ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024 AND
INDEPENDENT AUDITOR’S REPORT

(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR’S REPORT ORIGINALLY ISSUED IN TURKISH)

Güney Bağımsız Denetim ve SMMM A.Ş.
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27
Daire: 57 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No : 479920
Mersis No: 0-4350-3032-6000017

(Convenience translation of a report and financial statements originally issued in Turkish)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Alarko Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

A) Report on the Audit of the Financial Statements

1) Opinion

We have audited the financial statements of Alarko Gayrimenkul Yatırım Ortaklığı Anonim Şirketi (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards (TFRS).

2) Basis for Opinion

We conducted our audit in accordance with the Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA) and adopted within the framework of Capital Markets Board (CMB) regulations. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics for Independent Auditors* (Code of Ethics) as issued by the POA and other ethical principles included in CMB legislation, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. These matters were addressed in the context of our 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.

(Convenience translation of a report and financial statements originally issued in Turkish)

Key Audit Matter	How the matter was addressed in the audit
Valuation of investment properties	
As explained in Notes 2 and 10, the Company evaluates its investment properties by the fair value method after the initial recognition. As of December 31, 2024, the fair value of the investment properties valued at 15.380.319.000 TL, which are shown in the financial statements, are determined by independent valuation companies and the details are explained in Note 10. Since investment properties constitute an important part of the Company's total assets and the valuation methods used contain important estimates and assumptions, the valuation of investment properties is considered as a key audit subject by us.	We have assessed the licenses, competencies and impartiality of real estate appraisers appointed by the management. In our audit, the appropriateness of the valuation methods used by the valuation experts in the valuation reports of investment properties was evaluated. In the valuation reports, the reconciliation of the values appreciated by the valuation experts for the independent sections to the amounts explained in Note 10 has been reviewed. The audit procedures we apply include the investigation of market data against the assumptions (including real discount rate, market rents and estimated occupancy rates) used by valuation experts in their valuation. For this evaluation, appraisers included in the audit network that we are connected to are included in the studies. Due to the presence of high-level judgments used in the valuation reports as well as alternative estimates and valuation methods, we have assessed whether the value appreciated by valuation specialists is within an acceptable range. In addition, the appropriateness of the information contained in the financial statements and explanatory footnotes was taken into consideration by us, considering the importance of the disclosed information for the readers of the financial statements.

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Key Audit Matter	How the matter was addressed in the audit
Application of the hyperinflationary accounting	
As stated in 2.1 to the financial statements, the Company has applied "TAS 29 Financial Reporting in Hyperinflation Economies" since the functional currency of the Company (Turkish Lira) is the currency of a hyperinflationary economy as per TAS 29 as of December 31, 2024. In accordance with TAS 29, financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish Lira and, as a result, are expressed in terms of purchasing power of Turkish Lira as of the reporting date. In accordance with the guidance in TAS 29, the Company utilized the Turkey consumer price indices to prepare inflation adjusted financial statements. The principles applied for inflation adjustment is explained in 2.1. Given the significance of the impact of TAS 29 on the reported result and financial position of the Company, we have assessed the hyperinflation accounting as a key audit matter.	Our audit procedures included the following; We inquired management responsible for financial reporting on the principles, which they have considered during the application of TAS 29, identification of non-monetary accounts and tested TAS 29 models designed, We have tested the inputs and indices used, to ensure completeness and accuracy of the calculations, We have audited the restatements of corresponding figures as required by TAS 29, We assessed the adequacy of the disclosures in inflation adjusted financial statements for compliance with TAS 29.

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

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.

(Convenience translation of a report and financial statements originally issued in Turkish)

5) Auditor's Responsibilities for the Audit of the Financial Statements

In an independent audit, our responsibilities as the auditors are:

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

As part of an audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and InAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of 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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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.

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

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

B) Report on Other Legal and Regulatory Requirements

1) Auditors' report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on March 8, 2025.

2) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2024 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.

3) In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The name of the engagement partner who supervised and concluded this audit is Fatih Polat.

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

Fatih Polat, SMMM
Partner

March 8, 2025
İstanbul, Türkiye

INDEX	**PAGE**

ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

AUDITED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

	Notes	**Audited Current period December 31, 2024**	**Audited Prior period December 31, 2023**
ASSETS			
Current Assets		**1.829.578.182**	**2.586.690.281**
Cash and Cash Equivalent	3	327.455.704	222.839.327
Financial Investments	4	857.694.784	1.463.708.314
Trade Receivables		308.135.087	427.674.009
Trade Receivables from Related Parties	*6,27*	*306.950.383*	*426.425.546*
Trade Receivables from Third Parties	*6*	*1.184.704*	*1.248.463*
Other Receivables		1.630.793	1.836.546
Other Receivables from Third Parties	*7*	*1.630.793*	*1.836.546*
Inventories	8	-	77.137.100
Prepaid Expenses	15	332.708.185	392.561.432
Other Current Assets		1.542.988	522.912
Sub Total		**1.829.167.541**	**2.586.279.640**
Assets Held for Sales	16	410.641	410.641
Non-Current Assets		**16.037.109.153**	**14.004.363.849**
Financial Investments	4	108.953.814	154.913.791
Other Receivables		621.007	170.493
Other Receivables from Third Parties	*7*	*621.007*	*170.493*
Investments accounted using the equity method	*9*	544.975.939	588.472.522
Investment Properties	10	15.380.319.000	13.257.782.816
Property, Plant and Equipment	11	475.679	587.460
Intangible Assets		1.763.714	2.436.767
Other Intangible Assets	*12*	1.763.714	2.436.767
TOTAL ASSETS		**17.866.687.335**	**16.591.054.130**

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

ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

AUDITED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

	Notes	**Audited Current period December 31, 2024**	**Audited Prior period December 31, 2023**
LIABILITIES			
Current Liabilities		**540.289.069**	**346.875.722**
Short term portion of long term liabilities	5	470.246.263	228.657.667
Trade Payables		38.577.629	54.604.255
Trade Payables to Related Parties	*6,27*	*11.372.533*	*8.903.230*
Trade Payables to Third Parties	*6*	*27.205.096*	*45.701.025*
Payables Related to Employee Benefits	14	10.910.196	11.672.111
Other Payables		20.234.262	48.859.417
Other Payables to Third Parties	*7*	*20.234.262*	48.859.417
Deferred Income		320.719	338.570
Other short term liabilities		-	2.743.702
Non-Current Liabilities		**4.002.714.970**	**708.831.058**
Financial Borrowings	5	1.147.382.156	698.179.439
Other Payables		12.164.926	7.844.627
Other Payables to Third Parties	*7*	*12.164.926*	*7.844.627*
Long-term Provisions		4.015.905	2.806.992
Long-term Provisions for Employee Benefits	*14*	*4.015.905*	*2.806.992*
Deferred Tax Liabilities	*25*	*2.839.151.983*	-
EQUITY		**13.323.683.296**	**15.535.347.350**
Equity attributable to parent			
Share Capital	1,17	289.800.000	144.900.000
Adjustments to share capital	1,17	1.539.164.496	1.521.585.362
Treasury stocks (-)	17	(164.494.483)	(164.922.124)
Effect of Mergers Involving Enterprises or Businesses Under Common Control	2.10,9	(75.156.168)	(75.156.168)
Other comprehensive income or expenses that will not be reclassified subsequently to profit or loss		80.215.463	126.087.227
Gain/Loss from Investments in Equity Based Financial Instruments	4	*80.516.362*	*126.380.460*
Gains / losses on revaluation and remeasurement for defined benefit plans		*(300.899)*	*(293.233)*
Other accumulated comprehensive income that will be reclassified to profit or loss		187.339.519	288.629.291
Currency translation difference		*187.339.519*	*288.629.291*
Restricted reserves Appropriated from Profit	17	458.327.320	439.813.639
Prior Years' Profit/Losses	17	10.562.536.233	11.392.815.238
Net Profit/Loss for the Year	26	445.950.916	1.861.594.885
TOTAL LIABILITIES AND EQUITY		**17.866.687.335**	**16.591.054.130**

ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD BETWEEN JANUARY 1 – DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

	Notes	Audited Current Year January 1- December 31, 2024	Audited Prior Year January 1- December 31, 2023
PROFIT AND LOSS			
Revenue	18	311.669.490	410.995.366
Cost of Sales (-)	18	(23.009.348)	(11.600.810)
GROSS PROFIT		**288.660.142**	**399.394.556**
Administrative expenses (-)	19	(69.388.413)	(47.180.908)
Other Income from Operating Activities	21	1.067.622.050	2.280.312.390
Other Expenses from Operating Activities (-)	21	(77.832.330)	(50.946.578)
OPERATING PROFIT		**1.209.061.449**	**2.581.579.460**
Income from Investing Activities	22	3.136.455	62.909.481
Share of (loss)/profit from investments accounted using the equity method	9	162.779.946	28.044.271
OPERATING PROFIT BEFORE FINANCE INCOME/EXPENSE		**1.374.977.850**	**2.672.533.212**
Financing Expenses (-)	23	(226.390.267)	(7.972.851)
Net Financial Position Gains (Losses)	24	(365.800.249)	(802.965.476)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**782.787.334**	**1.861.594.885**
Deferred Tax (Expense)/Income	25	**(336.836.418)**	**-**
Tax Expense/Income from Continuing Operations	**25**	**(336.836.418)**	**-**
PROFIT FOR THE YEAR	**26**	**445.950.916**	**1.861.594.885**
OTHER COMPREHENSIVE INCOME			
Items that will not be Reclassified Subsequently to Profit or Loss			
Gain/Loss from Investments in Equity Based Financial Instruments	4,17	(45.864.098)	(76.091.424)
Gain/Loss on Remeasurement of Defined Benefit Plans	14	(49.581)	529.127
Deferred Tax(Expense) / Income		41.915	-
Shares of Other Comprehensive Income of Investments Valued by Equity Method to be Classified in Profit/Loss	9	(101.289.772)	5.741.397
OTHER COMPREHENSIVE INCOME/(EXPENSE)		**(147.161.536)**	**(69.820.900)**
TOTAL COMPREHENSIVE INCOME		**298.789.380**	**1.791.773.985**
Earnings per share			
Earnings per Share from Continuing Operations	26	**1,6201**	**6,7603**

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

ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

AUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD BETWEEN JANUARY 1 – DECEMBER 31, 2024

