

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS AS
AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
WITH INDEPENDENT AUDITORS' REPORT THEREON
ORIGINALLY ISSUED IN TURKISH**



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH**

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.

A. Audit of the financial statements

1. Our opinion

We have audited the accompanying financial statements of TSKB Gayrimenkul Yatırım Ortaklığı A.Ş. (the "Company") which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements comprising a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") the ethical requirements regarding independent audit in regulations issued by the POA and applicable to audits of financial statements of public interest entities and the regulations of the Capital Markets Board and other relevant legislation as applicable to audits of financial statements of public interest entities are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key audit matters

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



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Valuation work related to determining the fair value of investment properties</p> <p>The Company, as stated in footnote No 8 of the attached financial statements, has investment properties valued at fair value, totaling TRY 6,694,866,305 as of 31 December 2025, which represent a substantial portion of the total assets.</p> <p>The fair values of investment properties determined by the independent valuation expert as of 31 December 2025 have been evaluated by the Company's management and the said values have been taken as the basis for the fair values of investment properties in the attached financial statements.</p> <p>The "income approach" and "comparable approach" methods have been used in determining the fair values of investment properties.</p> <p>The valuation of the Company's investment properties includes significant areas of judgment and requires subjective assumptions. Significant judgments and assumptions can be directly affected by factors such as capitalization rate, discount rate, occupancy rates of rentable areas, and rental income.</p> <p>The fair values of the assets in question were determined using the market value determined by professionally qualified valuation experts.</p> <p>The procedures conducted regarding the determination of the fair value of investment properties was determined as a key audit matter due to the fact that the registered value of investment properties constitutes a significant portion of the Company's total assets and the subjective nature of the valuations and the significant assumptions and judgments they contain.</p>	<p>During our audit, the following audit procedures were applied regarding the fair value of investment properties:</p> <ul style="list-style-type: none"> - The design of the controls carried out by the Company's management on the valuation report prepared by the Company's appointed independent real estate appraiser was understood, - The qualification, competence and impartiality of the Company's appointed independent real estate appraiser was evaluated, - The appropriateness of the valuation methods included in the valuation reports was evaluated, - The mathematical accuracy of the calculation tables used in the valuation reports was tested, - The consistency of the cash inflow and cash outflow estimates regarding the income models included in the valuation reports was evaluated by comparing them with the Company's budget projections for the upcoming years, - The reasonableness of the significant judgments and assumptions used in the valuation reports prepared by the Company's appointed independent real estate appraiser was evaluated by applying the following procedures together with the independent appraisers assigned by us as independent auditors, <ul style="list-style-type: none"> • The appropriateness of the income approach methods used in the valuation studies was evaluated, • Whether the values appraised by the appraiser were a reasonable It was evaluated whether it was in the range, - The fair values in the valuation reports were compared with the footnotes, and it was evaluated whether the amounts in the footnotes and the attached financial statements were consistent with the valuation reports and whether the footnote explanations were sufficient in terms of TFRSs.



4. Responsibilities of management and those charged with governance for the financial statements

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

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

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

5. Auditor's responsibilities for the audit of the financial statements

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

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code (“TCC”) No. 6102 and that causes us to believe that the Company’s bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Company’s articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor’s report on the early risk identification system and committee was submitted to the Company’s Board of Directors on 30 January 2026.

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

Talar Gül, SMMM
Independent Auditor

Istanbul, 30 January 2026

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TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF STATEMENT OF FINANCIAL POSITION
(BALANCE SHEET) AS AT 31 DECEMBER 2025**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

ASSETS	Notes	Audited 31 December 2025	Audited 31 December 2024
CURRENT ASSETS		174,917,274	317,482,496
Cash and cash equivalents	4	40,333,538	113,660,572
Trade receivables	7	3,293,688	4,097,908
<i>Due from related parties</i>	7.25	-	523,890
<i>Due from other parties</i>	7	3,293,688	3,574,018
Other current assets	15	131,290,048	199,724,016
NON-CURRENT ASSETS		6,830,309,478	6,607,412,003
Investments accounted for using equity method	5	67,754,081	48,763,595
Investment property	8	6,694,866,305	6,521,556,463
Tangible assets	9	35,039,653	36,200,982
Right of use assets	11	1,374,244	445,016
Intangible assets	12	277,460	256,996
Other non-current assets	15	30,997,735	188,951
TOTAL ASSETS		7,005,226,752	6,924,894,499
LIABILITIES			
SHORT-TERM LIABILITIES		236,314,517	296,116,998
Short Term Borrowing		164,438,358	209,907,335
Bank Loans	6.25	163,074,345	209,741,644
<i>Payables from rental transaction</i>	10	1,364,013	165,691
Trade Payables	7	49,684,258	51,360,326
<i>Due to related parties</i>	7.25	16,729,114	38,694,089
<i>Other Trade Payable</i>	7	32,955,144	12,666,237
Short-term Provisions		5,000,587	3,182,748
Short-term provisions for employee benefits	14	4,956,466	3,040,900
<i>Other Provisions</i>	13	44,121	141,848
Other short-term liabilities	15	17,191,314	31,666,589
LONG-TERM LIABILITIES		565,073,298	440,565,875
Long-term Provisions	14	1,164,256	1,621,998
Long-Term Provisions for Employee Benefits	14	1,164,256	1,621,998
Deferred tax liability	23	563,033,368	438,257,791
Other long-term liabilities	15	875,674	686,086
EQUITY		6,203,838,937	6,188,211,626
Paid in capital	16	650,000,000	650,000,000
Capital adjustment differences	16	6,458,692,841	6,458,692,841
Share issue premiums	16	15,332,434	15,332,434
Restricted reserves	16	3,437,440	3,437,440
Other comprehensive income non-reclassified to profit or loss	16	1,131,706	1,122,591
Retained earnings		(940,373,680)	(911,011,092)
Net profit / (loss) for the period		15,618,196	(29,362,588)
TOTAL LIABILITIES		7,005,226,752	6,924,894,499

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

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.**CONVENIENCE TRANSLATION OF INCOME STATEMENT
AS AT 31 DECEMBER 2025 and 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

		Audited	Audited
	Notes	1 January - 31 December 2025	1 January - 31 December 2024
Sales	17	218,761,116	211,315,405
Cost of Sales	17	(123,154,118)	(119,070,773)
Gross Profit		95,606,998	92,244,632
Administrative expenses	18	(55,093,860)	(51,558,902)
Marketing expenses	19	(351,187)	(205,812)
Other operating income	20	150,428,953	270,832,458
Other operating expense	20	(6,388,761)	(3,574,477)
Operating Profit		184,202,143	307,737,899
Profit/profit of investments valued by equity method	5	33,327,160	18,994,550
Shares (in losses)	21	33,730,033	60,802,784
Financial income	21	(105,718,820)	(52,816,854)
Financing expenses	22	(5,150,650)	(40,422,561)
Monetary gain / (loss)	22	(5,150,650)	(40,422,561)
Profit / (loss) from continuing operations before tax		140,389,866	294,295,818
Tax income / (expense)			
- Period tax income / (expense)	23	-	-
- Deferred tax income / (expense)	23	(124,771,670)	(323,658,406)
NET PROFIT / (LOSS) FOR THE PERIOD		15,618,196	(29,362,588)
Earnings / (loss) per share	24	0,0240	(0,0451)
NET PROFIT / (LOSS) FOR THE PERIOD		15,618,196	(29,362,588)
Non-reclassified to profit or loss		9,115	852,320
-Tangible Fixed Assets Revaluation Increases	9	359,380	1,759,524
-Tax impact		(107,814)	(527,857)
-Defined benefit plans remeasurement gains/losses		(346,358)	(541,924)
-Tax Effect		103,907	162,577
OTHER COMPREHENSIVE INCOME		9,115	852,320
TOTAL COMPREHENSIVE INCOME/EXPENSE		15,627,311	(28,510,268)

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

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025 and 2024

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

	Notes	Share capital	Capital inflation adjustment	Share Premium	Revaluation and reclassification gains/losses	Actuarial gains/losses in defined pension plans	Restricted reserves separated from profit	Past years' profit/loss	Net Period Profit / (Loss)	Total
Balance at 1 January 2024		650,000,000	6,458,692,841	15,332,434	-	270,271	3,437,440	(1,473,972,345)	677,195,357	6,330,955,998
Total comprehensive income		-	-	-	1,231,667	(379,347)	-	-	(29,362,588)	(28,510,268)
Transfers		-	-	-	-	-	-	677,195,357	(677,195,357)	-
Effect of deferred tax from previous periods (Note 2.5.14)		-	-	-	-	-	-	(114,234,104)	-	(114,234,104)
Balance at 31 December 2024	<i>16</i>	650,000,000	6,458,692,841	15,332,434	1,231,667	(109,076)	3,437,440	(911,011,092)	(29,362,588)	6,188,211,626
Balance at 1 January 2024		650,000,000	6,458,692,841	15,332,434	1,231,667	(109,076)	3,437,440	(911,011,092)	(29,362,588)	6,188,211,626
Total comprehensive income/expenses		-	-	-	251,566	(242,451)	-	-	15,618,196	15,627,311
Transfers		-	-	-	-	-	-	(29,362,588)	29,362,588	-
Balance at 31 December 2025	<i>16</i>	650,000,000	6,458,692,841	15,332,434	1,483,233	(351,527)	3,437,440	(940,373,680)	15,618,196	6,203,838,937

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

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**CONVENIENCE TRANSLATION OF STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025 and 2024**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

		Audited	Audited
	Notes	1 January – 31 December 2025	1 January – 31 December 2024
A. Cash flows from operating activities			
		15,618,196	(29,362,588)
Net profit / (loss) for the period			
Adjustments related to profit / (loss)			
Real estate value increases/decreases	8.20	(143,189,795)	(266,777,732)
Adjustments related to financing and interest income	21	(33,730,033)	(60,802,784)
Adjustments related to financing expenses	21	105,718,820	52,816,854
Changes in accrued income	15	(477,711)	(1,935,507)
Adjustments related to tax income and expense		124,771,670	323,658,406
Shares of investments valued using the equity method (in profits/losses)	5	(33,327,160)	(18,994,550)
Depreciation expenses	9.11	2,803,167	1,990,283
Amortage expenses	12	29,952	26,672
Adjustments related to monetary gain/loss		7,309,883	37,991,118
Adjustments to provisions and impairment losses			
Changes in other short-term provisions		(1,827,117)	1,165,312
Provision for doubtful receivables set aside during the period	7.20	5,148,991	2,595,468
Provision for unused leave	18	2,033,253	481,981
Personnel bonus provisions	14.18	1,800,000	1,570,704
Cash flows provided by operating activities before the changes in working capital		52,682,116	44,423,637
Interest received		36,473,775	60,713,761
Changes in trade receivables		(3,303,872)	(2,521,218)
Changes in other assets		51,506,543	(172,588,029)
Changes in trade payables	7	(1,676,068)	24,450,831
Payments made under employee provisions		97,410	748,618
Severance payments paid	18	(1,008,066)	(606,724)
Changes in other liabilities		(76,922,191)	22,837,849
Inflation adjustment in operating cash flows		(1,400,018)	21,742,575
Net cash provided by operating activities		56,449,629	(798,700)
B. Cash flows from investment activities			
Cash outflows from investment property purchases	8	(30,120,047)	(105,083,049)
Cash outflows from purchases/sales of tangible fixed assets	9	(1,072,015)	(4,231,116)
Purchases of intangible fixed assets	12	(50,416)	-
Cash inflows from sales of tangible fixed assets	9	-	58,014
Net cash used in investing activities		(31,242,478)	(109,256,151)
C. Cash flows from financing activities			
Bank loans taken out	6	-	166,886,020
Bank loans repaid	6	-	(33,924,849)
Interest paid	6	(90,253,201)	-
Net cash provided in financing activities		(90,253,201)	132,961,171
Effect of exchange rate fluctuations on cash and cash equivalents		3,788	9,192
Net increase /(decrease) in cash and cash equivalents		(65,042,262)	22,915,512
Monetary loss/gain on cash and cash equivalents		(5,909,865)	(35,624,465)
Cash and cash equivalents at 1 January	4	110,765,768	123,474,721
Cash and cash equivalents at 31 December		39,813,641	110,765,768

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

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY

TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.'s (the "Company") main activity is to invest in properties, property projects and property related capital market instruments. The Company was established on 3 February 2006.

The headquarter of the Company is registered in Ömer Avni Mah. Karun Çıkmazı Sok. No: 2 34427 Fındıklı-Beyoğlu/İstanbul Turkey. The number of personnel employed in the Company as at 31 December 2025 is 13. (31 December 2024: 12).

The Company is a subsidiary of Türkiye Sınai Kalkınma Bankası A.Ş. ("TSKB") and was registered on 3 February 2006. In accordance with the relevant article of the Capital Markets Board of Turkey ("CMB") Communiqué on the Principles of Real Estate Investment Trusts, which was in force at that date, as real estate investment trusts have to apply to the CMB with the request that the share certificates representing at least 49% of the paid-in capital that will be offered to the public are registered in the time periods changing according to the capital amounts, and as the period expires on 3 February 2007 for the Company, the Company applied to the CMB on 30 January 2007 for the extension of the public offering for one year, considering the risk perceptions regarding the existing and expected market conditions, and received the extension approval on 12 March 2007. It was stated in the letter sent by the CMB to the Company on 17 December 2007, relating to the permission application for the increase of the Company's paid-in capital in 2007 from TRY10,000,000 to TRY75,000,000, that the deadline for board registry application for the public offering of the Company shares was extended to 3 February 2009 as the capital of the Company was increased to TRY75,000,000, in accordance with the CMB decision dated 19 April 2007.

The Company decided that its paid-in capital, which was TRY75,000,000, would be increased by TRY25,000,000 to TRY100,000,000, with the registered capital ceiling of TRY100,000,000, and that the increased capital would be paid by the shareholders in proportion to their shares, in its extraordinary general assembly dated 24 November 2008. The capital increase was registered on 28 November 2008 and was published in the Turkish Trade Registry Gazette No. 7202, dated 3 December 2008. Again, in accordance with the Communiqué article which was in force at that date, as it was foreseen that the public offering of the real estate investment trusts whose paid in capital is TRY100,000,000 or more, is to be made within five years of either the establishment of the investment trust or the related amendment to the articles of association being registered with the Trade Registry, the CMB informed the Company with the letter dated 10 November 2008 that the deadline for the public offering of the Company shares is 3 February 2011.

On the other hand, with the amendment dated 31 December 2009 made by the CMB to the Communiqué on the Principles of Real Estate Investment Trusts, the application that a time is granted for trusts which are established instantaneously or which become real estate investment trusts by amendment of articles of association with regards to a public offering, is cancelled and it is made obligatory that the shares of trusts representing a minimum 25% of their capital be issued within three months of either the establishment of the investment trust or the related amendment to the articles of association being registered with the Trade Registry, are offered to public and that they apply to the CMB with the request that all shares be registered. In addition, in the temporary article prepared to clarify the status of the existing real estate investment trusts whose shares are not offered to the public, against the amendment in the Communiqué, it is foreseen that companies with the status of real estate investment trust by establishment or transformation before the publishing date of the Communiqué amendment, would apply to the CMB with the request that minimum 25% of their issued capital be offered to the public.

