appendix 2", considering various stress scenarios.

General policies for collaterals and provisions under credit risk management are also valid for CCR. Exposure and collateral values are calculated on a daily basis. In order to mitigate the counterparty credit risk, international framework agreements (ISDA, CSA, GMRA, etc.) are being used through collateral and margin call mechanisms.

In case of a downgrade in credit note, the amount of additional collateral the Bank has to provide is calculated periodically under several stress scenarios.

3.4.2. Assessment of Counterparty Credit Risk according to the models of measurement

Current Period		Revaluation Cost	Potential credit risk exposure	EEPE⁽¹⁾	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standart Approach-CCR	18.555.449	-	-	1,40	18.555.449	7.240.050
2	Internal Model Approach			-	-	-	-
3	Simplified Standardised Approach for Credit Risk Mitigation					-	-
4	Comprehensive Method for Credit Risk Mitigation					2.898.082	359.902
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					-	-
Total							7.599.952

Prior Period		Revaluation Cost	Potential credit risk exposure	EEPE⁽¹⁾	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standart Approach-CCR	12.313.438	-	-	1,40	12.313.438	5.435.000
2	Internal Model Approach			-	-	-	-
3	Simplified Standardised Approach for Credit Risk Mitigation					-	-
4	Comprehensive Method for Credit Risk Mitigation					6.372.190	1.275.024
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					-	-
Total							6.710.024

(1) Effective expected positive exposure

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.4.3. Credit valuation adjustment (CVA) capital charge

	Current Period		Prior period	
	Exposure (After credit risk mitigation methods)	Risk Weighted Amounts	Exposure (After credit risk mitigation methods)	Risk Weighted Amounts
Total portfolio value with comprehensive approach				
CVA capital adequacy	-	-	-	-
1 (i) Value at risk component (3*multiplier included)	-	-	-	-
2 (ii) Stressed Value at Risk (3*multiplier included)	-	-	-	-
3 Total portfolio value with simplified approach CVA capital adequacy	18.555.449	3.524.300	12.313.438	2.504.925
Total amount of CVA capital adequacy	18.555.449	3.524.300	12.313.438	2.504.925

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

Current Period												Total credit risk ⁽¹⁾
Risk Weights/Risk Classes	0%	2%	4%	10%	20%	35%	50%	75%	100%	150%		
1 Central governments and central banks receivables	1.105.325	-	-	-	-	-	-	-	-	-	-	1.105.325
2 Local governments and municipalities receivables	-	-	-	-	-	-	-	-	-	-	-	-
3 Administrative and non commercial receivables	-	-	-	-	-	-	-	-	-	-	-	-
4 Multilateral Development Bank receivables	-	-	-	-	-	-	-	-	-	-	-	-
5 Banks and Intermediary Institutions receivables	-	-	-	-	7.082.731	-	6.770.277	-	-	-	-	13.853.008
6 Corporate receivables	-	-	-	-	43	-	203.932	-	394.224	-	-	598.199
7 Retail receivables	-	-	-	-	-	-	-	27.703	-	-	-	27.703
8 Mortgage receivables	-	-	-	-	-	-	-	-	-	-	-	-
9 Non performing receivables	-	-	-	-	-	-	-	-	-	-	-	-
10 High risk defined receivables	-	-	-	-	-	-	-	-	-	-	-	-
11 Investments in equities	-	-	-	-	-	-	-	-	-	-	-	-
12 Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Total	1.105.325	-	-	-	7.082.774	-	6.974.209	27.703	394.224	-	-	15.584.235

Prior Period												Total credit risk ⁽¹⁾
Risk Weights/Risk Classes	0%	2%	4%	10%	20%	35%	50%	75%	100%	150%		
1 Central governments and central banks receivables	8.652	-	-	-	-	-	-	-	-	-	-	8.652
2 Local governments and municipalities receivables	-	-	-	-	-	-	-	-	-	-	-	-
3 Administrative and non commercial receivables	-	-	-	-	-	-	-	-	25	-	-	25
4 Multilateral Development Bank receivables	-	-	-	-	-	-	-	-	-	-	-	-
5 Banks and Intermediary Institutions receivables	-	-	-	-	9.744.258	-	5.476.128	-	-	-	-	15.220.386
6 Corporate receivables	-	-	-	-	-	-	76.559	-	430.463	-	-	507.022
7 Retail receivables	-	-	-	-	-	-	-	5.007	-	-	-	5.007
8 Mortgage receivables	-	-	-	-	-	-	-	-	-	-	-	-
9 Non performing receivables	-	-	-	-	-	-	-	-	-	-	-	-
10 High risk defined receivables	-	-	-	-	-	-	-	-	-	-	-	-
11 Investments in equities	-	-	-	-	-	-	-	-	-	-	-	-
12 Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Total	8.652	-	-	-	9.744.258	-	5.552.687	5.007	430.488	-	-	15.741.092

(1) Includes credit risk amounts of total exposure after applying credit risk mitigations.

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

3.4.5. Counterparty Credit Risk Amounts by Portfolio and PD Ranges

Current Period								
Foundation IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
Exposures to corporates	0-0,15	3.788.543	0,07%	99	45,00%	1,01	562.978	14,86%
	0,15-0,25	14.639	0,21%	5	45,00%	1,00	4.744	32,41%
	0,25-0,5	228.452	0,37%	16	45,00%	1,00	106.897	46,79%
	0,5-0,75	196.057	0,62%	7	45,00%	1,65	137.947	70,36%
	0,75-2,5	682.434	1,98%	15	44,92%	1,90	764.562	112,03%
	2,5-10	24.241	3,39%	2	45,00%	1,00	29.382	121,21%
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal		4.934.366	0,39%	144	44,99%	1,16	1.606.510
Advanced IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
Qualifying Revolving Retail Exposures	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal		-	-	-	-	-	-
Retail-SME Exposures	0-0,15	53.495	0,03%	14	51,72%	-	3.022	5,65%
	0,15-0,25	29	0,21%	1	45,83%	-	6	20,05%
	0,25-0,5	1.095	0,33%	1	50,48%	-	328	29,96%
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal		54.619	0,04%	16	51,69%	-	3.356
Other Retail Exposures	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal		-	-	-	-	-	-
Total (All portfolios)		54.619	0,04%	16	51,69%	-	3.356	6,14%

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period								
Foundation IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
	0-0,15	1.232.417	0,05%	86	45,00%	1,23	166.315	13,50%
	0,15-0,25	45.230	0,21%	5	45,00%	1,00	14.658	32,41%
	0,25-0,5	346.291	0,34%	15	45,00%	1,37	166.897	48,20%
	0,5-0,75	189.765	0,62%	3	45,00%	1,98	141.490	74,56%
Exposures to corporates	0,75-2,5	226.381	1,29%	9	45,00%	1,04	196.220	86,68%
	2,5-10	314.391	3,33%	3	45,00%	2,37	434.843	138,31%
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	2.354.475	0,70%	121	45,00%	1,44	1.120.423	47,59%
Advanced IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
Qualifying Revolving Retail Exposures	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-
	0-0,15	2.536	0,11%	4	46,26%	-	311	12,26%
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	198	0,38%	1	45,83%	-	59	29,89%
	0,5-0,75	-	-	-	-	-	-	-
Retail-SME Exposures	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	2.734	0,13%	5	46,23%	-	370	13,54%
	0-0,15	-	-	-	-	-	-	-
	0,15-0,25	-	-	-	-	-	-	-
	0,25-0,5	-	-	-	-	-	-	-
	0,5-0,75	-	-	-	-	-	-	-
Other Retail Exposures	0,75-2,5	-	-	-	-	-	-	-
	2,5-10	-	-	-	-	-	-	-
	10-100	-	-	-	-	-	-	-
	100 (default)	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-
	Total (All portfolios)	2.734	0,13%	5	46,23%	-	370	13,54%

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.4.6. Composition of collateral for CCR exposure

	Collaterals for Derivatives				Collaterals or Other Transactions		
	Collaterals Taken		Collaterals Given		Collaterals Taken	Collaterals Given	
	Segregated	Unsegregated	Segregated	Unsegregated			
1	Cash-domestic currency	-	-	-	-	61.493.458	-
2	Cash-foreign currency	-	-	-	-	4.481.139	-
3	Domestic sovereign debts	-	-	-	-	-	63.926.825
4	Other sovereign debt	-	-	-	-	-	5.968.184
5	Government agency debt	-	-	-	-	-	-
6	Corporate debts	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-
	Total	-	-	-	-	65.974.597	69.895.009

	Collaterals for Derivatives				Collaterals or Other Transactions		
	Collaterals Taken		Collaterals Given		Collaterals Taken	Collaterals Given	
	Segregated	Unsegregated	Segregated	Unsegregated			
1	Cash-domestic currency	-	-	-	-	171.333.829	-
2	Cash-foreign currency	-	-	-	-	12.175.791	-
3	Domestic sovereign debts	-	-	-	-	-	205.093.339
4	Other sovereign debt	-	-	-	-	-	16.468.763
5	Government agency debt	-	-	-	-	-	-
6	Corporate debts	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-
	Total	-	-	-	-	183.509.620	221.562.102

3.4.7. Credit derivatives exposures

	Current Period		Prior Period	
	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Nominal				
Single-name credit default swaps	-	-	-	-
Index credit default swaps	-	-	-	-
Total return swaps	-	62.419.758	-	74.908.138
Credit Options	-	-	-	-
Other Credit Derivatives	-	-	-	-
Total Nominal	-	62.419.758	-	74.908.138
Rediscount Amount	-	236.919	-	(340.032)
Positive rediscount amount (asset)	-	2.222.950	-	2.589.576
Negative rediscount amount (liabilities)	-	(1.986.031)	-	(2.929.608)

3.4.8. Exposures to central counterparties

	Current Period		Prior Period	
	Exposure at default (post-CRM)	RWA	Exposure at default (post-CRM)	RWA
1 Exposure to Qualified Central Counterparties (QCCPs) (Total)		508.193		1.041.839
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
3 (i) OTC Derivatives	11.887.430	440.903	9.576.160	371.608
4 (ii) Exchange-traded Derivatives	-	-	-	-
5 (iii) Securities financing transactions	1.022.322	20.446	31.853.846	637.077
6 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
7 Segregated initial margin	-	-	-	-
8 Non-segregated initial margin	-	-	-	-
9 Pre-funded default fund contributions	2.342.200	46.844	1.657.700	33.154
10 Unfunded default fund contributions	-	-	-	-
11 Exposures to non-QCCPs (Total)	-	-	-	-
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which)	-	-	-	-
13 (i) OTC Derivatives	-	-	-	-
14 (ii) Exchange-traded Derivatives	-	-	-	-
15 (iii) Securities financing transactions	-	-	-	-
16 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
17 Segregated initial margin	-	-	-	-
18 Non-segregated initial margin	-	-	-	-
19 Pre-funded default fund contributions	-	-	-	-
20 Unfunded default fund contributions	-	-	-	-

3.5. Securitisations

None.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.6. Explanations on consolidated market risk

3.6.1. Qualitative disclosure on market risk

Market Risk Management department monitors the interest rate, exchange rate, stock, commodity and credit spread risks arising from the main financial activities of the Group on a daily basis and measures the probability of loss that may arise from the related risks by using internal model. Risks measured are regularly reported to the business units, their compliance with Bank's risk appetite is monitored and impacts on capital requirement are analyzed. By taking into account the distinction between banking and trading portfolios, analyses and measurements enable Market Risk Management to determine specific limits on sub-portfolio / product levels.

Market risks that the Group is exposed to are assessed and managed by a triple structure consisting of Treasury, Financial Planning and Market Risk Management Units. The Board of Directors, the Executive Committee and the Audit Committee have primary responsibility for management of such risks. Both Top management and the sub-units are responsible for managing the risks taking into account constraints and targets such as Bank's interest rate sensitivity, liquidity constraints, funding sources, budget targets, medium and long-term capital planning and profitability of the products in operation.

Models, strategies and processes that are accurate and integrated in accordance with risks the Group is or may be exposed to have been established. Automated reporting and validation activities are carried out for effective analysis, monitoring and control mechanisms. Risk management infrastructure integrated with day-to-day activities enabling monitor and measurement independently from executive activities; and supports business and decision-making processes has been established. Policies, processes, targets, roles / responsibilities, and regular trainings are the main elements of the Bank's dissemination of risk culture and awareness. Systems and structures compatible with international best practices and in line with the risk appetite are available for risk management.

The Group implements internal policies and procedures that are reviewed and approved at least once a year by the Board of Directors in order to manage market risks arising from on and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Group; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

Market Risk Management organization consists of 4 sub-units; Market Risk Analysis, Asset-Liability Management and Affiliates Coordination, Counterparty Risk and Collateral Management and Risk Methodologies and Market Data Analysis units.

Market Risk Analysis unit; carry out the activities such as measuring and setting limits for risks arising from Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement using advanced internal methods (Value at Risk, Base Point Value Sensitivity etc.), complying policies and procedures with new regulations and best practices, product-based risk analysis, developing risk measurement and valuation techniques and applying stress tests.

Asset Liability Management and Subsidiaries Coordination unit; enables the Bank to measure the liquidity risk, manage the structural interest rate exposure, manage the protection procedures and the protection accounting processes used to reduce the risk of re-pricing. Follows the concentration of the bank's funding side. Also paves the way for implementation of Bank-side risk applications and risk culture in the Bank's subsidiaries, plays an active role in risk appetite determination and coordination processes.

Counterparty Risk and Collateral Management Unit calculates the exposures of over the counter (OTC) derivative transactions via internal model method and manages the inclusion of these exposures into the monitoring and the credit underwriting processes.

The Risk Methodologies and Market Data Analysis unit provides unbiased management of all market data related to treasury products under the risk management framework. The unit is responsible for the verification of fair values, and transfer of related data sources to the banking system.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.6.2. Market risk under standardised approach

	Current Period	Prior Period
	Risk Weighted Asset	Risk Weighted Asset
Outright products	31.190.822	17.999.136
1 Interest rate risk (general and specific)	11.158.175	5.781.863
2 Equity risk (general and specific)	79.050	81.900
3 Foreign exchange risk	14.608.836	10.440.235
4 Commodity risk	5.344.761	1.695.138
Options	9.303.849	635.362
5 Simplified approach	-	-
6 Delta-plus method	9.303.849	635.362
7 Scenario approach	-	-
8 Securitisation	-	-
Total	40.494.671	18.634.498

3.7. Explanations on Operational Risk

The Bank calculates the amount subject to operational risk based on "Basic Indicator Method" by using 2024, 2023 and 2022 year-end gross income balances of the Bank, in accordance with Section 3 of the "Regulation Regarding Measurement and Evaluation of Banks' Capital Adequacy Ratio", published in the Official Gazette No. 29511 dated October 23, 2015, namely "The Calculation of the Amount Subject to Operational Risk". As of December 31, 2025, the total amount subject to operational risk is TL 224.498.290 (December 31, 2024 - TL 169.906.912) and the amount of the related capital requirement is TL 17.959.863 (December 31, 2024 - TL 13.592.553).

Current Period	2 Prior Period Value	1 Prior Period Value	Current Period value	Total / Total number of years for	Rate (%)	Total
Gross Income	102.553.996	136.862.225	119.781.044	119.732.422	15,00%	17.959.863
Amount subject to operational risk (Total*12,5)						224.498.290

Prior Period	2 Prior Period Value	1 Prior Period Value	Current Period value	Total / Total number of years for	Rate (%)	Total
Gross Income	32.434.838	102.553.996	136.862.225	90.617.020	15,00%	13.592.553
Amount subject to operational risk (Total*12,5)						169.906.912

3.8. Interest rate risk arising from banking accounts:

Interest rate risk refers to the possibility of loss that may arise in the Bank's capital or earnings due to movements in interest rates. Changes in interest rates affect the Bank's net interest income, other interest-sensitive revenues and operating expenses, thereby impacting the Bank's profitability. Similarly, changes in interest rates affect the fair values of instruments related to the Bank's assets, liabilities and off-balance-sheet items, as well as the economic values of future cash flows (and in certain cases, the cash flows themselves).

The aggregation of interest rate risk in the banking book on a significant currency basis is calculated as the ratio of the highest loss amount calculated under different scenarios to Tier 1 capital, in accordance with the "Regulation on the Measurement and Evaluation of Interest Rate Risk in the Banking Book Positions Using the Standard Shock Method", which entered into force as of October 1, 2025.

Interest rate risk arises from three main sources:

- Repricing Risk: Arising from mismatches in the repricing structures of assets and liabilities.
- Yield Curve Risk: Arising from changes in the slope and shape of the yield curve.
- Basis Risk: Arising from low correlation between interest income earned and interest expense paid on different financial instruments with similar repricing characteristics.

Customer early prepayment risk (optionality risk) is indirectly taken into account in the management and monitoring of interest rate risk by applying defined protection ratios.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

Within the scope of interest rate risk in the banking book, the core deposit analysis on non-maturing deposits is performed based on the maximum weighted average maturity limits set out in the Regulation. In the analysis of core deposits, annually reviewed behavioural models are used to distribute non-maturing deposits up to future maturities in line with the regulatory defined upper limits for weighted average maturity. In addition, assumptions regarding early prepayment behaviour for housing and consumer loans, as well as early redemption behaviour on term deposits, are within the scope. Based on the regulatory framework, prepayment and early redemption rates for the relevant products vary depending on the type of interest rate shock scenarios.

Interest rate risk is monitored via weekly and monthly internal and monthly regulatory reports presented to the Executive Committee. The models and assumptions applied in interest rate risk measurement are subject to ongoing validation and control processes, including internal control, internal audit and independent audit reviews, and reviewed at least annually, unless warranted otherwise by market developments.

Beyond the stress scenarios specified under the Regulation, the Bank evaluates additional specifically defined stress scenarios. While supervisory calculations are based on specific regulatory yield curves for each currency, internal risk metrics are derived using yield curves that represents each product’s characteristics.

In the calculation of the Economic Value of Equity (EVE), the cash flows of assets, liabilities and derivative instruments are allocated by taking into account the maturity buckets and maturity midpoints defined in the Regulation. Based on the cash flows allocated to the relevant maturity buckets, the change in economic value is calculated by applying the six different standard yield curve shock scenarios prescribed under the Regulation. Respectively, the shock values defined for parallel upward, parallel downward, steeper, flattener, shortrate up and shortrates down scenarios are applied.

In the EVE calculation, the relevant shocks are applied to all maturities. In cases where products contain interest rate margins, including margins arising from floating -rate structures or funding spreads, cash flows incorporating such margins are used in the construction of EVE. The EVE risk amount is calculated under the assumption that banking book positions are maintained until maturity and that no new transactions are executed.

Deposits, which constitute one of the Bank’s most significant liability items, are analysed in terms of their maturity structure and the non-maturing portion that does not generate interest income is decomposed into stable (core) and unstable components that are not sensitive to interest rates or other economic conditions. Core deposits represent the stable portion of non-maturing deposit accounts that do not exhibit sensitivity to interest rate changes and economic cycles. The non-core portion of non-maturing deposits (NMD) is treated as having overnight maturity, while the core portion is assumed to remain within the Bank for an extended period and is modelled accordingly using a statistical decay (run-off) profile. The so called decay profile applied is determined based on depositor and account characteristics, including “retail-transactional”, “retail-nontransactional” and “wholesale”, in conjunction with the currency denomination of the deposits.