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

					Accumulated Other Comprehensive Income or Expenses that will not be Reclassified Subsequently to Profit or Loss		Other comprehensive income and expenses accumulated that will be reclassified in profit or loss	Retained Earnings			
	Share Capital	**Adjustments to Share Capital**	**Treasury shares (-)**	**Effect of Mergers Involving Enterprises or Businesses Under Common Control**	**Gain/Loss from Investments in Equity Based Financial Instruments**	**Accumulated Gain/Loss on Remeasurement of Defined Benefit Plans**	**Currency translation differences**	**Restricted Reserves Appropriated from Profit**	**Prior Years' Profit/ (Losses)**	**Net Profit/ Loss for the Year**	**Total Equity**
Balances as of January 1, 2023 (Opening Balance)	**64.400.000**	**1.435.854.881**	**(161.837.107)**	**(75.156.168)**	**202.471.884**	**(822.360)**	**282.887.894**	**396.562.376**	**10.039.679.426**	**1.795.340.216**	**13.979.381.042**
Transfers	-	-	-	-	-	-	-	40.166.246	1.522.451.310	(1.562.617.556)	-
Total Comprehensive Income / (Expense)	-	-	-	-	(76.091.424)	529.127	5.741.397	-	-	1.861.594.885	1.791.773.985
Capital Increase	80.500.000	85.730.481	-	-	-	-	-	-	(166.230.481)	-	-
Dividends (Note 17)	-	-	11.676.031	-	-	-	-	(11.676.031)	11.676.031	(232.722.660)	(221.046.629)
Increase/(Decrease) Due to Share Buyback Transactions	-	-	(14.761.048)	-	-	-	-	14.761.048	(14.761.048)	-	(14.761.048)
Balances as of December 31, 2023 (Closing balances)	**144.900.000**	**1.521.585.362**	**(164.922.124)**	**(75.156.168)**	**126.380.460**	**(293.233)**	**288.629.291**	**439.813.639**	**11.392.815.238**	**1.861.594.885**	**15.535.347.350**
Balances as of January 1, 2024 (Opening Balance)	144.900.000	1.521.585.362	(164.922.124)	(75.156.168)	126.380.460	(293.233)	288.629.291	439.813.639	11.392.815.238	1.861.594.885	15.535.347.350
Transfers	-	-	-	-	-	-	-	18.941.322	1.834.129.968	(1.853.071.290)	-
Total Comprehensive Income / (Expense)	-	-	-		(45.864.098)	(7.666)	(101.289.772)	-	-	445.950.916	298.789.380
Capital Increase	144.900.000	17.579.134	-	-	-	-	-	-	(162.479.134)	-	-
Dividends (Note 17)	-	-	427.641	-	-	-	-	(427.641)	427.641	(8.523.595)	(8.095.954)
Increase / (Decrease) Due to Other Changes	-	-	-	-	-	-	-	-	(2.502.357.480)	-	(2.502.357.480)
Balances as of December 31, 2024 (Closing Balances)	**289.800.000**	**1.539.164.496**	**(164.494.483)**	**(75.156.168)**	**80.516.362**	**(300.899)**	**187.339.519**	**458.327.320**	**10.562.536.233**	**445.950.916**	**13.323.683.296**

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

ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

AUDITED STATEMENTS OF CHANGES IN CASH FLOWS
FOR THE PERIOD BETWEEN JANUARY 1 – DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

	Notes	**Audited Current period January 1- December 31 2024**	**Audited Prior period January 1- December 31 2023**
A. Cash Flows from Operating Activities		**778.631.146**	**261.156.480**
Profit/Loss for the Year		**445.950.916**	**1.861.594.885**
Adjustments to Reconcile Profit/Loss for the Year		**(615.359.369)**	**(1.978.923.259)**
- Adjustments related to depreciation and amortization expenses	11, 12	893.080	900.245
- Adjustments related to provisions	14	1.595.401	1.251.556
- Adjustments related to interest income and expenses	21	(62.869.874)	(119.504.417)
- Adjustments related to unrealized currency translation differences		(63.638.554)	(531.759.061)
- Adjustments related to gain/loss on fair value	10, 21	(585.748.528)	(1.558.156.700)
- Adjustments for the undistributed losses of investments accounted using the equity method	9	(162.779.946)	(28.044.271)
- Adjustments related to tax (income)/expense	25	336.836.418	-
- Adjustments for Losses (Gains) on Disposal of Non-current Assets Held for Sale or Distribution to Shareholders		-	(690.060)
- Adjustments for Gains and Losses on Monetary Positions		(76.418.942)	257.290.574
- Other Adjustments Related to Profit / (Loss) Reconciliation		(3.228.424)	(211.125)
Changes in working capital		**334.342.432**	**(219.700.399)**
- Adjustments related to increase/decrease in trade receivables	6	119.630.861	(56.573.316)
- Adjustments related to increase/decrease in other receivables from operations	7	(244.761)	(1.726.113)
- Adjustments related to increase/decrease in trade payables	6	(16.026.596)	14.693.038
- Adjustments related to increase/decrease in other payables from operations	7	(24.304.856)	9.064.501
- Adjustments related to other increase /decrease in working capital		255.287.784	(185.158.509)
Cash Generated from Operations		**164.933.979**	**(337.028.773)**
Cash outflows for acquisition of debt instruments	4	(1.493.479.288)	-
Cash inflows from sale of debt instruments	4	2.107.176.455	598.185.253
B. Cash Flows from Investing Activities		**(1.392.538.725)**	**(804.143.230)**
Payments for purchase of property, plant and equipment and intangible assets	11, 12	(108.246)	(18.089)
Payments for investment properties	10	(1.459.650.556)	(904.985.025)
Cash Inflows from Sale of Fixed Assets Held for Sale		-	849.938
Dividends received from other equity investments	9, 22	15.958.178	11.801.659
Interest received		51.261.899	88.208.287
C. Cash flows from financing activities		**719.360.958**	**451.099.430**
Cash Outflows Related to Acquisition of Own Shares and Other Equity Instruments of the Entity		-	(14.761.048)
Cash Inflows from Borrowing	5	1.053.636.000	720.738.827
Cash Outflows Related to Debt Payments	5	(326.179.088)	(30.222.785)
Cash Outflows Related to Lease Contract Debt Payments	5	-	(3.608.935)
Dividends paid	17	(8.095.954)	(221.046.629)
Net Increase/Decrease in Cash and Cash Equivalents Before the Effect of Changes in Foreign Exchange Rates		**105.453.379**	**(91.887.320)**
The Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		67.658.771	9.774.037
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**173.112.150**	**(82.113.283)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3	**222.839.327**	**502.479.317**
Inflation Effect on Cash and Cash Equivalents		(68.495.773)	(197.526.707)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**3**	**327.455.704**	**222.839.327**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

1. Organization and Operations of the Company

The company name of Aletim Alarko Elektrik Tesisat ve İnşaat Malzemeleri Anonim Şirketi founded on June 6, 1978 was changed to Alarko Gayrimenkul Yatırım Ortaklığı Anonim Şirketi (the Company) upon being published in the Turkish Trade Register Gazette dated August 6, 1996 nr 4096. The Company applied to the Capital Markets Board ("CMB" or "Board") on 31 October 1996 for the registration of a document related to share certificates to be issued for the capital increase in its shareholders; and the document was registered by the CMB certificate GYO 1/1552 dated December 31, 1996 in accordance with the Capital Markets Law.

The Company operates as a real estate partnership in accordance with the statements and regulations of the CMB. In this context, the Company invests in real estates, real estate projects, and capital market instruments. Accordingly, the Company acts in accordance with the regulations and legislation of the CMB in its principal activities, investment portfolio policies, and administrative limits.

As of December 31, 2024 and 2023, the shareholders and the shareholding structure of the Company at historic values is as follows:

	December 31, 2024		December 31, 2023	
Shareholders	**Share Rate (%)**	**Share Amount**	**Share Rate (%)**	**Share Amount**
Alarko Holding A.Ş.	16,42	47.568.791	16,42	23.784.396
Alsim Alarko Sanayi Tesisleri ve Tic. A.Ş.	34,78	100.800.460	34,78	50.400.230
Public Offering	48,77	141.336.803	48,77	70.668.401
Other (*)	0,03	93.946	0,03	46.973
Total	**100,00**	**289.800.000**	**100,00**	**144.900.000**

(*) Represents total shareholdings less than 10%.

The company's issued capital of TRY 144,900,000 was increased by TRY 144,900,000, represented by 14,490,000,000 bearer group C shares with a nominal value of 1 Kurus each, raising the total to TRY 289,800,000. It was decided that the entire increased capital would be covered from the 2023 year dividend in accordance with the ordinary general assembly resolution dated May 14, 2024. It was also decided to distribute the bearer group C shares representing the increased capital of TRY 144,900,000, which corresponds to 100% of the current capital, to the shareholders free of charge in accordance with the procedure. An application was made to the Capital Markets Board on July 31, 2024. Necessary permissions regarding the issue document related to the capital increase and the amendment text of the 6th and 7th articles of the Company's Articles of Incorporation were obtained with the Capital Markets Board's decision numbered E-12233903-340.05.05-59327 dated September 4, 2024, and it was registered by the Istanbul Trade Registry Directorate on September 11, 2024.

The difference arising from the inflation adjustment of the nominal capital as of December 31, 2024, and 2023 is TRY 1,539,164,496 and TRY 1,521,585,362, respectively (Note 17 (b)).

The address of the Company's Head Office is Muallim Naci Caddesi, No:69 P.K. 34347 Ortaköy – Beşiktaş/ İstanbul.

The majority of the Company shares belong to Alsim Alarko Sanayi Tesisleri ve Ticaret A.Ş. and 48,77% of the Company shares is traded at the Istanbul Stock Exchange since 1996.

As of December 31, 2024, the average number of employees working for the Company during the year is 12 (December 31, 2023: 13).

The share certificates constituting the Company's share capital are classified in three groups, namely, Group A, Group B, and Group C. Group A share owners are granted the right to nominate four candidates for the Board of Directors and B Group share owners are granted the right to nominate three candidates for the Board of Directors. There are no other rights granted to the shareholders other than the right to nominate candidates for the Board of Directors.

1. Organization and Operations of the Company (continued)

Joint Ventures

In the accompanying individual financial statements, Mosalarko OJSC, a company based in the Russian Federation whose activity is solely real estate, has been accounted for using the equity method with a 100% ownership interest as of December 31, 2024 (December 31, 2023: 100% ownership interest).

Approval of financial statements

Board of Directors has approved the financial statements and delegated authority for publishing it on March 8, 2025. General Assembly has the authority to modify the financial statements.

2.1 Basis of Presentation

Statement of Compliance with TFRS

The accompanying individual financial statements have been prepared in accordance with the provisions of the Capital Markets Board ("CMB") Communiqué No. II-14.1 published in the Official Gazette dated June 13, 2013, and numbered 28676. Based on Article 5 of the Communiqué, the financial statements are prepared in accordance with the Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS/TFRS") issued by the Public Oversight Accounting and Auditing Standards Authority ("KGK") and their related amendments and interpretations. Additionally, they have been presented in accordance with the updated "2019 TFRS" published by KGK on June 2, 2016, with Decision No. 30, along with the changes in TFRS 15 Revenue from Contracts with Customers and TFRS 16 Leases, which were publicly announced on April 15, 2019, and updated in accordance with the 2024 TFRS taxonomy on July 3, 2024.

The financial statements are prepared on a historical cost basis, except for the revaluation of investment properties and the fair value representation of certain financial investments. In determining historical cost, the fair value of the amount paid for the assets is generally taken into account.

The Company is required to prepare its individual financial statements for the interim period ending December 31, 2024, along with consolidated financial statements, in accordance with Articles 6 and 7 of the CMB Communiqué Serial II, No: 14.1 titled "Obligation to Prepare Annual and Interim Financial Reports," starting from the first three-month accounting period of 2022. The Company has prepared these individual financial statements in accordance with TAS 27 "Separate Financial Statements" ("TAS 27")."

Functional Currency

The Company's financial statements are presented in the currency of the primary economic environment in which they operate (functional currency). The Company's valid currency, which is Turkish Lira ("TL") for the financial statements, is expressed.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

2. Basis of Presentation of the Financial Statements (continued)

2.1 Basis of Presentation (continued)

Adjustment of Financial Statements during Hyper-Inflationary Periods

Businesses implementing TFRS, with the announcement made by the Public Oversight Accounting and Audit Standards Authority (POA) on November 23, 2023, have started to apply inflation accounting according to TMS 29 Financial Reporting Standard in High Inflation Economies, from their financial statements for the annual reporting period ending on or after December 31, 2023. TMS 29 is applied in the financial statements of businesses whose valid currency is the currency of a high inflation economy.

