FIRST SUPPLEMENT dated 29 August 2025 to the Offering Circular dated 4 April 2025

TÜRKİYE İŞ BANKASI A.Ş.

US$7,000,000,000

Global Medium Term Note Programme

This supplement (this "*Supplement*") is supplemental to, and must be read in conjunction with, the Offering Circular dated 4 April 2025 (the "*Offering Circular*") prepared by Türkiye İş Bankası A.Ş. (the "*Issuer*" or the "*Bank*") under the Issuer's global medium term note programme. Capitalised terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Offering Circular.

This Supplement has been approved by the Irish Stock Exchange plc trading as Euronext Dublin ("*Euronext Dublin*") as a supplement to the Offering Circular and constitutes a "listing particulars supplement" for the purposes of listing on the official list of Euronext Dublin and trading on its Global Exchange Market. This Supplement has been prepared and published for the purposes of incorporating into the Offering Circular the Issuer's latest financial statements. As a result, modifications to the Offering Circular are hereby being made.

A copy of each of: (a) the unaudited consolidated BRSA Financial Statements of the Group as of and for the six-month period ended 30 June 2025 (including any notes thereto and the independent auditor's review report thereon, the "*Group's New BRSA Financial Statements*") and (b) the unaudited unconsolidated BRSA Financial Statements of the Issuer as of and for the six-month period ended 30 June 2025 (including any notes thereto and the independent auditor's review report thereon, the "*Issuer's New BRSA Financial Statements*" and, with the Group's New BRSA Financial Statements, the "*New BRSA Financial Statements*") has been filed with the Irish Stock Exchange plc trading as Euronext Dublin and, by means of this Supplement, is incorporated by reference into, and forms part of, the Offering Circular.

Copies of the New BRSA Financial Statements can be obtained without charge from the registered office of the Issuer and from the Issuer's website at: (a) with respect to the Group's New BRSA Financial Statements, https://www.isbank.com.tr/en/about-us/financial-statements, and (b) with respect to the Issuer's New BRSA Financial Statements, https://www.isbank.com.tr/en/about-us/financial-statements, (such websites do not, and shall not be deemed to, constitute a part of, nor are incorporated into, this Supplement or the Offering Circular). The New BRSA Financial Statements, which are in English, were prepared as convenience translations of the corresponding Turkish language BRSA Financial Statements (which translations the Issuer confirms are direct and accurate). The New BRSA Financial Statements were not prepared for the purpose of their incorporation by reference into the Offering Circular.

The New BRSA Financial Statements were reviewed by independent auditor PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. ("*PwC*"). PwC's review report included within each of the New BRSA Financial Statements notes that: (a) a review of interim financial information is substantially less in scope than an independent audit performed in accordance with the Standards on Auditing and does not provide assurance that the audit firm will be aware of all significant matters that would have been identified in an audit and (b) accordingly, they do not express an opinion on the interim financial information in the New BRSA Financial Statements. Accordingly, the degree of reliance upon their reports on such information should be restricted in light of the limited nature of the review procedures applied. The financial information in the New BRSA Financial Statements is subject to any adjustments that might be necessary as a result of the audit process to be undertaken in respect of the full financial year.

Statements contained herein (or in the New BRSA Financial Statements incorporated by reference into the Offering Circular by means of this Supplement) shall, to the extent applicable and whether expressly, by implication or otherwise, modify or supersede statements set out in, or previously incorporated by reference into, the Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of the Offering Circular. Where there is any inconsistency between the information contained in (or incorporated by reference into) the Offering Circular and the information contained herein (or incorporated by reference into the Offering Circular by means of this Supplement), the information contained herein (or incorporated by reference into the Offering Circular by means of this Supplement) shall prevail.

Other than to the extent described in (including in the information incorporated by reference into) the Offering Circular (including in the New BRSA Financial Statements incorporated by reference into the Offering Circular by means of this Supplement), there has been: (a) no material adverse change in the prospects of the Bank since 31 December 2024 and (b) no significant change in the financial or trading position of the Bank since 30 June 2025.

The Issuer accepts responsibility for the information contained in this Supplement or incorporated by reference into the Offering Circular by means of this Supplement. To the best of the knowledge of the Issuer, having taken all reasonable care to ensure that such is the case, the information in (including incorporated by reference into) the Offering Circular (as supplemented hereby) is in accordance with the facts and makes no omission likely to affect the import of such information. To the full extent permitted by applicable law, none of the Dealers, the Arrangers, the Agents or any of their respective affiliates accept any responsibility for the information contained in this Supplement or incorporated by reference into the Offering Circular by means of this Supplement.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The third sentence of the first paragraph of the section titled "Presentation of Financial and Other Information" on page ix of the Offering Circular is hereby amended to read as follows:

> All financial statements incorporated by reference herein, including the Bank's audited consolidated and unconsolidated annual statutory financial statements as of and for each of the years ended 31 December 2023 (including comparative information for 2022) and 2024 (including comparative information for 2023) (in each case, including any notes thereto and the independent auditor's audit report thereon) (together, the "*BRSA Annual Financial Statements*") and the Bank's unaudited consolidated and unconsolidated interim statutory financial statements as of and for the six-month period ended 30 June 2025 (including comparative information for the same period of 2024 and, for balance sheet items, 31 December 2024) (including any notes thereto and the independent auditor's review report thereon) (the "*BRSA Interim Financial Statements*"), have been prepared and presented in accordance with the BRSA Principles.

The following is hereby inserted at the end of the seventh paragraph of the section titled "Presentation of Financial and Other Information" on page ix of the Offering Circular is hereby amended to read as follows:

> The BRSA Interim Financial Statements were reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. ("*PwC*") in accordance with the Standard on Review Engagements (SRE) 2410 ("Review of Interim Financial Information Performed by the Independent Auditor of the Entity"). See PwC's independent auditor's review report included within the BRSA Interim Financial Statements.

The following definitions are hereby inserted in the appropriate alphabetical order in the section titled "Presentation of Financial and Other Information – Non-GAAP Measures" beginning on page ix of the Offering Circular:

net NPL formation: For a particular period, this is (a) NPL additions *less* NPL collections.

NPL additions: For a particular period, this is additions to Group III, IV and V loans, as set forth in the notes to the Group's BRSA Financial Statements for such period.

NPL collections: For a particular period, this is collections on Group III, IV and V loans, as set forth in the notes to the Group's BRSA Financial Statements for such period.

DOCUMENTS INCORPORATED BY REFERENCE

Clause (a) of the first paragraph of the section titled "Documents Incorporated by Reference" on page xvi of the Offering Circular is hereby amended to read as follows:

(a) the BRSA Annual Financial Statements and BRSA Interim Financial Statements,

The following is hereby inserted at the end of the fourth paragraph of the section titled "Documents Incorporated by Reference" starting on page xvi of the Offering Circular:

> In addition, copies of the BRSA Interim Financial Statements can be obtained without charge from the registered office of the Bank and from the Bank's website at: (i) with respect to the Bank's BRSA Interim Financial Statements, https://www.isbank.com.tr/en/about-us/financial-statements and (ii) with respect to the Group's BRSA Interim Financial Statements, https://www.isbank.com.tr/en/about-us/financial-statements.

FRONT COVER AND GENERAL DESCRIPTION OF THE PROGRAMME

The reference to the Programme rating (for long-term issuances) by Moody's appearing on the last paragraph of the front cover and under the subheading "General Description of the Programme – The Programme" on page 8 of the Offering Circular is hereby amended to read "Ba3".