The average repricing maturity applied to non-maturing deposits ranges between 3 months and 38 months, while the maximum repricing maturity is set at 72 months.

In the measurement and determination of early withdrawal behaviour for term deposits, depositors are classified into two categories, namely retail customers and wholesale customers, in accordance with the Regulation. Another variable is the segmentation of term deposits by currency denomination. Consistent with the modelling approach for NMD, early redemption rates included in the calculations are separately determined based on depositor segmentation and currency denomination.

Within the framework of the matters described above, the EVE is calculated separately on a currency basis and for interest rate-related commodity whose share within total assets or total liabilities is 5 percent or above. The total economic value differences arising from fluctuations in interest rates as of December 31, 2025 are presented in the table below in accordance with the Regulation.

Economic Value of Equity⁽¹⁾	Current Period
Parallel Shock Up	14.310.978
Parallel Shock Down	(16.610.745)
Steeper Shock	(2.376.837)
Flattener Shock	3.622.759
Short Rates Shock Up	10.229.048
Short Rates Shock Down	(10.377.717)
Maximum	14.310.978
Tier 1 Capital	294.981.460

(1) The figures represent the values of the Parent Bank and prior period has not been disclosed in accordance with transitional provisions.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4. Explanations on consolidated currency risk:

The difference between the Group's foreign currency denominated and foreign currency indexed on and off-balance sheet assets and liabilities is defined as the "Net Foreign Currency Position" and it is the basis of currency risk. Cross currency risk is also taken into consideration for the currency risk calculations and measurements.

The Group keeps the amount of currency risk exposure within the related legal limits and follows the exchange position on a daily/regular basis. In addition, although the internal exchange position limit is lower when compared to the related legal limit, there has not been any limit exceeding during the period. As an instrument of currency risk management, derivatives such as swap and forwards are used to reduce risk whenever needed. In order to guard against extreme volatility during the year stress tests are applied. Value at risk method is used for the measurement of foreign exchange risk.

The details of hedging of the foreign currency debt instruments and net foreign currency investment risk with derivative instruments are disclosed in section 4 note 10.

The Parent Bank's publicly announced foreign exchange bid rates as of the date of the financial statements and for the last five working days prior to that date are as follows:

(Exchange rates presented as full TL)	USD	EUR
Balance sheet evaluation rate:	42,8457	50,2859
First day current bid rate	42,8623	50,4532
Second day current bid rate	42,8542	50,4519
Third day current bid rate	42,7656	50,3547
Fourth day current bid rate	42,7641	50,3896
Fifth day current bid rate	42,7434	50,4208
Arithmetic average of the last 31 days:	42,6000	49,9015
Evaluation rate as of prior period:	35,2803	36,7362

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Information on currency risk of the Group:

Current Period	EUR	USD	Other FC ⁽⁴⁾	Total
Assets				
Cash (Cash in hand, effectives, cash in transit, cheques purchased) and balances with the CBRT	105.759.983	120.260.416	80.723.829	306.744.228
Banks	32.662.663	26.814.663	3.572.027	63.049.353
Financial assets measured at fair value through profit or loss	3.781	509.931	-	513.712
Money markets receivables	-	-	-	-
Financial assets measured at fair value through other comprehensive income	718.182	28.933.414	1.248.670	30.900.266
Loans ⁽¹⁾	380.763.122	259.495.749	40.989.394	681.248.265
Investments in associates, subsidiaries and joint ventures	-	-	11.330.021	11.330.021
Financial assets measured at amortised cost	38.495.917	122.009.161	-	160.505.078
Hedging derivative financial assets	407.657	1.245.150	-	1.652.807
Tangible assets	153.322	-	517.031	670.353
Other assets ⁽²⁾	15.772.250	31.749.469	16.608.436	64.130.155
Total assets	574.736.877	591.017.953	154.989.408	1.320.744.238
Liabilities				
Bank deposits	1.014.881	1.388.720	2.731	2.406.332
Foreign currency deposits	288.268.007	301.011.568	302.775.285	892.054.860
Money markets payables	-	5.848.911	-	5.848.911
Funds borrowed from other financial institutions	136.102.935	176.663.187	1.718.918	314.485.040
Marketable securities issued	53.526.172	198.599.452	3.984.067	256.109.691
Miscellaneous payables	1.251.965	3.709.095	83.231	5.044.291
Hedging derivative financial liabilities	-	16.964	-	16.964
Other liabilities ⁽³⁾	13.124.823	201.991.245	884.705	216.000.773
Total liabilities	493.288.783	889.229.142	309.448.937	1.691.966.862
Net on balance sheet position	81.448.094	(298.211.189)	(154.459.529)	(371.222.624)
Net off balance sheet position⁽⁵⁾	(80.546.958)	287.250.720	168.397.935	375.101.697
Derivative financial assets	225.340.402	532.814.436	172.787.555	930.942.393
Derivative financial liabilities	305.887.360	245.563.716	4.389.620	555.840.696
Net position	901.136	(10.960.469)	13.938.406	3.879.073
Non-cash loans	153.819.676	197.329.792	32.088.600	383.238.068
Prior Period				
Total assets	363.114.784	510.545.467	74.006.484	947.666.735
Total liabilities	306.011.876	643.482.657	135.371.345	1.084.865.878
Net on balance sheet position	57.102.908	(132.937.190)	(61.364.861)	(137.199.143)
Net off balance sheet position⁽⁵⁾	(56.546.595)	129.307.823	71.191.937	143.953.165
Derivative financial assets	77.493.100	231.715.891	74.860.328	384.069.319
Derivative financial liabilities	134.039.695	102.408.068	3.668.391	240.116.154
Net position	556.313	(3.629.367)	9.827.076	6.754.022
Non-cash loans	110.884.130	138.345.494	20.011.773	269.241.397

- (1) Includes FX indexed loans amounting to TL 55.212 (December 31, 2024 - TL 78.252) which have been disclosed as TL in the financial statements.
(2) Does not include foreign currency prepaid expenses amounting to TL 3.661.546 (December 31, 2024 - TL 2.770.340) and intangible assets amounting to TL 619.210 (December 31, 2024 - TL 233.175).
(3) Does not include provisions for employee benefits and foreign currency other comprehensive income / expense under equity.
(4) Other FC column also includes gold balance.
(5) Forward transactions classified as commitments are also included.

Currency risk sensitivity analysis:

The table below represents the sensitivity of the Parent Bank to 15% change of currency exchange rates (USD and EUR).

15% change is the assumption of parity change that may be faced in a possible fluctuation used in the Bank's stress test scenarios.

Change in currency exchange rates ⁽¹⁾	Current Period	Prior Period
	Profit/loss effect ⁽²⁾	Profit/loss effect ⁽²⁾
(+) 15%	(2.364.380)	39.171
(-) 15%	618.759	404.689

- (1) Represents the balances of the Parent Bank.
(2) Excluding tax effect

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5. Explanations on consolidated interest rate risk:

The monitoring of the Parent Bank's interest rate sensitive assets and liabilities and the sensitivity analyses regarding the impact of fluctuations in interest rates on the financial statements are performed by the Risk Management Department based on the carrying values of all interest rate sensitive products. The results are presented on a monthly basis to the Executive Committee within the scope of the Asset and Liability Management function. Through sensitivity and scenario analyses, the manner in which the Bank may be affected by interest rate fluctuations (volatility) in future periods is analysed. In these analyses, interest rate shocks are applied and potential losses arising from changes in the fair values of interest rate sensitive products are calculated.

Sensitivity analyses are also calculated on a daily basis within the scope of market risk reporting, on a currency and maturity basis, and are monitored against defined limits and reported to senior management.

In order to limit interest rate and foreign exchange risks arising from short-term deposits and long-term consumer loans on the balance sheet, the Group enters into TL/FC and TL/TL interest rate and currency swap transactions. Hedge accounting is applied to the transactions in accordance with the interest rate risk appetite of the entity.

5.1. Interest rate sensitivity of assets, liabilities and off-balance sheet items based on repricing dates:

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-interest bearing	Total
Assets⁽¹⁾							
Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the CBRT	212.493.757	-	-	-	-	328.834.809	541.328.566
Banks	13.142.482	20.509.099	40.831.278	4.806.326	-	27.079.246	106.368.431
Financial assets measured at fair value through profit or loss	2.241.859	3.781	5.653	49.579	230.665	1.454.849	3.986.386
Money markets receivables	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	22.376.247	30.688.110	7.244.720	80.475.880	52.859.058	315.219	193.959.234
Loans ⁽²⁾	621.608.214	230.121.724	587.620.727	423.657.185	59.358.083	165.883	1.922.531.816
Financial assets measured at amortised cost	141.857.970	16.931.756	47.224.402	130.172.813	85.056.357	(109.746)	421.133.552
Other assets	4.335.841	6.053.355	10.085.957	5.646.761	2.558.225	304.943.962	333.624.101
Total assets	1.018.056.370	304.307.825	693.012.737	644.808.544	200.062.388	662.684.222	3.522.932.086
Liabilities							
Bank deposits	3.590.163	3.050.935	11.163.397	1.160.718	-	1.406.913	20.372.126
Other deposits	834.750.819	167.864.538	40.871.505	10.932.660	1.298.267	883.053.105	1.938.770.894
Money markets payables	97.602.918	3.124.844	529.683	950.655	-	-	102.208.100
Miscellaneous payables	-	-	-	-	-	166.279.926	166.279.926
Marketable securities issued	9.818.996	81.970.705	102.227.846	105.010.071	-	-	299.027.618
Funds borrowed from other financial institutions	124.047.299	177.352.997	86.662.548	22.169.357	1.877.150	-	412.109.351
Other liabilities ⁽³⁾	31.527.495	70.411.691	6.689.352	27.621.725	80.500.388	367.413.420	584.164.071
Total liabilities	1.101.337.690	503.775.710	248.144.331	167.845.186	83.675.805	1.418.153.364	3.522.932.086
Balance sheet long position	-	-	444.868.406	476.963.358	116.386.583	-	1.038.218.347
Balance sheet short position	(83.281.320)	(199.467.885)	-	-	-	(755.469.142)	(1.038.218.347)
Off-balance sheet long position	-	-	47.225.712	-	-	-	47.225.712
Off-balance sheet short position	(5.928.783)	(51.829.116)	-	(15.160.225)	(3.261.665)	-	(76.179.789)
Total position	(89.210.103)	(251.297.001)	492.094.118	461.803.133	113.124.918	(755.469.142)	(28.954.077)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-interest bearing	Total
Assets⁽¹⁾							
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the CBRT	146.735.078	-	-	-	-	268.646.273	415.381.351
Banks	8.070.244	6.958.426	15.124.610	2.355.195	-	31.037.407	63.545.882
Financial assets measured at fair value through profit or loss	890.310	16.032	1.716	48.096	227.104	1.720.104	2.903.362
Money markets receivables	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	18.037.277	28.586.084	17.618.319	21.130.495	48.084.455	232.882	133.689.512
Loans ⁽²⁾	437.667.078	141.992.392	434.873.369	262.266.128	51.069.491	(7.722.645)	1.320.145.813
Financial assets measured at amortised cost	155.877.466	19.639.592	24.674.553	94.054.356	93.679.410	(156.523)	387.768.854
Other assets	1.793.159	3.538.945	9.713.164	5.701.841	3.498.267	206.200.634	230.446.010
Total assets	769.070.612	200.731.471	502.005.731	385.556.111	196.558.727	499.958.132	2.553.880.784
Liabilities							
Bank deposits	10.758.819	4.674.741	9.412.120	437.593	-	1.284.464	26.567.737
Other deposits	552.111.792	149.781.199	36.502.262	12.040.656	819.807	596.433.950	1.347.689.666
Money markets payables	195.188.819	511.906	309.870	-	-	-	196.010.595
Miscellaneous payables	-	-	-	-	-	114.319.178	114.319.178
Marketable securities issued	11.604.386	37.401.316	48.537.963	53.626.053	-	-	151.169.718
Funds borrowed from other financial institutions	85.701.782	133.167.178	65.775.629	11.667.296	1.018.516	-	297.330.401
Other liabilities ⁽³⁾	5.008.495	82.805.988	4.816.593	40.644.897	27.931.102	259.586.414	420.793.489
Total liabilities	860.374.093	408.342.328	165.354.437	118.416.495	29.769.425	971.624.006	2.553.880.784
Balance sheet long position	-	-	336.651.294	267.139.616	166.789.302	-	770.580.212
Balance sheet short position	(91.303.481)	(207.610.857)	-	-	-	(471.665.874)	(770.580.212)
Off-balance sheet long position	-	-	12.732.735	-	-	-	12.732.735
Off-balance sheet short position	(19.443.100)	(4.469.149)	-	(40.130)	(3.422.888)	-	(27.375.267)
Total position	(110.746.581)	(212.080.006)	349.384.029	267.099.486	163.366.414	(471.665.874)	(14.642.532)

(1) Expected credit losses are presented in the "Non-interest bearing" column of the relevant financial item.

(2) Non-performing loans are presented in the "Non-interest bearing" column after being offset by expected credit losses.

(3) Shareholders' equity is presented under the "Non-interest bearing".

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5.2. Average interest rates for monetary financial instruments:

The following average interest rates of the Group are calculated by weighting the rates with their principal amounts outstanding as of the balance sheet date.

Current Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the CBRT ⁽¹⁾	-	-	-	34,28
Banks	3,26	1,99	-	41,40
Financial assets measured at fair value through profit or loss	4,03	4,95	-	-
Money markets receivables	-	-	-	-
Financial assets measured at fair value through other comprehensive income	3,71	6,31	-	33,30
Loans	6,38	7,86	-	46,93
Financial assets measured at amortised cost	3,17	6,41	-	25,38
Liabilities				
Bank deposits ⁽²⁾	0,54	3,90	-	27,24
Other deposits ⁽²⁾	0,89	1,40	-	27,87
Money markets payables	-	3,25	-	34,54
Miscellaneous payables	-	-	-	-
Marketable securities issued	3,66	6,73	-	38,80
Funds borrowed from other financial institutions	3,84	5,26	-	35,49

Prior Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in vault, effectives, cash in transit, cheques purchased) and balances with the CBRT ⁽¹⁾	-	-	-	34,79
Banks	3,60	2,36	-	48,26
Financial assets measured at fair value through profit or loss	3,65	5,12	-	-
Money markets receivables	-	-	-	-
Financial assets measured at fair value through other comprehensive income	4,68	6,24	-	36,24
Loans	6,69	8,23	-	49,44
Financial assets measured at amortised cost	3,56	6,48	-	34,85
Liabilities				
Bank deposits ⁽²⁾	0,25	2,99	-	45,26
Other deposits ⁽²⁾	0,90	1,16	-	32,62
Money markets payables	3,55	3,63	-	41,81
Miscellaneous payables	-	-	-	-
Marketable securities issued	4,53	7,04	-	50,16
Funds borrowed from other financial institutions	5,05	6,45	-	44,92

(1) In accordance with the CBRT's article dated February 5, 2024 and numbered 198, interest rates were taken into account that applied to some of the required reserves established in TL, in accordance with the conditions specified in the instruction.

(2) Demand deposit balances are included in average interest rate calculation.

6. Explanations on share certificates position risk from banking book:

None.

7. Explanations on consolidated liquidity risk management, liquidity coverage ratio and net stable funding ratio:

Liquidity risk is defined as risk of unexpected loss to be occurred or Group to have difficulties in raising funds while meeting maturing liabilities. Liquidity management is daily monitored in the Bank under Treasury Management and Risk Management. The liquidity policy of the Group is approved by the Bank's Board of Directors. Treasury Management is responsible for carrying out transactions which are appropriate to Bank's policy, monitoring of liquidity position and submitting necessary reports to executives. Treasury management contributes to determine strategies and operating actions for the management of the liquidity position in addition to prepare funding plan and contingency funding plan of the Bank. Liquidity risk is evaluated with liquidity gap analysis, liquidity stress tests and supplementary precautions/measurements. Liquidity Gap analysis are performed for two different periods as short-term and long-term. Going concern scenario and structural positions are reported monthly. This reporting constitutes the basis of monitoring and management of liquidity position.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The Parent Bank does not function as a central funding institution in its relations with its subsidiaries. Intra-group liquidity management and funding strategies are limited with related legal boundaries and monitored regularly via various reports. Intraday liquidity is also monitored closely by the bank in its best effort.

The Parent Bank issues an annual funding plan in order to sustain funding in a consistent and balanced way. Funding plan have to be updated at least annually and approved by the Executive Committee since it is complied with budgeting process and risk appetite frameworks. The primary purpose of the funding plan is to provide a reliable balance between assets and liabilities.

Both short-term liquidity and medium/long-term (structural) liquidity measurement and reporting for all types of currencies are periodically made in Bank and its subsidiaries. There are limits which are predetermined and approved by the Board of Directors on the basis of all major currencies for each period.

The Parent Bank mainly uses derivative transactions as managing liquidity risk and monitors cash inflow and outflow periods in the framework of funding plan balancing the distribution among currencies.

The Parent Bank aims to reduce the risks to the lowest level if required via measuring possible risks in liquidity with stress tests. Stress tests make it possible for the Bank to reinterpret analysis of its liquidity position according to scenarios depending on possible cases and tail risks except for crisis situations. Liquidity Stress Test methodology makes a similar approach with Liquidity Coverage Ratio ("LCR") template and hence allows the overview of the results in line with Basel approaches. The Parent Bank applies and reports liquidity stress tests consisting of different scenarios and maturity segments both on unconsolidated and consolidated level and the results are compared with both liquidity stress tests and other liquidity limit and trigger levels set, with different frequencies (weekly, monthly etc.) according to the scenarios.

"Liquidity Contingency Plan" is applied if the Parent Bank needs more liquidity than its daily liquidity need because of possible financial events in future. Duties and responsibilities are defined in detail in the aforementioned plan. Both the liquidity policy and liquidity contingency policy are in line with BRSA best practice documents on liquidity risk management. The abovementioned policies and the thresholds (limits etc.) covered within liquidity risk management framework are updated and approved at least annually.

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

The Parent Bank calculates and reports the LCR in full compliance with the regulations. LCR is a metric measuring the adequacy of unencumbered free liquid assets owned by banks (called high quality liquid assets) to meet expected net cash outflows over the next 30 days. The metric is an important Basel regulation that measures short-term liquidity and is closely monitored in the Bank. In addition to LCR, the Bank has also measures the Net Stable Funding Rate (NSFR), which is considered another complementary element and provides another important medium / long-term liquidity risk measurement. In accordance with the Regulation on Calculation of Banks' Net Stable Funding Ratio, published in the Official Gazette dated May 26, 2023 and numbered 32202, the relevant metric has started to be followed up within the framework of legal regulations. These two metrics are also included within the Risk Appetite Indicators and closely monitored at the Bank.

High quality liquid assets mentioned in LCR calculation consist of cash, effective money, CBRT accounts and reserves and government bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye treated as high quality liquid assets.

Cash outflows from derivative transactions in LCR calculation are based on inclusion of net cash flows with maturity of 30 days in the calculation. Additionally, transactions having a margin possibility are included in LCR calculation by taking the largest outflow amount according to the negative values of net margin flows realized in the last 24 months in respect of 30 days period or for liability into consideration as cash outflow.