The attached financial statements are prepared based on historical cost, except for financial investments measured at fair value and investment properties measured at revalued amounts. All comparative amounts for the current period and previous periods in financial statements have been adjusted for changes in the general purchasing power of the Turkish lira in accordance with TMS 29 and ultimately expressed in the purchasing power of the Turkish lira as of December 31, 2024

In the application of TAS 29, the Company has used the adjustment coefficients obtained according to the Consumer Price Indices (CPI) published by the Turkish Statistical Institute, as directed by the KGK. As of December 31, 2024, the indices and adjustment coefficients used in the correction of the financial statements are as follows:

Date	Index	Three-Year Compound Inflation Rate	Correction Coefficient
31 December 2024	2.684,55	291%	1,00000
31 December 2023	1.859,38	268%	1,44379
31 December 2022	1.128,45	156%	2,37897

In accordance with TAS 29, to make the necessary adjustments in the financial statements, assets and liabilities have been initially classified as monetary and non-monetary, with non-monetary assets and liabilities further subdivided into those measured at current value and those measured at cost.

Monetary items (excluding those linked to an index) and non-monetary items measured at their current values at the end of the reporting period have not been subject to inflation adjustment, as they are already expressed in the current measurement unit as of December 31, 2024. Non-monetary items not expressed in the measurement unit as of December 31, 2024, have been adjusted for inflation using the relevant coefficient. If the recoverable amount or net realizable value of the inflation-adjusted value of non-monetary items exceeds their carrying amount, a reduction in the carrying amount has been made in accordance with the relevant TFRS. Additionally, inflation adjustments have been made for all items in equity components as well as in the profit or loss and other comprehensive income statement.Non-monetary items acquired or assumed before January 1, 2005, when the Turkish Lira was no longer defined as the currency of a high-inflation economy, and equity that was established or occurred before this date have been adjusted according to the changes in the CPI from January 1, 2005, to December 31, 2024.

2. Basis of Presentation of the Financial Statements (continued)

2.2 Adjustments

The accompanying individual financial statements have been prepared in accordance with IFRS and include the following adjustments not reflected in the statutory records:

-Calculation of rediscount on customers
-Depreciation adjustment for property, plant and equipment in accordance with TAS 16
-Retirement pay liability adjustment as per TAS 19
-Valuation of financial assets quoted at the stock exchange by market value
-Provisions for unused vacation days
-The valuation of investment properties at fair value according to TMS 40.
-Valuation of financial assets held to maturity at the cost value amortized as per the effective interest method.
-Accounting of right-of-use asset according to TFRS 16
-Valuation of financial liabilities at amortized cost

2.3 Offsetting

Offsetting financial assets and liabilities can only be made under the conditions where the offsetting transaction is legally allowed and the company has an intention in this respect or where the acquisition of assets and fulfillment of liabilities are realized simultaneously.

2.4 Comparative Information and Adjustment of Prior Period Financial Statements

The accompanying individual financial statements are prepared comparably with the previous period in order to determine the Company's financial position, performance, and trends in cash flows. The statements of financial position as of December 31, 2024, and 2023, along with the related notes, as well as the statements of profit or loss and other comprehensive income, cash flows, and changes in equity for the years ended December 31, 2024, and 2023, are presented comparably.

As explained in Note 2.1, the amounts and comparative information for the previous reporting period are adjusted by applying the general price index to present the comparative financial statements in the currency valid at the end of the reporting period.

2.5 Changes in Accounting Policies

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated. There has been no significant change in the accounting policies of the Company in the current period.

2.6 Changes and Errors in Accounting Estimates

Changes in accounting estimates are applied prospectively; if the change pertains to a single period, it is applied in the current period in which the change is made, and if it pertains to future periods, it is applied in both the period of the change and in future periods. During the current year, the Company's Büyükçekmece land has been transferred from inventory to investment properties.

Significant accounting errors are applied retrospectively and prior period financial statements are restated.

2.7 The New and Revised Turkish Accounting / Financial Reporting Standards

The accounting policies adopted in preparation of the financial statements as of December 31, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Company financial position and performance have been disclosed in the related paragraphs.

2. Basis of Presentation of the Financial Statements (continued)

2.7 The New and Revised Turkish Accounting / Financial Reporting Standards: (continued)

i) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows:

Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16.

The amendments did not have a significant impact on the financial position or performance of the Company.

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose.

The amendments did not have a significant impact on the financial position or performance of the Company.

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8.

The amendments did not have a significant impact on the financial position or performance of the Company.

2. Basis of Presentation of the Financial Statements (continued)

2.7 The New and Revised Turkish Accounting / Financial Reporting Standards: (continued)

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Company will wait until the final amendment to assess the impacts of the changes.

FRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA.

The standard is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

Amendments to TAS 21 - Lack of exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not applicable for the Company and will not have an impact on the financial position or performance of the Company.

iii) The amendments which are effective immediately upon issuance

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

The amendments did not have a significant impact on the financial position or performance of the Company.

2. Basis of Presentation of the Financial Statements (continued)

2.7 New and Revised Turkish Accounting Standards (continued)

iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following two amendments to IFRS 9 and IFRS 7 and Annual Improvements to IFRS Accounting Standards as well as IFRS 18 and IFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company will make the necessary changes to its financial statements after the amendments and new Standard are issued and become effective under TFRS.

I Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment.

The amendments are not applicable for the Company and will not have an impact on the financial position or performance of the Company

Annual Improvements to IFRS Accounting Standards – Volume 11

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11, amending the followings:

-IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter: These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.

- IFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition: The amendments update the language on unobservable inputs in the Standard and include a cross reference to IFRS 13.

-IFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price: IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply derecognition requirement of IFRS 9 and recognise any resulting gain or loss in profit or loss. IFRS 9 has been also amended to remove the reference to 'transaction price".

-IFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent': The amendments are intended to remove the inconsistencies between IFRS 10 paragraphs

- IAS 7 Statement of Cash Flows – Cost Method: The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

2. Basis of Presentation of the Financial Statements (continued)

2.7 New and Revised Turkish Accounting Standards (continued)

iv) Amendments published by the International Accounting Standards Board (IASB) but not published by the Public Oversight Authority (KGK) (continued)

Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments are not applicable for the Company and will not have an impact on the financial position or performance of the Company.

IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19.

The standard is not applicable for the Company.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies

Financial Instruments

Financial assets

The Company measures financial assets, other than trade receivables that do not have a significant financing component, at fair value when initially recognizing them in the financial statements. In cases where trade receivables do not have a significant financing component in accordance with IFRS 15 (or the Company chooses to apply the practical expedient), these receivables are measured at the transaction price (as defined in IFRS 15) when initially recognized in the financial statements.

In the initial measurement of financial assets, other than those whose fair value changes are recognized in profit or loss, transaction costs that can be directly attributed to their acquisition or disposal are also added to or deducted from the fair value. Financial assets that are bought and sold in the ordinary course of business are recorded at the transaction date.

The Company classifies its financial assets based on (a) the business model used by the entity for managing the financial assets, and (b) the characteristics of the contractual cash flows of the financial asset, measuring them subsequently at amortized cost, with fair value changes recognized in other comprehensive income, or with fair value changes recognized in profit or loss. The entity reclassifies all financial assets affected by this change only when it changes the business model used for managing financial assets. Reclassification of financial assets is applied prospectively from the date of reclassification. In such cases, no adjustments are made for previously recognized gains, losses (including impairment gains or losses), or interest in the financial statements.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is to collect the contractual cash flows.

(b) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Interest income on financial assets measured at amortized cost is calculated using the effective interest method. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except for the following:

(a) Financial assets with credit impairment at the time of acquisition or creation. For such financial assets, the entity applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from the date it is first recognized in the financial statements.

(b) Financial assets that do not have credit impairment at the time of acquisition or creation but subsequently become credit-impaired financial assets. For such financial assets, the entity applies the effective interest rate to the amortized cost of the asset in subsequent reporting periods.

In cases where the contractual cash flows of a financial asset have been modified or otherwise restructured, and such modification and restructuring do not result in the derecognition of the financial asset, the gross carrying amount of the financial asset is recalculated, and the restructuring gain or loss is recognized in profit or loss.

In the absence of reasonable expectations for the partial or full recovery of a financial asset's value, the Company derecognizes the financial asset by directly reducing its gross carrying amount.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial assets (continued)

Financial assets whose fair value changes are recognized in other comprehensive income

A financial asset is measured at fair value with changes recognized in other comprehensive income when both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is to collect contractual cash flows and to sell the financial asset.

(b) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding, at specified dates.

Gains or losses arising from a financial asset measured at fair value with changes recognized in other comprehensive income, excluding impairment gains or losses and foreign exchange gains or losses, are recognized in other comprehensive income until the financial asset is derecognized or reclassified. When the financial asset is reclassified, the total gain or loss previously recognized in other comprehensive income is reclassified from equity as a reclassification adjustment to profit or loss on the reclassification date. In the case of reclassification of a financial asset measured at fair value with changes recognized in other comprehensive income, the entity recognizes the total gain or loss previously recognized in other comprehensive income in the financial statements. Interest calculated using the effective interest method is recognized in the financial statements as profit or loss.

Upon initial recognition in the financial statements, the entity may make an irrevocable election to present subsequent changes in the fair value of an equity instrument not held for trading in other comprehensive income.

Financial assets measured at fair value with changes recognized in profit or loss

If a financial asset is not measured at amortized cost or at fair value with changes recognized in other comprehensive income, it is measured at fair value with changes recognized in profit or loss.

Financial assets that are not designated as effective hedging instruments against financial risk, which consist of derivative products, are also classified as financial assets measured at fair value with changes recognized in profit or loss. The relevant financial assets are presented at their fair values, and the gains and losses resulting from the valuation are recognized in the profit or loss statement.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial assets (continued)

Impairment

The company sets aside an allowance for expected credit losses for financial assets measured at amortized cost and for financial assets measured at fair value with changes recognized in other comprehensive income.

The entity applies impairment provisions when recognizing and measuring the allowance for financial assets measured at fair value with changes recognized in other comprehensive income. However, the allowance is recognized in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

If the credit risk of a financial instrument has significantly increased since its initial recognition in the financial statements, the entity measures the allowance for that financial instrument at an amount equal to the lifetime expected credit losses at each reporting date.

At the reporting date, if there has not been a significant increase in credit risk since the initial recognition of a financial instrument, except for financial assets that have credit impairment at the time of purchase or creation, the entity measures the allowance for that financial instrument at an amount equal to the 12-month expected credit losses. At the reporting date, the entity recognizes only the total changes in lifetime expected credit losses as an allowance in the financial statements for financial assets that have credit impairment at the time of purchase or creation since their initial recognition.

The company calculates the allowances for trade receivables, contract assets, and lease receivables using the simplified approach, always measuring them at an amount equal to the lifetime expected credit losses.

Financial Liabilities

The entity measures a financial liability at its fair value upon initial recognition in the financial statements. In the initial measurement of liabilities, other than those whose fair value changes are recognized in profit or loss, transaction costs that can be directly attributed to the acquisition or issuance of the liability are also added to the fair value.