The following is hereby inserted as a new paragraph after the eighth paragraph of the section titled "General Description of the Programme – The Group" on page 2 of the Offering Circular:

> Reference is also hereby made to "Recent Developments" with respect to certain more recent financial information about the Group.

RISK FACTORS

The following is hereby inserted after the eleventh sentence of the fourth paragraph of the section titled "Risk Factors – Risks Relating to Türkiye – Political Conditions – Political Developments" starting on page 10 of the Offering Circular:

> On 17 April 2025, the Central Bank raised the policy rate to 46%. On 24 July 2025, it decreased the policy rate to 43%.

The last sentence of the second paragraph of the section titled "Risk Factors – Risks Relating to Türkiye – Political Conditions – Terrorism and Conflicts" starting on page 11 of the Offering Circular is hereby amended to read as follows:

> While the PKK officially dissolved in May 2025 with a view to taking steps toward ending the conflict, there can be no assurance that hostilities will not resume.

The sixth paragraph of the section titled "Risk Factors – Risks Relating to Türkiye – Political Conditions – Terrorism and Conflicts" starting on page 11 of the Offering Circular is hereby amended to read as follows:

> In October 2023, Hamas carried out attacks in Israel, initiating a broader conflict between Israel and Hamas in and around the Gaza Strip. This conflict has significantly impacted civilian areas of the Gaza Strip, leading to a refugee and humanitarian crisis in the region. On 13 April 2024, in retaliation for an Israeli military strike on Iran's consulate in Damascus, Iran launched a wave of missiles at Israel, representing the first such direct attack from Iran on Israel. Military activity also expanded to other regions in and around Israel. On 3 May 2024, Türkiye imposed a ban on trade with Israel. While a fragile cease-fire was implemented in Gaza in January 2025, it did not hold and combat resumed in March 2025. On 13 June 2025, Israel launched a series of attacks on Iran's nuclear and military facilities, citing, among other rationales, Iran's violation of its nuclear non-proliferation obligations. The United States also launched a targeted attack against three Iranian nuclear sites on 22 June 2025. Although a ceasefire was announced on 23 June 2025, there have been mutual claims of violations and it is unclear if the ceasefire will hold. The impact of this conflict, including whether other actors might participate directly, is uncertain. The instability caused by the conflict has negatively impacted investor confidence (particularly in the Middle East) and has resulted in heightened volatility in the capital markets, which could negatively impact Türkiye and/or Turkish issuers.

The last sentence of the second paragraph of the section titled "Risk Factors – Risks Relating to Türkiye – Economic Conditions – Turkish Economy" starting on page 14 of the Offering Circular and the third paragraph of the section titled "Risk Factors – Risks Relating to Türkiye – Economic Conditions – Inflation" starting on page 17 of the Offering Circular are each hereby amended to read as follows:

> In its Inflation Report published on August 14, 2025, the Central Bank changed its medium-term forecast communication strategy and introduced a concept of "interim target". The Central Bank set its interim target for 2025 at the level of the inflation forecast shared in the previous report, which was 24%. It revised the forecast range for 2025 from 19%-29% in the previous report to 25%-29%. The interim target for 2026 was set at 16%, which is four percentage points above the inflation forecast in the previous report. The 2026 forecast range was also revised from 6%-18% to 13%-19%. Additionally, the Central Bank set the 2027 interim target at 9%, one percentage point higher than the previous report's forecast. According to the Central Bank's Sectoral Inflation Expectations report, households' and real sectors' inflation expectations for 12-month period ahead point to a higher inflation path compared to the Central Bank's forecast range for the coming period.

The following is hereby inserted after the third sentence of the fourth paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Credit Risks – Counterparty Credit Risk" on page 21 of the Offering Circular:

> As of 30 June 2025, the Group's NPL ratio was 2.4% and its Stage 2 loans to performing loans ratio was 9.3%.

The following is hereby inserted after the second sentence of the first paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Credit Risks – Government Default" starting on page 22 of the Offering Circular:

> As of 30 June 2025, 95.0% of the Bank's total securities portfolio (17.0% of its total assets and equal to 187.7% of its shareholders' equity) was invested in debt securities issued by the Turkish Treasury and 0.33% of the Bank's total assets were used to make loans to Turkish governmental and state-controlled entities.

The following is hereby inserted after the eighth sentence of the third paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Credit Risks – Government Default" starting on page 22 of the Offering Circular:

> On 25 July 2025 Fitch affirmed Türkiye's long-term foreign currency issuer default credit rating at "BB-" (with a stable outlook); while Moody's upgraded Türkiye's sovereign rating to "Ba3" (with a stable outlook) on the same day.

The third sentence of the second paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Market Risks – Foreign Exchange and Currency Risk" starting on page 24 of the Offering Circular is hereby amended to read as follows:

> As a reference, the Turkish Lira depreciated against the U.S. dollar by 30.6% in 2022, 36.4% in 2023 and 16.5% in 2024, before depreciating by a further 13.2% in 2025 through 7 August 2025.

The following is hereby inserted after the fourth sentence of the fifth paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Market Risks – Foreign Exchange and Currency Risk" on page 24 of the Offering Circular:

> As of 30 June 2025, the share of Turkish Lira-denominated assets and liabilities in the Group's balance sheet was 56.9% and 54.5%, respectively.

The following is hereby inserted after the third sentence of the sixth paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Market Risks – Foreign Exchange and Currency Risk" starting on page 24 of the Offering Circular:

> As of 30 June 2025, foreign currency-denominated loans (including applicable lease receivables and factoring receivables) comprised 44.3% of the Group's loan portfolio (of which euro-denominated obligations were the most significant).

The first sentence of the first paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Other Group-Related Risks – Audit Qualification" on page 31 of the Offering Circular is hereby amended to read as follows:

> The independent auditor's report included in each of the BRSA Annual Financial Statements incorporated by reference herein was qualified with respect to free provisions that were allocated by the Group's management.

The following is hereby inserted after the second paragraph of the section titled "Risk Factors – Risks Relating to the Group and its Business – Other Group-Related Risks – Audit Qualification" on page 31 of the Offering Circular:

> The independent auditor's report included in each of the BRSA Interim Financial Statements did not include a qualification.