Secured funding consists of repo and other secured borrowings. A large part of securities which are subject to the aforementioned funding transactions consist of Sovereign Bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye and transactions are carried out in both CBRT market and interbank market.

The Parent Bank manages all the transactions made before its foreign branches and partnership in the framework of central bank, markets and related legislation of the country in which the institutions are located. Legal lending limits and high limit transactions are closely monitored in this framework.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

All cash inflow and outflow items related to liquidity profile of the Group are included in LCR tables below.

Current Period	Unweighted Amounts ⁽¹⁾		Weighted Amounts ⁽¹⁾	
	TL+FC	FC	TL+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			771.000.032	351.761.313
Cash Outflows				
Retail and Small Business Customers Deposits	1.177.776.240	535.881.442	100.170.119	52.910.855
Stable deposits	352.150.089	13.545.792	17.607.504	677.290
Less stable deposits	825.626.151	522.335.650	82.562.615	52.233.565
Unsecured Funding other than Retail and Small Business Customers Deposits	849.127.253	344.993.491	525.427.411	189.901.604
Operational deposits	-	-	-	-
Non-Operational deposits	611.457.056	293.106.747	321.514.737	138.014.860
Other Unsecured funding	237.670.197	51.886.744	203.912.674	51.886.744
Secured funding			4.529.266	-
Other Cash Outflows	2.220.875	3.756.684	2.220.875	3.756.684
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	2.220.875	3.756.684	2.220.875	3.756.684
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	747.525.512	349.781.082	37.376.276	17.489.054
Other irrevocable or conditionally revocable commitments	2.310.786.336	142.787.565	153.093.943	32.281.794
Total Cash Outflows			822.817.890	296.339.991
Cash Inflows				
Secured Lending Transactions	-	-	-	-
Unsecured Lending Transactions	297.371.969	89.468.551	198.353.065	72.702.058
Other contractual cash inflows	3.314.336	109.353.378	3.314.336	109.353.378
Total Cash Inflows	300.686.305	198.821.929	201.667.401	182.055.436
			Capped Amounts	
Total High Quality Liquid Assets			771.000.032	351.761.313
Total Net Cash Outflows			621.150.489	114.284.555
Liquidity Coverage Ratio (%)			124,12	307,79

(1) Simple arithmetic averages of monthly consolidated liquidity coverage ratios for the last three months are used.

Foreign currency and total liquidity coverage ratios for the last three months of current period are presented in the table below.

Current Period	TL+FC (%)	FC (%)
October 2025	124,27	361,00
November 2025	122,98	261,24
December 2025	125,62	348,56

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Prior Period	Unweighted Amounts ⁽¹⁾		Weighted Amounts ⁽¹⁾	
	TL+FC	FC	TL+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			480.626.520	217.794.298
Cash Outflows				
Retail and Small Business Customers Deposits	879.738.869	323.267.253	77.442.272	31.846.705
Stable deposits	210.632.311	9.600.404	10.531.616	480.020
Less stable deposits	669.106.558	313.666.849	66.910.656	31.366.685
Unsecured Funding other than Retail and Small Business Customers Deposits	502.795.063	194.419.196	296.660.503	108.388.122
Operational deposits	-	-	-	-
Non-Operational deposits	348.043.952	151.402.291	164.354.764	65.371.217
Other Unsecured funding	154.751.111	43.016.905	132.305.739	43.016.905
Secured funding			2.652.388	-
Other Cash Outflows	2.656.236	3.481.738	2.656.236	3.481.738
Liquidity needs related to derivatives and market valuation changes on derivatives transactions	2.656.236	3.481.738	2.656.236	3.481.738
Debts related to the structured financial products	-	-	-	-
Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	541.055.991	253.067.717	27.052.800	12.653.386
Other irrevocable or conditionally revocable commitments	1.451.888.252	91.296.553	103.575.707	22.496.322
Total Cash Outflows			510.039.906	178.866.273
Cash Inflows				
Secured Lending Transactions	-	-	-	-
Unsecured Lending Transactions	206.676.452	57.232.763	132.056.484	47.150.249
Other contractual cash inflows	1.921.671	35.142.515	1.921.671	35.142.515
Total Cash Inflows	208.598.123	92.375.278	133.978.155	82.292.764
			Capped Amounts	
Total High Quality Liquid Assets			480.626.520	217.794.298
Total Net Cash Outflows			376.061.751	96.573.509
Liquidity Coverage Ratio (%)			127,81	225,52

(1) Simple arithmetic averages of monthly consolidated liquidity coverage ratios for the last three months are used.

Foreign currency and total liquidity coverage ratios for the last three months of prior period are presented in the table below.

Prior Period	TL+FC (%)	FC (%)
October 2024	127,86	207,86
November 2024	124,67	210,11
December 2024	131,39	285,28

With the framework of the regulation, NSFR is closely monitored and reported on monthly and three-month average basis. NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. In addition to the Group's capital available stable funding mainly consists of retail and corporate deposits and other borrowings which are taken into account at different rates in accordance with the regulation. Required stable funding is calculated by the amount of receivables categorized by the counterparty type, residual maturity and encumbrance status. Within this framework, the required stable fund amount refers to the portion of the Group's on-balance sheet assets and off-balance sheet liabilities that expected to be refunded. In accordance with the regulation, the three-month simple arithmetic average of the calculated NSFR for the periods of March, June, September and December cannot be less than 100%.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Three-month simple arithmetic mean as of most recent quarter is 115,15%. The ratio and main items constituting the Group's NSFR as of most recent period shown in the table below.

Compared to current and prior period NSFR, the change is primarily due to changes in the amount and maturity structure of loans and deposits.

Current period	Unweighted Amount According to Residual Maturity				Total Weighted Amount	
	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less	Residual maturity of one year or more		
Available stable funding						
1	Capital Instruments	298.361.497	-	-	118.625.675	416.987.172
2	Tier 1 Capital and Tier 2 Capital	298.361.497	-	-	118.625.675	416.987.172
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	633.145.614	573.920.431	-	-	1.105.308.125
5	Stable Deposits	188.872.550	190.101.139	-	-	360.025.005
6	Less Stable Deposits	444.273.064	383.819.292	-	-	745.283.120
7	Other Obligations	113.563.631	1.187.647.205	209.364.909	317.809.671	712.859.515
8	Operational deposits	-	-	-	-	-
9	Other obligations	113.563.631	1.187.647.205	209.364.909	317.809.671	712.859.515
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	-	-	(31.073.052)	-	-
12	Derivative liabilities			(31.242.761)		
13	All other liabilities not included in the above categories	-	169.709	-	-	-
14	Available stable funding					2.235.154.812
Required stable funding						
15	High Quality Liquid Assets					115.132.372
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	-	1.268.039.670	302.353.567	523.368.794	1.179.099.181
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	-	136.863.668	29.887.969	15.285.037	50.758.572
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	1.129.120.770	270.495.975	491.765.755	1.116.622.354
21	Loans with a risk weight of less than or equal to 35%	-	-	-	2.731.519	1.775.487
22	Residential mortgages	-	1.167.663	1.102.099	10.760.236	6.994.154
23	Residential mortgages with a risk weight of less than or equal to 35%	-	1.167.663	1.102.099	10.760.236	6.994.154
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	887.569	867.524	5.557.766	4.724.101
25	Assets equivalent to interconnected liabilities					
26	Other Assets	485.660.253		32.901.288		516.100.538
27	Physical traded commodities, including gold	16.406.684				13.945.681
28	Initial margin posted or given guarantee fund to central counterparty			-		-
29	Derivative Assets			31.242.761		31.242.761
30	Derivative Liabilities before the deduction of the variation margin			1.658.527		1.658.527
31	Other Assets not included above	469.253.569	-	-	-	469.253.569
32	Off-balance sheet commitments		3.188.778.261	-	-	159.438.913
33	Total Required stable funding					1.969.771.004
34	Net Stable Funding Ratio (%)					113,47

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Three-month simple arithmetic mean as of most recent quarter is 117,30%. The ratio and main items constituting the Group's NSFR as of prior period shown in the table below.

Prior period	Unweighted Amount According to Residual Maturity				Total Weighted Amount	
	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less	Residual maturity of one year or more		
Available stable funding						
1	Capital Instruments	229.365.172	-	-	59.012.495	288.377.667
2	Tier 1 Capital and Tier 2 Capital	229.365.172	-	-	59.012.495	288.377.667
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	422.220.211	464.696.409	13.605.963	11.992.097	833.126.709
5	Stable Deposits	118.650.771	118.619.348	-	-	225.406.613
6	Less Stable Deposits	303.569.440	346.077.061	13.605.963	11.992.097	607.720.096
7	Other Obligations	89.876.878	1.003.005.997	110.791.874	171.625.129	450.665.751
8	Operational deposits	-	-	-	-	-
9	Other obligations	89.876.878	1.003.005.997	110.791.874	171.625.129	450.665.751
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	-		(26.401.019)		-
12	Derivative liabilities			(26.642.791)		
13	All other liabilities not included in the above categories	-	241.772	-	-	-
14	Available stable funding					1.572.170.127
Required stable funding						
15	High Quality Liquid Assets					163.264.183
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	-	890.061.738	205.485.715	333.183.962	789.629.075
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	-	94.850.971	10.382.797	3.162.179	22.581.223
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	787.389.226	192.259.203	315.349.617	755.507.024
21	Loans with a risk weight of less than or equal to 35%	-	-	-	3.625.846	2.356.800
22	Residential mortgages	-	880.335	554.875	4.652.564	3.024.166
23	Residential mortgages with a risk weight of less than or equal to 35%	-	880.335	554.875	4.652.564	3.024.166
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	-	6.941.206	2.288.840	10.019.602	8.516.662
25	Assets equivalent to interconnected liabilities					
26	Other Assets	286.976.429		37.698.776		324.015.587
27	Physical traded commodities, including gold	4.397.452				3.737.834
28	Initial margin posted or given guarantee fund to central counterparty			-		-
29	Derivative Assets			36.125.762		36.125.762
30	Derivative Liabilities before the deduction of the variation margin			1.573.014		1.573.014
31	Other Assets not included above	282.578.977	-	-	-	282.578.977
32	Off-balance sheet commitments		2.000.920.141	-	-	100.046.007
33	Total Required stable funding					1.376.954.852
34	Net Stable Funding Ratio (%)					114,18

(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Breakdown of assets and liabilities according to their remaining maturities:

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Unclassified	Total
Assets⁽¹⁾								
Cash (cash in vault, effectives, cash in transit, cheques purchased) and Balances with the CBRT	257.776.517	283.666.882	-	-	-	-	(114.833)	541.328.566
Banks	29.338.556	11.080.158	20.509.099	40.831.279	4.806.326	-	(196.987)	106.368.431
Financial assets measured at fair value through profit or loss	3.445.285	656	3.781	5.653	49.579	230.665	250.767	3.986.386
Money markets receivables	-	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	-	9.640.591	208.098	2.917.036	114.454.238	66.424.052	315.219	193.959.234
Loans ⁽²⁾	-	596.799.358	236.532.880	570.115.386	440.121.274	78.797.035	165.883	1.922.531.816
Financial assets measured at amortised cost	-	8.943.216	1.926.823	4.897.097	296.008.334	109.467.828	(109.746)	421.133.552
Other assets	195.107.340	3.772.032	9.020.755	6.216.491	6.936.638	2.861.319	109.709.526	333.624.101
Total assets	485.667.698	913.902.893	268.201.436	624.982.942	862.376.389	257.780.899	110.019.829	3.522.932.086
Liabilities								
Bank deposits	1.406.913	3.590.163	3.050.935	11.163.397	1.160.718	-	-	20.372.126
Other deposits	883.053.105	834.750.819	167.864.538	40.871.505	10.932.660	1.298.267	-	1.938.770.894
Funds borrowed from other financial institutions	-	45.109.135	44.849.620	234.573.652	84.677.154	2.899.790	-	412.109.351
Money markets payables	-	97.602.918	3.124.844	529.683	950.655	-	-	102.208.100
Marketable securities issued	-	7.313.921	33.549.147	107.825.977	142.797.730	7.540.843	-	299.027.618
Miscellaneous payables	444.523	148.422.766	7.136.871	5.869.971	-	-	4.405.795	166.279.926
Other liabilities ⁽³⁾	44.661.290	5.436.589	21.913.898	14.178.735	74.189.895	128.091.411	295.692.253	584.164.071
Total liabilities	929.565.831	1.142.226.311	281.489.853	415.012.920	314.708.812	139.830.311	300.098.048	3.522.932.086
Net liquidity gap	(443.898.133)	(228.323.418)	(13.288.417)	209.970.022	547.667.577	117.950.588	(190.078.219)	-
Net Off-Balance Sheet Position	-	(1.869.865)	(10.053.609)	(20.578.582)	(1.692.869)	5.240.848	-	(28.954.077)
Derivative Financial Assets	-	456.632.424	313.086.291	475.864.098	212.986.164	131.253.981	-	1.589.822.958
Derivative Financial Liabilities	-	458.502.289	323.139.900	496.442.680	214.679.033	126.013.133	-	1.618.777.035
Non-Cash Loans	-	24.616.119	94.112.421	357.350.568	119.084.041	15.507.878	163.277.140	773.948.167
Prior Period								
Total assets	374.347.417	637.760.873	175.366.963	457.423.438	561.777.556	249.637.232	97.567.305	2.553.880.784
Total liabilities	629.570.328	960.867.151	246.460.288	256.862.602	174.064.042	79.217.078	206.839.295	2.553.880.784
Net liquidity gap	(255.222.911)	(323.106.278)	(71.093.325)	200.560.836	387.713.514	170.420.154	(109.271.990)	-
Net Off-Balance Sheet Position	-	(1.320.077)	(7.857.248)	(9.380.911)	(311.501)	4.227.205	-	(14.642.532)
Derivative Financial Assets	-	185.585.459	163.391.329	208.688.167	193.885.987	87.790.730	-	839.341.672
Derivative Financial Liabilities	-	186.905.536	171.248.577	218.069.078	194.197.488	83.563.525	-	853.984.204
Non-Cash Loans	-	21.352.704	60.785.658	253.704.604	83.881.100	14.672.954	115.011.624	549.408.644

(1) Expected credit losses are presented in the "Unclassified" column of the relevant financial item.

(2) Non-performing loans are presented in the "Unclassified" column after being offset by expected credit losses.

(3) Shareholders' equity is presented in the "Unclassified" column.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Breakdown of financial liabilities according to their remaining contractual maturities:

The maturity distribution of values at contracted maturity date of non-derivative financial liabilities is presented below. Maturity segments also include the interests of related assets and liabilities.

Current Period⁽¹⁾	Demand and up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Liabilities						
Deposits	1.744.598.259	178.196.875	52.980.891	12.170.114	1.308.375	1.989.254.514
Borrowings	47.611.042	52.831.053	255.648.393	93.584.685	4.540.713	454.215.886
Financial liabilities measured at fair value through profit or loss	-	3.159.784	8.574.467	43.693.771	27.477.309	82.905.331
Funds from money market	98.022.781	3.149.444	549.387	961.316	-	102.682.928
Subordinated loans	3.175.188	1.139.480	6.061.786	59.910.803	115.842.925	186.130.182
Marketable securities issued	7.331.430	34.297.452	117.324.497	169.067.251	23.017.706	351.038.336
Total	1.900.738.700	272.774.088	441.139.421	379.387.940	172.187.028	3.166.227.177

Prior Period⁽¹⁾	Demand and up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Liabilities						
Deposits	1.179.622.810	165.569.995	49.221.325	12.484.592	826.934	1.407.725.656
Borrowings	86.402.536	56.589.396	150.081.867	20.340.454	1.865.400	315.279.653
Financial liabilities measured at fair value through profit or loss	-	4.264.486	11.025.253	50.749.428	34.325.730	100.364.897
Funds from money market	195.453.110	512.283	310.605	-	-	196.275.998
Subordinated loans	2.614.535	98.590	2.845.274	39.694.074	52.201.614	97.454.087
Marketable securities issued	11.644.432	19.292.812	52.122.430	89.993.920	-	173.053.594
Total	1.475.737.423	246.327.562	265.606.754	213.262.468	89.219.678	2.290.153.885

(1) Maturities of non-cash loans are described in note 3 of section 5.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

8. Explanations on consolidated leverage ratio:

The main reason for decrease in leverage ratio for the current period is the increase in total risk amount.

The summary information for the comparison of total assets in consolidated financials prepared in accordance with TAS and total exposures:

	Current Period ⁽²⁾	Prior Period ⁽²⁾
1 Total assets in the consolidated financial statements prepared in accordance with TAS ⁽¹⁾	3.472.968.098	2.486.950.762
2 Differences between the total assets in the consolidated financial statements prepared in accordance with TAS and the total assets in the consolidated financial statements prepared in accordance with Communique on Preparation of Consolidated Financial Statements of the Banks	21.755.412	14.196.554
3 Differences between the balances of derivative financial instruments and the credit derivatives in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	10.636.319	7.708.267
4 Differences between the balances of securities financing transactions in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(137.105.631)	(188.756.915)
5 Differences between off- balance sheet items in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(86.927.989)	(66.661.674)
6 Other differences in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	138.152.238	209.085.122
7 Total Risks	6.817.341.287	4.566.167.989

(1) The consolidated financial statements prepared in accordance with the sixth paragraph of the Article 5 in the Communique on Preparation of Consolidated Financial Statements of the Banks.

(2) The arithmetic average of the last three months in the related periods.

	Current Period ⁽¹⁾	Prior Period ⁽¹⁾
On-Balance sheet exposures		
1 On-Balance sheet assets (Excluding derivative financial instruments and credit derivatives, including collaterals)	3.507.217.692	2.504.546.858
2 (Asset amounts deducted in determining Tier 1 capital)	(35.844.318)	(26.367.945)
3 Total on-Balance sheet exposures	3.471.373.374	2.478.178.913
Derivative financial instruments and credit derivatives		
4 Replacement cost of derivative financial instruments and credit derivatives	8.115.465	8.174.532
5 Potential credit risk of derivative financial instruments and credit derivatives	10.636.319	7.708.267
6 Total derivative financial instruments and credit derivatives exposure	18.751.784	15.882.799
Securities financing transaction exposure		
7 Total risk of gross securities financing transactions (excluding on-balance sheet exposure)	17.550.706	36.030.054
8 Agent transaction exposures	-	-
9 Total securities financing transaction exposures	17.550.706	36.030.054
Off-balance sheet items		
10 Off-balance sheet exposure at gross notional amount	3.396.593.412	2.102.737.897
11 (Adjustments for conversion to credit equivalent amounts)	(86.927.989)	(66.661.674)
12 Total risk of off-balance sheet items	3.309.665.423	2.036.076.223
Capital and total exposure		
13 Tier 1 capital	291.207.257	210.255.861
14 Total exposures	6.817.341.287	4.566.167.989
15 Leverage ratio (%)	4,28	4,61

(1) The arithmetic average of the last three months in the related periods.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

9. Explanations on the presentation of financial assets and liabilities at fair values:

The following table summarises the carrying values and fair values of some financial assets and liabilities of the Group. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Book value		Fair value	
	Current Period	Prior Period	Current Period	Prior Period
Financial assets	2.715.460.818	1.954.228.296	2.679.045.727	1.901.769.668
Banks	106.565.418	63.746.099	106.461.653	63.886.473
Financial assets at fair value through other comprehensive income	193.959.234	133.689.512	193.959.234	133.689.512
Financial assets measured at amortised cost	421.243.298	387.925.377	378.437.294	341.310.805
Loans	1.993.692.868	1.368.867.308	2.000.187.546	1.362.882.878
Financial liabilities	3.022.359.816	2.074.242.692	3.048.274.029	2.084.141.582
Bank deposits	20.372.126	26.567.737	20.381.270	26.557.391
Other deposits	1.938.770.894	1.347.689.666	1.941.611.769	1.347.459.672
Funds borrowed from other financial institutions	412.109.351	297.330.401	415.461.310	299.568.553
Financial liabilities measured at fair value through profit or loss	63.182.808	75.234.394	63.182.808	75.234.394
Subordinated loans	122.617.093	61.931.598	133.777.881	66.372.958
Marketable securities issued	299.027.618	151.169.718	307.579.065	154.629.436
Miscellaneous payables	166.279.926	114.319.178	166.279.926	114.319.178

The fair values of deposits, banks, securities issued and funds borrowed from other financial institutions are determined by calculating the discounted cash flows using the current market interest rates.