The entity classifies all of its financial liabilities measured at amortized cost in subsequent accounting, except for the following:

a) Financial liabilities for which fair value changes are recognized in profit or loss: These liabilities, including derivative instruments, are measured at fair value in subsequent accounting.

b) Financial liabilities arising when the transfer of a financial asset does not meet the derecognition criteria or when the continuing involvement approach is applied: If the company continues to recognize an asset to the extent of its continuing involvement, it also reflects a corresponding liability in the financial statements. The transferred asset and the associated liability are measured in a way that reflects the rights and obligations the entity continues to hold. The liability related to the transferred asset is measured using the same method as the net book value of the transferred asset.

c) In a business combination to which IFRS 3 applies, the contingent consideration recognized by the acquiring entity in the financial statements: After its initial recognition in the financial statements, changes in the fair value of such contingent consideration are measured by recognizing them in profit or loss.

The entity does not reclassify any financial liabilities.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Recognition and derecognition of financial assets and liabilities

The company recognizes financial assets and liabilities only when it is a party to the contract of the financial instruments. The company derecognizes the financial asset when the contractual rights to the cash flows of the financial asset expire or when it transfers the financial asset and all the risks and rewards of ownership of that asset to another party. In cases where all the risks and rewards of ownership of the asset have not been transferred to another party and the control of the asset is retained by the company, the company continues to recognize its remaining interest in the asset and the liabilities arising from that asset that are due for payment. If the company retains all the risks and rewards of ownership of a transferred asset, it continues to recognize the financial asset, and an amount of liability secured against the transferred financial asset is also recognized for the income generated.

The company derecognizes a financial liability only when the obligation defined in the contract is discharged, canceled, or expires.

Related Parties

Related parties are individuals or entities that are related to the reporting entity that prepares the financial statements.

a) A person or a member of that person's close family is considered related to the reporting entity in the following situations. The person in question,

   (i) When having control or joint control over the reporting entity,
   (ii) When having significant influence over the reporting entity,
   (iii) In the case of being a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b) The entity is considered related to the reporting entity if any of the following conditions exist:

   (i) If the entity and the reporting entity are members of the same group (i.e., each parent, subsidiary, and other related entities are related to each other)
   (ii) If the entity is a subsidiary or joint venture of another entity (or a member of a group of which the other entity is also a member)
   (iii) If both entities are joint ventures of the same third party.
   (iv) If one of the entities is a joint venture of a third entity and the other entity is a subsidiary of that third entity.
   (v) If the entity has benefit plans provided after termination for the employees of the reporting entity or an entity related to the reporting entity. If the reporting entity itself has such a plan, the sponsoring employers are also related to the reporting entity.
   (vi) If the entity is controlled or jointly controlled by a person defined in paragraph (a).
   (vii) If a person defined in subparagraph (i) of paragraph (a) has significant influence over the entity or is a member of the key management personnel of the entity (or the parent of the entity).

A transaction with a related party is the transfer of resources, services, or obligations between the reporting entity and a related party, regardless of whether it is for consideration.

Within the scope of this report, the company's partners, Alarko Holding A.Ş., and Alarko Holding Group Companies, along with their managers, as well as other companies controlled by or related to these companies, are considered related parties.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Inventories

Inventories are valued at the lower of cost or net realizable value. Net realizable value is obtained by deducting the estimated costs of completion and the estimated costs necessary to make the sale from the estimated selling price arising from ordinary business activities. When the net realizable value of inventories falls below their cost, the inventories are written down to their net realizable value, and the impairment loss is recognized as an expense in the profit or loss statement for the year in which the impairment occurs. In cases where the conditions that led to the write-down of inventories to net realizable value cease to exist or where an increase in net realizable value is evidenced due to changing economic conditions, the recognized impairment loss is reversed. The reversed amount is limited to the previously recognized impairment loss amount.

Investment Properties

Investment properties are real estate held to earn rentals and/or for capital appreciation, and they are initially measured at cost, including transaction costs. After initial recognition, investment properties (including those under construction) are valued at fair value reflecting market conditions as of the balance sheet date. Gains or losses arising from changes in the fair value of investment properties are included in the profit or loss statement for the period in which they occur.

Investment properties are derecognized when they are sold or when they become unusable, and it is determined that no future economic benefits will be derived from their sale. Gains or losses arising from the disposal of an investment property or the completion of its useful life are included in the profit or loss statement for the period in which they occur.

Transfers occur when there is a change in the use of investment properties. In a transfer from an investment property measured at fair value to a property used by the owner, the estimated cost in the accounting treatment after the transfer is the fair value of the property at the date the change in use occurs. If a property used by the owner is converted into an investment property to be measured at fair value, the entity applies the accounting policy for "Property, Plant, and Equipment" until the date the change in use occurs. The transfer of a property classified under inventories is only carried out if there is a change in its use status, and in a transfer from inventories to investment properties to be measured at fair value, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognized as profit or loss in the financial statements.

Property, plant, and equipment

Property, plant, and equipment are presented at their adjusted cost amounts in accordance with TAS 29, less accumulated depreciation and, if applicable, impairment losses. The initial entry dates of the assets have been considered in adjusting the property, plant, and equipment to reflect the purchasing power of the Turkish Lira as of the reporting date. Depreciation for property, plant, and equipment has been allocated using the normal depreciation method based on the inflation-adjusted amounts and the estimated useful lives of the assets. The information regarding the depreciation rates of the assets is as follows:

	Economic Lifetime
Machinery, Plant and Equipment	4 – 5 Years
Furniture and fixtures	4 – 16 Years
Other tangible fixed assets	5 Years

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Property, plant, and equipment (continued)

Maintenance and repair expenses are recognized as expenses when incurred. If the maintenance and repair expense results in an expansion or a noticeable improvement of the related asset, it is capitalized.

If the carrying amount of a tangible fixed asset is higher than its estimated recoverable amount, the carrying amount is reduced to the recoverable amount.

The profit or loss arising from the sale of fixed assets is determined by comparing the adjusted amounts with the amounts collected, and it is reflected in the relevant income or expense accounts for the current period.

Intangible Assets

Intangible assets have been presented by deducting accumulated amortization and, if applicable, impairment from the adjusted cost amounts in accordance with TMS 29. The initial entry dates of the assets have been considered in adjusting intangible assets to reflect the purchasing power as of the reporting date. Intangible assets have been amortized based on the adjusted amounts according to inflation accounting and the rates specified below:

	Economic Lifetime
Other Intangible Assets	2 – 33 Years
Rights	3 – 32 Years

Effects of Exchange Rate Changes

Foreign Currency Transactions and Balances

The financial statements of each business unit of the Company have been presented in the functional currency, which is the currency valid in the economic environment in which they operate. The financial position and performance results of each business unit are expressed in TL, which is the Company's functional currency and the presentation currency for the financial statements.

During the preparation of the financial statements of the business, transactions conducted in foreign currencies (currencies other than TL) are recorded based on the exchange rates on the transaction date. Monetary assets and liabilities indexed to foreign currencies in the balance sheet are converted to Turkish Lira using the exchange rates valid at the balance sheet date. Non-monetary items measured at fair value that are recorded in foreign currencies are converted to TL based on the exchange rates on the date when fair value is determined. Non-monetary items in foreign currencies measured at historical cost are not subject to retranslation. The foreign exchange gains or losses arising from the conversion of transactions in foreign currencies to TL or from the expression of monetary items are reflected in the profit or loss and other comprehensive income statement for the relevant period.

Impairment of Tangible Assets and Intangible Assets Excluding Goodwill

The Company examines the carrying amount of its tangible and intangible assets to determine whether there is any impairment in its assets at each reporting date. In the event of impairment, the recoverable amount of the assets, if applicable, is measured to determine the impairment loss. In cases where the recoverable amount of an asset cannot be measured, the Company measures the recoverable amount of the cash-generating unit associated with the asset. If a reasonable and consistent allocation basis can be established, the Company allocates assets to cash-generating units. In cases where this is not possible, the Company allocates assets to the smallest cash-generating units to establish a reasonable and consistent allocation basis.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Impairment of Tangible Assets and Intangible Assets Excluding Goodwill (continued)

Intangible assets with an indefinite useful life that are not ready for use are tested for impairment at least once a year or whenever there is an indication of impairment. The recoverable amount is the higher of the fair value less costs of disposal and the value in use of an asset or cash-generating unit. The value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

In calculating the value in use, a pre-tax discount rate is used that reflects the current market assessment of the time value of money and the asset-specific risks that are not considered in the forecasts of future cash flows.

In cases where the recoverable amount of an asset (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. If the relevant asset is not measured at revalued amounts, the impairment loss is recognized directly in profit or loss. In this case, the impairment loss is considered as a decrease in the revaluation amount.

When the reversal of an impairment loss is considered in subsequent periods, the carrying amount of the asset (or the relevant cash-generating unit) is increased to reflect the updated estimated amount for the recoverable amount. The increased carrying amount should not exceed the carrying amount that would have been determined for the asset (or the relevant cash-generating unit) had no impairment loss been recognized in prior periods. Unless the asset is presented at a revalued amount, the reversal of the impairment loss is recognized directly in profit or loss. The reversal of an impairment loss for a revalued asset is considered as a revaluation increase.

Taxes Calculated on Corporate Income

Corporate Tax

According to Article 5/1(d)(4) of the Corporate Tax Law No. 5520, the gains obtained from real estate investment trusts are exempt from corporate tax. With Law No. 7524, as of January 1, 2025, specific conditions have been introduced for the corporate tax exemption applicable to the profits of real estate investment trusts (REITs). Accordingly, when at least 50% of the gains obtained from real estate are distributed as dividends, a tax rate of 10% will be applied to the corporate income. Therefore, the tax rate of 30%, which is applicable to undistributed profits, will be used in the calculation of current taxes and deferred tax assets and liabilities.

Deferred Tax

Due to tax legislation, as of December 31, 2024, the taxable or deductible temporary differences reflected in the financial statements have been multiplied by the tax rate of 30%, which will be applicable in the period following January 1, 2025, to calculate the deferred tax liability or asset. In accordance with the letter titled "Reporting of Tax Amounts in Real Estate Investment Trusts and Real Estate Investment Funds" sent to real estate investment trusts by the Public Oversight Authority on February 12, 2025, the deferred tax liability arising from the legislative change in the financial statements as of December 31, 2024, is reflected under equity as retained earnings or losses for the effects related to the year 2023 and prior, while the effects related to the year 2024 are reflected in the profit or loss statement.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Employee Benefits

Provision for Severance Payment:

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per TAS 19 (Revised) Employee Benefits ("TAS 19").

The retirement benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation. The actuarial gains and losses are recognized in other comprehensive income.

Profit-sharing and bonus plans:

The Company recognizes a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Revenue

Sales consist of sales revenue generated from real estate sold and rents received from property held for investment purposes. Sales are accounted for by the accrual principle, calculated over the fair value of prospect or realized income upon services provided, reliable determination of the income amount, and potential economic benefits to flow to the Company in relation to the subject transaction.

Rent income from investment properties

Rental income from real estates is accounted on an accrual basis linearly throughout the relevant lease agreement. If the Company has benefits for its tenants, they are recorded in a way to reduce rental income during the lease period.

Revenue from real estate sales

The real estate promised in accordance with the revenue contract is transferred to the customer and it is included in the financial statements when the performance obligation determined in the contract is fulfilled. When the control of the property is in the hands of the customer, the real estate is transferred.