The section titled "Risk Factors – Risks Relating to the Notes – Risks Relating to the Structure of the Notes – Sustainability Notes" beginning on page 37 of the Offering Circular is hereby amended to read as follows:

The Programme provides for the issuance of Sustainability Notes. The applicable Pricing Supplement relating to any specific Tranche of Sustainability Notes will provide that the net proceeds (or an amount equivalent to the net proceeds) of such Notes will (or, as of the Issue Date, are intended to) (in accordance with the Sustainable Finance Framework) be used to finance (including refinance) a portfolio of loans (cash and non-cash) and investments (the "*Sustainable Loan Portfolio*"), for which the working group formed by the Issuer (the "*Sustainable Finance Working Group*") will exercise its reasonable judgment in determining the businesses and projects that satisfy the eligibility criteria in the Sustainable Finance Framework. The Sustainable Finance Working Group is also responsible for the review and update of the Sustainable Finance Framework (in which case, the updated version will be published on the Issuer's website). The Issuer has engaged an independent third-party to review and provide a second party opinion on the alignment of the Sustainable Finance Framework with the Green Bond Principles 2025, the Social Bond Principles 2025, the Sustainability Bond Guidelines 2021 and the Green Loan Principles 2025, published by the International Capital Markets Association (ICMA) and/or the Loan Market Association (LMA) (as applicable), and such alignment was confirmed by such opinion dated 13 August 2025 (published, as of the date of this Offering Circular, on the Issuer's website at: www.isbank.com.tr/en/about-us/sustainability-frameworks-and-reports). A prospective investor in any Sustainability Notes should have regard to the information in "Use of Proceeds" and the applicable Pricing Supplement regarding the use of the net proceeds (or an amount equivalent to the net proceeds) of such Sustainability Notes and must determine for itself the relevance of such information (together with any other investigation that such investor deems necessary, including a review of the then-applicable Sustainable Finance Framework) for the purpose of such investor's investment in such Sustainability Notes. In particular, no assurance is given by the Issuer, any Arranger, any Dealer or any Agent that the use of such amount for any loans under the Sustainable Loan Portfolio will satisfy, whether in whole or part, any present or future expectations of such investor or any of such investor's requirements with respect to any investment criteria or guidelines with which such investor and/or its investments are required to comply. Furthermore, it should be noted that the proceeds of any loans in the Sustainable Loan Portfolio may be for specific assets and projects, which are defined in the Sustainable Finance Framework.

In addition, it should be noted that there is no clear definition (legal, regulatory or otherwise) of, nor any market consensus as to what constitutes, a "green," "social," "sustainability" or similarly labelled project or as to what attributes are required for a particular project to be so considered, nor can any assurance be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change; however, the EU's regulation on the establishment of a framework to facilitate sustainable investment (the "*EU Taxonomy*"), which is subject to a phased implementation, provides some definition for such topics within the EU. Accordingly, no assurance is or can be given (whether by the Issuer, an Arranger, a Dealer, the Agents or any other person) to any investor in a Sustainability Note that: (a) any project or uses the subject of, or related to, any loans or investments under Sustainable Loan Portfolio will meet all or any of such investor's expectations regarding any "green," "social," "sustainability" or similarly labelled performance objectives or investment criteria or guidelines with which an investor or its investments are required to comply, whether by any present or future applicable law or standards (including the EU Taxonomy) or Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "*EU Green Bond Regulation*"), which shall be directly effective in the EU from 21 December 2024, (b) any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any loans in the Sustainable Loan Portfolio or (c) the Sustainable Finance Framework will be aligned with the EU Taxonomy, the EU Green Bond Regulation or any other sustainability framework. Sustainability Notes issued under the Programme will not qualify as "EU Green Bonds" but rather would only comply with the terms applicable thereto as described in "Use of Proceeds."

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by the Issuer) that might or might not be made available in connection with the issuance of any Sustainability Notes (including any second party opinion issued in connection with the Sustainable Finance Framework), including (in particular) to the extent addressing whether any loans in the Sustainable Loan Portfolio fulfil any environmental, social, sustainability and/or other criteria. Any such report, assessment, opinion or certification does not, nor shall be deemed to, constitute a part of, nor is incorporated into, this Offering Circular. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, any Arranger, any Dealer, any Agent or any other person to invest in any Sustainability Notes. Any such report, assessment, opinion or certification is only current as of the date it was issued. Prospective investors in Sustainability Notes must determine for themselves the relevance of any such report, assessment, opinion or certification, the information contained therein and/or the provider of such report, assessment, opinion or certification for the purpose of any investment in Sustainability Notes. The providers of such reports, assessments, opinions and certifications might not be subject to any specific oversight or regulatory or other regime.

In the event that any Sustainability Notes are listed or admitted to trading on any dedicated "green," "environmental," "social," "sustainability" or other similarly labelled securities exchange or market (or segment thereof), whether or not regulated, no representation or assurance is given by the Issuer, any Arranger, any Dealer, any Agent or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law (including with the EU Taxonomy or the EU Green Bond Regulation or by its own bylaws or other governing rules or investment portfolio mandates). In addition, the criteria for any such listings or admission to trading might vary from one securities exchange or market to another. No representation or assurance is given or made by the Issuer, any Arranger, any Dealer, any Agent or any other person that any such listing or admission to trading will be obtained in respect of any Sustainability Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the applicable Sustainability Notes.

While it is the intention of the Issuer to apply the net proceeds (or an amount equivalent to the net proceeds) of any Sustainability Notes and obtain and publish the relevant reports, assessments, opinions and certifications in, or substantially in, the manner described in "Use of Proceeds," there can be no assurance that the Issuer will be able to do so. In addition, there can be no assurance that any loans in the Sustainable Loan Portfolio will be completed within any specified period or at all or with respect to the results or outcome. While the Bank might request on an annual basis following the first anniversary of the issuance of any Sustainability Notes (until the proceeds have been fully allocated) an external reviewer to provide a report on the conformity of the allocation of the net proceeds thereof (or an amount equivalent to such net proceeds) with the use of proceeds and reporting criteria set out in the Sustainable Finance Framework, there is no guarantee that net proceeds (or an amount equivalent to the net proceeds) of any Sustainable Notes will be applied (whether or not related to the environment, social goals, sustainability goals or similar) as originally expected or anticipated by the Issuer or that the Bank will request and/or obtain such an external review.

Any such event, the net proceeds (or an amount equivalent to the net proceeds) of any issue of Sustainability Notes not being applied for any loans and investments that qualify for the Sustainable Loan Portfolio or the Issuer's not obtaining and/or publishing any such reports, assessments, opinions and certifications will neither constitute an "Event of Default" under the relevant Sustainability Notes nor give rise to any other claim of an investor in such Sustainability Notes against the Issuer and have no connection to the terms of the Sustainability Notes, including any impact on pricing or redemption. The withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, and/or any such Sustainability Notes no longer being listed or admitted to trading on any securities exchange or market, as aforesaid, might have a material adverse effect on the value of an investment in such Sustainability Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

USE OF PROCEEDS

The section titled "Use of Proceeds" beginning on page 45 of the Offering Circular is hereby amended to read as follows:

The Bank will incur various expenses in connection with the issuance of each Tranche of the Notes, including (as applicable) underwriting fees, legal counsel fees, rating agency expenses and listing expenses. The net proceeds of each issue of Notes will be applied by the Bank for its general corporate purposes; however, for any particular Series, the Bank may agree (and so specify in the Pricing Supplement for the Tranche(s) of such Series) with the relevant Dealer(s) or investor(s) that the proceeds of the issuance of the applicable Notes shall be used for one or more specific purpose(s), such as environmental development or sustainability. The use of proceeds, if any, provided in the Pricing Supplement for each Tranche in a Series with more than one Tranche will be the same.