The fair value of held-to-maturity assets is determined based on market prices or when this price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

The expected fair value of loans and receivables is determined by calculating the discounted cash flows using the current market interest rates for the loans with fixed interest rates. For the loans with floating interest rates (such as overdrafts and credit card receivables), it is assumed that the carrying value approaches to the fair value.

TFRS 13, "Fair Value Measurement", requires classification of line items at fair value presented at the financial statements according to the defined levels. These levels depend on the observability of data used for fair value calculations. Classification for fair value is generated as followed below:

Level 1: Assets or liabilities with prices recorded (unadjusted) in active markets

Level 2: Assets or liabilities that are excluded in the Level 1 of recorded prices directly observable by prices or indirectly observable derived through prices observable from similar assets or liabilities

Level 3: Assets and liabilities where no observable market data can be used for valuation

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

According to these classification principles stated, the Group's classification of financial assets and liabilities carried at their fair value are as follows:

Current Period	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss	3.724.380	262.006	-	3.986.386
Financial assets measured at fair value through other comprehensive income	193.644.016	132.738	-	193.776.754
Derivative financial assets	-	17.380.121	-	17.380.121
Total assets	197.368.396	17.774.865	-	215.143.261
Financial liabilities at fair value through profit or loss	-	63.182.808	-	63.182.808
Derivative financial liabilities	-	19.624.432	-	19.624.432
Total liabilities	-	82.807.240	-	82.807.240

Prior Period	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss	1.465.492	1.437.870	-	2.903.362
Financial assets measured at fair value through other comprehensive income	133.456.630	88.853	-	133.545.483
Derivative financial assets	-	16.794.905	-	16.794.905
Total assets	134.922.122	18.321.628	-	153.243.750
Financial liabilities at fair value through profit or loss	-	75.234.394	-	75.234.394
Derivative financial liabilities	-	18.966.255	-	18.966.255
Total liabilities	-	94.200.649	-	94.200.649

The Group classify its buildings carried at their fair value within property and equipment under level 3.

10. Explanations on hedge accounting:

The Group applies the following hedge accounting models:

- Fair value Hedge ("FVH")
- Cash Flow Hedge ("CFH")
- Net Investment Hedge ("NIH")

If the fair value of the hedging instrument within fair value hedge ("FVH") is positive it is classified under, "Derivative financial assets measured at fair value through profit or loss"; if the fair value is negative, it is classified under "Derivative financial liabilities measured at fair value through profit or loss".

If the fair value of the hedging instrument under hedge of cash flow hedge ("CFH") is positive, it is classified under "Derivative financial assets measured at fair value through other comprehensive income" "if the fair value is negative, it is classified under "Derivative financial liabilities measured at fair value through other comprehensive income".

Cross currency interest rate swaps and interest rate swaps are used as hedging instrument in FVH. Interest rate swaps, currency swaps and cross currency swaps are used as hedging instrument in CFH.

Contractual amounts and the fair values as at December 31, 2025 of these hedging instruments are presented in the table below:

Hedging instrument	Current Period			Prior Period		
	Notional⁽¹⁾	Asset	Liability	Notional⁽¹⁾	Asset	Liability
Interest rate swap / Currency swap / Cross						
currency interest rate swap (CFH)	23.244.359	1.572.898	32.132	19.113.208	2.385.837	-
Interest rate swap (FVH)	2.300.278	173.335	-	1.910.062	157.268	-
Total	25.544.637	1.746.233	32.132	21.023.270	2.543.105	-

(1) Only the "sell" legs of the related derivatives are presented with the addition of the "buy" legs of these derivatives amounting to TL 25.640.679 (December 31, 2024 - TL 21.023.269) the total notional of derivative financial assets amounting to TL 51.185.316 (December 31, 2024 - TL 42.046.539) is accounted for in off-balance sheet under "Hedging Derivative Financial Instruments" line item.

The fair valuation methodology of the derivatives presented in the above table is disclosed in detail in the accounting principles section of these financial statements in Section 3 Part 4.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

10.1 Fair value hedge accounting:

The Group has hedged the possible fair value effects of changes in market interest rates and foreign exchange rates on some of its fixed rate foreign currency borrowings by using interest rate swaps, cross-currency interest rate swaps.

The impact of application of FVH accounting is summarized below;

Current Period						
Type of hedging instrument	Hedged item (asset and liability)	Nature of hedged risks	Fair value difference / adjustment of the hedged item ⁽¹⁾	Net fair value of the hedging instrument ⁽²⁾		Net gain/(loss) recognised in the income statement (Derivative financial transactions gains/losses)
				Asset	Liability	
Interest rate swaps	Loans	Fixed interest and changes in foreign exchange rate risk	(166.647)	173.335	-	(11.218)

Prior Period						
Type of hedging instrument	Hedged item (asset and liability)	Nature of hedged risks	Fair value difference / adjustment of the hedged item ⁽¹⁾	Net fair value of the hedging instrument ⁽²⁾		Net gain/(loss) recognised in the income statement (Derivative financial transactions gains/losses)
				Asset	Liability	
Interest rate swaps	Loans	Fixed interest and changes in foreign exchange rate risk	(143.162)	157.268	-	6.434

(1) The amount refers to the fair value of the hedged item calculated for some of fixed interest loan portfolios and foreign currency funds borrowed in accordance with hedge accounting effectiveness tests. The foreign exchange rate changes of foreign currency fundings and cross-currency swaps are reflected to the income statement in foreign exchange gains / losses line item.

(2) The amounts include the foreign exchange differences and net straight line interest accruals of the related derivatives.

At the inception date, the Group documents the relationship between the hedging instruments and hedged items required by the FVH accounting application in accordance with "TAS 39- Financial Instruments: Recognition and Measurement" and its own risk management policies and principles. Every individual relationship is approved and documented in the same methodology. In accordance with "TAS 39- Financial Instruments: Recognition and Measurement", the effectiveness tests of the relationships are performed in accordance with the Group's risk management policies. In the effectiveness tests, the fair values of the hedged item are calculated using the same assumptions used in calculation of fair values of the derivatives.

The effectiveness tests are performed prospectively and retrospectively on a monthly basis and the effectiveness of risk relationships are measured. At the inception date the effectiveness tests are performed prospectively. If the underlying hedge does not conform to the FVH accounting requirements (out of the 80% - 125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation, the adjustments made to the carrying value (amortized cost) of the hedged item are amortized with the straight line method and recognized in the profit or loss accounts within the remaining maturity. In addition if the hedging instrument is sold or closed before its maturity, the amount of the fair value adjustments of the hedged items are amortized to profit or loss accounts with the straight line method within the remaining maturity.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

10.2 Cash flow hedge accounting:

The Group apply macro and micro cash flow hedge accounting in order to hedge its cash flow risk from floating interest rate liabilities. The hedging instruments are USD, EUR and TL interest rate swaps, currency swaps and cross currency swaps with floating receive, fixed pay legs, and the hedged item is the cash outflows due to financing of interests of repricing and exchange rate changes USD, EUR and TL deposits, lease receivables, borrowings and repos.

The impact of application of CFH accounting is summarized below:

Current Period						
Type of hedging instrument	Hedged item (asset and liability)	Nature of hedged risks	Net fair value of the hedging instrument		Net gain/(loss) recognized in hedging funds ⁽¹⁾	Net gain/(loss) reclassified to equity ^{(2),(3)}
			Asset	Liability		
Interest rate swaps/ currency swaps/Cross currency interest rate swaps	Customer deposits, repos, lease receivables and borrowings	Cash flow risk due to the changes in the interest rates	1.572.898	32.132	1.563.476	(575.382)

Prior Period						
Type of hedging instrument	Hedged item (asset and liability)	Nature of hedged risks	Net fair value of the hedging instrument		Net gain/(loss) recognized in hedging funds ⁽¹⁾	Net gain/(loss) reclassified to equity ^{(2),(3)}
			Asset	Liability		
Interest rate swaps/ currency swaps/Cross currency interest rate swaps	Customer deposits, repos, lease receivables and borrowings	Cash flow risk due to the changes in the interest rates	2.385.837	-	2.138.858	(1.088.702)

(1) Includes deferred tax impact.

(2) Includes tax and foreign exchange differences.

(3) The ineffective portion of the mentioned hedging transaction is TL 156.831 gain (December 31, 2024 – TL 653.708 gain).

The Group documents the relationship between the hedging instruments and hedged items required by the CFH accounting application in accordance with “TAS 39 - Financial Instruments: Recognition and Measurement” and its own risk management policies and principles. Every individual relationship is approved and documented in the same way. In accordance with “TAS 39 - Financial Instruments: Recognition and Measurement”, the effectiveness tests of the relationships are performed in accordance with the Bank’s risk management policies.

The effectiveness tests are performed on a monthly basis and the effectiveness of risk relationships are measured. If the underlying hedge does not conform to the CFH accounting requirements (out of the 80% - 125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation or the hedging instrument is sold or closed before its maturity, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs or is no longer expected to occur. When the hedged forecasted transactions are no longer expected to occur, the net cumulative gain or loss is reclassified from other comprehensive income to profit or loss.

10.3 Hedge From Foreign Net Investment Risk:

The Group hedges part of the currency translation risk of net investments in foreign operations through foreign currency borrowings. The Group’s Euro denominated borrowing is designated as a hedge of the net investment in the Group’s certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2025 is EUR 742 million (December 31, 2024 - EUR 665 million).

11. Explanations on the activities carried out on behalf of others and fiduciary transactions:

The Group carries out trading, custody, management and consulting services on behalf of customers and on their account. The Group has no fiduciary transactions.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

12. Explanations on consolidated operating segments:

The Group carries out its banking operations through three main business units:

- Retail Banking
- Corporate Banking
- Commercial and SME Banking.

The Parent Bank's Retail Banking activities include card payment systems, individual, individual portfolio, blue class, private banking. Retail Banking products and services offered to customers include card payment systems, consumer loans (including general purpose loans, auto loans, mortgages), commercial installment loans, time and demand deposits, gold banking, investment accounts, life and non-life insurance products and payroll services. In addition, customers who receive their monthly salary/SSI payments through our bank are offered privileges covering various banking transactions. Card payment systems cover the management of products, services, campaigns for member merchants as well as the sales and activities for a variety of customer types. Crystal, Play, Adios and Taksitçi are the other card brands providing services for the different segments within the World brand, shopping and marketing platform of the Parent Bank. Through its Blue Class and Private Banking activities, the Bank serves high net worth customers and delivers investment products to this customer segment. Among the products and services offered to Private Banking customers are time deposit products, mutual funds, foreign exchange, gold and equity trading.

Also, personal art advisory, inheritance advisory, real estate advisory, tax advisory, education and philanthropic advisory are offered within the Private Banking and Wealth Management activities.

Corporate, Commercial and SME Banking segment is organized into three subgroups: Corporate Banking for large-scale, international and multinational companies and Commercial Banking for medium-sized enterprises and SME Banking for SME companies. Corporate and Commercial Banking, has a product range of working capital finance, trade finance, project finance, domestic and international non-cash loans such as letters of credit and letters of guarantee, cash management, internet banking, financial advisory and equity management advisory. SME Banking offer to customers SME loans and SME banking packages products.

The Group's widespread branch network and alternative distribution channels including ATMs, telephone banking, internet banking and mobile banking are utilized to serve customers in all segments. Foreign operations include the Group's banking operations in the Netherlands, Germany and Azerbaijan. Treasury, Asset – Liability Management and other operations, mainly consist of treasury management's results, operations of supporting business units and other unallocated transactions.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Major balance sheet and income statement items based on operating segments:

The below table is prepared in accordance with the Management Information System (MIS) data of the Bank.

Current Period	Retail banking	Corporate banking	Commercial and SME banking	Other foreign operations	Other domestic operations	Treasury, Asset-Liability Management and Other	Consolidation adjustments⁽¹⁾	Total operations of the Group
Operating income	115.166.450	17.696.768	60.874.211	6.441.200	19.425.613	19.039.736	(344.448)	238.299.530
Operating expenses	(71.640.095)	(474.325)	(26.420.111)	(2.538.162)	(4.808.602)	(69.668.050)	344.448	(175.204.897)
Net operating income / (expense)	43.526.355	17.222.443	34.454.100	3.903.038	14.617.011	(50.628.314)	-	63.094.633
Dividend income ⁽²⁾	-	-	-	-	-	335.279	-	335.279
Profit/loss from equity accounted subsidiaries ⁽²⁾	-	-	-	-	-	1.832.494	-	1.832.494
Profit/loss before tax	43.526.355	17.222.443	34.454.100	3.903.038	14.617.011	(48.460.541)	-	65.262.406
Tax expense ⁽²⁾	-	-	-	-	-	(18.168.988)	-	(18.168.988)
Net period profit/loss	43.526.355	17.222.443	34.454.100	3.903.038	14.617.011	(66.629.529)	-	47.093.418
Minority interest (-)	-	-	-	-	-	(3.267)	-	(3.267)
Group profit/loss	43.526.355	17.222.443	34.454.100	3.903.038	14.617.011	(66.632.796)	-	47.090.151
Segment assets	809.951.714	305.670.207	533.266.295	243.472.694	191.055.953	1.438.649.840	(13.696.602)	3.508.370.101
Investments in associates, subsidiaries and joint ventures	-	-	-	-	-	14.561.985	-	14.561.985
Total assets	809.951.714	305.670.207	533.266.295	243.472.694	191.055.953	1.453.211.825	(13.696.602)	3.522.932.086
Segment liabilities	1.129.984.247	165.060.245	338.200.495	202.777.795	162.222.867	1.282.765.924	(13.696.602)	3.267.314.971
Shareholders' equity	-	-	-	-	-	255.617.115	-	255.617.115
Total liabilities	1.129.984.247	165.060.245	338.200.495	202.777.795	162.222.867	1.538.383.039	(13.696.602)	3.522.932.086

Prior Period⁽³⁾	Retail banking	Corporate banking	Commercial and SME banking	Other foreign operations	Other domestic operations	Treasury, Asset-Liability Management and Other	Consolidation adjustments⁽¹⁾	Total operations of the Group
Operating income	80.808.175	18.505.872	53.650.523	5.207.028	13.828.351	55.044.989	(222.216)	226.822.722
Operating expenses	(50.733.840)	(1.236.406)	(11.723.803)	(1.658.682)	(3.240.827)	(126.368.335)	222.216	(194.739.677)
Net operating income / (expense)	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(71.323.346)	-	32.083.045
Dividend income ⁽²⁾	-	-	-	-	-	112.077	-	112.077
Profit/loss from equity accounted subsidiaries ⁽²⁾	-	-	-	-	-	1.498.790	-	1.498.790
Profit/loss before tax	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(69.712.479)	-	33.693.912
Tax expense ⁽²⁾	-	-	-	-	-	(4.674.920)	-	(4.674.920)
Net period profit/loss	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(74.387.399)	-	29.018.992
Minority interest (-)	-	-	-	-	-	(2.169)	-	(2.169)
Group profit/loss	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(74.389.568)	-	29.016.823
Segment assets	537.745.837	223.352.741	385.324.156	142.901.231	87.174.684	1.178.837.704	(10.853.019)	2.544.483.334
Investments in associates, subsidiaries and joint ventures	-	-	-	-	-	9.397.450	-	9.397.450
Total assets	537.745.837	223.352.741	385.324.156	142.901.231	87.174.684	1.188.235.154	(10.853.019)	2.553.880.784
Segment liabilities	828.940.954	127.143.741	250.655.068	115.990.556	68.147.950	981.041.988	(10.853.019)	2.361.067.238
Shareholders' equity	-	-	-	-	-	192.813.546	-	192.813.546
Total liabilities	828.940.954	127.143.741	250.655.068	115.990.556	68.147.950	1.173.855.534	(10.853.019)	2.553.880.784

(1) Consolidation adjustments include transactions with subsidiaries and investments consolidated in these financial statements.

(2) Related items expenses have not been distributed based on operating segments and have been presented under "Treasury, Asset-Liability Management and Other".

13. Explanations on fees for services received from independent auditor⁽¹⁾:

	Current Period	Prior Period
Independent audit fee	88.118	51.001
Tax advisory services fee	2.221	1.583
Other assurance services fee	28.832	11.075
Total	119.171	63.659

(1) Value added tax (VAT) excluded amounts are presented.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Five - Explanations and notes related to consolidated financial statements**1. Explanations and notes related to consolidated assets:****1.1. Information related to cash and the account of the Central Bank:****1.1.1. Information on cash and the account of the CBRT:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash	6.110.376	18.275.736	5.667.508	15.576.820
The CBRT ⁽¹⁾	228.525.378	233.485.688	204.554.231	162.373.691
Other	-	55.046.221	-	27.343.962
Total	234.635.754	306.807.645	210.221.739	205.294.473

(1) The balance of gold amounting to TL 75.811.683 is accounted for under the Central Bank foreign currency account (December 31, 2024 – TL 29.862.248).

1.1.2. Information on the account of the CBRT:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted demand amount ⁽¹⁾	101.966.465	92.667.309	143.217.836	66.730.541
Unrestricted time amount	43.045.389	-	-	-
Restricted time amount	-	-	-	-
Reserve requirement ⁽²⁾	83.513.524	140.818.379	61.336.395	95.643.150
Total	228.525.378	233.485.688	204.554.231	162.373.691

(1) The TL reserve requirement has been classified in "Central Bank Demand Unrestricted Account" based on the correspondence with BRSA letter as of January 3, 2008.

(2) The Group keeps TL, USD, EUR and Gold reserve deposits for its TL and FC liabilities at Central Bank accounts in accordance with the legislation of the Central Bank numbered 2013/15, "Decree on Reserve Deposits".

1.2. Information on financial assets measured at fair value through profit or loss:

The Group does not have financial assets measured at fair value through profit or loss subject to repo transactions and given as collateral/blocked (December 31, 2024 - None).