Dividend and interest income:

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Earnings per Share

Earnings per share is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Companies in Turkey can increase their share capital through distributing shares (bonus shares) from retained earnings and differences arising from inflation adjustment of equity to their current shareholders. When calculating profit/(loss) per share, these bonus shares are recognized as issued shares. Therefore, the weighted average of shares used in the calculation of profit/(loss) per share is derived through retroactive application with respect to bonus shares.

Events After the Reporting Period

Events after the reporting period are those events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information.

The Company adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date.

Assets Held for Sale

Assets held for sale are classified as held for sale and depreciation is stopped when their carrying amount is recovered as a result of a sale transaction rather than through use. Assets held for sale are valued at the lower of their book values and their fair values less selling expenses.

Conditional Assets and Liabilities

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

Contingent liabilities are assessed continually to determine whether an outflow of resources comprising economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously treated as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs except in the extremely rare circumstances where no reliable estimate can be made.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Statement of Cash Flows

In the statement of cash flows, current period cash flows are classified as principal activities, investing activities, and financing activities, and reported accordingly.

Share Capital and Dividends

Common shares are classified as equity. Dividends on common shares are recognized in equity in the period in which they are approved and declared.

2. Basis of Presentation of the Financial Statements (continued)

2.8 Summary of Significant Accounting Policies (continued)

Supplementary note: Control of Compliance to Portfolio Limitations

The information contained in this note (Note 34) is derived from the financial statements and is summarized in accordance with Article 16 of the II-14.1 "Communiqué on Principles of Financial Reporting in the Capital Markets." It has been prepared within the framework of the provisions regarding the compliance with portfolio restrictions set forth in the Communiqué Series: III, No: 48.1 "Principles Regarding Real Estate Investment Trusts."

2.9 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

Fair values of investment properties

In the financial statements, the key assumptions used in the appraisal reports for determining the fair value of properties classified as investment properties are specified in Note 10. The valuations for the year 2024 were conducted by Reel Gayrimenkul Değerleme A.Ş., while the valuations for the year 2023 were carried out by TSKB Gayrimenkul Değerleme A.Ş. and Reel Gayrimenkul Değerleme A.Ş.

2.10 Going Concern

The financial statements have been prepared on the basis of the going concern assumption, under the premise that the Company will benefit from its assets and fulfill its liabilities in the natural course of its operations over the next year.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

3. Cash and Cash Equivalents

The details of the cash and cash equivalents as at December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Cash at banks	3.437.959	1.001.557
TL Demand deposits	3.437.959	1.001.260
Demand deposit in foreign currency	-	297
Liquid funds	324.017.745	221.837.770
Total (Note 28 (i))	**327.455.704**	**222.839.327**

The Company has no time deposits as of December 31, 2024 and 2023.

The Company has no blocked deposits at banks as of December 31, 2024 and 2023.

4. Financial Assets

As of December 31, 2024 and 2023, breakdown of the Company's financial assets is as follows:

Short-term financial assets disclosed at amortized cost:

	December 31, 2024			December 31, 2023		
Currency	Book Value (TL)	Interest Rate	Maturity	Book Value (TL)	Interest Rate	Maturity
US Dollar Eurobond (*)	-	-	-	714.147.217	%2,88	22 March 2024
Total	**-**			**714.147.217**		

Short-terim financial assets disclosed at fair value:

	December 31, 2024			December 31, 2023		
Currency	Book Value (TL)	Interest Rate	Maturity	Book Value (TL)	Interest Rate	Maturity
US Dollar Eurobond (*)	798.035.876	% 2,13	March 13, 2025	46.278.201	% 3,18	10 Şubat 2024
US Dollar Eurobond (*)	-	-	-	703.282.896	% 3,18	10 Ağustos 2024
Other Marketable Securities (**)	59.658.908	%2,75	January 28, 2025	-	-	-
Total	**857.694.784**			**749.561.097**		

(*) As at 31 December 2024, financial assets carried at amortised cost and fair value consist of Eurobonds with coupon payment date March 13, 2025 (December 31, 2023 - Eurobonds with coupon payment dates February 10, 2024, March 22, 2024 and August 10, 2024).

(**) Repo in foreign currency.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

4. Financial Assets (continued)

Financial Assets of which fair value difference reflected on Other Comprehensive Income:

	December 31, 2024		December 31, 2023	
	Participation Rate (%)	**Amount (TL)**	**Participation Rate (%)**	**Amount (TL)**
Alsim Alarko Sanayi Tesisleri ve Tic. A.Ş.(*)	-	29.309	-	29.309
Alarko Enerji A.Ş. (*)	-	-	-	11.119
Alarko Konut Projeleri Geliştirme A.Ş.(*)	-	-	-	2.645
Alarko Holding A.Ş. (*)	-	108.924.505	-	154.870.718
Total	**-**	**108.953.814**	**-**	**154.913.791**

(*) Participation rate is lower than 1%.

As of December 31, 2024, and 2023, the participation amount in Alarko Holding A.Ş. is valued at the best buying price among the current orders pending in Borsa Istanbul A.Ş., which is presumed to be close to its fair value. The Company tracks increases or decreases resulting from fair value valuation in the "Other Comprehensive Income or Expenses that Will Not Be Reclassified to Profit or Loss" under the Equity account in its financial statements. Accordingly, as of December 31, 2023, an appreciation of 126,380,460 TRY, and as of December 31, 2024, a depreciation of 45,946,213 TRY resulted in a total appreciation of 82,115 TRY (Note 17(c)).

The participation amounts in Alarko Residential Projects Development A.Ş., Alarko Energy A.Ş. and Alsim Alarko Industrial Facilities and Trade A.Ş. have been valued on their adjusted cost basis as they do not have a traded price on an organized market and their fair value cannot be reliably determined.

5. Borrowings

As of December 31, 2024 and 2023, Company's short-term borrowings are as follows:

	December 31, 2024	December 31, 2023
Short term portion of long term liability	470.246.263	228.657.667
Total (Note 28(ii))	**470.246.263**	**228.657.667**

As of December 31, 2024 and 2023, Company's long-term borrowings are as follows:

	December 31, 2024	December 31, 2023
Long term liability	1.147.382.156	698.179.439
Total (Note 28(ii))	**1.147.382.156**	**698.179.439**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

5. Borrowings (continued)

As of December 31, 2024 and 2023, the maturity dates and interest rates of short-term financial debts are as follows:

December 31, 2024	**Maturity**	**Effective interest rate**	**Original Currency**	**Exchange Rate**	**Currency**	**Amount**
Bank loans	18.02.2025 - 15.12.2025	%10,00-%36,00	202.657.119	-	TL	202.657.119
Bank loans	27.06.2025 - 26.12.2025	%6,21	7.270.970	36,8024	Euro	267.589.144
Total						**470.246.263**

December 31, 2023	**Maturity**	**Effective interest rate**	**Original Currency**	**Exchange Rate**	**Currency**	**Amount**
Bank loans	19.02.2024 - 16.12.2024	%10,00-%36,00	228.657.667	-	TL	228.657.667
Total						**228.657.667**

As of December 31, 2024 and 2023, the maturity dates and interest rates of long-term financial debts are as follows:

December 31, 2024	**Maturity**	**Effective interest rate**	**Original Currency**	**Exchange Rate**	**Currency**	**Amount**
Bank loans	18.02.2026 - 15.12.2032	%10,00-%36,00	420.629.230	-	TL	420.629.230
Bank loans	26.06.2026 - 28.06.2029	%6,21	19.747.433	36,8024	Euro	726.752.926
Total						**1.147.382.156**

December 31, 2023	**Maturity**	**Effective interest rate**	**Original Currency**	**Exchange Rate**	**Currency**	**Amount**
Bank loans	18.02.2025 - 18.08.2033	%10,00-%36,00	698.179.439	-	TL	698.179.439
Total						**698.179.439**

As of December 31, 2024 and 2023, the distribution of short and long-term financial liabilities according to their maturities is as follows:

	Bank Loans December 31, 2024	Bank Loans December 31, 2023
Within 1 year	470.246.263	228.657.667
1 – 2 Years	378.620.388	213.223.870
2 – 3 Years	309.010.860	155.135.370
3 – 4 Years	255.775.916	108.743.304
4 years and above	203.974.992	221.076.895
Total	**1.617.628.419**	**926.837.106**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

5. Borrowings (continued)

Movement of financial liabilities as of December 31, 2024 and 2023 is as follows:

	Bank Loans
Opening balance, January 1, 2024	926.837.106
Used amounts	1.053.636.000
Interest accruals	198.552.609
Principal payments	(128.731.891)
Interest payments	(197.447.197)
Effective interest rate effect	1.425.472
Adjustments related to unrealized exchange rate differences.	48.245.100
Monetary gain (loss)	(284.888.780)
Closing balance, December 31, 2024	**1.617.628.419**

	Bank Loans	Lease liabilities	Total
Opening balance, January 1, 2023	298.196.764	5.415.755	303.612.519
Used amounts	720.738.827	-	720.738.827
Interest accruals	57.767.522	322.136	58.089.658
Principle payments	-	(3.310.945)	(3.310.945)
Interest payments	(30.222.785)	(297.990)	(30.520.775)
Effective interest rate effect	(2.420.834)	-	(2.420.834)
Monetary gain/loss	(117.222.388)	(2.128.956)	(119.351.344)
Closing balance, December 31, 2023	**926.837.106**	**-**	**926.837.106**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

6. Trade Receivables and Payables

The details of the Company's trade receivables as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Trade receivables from third parties(Note 28(i))	1.184.704	1.248.463
Trade receivables from related parties (Note 27(a) and 28(i))	306.950.383	426.425.546
Total	**308.135.087**	**427.674.009**

The average collection period on trade receivable is between 5 - 10 days (2023: 5 – 10 days).

As of 31 December 2024 and 2023, there is no doubtful receivable provision.

The details of the Company's trade payables as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Trade payables to third parties(Note 28(ii))	27.205.096	45.701.025
Trade payables to related parties (Note 27 (a) and 28 (ii))	11.372.533	8.903.230
Total	**38.577.629**	**54.604.255**

The average turnover day for trade payables is 15 days (2023: 15 days).

7. Other Receivables and Payables

	December 31, 2024	December 31, 2023
Other miscellaneous receivables	1.630.793	1.836.546
Total (Note 28 (i))	**1.630.793**	**1.836.546**

The details of the Company's other long-term receivables as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Deposits and guarantees given	621.007	170.493
Total (Note 28 (i))	**621.007**	**170.493**

The details of the Company's other short-term liabilities as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
VAT Payables	19.656.539	48.560.020
Other Miscellaneous payables	577.723	299.397
Total Total (Note 28 (ii))	**20.234.262**	**48.859.417**

The details of the Company's other long-term liabilities as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Deposits and guarantees received	12.164.926	7.844.627
Total Total (Note 28 (ii))	**12.164.926**	**7.844.627**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

8. Inventories

As of December 31, 2024 and 2023, inventories consist of real estate held for trading as detailed below:

	December 31, 2024				**December 31, 2023**			
	Restated Book Value (TL)	**Sales Value (TL)**	**Expertise Value (TL)**	**Expertise Date**	**Restated Book Value (TL)**	**Sales Value (TL)**	**Expertise Value (TL)**	**Expertise Date**
Land in Büyükçekmece								
Land Cost (3 Parcel Lots)	-	-	-	-	77.137.100	-	979.451.147	December 29, 2023
Total	**-**	**-**	**-**		**77.137.100**	**-**	**979.451.147**	

Land in Büyükçekmece: There are 3 parcels of land with a total area of 622.651 m². According to the valuation report dated 29 December 2023 the market approach and income approach (discounted cash flow) were used in determining the appraisal value, and the market approach was taken into account from these methods.