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY (Continued)

As per the Board of Directors resolution dated 2 February 2010 numbered 96, it has been decided to increase the paid in capital of the Company by TRY50,000,000 to TRY150,000,000 and the increased shares to be offered to the public through the restriction of the pre-emptive rights of the existing shareholders. With the capital increase by 50%, nominal value of C group shares amounting to TRY50,000,000 (with additional sales TRY57,500,000) which will be offered to the public for the first time were registered by the CMB with the record number GYO 60/250 on 25 March 2010. Public offering of the shares was realized on 1 and 2 April 2010 and the Company shares are being traded on the Istanbul Stock Exchange since 9 April 2010. In accordance with the decision of the Board of Directors dated 27 August 2018, the Articles of Association, which was prepared for the capital increase decision with a rate of 100%, without restricting the use of the pre-emptive right, without compensating the use of pre-emptive rights, was approved at the meeting no. 50/1176 dated 11 October 2018. The shares remaining after the exercise of the pre-emptive right were sold on the Borsa İstanbul Primary Market on 8-9 November 2018, and the paid-up capital of the Company was increased to TRY300,000,000 as of 14 November 2018. In Accordance with Board of Directors decision dated 1 July 2020 the Prospectus regarding the decision of 66.66% of the capital increase with rights restricting the use of pre-emptive right by covering the entire of issued capital of TRY300,000,000 in cash was approved at the meeting of CMB date 13 August 2020 and numbered 51/990. The remaining shares after the use of pre-emptive right were sold on Borsa İstanbul Primary Market on 3-4 September 2020, and Company's paid in capital was increases to TRY500,000,000 as of 9 September 2020. In line with the decision of the Board of Directors dated June 23, 2021, the prospectus prepared regarding the decision to increase the paid-up capital by 30.00% without limiting the use of the priority right, by covering the entire issued capital of TRY500,000,000 in cash, was approved at the meeting of the Capital Markets Board dated 26 August 2021 and numbered 51/990. , the remaining shares after the exercise of the pre-emptive right were sold on the Borsa İstanbul Primary Market on 20-21 September 2021, and the paid-in capital of the Company was increased to TRY650,000,000 as of 23 September 2021.

The Company established a joint venture with Bilici Yatırım Sanayi ve Ticaret AŞ in Adana under the name of Bilici Yatırım-TSKB GYO Adana Otel Projesi Adi Ortaklığı ("Adana Otel Projesi Adi Ortaklığı") on 26 May 2011. The capital structure of the joint venture is designated as 50% of participation for Bilici Yatırım Sanayi ve Ticaret AŞ and 50% of participation for the Company. The main operations of Adana Otel Projesi Adi Ortaklığı is to start, execute and complete the hotel project which will be operated by Divan Turizm İşletmeleri A.Ş. (formerly known as Palmira Turizm Ticaret A.Ş.).

The Company established a joint venture with Bilici Yatırım Sanayi ve Ticaret A.Ş. in Adana under the name of Anavarza Otelcilik Anonim Şirketi on 27 March 2015. The capital structure of the joint venture is designated as 50% of participation for Bilici Yatırım Sanayi ve Ticaret A.Ş. and 50% of participation for the Company. The main operations of Anavarza Otelcilik A.Ş. is to operate hotel, motel etc., that includes accommodation facilities, eat-drink, sports, entertainment, health care services.

Bilici Yatırım -TSKB GYO Adana Otel Projesi Adi Ortaklığı Ticari İşletmesi, registered with the Trade Registry number 69178 in Adana Chamber of Commerce and established with the partnership of Bilici Yatırım Sanayi ve Ticaret A.Ş. was transformed into a company named "Yarsuvat Turizm Anonim Şirketi" as a whole with all of the assets and liabilities.

After the transformation, Yarsuvat Turizm Anonim Şirketi was merged to Anavarza Otelcilik A.Ş. with all of its assets and liabilities to the merge transaction has completed with the Merger Approval of Chamber of Commerce of Adana dated 20 December 2019 and numbered 9647.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of presentation

2.1.1. Statement of compliance

The financial statements have been prepared in accordance with the communiqué No: II, 14.1 "Communiqué on Financial Reporting Standards in Capital Markets" ("Communiqué") promulgated by CMB, which is published at 13 June 2013 in the Official Gazette numbered 28676 and in accordance with the Turkish Accounting Standards ("TAS"), issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). TAS; Turkish Accounting Standards is composed of Turkish Financial Reporting Standards with related additions and interpretations.

The Company's financial statements as of December 31, 2025, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows, and the notes supplementing the financial statements for the period ended on that date, were approved by the Board of Directors on January 30, 2026.

2.1.2. Basis of presentation of financial statements

The accompanying financial statements and explanatory notes have been prepared in accordance with Turkish Accounting Standards ("TAS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") as set out in the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") of the Capital Markets Board of Turkey ("CMB"), which is published on 13 June 2013 at the Official Gazette numbered 28676. TAS include Turkish Accounting Standards, Turkish Financial Reporting Standards and related appendices and interpretations.

The Company's financial statements are presented in accordance with the formats determined in the "TFRS taxonomy" published by the POA on 4 July 2024 and the Financial Statement Samples and User Guide published by the CMB.

2.1.3. Functional and presentation currency

Each item in the Company's financial statements is accounted for using the currency of the primary economic environment in which the Company operates ("functional currency"). The Company's functional and reporting currency is Turkish Lira ("TRY").

2.1.4. Financial reporting in hyperinflationary economy

In accordance with the decision of the CMB dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to the CMB financial reporting regulations that apply the Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29, starting from their annual financial reports for the accounting period ending as of 31 December 2023.

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CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1. Basis of presentation (Continued)

Based on the aforementioned CMB decision, the announcement made by the POA on 23 November 2023 and the “Implementation Guide on Financial Reporting in Hyperinflationary Economies” published, the Company has prepared its financial statements for the year ended 31 December 2025 by applying TAS 29 Standard. According to the aforementioned standard, financial statements prepared based on the currency of an economy with hyperinflation must be prepared in the purchasing power of this currency as of the balance sheet date and the financial statements of the previous period must be restated in terms of the current measurement unit at the end of the reporting period. Therefore, the Company has also presented its financial statements as of 31 December 2024 based on the purchasing power principle as of 31 December 2025. The restatements made in accordance with TAS 29 were made using the correction coefficient obtained from the Consumer Price Index (“CPI”) in Türkiye published by the Turkish Statistical Institute (“TurkStat”).

As of 31 December 2025, the indices and correction coefficients used in the adjustment of the financial statements are as follows:

Date	Index	Three-Year Compound Inflation Rate	Conversion Factor
31 December 2025	3,513.87	211%	1,00000
31 December 2024	2,684.55	291%	1,30892

The main elements of the adjustment process made by the Company for financial reporting purposes in hyperinflationary economies are as follows:

- Current period financial statements prepared in TRY are expressed with the purchasing power of money valid on the balance sheet date, and the amounts of previous reporting periods are expressed with the purchasing power of money on the latest balance sheet date.
- Monetary assets and liabilities are not adjusted as they are currently expressed in terms of current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed the recoverable amount or net realizable value, the provisions of TAS 36, TAS 40 and TAS 2 are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in current purchasing power at the balance sheet date are adjusted using the relevant adjustment coefficients.
- All items in the statements of profit or loss and other comprehensive income, except for the items of cost of sales (excluding the cost of investment properties), fair value increases/decreases of investment properties, depreciation expenses, and profit/loss on sale of assets, have been adjusted using the relevant monthly adjustment coefficients. The items of cost of sales, depreciation expenses, profit/loss on sale of assets, and fair value increases/decreases of investment properties have been recalculated based on the adjusted balance sheet items using the adjustment coefficients.
- All items in the statement of cash flows are expressed in the measurement unit valid at the end of the reporting period.

The effect of inflation on the Company's net monetary Asset/liabilities position in the current period is recorded in the net monetary position loss/gain account in the statement of profit or loss. (Notes 22)

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(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1. Basis of presentation (Continued)

2.1.4. Financial reporting in high-inflation economies (Continued)

Shares in joint agreements

A joint venture is established under a contract to undertake an economic activity to be jointly managed by one or more enterprising partners.

In the attached financial statements, the joint venture established under the name "Kanyon" has been accounted for using the equity method. The equity method is an accounting method in which the book value of the capital share in a joint venture is adjusted by increasing or decreasing it according to the share of the changes in the equity of the associate during the period, and dividends received from the associate are deducted from the adjusted value of the joint venture. The participant in the joint venture records its share in the joint venture as an investment and, unless exempted from applying the equity method as defined in the standard TAS 28 "Investments in Associates and Joint Ventures," it accounts for this investment according to the equity method as prescribed by the standard.

The financial statements of the joint venture are prepared in accordance with the same accounting principles and for the same accounting period as the Company's financial statements.

As of 31 December 2025 and 31 December 2024, the details of the Company's joint venture are as follows:

<u>Company</u>	<u>Country of operation</u>	<u>Field of activity</u>	<u>31 December 2025 Participation rate (%)</u>	<u>31 December 2024 Participation rate (%)</u>
Anavarza Otelcilik A.Ş.	Turkey	Hotel management	50	50

Foreign currency transactions

In the company's legal records, transactions denominated in foreign currencies (currencies other than TRY) are translated into Turkish Lira using the exchange rates on the transaction date. Foreign currency-denominated assets and liabilities in the statement of financial position are translated into Turkish Lira using the spot exchange rates at the reporting date. Exchange differences arising from this translation and from foreign currency transactions' collections/payments are recorded as exchange gains/losses in the income statement.

The applied valuation principles and accounting policies have been consistently applied across all periods presented. Significant changes in accounting policies and identified material accounting errors are applied retrospectively and prior period financial statements are restated.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2. Changes in accounting policies

The accounting policies set out below have been applied consistently by the Company to all periods presented in the financial statements. Significant changes in accounting policies and significant accounting errors are corrected retrospectively and prior period financial statements are restated. There is no change in the accounting policies of the Company except for the new and amended TFRS standards and TFRYK interpretations effective from 1 January 2020.

2.3. Changes in accounting estimates and errors

The preparation of the financial statements in conformity with Communiqué Article 2 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are audited on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Fair values of investment properties

The fair value of investment property is determined according to the valuation performed by an independent valuation company. The fair value of investment properties is determined according to the discounted cash flow or sales comparison methods. The fair value found according to the income discount or sales comparison method is determined by independent valuation experts using various estimates and assumptions (discount rates, occupancy rate, rent increases, terminal growth rates, adjustments used in sales comparison, etc.). Any changes in these estimates and assumptions in the future may have a significant impact on the Company's financial statements.

The Company had the valuation studies to determine the fair values of its investment properties in carried out by the CMB-licensed Vera Gayrimenkul Değerleme ve Danışmanlık A.Ş.

2.4. The new standards, amendments and interpretations

a) Standards, amendments, and interpretations applicable as of 31 December 2025:

- **Amendments to IAS 21 – Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4. The new standards, amendments and interpretations (Continued)

b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2025:

- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:
 - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.
 - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
 - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **Annual improvements to IFRS – Volume 11;** effective from annual periods beginning on or after 1 January 2026 (earlier application permitted). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
 - IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cash Flows.
- **Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity;** effective from annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required. These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as ‘contracts referencing nature-dependent electricity’.

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(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4. The new standards, amendments and interpretations (Continued)

- **Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency;** effective from annual periods beginning on or after 1 January 2027. These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:
 - its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
 - it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.

The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.

- **Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37- Disclosures about Uncertainties in the Financial Statements;** These amendments include Examples illustrating how an entity applies the requirements in IFRS Accounting Standards to disclose the effects of uncertainties in its financial statements. The Examples demonstrate how to disclose the impacts of uncertainties within climate-related scenarios, but the principles and requirements are also applicable to disclosure of other uncertainties. The Examples do not add to or change requirements in IFRS Accounting Standards and therefore there are no transition requirements. Instead, these Examples will accompany the respective IFRS Accounting Standards to which they relate. The Examples do not have an effective date, but entities might consider the application for December 2025 year-ends.
- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4. The new standards, amendments and interpretations (Continued)

For the year ending December 2025, disclosures should include:

- the nature of the changes,
- the fact that IFRS 18 application is required for annual periods beginning on or after 1 January 2027,
- the planned adoption date, and
- either:
 - known or reasonably estimable information relevant to assessing the possible impact that application of IFRS 18 will have on the entity's financial statements in the period of initial application; or
 - if that impact is not known or reasonably estimable, a statement to that effect.

In order to comply with Paragraphs 30-31 of IAS 8, entities should consider the following principles when preparing disclosures related to the adoption of IFRS 18:

a. Disclosures are expected to become increasingly detailed as entities implementation process progresses toward 2027.

The level of detail that an entity includes in its disclosures will depend on the progress of its implementation activities, including those related to internal controls. For the year ending December 2025, entities that have yet to make significant progress in implementation might only disclose that they are actively assessing the impact of IFRS 18 and that more comprehensive disclosures cannot reasonably be provided.

b. Where appropriate and reliable, consider including quantitative information.

It may be appropriate to disclose preliminary figures, when the company has an appropriate and reliable basis for making such disclosures and provides clear explanations regarding their provisional nature. For example, an entity might quantify the effects on profit and loss subtotals. If the quantitative impact is not reasonably estimable, a statement to that effect should be included. An entity may disclose known and reasonably quantifiable impacts, but it is not expected to early provide IFRS 18 disclosures, such as an MPM reconciliation, before the application date.

c. Consider alignment with other public communications.

If management has publicly detailed anticipated impacts, such as in an investor presentation, the IAS 8 financial statement disclosures should be consistent with these communications.

d. Disclosures should be based on the information available through the date of issuance of the financial statements,

not only the end of the reporting period.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures’ and amendment;** effective from annual periods beginning on or after 1 January 2027. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19’s reduced disclosure requirements balance the information needs of the users of eligible subsidiaries’ financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
 - it does not have public accountability; and
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4. The new standards, amendments and interpretations (Continued)

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures’;** with these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable. These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:
 - IFRS 18 Presentation and Disclosure in Financial Statements;
 - Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
 - International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);
 - Lack of Exchangeability (Amendments to IAS 21); and
 - Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

2.5. Summary of significant accounting policies

Significant accounting policies used in the preparation of the financial statements are explained below.

2.5.1. Accounting of income and expense

Revenue

The company recognizes revenue when or as it fulfills its performance obligation by transferring a promised good or service to its customer. An asset is transferred when (or as) control of the asset is transferred to the customer.

The company includes revenue in the financial statements in line with the following 5 basic principles:

- a) Determining contracts with customers,
- b) Determining the performance obligations in the contracts,
- c) Determining the transaction price in the contracts,
- d) Allocating the transaction price to the performance obligations in the contracts,
- e) Recognizing revenue when each performance obligation is fulfilled.