In addition, where the "Reasons for the Offer" in Part B of the applicable Pricing Supplement are stated to be for "loans in the Green Categories," "loans in the Social Categories" and a mix of "loans in the Green Categories and loans in the Social Categories" as described in this "Use of Proceeds" section ("*Green Bonds*," "*Social Bonds*" and "*Sustainability Bonds*," respectively, and together the "*Sustainability Notes*"), the net proceeds (or an amount equivalent to the net proceeds) of each issue of Sustainability Notes will (or, as of the applicable Issue Date, will be intended to) be used as so described. For each Series of Sustainability Notes, such amount is expected to be applied by the Issuer in financing (including refinancing), individually or on a portfolio basis, loans and investments under the Green Categories and/or Social Categories (each as defined below and further described in the "Sustainable Finance Framework" published on the Issuer's website (as of the date of this Offering Circular, www.isbank.com.tr/en/about-us/sustainability-frameworks-and-reports) (as amended, supplemented or otherwise updated from time to time, the "*Sustainable Finance Framework*")) (together, the "*Sustainable Loan Portfolio*"), including the provision of new loans in the Sustainable Loan Portfolio and the refinancing of existing loans. In the case of Green Bonds, such financing (including refinancing) shall be through loans in the Green Categories; in the case of Social Bonds, such financing (including refinancing) shall be through loans in the Social Categories; and in the case of Sustainability Bonds, such financing (including refinancing) shall be eligible to fund loans both in the Green Categories and Social Categories; however, the proceeds of any Sustainability Notes will not be used to provide loans (to the best of the Issuer's knowledge) intended to be used for purposes covered by the Issuer's "Exclusion List" as detailed on the Issuer's website (as of the date of this Offering Circular, www.isbank.com.tr/en/about-us/Documents/sustainability/environment-and-social-impact-policy.pdf), which includes, as of such date, loans linked to trade of wildlife elements or products, forced labour or hazardous child labour, production of weapons of mass destruction and land mines, diamond mining or the diamond trade, each in countries that are not involved in the "Kimberley process," each of which are prohibited by applicable laws, transportation of oil and other hazardous substances via tankers that do not comply with the requirements of the International Marine Organisation and greenfield investments of coal- and natural gas-fired thermal power plants to be established for electricity generation). The Bank will also not knowingly be involved in financing of any projects or activities related to the extraction, production, refining, transmission and distribution of fossil fuels with the proceeds of the Sustainability Notes.

Pending the allocation or reallocation, as the case may be, of any net proceeds of Sustainability Notes in funding the relevant loans in the Sustainable Loan Portfolio, such proceeds will be (as indicated in the Sustainable Finance Framework) invested by the Issuer at its own discretion in cash and/or cash equivalent, and/or other marketable instruments. To the extent required, additional eligible loans will be added to the Sustainable Loan Portfolio to ensure that the net proceeds of any outstanding Sustainability Notes will be used to fund the Sustainable Loan Portfolio.

As outlined in the Sustainable Finance Framework as in effect on the date of this Offering Circular, a report will be published by the Issuer with respect to Sustainability Notes by the first anniversary of issuance and thereafter (if required) a new report will be published annually until the proceeds have been fully allocated. As noted in the Sustainable Finance Framework, such reports will provide information on the allocation of the net proceeds of the Sustainability Notes, on an individual or aggregate basis, including the portion thereof allocated to eligible loans, the number of eligible loans, the balance of unallocated proceeds and the amount or the percentage of such proceeds used for new financing versus refinancings. Where confidentiality agreements or competitive considerations require, or a large number of underlying projects limit the amount of detail that can be made available, the Issuer will present the information in generic terms or on a portfolio basis.

The Bank appointed ISS-Corporate to provide the second party opinion on the Sustainable Finance Framework, assessing the environmental and social added value of the Sustainable Finance Framework.

"*Green Categories*" means categories of eligible loans listed under the "Green Categories" in the Sustainable Finance Framework. As of the date of this Offering Circular, categories of such loans include loans for: (a) renewable energy, (b) energy efficiency, (c) eco-efficient and/or circular economy adapted products, production technologies and processes, (d) green buildings, (e) clean transportation, (f) pollution prevention and control, (g) environmentally sustainable management of living natural resources and land use, (h) sustainable water, wastewater management and climate adaptation and (i) terrestrial and aquatic biodiversity conservation.

"*Social Categories*" means categories of eligible loans listed under the "Social Categories" in the Sustainable Finance Framework. As of the date of this Offering Circular, categories of such loans include loans for: (a) access to essential services, (b) affordable basic infrastructure, (c) food security and sustainable food systems and (d) employment generation (including through the potential effect of MSME financing).

Neither the Sustainable Finance Framework nor any of the reports, verification assessments, opinions or contents of any of the websites referenced in this "Use of Proceeds" section constitute, nor shall be deemed to constitute, a part of, nor are incorporated into, this Offering Circular.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" starting on page 51 of the Offering Circular is hereby amended by the addition at the end thereof of a section titled "Recent Developments" contained in Exhibit A.

The first sentence of the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 51 of the Offering Circular is hereby amended to read as follows:

The following discussion and analysis of the consolidated financial position and results of operations of the Group covers the fiscal years ended 31 December 2022, 2023 and 2024 and, in "Recent Developments" below, the six-month periods ended 30 June 2024 and 2025.

THE GROUP AND ITS BUSINESS

The following is hereby inserted as a new paragraph after the fourth paragraph of the section titled "The Group and its Business – Overview of the Group" on page 90 of the Offering Circular:

Reference is also hereby made to "Recent Developments" with respect to certain more recent financial information about the Group.

The table of credit ratings set forth in the section titled "The Group and its Business – Credit Ratings" starting on page 120 of the Offering Circular is hereby amended to read as follows:

Fitch (30 May 2025)

Long-term Foreign Currency Issuer Default Rating/Outlook:	BB- / Stable
Short-term Foreign Currency Issuer Default Rating:	B
Long-term Local Currency Issuer Default Rating/Outlook:	BB- / Stable
Short-term Local Currency Issuer Default Rating:	B
Viability Rating	bb-
Long-term Senior Unsecured Notes Rating:	BB-
Short-term Senior Unsecured Notes Rating:	B
National Long-term Rating/Outlook:	AA- (tur) / Stable

Moody's (30 July 2025)

Long-term Foreign Currency Deposit Rating/Outlook:	Ba3 / Stable
Short-term Foreign Currency Deposit Rating:	Not Prime
Long-term Local Currency Deposit Rating/Outlook:	Ba3 / Stable
Short-term Local Currency Deposit Rating:	Not Prime
Senior Foreign Currency Unsecured Debt Rating:	Ba3
BCA (Baseline Credit Assessment):	
	b1

MANAGEMENT

The table of members of the Executive Committee in the section titled "Management – Executive Committee" on page 139 of the Offering Circular is updated by removing the reference to Can Yücel, İzlem Erdem and Sezai Sevgin and inserting a reference to H. Cahit Çınar, Deputy Chief Executive and Gürler Özkök, Deputy Chief Executive.

The biographies of members of the Executive Committee in the section titled "Management – Executive Committee" starting on page 139 of the Offering Circular is updated by removing the biographies of Can Yücel, İzlem Erdem and Sezai Sevgin and inserting the following:

H. Cahit Çınar

Born in Ankara in 1967. Mr. Cahit Çınar graduated from the International Relations Department of Ankara University, Faculty of Political Science. He attended Munich Ludwig-Maximillians University between 1989 and 1990. He began his career at İşbank as an Assistant Specialist at the Economic Research Division in 1991 and joined the Board of Inspectors as an Assistant Inspector in 1992. He was appointed to the Commercial Loans Underwriting Division in 2001 as an Assistant Manager. He was appointed to a position in Frankfurt/Germany in 2004 and became the Regional Manager of Commercial Loans Underwriting Department in 2007, Head of Commercial Loans Underwriting Division in 2010 and Manager of Güneşli Corporate Branch in 2013. He was appointed as a Chief Executive Officer at İşbank AG on 25 March 2016. Mr. Çınar was appointed as Deputy Chief Executive of İşbank on 5 October 2018. In 2023, he was appointed in one of our subsidiaries, Trakya Yatırım Holding and returned to his position at İşbank as Deputy Chief Executive on 30 April 2025.