As of December 31, 2023, the Company's real estate held for trading have been valued by Reel Gayrimenkul Değerleme A.Ş.

(*) As of 31 December 2024, Büyükçekmece Land has been transferred from inventories to investment properties

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

9. Investments Accounted Using the Equity Method

Investments valued according to the equity method are as follows:

	Partnership Share %	Partnership Amount as of December 31, 2024	Partnership Share %	Partnership Amount as of December 31, 2023
Mosalarko A.O.	100	544.975.939	100	588.472.522
Total		**544.975.939**		**588.472.522**

Movements of investments accounted for using the equity method are as follows:

	December 31, 2024	December 31, 2023
Opening balance	588.472.522	745.191.223
Period profit	162.779.946	28.044.271
Dividens received	(12.821.723)	(11.020.544)
Other compherensive income	(101.289.772)	5.741.397
Monetary gain (loss)	(92.165.034)	(179.483.825)
Closing balance	**544.975.939**	**588.472.522**

The summary information of the financial statements of the investments valued by the equity method is as follows:

								December 31, 2024
	Cash and cash equivalent	Other current assets	Investment Properties	Other non-current assets	Total assets	Other current liabilities	Other non-current liabilities	Total liabilities
Mosalarko A.O.	20.206.868	14.953.145	653.375.587	7.265.211	695.800.811	18.596.409	133.106.478	151.702.887

								December 31, 2023
	Cash and cash equivalent	Other current assets	Investment Properties	Other non-current assets	Total assets	Other current liabilities	Other non-current liabilities	Total liabilities
Mosalarko A.O.	27.541.947	20.903.261	690.714.629	11.198.587	750.358.424	26.552.200	141.309.142	167.861.342

			December 31, 2024			**December 31, 2023**
	Revenue	Net profit	Other compherensive income	Revenue	Net profit	Other compherensive income
Mosalarko A.O.	59.260.369	162.779.946	(101.289.772)	61.811.420	28.044.271	5.741.397

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

10. Investment Properties

Investment properties are as given below:

Fair Value	Investment Properties
As of January 1, 2023	10.794.641.091
Additions (*)	104.140.692
Additions (**)	800.844.333
Net gain from fair value adjustments (Note 21)	1.558.156.700
As of December 31, 2023	**13.257.782.816**
As of January 1, 2024	13.257.782.816
Additions (*)	27.242.122
Additions (**)	1.432.408.434
Transfer	77.137.100
Net gain from fair value adjustments (Note 21)	585.748.528
As of December 31, 2024	**15.380.319.000**

As of December 31, 2024 and 2023, the total amount of insurance on investment properties is TL 4.717.395.525 and TL 4.348.209.416, respectively (Note 33).

(*) Investments made for Hillside Beach Club Holiday Village.

(**) Investments made for Bodrum Hotel.

As of December 31, 2024, the market values of investment properties are as follows:

	December 31, 2024	
Name of Real Estate	Date of Expertise Report	Market Value (TL)
Hillside Beach Club Holiday Village	December 31, 2024	7.700.000.000
Bodrum Hotel	December 31, 2024	4.432.410.000
Land in Büyükçekmece(*)	December 31, 2024	947.577.000
Land in Maslak	December 31, 2024	845.900.000
Eyüp Topçular – Factory	December 31, 2024	600.000.000
Etiler Alkent Sitesi – Shops	December 31, 2024	511.848.000
İstanbul Karaköy Business Center	December 31, 2024	170.920.000
Büyükçekmece Alkent 2000 – Shops	December 31, 2024	103.704.000
Ankara Çankaya Business Center	December 31, 2024	67.960.000
Total		**15.380.319.000**

(*) Büyükçekmece Land has been transferred from inventories to investment property as of 31 December 2024 as there is no project development planned on it in the near future.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

10. Investment Properties (continued)

As of December 31, 2024, the market values of investment properties are as follows (continued):

Name of Real Estate	Valuation Methods Used	Basis of Valuation Method
Hillside Beach Club Holiday Village	Income Reduction, Cost Analysis	Income Reduction
Bodrum Hotel	Cost Analysis, Income Reduction	Cost Approach
Land in Büyükçekmece	Comparable Comparison, Income Reduction	Comparable Comparison
Land in Maslak	Comparable Comparison	Comparable Comparison
Eyüp Topçular – Factory	Cost Analysis, Comparable Comparison	Cost Approach
Etiler Alkent Sitesi – Shops	Comparable Comparison, Income Reduction	Income Reduction
İstanbul Karaköy Business Center	Comparable Comparison	Comparable Comparison
Büyükçekmece Alkent 2000 – Shops	Comparable Comparison, Income Reduction	Income Reduction
Ankara Çankaya Business Center	Comparable Comparison, Income Reduction	Comparable Comparison

As of December 31, 2023, the market values of investment properties are as follows:

	December 31, 2023	
Name of Real Estate	Date of Expertise Report	Market Value (TL)
Hillside Beach Club Holiday Village	December 29, 2023	7.392.193.097
Bodrum Hotel	December 29, 2023	3.626.390.477
Etiler Alkent Sitesi – Shops	December 29, 2023	509.368.306
Büyükçekmece Alkent 2000 – Shops	December 29, 2023	98.235.316
Eyüp Topçular – Factory	December 29, 2023	600.615.689
Ankara Çankaya Business Center	December 29, 2023	63.815.417
İstanbul Karaköy Business Center	December 29, 2023	157.084.103
Land in Maslak	December 29, 2023	810.080.411
Total		**13.257.782.816**

Name of Real Estate	Valuation Methods Used	Basis of Valuation Method
Investment Properties (continued)		
Hillside Beach Club Holiday Village	Income Capitalization, Cost Analysis	Income Capitalization
Bodrum Hotel	Sales Comparison, Cost Analysis	Cost Analysis
Etiler Alkent Sitesi – Shops	Sales Comparison, Income Capitalization	Income Capitalization
Büyükçekmece Alkent 2000 – Shops	Sales Comparison, Income Capitalization	Income Capitalization
Eyüp Topçular – Factory	Sales Comparison, Cost Analysis	Cost Analysis
Ankara Çankaya Business Center	Sales Comparison, Income Capitalization	Sales Comparison
İstanbul Karaköy Business Center	Sales Comparison, Income Capitalization	Income Capitalization
Land in Maslak	Sales Comparison	Sales Comparison

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

10. Investment Properties (continued)

As of December 31, 2024, the fair value of the Company's investment properties has been determined by Reel Gayrimenkul Değerleme A.Ş., an independent valuation company. As of December 31, 2023, the fair value of the Company's investment properties has been determined by Reel Gayrimenkul Değerleme A.Ş. and TSKB Gayrimenkul Değerleme A.Ş., both of which are independent valuation companies. The valuation companies are authorized by the Capital Markets Board (SPK) and provide real estate valuation services in accordance with capital market regulations, possessing sufficient experience and qualifications in the fair value measurement of properties in the relevant regions.

Main assumptions for sales comparison method of investment properties in related valuation reports and used by the Company are as follows:

Precedent square meter value	December 31, 2024	December 31, 2023
Land	1.400-44.610	42.722
Buildings	40.500-217.000	38.029-223.527

As of December 31, 2024, the fair value hierarchy of the Company's investment properties and the related assets are shown in the following table:

	December 31, 2024	Level 1 TL	Level 2 TL	Level 3 TL
Hillside Beach Club Holiday Village	7.700.000.000	-	-	7.700.000.000
Bodrum Hotel	4.432.410.000	-	4.432.410.000	-
Etiler Alkent Sitesi – Shops	511.848.000	-	-	511.848.000
Büyükçekmece Alkent 2000 – Shops	103.704.000	-	-	103.704.000
Eyüp Topçular – Factory	600.000.000	-	600.000.000	-
Ankara Çankaya Business Center	67.960.000	-	67.960.000	-
İstanbul Karaköy Business Center	170.920.000	-	170.920.000	-
Land in Büyükçekmece	947.577.000	-	947.577.000	-
Land in Maslak	845.900.000	-	845.900.000	-
Total	**15.380.319.000**	-	**7.064.767.000**	**8.315.552.000**

As of December 31, 2023, the fair value hierarchy of the Company's investment properties and the related assets are shown in the following table:

	December 31, 2023	Level 1 TL	Level 2 TL	Level 3 TL
Hillside Beach Club Holiday Village	7.392.193.097	-	-	7.392.193.097
Bodrum Hotel	3.626.390.477	-	3.626.390.477	-
Etiler Alkent Sitesi – Shops	509.368.306	-	-	509.368.306
Büyükçekmece Alkent 2000 – Shops	98.235.316	-	-	98.235.316
Eyüp Topçular – Factory	600.615.689	-	600.615.689	-
Ankara Çankaya Business Center	63.815.417	-	63.815.417	-
İstanbul Karaköy Business Center	157.084.103	-	157.084.103	-
Land in Maslak	810.080.411	-	810.080.411	-
Total	**13.257.782.816**	-	**5.257.986.097**	**7.999.796.719**

The movement of investment properties valuated at level 3 from beginning of the period to end of the period is as follows:

	December 31, 2024	December 31, 2023
Openning Balance	7.999.796.719	6.825.744.038
Total loss / gain - profit /loss projected	288.513.159	1.188.479.912
Transfers	-	(118.567.923)
Realized	27.242.122	104.140.692
Closing Balance	8.315.552.000	7.999.796.719

As of December 31, 2024, the rental income generated from investment properties is 305,470,836 TL (December 31, 2023 – 407,259,768 TL). The related rental income is presented within revenue in the statement of profit or loss and other comprehensive income (Note 18).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

11. Property, Plant and Equipments

As of December 31, 2024, property, plant and equipments are as follows:

Cost;	Opening January 1, 2024	Addition	Disposal	Closing December 31, 2024
Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	1.682.076	60.166	-	1.742.242
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal	2.426.859	60.166	-	2.487.025
Accumulated Depreciation;				
Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	1.094.616	171.947	-	1.266.563
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal (Note 20)	1.839.399	171.947	-	2.011.346
Net Book Value	587.460	-	-	475.679

As of December 31, 2023, property, plant and equipments are as follows:

Cost ;	Opening January 1, 2023	Addition	Disposal	Closing December 31, 2023
Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	1.682.076	-	-	1.682.076
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal	2.426.859	-	-	2.426.859
Accumulated Depreciation ;				
Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	919.378	175.238	-	1.094.616
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal (Note 20)	1.664.161	175.238	-	1.839.399
Net Book Value	762.698	-	-	587.460

All depreciation expenses are included in general administrative expenses.