2.5.1. Accounting of income and expense

The Company recognizes a contract with a customer as revenue if all of the following conditions are met. The parties to the contract have approved the contract (in writing, verbally or in accordance with other commercial practices) and have committed to fulfill their obligations.

- The Company can define the rights of each party regarding the goods or services to be transferred,
- The Company can define the payment terms for the goods or services to be transferred,
- The contract is commercial in essence,
- It is likely that the Company will collect a fee for the goods or services to be transferred to the customer.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

When assessing whether a consideration is likely to be collectible, the Company only considers the customer's ability to pay the consideration on time and their intention to do so. At the beginning of the contract, the Company evaluates the goods or services it has committed to in the contract with the customer and defines each commitment to transfer to the customer as a performance obligation.

At the beginning of the contract, the Company evaluates the goods or services it has committed to in the contract with the customer and defines each commitment to transfer to the customer as a performance obligation as follows:

- a) different goods or services (bundles of goods or services), or
- b) a series of different goods or services that are largely similar and whose transfer to the customer follows the same method

A series of different goods or services are subject to the same transfer method if the following conditions are met together:

- a) Each different good or service within the series that the Company undertakes to transfer to its customer constitutes a performance obligation that will be completed over time by meeting the required conditions.
- b) In accordance with the relevant paragraphs of the standard, the same method is used to measure the Company's progress towards the full fulfillment of the performance obligation in the transfer of each different good or service constituting the series to the customer.

Interest income and expense

Interest income is recognized through profit or loss on accrual basis by using the effective interest method.

Interest expense is recognized through profit or loss by using the effective interest rate.

Other Income and Expenses

Exchange gains or losses, other than those directly related to investment properties under development, are reported net within profit and loss. Other income and expenses are accounted for on an accrual basis.

2.5.2. Investment property

The investment properties that the company owns are measured by fair value in accordance with TMS 40 "Investment Property".

Lands and buildings which are use for production of goods and services or administrative use or to be sold or rented in the ordinary course of business or in the purpose of appreciation or for both are classified as investment properties and are evaluated by fair value measurement. Any profit or loss arising from a change in the fair value of an investment property, is recognized in statement of profit or loss and other comprehensive income.

Investment properties are registered as asset if and only the economic benefits in the future are likely to enter the firm and the cost of investment properties are dependably measurable.

Recognition of rental income from investment property is disclosed in Note 2.5.1.

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CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

2.5.3. *Tangible assets*

All tangible assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and if any borrowing cost.

When parts of a tangible asset have different useful lives, they are accounted for as separate items (major components) of tangible assets.

The buildings consist of office space used for administrative purposes, classified under tangible fixed assets from the Company's investment properties. The fair value increase/decrease amounts obtained as a result of the real estate valuation reports prepared as of the relevant period end dates of the said area are recorded in the profit or loss statement.

Depreciation

Depreciation is recognized on a straight-line basis over the useful lives of the tangible assets from the date of acquisition. The estimated useful lives of tangible assets are as follows:

Buildings	50 years
Fixtures and fittings	2-15 years
Vehicles	5 years

2.5.3. *Tangible assets*

Subsequent costs

Expenditures incurred to replace a component of tangible assets that is accounted for separately, including major inspection and overhaul costs, are capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of tangible assets. All other expenditures are recognized in profit or loss as expense as incurred. The gain or loss arising on the disposal or retirement of an item of tangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.5.4. *Intangible assets*

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization of intangible assets is calculated on a straight-line basis over the inflation adjusted values of the useful life of the related assets. The expected useful lives of intangible assets are 2-5 years.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

2.5.5. Jointly controlled entities

Jointly controlled entities are those entities over whose activities one or more entities has joint control, established by contractual agreement and requiring unanimous consent for economic benefits.

Jointly controlled entity which is constituted as Adana Otel Projesi Adi Ortaklığı and Anavarza Otelcilik A.Ş. is accounted for using the equity method in the accompanying financial statements. Under the equity method, investments in the jointly controlled entities are carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of net assets of the jointly controlled entity and the comprehensive income reflects the share of the results of operations of the jointly controlled entities. Where there has been a change recognized directly in the equity of the jointly controlled entities, the Company recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity.

The Company determines whether there are any indicators for impairment at every reporting period ended. In the case of an indicator, the recoverable value of that asset is estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. In this case, the impairment loss is recognized immediately in profit or loss.

2.5.6 Financial instruments

The Company has the following financial assets: cash and cash equivalents and trade receivables; and has the following financial liabilities: loans and borrowings, finance lease liabilities and trade payables.

i) Non derivative financial instruments

The Company initially recognizes the financial assets on the date they are originated.

Financial instruments are recognized initially at fair value plus any directly attributable transactions costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents

Cash and cash equivalents are comprised of cash, bank balances with maturity periods of less than three-months and other highly liquid short-term investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. The carrying values of these assets are close to their fair values. In accordance with the provisions of TFRS 9-Financial Instruments in the current period, the Company allocates fair value through profit or loss for trade receivables where other comprehensive income is recognized and the provisions for impairment are applied.

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CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

Due from / Due to related parties

The shareholders, key management personnel and the Board members and in each case, together with their families and companies controlled by/affiliated with them; and investments are considered and referred to as the related parties. The carrying amounts of due from and due to related parties are close to their fair values.

Trade receivables

Trade receivables are initially recognized at fair value. Subsequent to initial recognition, those assets are measured at amortized cost using the effective interest method, less any impaired losses at each reporting dates. If there is an objective evidence of uncollectability, the Company books a provision for the doubtful receivables and losses are recognized in profit or loss. Provision is the difference between the carrying value of the receivables and probable amount of the collection. The Company management believes that the carrying amounts of trade receivables approximate to their fair values. In accordance with the provisions of TFRS 9-Financial Instruments in the current period, the Company allocates fair value through profit or loss for trade receivables where other comprehensive income is recognized and the provisions for impairment are applied.

ii) Non-derivative financial liabilities

The Company initially recognizes non-derivative financial liabilities on the date that they are originated. All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company has the following non-derivative financial liabilities: funds borrowed and trade payables.

Financial liabilities are recognized at fair value plus any directly attributable transaction costs are recognized initially. Subsequent to initial recognition, financial liabilities are measured at amortized cost of by discounting future principal and interest cash flows with effective interest rate.

iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as deduction from equity, net of any tax effects

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

2.5.7. Foreign currency transactions

The financial statements of the Company are presented in the currency of the primary economic environment in which the entity operates. The results and financial position of the Company are expressed in TRY, which are the functional currency of the Company and the presentation currency for the financial statements.

When converting foreign currency transactions to TRY, the Company takes the foreign currency buying rates of the Central Bank of 31 December 2024 valid on the date of the transaction as a basis. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to functional currency at the exchange rate at that date. Gains or losses on translation of foreign currency denominated transactions to TRY or presentation of foreign currency denominated monetary assets are recognised in profit or loss.

2.5.8. Earnings per share

Earnings per share stated in the comprehensive income statement is determined by dividing the net profit attributable to the parent company by the weighted average number of shares outstanding in the relevant period.

In Türkiye, companies can increase their capital through “free shares” distributed to their existing shareholders from their previous year’s earnings and revaluation funds. Such free capital increases are treated as issued shares in all periods presented in the consolidated financial statements in the calculation of earnings per share. Accordingly, the weighted average number of shares used in these calculations is found by also calculating the retrospective effects of share distributions.

2.5.9. 2.5.9. Events after the reporting period

Events after the reporting period represent the events that occur against or on behalf of the Company between the reporting date and the date when statement of financial position was authorized for the issue. There are two types of events after the reporting period:

- those that provide evidence of conditions that existed as at reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If there is evidence of such events as of reporting date or if such events occur after reporting date and if adjustments are necessary, the Company’s financial statements are adjusted according to the new situation. The Company discloses the post-balance sheet events that are not adjusting events but material.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

2.5.10. Provisions, contingent assets and contingent liabilities

A provision is recognised when the Company has a present implicit or legal obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the specified criteria are not met, the Company discloses the related issues in the notes.

If the inflow of economic benefits is probable, contingent assets are disclosed in the notes to the financial statements. If the inflow of the economic benefit is more than likely to occur, such asset and income statement effect are recognized in the financial statements at the relevant period that income change effect occurs.

2.5.11. Leasing

Right-of-use assets

The company recognizes right-of-use assets at the commencement date of the lease agreement (for example, as of the date the asset is available for use). Right-of-use assets are calculated at cost less accumulated depreciation and impairment losses. In case of revaluation of financial lease liabilities, this figure is also adjusted.

The cost of the right-of-use asset includes:

- (a) the initial measurement of the lease liability;
- (b) any lease payments made on or before the commencement date of the lease, less any lease incentives received; and
- (c) All initial direct costs incurred by the company.

Unless the transfer of ownership of the underlying asset to the Company at the end of the lease term is reasonably certain, the Company depreciates the right-of-use asset until the end of the useful life of the underlying asset from the actual commencement of the lease.

Right-of-use assets are subject to impairment assessment.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs. The Company measures the lease liability over the present value of the unpaid lease payments at the commencement date of the lease.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

At the commencement date of the lease, the lease payments included in the measurement of the lease liability consist of the following payments for the right to use the underlying asset during the lease term, which were not paid at the commencement date of the lease:

- (a) fixed payments,
- (b) variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date of the lease;
- (c) Amounts expected to be paid by the Company under residual value commitments
- (d) the exercise price of the call option if the Company is reasonably confident that it will exercise it; and
- (e) penalties for termination of the lease if the lease term indicates that the Company will exercise an option to terminate the lease.

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period when the event or condition that triggers the payment occurs.

The revised discount rate for the remaining part of the company's lease term, if the implied interest rate in the lease can be easily determined, as this rate; If it cannot be determined easily, it is determined as the alternative borrowing interest rate of the Company at the date of reassessment.

After the lease actually commenced, the company measures the lease liability as follows:

- (a) increase the carrying amount to reflect the interest on the lease liability, and
- (b) Decreases book value to reflect lease payments made.

In addition, if there is a change in the lease term, a change in the underlying fixed lease payments, or a change in the assessment of the option to purchase the underlying asset, the value of the finance lease liabilities is remeasured.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

2.5.12. Related parties

Shareholders, key management and board members, in each case together with companies controlled by or affiliated with them and associated companies are considered and referred to as related parties. Transactions with the related parties consist of the transfer of the assets and liabilities between related parties by a price or free of charge.

2.5.13. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company’s other components, whose operating results are reviewed regularly by the authorized body of the Company (being chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

2.5.14. Taxation

Corporate tax

According to Article 5/1(d) (4) of the Corporate Tax Law No. 5520 (“CVK”), the profits obtained from real estate investment trusts are exempted from Corporate Tax.

With Law No. 7524, certain conditions have been introduced for the corporate tax exemption to be applied to the profits of REITs as of 1 January 2025. Accordingly, if at least 50% of the profits obtained from real estates are distributed as dividends, a minimum tax rate of 10% will be applied. Therefore, the 30% tax rate applicable to undistributed profits is used in calculating period taxes and deferred tax assets and liabilities.

Deferred Tax

Due to tax legislation, the taxable or deductible temporary differences in the financial statements as of 31 December 2024 were multiplied by the 30% tax rate that will be valid for the period after 1 January 2025 to calculate the deferred tax liability or asset. In accordance with the letter dated 12 February 2025 issued by the Public Oversight, Accounting and Auditing Standards Authority (POA) titled “Reporting of Tax Amounts in Real Estate Investment Trusts and Real Estate Investment Funds,” the deferred tax liability arising from the legislative amendment has been reflected in the financial statements as of 31 December 2024 as follows: the portion relating to 2023 and prior years has been recognized under equity within retained earnings (prior year’s profits or losses), while the portion attributable to 2024 has been recognized in the statement of profit or loss.

2.5.15. Employee benefits / reserve for employee severance indemnity

The Company recognizes obligations related to employee severance indemnity in accordance with TAS 19 Employee Benefits.

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5. Summary of significant accounting policies (Continued)

The Company reflected obligations regarding to employee severance indemnity in the accompanying financial statements. The Company recognize actuarial gains and losses under equity initially.

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company.

The provision for employee severance indemnity has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. Reserve for employee severance indemnity is calculated based on the ceiling rate announced by the Government.

2.5.16. Statement of cash flows

The Company presents statement of cash flows as an integral part of other financial statements to inform the users of financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows under new conditions. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, receivables from reverse repos and bank balances having maturities shorter than 3 months.

2.5.17. Restrictions on the investment portfolio of real estate investment

The information provided in the footnote titled “Controlling Compliance with Portfolio Limitations” as of 31 December 2024; It is in the nature of summary information derived from financial statements in accordance with Article 16 of the CMB Communiqué on “Principles Regarding Financial Reporting in Capital Markets”, Series: II, No: 14.1, and has been prepared within the framework of the provisions regarding the control of compliance with portfolio limitations in the Communiqué on “Principles Regarding Real Estate Investment Partnerships”, Series: III, No: 48.1, published in the Official Gazette No. 28660 on 28 May 2013; the Communiqué on Amendments to the Communiqué on Principles Regarding Real Estate Investment Partnerships”, Series: III, No: 48.1a, published in the Official Gazette No. 28891 on 23 January 2014; and the Communiqué on Amendments to the Communiqué on Principles Regarding Real Estate Investment Partnerships, Series: III, No: 48.1.e, published in the Official Gazette No. 31269 on 9 October 2020.

31 December 2025	Expert method date	Valuation method	Discount rate	Annual rental increase rate	Capitalization rate
Pendorya AVM	31 December 2025	Income reduction	%25	%30	%7
Divan Adana Hotel	31 December 2025	Income reduction	%25	%27	%7
Fındıklı Buildings	31 December 2025	Market Approach	-	-	-
Tahir Han	31 December 2025	Market Approach	-	-	-

31 December 2024	Expert method date	Valuation method	Discount rate	Annual rental increase rate	Capitalization rate
Pendorya AVM	31 December 2024	Income reduction	%24	%35	%7
Divan Adana Hotel	31 December 2024	Income reduction	%25	%20	%7
Fındıklı Buildings	31 December 2024	Market Approach	-	-	-
Tahir Han	31 December 2024	Market Approach	-	-	-

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.6. Comparative Information

In order to enable the assessment of trends in financial position and performance, the financial statements are prepared on a comparative basis with those of the previous period. Comparative information is reclassified where necessary to ensure consistency with the presentation of the current period financial statements, and significant differences are disclosed.

Except for the changes described in the paragraph below, the Company has applied accounting policies consistently in the financial statements for the periods presented and there have been no significant changes in accounting policies or estimates during the current period.

In order to ensure consistency with the presentation of the statement of cash flows as of 31 December 2025, interest received amounting to TL 60,713,761, which had been presented under financing activities in the statement of cash flows as of 31 December 2024, has been reclassified to interest received from operating activities.

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

3. SEGMENT REPORTING

Segment reporting is monitored on the project basis by the Company management. Also, each segment’s information is used for the evaluation and allocation of the resources separately by the management.

The accounting policies which are applied for segment reporting are the same as used in the Company’s financial statements.