Gürler Özkök

Born in Turgutlu in 1969, Mr. Gürler Özkök graduated from the Business Administration Department of the Middle East Technical University, Faculty of Economic and Administrative Sciences. He holds a master's degree in Economics from the University of London and a master's degree in Law from Istanbul Bilgi University, Institute of Social Sciences. He began his career at İşbank as an Assistant Inspector on the Board of Inspectors in 1993. He was promoted to Assistant Manager of the Risk Management Department in 2002, to the Vice President of Board of Inspectors in 2004 and to Branch Manager of İzmir Branch in 2006. He was appointed Branch Manager of İzmir Commercial Branch in 2008, Branch Manager of Mediterranean Corporate Branch in 2015 and Branch Manager of Maslak Corporate Branch in 2018. Mr. Özkök became the President of the Board of Inspectors in 2022 and he was appointed Deputy Chief Executive of İşbank on 26 June 2025.

TURKISH REGULATORY ENVIRONMENT

The following is hereby inserted at the end of the fifth paragraph and at the end of the twelfth paragraph of the section titled "Turkish Regulatory Environment – Liquidity and Reserve Requirements" starting on page 168 of the Offering Circular:

On 16 August 2025, the Communiqué Regarding Reserve Requirements was amended to change the calculation period to eight weeks.

The following is hereby inserted at the end of the ninth paragraph of the section titled "Turkish Regulatory Environment – Liquidity and Reserve Requirements" starting on page 168 of the Offering Circular:

On 24 May 2025, funds obtained from foreign repo transactions conducted with domestic residents, classified under other liabilities of banks with maturities up to and including one month and three months was included in the scope of the Communiqué Regarding Reserve Requirements and the mandatory reserve requirement rate for these liabilities was set at 18% and 14%, respectively. Furthermore, on 21 June 2025, the Central Bank further amended the Communiqué Regarding Reserve Requirements (effective retroactively as of 20 June 2025) and expanded its scope with banks' Turkish Lira liabilities from accounts with variable interest rates based on the Consumer Price Index, Producer Price Index and Turkish Lira Overnight Reference Rate (TLREF) Index and deposits/participation funds with foreign banks belonging to banks' parent companies. The mandatory reserve requirement for these liabilities was set at 10% and 0%, respectively.

The third sentence of the tenth paragraph of the section titled "Turkish Regulatory Environment – Liquidity and Reserve Requirements" starting on page 168 of the Offering Circular is hereby amended to read as follows:

On 24 May 2024, the Central Bank further amended such rule (effective retroactively to 10 May 2024) as follows: (a) the mandatory reserve requirement rate for the foreign exchange protected Turkish Lira-denominated deposit accounts with an original maturity up to (and including) six months was increased to 33% from 25% (and then increased to 40% on 21 June 2025) and (b) the mandatory reserve requirement rate for foreign exchange protected Turkish Lira-denominated deposit accounts with an original maturity over six months was increased to 22% from 10%.

The following is hereby inserted at the end of the eleventh paragraph of the section titled "Turkish Regulatory Environment – Liquidity and Reserve Requirements" starting on page 168 of the Offering Circular:

On 3 May 2025, the Central Bank amended the Turkish Lira mandatory reserve requirement by increasing the mandatory reserve ratio for foreign currency deposits/participation funds by 200 basis points for all maturity brackets. The amendment was effective as of 25 April 2025. Accordingly, the mandatory reserve requirement has been increased to (i) 32% for demand deposits, notice deposit and deposits/participation funds with a maturity of up to (and including) a month, (ii) 28% for deposits and participation accounts with a maturity longer than three months and (iii) 22% for such deposits and participation accounts with a maturity longer than a year. Additionally, the mandatory reserve requirement rate for liabilities with a maturity of up to (and including) one year in relation to deposits and participation funds obtained through foreign repo transactions has been set to 25%. The Central Bank also increased the mandatory reserve requirement rates for foreign-currency denominated precious metal deposit accounts (a) on demand or with a maturity of up to (but excluding) one year from 26% to 28%, and (b) with a maturity of one year or greater from 22% to 24%. Furthermore, on 21 June 2025, the Central Bank decreased the additional mandatory reserve requirement rate for foreign currency-denominated deposits and participation funds (excluding those obtained from banks abroad) from 4% to 2.5%.

The last sentence of the last paragraph of the section titled "Turkish Regulatory Environment – Liquidity and Reserve Requirements" starting on page 168 of the Offering Circular is hereby amended to read as follows:

In 2024, the Central Bank revised the remuneration rate for Turkish Lira-denominated required reserves as follows: (a) if a bank's renewal and conversion rate to Turkish Lira is at least 60% (which was amended as 40% on 7 July 2025) , then the Central Bank will pay interest on such reserves for foreign exchange protected accounts at a rate equal to 40% of the Central Bank's then-existing policy rate (which was changed to the Central Bank's weighted average funding cost on 26 April 2025) (such remuneration for reserves for foreign exchange-protected accounts are not applicable to accounts opened or renewed after 20 December 2024), and (b) the Central Bank will pay interest on Turkish Lira required reserves deposited for up to three months at a rate equal to 84% (which was amended to 86% on 3 May 2025) of the Central Bank's then-existing policy rate (which was changed to the Central Bank's weighted average funding cost on 26 April 2025). On 23 August 2025, the Central Bank decided to terminate the opening and renewal of currency-protected accounts (excluding YUVAM accounts), effective as of the same date. Accordingly, the threshold for renewal and conversion rate to Turkish Lira as mentioned under limb (a) above has also been abolished as of (including) 23 August 2025.

On 4 February 2025, with amendments to the Communiqué Regarding Reserve Requirements, the Central Bank introduced a change in the methodology for applying deductions to the total amount of liabilities subject to reserve requirements. According to such methodology, from the total amount of liabilities subject to reserve requirements, a deduction could be made in the amount of credit extended to non-residents by foreign branches of banks, excluding loans extended to other banks and other institutions authorised to grant credit. This deduction is made starting with the shortest-term other liabilities subject to reserve requirements. With the aforementioned change, it has been clarified that such deduction is made starting from those shortest-term other liabilities with the lowest applicable reserve requirement ratio.

The following is hereby inserted at the end of the last paragraph of the section titled "Turkish Regulatory Environment – Consumer Loan, Provisioning and Credit Card Regulations" starting on page 180 of the Offering Circular:

Additionally, the decision of the BRSA dated 10 July 2025 and numbered 11240 introduced a mechanism for restructuring credit card debts, with an amendment dated 12 July 2025 to the Communiqué on Maximum Interest Rates to be Applied in Credit Card Transactions. Within this scope, it was announced that applications for restructuring would be accepted for a period of three months from the date of the decision. Furthermore, it was determined that interest rates (*conventional interest*) to be applied for restructured credit card debts cannot exceed the rate established by the Central Bank each month. For default interest rates, it cannot exceed the rate regulated within the Communiqué on Maximum Interest Rates to be Applied in Credit Card Transactions.