1.3. Information on derivative financial assets:**1.3.1. Positive differences related to derivative financial assets held for trading:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	1.110.386	1.043.053	634.054	431.244
Swap transactions	5.523.562	7.036.543	4.624.581	8.080.939
Futures transactions	117.863	-	180.556	-
Options	262.618	539.863	198.479	101.947
Other	-	-	-	-
Total	7.014.429	8.619.459	5.637.670	8.614.130

1.3.2. Positive differences related to derivative financial assets held for hedging:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair value hedges ⁽¹⁾	-	173.335	-	157.268
Cash flow hedges ⁽¹⁾	93.426	1.479.472	544.323	1.841.514
Hedges for investments made in foreign countries	-	-	-	-
Total	93.426	1.652.807	544.323	1.998.782

(1) Explained in note 10 of section 4.

1.4. Information on banks:**1.4.1. Information on banks:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic	42.962.688	29.808.866	9.320.887	21.066.090
Foreign	377.395	33.416.469	81.897	33.277.225
Headquarters and foreign branches	-	-	-	-
Total	43.340.083	63.225.335	9.402.784	54.343.315

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.4.2. Information on foreign banks account:

	Unrestricted amount		Restricted amount	
	Current Period	Prior Period	Current Period	Prior Period
EU countries	13.265.887	5.927.373	-	145.077
USA, Canada	16.459.279	23.657.632	3.447.246	3.015.362
OECD countries ⁽¹⁾	99.995	58.478	-	-
Off-shore banking regions	2.476	2.374	-	-
Other	518.981	552.826	-	-
Total	30.346.618	30.198.683	3.447.246	3.160.439

(1) OECD countries except EU countries, USA and Canada.

1.4.3. Information on money markets receivables:

As of December 31, 2025 the Group has no money markets receivables (December 31, 2024 – None).

1.5. Information on financial assets at fair value through other comprehensive income which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2025 financial assets measured at fair value through other comprehensive income given as repo transactions amounting to TL 46.868.488 (December 31, 2024 – TL 48.049.321). The securities subject to collateral/blocked are TL 13.572.982 (December 31, 2024 - TL 29.478.473).

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

	Current Period	Prior Period
Debt securities	198.703.422	140.572.120
Quoted on stock exchange	198.695.447	140.566.495
Not quoted	7.975	5.625
Share certificates	352.692	272.695
Quoted on stock exchange	6.042	4.980
Not quoted	346.650	267.715
Impairment (-) ⁽¹⁾	5.096.880	7.155.303
Total	193.959.234	133.689.512

(1) Includes the negative differences between the acquisition cost and the market price, related to the securities portfolio.

1.7. Explanations on loans:

1.7.1. Information on all types of loans or advance balances given to shareholders and employees of the Group:

	Current Period		Prior Period	
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	-	-	-	-
Corporate shareholders	-	-	-	-
Real person shareholders	-	-	-	-
Indirect loans granted to shareholders	21.236	466.480	19.895	629.218
Loans granted to employees	2.467.592	4.736	1.367.797	4.888
Total	2.488.828	471.216	1.387.692	634.106

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.2. Information on the first and second group loans and other receivables and loans and other receivables that have been restructured or rescheduled:

Cash Loans	Standard Loans	Loans under close monitoring		
		Not under the scope of restructuring	Loans under restructuring	
			Modifications on agreement conditions	Refinancing
Non-specialised loans	1.613.184.150	81.344.148	10.348.571	122.205.669
Loans given to enterprises	363.919.853	11.280.406	10.102.539	72.729.025
Export loans	255.953.882	7.339.486	184.429	733.910
Import loans	-	-	-	-
Loans given to financial sector	42.749.625	-	-	-
Consumer loans	291.323.080	21.337.857	30.701	18.905.230
Credit cards	442.040.493	33.083.881	-	17.924.141
Other	217.197.217	8.302.518	30.902	11.913.363
Specialised loans	-	-	-	-
Other receivables	91.313.422	3.969.973	-	-
Total	1.704.497.572	85.314.121	10.348.571	122.205.669

	Standard loans	Loans under close monitoring
12-month provisions for expected credit losses	7.963.074	-
Significant increase in credit risk	-	20.775.848
Total	7.963.074	20.775.848

1.7.3. Loans according to their maturity structure:

	Standard Loans	Loans under close monitoring	
		Not under the scope of restructuring	Agreement conditions modified
Short-term loans	1.024.839.416	49.553.370	12.395.342
Medium and long-term loans	679.658.156	35.760.751	120.158.898
Total	1.704.497.572	85.314.121	132.554.240

1.7.4. Information on loans by types and specific provisions**1.7.4.1. Information on loans by types and specific provisions:**

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Standard loans	879.820.578	291.323.080	442.040.493	56.572.898	34.740.523	1.704.497.572
Watch list	122.616.578	40.273.787	51.008.022	2.319.493	1.650.481	217.868.361
Loans under legal follow-up	34.727.038	16.669.552	18.826.295	657.199	446.851	71.326.935
Specific provisions (-)	15.527.733	12.412.506	13.732.534	407.610	341.747	42.422.130
Total	1.021.636.461	335.853.913	498.142.276	59.141.980	36.496.108	1.951.270.738

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Standard loans	632.122.563	193.200.969	292.169.421	38.502.467	23.335.767	1.179.331.187
Watch list	88.631.712	26.981.048	30.740.514	1.362.536	821.461	148.537.271
Loans under legal follow-up	19.979.869	11.796.193	8.576.680	421.068	225.040	40.998.850
Specific provisions (-)	10.256.012	10.092.705	5.932.512	296.237	199.364	26.776.830
Total	730.478.132	221.885.505	325.554.103	39.989.834	24.182.904	1.342.090.478

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.4.2. Specific provisions on loans:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial leasing receivables	Factoring receivables	Total
Opening balance	10.256.012	10.092.705	5.932.511	296.237	199.365	26.776.830
Allowance for impairment	9.511.960	11.128.641	14.635.161	173.578	238.266	35.687.606
Amount recovered during the period (-)	3.345.014	5.353.580	4.168.437	70.975	60.367	12.998.373
Loans written off during the period as uncollectible (-)	1.034.407	3.494.635	2.674.487	-	35.518	7.239.047
Exchange difference	139.186	39.375	7.783	8.770	-	195.114
Total	15.527.737	12.412.506	13.732.531	407.610	341.746	42.422.130

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial leasing receivables	Factoring receivables	Total
Opening balance	12.246.986	5.503.201	1.590.788	276.276	99.589	19.716.840
Allowance for impairment	6.065.440	9.109.579	7.382.375	184.700	107.482	22.849.576
Amount recovered during the period (-)	7.475.528	892.897	1.630.896	176.156	7.706	10.183.183
Loans written off during the period as uncollectible (-)	604.525	3.663.512	1.416.062	-	-	5.684.099
Exchange difference	23.639	36.334	6.306	11.417	-	77.696
Total	10.256.012	10.092.705	5.932.511	296.237	199.365	26.776.830

1.7.4.3. Fair value of collaterals:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Watch List	76.235.363	1.503.359	-	2.319.493	-	80.058.215
Loans under legal follow-up	13.858.308	393.034	-	657.199	-	14.908.541
Total	90.093.671	1.896.393	-	2.976.692	-	94.966.756

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Watch List	60.130.419	934.668	-	1.362.536	-	62.427.623
Loans under legal follow-up	8.077.566	369.890	-	421.068	-	8.868.524
Total	68.207.985	1.304.558	-	1.783.604	-	71.296.147

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.5. Information on consumer loans, individual credit cards, personnel loans and personnel credit cards:

	Short-term	Medium and long-term	Total
Consumer loans-TL	64.839.088	138.943.336	203.782.424
Real estate loans	34.493	34.662.254	34.696.747
Automotive loans	4.559.739	4.220.130	8.779.869
Consumer loans	60.244.856	100.060.952	160.305.808
Other	-	-	-
Consumer loans-FC indexed	-	27.294	27.294
Real estate loans	-	27.294	27.294
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans-FC	258.440	3.381.679	3.640.119
Real estate loans	51.553	1.314.557	1.366.110
Automotive loans	-	-	-
Consumer loans	127.315	1.792.968	1.920.283
Other	79.572	274.154	353.726
Individual credit cards-TL	412.430.047	24.408.093	436.838.140
With installments	173.463.090	23.697.904	197.160.994
Without installments	238.966.957	710.189	239.677.146
Individual credit cards-FC	1.598.808	221.015	1.819.823
With installments	32.455	178.292	210.747
Without installments	1.566.353	42.723	1.609.076
Personnel loans-TL	605.837	600.055	1.205.892
Real estate loans	-	1.742	1.742
Automotive loans	5.011	2.520	7.531
Consumer loans	600.826	595.793	1.196.619
Other	-	-	-
Personnel loans-FC indexed	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	11.177	230.646	241.823
Real estate loans	4.636	157.114	161.750
Automotive loans	-	-	-
Consumer loans	6.541	73.532	80.073
Other	-	-	-
Personnel credit cards-TL	859.148	10.137	869.285
With installments	365.124	10.137	375.261
Without installments	494.024	-	494.024
Personnel credit cards-FC	11.596	702	12.298
With installments	1.554	702	2.256
Without installments	10.042	-	10.042
Credit deposit account-TL (Real Person)⁽¹⁾	122.604.599	94.692	122.699.291
Credit deposit account-FC (Real Person)	25	-	25
Total	603.218.765	167.917.649	771.136.414

(1) TL 138.294 of the credit deposit account belongs to the loans used by personnel.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.6. Information on installment based commercial loans and corporate credit cards:

	Short-term	Medium and long-term	Total
Commercial installments loans-TL	11.137.483	142.768.201	153.905.684
Business loans	-	1.190.930	1.190.930
Automotive loans	1.738.749	29.273.664	31.012.413
Consumer loans	9.398.734	112.303.607	121.702.341
Commercial installments loans-FC indexed	-	-	-
Business loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Corporate credit cards-TL	53.025.475	453.148	53.478.623
With installment	16.994.811	449.899	17.444.710
Without installment	36.030.664	3.249	36.033.913
Corporate credit cards-FC	30.166	180	30.346
With installment	-	-	-
Without installment	30.166	180	30.346
Credit deposit account-TL (legal person)	18.026.850	268	18.027.118
Total	82.219.974	143.221.797	225.441.771

1.7.7. Distribution of domestic and foreign loans⁽¹⁾:

	Current Period	Prior Period
Public	24.136.293	23.022.589
Private	1.898.229.640	1.304.845.869
Total	1.922.365.933	1.327.868.458

(1) Non-performing loans are not included.

1.7.8. Distribution of domestic and foreign loans⁽¹⁾:

Distribution has been disclosed based on the location where the customers operate:

	Current Period	Prior Period
Domestic loans	1.841.013.458	1.273.973.963
Foreign loans	81.352.475	53.894.495
Total	1.922.365.933	1.327.868.458

(1) Non-performing loans are not included.

1.7.9. Loans granted to associates and subsidiaries:

	Current Period	Prior Period
Direct loans granted to associates and subsidiaries	454.682	777.318
Indirect loans granted to associates and subsidiaries	-	-
Total	454.682	777.318

1.7.10. Information on credit-impaired (Stage 3):

	Current Period	Prior Period
Loans and other receivables with limited collectability	9.103.214	6.175.464
Loans and other receivables with doubtful collectability	11.557.628	10.317.828
Uncollectible loans and other receivables	21.761.288	10.283.538
Total	42.422.130	26.776.830

1.7.11. Information on non-performing loans (net):**1.7.11.1. Information on non-performing loans restructured or rescheduled, and other receivables:**

	III. Group Loans with limited collectability	IV. Group Loans with doubtful collectability	V. Group Uncollectible loans
Current Period			
(Gross amounts before provisions)	1.929.652	2.864.287	7.823.679
Restructured loans	1.929.652	2.864.287	7.823.679
Prior Period			
(Gross amounts before provisions)	1.788.723	2.274.003	5.760.349
Restructured loans	1.788.723	2.274.003	5.760.349

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.11.2. Information on the movement of total non-performing loans:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	Loans with doubtful collectibility	Uncollectible loans
Prior Period	9.968.097	15.206.832	15.823.921
Additions (+)	45.524.749	6.305.563	13.224.613
Transfers from other categories of non-performing loans (+)	-	34.884.694	25.159.875
Transfer to other categories of non-performing loans (-)	34.884.694	25.159.875	-
Collections (-)	5.025.550	8.156.300	13.202.208
FX valuation differences	2.099	5.833	462.739
Write-offs (-)	-	-	314.654
Sale (-)	-	1.466.899	7.031.900
Corporate and commercial loans	-	153.148	774.243
Consumer loans	-	948.127	3.334.957
Credit cards	-	365.624	2.922.700
Other	-	-	-
Current Period	15.584.701	21.619.848	34.122.386
Provision (-)	9.103.214	11.557.628	21.761.288
Net balance on balance sheet	6.481.487	10.062.220	12.361.098

In line with the decree of Parent Bank's Board of Directors non-performing loans some of which were written off in previous periods, amounting to TL 8.527.749 have been liquidated for an amount of TL 1.698.351 through sales to various asset management companies.

1.7.11.3. Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	Loans with doubtful collectibility	Uncollectible loans
Current Period			
Period end balance	1.727.944	1.556.127	7.965.584
Provision (-)	1.502.903	260.846	3.660.977
Net balance on-balance sheet	225.041	1.295.281	4.304.607
Prior Period			
Period end balance	134.056	1.371.808	8.074.492
Provision (-)	95.980	1.008.982	4.106.869
Net balance on-balance sheet	38.076	362.826	3.967.623

1.7.11.4. Information on the gross and net amounts of the non-performing loans according to types of borrowers:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	Loans with doubtful collectibility	Uncollectible loans
Current Period (net)	6.481.487	10.062.220	12.361.098
Loans granted to real persons and corporate entities (gross)	15.584.701	21.619.848	34.038.590
Provision amount (-)	9.103.214	11.557.628	21.677.492
Loans granted to real persons and corporate entities (net)	6.481.487	10.062.220	12.361.098
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans (gross)	-	-	83.022
Provision amount (-)	-	-	83.022
Other loans (net)	-	-	-
Prior Period (net)	3.792.633	4.889.004	5.540.383
Loans granted to real persons and corporate entities (gross)	9.968.097	15.206.832	15.739.758
Provision amount (-)	6.175.464	10.317.828	10.199.375
Loans granted to real persons and corporate entities (net)	3.792.633	4.889.004	5.540.383
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans (gross)	-	-	83.389
Provision amount (-)	-	-	83.389
Other loans (net)	-	-	-

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.7.11.5. Information on interest accruals, rediscounts and valuation differences calculated for non-performing loans and their provisions:

	III. Group Loans with limited collectibility	IV. Group Loans with doubtful collectibility	V. Group Uncollectible loans
Current Period (net)	1.133.440	1.418.569	1.194.974
Interest accruals and rediscounts and valuation differences	2.213.988	3.262.565	5.135.278
Provision amount (-)	1.080.548	1.843.996	3.940.304
Prior Period (net)	718.936	788.929	208.601
Interest accruals and rediscounts and valuation differences	1.621.905	2.316.775	1.681.252
Provision amount (-)	902.969	1.527.846	1.472.651

1.7.12. Explanation on liquidation policy for uncollectible loans and receivables:

Uncollectible loans and receivables, which are classified in accordance with the Provisioning Regulation, are collected through legal follow-up, voluntary payments and liquidation of collaterals.

1.7.13. Explanation on "Write-off" policies:

In order to ensure the liquidation of non-performing loans and other receivables related to the liquidation policy, to provide the maximum collection all possible alternatives within the framework of the legislation are applied, and in case of collection, liquidation or receivables with no possibility of restructuring, the legal follow-up and conversion of collaterals into cash method is applied.

The receivables that are determined to be uncollectible in the Legal Follow-up process regarding the write-off policy can be deleted by the resolution of the Board of Directors by fulfilling the requirements in the relevant laws, regulations and internal directives.

Besides, in accordance with the changes on "Provisioning Regulation" published in the Official Gazette No. 30961 dated November 27, 2019 by BRSA, the Parent Bank, during the period deemed appropriate under TFRS 9, may write off part of the loans for which the Parent Bank has no reasonable expectation of recovery and that are classified under Group five with a life time expected credit loss due to the default of debtor, starting from the following reporting date that the loan is classified in Group five. Write off is only an accounting application in accordance with the related change in the regulation and it does not result in waive from the Parent Bank's right to receive.

1.8. Information on financial assets at amortized cost:

1.8.1. Information on financial assets measured at amortised cost which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2025 financial assets measured at amortised cost given as repo transactions amounting to TL 42.100.291 (December 31, 2024 – TL 180.828.762). The securities subject to collateral/blocked are TL 165.248.490 (December 31, 2024 – TL 145.381.386).

1.8.2. Information on public sector debt securities measured at amortized cost:

	Current Period	Prior Period
Government bond	402.930.924	364.154.449
Treasury bill	-	-
Other debt securities	18.312.374	23.770.928
Total	421.243.298	387.925.377

1.8.3. Information on financial assets measured at amortized cost:

	Current Period	Prior Period
Debt securities	438.700.108	401.241.146
Quoted on stock exchange	438.700.108	401.241.146
Not quoted	-	-
Impairment (-) ⁽¹⁾	17.456.810	13.315.769
Total	421.243.298	387.925.377

(1) Includes amortization of the premiums paid during the purchase of the securities throughout the maturity of the securities.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.8.4. Movement of financial assets measured at amortized cost within the period:

	Current Period	Prior Period
Beginning balance	387.925.377	318.113.094
Foreign currency differences on monetary assets ⁽¹⁾	55.700.637	65.740.684
Purchases during year	28.177.342	29.958.564
Disposals through sales and redemptions(-)	46.419.017	21.417.605
Impairment (-) ⁽²⁾	4.141.041	4.469.360
Period end balance	421.243.298	387.925.377

(1) Also includes the changes in the interest income accruals.

(2) Includes amortization of the premiums paid during the purchase of the securities throughout the maturity of the securities.

1.9. Information on investments in associates (net):

1.9.1. Information on unconsolidated investments in associates:

No	Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1	Tanı Pazarlama ve İletişim Hizmetleri A.Ş. ⁽¹⁾	Istanbul/Türkiye	38,17	38,17
2	Kredi Kayıt Bürosu ⁽²⁾	Istanbul/ Türkiye	18,18	18,18
3	Bankalararası Kart Merkezi A.Ş. ⁽²⁾	Istanbul/ Türkiye	4,89	4,89

1.9.2. Main financial figures of the investments in associates in the order of the above table:

No	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	477.977	16.210	234.336	-	-	211	(253.542)	-
2	5.412.217	2.351.328	1.153.134	588.061	-	1.282.745	517.710	-
3	10.697.526	9.124.490	1.682.888	2.158.700	-	2.261.467	1.878.600	-

(1) At the extraordinary general assembly meeting of Tanı Pazarlama ve İletişim Hizmetleri A.Ş. dated January 13, 2025, it was decided to increase the capital to TL 171.717. After the capital increase, the Parent Bank's share increased to 38,17%.

(2) Financial statement information is September 30, 2025.