31 December 2025	Pendorya Mall	Fındıklı Building 1	Fındıklı Building 2	Tahir Han	Divan Adana Hotel	Total
Rental Income Pendorya Mall	68,792,425	57,693,318	58,074,759	-	23,374,513	207,935,015
Common Area Revenues	10,826,101	-	-	-	-	10,826,101
Total property income	79,618,526	57,693,318	58,074,759	-	23,374,513	218,761,116
Cost of sales	(105,951,618)	(7,279,708)	(7,307,401)	(786,555)	(1,828,836)	(123,154,118)
Gross profit	(26,333,092)	50,413,610	50,767,358	(786,555)	21,545,677	95,606,998
Valuation gain / (loss) on investment property	29,354,404	35,628,378	20,933,360	(7,095,132)	64,368,785	143,189,795
Other operating income / (expense)	29,354,404	35,628,378	20,933,360	(7,095,132)	64,368,785	143,189,795
Equity-accounted investees	-	-	-	-	33,327,160	33,327,160
Capital Expenditures	28,494,557	-	-	1,625,490	-	30,120,047

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

3. SEGMENT REPORTING (Continued)

31 December 2024	Pendorya Mall	Fındıklı Building 1	Fındıklı Building 2	Tahir Han	Divan Adana Hotel	Total
Rental Income	67,608,537	49,287,415	49,611,548	-	34,309,425	200,816,925
Pendorya Mall Common Area Revenues	10,498,480	-	-	-	-	10,498,480
Total property income	78,107,017	49,287,415	49,611,548	-	34,309,425	211,315,405
Cost of sales	(109,858,554)	(3,377,258)	(3,399,469)	(666,659)	(1,768,833)	(119,070,773)
Gross profit	(31,751,537)	45,910,157	46,212,079	(666,659)	32,540,592	92,244,632
Valuation gain / (loss) on investment property	120,670,106	(12,844,678)	(58,597,265)	84,298,264	133,251,305	266,777,732
Other operating income / (expense)	120,670,106	(12,844,678)	(58,597,265)	84,298,264	133,251,305	266,777,732
Equity-accounted investees	-	-	-	-	18,994,550	18,994,550
Capital Expenditure	105,083,049	-	-	-	-	105,083,049

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

3. SEGMENT REPORTING (Continued)

Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	31 December 2025	31 December 2024
Sales Revenue		
Department Assets	218,761,116	211,315,405
Total sales revenue	218,761,116	211,315,405
Cost of sales		
Department Responsibilities	123,154,118	119,070,773
Total cost of sales	123,154,118	119,070,773
	31 December 2025	31 December 2024
Asset		
Total assets for reportable segments	6,694,866,305	6,521,556,463
Other assets	310,360,447	403,338,036
Total Asset	7,005,226,752	6,924,894,499
Liabilities		
Total liabilities for reportable segments	163,074,345	209,741,644
Other liabilities	638,313,470	526,941,229
Total liabilities	801,387,815	736,682,873

4. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
Cash in bank (*)	40,513,558	113,983,735
<i>Banks-Demand</i>	289,369	514,416
<i>Banks-Time</i>	40,224,189	113,469,319
Receivables from reserve repo	24,291	249,983
Expected Loss Provision (**)	(204,311)	(573,146)
Cash and cash equivalents in the statement of financial position	40,333,538	113,660,572
Interest income accruals on cash and cash equivalents	(724,208)	(3,467,950)
Expected Loss Provision	204,311	573,146
Cash and cash equivalents in the statement of cash flows	39,813,641	110,765,768

(*) As of 31 December 2025, there is no pledge and blockage on cash in banks (31 December 2024: None).

(**) As of 31 December 2025, the Company has recorded an expected loss provision amounting to TRY204,311 for bank deposits under TFRS 9 Financial Instruments standard and recorded in the financial statements (31 December 2024: TRY573,146).

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

4. CASH AND CASH EQUIVALENTS (Continued)

As at 31 December 2025 and 31 December 2024, the details of time deposit balances at banks are as follows:

31 December 2025	Amount (TRY)	Interest rate (%)	Maturity
TRY	30,714,247	%39.50	1 January 2026
TRY	9,509,942	%38.20	1 January 2026
TRY	24,291	%28.00	1 January 2026
Total	40,248,480		

31 December 2024	Amount (TRY)	Interest rate (%)	Maturity
TRY	84,582,033	%49.75	1 January 2025
TRY	28,887,286	%48.95	1 January 2025
TRY	249,983	%39.00	1 January 2025
Total	113,719,302		

5. EQUITY – ACCOUNTED INVESTEEES

	Ownership rate (%)	31 December 2025	31 December 2024
Anavarza Otelcilik Anonim Şirketi ^(*)	50	67,754,081	48,763,595

Bilici Yatırım -TSKB GYO Adana Otel Projesi Adi Ortaklığı Ticari İşletmesi, registered with the Trade Registry number 69178 in Adana Chamber of Commerce and established with the partnership of Bilici Yatırım Sanayi ve Ticaret A.Ş. was transformed into a company named "Yarsuvat Turizm Anonim Şirketi" as a whole with all of the assets and liabilities. The capital structure of the joint venture is designated as 50% of participation for Bilici Yatırım Sanayi ve Ticaret AŞ and 50% of participation for the Company.

After the transformation, Yarsuvat Turizm Anonim Şirketi was transferred to Anavarza Otelcilik A.Ş. as a whole with all its assets and liabilities and the transfer process was completed with the Merger Certificate of the Adana Chamber of Commerce dated December 20, 2019 and numbered 9647 .

^(*) The Company established a joint venture with Bilici Yatırım Sanayi ve Ticaret A.Ş. in Adana under the name of Anavarza Otelcilik A.Ş. on 27 March 2015. The capital structure of the joint venture is designated as 50% of participation for Bilici Yatırım Sanayi ve Ticaret A.Ş. and 50% of participation for the Company. The main operations of Anavarza Otelcilik A.Ş. is to operate hotel, motel etc., that includes accommodation facilities, eat-drink, sports, entertainment, health care services. The nominal paid-in capital of the Adana Otel Projesi Adi Ortaklığı comprises 2,000,000 shares of TRY 1 for each amounting to TRY2,000,000 in total. As at 2 November 2015 Anavarza Otelcilik has paid-in capital of TRY2,000,000, Of the paid capital has been increased to TRY3,500,000 TRY. The company the Anavarza Otelcilik 50% of capital paid out in cash against a total of TRY1,750,000. With the transfer of all assets and liabilities of Yarsuvat Turizm Anonim Şirketi to Anavarza Otelcilik A.Ş., the existing paid in capital of Anavarza Otelcilik Anonim Şirketi increased to TRY4,500,000 on 20 December 2019. In return for 50% capital of Anavarza Otelcilik Anonim Şirketi, the company's total share reached TRY2,250,000 (The equivalent of TRY2.250,000 was calculated as TRY27,109,680 with the inflation adjustment of December 2025.).

The current year profit for Anavarza Otelcilik A.Ş. is TRY66,654,320 %50 of this amount for TRY33,327,160 is belong to the Company. This amount is recognized under the “Investments accounted for using equity method”.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

5. EQUITY-ACCOUNTED INVESTMENTS (Continued)

As at 31 December 2025, assets, liabilities and equity, the income statement of Anavarza Otelcilik Anonim Şirketi are as follows:

	31 December 2025	31 December 2024
Total assets	176,722,975	138,203,109
Total liabilities	(41,214,813)	(40,675,919)
Net assets value	135,508,162	97,527,190
	1 January -	1 January -
	31 December 2025	31 December 2024
Sales	270,725,141	287,942,733
Cost of Sales	(149,345,237)	(137,007,433)
Net profit / (loss) for the period	66,654,320	37,989,100

6. LOANS AND BORROWINGS

The details of financial debts as of 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
<u>Short-term borrowings:</u>		
Short-term bank loans	163,074,345	209,741,644
Short-term portions of long-term loans	-	-
Total	163,074,345	209,741,644

The details of bank loans as of 31 December 2025 and 31 December 2024 are as follows:

	1 January -	1 January -
	31 December 2025	31 December 2024
Opening	209,741,644	-
Bank loans received	-	166,886,020
Interest accruals	90,632,592	52,671,244
Interest paid	(90,253,201)	-
Bank loans paid	-	(33,924,849)
Monetary position loss/(gain)	(47,046,690)	24,109,229
	163,074,345	209,741,644

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

7. TRADE RECEIVABLES AND PAYABLES

Trade receivables

Current trade receivables

	31 December 2025	31 December 2024
Other trade receivables (*)	3,654,486	4,975,715
Due from related parties (Note 25)	-	523,890
Doubtful receivables	6,281,944	3,151,950
	9,936,430	8,651,555
Allowance for doubtful receivables	(6,281,944)	(3,151,950)
Expected Loss Provision (**)	(360,798)	(1,401,697)
Total	3,293,688	4,097,908

(*) As at 31 December 2025 and 31 December 2024, current trade receivables comprise of rent receivables and receivables arising from Pendorya Mall cost allocation charges.

(**) As of 31 December 2024, the Company has recorded an expected loss provision amounting to TRY(360,798) in its financial statements under TFRS 9 Financial Instruments standard. (31 December 2024: TRY (1,401,697)).

For the years ended 31 December 2025 and 31 December 2024, the movement of doubtful trade receivables related to rent receivables and receivables from cost allocation charges from Pendorya Mall is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Beginning of the period	3,151,950	3,593,667
Allowance for the period (Note20)	5,148,991	2,595,468
Collections made during the period	(484,689)	(566,535)
Provision no longer required	(290,817)	(594,402)
Receivables that have become impossible to collect	(85,662)	-
Net monetary loss/gain	(1,157,829)	(1,876,248)
End of the period	6,281,944	3,151,950

Trade payables

Short-term trade payables

	31 December 2025	31 December 2024
Other Trade Payables	32,955,144	12,666,237
Due to related parties (Note 25)	16,729,114	38,694,089
Total	49,684,258	51,360,326

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

8. INVESTMENT PROPERTY

The movement of investment property as at 31 December 2025 and 31 December 2024 are presented below:

	31 December 2025	31 December 2024
Investment Property	6,694,866,305	6,521,556,463
Total	6,694,866,305	6,521,556,463

The movement of investment property for the years ended 31 December 2025 and 31 December 2024 are presented below:

31 December 2025	1 January 2025	Acquisitions	Disposals	Change in fair value)	Transfer	31 December 2025
Pendorya Mall	1,586,411,039	28,494,557	-	29,354,404	-	1,644,260,000
Fındıklı Building 2	1,724,992,945	-	-	20,933,360	-	1,745,926,305
Fındıklı Building 1	1,650,181,622	-	-	35,628,378	-	1,685,810,000
Divan Adana Hotel	1,058,026,215	-	-	64,368,785	-	1,122,395,000
Tahir Han	501,944,642	1,625,490	-	(7,095,132)	-	496,475,000
	6,521,556,463	30,120,047	-	143,189,795	-	6,694,866,305

31 December 2024	1 January 2024	Acquisitions	Disposals	Change in fair value)	Transfer	31 December 2024
Pendorya Mall	1,360,657,884	105,083,049	-	120,670,106	-	1,586,411,039
Fındıklı Building 2	1,783,590,210	-	-	(58,597,265)	-	1,724,992,945
Fındıklı Building 1	1,663,026,300	-	-	(12,844,678)	-	1,650,181,622
Divan Adana Hotel	924,774,910	-	-	133,251,305	-	1,058,026,215
Tahir Han	417,646,378	-	-	84,298,264	-	501,944,642
	6,149,695,682	105,083,049	-	266,777,732	-	6,521,556,463

In this section, other amounts excluding rental income from the relevant investment properties refer to non-indexed amounts.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

8. INVESTMENT PROPERTY (Continued)

Tahir Han

Tahir Building is registered in Beyoğlu, Kemankeş Street, Murakıp District, map 121, plot 77, parcel 57. The parcel has an area of 606.62 square meters. The building area is calculated as 3,198 square meters according to the measurements made.

The value of the investment property was determined as TRY2,591,110 for 106/144 shares according to the report dated 7 November 2005 prepared by the experts assigned by the Commercial Court, and this amount was transferred by TSKB to the Company as capital in kind on 6 March 2006. TRY38,880 paid by the Company to public institutions for the transfer of the investment property was capitalized. . The Market Approach method was used to determine the value of Tahir Building. In accordance with the Communiqué Serial: No: III-62.1 on the Valuation Standards in the Capital Markets, the Capital Markets Board of Turkey has approved the Capital Markets Board's decision-making body with the decision no. 25/856 of 22.06.2017. Methods 10.4 The agent; Considering the information and conditions included in the valuation study, especially where there is a high level of trust in the accuracy and reliability of a single method, the valuation method does not need to use more than one valuation method for valuation of an asset. The agent; Considering the information and conditions included in the valuation study, especially where there is a high level of trust in the accuracy and reliability of a single method, the valuation method does not need to use more than one valuation method for valuation of an asset. Market Approach Method was used to determine the market value of the immovable since there are sufficient findings to be able to make a reliable decision with a single method and and in the report prepared as of 31 December 2025, TRY674,460,00 was determined for the fair value of the real estate in question; For the fair value of 53/72 shares of TSKB GYO A.Ş., TRY496.475,00 was appraised as follows.

The Company did not earn rental income from the investment property in question in the year accounting period ending on 31 December 2025 (31 December 2024: No rental income was earned.). There is no restriction on the investment property. Tahir Building were insured to the extent of TRY 49.045.000 as of 31 December 2025.

Findıklı Building 1

Findıklı Building 1 is registered in Beyoğlu, Mebusan Street, map 85, plot 19, parcel 110. The parcel has a right for an area of 1,695.50 square meters and a subway of 89.39 square meters. The existing Building Construction Area on the parcel is 7,102.63 square meters.

The investment property was purchased from TSKB at TRY32,858,918 on 27 December 2007. TRY 465,000 paid by the Company to public institutions for the transfer of the investment property was capitalized. According to the report dated 30 June 2025 of the real estate appraisal company, which has been authorized by CMB to provide valuation services, Market Approach method was used to determine the value of Tahir Han. In accordance with the Communiqué Serial: No: III-62.1 on the Valuation Standards in the Capital Markets, the Capital Markets Board of Turkey has approved the Capital Markets Board's decision-making body with the decision no. 25/856 of 22.06.2017. Methods 10.4. The agent; Considering the information and conditions included in the valuation study, especially where there is a high level of trust in the accuracy and reliability of a single method, the valuation method does not need to use more than one valuation method for valuation of an asset. “ As there is sufficient evidence to make a reliable decision with a single method, Market Approach Method was used to determine the market value of the immovable and TRY1.685.810.000 was valued for the market value of the real estate in the report prepared as of 31 December 2025.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

8. INVESTMENT PROPERTY (Continued)

In accordance with the resolution of in the board of directors meeting held on 28 December 2007, the Company rented this property to TSKB and its affiliates. Rental income earned from Fındıklı Building 1 for the year ended 31 December 2025 is TRY57,693,318 (31 December 2024: TRY49,287,415). There is no restriction on the investment property. Fındıklı Building 1 were insured to the extent of TRY654,150,000 as of 31 December 2025.