The following is hereby inserted after the section titled "Credit Guarantee Fund" starting on page 183 of the Offering Circular:

Calculation of the Green Asset Ratio of Banks

On 11 April 2025, the BRSA published the Communiqué on the Calculation of the Green Asset Ratio of Banks in the Official Gazette dated 11 April 2025 and numbered 32867 (the "*Communiqué on the Calculation of the Green Asset Ratio of Banks*"), aiming to set out the procedures and principles for calculating and reporting the green asset ratio and other key performance indicators measuring banks' contributions to financing environmentally sustainable economic activities. According to the Communiqué on the Calculation of the Green Asset Ratio of Banks, which entered into force on 11 April 2025, the primary key performance indicator reflecting banks' contribution to environmental sustainability is the green asset ratio, calculated by dividing aligned assets by the total assets included within the scope of the green asset ratio on the unconsolidated balance sheets of banks. The total assets under the Green Asset Ratio are calculated by summing the gross carrying amounts measured at amortised cost of the on-balance sheet financial assets, after deducting the following receivables: exposures to central governments, central banks and supranational institutions, as well as assets in trading book. Eligible assets include all financial assets related to economic activities within the scope of technical screening criteria, regardless of whether they fully meet these criteria. Aligned assets, however, must simultaneously meet three conditions: (i) substantially contributing to one or more environmental objectives, (ii) not significantly harming other environmental objectives, and (iii) complying with minimum social security standards. The environmental objectives specified include climate change mitigation, adaptation to climate change, transition to a circular economy, sustainable use and protection of water and marine resources, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. Banks are required to verify compliance with these criteria through reports (*e.g.*, emission reports, feasibility reports and energy efficiency investigation reports), certifications, or other internationally or nationally accepted green technology selection tools and maintain these records for auditing purposes. It is essential to confirm and monitor that term assets identified as aligned continue to meet the technical screening criteria throughout their maturities. The BRSA is authorised to determine specific technical screening criteria and may differentiate reporting obligations based on the type and size of banks. Banks must establish necessary documentation, classification, monitoring and control processes for assets included in green asset ratio calculations and submit periodic reports, which is determined as three-month periods by the BRSA decision dated 13 March 2025, numbered 11165, to the BRSA, beginning on 30 June 2025. Additionally, the BRSA has the authority to set minimum thresholds and targets for the green asset ratio and related key performance indicators and may impose measures, including additional capital requirements, on banks that fail to comply with the established thresholds and targets.

OTHER GENERAL INFORMATION

The last paragraph of the section titled "Other General Information – Independent Auditors" on page 298 of the Offering Circular is hereby amended to read as follows:

The BRSA Interim Financial Statements have been reviewed by PwC as stated in the respective review reports in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" included therein. PwC's review report included within each of the BRSA Interim Financial Statements notes that: (a) a review of interim financial information: (i) consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures and (ii) is substantially less in scope than an independent audit conducted in accordance with the Standards on Auditing; (b) it does not express an opinion on the financial statements; and (c) consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit and PwC has not expressed an audit opinion with respect to the BRSA Interim Financial Statements. Accordingly, the degree of reliance upon their reports on such information should be restricted in light of the limited nature of the review procedures applied.

Each of EY's and PwC’s reports included in the BRSA Annual Financial Statements contains a qualification. PwC’s reports included in the BRSA Interim Financial Statements do not include a qualification. (see “Risk Factors – Risks Relating to the Group and its Business – Other Group-Related Risks – Audit Qualification” for further information).

BACK COVER

The caption above the reference to PwC in the section titled “Independent Auditors to the Bank” on the back cover of the Offering Circular is hereby amended to read as follows: "Independent Auditors for 2024 and 2025".

EXHIBIT A

Recent Developments

On 14 August 2025, the Bank announced that it had sold TL 5,050 million of NPLs for TL 999 million.

The Bank published the BRSA Interim Financial Statements on 5 August 2025.The BRSA Interim Financial Statements were reviewed by PwC in accordance with Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. The following tables set out certain information regarding the Group as of (or for the six-month periods ended on) the indicated dates. The following financial information of the Group has been extracted from the Group’s BRSA Interim Financial Statements without material adjustment. These tables should be read in conjunction with the Group’s BRSA Interim Financial Statements (including the notes therein) incorporated by reference into this Offering Circular.

Analysis of Results of Operations for the First Six Months of 2024 and 2025

	Six months ended 30 June	
	2024	**2025**
	(TL thousands, except where indicated)	
Consolidated Income Statement Data		
Interest Income	**260,625,953**	**395,814,889**
Interest Income on Loans	167,439,113	247,784,078
Interest Income on Reserve Deposits	11,365,847	35,951,337
Interest Income on Banks	6,143,576	8,413,670
Interest Income on Money Market Placements	2,583,739	4,149,733
Interest Income on Marketable Securities Portfolio	66,838,805	90,703,173
Financial Assets at Fair Value Through Profit or Loss	*523,353*	*805,952*
Financial Assets at Fair Value Through Other Comprehensive Income	*34,051,816*	*51,825,437*
Financial Assets at Measured at Amortised Cost	*32,263,636*	*38,071,784*
Finance Lease Income	2,047,969	2,543,393
Other Interest Income	4,206,904	6,269,505
Interest Expense	**215,119,107**	**336,696,091**
Interest on Deposits	153,808,473	238,834,459
Interest on Funds Borrowed	10,407,254	19,416,954
Interest on Money Market Funds	35,577,328	63,294,133
Interest on Securities Issued	10,389,067	13,852,492
Financial Lease Expense	238,161	559,466
Other Interest Expense	4,698,824	738,587
Net Interest Income	**45,506,846**	**59,118,798**
Net Fees and Commissions Income	**38,659,298**	**55,027,615**
Fees and Commissions Received	53,755,098	72,412,366
Non-cash Loans	2,648,550	3,629,582
Other	51,106,548	68,782,784
Fees and Commissions Paid	15,095,800	17,384,751
Non-cash Loans	92,580	91,816
Other	15,003,220	17,292,935
Dividend Income	**225,585**	**413,911**
Trading Income (net)	**(4,418,223)**	**2,299,318**
Gains/(Losses) on Securities Trading	18,530,066	6,982,530
Derivative Financial Transactions Gains/(Losses)	(40,493,868)	(26,006,273)
Foreign Exchange Gains/(Losses)	17,545,579	21,323,061
Other Operating Income	**52,783,172**	**66,693,788**
Gross Operating Income	**132,756,678**	**183,553,430**
Expected Credit Loss (-)	10,244,729	25,700,861
Other Provision Expenses (-)	488,960	573,397
Personnel Expense (-)	25,148,172	34,254,551
Other Operating Expenses (-)	59,335,869	84,149,724
Net Operating Income/(Loss)	**37,538,948**	**38,874,897**
Profit/(Loss) From Associates Accounted for Using the Equity Method	**5,400,496**	**9,082,095**
Profit/(Loss) On Continuing Operations Before Tax	**42,939,444**	**47,956,992**
Tax Provision For Continuing Operations	**3,979,553**	**6,950,605**
Current Tax Provision	7,115,049	10,275,878
Deferred Tax Income Effect (+)	5,719,413	5,875,383
Deferred Tax Expense Effect (-)	8,854,909	9,200,656
Net Period Profit/(Loss) From Continuing Operations	**38,959,891**	**41,006,387**
Group's Profit/(loss)	29,330,577	30,038,483
Non-controlling Interest Profit/(loss)	9,629,314	10,967,904
Earnings Per Share[(1)]	**1.1732**	**1.2015**

(1) Calculated based upon the amount of shares making up the Group's paid-in capital (*e.g.*, 25,000,000 shares as of 30 June 2025). Presented in Turkish Lira instead of thousands of Turkish Lira.