1.9.3. Consolidated investments in associates:

1.9.4. Information on consolidated investments in associates:

No	Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Other Shareholders' shareholding percentage (%) ⁽¹⁾
1	Banque de Commerce et de Placements S.A.	Geneva/ Switzerland	30,67	-
2	Allianz Yaşam ve Emeklilik A.Ş.	Istanbul/ Türkiye	-	20,00

(1) The other shareholders represent the consolidated Group companies.

1.9.5. Main financial figures of the consolidated investments in associates in order of the above table:

No	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	196.040.117	40.179.301	261.321	7.875.981	1.258.997	2.578.265	1.729.531	-
2	38.240.524	10.999.553	809.788	7.920.395	-	5.252.365	3.474.513	-

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.9.6. Movement of consolidated investments in associates:

	Current Period	Prior Period
Balance at the beginning of the period	9.326.688	7.069.176
Movements during the period	4.338.725	2.257.512
Purchases	-	-
Bonus shares obtained profit from current year's share	-	-
Profit from current year's income	1.832.494	1.498.790
Sales (-)	-	-
Foreign exchange gain/(loss) items from the foreign subsidiaries ⁽¹⁾	2.975.437	1.025.838
Impairment (-) ⁽²⁾	469.206	267.116
Balance at the end of the period	13.665.413	9.326.688
Capital commitments	-	-
Shareholding percentage at the end of the period (%)	-	-

(1) Includes the differences in the other comprehensive income related with the equity method accounting.

(2) Includes dividend income received in the current period.

1.9.7. Information on sectors and the carrying amounts of consolidated investments in associates:

	Current Period	Prior Period
Banks	11.330.021	7.820.018
Insurance companies	2.335.392	1.506.670
Total	13.665.413	9.326.688

1.9.8. Investments in associates quoted on stock exchange:

None (December 31, 2024 - None).

1.10. Information on subsidiaries (net):

There is no deficit of regulatory limits on capital structure of the subsidiaries which are included in the consolidated capital adequacy ratio calculation in accordance with the capital adequacy ratio limits.

1.10.1. Information on shareholders' equity of the significant subsidiaries:

	Yapı Kredi Yatırım Menkul Değerler A.Ş.	Yapı Kredi Faktoring A.Ş.	Yapı Kredi Finansal Kiralama A.O.	Yapı Kredi Portföy Yönetimi A.Ş.	Yapı Kredi Bank Nederland N.V.	Yapı Kredi Bank Deutschland OHG
Core capital						
Paid in Capital	98.918	130.000	389.928	32.642	112.442	3.807.202
Inflation adjustment to share capital	-	-	-	-	-	-
Share premium	-	-	-	-	-	-
Other Capital Reserves	117.569	-	(217.104)	-	-	-
Other comprehensive income that will not be classified under profit or loss	10.038	(28.990)	(50.360)	(8.191)	-	-
Other comprehensive income that will be classified under profit or loss	4.721	-	(58.273)	-	24.294.055	-
Legal Reserves	98.890	26.000	79.305	152.057	-	-
Extraordinary Reserves	6.620.694	2.795.887	7.727.736	-	5.873.557	(390.586)
Other Profit Reserves	-	-	-	-	-	-
Profit or Loss	5.015.458	1.867.944	3.477.569	2.927.200	3.071.567	(495.308)
Current Year Profit/Loss	5.085.404	1.867.944	3.389.154	2.316.308	3.071.567	(495.308)
Prior Years' Profit/Loss	(69.946)	-	88.415	610.892	-	-
Leasehold improvements (-)	-	1.755	432	205	31	2.960
Intangible assets (-)	94.403	72.262	141.238	4.245	76.585	141.907
Total Tier I capital	11.871.885	4.716.824	11.207.131	3.099.258	33.275.005	2.776.441
Tier II capital	21.454	76.343	336.148	-	152.487	8.939
Capital	11.893.339	4.793.167	11.543.279	3.099.258	33.427.492	2.785.380
Deductions from the capital	-	-	-	-	-	-
Total shareholders' equity	11.893.339	4.793.167	11.543.279	3.099.258	33.427.492	2.785.380

The above information is based on the information extracted from the individual financial statements of subsidiaries, used for consolidated financial statements of the Bank as of December 31, 2025.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The internal capital adequacy for the subsidiaries is calculated with the model and approaches used in the Parent Bank within the scope of the consolidated ICAAP report.

Paid-in capital is a capital which have been disclosed as Turkish Lira in the articles of incorporation and registered in trade register.

Inflation adjustment to share capital is the adjustment difference arising from inflation accounting.

Extraordinary Reserves are the reserves which represent the remaining net income of the prior periods after providing the legal reserves in accordance with the General Assembly of the Bank.

Legal reserves are the income reserves that are provided according to the first paragraph and the third subparagraph of the second paragraph of the article No 466 and No 467 of the Turkish Commercial Code No. 6762 allocated as capital reserves separated from annual profit according to the laws of foundation.

1.10.2. Unconsolidated subsidiaries:

1.10.2.1. Information on unconsolidated subsidiaries

Since the subsidiaries below are not financial subsidiaries, the related subsidiaries are unconsolidated and are carried at restated cost.

Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1 Yapı Kredi-Kültür Sanat Yayıncılık Tic. ve San. A.Ş.	Istanbul/ Türkiye	100,00	100,00
2 Enternasyonal Turizm Yatırım A.Ş.	Istanbul/ Türkiye	99,99	99,99
3 Yapı Kredi Teknoloji A.Ş.	Istanbul/ Türkiye	100,00	100,00
4 Yapı Kredi Finansal Teknolojiler A.Ş. ^{(1),(2)}	Istanbul/ Türkiye	100,00	100,00

(1) The capital of Yapı Kredi Finansal Teknolojiler A.Ş. was increased by TL 625.000 on September 11, 2025.

(2) Yapı Kredi Finansal Teknolojiler A.Ş. established Yapı Kredi Blokzincir Teknolojileri A.Ş., a wholly owned subsidiary, on August 6, 2025, to operate a crypto asset trading platform.

1.10.2.2. Main financial figures of the subsidiaries in order of the above table:

	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	434.697	136.345	19.323	1.532	-	9.964	1.500	-
2	1.309.401	1.298.593	1.083.110	16.767	-	(9.585)	(26.706)	-
3	410.394	217.546	36.618	51.165	-	167.971	94.182	-
4	650.015	650.015	-	-	-	-	-	-

1.10.3. Consolidated subsidiaries:

1.10.3.1. Information on consolidated subsidiaries:

Subsidiary	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1 Yapı Kredi Holding B.V.	Amsterdam/Netherlands	100,00	100,00
2 Yapı Kredi Menkul	Istanbul/ Türkiye	99,98	100,00
3 Yapı Kredi Faktoring	Istanbul/ Türkiye	99,95	100,00
4 Yapı Kredi Leasing	Istanbul/ Türkiye	99,99	99,99
5 Yapı Kredi Portföy	Istanbul/ Türkiye	12,65	99,99
6 Yapı Kredi Bank Nederland N.V. ⁽¹⁾	Amsterdam/Netherlands	67,24	100,00
7 Yapı Kredi Azerbaycan	Bakü/Azerbaijan	99,80	100,00
8 Yapı Kredi Bank Deutschland OHG ⁽²⁾	Frankfurt/Germany	-	100,00

(1) Includes the balances for Sticking Custody Services YKB.

(2) The Bank owns all shares of Yapı Kredi Deutschland GmbH and Yapı Kredi Beteiligungsgesellschaft mbH which are shareholders of Yapı Kredi Bank Deutschland OHG.

Although Yapı Kredi Diversified Payment Rights Finance Company ("Special Purpose Entity") which is established for future flow transactions of Yapı Kredi is not a subsidiary, it is included in the consolidation.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.10.3.2. Main financial figures of the consolidated subsidiaries in the order of the above table:

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit /loss	Market value
1	141.581	137.860	-	-	-	(11.307)	13.557	-
2	81.491.789	11.966.288	242.320	9.889.710	242.339	5.085.404	3.598.346	-
3	37.629.151	4.790.841	94.549	10.553.535	-	1.867.944	1.176.312	-
4	70.778.136	11.348.801	165.537	8.311.986	-	3.389.154	2.376.273	-
5	3.519.962	3.103.708	21.598	944.728	-	2.316.308	1.435.891	-
6	212.734.550	33.351.621	120.535	12.496.091	616.699	3.071.567	2.396.101	-
7	20.448.845	3.373.660	917.749	1.172.293	130.732	322.814	251.282	-
8	10.195.064	3.879.105	251.279	189.551	15.822	(495.308)	-	-

1.10.4. Movement schedule of consolidated subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	47.434.581	31.525.881
Movements during the period	24.416.702	15.908.700
Purchases ⁽¹⁾	1.341.139	2.466.063
Free shares obtained profit from current years share	-	-
Share of current year income	14.484.097	11.000.725
Sales (-)	-	-
Revaluation increase/decrease ⁽²⁾	9.584.835	2.695.483
Impairment (-) ⁽³⁾	993.369	253.571
Balance at the end of the period	71.851.283	47.434.581
Capital commitments	-	-
Shareholding percentage at the end of the period (%)	-	-

(1) With the decision of the Board of Directors dated June 11, 2025, the capital of Yapı Kredi Bank Deutschland OHG was increased by EUR 30 million and the capital payment has been completed.

(2) Includes the differences in the other comprehensive income related with the equity method accounting.

(3) Includes dividend income received in the current period.

1.10.5. Sectoral information on financial subsidiaries and the related carrying amounts:

	Current Period	Prior Period
Banks	29.672.710	19.674.428
Insurance companies	-	-
Factoring companies	4.788.560	2.929.054
Leasing companies	11.348.100	8.035.274
Finance companies	-	-
Other financial subsidiaries	26.041.913	16.795.825
Total financial subsidiaries	71.851.283	47.434.581

1.10.6. Subsidiaries quoted on stock exchange:

None (December 31, 2024 - None).

1.11. Information on joint ventures (net):

1.11.1. Unconsolidated joint ventures:

None (December 31, 2024 - None).

1.12. Information on lease receivables (net):

1.12.1. Breakdown according to maturities:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	35.603.677	29.119.488	24.379.298	18.792.886
Between 1- 4 years	30.071.910	26.013.156	22.903.666	19.853.717
More than 4 years	5.241.656	4.416.946	1.705.293	1.639.468
Total	70.917.243	59.549.590	48.988.257	40.286.071

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.12.2. Information for net investments in finance leases:

	Current Period		Prior Period	
	TL	FC	TL	FC
Gross lease receivables	18.710.730	52.206.513	18.541.399	30.446.858
Unearned financial income from leases (-)	5.042.333	6.325.320	5.253.284	3.448.902
Amount of cancelled leases (-)	-	-	-	-
Total	13.668.397	45.881.193	13.288.115	26.997.956

1.13. Information on tangible assets:

	Immovable	Leased fixed assets	Vehicles	Right of use assets ⁽¹⁾	Other tangible fixed assets	Total
Prior Period						
Cost	21.436.734	183.620	40.532	7.446.579	7.837.799	36.945.264
Accumulated depreciation (-)	982.431	136.175	15.682	2.213.651	2.664.786	6.012.725
Net book value	20.454.303	47.445	24.850	5.232.928	5.173.013	30.932.539
Current Period						
Net book value at beginning of the period	20.454.303	47.445	24.850	5.232.928	5.173.013	30.932.539
Additions ⁽²⁾	10.096.057	14.972	-	4.902.881	3.130.596	18.144.506
Disposals (-), net	182.862	3.656	8	1.063.090	14.852	1.264.468
Reversal of impairment, net	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-
Depreciation (-)	314.809	6.155	7.244	1.946.579	1.260.119	3.534.906
Foreign exchange differences, net	-	1.194	187	121.763	46.610	169.754
Net book value at end of the period	30.052.689	53.800	17.785	7.247.903	7.075.248	44.447.425
Cost at the end of the period	30.977.115	179.714	40.214	10.465.160	10.898.822	52.561.025
Accumulated depreciation at the period end (-)	924.426	125.914	22.429	3.217.257	3.823.574	8.113.600
Net book value	30.052.689	53.800	17.785	7.247.903	7.075.248	44.447.425

(1) Includes branch and ATM leases accounted within the scope of TFRS 16.

(2) The Parent Bank is revalued its land and buildings and the revaluation increase amounting to TL 10.079.361 is presented in additions.

As of December 31, 2025, the Parent Bank had no total provision for impairment (December 31, 2024 – None) for the immovables.

1.14. Information on intangible assets:

	Current Period	Prior Period
Balance at the beginning of the period	3.403.221	2.036.510
Additions during the period	3.073.157	1.933.072
Unused and disposed items (-)	7.057	150
Provision for goodwill impairment (-)	-	-
Amortization expenses (-)	1.010.923	590.919
Translation differences	55.084	24.708
Balance at the end of the period	5.513.482	3.403.221

1.15. Information on investment property:

None (December 31, 2024 - None).

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

1.16. Information on deferred tax:

	Current Period		Prior Period	
	Tax base	Deferred tax	Tax base	Deferred tax
Expected credit loss	26.975.009	8.092.502	22.825.703	6.847.711
Provision for pension fund	13.353.514	4.006.054	12.990.997	3.897.299
Provision for employee benefit	6.025.838	1.809.718	3.936.895	1.182.983
Derivative financial liabilities	3.338.424	1.001.526	2.668.360	901.965
Subsidiaries, investment in associates and share certificates	122.117	36.635	122.117	36.635
Other	46.786.532	13.866.854	55.189.956	16.510.050
Total deferred tax asset	96.601.434	28.813.289	97.734.028	29.376.643
Valuation difference of securities portfolio	38.572.386	11.571.957	19.338.849	5.801.886
Property, equipment and intangibles, net	34.084.252	9.759.049	15.530.975	4.280.572
Other	36.820.342	10.983.712	20.546.085	6.114.469
Total deferred tax liability	109.476.980	32.314.718	55.415.909	16.196.927
Deferred tax asset / (liability) net	(12.875.546)	(3.501.429)	42.318.119	13.179.716

There is a deferred tax asset amounting to TL 554.272 and deferred tax liability amounting to TL 4.055.701 as of December 31, 2025 reflected in the consolidated financial statements after the deferred tax assets and liabilities of each entity in consolidation has been netted off in their standalone financial statements as per TAS 12 (December 31, 2024 - TL 13.186.526 deferred tax asset and TL 6.810 deferred tax liability).

1.17. Movement schedule of assets held for sale and related to discontinued operations:

	Current Period	Prior Period
Net book value at the beginning of the period	619.311	1.074.724
Additions ⁽¹⁾	1.836.734	447.507
Disposals (-), net	136.909	913.353
Impairment reversal	950	-
Impairment (-)	-	-
Translation differences	10.261	10.433
Net book value at the end of the period	2.330.347	619.311
Cost at the end of the period	2.330.796	620.788
Accumulated depreciation at the end of the period (-)	449	1.477
Net book value at the end of the period	2.330.347	619.311

(1) In current period, the carrying value of asset held for sale with a right of repurchase is TL 1.110.695 (December 31, 2024 – TL 364.652). The total net carrying value of asset held for sale with a right of repurchase is TL 1.404.298 (December 31, 2024 – TL 381.622).

As of December 31, 2025, the Group booked impairment provision on assets held for sale with an amount of TL 1.170 (December 31, 2024 – TL 2.120).

1.18. Information on other assets:

As of December 31, 2025, other assets do not exceed 10% of the total assets.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2. Explanations and notes related to consolidated liabilities:**2.1. Information on deposits:****2.1.1. Information on maturity structure of deposits/collected funds⁽¹⁾:**

Current Period	Demand	Up to 1 month	1-3 Month	3-6 Month	6 Month-1 Year	1 Year and over	Accumulative savings account	Total
Saving deposits	190.490.024	42.191.875	348.396.062	32.548.751	1.144.119	446.073	272	615.217.176
Foreign currency deposits	338.844.887	116.167.334	106.964.577	17.759.253	25.036.233	14.275.639	-	619.047.923
Residents in Türkiye	288.459.821	96.313.012	93.294.089	10.629.756	412.742	1.972.232	-	491.081.652
Residents abroad	50.385.066	19.854.322	13.670.488	7.129.497	24.623.491	12.303.407	-	127.966.271
Public sector deposits	24.260.527	36.778	708.761	44.208	-	-	-	25.050.274
Commercial deposits	73.978.958	51.283.750	235.576.592	14.782.721	1.428.892	1.011.632	-	378.062.545
Other institutions deposits	1.767.048	2.447.131	18.338.689	5.830.328	2.294	549	-	28.386.039
Precious metals vault	253.711.661	-	16.876.781	-	2.248.919	169.576	-	273.006.937
Bank deposits	1.406.913	3.070.556	2.585.568	4.142.949	5.244.164	3.921.976	-	20.372.126
The CBRT	-	-	-	-	-	-	-	-
Domestic banks	353.942	1.722.328	1.350.784	3.605.923	5.229.933	3.914.886	-	16.177.796
Foreign banks	897.697	1.348.228	1.234.784	537.026	14.231	7.090	-	4.039.056
Participation banks	155.274	-	-	-	-	-	-	155.274
Other	-	-	-	-	-	-	-	-
Total	884.460.018	215.197.424	729.447.030	75.108.210	35.104.621	19.825.445	272	1.959.143.020

Prior Period	Demand	Up to 1 month	1-3 Month	3-6 Month	6 Month-1 Year	1 Year and over	Accumulative savings account	Total
Saving deposits	144.470.202	17.323.130	258.638.922	102.032.614	3.233.356	6.002.945	122	531.701.291
Foreign currency deposits	278.393.135	59.945.083	70.428.369	8.612.083	15.349.024	15.296.777	-	448.024.471
Residents in Türkiye	243.966.468	45.818.030	64.578.669	3.361.479	3.464.233	1.544.915	-	362.733.794
Residents abroad	34.426.667	14.127.053	5.849.700	5.250.604	11.884.791	13.751.862	-	85.290.677
Public sector deposits	16.706.597	1.255.896	103.176	5.728	32	-	-	18.071.429
Commercial deposits	53.476.521	34.060.193	122.572.554	12.155.406	987.259	976.002	-	224.227.935
Other institutions deposits	1.399.255	1.671.798	7.539.883	1.642.771	2.163	111	-	12.255.981
Precious metals vault	101.988.240	-	9.865.208	-	1.283.932	271.179	-	113.408.559
Bank deposits	1.284.464	9.607.768	3.595.913	4.443.791	5.729.291	1.906.510	-	26.567.737
The CBRT	-	-	-	-	-	-	-	-
Domestic banks	71.492	8.839.149	2.588.656	4.443.791	5.729.291	1.906.510	-	23.578.889
Foreign banks	1.018.579	768.619	1.007.257	-	-	-	-	2.794.455
Participation banks	194.393	-	-	-	-	-	-	194.393
Other	-	-	-	-	-	-	-	-
Total	597.718.414	123.863.868	472.744.025	128.892.393	26.585.057	24.453.524	122	1.374.257.403

(1) Within the scope of the "Decision on Supporting Deposit and Participation Accounts Against Exchange Rate Increases (Decision No: 5206)" published in the Official Gazette dated February 24, 2022 and numbered 31760, and the CBRT's communiqués numbered 2021/14, 2021/16, 2022/7 and 2022/11, the "Currency protected TL deposit" which provide protection against foreign currency exchange rate changes for TL deposits, as of the reporting date amounting to TL 1.762.325 (December 31, 2024 – TL 103.853.980).