Fındıklı Building 2

Fındıklı Building 2 is registered in Beyoğlu, Mebusan Street, map 84, plot 1486, parcel 76. The parcel has an easement right for an area of 10,724 square meters and subway of 89.39 square meters.

The investment property was purchased from TSKB on December 27, 2007, amounting to TRY31,140,783. For the transfer of investment property, TRY463,200 paid to public institutions is accounted for within the cost of investment property. According to the report dated 30 June 2025 of the real estate appraisal company authorized by CMB to provide valuation services, Market Approach method was used to determine the value of Fındıklı Building 2. In accordance with the Communiqué Serial: No: III-62.1 on the Valuation Standards in the Capital Markets, the Capital Markets Board of Turkey has approved the Capital Markets Board's decision-making body with the decision no. 25/856 of 22.06,2017. Methods 10.4. The agent; Considering the information and conditions included in the valuation study, especially where there is a high level of trust in the accuracy and reliability of a single method, the valuation method does not need to use more than one valuation method for valuation of an asset. “As there is sufficient evidence to make a reliable decision with a single method, Market Approach Method was used to determine the market value of the immovable and TRY1,775,900,000 was valued for the market value of the real estate in the report prepared as of 31 December 2025.

In accordance with the resolution of the board of directors meeting held on 28 December 2007, the Company rented this property to TSKB and its affiliates. Rental income earned from Fındıklı Building 2 for the year ended 31 December 2025 TRY58,074,759 (31 December 2024: TRY49,611,548). There is no restriction on the investment property. Fındıklı Building 2 were insured to the extent of TRY930,556,000 as of 31 December 2025.

Pendorya Mall

Pendorya Mall is registered in Pendik, Çamçeşme District, plot G22-B-11-D-2-C, map 11425, parcel 8. The parcel has an area of 23,182.96 square meters. The leasable area of Pendorya Shopping Mall is 30,573 m². The Company has 100% stake in Pendorya Mall. Pendorya Mall was recognised as tangible asset at cost until 1 January 2009 and classified to the investment property with its cost value on 1 January 2009.

In accordance with the resolution of the Board of Directors meeting held on 11 October 2012, the Company purchased 1/20 share of Pendorya Mall belonging to Ataman Turizm ve Ticaret Ltd. Şti. registered in Istanbul, Pendik, Doğu District, Plot 105, Map 865, Parcel 64 amounting to TRY6,000,000 + VAT and the ownership of the real estate is transferred to the Company by the completion of land registry transactions.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

8. INVESTMENT PROPERTY (Continued)

According to the report dated 31 December 2025 prepared by a real estate appraisal company, which is included in the list to provide valuation service by the CMB, the fair value of Pendorya Mall owned by the Company, was determined as TRY1,644,260,000 according to use of lower of cost and discounted cash flow projections approach and cost approach.

The Income Approach Method allows the indicative value to be determined by converting future cash flows into a single current value. In the Income Approach method, the value of the asset is determined based on the present value of the revenues, cash flows or cost savings generated by the asset. In valuation, a study was conducted to determine the “Net Present Value”. In this method, it is predicted that the value of the real estate will be equal to the sum of the present values of the free cash flows that it will generate in the coming years. In the income reduction approach method, the net present value of the real estate subject to the valuation is calculated over a 10-year period. Cash flows from projection; The total value of the real estate has been calculated with a discount rate appropriate to the risk level of the economy, the sector and the real estate. This total value represents the (should be) calculated value of the real estate independent of the current market conditions.

Future cash flows are calculated by using the assumptions taken into account as a result of the store lease agreements and negotiations made by a real estate appraisal company authorized by the CMB to provide valuation services. The cash flows obtained from the projections are discounted to the present day with a discount rate appropriate to the risk level of the economy, the sector and the investment, and the fair value is calculated together with the land of the shopping center. The discount rate taken into account in the calculations has been accepted as 25.00%

As of 31 December 2025, approximately 86% of the leasable area of Pendorya Mall, which was put into service on 17 December 2009, has been leased. The Company has earned TRY68,792,425 (31 December 2024: TRY67,608,537) rental and expense reflection income from the said investment property until the end of 31 December 2025. As of 31 December 2025, the insurance amount on Pendorya Mall is TRY3,184,877,000.

Divan Adana Hotel

Divan Adana Hotel; Adana Province, Seyhan District, Çınarlı District, 1653 Island, 143 parcels are registered. The parcel has an area of 3,608 m² and the total construction area of the buildings is 26,215 m². Property status; TSKB Real Estate Investment Trust Inc. (50%) and Bilici Investment Industry and Trade Inc. (50%). The operation of Divan Adana Hotel; Anavarza Otelcilik A.Ş. was established by the shareholders in proportion to its shares. It is maintained by.

According to the report dated 31 December 2025 of the real estate appraisal company, which is authorized by the CMB to provide valuation services, Cost Approach Management and Income Approach methods were used in the fair value determination of Divan Adana Hotel. For the fair value of the real estate subject to the report, a total of TRY2,244,790,000; For the fair value of 50% of the shares of TSKB GYO A.Ş, a value of TRY1,122,395,000 was appraised. The hotel has a building permit and a building occupancy permit.

The Company earned TRY23,374,513 of rental income for the year ended 31 December 2025 (31 December 2024: TRY34,309,425). As of 31 December 2024, the insurance amount on the Divan Adana Hotel is TRY2,179,115,164(USD50,859,600).

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

8. INVESTMENT PROPERTY (Continued)

Operating leases

The Company as a lessor

The Company has signed operating lease agreements with Pendorya Mall tenants and TSKB as lessor. The future minimum lease payments as at 31 December 2025 and 31 December 2024 under non-cancellable leases are as follows:

	31 December 2025	31 December 2024
Less than one year	210,299,253	202,411,164
Between one and five years	522,378,494	590,434,131
More than five years	81,191,221	25,081,321
Total	813,868,968	817,926,616

Fair value measurement

Value of investment property has been determined by a real estate appraisal company which has been authorized by CMB for the valuation services. The Company's investment properties are valued by an independent real estate appraisal company annually.

The fair value measurement for investment property has been categorized as level 1 and level 2 fair value based on the inputs to the valuation techniques used. The following table shows reconciliation for level 2 fair values:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Data that can be directly (through prices) or indirectly (derived from prices) observable in terms of assets or liabilities, other than recorded prices in level 1.

Level 3: Data on assets or liabilities that are not based on observable market data.

Investment properties have been classified as Level 3 in the fair value hierarchy due to the nature of the inputs used in determining their fair values. During the period ended 31 December 2025, the Company did not make any transfers between Level 1 and Level 2, nor were there any transfers into or out of Level 3.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

9. TANGIBLE ASSETS

The movement in tangible assets for the years ended 31 December 2025 and 2024 are as follows:

	1 January 2025	Additions	Disposals	Change in fair value	31 December 2025
Cost					
Buildings	29,614,314	-	-	359,380	29,973,694
Furnitures&fixtures	14,494,981	712,635	(323,018)	-	14,884,598
Vehicles	2,281,512	-	-	-	2,281,512
	46,390,807	712,635	(323,018)	359,380	47,139,804
Accumulated Depreciation					
Furnitures&fixtures	10,151,800	1,777,042	(323,018)	-	11,605,824
Vehicles	38,025	456,302	-	-	494,327
	10,189,825	2,233,344	(323,018)	-	12,100,151
	36,200,982	(1,520,709)	-	359,380	35,039,653
	1 January 2024	Additions	Disposals	Change in fair value	31 December 2024
Cost					
Buildings	30,620,300	-	-	(1,005,986)	29,614,314
Furnitures&fixtures	12,631,956	1,949,604	(86,579)	-	14,494,981
Vehicles	702,531	2,281,512	(702,531)	-	2,281,512
	43,954,787	4,231,116	(789,110)	(1,005,986)	46,390,807
Accumulated Depreciation					
Furnitures&fixtures	8,675,074	1,505,291	(28,565)	-	10,151,800
Vehicles	702,531	38,025	(702,531)	-	38,025
	9,377,605	1,543,316	(731,096)	-	10,189,825
	34,577,182	2,687,800	(58,014)	(1,005,986)	36,200,982

As at 31 December 2025 and 2024, there is not any pledge on tangible assets

10. DEBTS FROM RENTAL TRANSACTIONS

The company's statement of receivables from lease transactions for the accounting periods ending December 31 and December 31, 2025 is as follows:

Debts from rental transactions	31 December 2025	31 December 2024
As of January 1, the records received	165,691	409,184
Recorded during the period	1,586,910	-
Disposals	(109,250)	-
Interest expense	545,265	128,883
Pay rent	(785,100)	(246,601)
Net monetary loss (gain)	(39,503)	(125,775)
Balance as of 31 December 2025	1,364,013	165,691

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

11. RIGHT OF USE ASSETS AND LIABILITIES

	31 December 2025	31 December 2024
<u>Cost</u>		
Gross recorded as of January 1	1,340,905	1,340,905
Additions	1,832,325	-
Disposals	(1,340,905)	-
Gross balance as of 31 December	1,832,325	1,340,905
<u>Accumulated Depreciation</u>		
Balance at the beginning of the period	895,891	448,923
Depreciation expenses	569,823	446,968
Disposals	(1,007,633)	-
Balance as of 31 December 2025	458,081	895,891
Net balance as of 31 December 2025	1,374,244	445,016

12. INTANGIBLE ASSETS

The movement in intangible assets for the years ended 31 December 2025 and 2024 are as follows:

	1 January 2025	Additions	Disposals	31 December 2025
<u>Cost</u>				
Software	1,964,087	50,416	-	2,014,503
	1,964,087	50,416	-	2,014,503
<u>Accumulated amortization</u>				
Software	1,707,091	29,952	-	1,737,043
	1,707,091	29,952	-	1,737,043
	256,996	20,464	-	277,460
	1 January 2024	Additions	Disposals	31 December 2024
<u>Cost</u>				
Software	1,964,087	-	-	1,964,087
	1,964,087	-	-	1,964,087
<u>Accumulated amortization</u>				
Software	1,680,419	26,672	-	1,707,091
	1,680,419	26,672	-	1,707,091
	283,668	(26,672)	-	256,996

As at 31 December 2025 and 2024, the Company does not have any internally developed intangible assets.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

13. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Legal cases

- 1- The Pendorya Mall is built on 105th threader, 865 map, 64th parcel, east neighborhood Pendik İstanbul. The tenant of this area this Sağlam Satış ve Paz. A.Ş. (Malazlar A.Ş.). Plaintiff ultimately filed a lawsuit against IBB and Karacan Yapı at Pendik 2nd Court of First Instance Pendorya Mall claiming the road intersects his own property and demanding compensation amounting TRY7,100. The Company has been involved in the lawsuit as intervening party.

Relating to immovable property, subject of litigation discovery review and expert reports were submitted to the court file. Objections to the report and statement of The Company has been given. IBB Presidency has declared that expropriation proceedings related to the subject have been initiated. For this reason, lawsuit was removed from “Possessory Actions” and converted to the “Confiscating without expropriating” by the judge. Accepting in the new case, the plaintiff claimed compensation from the Administration and in order to determine the amount of compensation the Court decided an expert examination since the information provided by the Land Registry and the Municipality was not deemed sufficient.

Expert reports which have been presented to the court in May 30th, 2013, and the court has ruled that Pendik Municipality must also be represented in the case as a defendant. In the last trial which was held in 24 December 2013, The Court has ruled that the expert's reports shall be accepted and that the defendant Pendik Municipality must pay the charge (TRY645,354) to the plaintiff, and the cancellation of the confiscation deed. The reasoned decision has been notified and both the plaintiff and the defendant has appealed to the decision. However the Supreme Court has quashed the decision and the Istanbul Metropolitan Municipality has requested a revision of decision. The plaintiff, Sağlam Satış ve Paz. A.Ş. (Malazlar A.Ş.) and Istanbul Metropolitan Municipality has requested a revision of decision. The request for correction of the Supreme Court's decision to dismiss was rejected and sent to the first instance court in the direction of the dismissal decision. The trial is ongoing

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

13. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

Legal cases

- 2- The forfeiture concerning block 1486, parcel 76 (Fındıklı Building II) resulting from the Beyoğlu Municipality's zoning changes Beyoğlu Municipality has sustained the objection of the Corporation, however since Istanbul Metropolitan Municipality has not approved the objection, a claim has been filed to avoid forfeiture. Later on, Istanbul Metropolitan Municipality Council has sustained the objection of the Corporation and approved the Beyoğlu Municipality's decision verbatim. The aforementioned decision has also been sent to General Directorate of Cultural And Natural Heritage for approval. The institution has not approved the changes in the conservation development plan.

In the proceedings regarding to this, the Court has ruled that since Beyoğlu Municipality has sustained the objection the case is devoid of essence. However, since the decisions made by district municipalities require approval from Istanbul Metropolitan Municipality and General Directorate of Cultural and Natural Heritage, the Corporation has appealed that the case being devoid of essence is impossible. Regarding to this appeal the Council Of State has decided that General Directorate of Cultural and Natural Heritage's objection to the conservation development plan is correct and quashed the decision made by the local court in March 28th, 2014. In addition to this, the 1/1000 scaled elementary development plan aimed at the conservation of protected areas which was approved in December 21st, 2010 has been cancelled by legal authorities, and a new elementary development plan which includes the building Fındıklı Bina II that is in the Corporation's possession is being drawn up by Beyoğlu Municipality. In accordance with this, our Corporation has applied in written form to the Beyoğlu Municipality in September 28th, 2014 asking that the objection made by our Corporation which were sustained by both Beyoğlu Municipality and Istanbul Metropolitan Municipality be taken into consideration during the preparation of the new 1/1000 scaled elementary development plan. It was asked to the Court if the Real Estate which is being examined by the Municipality that is included in the Plan is still in effect after the Council Of State's quash of judgement, and the Court has replied that it is still in effect. The proceedings started once more in the Court and the expert examining has been made. The Court has ruled that the administrative proceeding will be canceled and will be in favor of us. Against verdict, within the legal period, Beyoğlu Municipality has applied for the appeal law and it is expected that the file will be sent to Istanbul Regional Administrative Court for examination and, if necessary, for re-trial. The decision of the Council of State for the annulment of the administrative act in favor of the Company was approved and the decision became final.

- 3- A lawsuit has been filed against the annulment of Articles 5, 7 and 9 of the Company's Ordinary General Assembly held on April 27, 2018. In the petition, it was requested to stop the execution concerning the 5th and 7th items, and the request for interim injunction requested for the suspension of the execution was rejected and the appeal was filed by the plaintiff. The petition and the legal defense were submitted to the case. In the first session of the file, it was decided to reject the case. The notification of the reasoned decision is expected.
- 4- With respect to the property known as “Tahir Han,” located at Plot No. 57, Block No. 77, in the Beyoğlu District of Istanbul Province, in which our Company holds a 53/72 ownership interest, a “Lawsuit for Dissolution of Joint Ownership” was filed on 21 December 2005, and the court ruled for the dissolution of joint ownership through sale of the property.