As of December 31, 2024, and 2023, the total insurance amount on tangible fixed assets is 815,243 TL and 1,057,420 TL, respectively (Note 33).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

12. Intangible Assets

As of December 31, 2024, intangible assets are as follows:

Cost;	Opening January 1, 2024	Addition	Disposal	Closing December 31, 2024
Rights	714.840	-	-	714.840
Other Intangible Assets	6.634.751	48.080	-	6.682.831
Subtotal	7.349.591	48.080	-	7.397.671
Accumulated amortization;				
Rights	654.713	12.008	-	666.721
Other Intangible Assets	4.258.111	709.125	-	4.967.236
Subtotal (Note 20)	4.912.824	721.133	-	5.633.957
Net Book Value	2.436.767	-	-	1.763.714

As of December 31, 2023, intangible assets are as follows:

Cost;	Opening January 1, 2023	Addition	Disposal	Closing December 31, 2023
Rights	714.840	-	-	714.840
Other Intangible Assets	6.616.662	18.089	-	6.634.751
Subtotal	7.331.502	18.089	-	7.349.591
Accumulated amortization;				
Rights	641.394	13.319	-	654.713
Other Intangible Assets	3.546.423	711.688	-	4.258.111
Subtotal (Note 20)	4.187.817	725.007	-	4.912.824
Net Book Value	3.143.685	-	-	2.436.767

All amortisation expenses are included in general administrative expenses.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

13. Provisions, Conditional Assets and Liabilities

a) As stated among the Company's inventories, investment properties and fixed asset accounts as of December 31, 2024 and 2023;

Regarding the shops located in Etiler Alkent Site, Beşiktaş District, a right of easement was established on October 14, 1987, with a journal number of 6430, in favor of parcel 1 of block 1411 and against parcel 1 of block 1408, to benefit from central heating facilities. This easement right is established for a duration of 49 years at a fee of 7.72 TL, allowing for the passage of heating facility channels with a width of 1.5 meters in certain sections.

Additionally, regarding the same parcel, there is a personal easement right established on February 26, 1992, with a journal number of 784, in favor of the owners of parcel 1 of block 1410, to benefit from the excess parking specified in the project against this parcel.

b) The total amounts of guarantees, pledges, and mortgages (TRI) provided by the Company in the name of its own legal entity to third parties are as follows by periods:

Collateral/pledge/mortgage ("CPM") given by the Company	December 31, 2024	December 31, 2023
A. CPMs given for Company's own legal personality	5.452.356.721	5.588.233.206
B. CPMs given on behalf of fully consolidated companies	-	-
C. CPMs given in the normal course of business activities on behalf of third parties	-	-
D. Total amount of other CPMs		
i. Total amount of CPMs given on behalf of the parent	-	-
ii. Total amount of CPMs given to on behalf of other Group companies which are not in scope of B and C	-	-
iii. Total amount of CPMs given on behalf of third parties which are not in scope of C	-	-
Total	**5.452.356.721**	**5.588.233.206**

As of December 31, 2024 and 2023, the ratio of other CPM's given by the Company to equity is 0%. (2023- 0%)

c) The total amount of guarantee letters and notes received by the Company in each period are given below:

	December 31, 2024	December 31, 2023
Guarantee notes received	3.035.479	3.668.953
Guarantee letters received	542.810.461	644.997.015
Bails received	4.076.574.000	2.702.770.601
Total	**4.622.419.940**	**3.351.436.569**

d) There are not any receivables in Company records that are due and not collected; thus no provision made for such receivables.

e) As of December 31, 2024, there are no significant lawsuits filed against the Company that would result in cash outflows. The Company is involved in two ongoing lawsuits, and there is no uncertainty in their legal processes; therefore, the Company's management does not anticipate any cash outflows related to these lawsuits. Consequently, no provisions for lawsuits have been made in the accompanying financial statements.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

14. Employee Benefits

According to the Labor Law, the Company is obligated to pay severance pay for employees whose relationship with the company has been terminated without just cause as specified in Article 25/II of the Law, those who have completed one year of service, those who are called to military service, those who marry and leave within one year (for women), those who retire, or those who pass away. The compensation to be paid amounts to one month's salary for each year of service, and this amount is capped at 41,828.42 TL for each year of service as of December 31, 2024 (December 31, 2023 – 23,489.83 TL).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 *Employee Benefits* stipulates the development of company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied reflects the expected real rate after adjusting for future inflation effects. Consequently, as of December 31, 2024, the provisions in the accompanying financial statements are calculated by estimating the present value of the potential liabilities arising from employees' retirements. The provisions at the relevant balance sheet dates have been calculated using a real discount rate of approximately 2.85%, derived from annual inflation of 25.00% and a discount rate assumption of 28.57% (December 31, 2023: 2.12%). Voluntary resignation rates have also been considered as 100% for employees with 0-15 years of service and 0% for those with 16 years or more. The ceiling amount of 46,655.43 TL, effective from January 1, 2025, has been taken into account in calculating the Company's severance pay provision (January 1, 2024: 35,058.58 TL).

The principal assumptions used in the calculation of retirement pay liability are discount rate and anticipated turnover rate.

Short term provisions are as follows:

	December 31, 2024	December 31, 2023
Payables Arising from Employee Benefits	10.910.196	11.672.111
Total	**10.910.196**	**11.672.111**

Long term provisions are as follows:

	December 31, 2024	December 31, 2023
Retirement Pay Provision	1.984.091	1.711.904
Vacation Pay Provision	2.031.814	1.095.088
Total	**4.015.905**	**2.806.992**

Retirement Pay Provision;

	January 1- December 31, 2024	January 1- December 31, 2023
Provision for retirement pay at the beginning of the period	1.711.904	1.760.044
Service cost	319.920	556.169
Interest cost	338.755	293.424
Actuarial loss / (gain)	49.581	(529.127)
Monetary (gain) / loss	(436.069)	(368.606)
Provision for retirement pay at the period-end	**1.984.091**	**1.711.904**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

14. Employee Benefits (continued)

Unused Vacation Provision:

	January 1- December 31, 2024	January 1- December 31, 2023
Provision for unused vacations at the beginning of the period	1.095.088	693.125
Increase during the period	1.273.331	674.434
Monetary (gain)/ loss	(336.605)	(272.471)
Provision for unused vacations at the period-end	**2.031.814**	**1.095.088**

15. Other Assets and Liabilities

Other short-term current assets are as follows:

	December 31, 2024	December 31, 2023
Advances given to subcontractors	331.122.800	391.084.606
Prepaid expenses	1.585.385	1.476.826
Total	**332.708.185**	**392.561.432**

16. Assets held for Sale

Assets held for sale are as follows:

	December 31, 2024	December 31, 2023
Tangible assets	410.641	410.641
Total	**410.641**	**410.641**

Tangible assets with a net book value of TL 410.641 were acquired during the purchase of Bodrum Hotel and were classified as non-current assets held for sale as of December 31, 2024.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

17. Equity

a) Paid-in capital

As of December 31, 2024 and 2023, the Company's registered capital is 500,000,000 TL and 150,000,000 TL, respectively, while its issued and paid-up capital is 289,800,000 TL and 144,900,000 TL, respectively. The Company's capital consists of issued shares, with a nominal value of 1 Kr each, totaling 28,980,000,000 and 14,490,000,000 shares, respectively. The details of the Company's ownership structure are provided in Note 1.

The Company has decided to increase its issued capital of 144,900,000 TL by 144,900,000 TL to be 289,800,000 TL by issuing 14,490,000,000 C Group shares, each bearing a nominal value of 1 Kr, against 144,900,000 TL, and to cover the entire increased capital from 2023 dividends, according to the resolution of the Ordinary General Meeting dated on May 14, 2024, and to distribute the C Group shares representing the increased capital of 144,900,000 TL, which is 100% of the existing capital, to shareholders free of charge, in accordance with the relevant procedures. The Company has applied to the Capital Markets Board on July 31, 2024. Necessary permissions regarding the issuance certificate for the capital increase and amendment texts of Articles 6 and 7 of the Company's Articles of Association received with the decision of the Capital Markets Board dated September 4, 2024, and numbered E-12233903-340.05.05-59327, and it was registered by the Istanbul Trade Registry Office on September 11, 2024.

During the Board of Directors meeting held on December 20, 2023, it was decided to increase the registered capital ceiling of the Company, which has a registered capital of 150,000,000 TL, to 500,000,000 TL since the registered capital ceiling permission granted by the Capital Markets Board will complete the 5-year period in 2024. The Company has applied to the Capital Markets Board on December 27, 2023. Necessary permissions for the amendment text of Article 6 of the Company's Articles of Association related to the increase of the registered capital ceiling were obtained with the letter of the Capital Markets Board dated January 1,9, 2024, and numbered E-12233903-340.08-48339, ıt has been stated that it was approved by the Ministry of Commerce, General Directorate of Domestic Trade with the letter dated February 5, 2024 and numbered E-50035491-431.02-00093642608. It was discussed at the Ordinary General Assembly meeting for 2023 and accepted by a majority of votes.

b) Capital adjustment differences

As of December 31, 2024 and 2023, the difference arising from the adjustment of the nominal capital for inflation amounts to 1,539,164,496 TL and 1,521,585,362 TL, respectively.

c) Financial assets value increase fund

The investment amount in Alarko Holding A.Ş. has been valued at the best bid price among the pending current orders on Borsa İstanbul A.Ş., which is expected to approach its fair value as of December 31, 2024 and 2023. The Company tracks increases or decreases resulting from fair value measurements in its financial statements under the "Other Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss" account within Equity. Accordingly, as of December 31, 2024 and 2023, the decreases in value resulting from fair value measurements amount to 45,946,213 TL and 76,091,424 TL, respectively, and have been recorded in the "Other Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss" account. The income of 82,115 TL obtained from the sale of investment amounts in Alarko Konut Projeleri Geliştirme A.Ş. and Alarko Enerji A.Ş. has been classified under the "Other Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss" account (Note 4).

d) Restricted profit reserves

The restricted reserves allocated from profits are as follows:

	December 31, 2024	December 31, 2023
Legal Reserves	105.238.186	89.501.678
Legal reserves inflation difference	353.089.134	350.311.961
Total	**458.327.320**	**439.813.639**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

17. Equity (continued)

d) Restricted profit reserves (continued)

Legal reserves, which are divided as First Legal Reserve and Second Legal Reserve as per the Turkish Commercial Code, are appropriated as below:

a) I. Legal Reserve: Appropriated out of net profit at the rate of 5% until such reserve is equal to 20% of issued and fully paid capital.

b) II. Legal Reserve: Appropriated out of net profit at the rate of 10% of distributions after providing for First Legal Reserve and an amount equal to 5% of capital as dividends.

Legal reserves which do not exceed one half of share capital may only be used to absorb losses or for purposes of continuity of the business in times of business difficulties and to prevent unemployment or lessen its effects.

e) Retained Earnings/(Accumulated Losses):

Breakdown of retained earnings / (accumulated losses) is as follows:

	December 31, 2024	December 31, 2023
Extraordinary reserves	1.836.459.766	1.296.008.246
Extraordinary reserves inflation difference	1.627.206.174	7.982.951.002
Prior Years' Profit	7.098.870.293	2.113.855.990
Total	**10.562.536.233**	**11.392.815.238**

In the Ordinary General Assembly Meeting held on May 14, 2024, it was decided that from the net profit of 1,289,382,689 TL for the year 2023, 16,100,000 TL would be allocated as the first legal reserve in accordance with the Capital Markets Legislation, the Company's Articles of Association, and other regulatory provisions. After adding the donations made during the year amounting to 2,616,661 TL, the net distributable profit for the period was determined to be 1,275,899,350 TL. It was resolved to distribute 152,145,000 TL of this amount to shareholders as dividends, with 7,245,000 TL being distributed in cash and 144,900,000 TL being distributed as free shares by increasing the capital. The remaining amount will be added to extraordinary reserves, and cash dividend distribution will commence on June 3, 2024. In the dividend distribution process, the dividend receivables of the registered shares traded on Borsa İstanbul were transferred to the free accounts of the relevant members at Takasbank A.Ş. on June 3, 2024. In the 100% bonus capital increase transaction that started on September 13, 2024, the corresponding amounts for the registered shareholders were credited to the accounts of the relevant members on September 17, 2024. (The purchasing power adjusted value of the cash dividend distribution amounting to 7,245,000 TL as of December 31, 2024, is 8,523,595 TL.)