Net Interest Income

The Group's interest income increased by 51.9% to TL 395,815 million in the first half of 2025 from TL 260,626 million in the same period of the previous year, which increase resulted primarily from an increase in interest income on loans and securities as described below. Interest income from loans totalled TL 247,784 million (62.6% of total interest income) and interest income from total securities totalled TL 90,703 million (22.9% of total interest income) during the first half of 2025, compared to TL 167,439 million (64.2% of total interest income) and TL 66,839 million (25.6% of total interest income), respectively, during the same period of the previous year. The primary drivers of the increase in interest income were the increase in the volume of loans and securities and the upwards repricing of loans due to increasing interest rates;

however, interest income on CPI-linked securities (which constituted 3.4% of the Bank's assets as of 30 June 2025) were relatively flat compared to the first half of 2024 due to the decrease in inflation expectations.

The Group's interest expense increased by 56.5% to TL 336,696 million in the first half of 2025 from TL 215,119 million in the same period of 2024, which increase was mainly due to 55.3%, 77.9% and 86.6% increases in interest on deposits, interest on money market funds and interest on funds borrowed, respectively. As there were no significant changes in the rate of interest paid on deposits, the increase in interest expense mainly resulted from an increase in the volume of Turkish Lira deposits and, notwithstanding a decline in the amount of securities issued and funds borrowed, increases in the Turkish Lira-equivalent cost of foreign currency-denominated borrowings due to the depreciation of the Turkish Lira.

As a result of this interest income and interest expense, the Group's net interest income was TL 59,119 million in the first half of 2025 (representing 103.6% of the sum of the Group's gross operating income for such period *plus* its profit/loss from associates accounted for using the equity method for such period), increasing by 29.9% from TL 45,507 million in the same period of 2024. As set out in the table below, the Bank's net interest margin on an annualised basis in the first half of 2025 was (0.3%), compared to 1.4% in the same period of 2024, due mainly to the widening core spread between Turkish Lira loans and deposits.

	Six months ended 30 June	
	2024	**2025**
	(TL thousands, except percentages)	
Net interest income	24,578,615	32,594,895
Interest from the Central Bank	11,365,517	35,951,218
Total	**13,213,098**	**(3,356,323)**
Average loans and receivables (performing)	1,286,617,760	1,791,893,653
Average total securities portfolio	529,084,321	688,889,639
Average banks	54,325,753	79,531,650
Average money market placements	-	3,350,370
Average interest-earning assets	**1,870,027,834**	**2,563,665,311**
Nominal net interest margin	0.7%	(0.1%)
Annualisation factor	**2**	**2**
Net interest margin	1.4%	(0.3%)

Other Income

The Group's net fees and commission income increased by 42.3% to TL 55,028 million in the first half of 2025 from TL 38,659 million in the same period of 2024, which increase was primarily a result of the increase in fees and commissions received by the Bank from payment systems, asset management and bancassurance.

The Group's dividend income increased by 83.5% to TL 413.9 million in the first half of 2025 from TL 225.6 million in the same period of 2024, which increase was the result of a rise in the amount of equity shares under financial assets at fair value through profit or loss and the higher dividends received from such holdings.

The Group's trading gain was TL 2,299 million in the first half of 2025, compared to a trading loss of TL 4,418 million in the same period of 2024. The 2025 trading gain was due principally to derivative transaction losses of TL 26,006 million, securities trading gains of TL 6,983 million and foreign exchange gains of TL 21,323 million. In addition, securities trading gains decreased and foreign exchange gains increased by 62.3% and 21.5%, respectively, over such periods. Although securities trading gains decreased, foreign exchange gains increased and derivate transaction losses decreased, each compared to the same period in 2024.

The Group's other operating income in the first half of 2025 was TL 66,694 million, increasing by 26.4% from TL 52,783 million in the same period of 2024, which increase was primarily attributable to an increase in the volume of the Group's insurance and reinsurance companies, resulting in an increase in income from those activities by 52.6% to TL 45,411 million in the first half of 2025 from TL 29,766 million in the same period of 2024. In addition, in the first half of 2025, NPL collections amounted to TL 13,650 million, or 33.4%, of its NPLs as of 31 December 2024. See Note 8.2 to the BRSA Interim Financial Statements for additional details. NPL collections in the first half of 2024 amounted to TL 7,543 million.

Provisioning for Loans and other Receivables

The Group's provision expenses for loans and other receivables were TL 25.7 billion in the first half of 2025, increasing by 150.9% from TL 10.2 billion in the same period of 2024. In the first half of 2025, Stage 3 expected credit loss expenses increased by 152.7% compared to the same period of 2024, which increase was primarily due to the increase in Stage 3 loans, including the impact of the depreciation of the Turkish Lira. The expected credit loss expenses for Stage 1 and Stage 2 increased by 148.0% in the first half of 2025 compared to the same period of 2024. Net NPL formation amounted to TL 17,660 million in the first half of 2025, compared to TL 4,509 million in the same period of 2024, which change was primarily attributable to NPL additions increasing by more than NPL collections due to a slowdown in economic activity. See Note 8.2 to the BRSA Interim Financial Statements for additional details.

The Group's NPL ratio was 2.4% as of 30 June 2025, compared to 2.1% as of 31 December 2024. During the first half of 2025, the Group sold TL 1,739 million of NPLs for TL 617.5 million. The Group's total Stage 3 coverage ratio was 134.3% as of 30 June 2025.

The following tables show the Group's provisioning for loans and other receivables for the indicated periods:

	Six months ended 30 June	
	2024	**2025**
	(*TL thousands*)	
Expected Credit Loss(-)	**10,244,729**	**25,700,861**
12 Month Expected Credit Losses (Stage 1)	1,400,354	4,837,809
Significant increase in Credit Risk (Stage 2)	2,629,141	5,155,524
Credit-Impaired Losses (Stage 3/Special Provision)	6,215,234	15,707,528
Marketable Securities Impairment Losses	**1,443**	**3,902**
Financial Assets at Fair Value through Profit and Loss	291	806
Financial Assets at Fair Value through Other Comprehensive Income	1,152	3,096
Impairment Losses on Investments in Associates, Subsidiaries, Jointly Controlled Entities	**-**	**-**
Investments in Associates	-	-
Subsidiaries	-	-
Jointly Controlled Entities	-	-
Other	**487,517**	**569,495**
Total	**10,733,689**	**26,274,258**

Other Operating Expenses

The Group's other operating expenses in the first half of 2025 were TL 84,150 million, increasing by 41.8% from TL 59,336 million in the same period of 2024, which change was principally attributable to a 59.0% increase in the activities of the Group's insurance and reinsurance companies, with expenses related to such businesses contributing TL 38,498 million and TL 24,209 million, respectively, in the first half of 2025 and 2024.

Net Period Profit/(Loss) from Continuing Operations

As a result of the above-described income and expenses for the first half of 2025, the Group's net period profit/(loss) from continuing operations during such period was TL 41,006 million, increasing by 5.3% from TL 38,960 million in the same period of 2024.