Within this framework, the sale of the aforementioned property was completed by way of public auction on 22 May 2024 by the Sales Office of the Istanbul Civil Court of Peace. It was officially notified to our Company on 23 May 2024 that the property had been awarded to the Company.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

13. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

An action for annulment of the auction was subsequently filed by another co-owner. The lawsuit was dismissed, and following appellate and cassation review processes, the decision was finalized in favor of the Company. However, as a request for rectification of the decision has been filed, the formal finalization procedures of the judgment are still ongoing.

Including the aforementioned cases, the Company is a party to a total of 20 lawsuits and 67 enforcement proceedings in its favor. Aside from those listed in this report, there are no other significant lawsuits that would warrant substantial representation in the financial statements.

Debt Provisions

As of 31 December 2025, there is provision for cost and general administrative expenses amounting to TRY44,121. (31 December 2024: 141,848).

Collaterals received

The details of letter of guarantees received are as follows:

	31 December 2025	31 December 2024
Letters of guarantees	14,867,571	12,730,102
Bills of guarantees	2,700,952	2,584,935
Checks of guarantees	35,740	46,781
Total	17,604,263	15,361,818

Letters of guarantee received consist of letters of guarantee received from contractors of Pendorya Mall project and from tenants for shopping mall.

Collaterals, Pledges And Mortgages (CPM)

As at 31 December 2025 and 31 December 2024 commitments given are as follows :

The details of letter of guarantees given are as follows:

	31 December 2025	31 December 2024
Mortgages Given	412,500,000	539,929,500
Letters off guarantees	4,000,000	5,291,669
Total	416,500,000	545,221,169

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

13. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

Given by the company

<i>Collaterals, Pledges And Mortgages (CPM)</i>	31 December 2025	31 December 2024
A. CPMB's provided in the name of its own legal personality	416,500,000	545,221,169
B. CPMB's provided on behalf of the fully consolidated companies	-	-
C. CPMB's provided on behalf of third parties for the ordinary course of business	-	-
D. Total amount of other of CPMB's provided	-	-
i. Total amount of CPMB's provided on behalf of the majority shareholders	-	-
ii. Total amount of CPMB's provided on behalf of other companies which are not in the scope of B and C	-	-
iii. Total amount of CPMB's provided on behalf of third parties which are not in the scope of C	-	-
	416,500,000	545,221,169

Mortgages (*)	31 December 2025	31 December 2024
Tahir Han	412,500,000	539,929,500
	412,500,000	539,929,500

(*) Due to the loan used from the Türkiye Sınai Kalkınma Bankası A.Ş., there is a mortgage of TRY412,500,000 on our investment property Tahir Han.

As at 31 December 2025 letters of guarantee given amounting to portion of TRY1,000,000 has been drawn up for the electrical energy sales agreement and TRY3,000,000 respectively, are comprised of a letter of guarantees given to the Istanbul Metropolitan Municipality according to the Board of Directors resolution numbered 105 and dated 30 March 2010, for the road construction around Pendorya Mall. (As of 31 December 2024 TRY3,000,000 is consists of a letter of guarantee given to the Istanbul Metropolitan Municipality regarding the possible expropriation costs related to the part of the road built around Pendorya AVM, which is under the obligation of the Company, pursuant to the Board of Directors decision no. 105 dated 30 March 2010.)

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

14. PROVISION FOR EMPLOYEE BENEFITS

	31 December 2025	31 December 2024
Short-term		
Provision for unused vacation	3,156,466	1,470,196
Provision for personnel bonus	1,800,000	1,570,704
	4,956,466	3,040,900
Long-term		
Provision for employee termination benefits	1,164,256	1,621,998
	1,164,256	1,621,998
Total	6,120,722	4,662,898

In accordance with existing Turkish Labour Law, the Company is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Company and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The computation of the liability is based upon the retirement pay ceiling announced by the Government. The applicable ceiling amounts as at 31 December 2025 and 31 December 2024 are TRY53,919.68 and TRY41,828.42 respectively

In accordance with TAS 19 – Employee Benefits, the Company is required to use actuarial valuation methods in estimating the liability related with current retirement plans.

As at 31 December 2025 and 31 December 2024, employee severance indemnity in the accompanying financial statements has been calculated using the following actuarial assumptions;

	31 December 2025	31 December 2024
Salary increase rate	%24.61	%24.95
Discount rate	%29.83	%29.32
Discount rate (net)	%4.19	%3.50
Estimated retirement turnover rate	%91.84	%84.70

Movement of reserve for employee termination benefits for the years ended 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Balance at the beginning of the period	1,621,998	1,186,261
Service cost	128,884	371,604
Interest cost	291,041	493,562
Retirement pay	(1,008,066)	(606,724)
Actuarial difference	346,358	541,924
Monetary (loss)/gain	(215,959)	(364,629)
Balance at the end of the period	1,164,256	1,621,998

**CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

15. OTHER CURRENT / NON-CURRENT ASSETS AND OTHER SHORT-TERM / LONG-TERM LIABILITIES

Other current assets

	31 December 2025	31 December 2024
Advances given (**)	119,801,667	156,915,385
Short-term prepaid expenses (*)	857,930	30,319,522
Prepaid taxes and funds	4,555,336	3,506,739
Income accruals	4,855,188	4,377,477
VAT carried forward	167,266	3,552,232
Other	1,052,661	1,052,661
Total	131,290,048	199,724,016

(*) As of 31 December 2025 and 31 December 2024, the majority of expenses for future months consist of the Company's insurance expenses.

(**) In the "Dissolution of Partnership Case" filed on 21.12,2005 regarding the real estate named Tahir Han located on 77 Island, 57 Parcel in Beyoğlu District, Istanbul Province, in which our Company has 53/72 shares; the court ruled to "Dissolution of Partnership by Sale". Within this framework, the sale of the real estate in question was completed by tender by the Sales Officer of Istanbul Civil Court of Peace on 22.05,2024. The Sales Officer notified that the real estate was tendered to our Company on 23.05,2024. The amount of TRY119,796,967 paid to the Sales Directorate for Tahir Han is included in the advance payments given.

Other non-current assets

	31 December 2025	31 December 2024
Prepaid expenses	30,853,378	-
Deposits and guarantees given	144,357	188,951
Total	30,997,735	188,951

Other short-term liabilities

	31 December 2025	31 December 2024
Unearned revenue / (deferred income)	15,191,500	28,988,062
Taxes and funds payable	1,770,919	1,903,032
Other liabilities	228,895	775,495
Total	17,191,314	31,666,589

Other long-term liabilities

	31 December 2025	31 December 2024
Deposits and guarantees received	664,459	686,086
Deferred income	211,215	-
Total	875,674	686,086

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

16. EQUITY

16.1 Paid in capital

At 31 December 2025 and 31 December 2024, the issued and fully paid-in share capital of the Company is as follows:

	Group	31 December 2025		31 December 2024	
		Share %	Amount	Group	Share %
Türkiye Sınai Kalkınma Bankası A.Ş.	A	6.67	43,333,333	6.67	43,333,333
Türkiye Sınai Kalkınma Bankası A.Ş.	B	2.73	17,728,148	2.73	17,728,148
Türkiye Sınai Kalkınma Bankası A.Ş.	C	79.21	514,888,613	79.21	514,888,613
Other Partners and Other Shares in Actual Circulation	C	11.39	74,049,906	11.39	74,049,906
Paid in Capital		100	650,000,000	100	650,000,000
Capital adjustment differences		100	6,458,692,841	100	6,458,692,841
Total share capital			7,108,692,841		7,108,692,841

The Company shares are issued to three types of groups; Group A and Group B to names and the Group C to holders. The Group A and Group B shares have the right to vote for the election of members of the Board of Directors (“BOD”). Six members of the BOD shall be elected from candidates of the Group A shareholders and one member shall be elected from candidates of the Group B shareholders. Capital increases in the Group A, B and C shares are issued as the Group A, B and C shares, respectively. If the BOD restricts the right of owning new shares for shareholders, new shares are issued as the Group C shares.

As at 31 December 2025, the nominal paid-in capital of the Company comprises 650,000,000 shares of TRY 1 for each (31 December 2024: TRY1, TRY650,000,000). In accordance with the Board of Directors decision dated 23 July 2021, the Prospectus regarding the decision of 30.00% of the capital increase with rights without restricting the use of pre-emptive right by covering the entire of the issued capital of TRY500,000,000 in cash was approved at the meeting of the Capital Markets Board dated 26 August 2021 and numbered 51/990. The remaining shares after the use of the pre-emptive right were sold on the Borsa Istanbul Primary Market on 20 – 21 September 2021, and the Company's paid-in capital was increased to TRY650,000,000 as of 23 September 2021.

As of 31 December 2025, the Company's share capital consisted of 650,000,000 (31 December 2024: TRY1, 650,000,000) shares issued with a nominal value of TRY1 each.

16.2 Restricted reserves

As at 31 December 2025 and 31 December 2024, restricted reserves comprised of the legal reserves amounting to TRY3,437,440.

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”). The TCC stipulates that, the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company’s historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

16. EQUITY (Continued)

16.3 Share premium

As a result of the company's public offerings, the nominal value shares were offered to the public on April 1-2, 2010, September 3-4, 2020, and September 20-21, 2021, with prices of 1.05 TL, 2.21 TL, and 3.26 TL per share, respectively, for shares with a nominal value of 1 TL each. A total of 15,332,434 TL has been recorded as 'Share Capital Premium' in equity.

16.4. Other Comprehensive Income Not to Be Reclassified to Profit or Loss

The actuarial loss amounting to TL 351,527 has been presented in the accompanying financial statements, net of deferred tax effect, under equity within “Items that will not be reclassified to profit or loss – Accumulated other comprehensive income.” (31 December 2024: TL 109,076 loss).

The gain arising from the revaluation increase/decrease of property, plant and equipment amounting to TL 1,483,233 has been presented in the accompanying financial statements, net of deferred tax effect, under equity within “Items that will not be reclassified to profit or loss – Accumulated other comprehensive income.” (31 December 2024: TL 1,231,667 gain).

16.5. Capital adjustment differences

As of 31 December 2025 and 2024, the capital adjustment differences are TRY6,458,692,841 Capital adjustment differences refer to the difference between the total amounts of cash and cash equivalents to paid-in capital, adjusted for inflation, and their amounts before inflation adjustment.

31 December 2025	PPI Indexed Legal Adjustments	CPI Indexed Legal Adjustments	Differences to be followed in retain earnings
Adjustment to share capital	6,283,490,055	6,458,692,841	(175,202,786)
Share issue premiums	14,954,545	15,332,434	(377,889)
Restricted reserves	3,352,720	3,437,440	(84,720)
Total	6,301,797,320	6,477,462,715	(175,665,395)

17. SALES AND COST OF SALES

For the years ended 31 December 2025 and 2024, revenue are as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Rental income on Pendorya Mall	68,792,425	67,608,537
Rental income on Fındıklı Building 2	58,074,759	49,611,548
Rental income on Fındıklı Building 1	57,693,318	49,287,415
Rental income on Divan Adana Hotel	23,374,513	34,309,425
Pendorya Shopping Mall common area revenues	10,826,101	10,498,480
Total rental income	218,761,116	211,315,405
Total sales	218,761,116	211,315,405

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

17. SALES AND COST OF SALES (Continued)

Total revenue from obtained from related parties is TRY115,834,553 (31 December 2024: TRY98,958,439)

For the years ended 31 December 2025 and 2024, cost of sales are as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Security expenses	24,498,190	24,765,395
Insurance expenses	20,198,265	18,490,655
Management service expenses	15,664,713	19,128,680
Cleaning expenses	11,607,266	10,868,389
Electricity expenses	11,237,414	11,378,862
Maintenance expenses	8,998,988	5,192,258
Taxes and levies	7,504,449	8,188,983
Operating expenses	6,206,555	3,577,024
Consultancy expenses	3,671,508	6,915,676
Water expenses	3,213,519	1,646,358
Natural gas expenses	882,569	1,000,703
Supplies	529,488	733,673
Other expenses	8,941,194	7,184,117
Total	123,154,118	119,070,773

18. ADMINISTRATIVE EXPENSES

For the years ended 31 December 2025 and 2024, administrative expenses are as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Personnel expenses	38,536,649	39,519,758
Advisory expenses	3,379,840	1,670,462
Depreciation and amortization expenses	2,833,119	2,016,955
Advisory expenses	2,699,941	2,730,390
Food expenses	1,502,466	109,849
Travel and transportation expenses	748,028	650,970
BIST fee	533,263	396,747
General assembly expenses	57,503	109,711
Other expenses	4,803,051	4,354,060
Total	55,093,860	51,558,902

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

18. ADMINISTRATIVE EXPENSES (Continued)

Personnel expenses

	1 January – 31 December 2025	1 January – 31 December 2024
Salaries and wages	25,518,879	28,301,009
Social security expenses	3,580,973	4,037,764
Salaries and other benefits paid to Board of Directors	3,555,810	2,951,505
Provision for vacation pay liability	2,033,253	481,981
Provisions for bonuses	1,800,000	1,570,704
Severance paid	1,008,066	606,724
Provision for employment termination	-	258,442
Other	1,039,668	1,311,629
Total	38,536,649	39,519,758

19. MARKETING EXPENSES

For the years ended 31 December 2025 and 2024, marketing expenses are as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Advertising expenses	351,187	205,812
Total	351,187	205,812

Expenses by Nature

	1 January – 31 December 2025	1 January – 31 December 2024
Personnel expenses	38,536,649	39,519,758
Security expenses	24,498,190	24,765,395
Insurance expenses	20,198,265	18,490,655
Management service expenses	15,664,713	19,128,680
Cleaning expenses	11,607,266	10,868,389
Electricity expenses	11,237,414	11,378,862
Maintenance expenses	8,998,988	5,192,258
Taxes and levies	7,504,449	8,188,983
Consultancy expenses	7,051,348	8,586,138
Operating expenses	6,206,555	3,577,024
Water expenses	3,213,519	1,646,358
Depreciation and amortization expenses	2,833,119	2,016,955
Advisory expenses	2,699,941	2,730,390
Food expenses	1,502,466	109,849
Natural gas expenses	882,569	1,000,703
Transportation expense	748,028	650,970
BIST fee	533,263	396,747
Supplies	529,488	733,673
Advertising expenses	351,187	205,812
General assembly expenses	57,503	109,711
Other expenses	13,744,245	11,538,177
Total	178,599,165	170,835,487

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

20. OTHER OPERATING INCOME / EXPENSE

For the years ended 31 December 2025 and 2024, other operating income and expenses are as follows:

Other operating income	1 January – 31 December 2025	1 January – 31 December 2024
Real estate value increase	143,189,795	266,777,732
Reversals of provisions	2,369,307	1,160,936
Other income	4,869,851	2,893,790
Total	150,428,953	270,832,458

Other operating expenses	1 January – 31 December 2025	1 January – 31 December 2024
Doubtful receivables expense	5,148,991	2,595,468
Commission expenses	800,331	814,085
Other	439,439	164,924
Total	6,388,761	3,574,477