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.1.2. Information on deposits insurance:

2.1.2.1. Information on deposits under the guarantee of the deposits insurance fund and exceeding the limit of deposit insurance fund:

Saving deposits	Under the guarantee of deposit insurance		Exceeding limit of the deposit insurance	
	Current Period	Prior Period	Current Period	Prior Period
Deposits	344.838.327	238.996.994	253.045.943	292.953.701
Foreign currency saving deposits	138.986.207	110.153.866	132.074.235	170.971.417
Other deposits	114.248.649	54.169.543	126.575.420	42.563.627
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under foreign authorities' insurance	-	-	-	-

Legal entities' deposits	Under the guarantee of deposit insurance		Exceeding limit of the deposit insurance	
	Current Period	Prior Period	Current Period	Prior Period
Deposits	34.115.074	25.466.779	179.493.238	170.832.378
Foreign currency saving deposits	12.523.320	9.311.763	254.668.826	209.231.935
Other deposits	3.606.702	1.726.029	36.665.037	14.947.758
Foreign branches' deposits under foreign authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under foreign authorities' insurance	-	-	-	-

2.1.2.2. Deposits which are not under the guarantee of saving deposit insurance fund:

	Current Period	Prior Period
Foreign branches' deposits and other accounts	5.879.927	9.631.366
Saving deposits and other accounts of controlling shareholders and deposits of their mother, father, spouse, children in care	-	-
Saving deposits and other accounts of president and members of board of directors	-	-
CEO and vice presidents and deposits of their mother, father, spouse, children in care	3.401.973	1.938.844
Saving deposits and other accounts in scope of the property holdings derived from crime defined in article 282 of Turkish criminal law no:5237 dated September 26, 2004	-	-
Saving deposits in deposit bank which is established in Türkiye in order to engage in off-shore banking activities solely	-	-

2.2. Information on trading derivative financial liabilities:

2.2.1. Negative differences table for derivative financial liabilities held for trading:

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward transactions	4.296.313	965.301	2.628.614	46.795
Swap transactions	9.763.949	3.952.740	10.439.634	5.448.798
Futures transactions	157	-	652	-
Options	151.708	462.132	314.646	87.116
Other	-	-	-	-
Total	14.212.127	5.380.173	13.383.546	5.582.709

2.2.2. Negative differences table for derivative financial liabilities held for hedging:

	Current Period		Prior Period	
	TL	FC	TL	FC
Fair value hedges	-	-	-	-
Cash flow hedges ⁽¹⁾	15.168	16.964	-	-
Hedges for investments made in foreign countries	-	-	-	-
Total	15.168	16.964	-	-

(1) Explained in note 10 of section 4.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.3. Information on banks and other financial institutions:

2.3.1. Information on borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
CBRT borrowings	1.022.640	-	200.580	-
From domestic banks and institutions	28.027.028	16.013.194	16.397.406	12.399.471
From foreign banks, institutions and funds	68.574.643	298.471.846	74.891.507	193.441.437
Total	97.624.311	314.485.040	91.489.493	205.840.908

2.3.2. Information on maturity structure of borrowings:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	27.117.358	38.002.646	89.170.574	48.209.689
Medium and long-term	70.506.953	276.482.394	2.318.919	157.631.219
Total	97.624.311	314.485.040	91.489.493	205.840.908

2.3.3. Information on marketable securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	28.031.477	-	10.198.915	51.438.572
Asset backed securities ⁽¹⁾	-	49.403.602	-	17.806.761
Bonds	14.886.450	206.706.089	328.621	71.396.849
Total	42.917.927	256.109.691	10.527.536	140.642.182

(1) The Group obtains borrowings via its structured entity, Diversified Payment Rights Finance Company, with future flow transactions which is founded on its future money transfers within its funding program.

2.3.4. Information on financial liabilities fair value through profit or loss:

The Group classified some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition in accordance with TFRS 9. As of December 31, 2025, the total amount of financial liabilities classified as fair value through profit/loss is TL 63.182.808 (December 31, 2024 – TL 75.234.394) with an accrued interest expense of TL 793.938 (December 31, 2024 - TL 240.214 expense) and with a fair value difference of TL 715.203 recognized as an expense (December 31, 2024 - TL 1.006.678 expense). On the other hand, the nominal amounts of the total return swaps and bond forwards which are closely related with these financial liabilities as of December 31, 2025 are TL 62.419.758 (December 31, 2024 – TL 75.308.138) with a fair value differences amounting to TL 236.919 asset (December 31, 2024 – TL 340.032 liability). The mentioned total return swaps have 11 years maturity in weighted average.

2.4. Information on other liabilities:

As of December 31, 2025, other liabilities do not exceed 10% of the total balance sheet commitments.

2.5. Information on lease payables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	2.730.603	1.760.898	1.912.283	1.339.630
Between 1-4 Years	5.481.322	3.546.404	3.476.032	2.423.761
More than 4 Years	3.439.957	2.244.216	2.330.079	1.636.395
Total	11.651.882	7.551.518	7.718.394	5.399.786

2.6. Information on provisions:

2.6.1. Information on provision for employee benefits:

In accordance with Turkish Labour Law, the reserve for employment termination benefits is calculated as the present value of the probable future obligation in case of the retirement of employees. "TAS 19 - Employee Benefits" necessitates actuarial valuation methods to calculate the liabilities of enterprises.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The following actuarial assumptions were used in the calculation of total liabilities:

	Current Period	Prior Period
Discount rate (%)	3,65	3,38
Possibility of being eligible for retirement (%)	93,95	94,59

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As the annual ceiling is revised semi-annually, the ceiling of full TL 64.948,77 effective from January 1, 2026 has been taken into consideration in calculating the provision for employee benefit.

Movement of employment termination benefits liability in the balance sheet:

	Current Period	Prior Period
Balance at the beginning of the period	2.910.160	3.283.393
Changes during the period	549.496	549.652
Recognized in equity	986.094	960.004
Paid during the period	(274.204)	(1.882.889)
Balance at the end of the period	4.171.546	2.910.160

In addition, the Group has accounted for unused vacation provision amounting to TL 1.854.292 as of December 31, 2025 (December 31, 2024 – TL 1.026.735).

2.6.2. Information on provisions related with the foreign currency difference of foreign currency indexed loans:

None (December 31, 2024 – None).

2.6.3. Information on other provisions:

	Current Period	Prior Period
Pension fund provision	13.353.514	12.990.997
Provisions on non-funded non cash loans	1.316.017	917.318
General provisions on non-cash loans	1.111.963	635.382
Provision for lawsuits	465.951	360.446
Provisions for credit cards and promotion campaigns related to banking services	366.203	257.637
Other	3.982.305	2.475.691
Total	20.595.953	17.637.471

Pension fund provision:

The Parent Bank has set aside provision amounting to TL 13.353.514 (December 31, 2024 – TL 12.990.997) for the technical deficit based on the report prepared by a registered actuary within the framework of the transfer assumption, taking into account the technical interest rate of 9,8%, CSO 1980 mortality table and calculation methods determined by the New Law. The Bank accounted pension fund provision in accordance with "TAS 19 - Employee Benefits" standard.

In the calculation of the defined benefit obligation for transferrable benefits, mainly fixed and specific assumptions are used within the framework of the New Law. However, the final obligation amount that the Bank will bear at the transfer may vary depending on factors such as the discount rate, inflation and salary increase and number of participants and attrition rate.

	Current Period	Prior Period
Opening balance	12.990.997	10.027.806
Recognized in equity	955.683	2.797.805
Changes during the period	(593.166)	165.386
Closing balance	13.353.514	12.990.997

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

The amounts recognized in the balance sheet are determined as follows:

	Current Period	Prior Period
Present value of funded obligations	25.376.186	24.385.065
- Pension benefits transferable to SSI	42.914.877	35.804.609
- Post employment medical benefits transferable to SSI	(17.538.691)	(11.419.544)
Fair value of plan assets	(12.022.672)	(11.394.068)
Pension fund provision	13.353.514	12.990.997

The principal actuarial assumptions used were as follows:

	Current Period	Prior Period
Discount rate		
- Pension benefits transferable to SSI	9,80%	9,80%
- Post employment medical benefits transferable to SSI	9,80%	9,80%

Mortality rate: Average life expectation is defined according to CSO 1980 mortality table.

Plan assets are comprised as follows:

	Current Period		Prior Period	
	Amount	%	Amount	%
Bank placements	4.393.572	37	3.106.696	27
Government bonds and treasury bills	3.387.489	28	4.715.055	41
Premises and equipment	3.230.769	27	2.486.826	22
Other	1.010.842	8	1.085.491	10
Total	12.022.672	100	11.394.068	100

	Current Period	Prior Period
Opening balance of plan assets	11.394.068	8.091.787
Contributions paid by the Bank	4.646.659	3.446.953
Contributions paid by the employee	3.543.728	2.618.122
Other	(7.561.783)	(2.762.794)
Closing balance	12.022.672	11.394.068

2.7. Explanations on tax liability:

2.7.1. Information on taxes payable:

	Current Period	Prior Period
Banking Insurance Transaction Tax ("BITT")	5.415.817	4.461.175
Corporate Tax Payable	1.138.859	864.104
Taxation of Marketable Securities Income	6.341.939	2.783.714
Value Added Tax Payable	303.386	157.036
Foreign Exchange Transaction Tax	95.763	37.266
Property Tax	26.994	18.893
Other	1.443.875	829.405
Total	14.766.633	9.151.593

2.7.2. Information on premium payables:

	Current Period	Prior Period
Social security premiums - employee	8.495	5.890
Social security premiums - employer	11.568	7.658
Bank pension fund premiums - employee	291.918	196.652
Bank pension fund premiums - employer	420.034	286.384
Pension fund deposit and provisions - employee	-	-
Pension fund deposit and provisions - employer	-	-
Unemployment insurance - employee	20.895	13.923
Unemployment insurance - employer	42.301	28.129
Other	-	-
Total	795.211	538.636

2.8. Liabilities for property and equipment held for sale and related to discontinued operations (net):

None (December 31, 2024 - None).

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

2.9. Information on subordinated debt⁽¹⁾:

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments to be included in additional capital calculation	-	48.838.041	-	18.481.048
Subordinated loans	-	-	-	-
Subordinated debt	-	48.838.041	-	18.481.048
Debt instruments to be included in contribution capital calculation	1.080.653	72.698.399	1.301.664	42.148.886
Subordinated loans	-	-	-	-
Subordinated debt	1.080.653	72.698.399	1.301.664	42.148.886
Total	1.080.653	121.536.440	1.301.664	60.629.934

(1) Subordinated loans are explained in detail in the Note "Information on debt instruments included in the calculation of equity" in section four.

2.10. Information on shareholders' equity:

2.10.1. Presentation of paid-in capital:

	Current Period	Prior Period
Common shares	8.447.051	8.447.051
Preferred shares	-	-

2.10.2. Amount of paid-in capital, disclosure of whether the Bank's registered capital system is applied and if applied registered capital ceiling:

Capital System	Paid-In Capital	Registered Share Capital Ceiling
Registered Capital System	8.447.051	15.000.000

2.10.3. Information on the share capital increases during the period and the sources:

None (December 31, 2024– None).

2.10.4. Information on transfers from capital reserves to capital during the current period:

None (December 31, 2024 - None).

2.10.5. Information on capital commitments, until the end of the fiscal year and the subsequent interim period:

None (December 31, 2024 - None).

2.10.6. Information on prior period's indicators on the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Bank's equity due to uncertainties of these indicators:

The interest, liquidity, and foreign exchange risk related to on-balance sheet and off-balance sheet assets and liabilities are managed by the Parent Bank within several risk and legal limits.

2.10.7. Privileges on the corporate stock:

None (December 31, 2024 - None).

2.10.8. Information on value increase fund of marketable securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	56.485	36.495.443	9.392	23.635.387
Revaluation difference	56.485	111.931	9.392	106.647
Foreign currency difference	-	36.383.512	-	23.528.740
Financial assets at fair value through other comprehensive income⁽¹⁾	(9.373.602)	323.179	(11.635.422)	(1.174.673)
Revaluation difference	(9.373.602)	323.179	(11.635.422)	(1.174.673)
Foreign currency differences	-	-	-	-
Total	(9.317.117)	36.818.622	(11.626.030)	22.460.714

(1) Includes tax effect related to foreign currency valuation differences in TL column.

2.10.9. Information on minority interest:

	Current Period	Prior Period
Opening balance	4.672	2.674
Current period income/(loss)	3.267	2.169
Dividends paid	(703)	(171)
Closing balance	7.236	4.672

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Explanations and notes related to consolidated off-balance sheet accounts

3.1. Information on off balance sheet commitments:

3.1.1. The amount and type of irrevocable commitments:

	Current Period	Prior Period
Commitments on credit card limits	1.567.909.433	968.083.268
Asset purchase and sale commitments	483.663.941	103.444.271
Loan granting commitments	219.185.807	163.019.479
Commitments for cheques	17.128.402	10.835.555
Other irrevocable commitments	525.754.301	257.753.848
Total	2.813.641.884	1.503.136.421

3.1.2. Type and amount of probable losses and obligations arising from off-balance sheet items:

Obligations arising from off-balance sheet are disclosed in "Off-balance sheet commitments". The Group set aside general provision for its non-cash loans amounting to TL 1.111.963 (December 31, 2024 - TL 635.382) and specific provision amounting to TL 8.199.473 (December 31, 2024 - TL 6.487.637) for non-cash loans which are not indemnified yet amounting to TL 1.316.017 (December 31, 2024 - TL 917.318).

3.1.2.1. Non-cash loans including guarantees, bank acceptance loans, collaterals that are accepted as financial guarantees and other letter of credits:

	Current Period	Prior Period
Bank acceptance loans	3.401.206	3.164.183
Letter of credits	109.238.762	63.782.900
Other guarantees and collaterals	60.577.099	42.776.641
Total	173.217.067	109.723.724

3.1.2.2. Guarantees, suretyships and other similar transactions:

	Current Period	Prior Period
Temporary letter of guarantees	15.949.493	12.704.409
Definite letter of guarantees	325.324.926	221.159.067
Advance letter of guarantees	65.020.194	51.321.060
Letter of guarantees given to customs	14.924.194	12.930.452
Other letter of guarantees	179.512.293	141.569.932
Total	600.731.100	439.684.920

3.1.3. Information on non-cash loans:

3.1.3.1. Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	179.201.786	138.249.475
With original maturity of 1 year or less than 1 year	31.990.489	22.761.592
With original maturity of more than 1 year	147.211.297	115.487.883
Other non-cash loans	594.746.381	411.159.169
Total	773.948.167	549.408.644

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.1.3.2. Information on sectoral concentration of non-cash loans:

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	6.260.905	1,60	7.629.258	1,99	7.048.901	2,52	5.623.621	2,09
Farming and raising livestock	5.873.319	1,50	6.280.213	1,64	6.414.429	2,30	3.925.507	1,46
Forestry	345.204	0,09	1.269.212	0,33	572.613	0,20	1.578.604	0,59
Fishing	42.382	0,01	79.833	0,02	61.859	0,02	119.510	0,04
Manufacturing	194.513.799	49,78	242.926.127	63,38	142.103.511	50,72	165.055.179	61,30
Mining	950.979	0,24	1.551.022	0,40	980.784	0,35	1.765.419	0,66
Production	167.689.243	42,92	215.045.440	56,11	124.043.588	44,27	141.482.181	52,54
Electric, gas and water	25.873.577	6,62	26.329.665	6,87	17.079.139	6,10	21.807.579	8,10
Construction	83.780.073	21,44	60.426.602	15,77	51.077.502	18,23	45.534.225	16,91
Services	104.740.718	26,81	69.352.902	18,10	79.003.235	28,20	50.287.362	18,68
Wholesale and retail trade	28.840.586	7,38	15.252.893	3,98	21.019.660	7,50	11.354.286	4,22
Hotel, food and beverage services	5.994.054	1,53	3.542.174	0,92	4.687.843	1,67	4.020.032	1,49
Transportation and telecommunication	9.137.274	2,34	13.465.956	3,51	8.248.263	2,94	10.497.692	3,90
Financial institutions	44.961.390	11,51	13.361.751	3,49	31.509.766	11,26	13.523.172	5,03
Real estate and renting services	3.476.203	0,89	3.402.344	0,89	2.832.220	1,01	2.238.504	0,83
Education services	546.439	0,14	114.569	0,03	403.278	0,14	140.509	0,05
Health and social services	11.784.772	3,02	20.213.215	5,27	10.302.205	3,68	8.513.167	3,16
Other	1.414.604	0,36	2.903.179	0,76	934.098	0,33	2.741.010	1,02
Total	390.710.099	100,00	383.238.068	100,00	280.167.247	100,00	269.241.397	100,00

3.1.3.3. Information non-cash loans classified in Group I and Group II:

Current Period	Group I		Group II	
	TL	FC	TL	FC
Letters of guarantee	357.187.464	225.408.514	5.692.026	4.339.353
Bank acceptances	-	3.401.206	-	-
Letters of credit	106.624	108.697.148	-	342.194
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring guarantees	-	-	-	-
Other commitments and contingencies	26.444.299	34.086.866	43.000	-
Total	383.738.387	371.593.734	5.735.026	4.681.547

Prior Period	Group I		Group II	
	TL	FC	TL	FC
Letters of guarantee	256.712.647	170.095.562	3.602.132	3.027.327
Bank acceptances	-	3.082.400	-	-
Letters of credit	45.163	63.545.565	-	50.777
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring guarantees	-	-	-	-
Other commitments and contingencies	19.048.166	23.711.267	-	-
Total	275.805.976	260.434.794	3.602.132	3.078.104

3.1.3.4. Maturity distribution of non cash loans:

Current Period ⁽¹⁾	Indefinite	Up to 1 year	1-5 years	Above 5 years	Total
Letter of credit	-	63.365.564	45.857.111	16.087	109.238.762
Letter of guarantee	158.268.712	112.436.503	298.311.642	31.714.243	600.731.100
Bank acceptances	-	2.885.464	515.742	-	3.401.206
Other	5.008.428	29.972.611	9.285.536	16.310.524	60.577.099
Total	163.277.140	208.660.142	353.970.031	48.040.854	773.948.167

Prior Period ⁽¹⁾	Indefinite	Up to 1 year	1-5 years	Above 5 years	Total
Letter of credit	-	44.777.071	18.992.583	13.246	63.782.900
Letter of guarantee	110.010.546	86.033.734	221.016.089	22.624.551	439.684.920
Bank acceptances	-	2.789.527	374.656	-	3.164.183
Other	5.001.078	20.546.246	5.346.505	11.882.812	42.776.641
Total	115.011.624	154.146.578	245.729.833	34.520.609	549.408.644

(1) The distribution is based on the original maturities.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.2. Information on derivative financial instruments:

	Current Period	Prior Period
Types of trading transactions		
Foreign currency related derivative transactions (I)	1.291.084.769	618.732.028
Forward foreign currency purchase and sale transactions	303.854.021	154.017.536
Currency swap purchase and sale transactions	725.352.771	396.059.639
Currency futures	107.151.453	20.595.286
Currency purchase and sale options	154.726.524	48.059.567
Interest related derivative transactions (II)	1.425.194.781	756.244.785
Forward interest rate agreements	-	-
Interest rate swap purchase and sale transactions	1.397.390.238	751.943.374
Interest rate purchase and sale options	27.804.543	4.301.411
Interest rate futures	-	-
Other trading derivative transactions (III)	441.135.127	276.302.524
A. Total trading derivative transactions (I+II+III)	3.157.414.677	1.651.279.337
Types of derivative transactions for hedging purposes		
Transactions for fair value hedge	4.600.556	3.820.124
Transactions for cash flow hedge	46.584.760	38.226.415
Transactions for foreign net investment hedge	-	-
B. Total hedging related derivatives	51.185.316	42.046.539
Total derivative transactions (A+B)	3.208.599.993	1.693.325.876

3.3. Information on credit derivatives and risk exposures:

The Group has no credit default swaps in derivative portfolio for the period ended December 31, 2025.