The following table sets out certain of the Group's selected financial ratios and other data for the indicated periods (as these are determined for a period shorter than 12 months, these are expressed on an annualised basis in the manner described in "Presentation of Financial and Other Information - Alternative Performance Measures"):

	Six months ended 30 June	
	2024	**2025**
	(*TL thousands, except percentages*)	
Return on average shareholders' equity excluding minority interest	21.2%	8.6%
Cost-to-income ratio	52.9%	49.6%
Cost to average total assets	3.8%	3.4%

Financial Condition

The table below sets forth the Group's balance sheet data as of the indicated dates.

	As of 31 December 2024	As of 30 June 2025
	(TL thousands)	
ASSETS		
Financial Assets (Net)	1,255,239,761	1,524,695,834
Cash and Cash Equivalent	*733,783,512*	*916,434,337*
Financial Assets at Fair Value Through Profit or Loss	*75,774,331*	*82,815,129*
Financial Assets at Fair Value Through Other Comprehensive Income	*426,149,028*	*510,681,041*
Derivative Financial Assets	*19,988,226*	*15,240,110*
Expected Credit Loss (-)	*455,336*	*474,783*
Financial Assets Measured at Amortised Cost (Net)	2,170,306,121	2,599,906,622
Loans	*1,887,290,837*	*2,317,372,845*
Lease Receivables	*27,830,732*	*39,983,873*
Factoring Receivables	*35,510,617*	*41,268,270*
Other Financial Assets Measured at Amortised Cost (Net)	*281,357,179*	*277,605,516*
Expected Credit Loss (-)	*61,683,244*	*76,323,882*
Assets Held For Sale And Discontinued Operations (Net)	52,344	53,628
Equity Investments	111,411,807	132,055,387
Investments in Associates (Net)	*651,282*	*1,117,073*
Subsidiaries (Net)	*110,616,058*	*129,900,044*
Joint Ventures (Net)	*144,467*	*1,038,270*
Tangible Assets (Net)	71,145,598	82,265,851
Intangible Assets (Net)	12,314,368	14,328,871
Investment Property (Net)	25,407,317	24,705,689
Current Tax Asset	110,073	310,706
Deferred Tax Asset	30,811,538	35,503,971
Other Assets (Net)	183,899,394	231,321,792
Total Assets	**3,860,698,321**	**4,645,148,351**
LIABILITIES & EQUITY		
Deposits	2,179,417,530	2,706,472,790
Funds Borrowed	301,701,132	350,330,489
Money Markets	357,654,293	384,271,029
Securities Issued (Net)	172,536,840	218,630,249
Funds	683,899	762,633
Derivative Financial Liabilities	11,797,973	16,459,928
Lease Payables (Net)	3,872,410	5,705,638
Provisions	158,589,929	180,984,181
Current Tax Liability	15,415,268	22,479,550
Deferred Tax Liability	2,935,714	3,197,970
Subordinated Debts	57,786,197	54,868,485
Other Liabilities	225,595,022	278,606,724
Total Liabilities	**3,487,986,207**	**4,222,769,666**
Shareholders' Equity	372,712,114	422,378,685
Total Liabilities and Shareholders' Equity	**3,860,698,321**	**4,645,148,351**

Assets

As of 30 June 2025, the Group had total assets of TL 4,645,148 million, an increase of 20.3% from 31 December 2024. This increase was primarily attributable to a 22.6% increase in cash loans (excluding lease receivables, factoring receivables and NPLs) and a 11.2% increase in total securities.

As of 30 June 2025: (a) the Group's cash and cash equivalents was TL 916,434 million, an increase of 24.9% from 31 December 2024, (b) the Group had gross loans (which for these purposes comprises loans, leasing receivables and factoring receivables) of TL 2,398,625 million, an increase of 23.0% from 31 December 2024, which increase was primarily attributable to increases in loans and the appreciation of foreign currencies against the Turkish Lira, (c) the Group's other assets totalled TL 231,322 million, an increase of 25.8% from 31 December 2024 and (d) the Group's cash loan-to-deposit ratio was 83.6%.

Liabilities

As of 30 June 2025, the Group had total liabilities of TL 4,222,770 million, an increase of 21.1% from 31 December 2024. The increase was primarily attributable to 24.2%, 16.1% and 26.7% increases in deposits, funds borrowed and securities issued, respectively, compared to year-end 2024. The Group's non-deposit funding and total foreign currency-denominated borrowings were equivalent to 21.7% and 15.3%, respectively, of its assets as of 30 June 2025.

Shareholders' Equity

As of 30 June 2025, the Group's shareholders' equity amounted to 9.1% of the Group's total assets, compared to 9.7% as of 31 December 2024. Total shareholders' equity was TL 422,379 million as of 30 June 2025, an increase of 13.3% from 31 December 2024, which increase was due to rise in extraordinary reserves. The Bank paid dividends of TL 5,546 million in March 2025 with respect to earnings from 2024.

Off-Balance Sheet Arrangements

The aggregate amount of off-balance sheet arrangements comprising guarantees, letters of credit and similar obligations totalled TL 749,944 million as of 30 June 2025, a 26.4% increase from 31 December 2024. This increase was largely due to increases in the letters of credit portfolio.

Capital Adequacy

The following table sets out information on the Group's capital and its capital adequacy ratios as of the indicated dates (the capital adequacy ratios being calculated based upon BRSA regulations):

	As of 31 December 2024	**As of 30 June 2025**
	(*TL thousands, except percentages*)	
Paid-in capital	25,000,000	25,000,000
Paid-in capital inflation adjustments	1,615,938	1,615,938
Profit reserves	155,363,002	196,858,109
Profit	51,120,944	37,214,012
Tier 1 Capital (I)	351,750,443	417,382,262
Tier 2 Capital (II)	66,887,264	45,245,223
Deductions (III)	6,269	19,562
Own Funds (I+II-III)	418,631,438	462,607,923
Risk Weighted Assets (including market and operational risk)	2,306,082,780	2,877,301,462
Capital Ratios:		
Tier 1 ratio[(1)]	15.3%	14.5%
Capital adequacy ratio[(2)]	18.2%	16.1%

(1) The Tier 1 ratio is: (a) the tier 1 capital (*i.e.*, the common equity tier 1 capital *plus* additional tier 1 capital *minus* regulatory adjustments to common equity) *as a percentage of* (b) the aggregate of the credit risk, market risk and operational risk.

(2) The capital adequacy ratio is: (a) the sum of tier 1 capital *plus* tier 2 capital (*i.e.*, the "supplementary capital," which comprises general provisions and subordinated debt) *minus* items to be deducted from capital (the "deductions from capital," which comprises items such as unconsolidated equity interests in financial institutions and assets held for resale but held longer than five years) *as a percentage of* (b) the aggregate of the credit risk, market risk and operational risk.

The Bank's own Tier 1 ratio as of 30 June 2025 was 15.9% and its capital adequacy ratio as of such date was 17.4%.

Please see: (a) "Risk Factors - Risks Relating to Türkiye - Economic Conditions- Turkish Economy" with respect to the negative impact on the capital ratios resulting from the depreciation of the Turkish Lira and positive (but likely temporary) impacts of certain regulatory accommodations provided by the BRSA and (b) "Risk Factors - Risks Relating to Türkiye - Economic Conditions - Inflation" with respect to the potential distorting impact of high inflation, including the use of non-inflation-adjusted figures in the BRSA Financial Statements.