21. FINANCE INCOME / COSTS

For the years ended 31 December 2025 and 2024, finance income and costs are as follows:

Finance income	1 January – 31 December 2025	1 January – 31 December 2024
Interest income	33,730,033	60,802,784
Total	33,730,033	60,802,784

Finance costs	1 January – 31 December 2025	1 January – 31 December 2024
Interest expenses	105,668,788	52,800,126
Foreign exchange losses, net	50,032	16,728
Total	105,718,820	52,816,854

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

22. NET MONETARY POSITION GAINS/(LOSSES)

The Company's net monetary position gains/losses for the accounting periods ending on 31 December 2025 and 2024 are as follows:

Non-Monetary Items	31 December 2025	31 December 2024
Financial Position Statement Items	(9,844,676)	(28,514,489)
Inventories	248,440	323,564
Equity –Accounted Investees	6,398,193	8,332,903
Short-term prepaid expenses	65,319	111,263
Investment properties	1,541,180,067	1,899,753,249
Tangible and intangible assets	5,863,948	9,136,940
Deferred income	(201,006)	(179,615)
Prepaid expenses	522,527	-
Deferred tax liability	(103,433,821)	-
Capital adjustment differences	(1,677,732,323)	(2,185,051,525)
Share Premium	(3,618,628)	(4,712,843)
Legal reserves	(811,275)	(1,056,591)
Regular Reserves	(15,414,280)	(20,075,239)
Retained earnings	237,353,107	264,986,480
Other accumulated comprehensive income and expenses that will not be reclassified in profit and loss.	(264,944)	(83,075)
Profit and Loss Statement Items	4,694,026	(11,908,072)
Revenue	(20,807,217)	(24,783,991)
Cost Of Services Sold	15,790,165	14,617,927
General Administrative Expenses	5,195,574	6,001,319
Marketing Expenses	18,446	13,401
Other income from operating activities	(1,610,852)	(464,732)
Other expenses from operating activities	567,636	241,811
Financial income	(4,093,219)	(7,533,807)
Financial expenses	9,633,493	-
Net monetary position gains/(losses)	(5,150,650)	(40,422,561)

23. TAX ASSETS AND LIABILITIES

a) Corporate Tax

The corporate tax rate is the corporate tax rate applied to the legal tax base, which is calculated by adding expenses that are not deductible according to the tax laws to the commercial profits of the corporations and deducting the exemptions included in the tax laws.

The corporate tax rate applied to Capital Markets Companies in Türkiye in 2025 is 30%.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

23. TAX ASSETS AND LIABILITIES (Continued)

b) Current tax income / (expense)

Tax income / (expense)	1 January – 31 December 2025	1 January – 31 December 2024
Deferred Tax Expense	(124,771,670)	(323,658,406)
Total Tax Expense	(124,771,670)	(323,658,406)

c) Deferred Tax Assets and Liabilities

The Company recognizes deferred tax assets and liabilities for temporary timing differences arising from differences between its tax-based legal financial statements and its financial statements prepared in accordance with TFRS. These differences generally arise from the fact that the tax-based amounts of some income and expense items are included in different periods in the financial statements prepared in accordance with TFRS.

As explained in detail in Note 2, the tax exemption granted to real estate investment trusts under Article 5, subparagraph d-4 of the Corporate Tax Law has been made conditional on the distribution of at least 50% of the profits they obtain from real estate through dividends as of 1 January 2025, with the Law No. 7524 dated 02/8/2024.

Since the profit distribution decision is under the responsibility of the general assembly, the tax rate used in the calculation of deferred tax assets and liabilities for 2025 is 30%. (31 December 2024: %30)

Deferred Tax Assets and Liabilities	1 January – 31 December 2025	1 January – 31 December 2024
Deferred Tax Assets	130,447,941	2,184,767
Deferred Tax Liability	(693,481,309)	(440,442,558)
Tax liability, net	(563,033,368)	(438,257,791)

In accordance with Article 298/ç of the Tax Procedure Law, the tax effects arising from revaluation have been included in the deferred tax calculation in the financial statements as of 31 December 2025.

The breakdown of the Company's accumulated temporary differences and deferred tax assets and liabilities, prepared using the current tax rates, is as follows:

	31 December 2025		31 December 2024	
	Temporary Differences	Deferred Tax	Temporary tax	Deferred Tax
Severance Pay Provisions	1,874,104,335	(562,231,301)	1,453,048,105	(435,914,432)
Actuarial Gains and Loses	1,832,325	(549,698)	522,911	(156,873)
Tangible and Intangible Assets	10,786,301	(3,235,890)	12,006,598	(3,601,979)
Provision for employment termination benefits	(817,898)	245,369	(2,163,922)	649,177
Actuarial Losses & Gains	(346,358)	103,907	(541,924)	162,577
Other	(8,780,812)	2,634,245	(2,012,461)	603,739
Total	1,876,777,893	(563,033,368)	1,460,859,307	(438,257,791)

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

23. TAX ASSETS AND LIABILITIES (Continued)

Net Deferred Tax Asset/Liability at the Beginning of the Period	31 December 2025	31 December 2024
Deferred Tax Asset/Liability at the Beginning of the Period	(438,257,791)	(114,234,104)
Associated with the Income or Loss Statement	(124,771,670)	(323,658,406)
Other Related to Comprehensive Income Statement	(3,907)	(365,280)
Deferred Tax Asset/(Liability), Net	(563,033,368)	(438,257,791)

24. EARNINGS / (LOSS) PER SHARE

Earnings per share stated in income statement is calculated by dividing net income for the period by the weighted average number of the Company’s shares for the period. Calculation of the earnings per share for the years ended 31 December 2025 and 2024 are presented below:

	1 January – 31 December 2025	1 January – 31 December 2024
Net profit / (loss) for the period	15,618,196	(29,362,588)
Weighted average number of shares	650,000,000	650,000,000
Earnings / (loss) per share	0,0240	(0,0451)

25. RELATED PARTY DISCLOSURES

25.1 Related party balances

	31 December 2025	31 December 2024
<i>Banks – demand</i>		
Türkiye İş Bankası A.Ş.	24,272	249,716
Türkiye Sınai Kalkınma Bankası A.Ş.	81,744	316,501
<i>Banks – time</i>		
Türkiye İş Bankası A.Ş.	30,000,000	81,153,040
Total	30,106,016	81,719,257
<i>Due from related parties</i>		
Türkiye Sınai Kalkınma Bankası A.Ş.	-	523,890
Total	-	523,890
<i>Prepaid expenses</i>		
Anadolu Anonim Türk Sigorta AŞ	18,581,361	29,291,490
Total	18,581,361	29,291,490
<i>Due to related parties</i>		
Anadolu Anonim Türk Sigorta Şirketi	16,339,571	30,712,239
Türkiye Sınai Kalkınma Bankası A.Ş.	389,543	199,406
İş Merkezleri Yönetim ve İşletim A.Ş.	-	7,782,444
Total	16,729,114	38,694,089

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

25. RELATED PARTY DISCLOSURES(Continued)

25.1 Related party balances (Continued)

	31 December 2025	31 December 2024
Capital Expenditure		
İş Merkezleri Yönetim Ve İşletim A.Ş.	28,494,557	81,669,203
Total	28,494,557	81,669,203
Financial borrowings		
Türkiye Sınai Kalkınma Bankası A.Ş.	163,074,345	209,741,644
Total	163,074,345	209,741,644
25.2 Related party transactions		
	1 January – 31 December 2025	1 January – 31 December 2024
Rental income		
Türkiye Sınai Kalkınma Bankası A.Ş.	100,889,343	86,400,940
Yatırım Finansman Menkul Değerler A.Ş.	11,093,298	9,264,231
TSKB Gayrimenkul Değerleme A.Ş.	3,446,255	2,944,031
TSKB A.Ş. Mensupları Munzam Sosyal Güvenlik ve Yardımlaşma Vakfı	163,526	139,706
TSKB Sürdürülebilirlik Danışmanlığı A.Ş.	151,423	129,358
Türkiye İş Bankası A.Ş.	66,476	59,475
Yatırım Varlık Kiralama A.Ş.	24,232	20,698
Total	115,834,553	98,958,439
Interest income		
Türkiye İş Bankası A.Ş.	16,878,532	29,619,628
Türkiye Sınai Kalkınma Bankası A.Ş.	91,371	179,136
Total	16,969,903	29,798,764
Interest expense		
Türkiye Sınai Kalkınma Bankası A.Ş.	90,632,592	-
Total	90,632,592	-
Loan and insurance commission expenses		
Türkiye Sınai Kalkınma Bankası A.Ş.	383,314	410,062
Türkiye İş Bankası A.Ş.	23,641	35,503
Total	406,955	445,565
Other expenses		
İş Net Elektronik Hizmetler A.Ş	11,923	1,449
Topkapı Danışmanlık Elektrik Hizmetleri Paz. Ve Tic. A.Ş.	115,388	137,264
Total	127,311	138,713

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

25. RELATED PARTY DISCLOSURES (Continued)

25.2 Related party transactions (Continued)

Benefits provided to key management personnel

	1 January – 31 December 2025	1 January – 31 December 2024
Salaries and other short-term benefits	10,657,404	15,427,613
Total	10,657,404	15,427,613

26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk. The Company has exposure to the following risks from its operations:

- credit risk,
- liquidity risk,
- market risk.

26.1. Credit risk

The ownership of the financial assets brings the risk of not meeting the obligations of the agreement of the counter party. These risks are controlled by credit evaluations and restricting the maximum exposure to a counter party.

The Company adopts a liquid portfolio management approach for the use of possible property projects and it invests in short-term instruments. The Board of Directors determines the portfolio management strategy for financial assets of the Company and the comparison criteria, considering the economic developments and expectations.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.1 Credit risk (Continued)

As at 31 December 2025 and 31 December 2024, credit risk exposure of financial assets are as follows:

31 December 2025	Receivables				Bank Deposits	Related parties	Other Parties	Trade Receivables Related parties
	Trade Receivables Related parties	Other Parties	Receivables Related parties	Other Parties				
Exposure to maximum credit risk as of reporting date (A+B+C+D+E)	-	3,293,688	-	-	40,333,538	-	-	-
- Maximum credit risk amount secured with guarantees	-	-	-	-	-	-	-	-
A. Net book value of neither past due nor impaired financial assets	-	3,293,688	-	-	40,333,538	-	-	-
B. Net book value of restructured financial assets	-	-	-	-	-	-	-	-
C. Net book value of past due but not impaired financial assets	-	-	-	-	-	-	-	-
- Net book value secured with guarantees	-	-	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-	-	-
- Past due (Gross amount)	-	6,281,944	-	-	-	-	-	-
- Impairment (-)	-	(6,281,944)	-	-	-	-	-	-
- Net book value secured with guarantees	-	-	-	-	-	-	-	-
-Not past due (Gross amount)	-	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-	-
- Net book value secured with guarantees	-	-	-	-	-	-	-	-
E. Off balance sheet items with credit risks	-	-	-	-	-	-	-	-

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.1 Credit risk (Continued)

		Receivables				Bank Deposits	Financial investments	Derivative	
		Trade Receivables		Other Receivables				instruments	Other
31 December 2024		Related parties	Other Parties	Related parties	Other Parties				
Exposure to maximum credit risk as of reporting date (A+B+C+D+E)		523,890	3,574,018	-	-	113,660,572	-	-	-
- Maximum credit risk amount secured with guarantees		-	-	-	-	-	-	-	-
A.	Net book value of neither past due nor impaired financial assets	523,890	3,574,018	-	-	113,660,572	-	-	-
B.	Net book value of restructured financial assets	-	-	-	-	-	-	-	-
C.	Net book value of past due but not impaired financial assets	-	-	-	-	-	-	-	-
	- Net book value secured with guarantees	-	-	-	-	-	-	-	-
D.	Net book value of impaired assets	-	-	-	-	-	-	-	-
	- Past due (Gross amount)	-	3,151,950	-	-	-	-	-	-
	- Impairment (-)	-	(3,151,950)	-	-	-	-	-	-
	- Net book value secured with guarantees	-	-	-	-	-	-	-	-
	-Not past due (Gross amount)	-	-	-	-	-	-	-	-
	- Impairment (-)	-	-	-	-	-	-	-	-
	- Net book value secured with guarantees	-	-	-	-	-	-	-	-
E.	Off balance sheet items with credit risks	-	-	-	-	-	-	-	-

TSKB GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.2 Liquidity risk

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity. The Company uses its funds from borrowings in investment property project developments.

The following table presents the Company’s financial liabilities including interest payments according to their remaining contractual maturities:

31 December 2025	Carrying value	Total contractual cash flows	Up to 3 months	3 months to 12 months	1 year to 5 years	More than 5 years
Non-derivative financial liabilities						
Funds borrowed	120,000,000	185,968,275	-	185,968,275	-	-
Trade payables	49,684,258	49,684,258	49,684,258	-	-	-
Total	169,684,258	235,652,533	49,684,258	185,968,275	-	-

31 December 2024	Carrying value	Total contractual cash flows	Up to 3 months	3 months to 12 months	1 year to 5 years	More than 5 years
Non-derivative financial liabilities						
Funds borrowed	157,070,400	209,761,644	-	209,761,644	-	-
Trade payables	51,360,326	51,360,326	51,360,326	-	-	-
Total	208,430,726	261,121,970	51,360,326	209,761,644	-	-

As at 31 December 2025 and 31 December 2024, the Company does not have any derivative financial liabilities.

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CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.3 Market risk

The Company is exposed to various market risks, including the effects of changes in exchange rates, interest rates, equity prices and credit spreads.

The total risk management program of the Company focuses on the unpredictability of the financial markets and aims at reducing the potential negative effects on the Company’s financial performance.

Foreign currency risk

Exchange risk comprises the effects arising from exchange movements in the event foreign currency assets, liabilities and off-balance sheet items are owned.

On the Amendment to the Resolution No. 32 on the Amendment to the Decision No. 32 on the Protection of the Value of Turkish Currency entered into force after being published in the Official Gazette dated 13.09.2018 and numbered 30534. Communiqué No. 2019-32 / 51 on the Amendment to the Communiqué on the Resolution (Communiqué No: 2008/32/34) (‘Communiqué 8) was published in the Official Gazette dated 6.10,2018 and numbered 30557 and entered into force. In accordance with the relevant communiqué provisions, the Company's foreign exchange-based lease agreements should be reorganized in TRY, which may lead to a decrease in the Company's rental income. In accordance with the provisions of the related communiqué, the Company has reorganized its lease agreements in terms of TRY. As of 31 December 2024, the annual minimum lease amounts are disclosed in Note 8.

The exchange rates applied as at 31 December 2025 and 31 December 2024 are as follows:

	USD	EUR
31 December 2025	42,8457	50,2859
31 December 2024	46,1802	48,0862

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CONVENIENCE TRANSLATION OF NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise stated.)