Derivative portfolio includes total return swap that has a nominal amount of TL 124.839.516 (total of buy and sell leg) as of December 31, 2025 (December 31, 2024 – TL 149.816.276).

3.4. Information on contingent liabilities and assets:

The Group has recorded a provision of TL 465.951 (December 31, 2024 – TL 360.446) for litigations against the Group and has accounted for it in accompanying consolidated the financial statements under the "Other provisions" account. Except for the claims where provisions are recorded, management considers as remote the probability of a negative result in ongoing litigations and therefore does not foresee any cash outflows for such claim.

3.5. Information on services on behalf of others:

The Bank's activities such as intermediation and custody to serve the investment needs of customers are followed up under off balance sheet accounts.

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4. Explanations and notes related to consolidated income statement:**4.1. Information on interest income:****4.1.1. Information on interest income on loans:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term loans ⁽¹⁾	201.013.318	17.298.278	155.060.797	9.283.881
Medium/long-term loans ⁽¹⁾	136.826.836	29.346.703	103.626.181	22.045.289
Interest on loans under follow-up	17.992.611	-	9.186.415	-
Premiums received from resource utilisation support fund	-	-	-	-
Total	355.832.765	46.644.981	267.873.393	31.329.170

(1) Includes fees and commissions received for cash loans.

4.1.2. Information on interest income on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
From the CBRT	16.493.862	-	3.450.700	6.381
From domestic banks	8.658.476	1.739.019	4.962.945	656.401
From foreign banks	34.262	4.003.828	12.051	4.543.718
Headquarters and branches abroad	-	-	-	-
Total	25.186.600	5.742.847	8.425.696	5.206.500

4.1.3. Information on interest income on marketable securities:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial assets measured at fair value through profit or loss	-	181.381	-	178.325
Financial assets measured at fair value through other comprehensive income	40.811.829	2.558.212	34.994.763	1.667.628
Financial assets measured at amortised cost	61.129.511	6.748.194	76.953.813	6.925.544
Total	101.941.340	9.487.787	111.948.576	8.771.497

4.1.4. Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
Interests received from associates and subsidiaries	954.206	688.435
Total	954.206	688.435

4.2. Information on interest expense:**4.2.1. Information on interest expense on borrowings:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	26.282.699	15.040.682	17.918.111	12.969.241
The CBRT	155.864	-	-	-
Domestic banks	6.042.772	898.741	5.178.540	1.127.321
Foreign banks	20.084.063	14.141.941	12.739.571	11.841.920
Headquarters and foreign branches	-	-	-	-
Other institutions	-	209.882	-	230.250
Total⁽¹⁾	26.282.699	15.250.564	17.918.111	13.199.491

(1) Includes fees and commissions related to borrowings.

4.2.2. Information on interest expense to associates and subsidiaries:

	Current Period	Prior Period
Interests paid to associates and subsidiaries	208.162	421.866
Total	208.162	421.866

4.2.3. Information on interest expense to marketable securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest expense to marketable securities issued	7.089.360	26.963.356	6.459.120	20.753.661
Total	7.089.360	26.963.356	6.459.120	20.753.661

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4.2.4. Information on interest expense on money market transactions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest expense on money market transactions	83.014.222	225.473	66.369.476	1.391.848
Total	83.014.222	225.473	66.369.476	1.391.848

4.2.5. Information on other interest expense:

The bank has no commission expense (December 31, 2024 – TL 1.867.822) which has been recognized in other interest expense within the scope of 30th article of the CBRT Tariff Schedule titled “Communiqué on Required Reserve and Foreign Currency Deposit Accounts”.

4.2.6. Maturity structure of the interest expense on deposits:

Account name	Time Deposit							Total	Prior Period
	Demand Deposit	Up to 1 month	Up to 3 months	Up to 6 months	Up to 1 Year	More than 1 year	Accumulating deposit		
TL									
Bank deposits	465.406	1.844.404	67.527	59.566	45.172	-	-	2.482.075	6.478.640
Saving deposits	-	11.173.451	157.033.811	24.476.853	610.737	1.431.527	33	194.726.412	166.271.761
Public sector deposits	-	55.625	126.967	13.142	4	-	-	195.738	378.108
Commercial deposits	229	11.983.797	40.082.219	3.932.012	609.775	452.584	-	57.060.616	65.953.219
Other deposits	-	864.499	33.622.130	870.235	14.798	87	-	35.371.749	18.013.934
Deposits with 7 days notification	-	-	-	-	-	-	-	-	-
Total	465.635	25.921.776	230.932.654	29.351.808	1.280.486	1.884.198	33	289.836.590	257.095.662
FC									
Foreign currency deposits	65.879	2.227.021	2.538.757	317.898	648.737	402.561	-	6.200.853	3.424.814
Bank deposits	230.888	127.524	9.386	8.224	-	-	-	376.022	816.560
Deposits with 7 days notification	-	-	-	-	-	-	-	-	-
Precious metal vault	-	468	30.648	-	1.218	112	-	32.446	14.195
Total	296.767	2.355.013	2.578.791	326.122	649.955	402.673	-	6.609.321	4.255.569
Grand total	762.402	28.276.789	233.511.445	29.677.930	1.930.441	2.286.871	33	296.445.911	261.351.231

4.3. Information on dividend income:

	Current Period	Prior Period
Financial assets measured at fair value through profit or loss	211.058	105.999
Financial assets measured at fair value through other comprehensive income	10.207	6.055
Other	114.014	23
Total	335.279	112.077

4.4. Information on trading profit/loss (net):

	Current Period	Prior Period
Profit	355.504.328	242.505.881
Gain from capital market transactions	5.305.495	3.669.337
Derivative financial transaction gains	178.652.185	115.623.311
Foreign exchange gains	171.546.648	123.213.233
Loss (-)	415.891.520	287.939.466
Loss from capital market transactions	270.243	183.006
Derivative financial transaction losses	171.647.804	137.210.004
Foreign exchange loss	243.973.473	150.546.456
Net trading profit/loss	(60.387.192)	(45.433.585)

The net gain resulting from the foreign exchange differences related to derivative financial transactions is TL 91.795.133 (December 31, 2024 – TL 40.093.341 gain).

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

4.5. Allowance for expected credit losses and other provisions:

	Current Period	Prior Period
Allowance for expected credit losses	50.971.994	36.404.436
12-month expected credit losses (Stage 1)	6.994.504	921.435
Significant increase in credit risk (Stage 2)	8.331.516	12.453.686
Non-performing loans (Stage 3)	35.645.974	23.029.315
Impairment provisions for financial assets	-	-
Financial assets measured at fair value through profit or loss	-	-
Financial assets measured at fair value through other comprehensive income	-	-
Impairment provisions related to investments in associates, subsidiaries and joint ventures	-	-
Associates	-	-
Subsidiaries	-	-
Joint ventures	-	-
Other	171.796	89.127
Total	51.143.790	36.493.563

4.6. Information on other operating income:

“Other Operating Income” in the statement of profit or loss mainly includes collections from receivables for which expected credit losses and income from reversal of provisions have been allocated in prior periods.

4.7. Information related to other operating expenses:

	Current Period	Prior Period
Reserve for employee termination benefits	549.496	549.652
Provision expense for pension fund	-	-
Impairment losses of property and equipment	-	-
Depreciation expenses of property and equipment	3.534.906	2.337.169
Impairment losses of intangible assets	-	-
Goodwill impairment losses	-	-
Amortization expenses of intangible assets	1.010.923	590.919
Impairment losses of equity participations for which equity method is applied	-	-
Impairment losses of assets held for sale	-	-
Depreciation expenses of assets held for sale	-	-
Impairment losses of fixed assets held for sale and assets related to discontinued operations	-	-
Other operating expenses	58.222.554	37.652.367
TFRS 16 exempt lease expenses	546.068	343.833
Repair and maintenance expenses	1.856.905	1.295.529
Advertising expenses	1.500.615	1.026.247
Other expense	54.318.966	34.986.758
Loss on sales of assets	7.642	-
Other	16.635.788	10.170.907
Total	79.961.309	51.301.014

4.8. Information on profit/loss before taxes from continuing operations and discontinued operations:

The profit before tax includes TL 161.083.211 (December 31, 2024 – TL 88.646.632) of net interest income, TL 116.456.761 (December 31, 2024 – TL 77.698.428) of net fees and commissions income, TL 44.099.798 personnel expenses (December 31, 2024 – TL 30.021.689) and other operating expense amounting to TL 79.961.309 (December 31, 2024 - TL 51.301.014).

As of December 31, 2025, the Group has no profit/loss before taxes from discontinued operations (December 31, 2024 – None).

4.9. Provision for taxes on income from continuing operations and discontinued operations:

As of December 31, 2025, the Group has current tax expense amounting to TL 1.661.999 (December 31, 2024 – TL 3.978.651 expense) and deferred tax expense amounting to TL 16.506.989 (December 31, 2024 – TL 696.269 expense).

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

4.10. Information on net profit/loss for the period:

4.10.1. The characteristics, dimension and recurrence of income or expense items arising from ordinary banking transactions do not require any additional explanation to understand the Group’s current period performance.

4.10.2. The effect of the change in an estimate of financial statement items to profit / loss is not likely to affect subsequent periods.

4.11. Profit/loss of minority interest:

	Current Period	Prior Period
Profit/(loss) of minority interest	3.267	2.169

4.12. Other items in statement of profit or loss:

“Other fees and commissions received” and “Other fees and commissions paid” in profit or loss mainly include commissions and fees related to credit cards and banking transactions.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

5. Explanations and notes related to consolidated statement of changes in shareholders' equity

5.1. Information on dividends:

Authorised body for profit distribution of the current period is General Assembly. As of the preparation date of these financial statements, annual ordinary meeting of the General Assembly has not been held yet.

5.2. Information on increase/decrease amounts resulting from merger:

None.

5.3. Information on equity share premiums:

The details regarding property and equipment valuation differences are disclosed in section 3 note 19.

5.4. Explanations on property and equipment valuation differences:

Group, adopted fair value accounting method for its buildings and art objects and paintings in tangible assets in accordance with TAS 16 "Property, Plant and Equipment". As of December 31, 2025, revaluation gain under shareholders' equity is amounting to TL 25.375.036 (December 31, 2024 – TL 17.506.703).

5.5. Explanations related to accumulated remeasurement gains/losses of defined benefit plans:

Accumulated remeasurement gains/losses of defined benefit plans are accounted under equity. As of December 31, 2025 actuarial loss under shareholders' equity regarding to employee benefits are amounting to TL 3.733.648 (December 31, 2024 - TL 3.043.382), actuarial loss related to pension fund provision is amounting to TL 8.524.097 (December 31, 2024 - TL 7.855.119).

5.6. Explanations on financial assets at fair value through other comprehensive income:

"Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity until the related assets are impaired or disposed.

5.7. Hedging transactions:

The Group applies cash flow hedge accounting in order to hedge the risk of cash flow of its liabilities. In the scope of this application, the derivative financial instruments are specified as floating rate and fixed rate interest payment USD, EUR and TL interest rate swaps, currency swaps, cross currency swaps hedging liabilities as the USD, EUR and TL customer deposits, repos, lease receivables, cash outflows due to re-pricing of loans because of the expected interest rate financing. In this context, fair value change of the effective portion of derivative financial instruments accounted under "Other accumulated comprehensive income that will be reclassified in profit or loss", taking into account tax effects. Such amount as of December 31, 2025 is TL 1.563.476 gain (December 31, 2024 – 2.138.858 gain).

The Group's Euro denominated borrowing is designated as a hedge of the net investment in the Group's certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2025 is EUR 742 million (December 31, 2024 – EUR 665 million). The foreign exchange loss of TL 18.215.136 (December 31, 2024 – TL 11.665.991 loss), net of tax, on translation of the borrowing to Turkish Lira at the statement of financial position date is recognized in "hedging reserves" in equity.

5.8. Information on other capital and profit reserves:

Other capital and profit reserves in general comprise of legal reserves and extraordinary reserves.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

6. Explanations and notes related to consolidated statement of cash flows:

6.1. Information on cash and cash equivalent:

6.1.1. Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency balances together with demand deposits at banks including the unrestricted amounts of CBRT are defined as "Cash"; money market placements and time deposits in banks with original maturities of less than three months are defined as "Cash Equivalents".

6.1.2. Effect of a change in the accounting policies:

None.

6.1.3. Reconciliation of cash and cash equivalent items with balance sheet and cash flow statements:

6.1.3.1. Cash and cash equivalents at the beginning of period:

	Current Period	Prior Period
Cash	273.412.029	216.391.689
Cash and effectives	21.244.328	22.177.269
Demand deposits in banks	252.167.701	194.214.420
Cash equivalents	14.364.815	12.119.176
Interbank money market	-	-
Deposits in bank	14.364.815	12.119.176
Total cash and cash equivalents	287.776.844	228.510.865

6.1.3.2. Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
Cash	288.236.568	273.412.029
Cash and effectives	24.386.112	21.244.328
Demand deposits in banks	263.850.456	252.167.701
Cash equivalents	72.500.548	14.364.815
Interbank money market	-	-
Deposits in bank	72.500.548	14.364.815
Total cash and cash equivalents	360.737.116	287.776.844

6.2. Information on cash and cash equivalents those are not in use due to legal limitations and other reasons:

As of December 31, 2025, the Group's cash and cash equivalents those are not in use due to legal limitations and other reasons, including reserve requirements is amounting to TL 423.912.303 (December 31, 2024 - TL 371.115.284).

6.3. Explanations on other items in the statement of cash flows and the effects of the change in foreign exchange rates on cash and cash equivalents :

Decrease in "Other account" amounting to TL 58.440.329 (December 31, 2024 – TL 45.663.457 decrease) which is classified under "Operating profit before changes in operating assets and liabilities" includes fee and commissions given, other operating expenses excluding personnel expenses and foreign exchange gains/losses.

Decrease in "Net increase/decrease in other liabilities" amounting to TL 21.958.689 (December 31, 2024 - TL 39.173.361 increase) which is classified under "Changes in operating assets and liabilities" mainly arises from changes in miscellaneous payables, subordinated loans and other liabilities.

The effects of the change in foreign exchange rates on cash and cash equivalents are calculated as an increase approximately of TL 51.025.610 as of December 31, 2025 (December 31, 2024 - TL 23.103.883 increase).

Yapı ve Kredi Bankası A.Ş.**Notes to consolidated financial statements as of December 31, 2025**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

7. Explanations and notes related to Group's risk group:**7.1. The volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit or loss of the period:****7.1.1. Information on loans of the Group's risk group:**

Current Period	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Group		Other real and legal persons that have been included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Group's risk group ^{(1) (2)}						
Loans						
Balance at the beginning of the period	1.050.288	38.238	19.895	629.218	19.193.000	24.548.964
Balance at the end of the period	1.658.761	1.007.941	21.236	466.480	28.823.184	39.988.168
Interest and commission income received	954.206	153	2.869	1.866	5.263.988	156.511

Prior Period	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Group		Other real and legal persons that have been included in the risk group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Group's risk group ^{(1) (2)}						
Loans						
Balance at the beginning of the period	75.482	89.510	35.697	1.304.299	18.315.042	9.439.424
Balance at the end of the period	1.050.288	38.238	19.895	629.218	19.193.000	24.548.964
Interest and commission income received	688.435	124	5.038	2.363	6.577.381	131.130

(1) Defined in subsection 2 of the 49th article of Banking Act No. 5411.

(2) The information in table above includes marketable securities and due from banks as well as loans.

7.1.2. Information on deposits of the Group's risk group:

Group's risk group	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposit						
Beginning of the period	990.656	1.152.088	47.747.658	30.457.645	139.529.625	123.741.795
End of the period	2.565.473	990.656	65.400.035	47.747.658	184.152.688	139.529.625
Interest expense on deposits	208.162	421.866	10.949.162	6.802.234	11.514.266	14.538.926

(1) Defined in subsection 2 of the 49th article of the Banking Act No. 5411.

(2) The information in table above includes borrowings and repo transactions as well as deposits.

7.1.3. Information on forward and option agreements and other derivative instruments with the Group's risk group:

Group's risk group	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions at fair value through profit or loss						
Beginning of the period ⁽²⁾	-	-	-	19.721.860	12.693.289	5.382.691
End of the period ⁽²⁾	-	-	271.564	-	24.617.625	12.693.289
Total profit / loss⁽³⁾	9.981	-	12.608	7.298	2.938.392	1.407.941
Transactions for hedging purposes						
Beginning of the period ⁽²⁾	-	-	-	-	-	-
End of the period ⁽²⁾	-	-	-	-	-	-
Total profit / loss	-	-	-	-	-	-

(1) Defined in subsection 2 of the 49th article of the Banking Act No. 5411.

(2) The balances at the beginning and end of the periods are disclosed as the total of buy and sell amounts of derivative financial instruments.

7.2. Information regarding benefits provided to the Group's top management:

The gross total of salaries and benefits paid to the Group's top management amount to TL 1.006.466 as of December 31, 2025 (December 31, 2024 – TL 755.086).

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

8. Explanations and notes related to the domestic, foreign, off-shore branches or associates and foreign representatives of the Parent Bank:

	Number	Number of Employees	Country of incorporation	Total assets	Statutory share capital
Domestic Branch	739	14.634			
Foreign Representation Office	-	-	-		
Foreign Branch	1	3	Bahrain	53.386.028	-
Off-Shore Banking Region Branch	-	-		-	-

9. Explanations and notes related to subsequent events :

Subordinated Tier 2 bond issued on January 22, 2021, amounting to USD 500 million and 10 year maturity with early redemption option in fifth year, was early redeemed on January 22, 2026.

It was decided to issue an additional USD 250 million subordinated bond, in addition to the USD 500 million subordinated bond which is eligible for inclusion in Tier 2 capital on December 11, 2025. This additional issuance was completed on January 27, 2026.

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2025

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

Section Six- Other Explanations

1. Other explanations on the Parent Bank’s operations

None.

Section Seven - Independent auditor’s report

1. Explanations on independent auditor’s report

The consolidated financial statements for the period ended December 31, 2025 have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The independent auditor’s audit report dated February 5, 2026 is presented preceding the consolidated financial statements.

2. Explanations and notes prepared by independent auditor

None.