26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.4 - Fair Value Disclosures Regarding Financial Instruments

Financial Assets

Due to their short-term nature, the carrying amounts of cash and bank receivables are assumed to approximate their fair values. The fair values of investment properties presented in the balance sheet at fair value are determined based on appraisal reports (Note 8). The carrying amounts of trade receivables are considered to approximate their fair values due to their short-term nature.

Financial Liabilities

Due to their short-term nature, the carrying amounts of trade payables are assumed to approximate their fair values. The fair values of liabilities arising from finance lease transactions are considered to approximate their carrying amounts due to their short-term nature. Derivative financial instruments are carried at their fair values.

Fair Value of Financial Instruments

The fair values of financial assets and liabilities are determined as follows:

Level 1: Financial assets and liabilities are measured using quoted prices in active markets for identical assets or liabilities.

Level 2: Financial assets and liabilities are measured using inputs other than quoted prices included in Level 1 that are observable, either directly or indirectly, in the market.

Level 3: Financial assets and liabilities are measured using inputs that are not based on observable market data.

The fair value classifications of assets and liabilities measured at fair value are as follows.

Investment Properties

For investment properties measured using the income capitalization approach, a 1% increase/decrease in the discount rates, while keeping all other variables constant, would result in a decrease/increase in profit of TL 188,975,701 and TL 154,951,357, respectively. As of 31 December 2025, the sensitivity analysis of investment properties measured using the income capitalization approach is presented below.

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.4 - Fair Value Disclosures Regarding Financial Instruments (Continued)

The significant estimates and assumptions included in the financial statements as of December 31, 2025 and December 31, 2024 are listed below:

31 December 2025	Expert Report Date	Valuation Method	Discount Rate	Annual Rent Increase Rate	Capitalization Rate
Pendorya Mall	31 December 2025	income reduction	%25	%30	%7
Divan Adana Hotel	31 December 2025	income reduction	%25	%27	%7
Fındıklı Buildings	31 December 2025	income reduction	-	-	-
Tahir Han	31 December 2025	income reduction	-	-	-

31 December 2024	Expert Report Date	Valuation Method	Discount Rate	Annual Rent Increase Rate	Capitalization Rate
Pendorya Mall	31 December 2024	income reduction	%24	%35	%7
Divan Adana Hotel	31 December 2024	income reduction	%25	%20	%7
Fındıklı Buildings	31 December 2024	market approach	-	-	-
Tahir Han	31 December 2024	market approach	-	-	-

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.4 - Fair Value Disclosures Regarding Financial Instruments (Continued)

	Discount Rate	Sensitivity Analysis	The profit effect on fair value	Damage effect on fair value
31 December 2025				
Pendorya Mall	%25	%1	108,993,969	(100,584,586)
Divan Adana Hotel	%25	%1	45,957,387	(88,391,116)
31 December 2024				
Pendorya Mall	%25	%1	80,376,874	(74,154,073)
Divan Adana Hotel	%25	%1	34,183,741	(61,181,486)
31 December 2025				
Pendorya Mall	%7.00	%1	153,994,345	(115,493,963)
Divan Adana Hotel	%7.00	%1	73,396,729	(96,852,092)
31 December 2024				
Pendorya Mall	%7.00	%1	113,682,258	(85,242,589)
Divan Adana Hotel	%7.00	%1	51,652,793	(65,650,231)

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.5. Market Risk

The table below summarizes the foreign currency position risk, showing the recorded amounts of foreign currency assets and liabilities held by the Company in Turkish Lira (TL) as of December 31, 2025 and December 31, 2024.

31 December 2025		Total TRY equivalent	EUR	USD
1.	Trade receivables	-	-	-
2.a	Monetary financial assets	206,926	4,115	-
2.b	Non-monetary financial assets	-	-	-
3.	Other	-	-	-
4.	Current assets	206,926	4,115	-
5.	Trade receivables	-	-	-
6.a	Monetary financial assets	-	-	-
6.b	Non-monetary financial assets	-	-	-
7.	Other	-	-	-
8.	Fixed assets	-	-	-
9.	Total assets	206,926	4,115	-
10	Trade Payables	238,222	-	5,550
11.	Financial liabilities	-	-	-
12.a	Other monetary liabilities	-	-	-
12.b	Other non-monetary liabilities	-	-	-
13.	Short-term liabilities	238,222	-	5,550
14.	Trade Payables	-	-	-
15.	Financial liabilities	-	-	-
16.a	Other monetary liabilities	332,989	6,610	-
16.b	Other non-monetary liabilities	-	-	-
17.	Long-term liabilities	332,989	6,610	-
18.	Total liabilities	571,211	6,610	5,550
19.	Net asset/liability position of off-balance sheet	-	-	-
19.a	foreign currency derivative instruments (19a-19b)	-	-	-
19.b	Amount of off-balance sheet foreign	-	-	-
20.	Net foreign currency position (9-18+19)	(364,285)	(2,495)	(5,550)
21.	Monetary items Net foreign currency position	-	-	-
22.	Total fair value of financial instruments used for currency hedging	-	-	-
23.	Amount of hedged portion of foreign exchange assets	-	-	-
24.	Amount of hedged portion of foreign exchange liabilities	-	-	-
25.	Export	-	-	-
26.	Imports	-	-	-

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.5. Market Risk (Continued)

31 December 2025		Total TRY equivalent	EUR	USD
1.	Trade receivables	-	-	-
2.a	Monetary financial assets	197,869	4,115	-
2.b	Non-monetary financial assets	-	-	-
3.	Other	-	-	-
4.	Current assets	197,869	4,115	-
5.	Trade receivables	-	-	-
6.a	Monetary financial assets	-	-	-
6.b	Non-monetary financial assets	-	-	-
7.	Other	-	-	-
8.	Fixed assets	-	-	-
9.	Total assets	197,869	4,115	-
10.	Trade Payables	-	-	-
11.	Financial liabilities	-	-	-
12.a	Other monetary liabilities	-	-	-
12.b	Other non-monetary liabilities	-	-	-
13.	Short-term liabilities	-	-	-
14.	Trade Payables	-	-	-
15.	Financial liabilities	-	-	-
16.a	Other monetary liabilities	565,502	9,592	2,236
16.b	Other non-monetary liabilities	-	-	-
17.	Long-term liabilities	565,502	9,592	2,236
18.	Total liabilities	(565,502)	(9,592)	(2,236)
19.	Net asset/liability position of off-balance sheet	-	-	-
19.a	foreign currency derivative instruments (19a-19b)	-	-	-
19.b	Amount of off-balance sheet foreign	-	-	-
20.	Net foreign currency position(9-18+19)	(367,633)	(5,477)	(2,236)
21.	Monetary items Net foreign currency position(1+2a+5+6a-10-11-12a-14-15-16a)	(367,633)	(5,477)	(2,236)
22.	Total fair value of financial instruments used for currency hedging	-	-	-
23.	Amount of hedged portion of foreign exchange assets	-	-	-
24.	Amount of hedged portion of foreign exchange liabilities	-	-	-
25.	Export	-	-	-
26.	Imports	-	-	-

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.5. Market Risk (Continued)

Foreign currency sensitivity

A 10% appreciation / depreciation of TRY against the foreign currencies at 31 December 2025 and 31 December 2024 would have changed other comprehensive income and profit or loss (except tax effect) by the amounts shown below

	Profit / (Loss)		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
31 December 2025				
10% change of the USD against TRY				
1- Net USD asset/liability	(23,822)	23,822	(23,822)	23,822
2- Hedged portion of TRY against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	(23,822)	23,822	(23,822)	23,822
10% change of the EURO against TRY				
4- Net EURO asset/liability	(12,569)	12,569	(12,569)	12,569
5- Hedged portion of TRY against EURO risk (-)	-	-	-	-
6- Net effect of EURO (4+5)	(12,569)	12,569	(12,569)	12,569
TOTAL (3+6)	(36,391)	36,391	(36,391)	36,391
	Profit / (Loss)		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
31 December 2024				
10% change of the USD against TRY				
1- Net USD asset/liability	(10,344)	10,344	(10,344)	10,344
2- Hedged portion of TRY against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	(10,344)	10,344	(10,344)	10,344
10% change of the EURO against TRY				
4- Net EURO asset/liability	(26,383)	26,383	(26,383)	26,383
5- Hedged portion of TRY against EURO risk (-)	-	-	-	-
6- Net effect of EURO (4+5)	(26,383)	26,383	(26,383)	26,383
TOTAL (3+6)	(36,727)	36,727	(36,727)	36,727

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26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

26.5. Market Risk (Continued)

Interest rate risk

The Company is exposed to interest rate risk due to interest bearing assets and liabilities.

The table below shows the financial instruments sensitive to interest rates as at 31 December 2025 and 31 December 2024:

	31 December 2025	31 December 2024
<i>Financial instruments with fixed interest rates</i>		
Financial assets	40,248,480	113,719,302
<i>Financial instruments with variable interest rates</i>		
Financial liabilities	163,074,345	209,741,644

Interest rates which are applied to financial instruments as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025		31 December 2024	
<i>Financial instruments</i>				
Banks-Time Deposit	TL	39.50%	TL	49.75%
Banks-Time Deposit	TL	38.20%	TL	48.95%
Banks-Time Deposit	TL	28.00%	TL	39.00%

Interest rate sensitivity

As at 31 December 2025, a change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 31 December 2024.

	Profit/loss		Equity (*)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 December 2025				
Financial liabilities with variable interest rates	(741,682)	743,279	(741,682)	743,279

(*) Profit/loss impact is included.

	Profit/loss		Equity (*)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 December 2024				
Financial liabilities with variable interest rates	(826,927)	829,075	(826,927)	829,075

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**26. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS
(Continued)**

26.6. Capital management

The Company manages its capital by reducing its investment risk to the lowest level with effective portfolio management. The aim of the Company is to maintain sustainable returns for shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company considers having a strong capital structure for future investments beside the legislation in its dividend distribution policy.

27. FINANCIAL INSTRUMENTS

The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties.

A number of the Company’s accounting policies and disclosures require the determination of fair value for financial assets and liabilities.

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Following assumptions and methods are used to estimate fair value of financial instruments, if fair values are applicable.

Financial assets

The Company assumes that the carrying values of cash and cash equivalents and trade receivables are close to their fair value because of their short-term nature.

Financial liabilities

The Company assumes that the carrying values of the trade payables and other liabilities are close to their fair value because of their short-term nature.

Bank borrowings are measured with their amortized costs by adding transaction costs to their acquisition costs. It is assumed that carrying values of borrowings are close to their fair values as variable rate borrowings are repriced considering the market conditions. The fair value of fixed rate borrowings are close to carrying value.

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28. OTHER MATTERS

The services and related fees received by the Company from the independent auditing firm as of December 31, 2025 are as follows:

	31 December 2025	31 December 2024
Independent audit fee for the reporting period	635,000	556,291
Total	635,000	556,291

29. EVENTS AFTER THE REPORTING PERIOD

None.

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ADDITIONAL NOTE COMPLIANCE CONTROL OF THE PORTFOLIO RESTRICTIONS

According to the Communiqué Serial: III, No. 48.1 promulgated by CMB, “Communiqué on Principles Regarding Real Estate Investment Companies”, compliance control of the portfolio restrictions of the Company is as follows:

The main accounts of separate financial statements		Related regulation	31 December 2025	31 December 2024
A	Capital and money market instruments	III-48.1, Md. 24 / (b)	40,333,538	113,660,572
B	Real estates, rights supported by real estates and real estate projects	III-48.1, Md. 24 / (a)	6,694,866,305	6,521,556,463
C	Subsidiaries (*)	III-48.1, Md. 24 / (b)	67,754,081	48,763,595
	Due from related parties (other receivables)	III-48.1, Md. 23 / (f)	-	-
	Other assets		202,272,828	240,913,869
D	Total assets	III-48.1, Md. 3 / (k)	7,005,226,752	6,924,894,499
E	Funds borrowed	III-48.1, Md. 31	163,074,345	209,741,644
F	Other financial liabilities	III-48.1, Md. 31	-	-
G	Financial lease obligations	III-48.1, Md. 31	-	-
H	Due to related parties (other payables)	III-48.1, Md. 23 / (f)	-	-
I	Equity	III-48.1, Md. 31	6,203,838,937	6,188,211,626
	Other liabilities		638,313,470	526,941,229
D	Total liabilities and equity	III-48.1, Md. 3 / (k)	7,005,226,752	6,924,894,499
Other separate financial information		Related regulation	31 December 2025	31 December 2024
A1	Capital and money market instruments amount held for 3-year real estate payments	III-48.1, Md. 24 / (b)	-	-
A2	Time balances / demand balances TRY / foreign currency	III-48.1, Md. 24 / (b)	40,333,538	113,660,572
A3	Foreign capital market instruments	III-48.1, Md. 24 / (d)	-	-
B1	Foreign real estates, rights supported by real estates and real estate projects	III-48.1, Md. 24 / (d)	-	-
B2	Foreign subsidiaries	III-48.1, Md. 24 / (c)	-	-
C1	Participating to operating company	III-48.1, Md. 24 / (d)	-	-
C2	Non-cash loans	III-48.1, Md. 28	67,754,081	48,763,595
J	Mortgage amounts of the mortgaged lands that the project will be developed on without ownership	III-48.1, Md. 31	4,000,000	5,291,669
K	Foreign subsidiaries	III-48.1, Md. 22 / (e)	-	-
L	Total investments of monetary and capital market instruments at one company	Seri:VI No:11, Md.22/(l)	30,000,000	81,153,040

(*) As explained in the footnote no. 5, Anavarza Otelcilik Anonim Şirketi is an operating company within the scope of the paragraph 1 of Article 28 of Communiqué Serial: III, No. 48.1 promulgated by CMB. The Company's shareholder status has been recognized using the equity method in the enclosed financial statement. As at 31 December 2025, the Company's share in the Anavarza Otelcilik Anonim Şirketi is TRY27.109,680 and under the 10% of the Company's total assets.

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ADDITIONAL NOTE COMPLIANCE CONTROL OF THE PORTFOLIO RESTRICTIONS(Continued)

Portfolio restrictions	Related regulation	31 December 2025	31 December 2024	Max / Min ratio
1 Mortgage amounts of the mortgaged lands that the project will be developed on without ownership	III-48.1, Md. 22 / (e)	0%	0%	Max 10%
2 Real estates, rights supported by real estates and real estate projects	III-48.1, Md. 24 / (a), (b)	96%	94%	Min 51%
3 Capital and money market instruments and subsidiaries	III-48.1, Md. 24 / (b)	2%	2%	Max 50%
4 Foreign real estates, rights supported by real estates and real estate projects, subsidiaries and capital market instruments	III-48.1, Md. 24 / (d)	0%	0%	Max 49%
5 Inactive land	III-48.1, Md. 24 / (c)	0%	0%	Max 20%
6 Participating to operating company	III-48.1, Md. 28	1%	1%	Max 10%
7 Borrowings limits	III-48.1, Md. 31	3%	3%	Max 500%
8 Time balances / demand balances TRY / foreign currency	III-48.1, Md. 24 / (b)	1%	2%	Max 10%
9 Total investments of monetary and capital market instruments at one company	Seri:VI No:11, Md.22/(l)	0%	1%	Max 10%