According to the Tax Procedure Law and the relevant communiqué published in the Official Gazette dated December 30, 2023, numbered 32415 (2nd Repetition), the balance sheet prepared as of December 31, 2024, in accordance with the Tax Procedure Law, has been adjusted using the Producer Price Index (ÜFE) published by the Turkish Statistical Institute as part of the inflation accounting application. The accompanying financial statements have been subjected to inflation adjustment using the Consumer Price Index (TÜFE) published by the Turkish Statistical Institute in accordance with TMS 29, and ultimately, the amounts for the current and previous reporting periods have been expressed in terms of purchasing power as of December 31, 2024.Due to the use of different indices in the inflation accounting application of the Tax Procedure Law and TMS 29, and the adjustment of amounts from previous reporting periods to reflect the purchasing power as of December 31, 2024, differences have arisen between the amounts presented in the balance sheet prepared according to the Tax Procedure Law for "Capital Adjustment Differences," "Premiums (Discounts) Related to Shares," "Restricted Reserves Allocated from Profit," and "Other Reserves," and the amounts presented in the financial statements prepared in accordance with TMS/TFRS. These differences have been reflected in the TMS/TFRS financial statements under the "Retained Earnings or Losses from Previous Years" account, and the details of these differences are provided below:

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

17. Equity (continued)

e) Retained Earnings/(Accumulated Losses) (continued)

December 31, 2024	**Adjustment to share capital**	**Legal reserves**	**Reserve for Repurchased Shares**	**Special Fund**	**Extraordinary reserves**
According to TAS/TFRS financial statements	1.539.164.496	353.089.134	133.191.763	-	1.627.206.174
In accordance with the Tax Procedure Law	2.030.396.242	410.617.872	206.303.009	4.935.708	2.075.600.243

December 31, 2023	**Adjustment to share capital**	**Legal reserves**	**Reserve for Repurchased Shares**	**Extraordinary reserves**
According to TAS/TFRS financial statements	1.521.585.362	350.311.961	133.255.912	7.982.951.002
In accordance with the Tax Procedure Law	2.022.412.802	406.025.399	206.303.009	7.664.169.956

In the context of the first transition to inflation, the retained earnings for previous years, as of January 1, 2022, amounted to TRY 2.664.092.593 in the balance sheet prepared after the TAS 29 inflation adjustment. As of December 31, 2024, the amount calculated in terms of purchasing power is TRY 10.562.536.233.

f) Treasury Stocks (-)

As of December 31, 2024, the total purchases made from the Company's internal resources amount to 14,539,680 shares, corresponding to 219,889,368 TL, which is shown in the "Treasury Shares (-)" account. The proportion of treasury shares in the Company's capital is 5.017%.

In accordance with the Capital Markets Board's communiqué on treasury shares, the Company has classified the amount equal to the repurchase price of the treasury shares as restricted reserves allocated from profit under equity. The dividends attributable to the treasury shares are shown in the treasury shares account.

The Company has recorded the amount of 219,889,368 TL paid for the repurchase of shares in the "Treasury Shares (-)" account.

In 2019, from the treasury shares amounting to 167.789.800 TL, 7.802.446 TL was deducted; in 2020, 10.326.957 TL; in 2021, 11.155.191 TL; and in 2022, 14.006.616 TL was deducted. Additionally, 37.338.517 TL was added for the repurchase amount, resulting in a total of 11.676.031 TL deducted as of December 31, 2023, with an additional 14.761.048 TL added for the repurchase amount, leading to a total of 164.494.483 TL after deducting 427.641 TL in dividends in 2024. (As of December 31, 2023 – 164.922.124 TL)

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

18. Sales and Cost of Sales

Sales revenues are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Rental income	305.470.836	407.259.768
Other	6.198.654	3.735.598
Total	**311.669.490**	**410.995.366**

Cost of sales are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Cost of services rendered	23.009.348	11.600.810
Total	**23.009.348**	**11.600.810**

19. General Administrative Expenses

General administrative expenses are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
General administrative expenses	69.388.413	47.180.908
Total	**69.388.413**	**47.180.908**

General administrative expenses consist of the following:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Personnel expenses (Note 20)	34.334.984	23.059.313
Outsourced repair work and services	14.803.910	6.991.080
Rent expenses	6.939.161	4.726.036
Financial consultancy and audit expenses	1.860.154	1.462.023
Public and professional association participation expense	1.458.514	1.155.221
Depreciation and amortization expenses (Note 11,12)	893.080	900.245
Bank expenses	502.640	654.914
Other consultancy expenses	390.000	347.611
Lawsuits, execution and notary expenses	514.202	264.450
Communication expenses	573.342	178.022
Publishing expenses	103.281	159.443
Other	7.015.145	7.282.550
Total	**69.388.413**	**47.180.908**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

20. Expenses by Nature

Depreciation and amortisation expenses consist of the following:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Property, plant and equipment (Note 11)	171.947	175.238
Intangible Assets (Note 12)	721.133	725.007
Total	**893.080**	**900.245**

Expenses related to employee benefits are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Personel wages and salaries	26.689.628	17.986.504
Personnel transportation expenses	1.081.794	612.962
Personnel catering expenses	634.899	558.632
Personnel health expenses	153.149	135.738
Other personnel expenses	5.775.514	3.765.477
Total	**34.334.984**	**23.059.313**

21. Other Operating Income / Expenses

Other operating income consists of the following:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Increase in fair value changes (Note 10)	585.748.528	1.558.156.700
Exchange gains	297.156.798	539.065.975
Interest income	62.869.874	119.826.554
Turkish Ministry of Environment and Forestry– Rental Expense	15.301.182	29.025.863
Other securities sales profits	93.335.178	21.742.248
Turkish Ministry of Environment and Forestry– Land appropriation	5.963.651	3.965.701
Differences in maturities income	3.568.270	3.271.165
Rediscount interest income	992.839	708.130
Non-rental income from real estate	976.793	665.111
Other	1.708.937	3.884.943
Total	**1.067.622.050**	**2.280.312.390**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

21. Other Operating Income / Expenses (continued)

Other operating expenses consist of the following:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Foreign exchange losses from operations	26.051.115	6.569.130
Turkish ministry of environment and forestry – Rental Provision	23.036.556	35.618.509
Turkish Republic Ministry of Environment, Urbanization and Climate	16.148.296	-
Turkish ministry of environment and forestry – Land appropriation	5.963.651	3.965.701
Financial Investments Fair Value Impairment	4.961.990	-
Foundation donations	1.000.000	3.777.903
Rediscount interest expenses	592.773	992.839
Other	77.949	22.496
Total	**77.832.330**	**50.946.578**

22. Income from Investing Operations

Income from investing operations consists of the following:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Dividends received	3.136.455	781.115
Fixed assets sales profits	-	690.060
Fair value difference of currency hedged deposits	-	61.438.306
Total	**3.136.455**	**62.909.481**

23. Financing Expenses

Financing expenses are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Short-term financing expenses	226.390.267	7.972.851
	226.390.267	**7.972.851**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

24. Explanations Regarding Net Monetary Position Gains / (Losses)

The Net Monetary Position Gains / (Losses) item reported in the profit or loss statement is derived from the following monetary/non-monetary financial statement items:

NON-MONETARY ITEMS	**1 January – 31 December 2024**
Statement of Financial Position Items	**(4.458.323.906)**
Inventory	23.710.201
Prepaid Expenses	76.021.751
Non-current Assets Classified for Sale	126.222
Investment Properties	171.627.274
Property, plant, and equipment	131.804
Intangible Assets	529.543
Deferred Income	(75.129)
Capital Adjustment Differences	(512.239.938)
Repurchased Shares (-)	50.693.334
Effect of Mergers Involving Entities or Businesses Under Common Control (-)	23.101.307
Other comprehensive income or expenses not to be reclassified to profit or loss	8.231.060
- Gains (Losses) on Investments in Equity Instruments	8.757.260
- Gain / (Loss) on Remeasurement of Defined Benefit Plans	(526.200)
Restricted Reserves	(135.188.773)
Retained Earnings / (Losses)	(4.164.992.562)
Profit or Loss Statement Items	**4.092.523.657**
Revenue	16.723.762
Cost of Sales	(1.068.651)
General Administrative Expenses	(10.826.855)
Other Income from Operating Activities	4.119.465.912
Other Expenses from Operating Activities	(6.935.170)
Income from Investing Activities	527.734
Finance Expenses	(25.363.075)
NET MONETARY POSITION GAINS / (LOSSES)	**(365.800.249)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

25. Tax Assets and Liabilities

a) Corporate Tax

With the Law No. 7524, specific conditions have been established for the corporate tax exemption to be applied to the earnings of REITs (Real Estate Investment Trusts) starting from January 1, 2025. Accordingly, if at least 50% of the gains obtained from real estate are distributed as dividends, a tax rate of 10% will be applied to the corporate earnings. Therefore, the tax rate of 30%, which is applicable for undistributed profits, will be used in the calculation of current taxes and deferred tax assets and liabilities.

The corporate tax rate is applied to the tax base, which is determined by adding non-deductible expenses as per tax laws to the commercial earnings of corporations, and subtracting the exemptions and deductions specified in the tax laws

b) Current tax income/(expense)

	January 1 - December 31, 2024	January 1 - December 31, 2023
Deferred Tax Income	(336.836.418)	-
Deferred Tax Income	(336.836.418)	-

(*) Due to the Company's REIT status, the income for the current period is stated as other deductions.

c) Deferred Tax Assets and Liabilities

The company recognizes deferred tax assets and liabilities for temporary timing differences arising from the discrepancies between the legal financial statements prepared for tax purposes and the financial statements prepared in accordance with TFRS. These discrepancies generally arise from the fact that certain income and expense items are recognized in different periods in the tax basis amounts compared to the financial statements prepared according to TFRS.

As detailed in Note 2, the tax exemption granted to real estate investment trusts under Article 5(d-4) of the Corporate Tax Law has been conditioned by Law No. 7524, dated August 2, 2024, to the requirement that at least 50% of the profits obtained from real estate must be distributed as dividends starting from January 1, 2025.

Due to the fact that the decision on profit distribution is under the authority of the general assembly, the tax rate used in the calculation of deferred tax assets and liabilities for the year 2024 is 30% (December 31, 2023: 0%).

Deferred Tax (Expense) / Income (TL):

	January 1 - December 31, 2024
Prior period deferred tax liability	-
Deferred tax expense (*) (Note 25(b))	(336.836.418)
Deferred tax expense recognized in retained earnings/(loss) (*)	(2.502.357.480)
Other comprehensive income / (expense)	41.915
Current Period Deferred Tax Asset / (Liability)	(2.839.151.983)

(*) In accordance with the letter titled "Reporting of Tax Amounts in Real Estate Investment Trusts and Real Estate Investment Funds" sent by the Public Oversight Authority (KGK) to real estate investment trusts on February 12, 2025, the cumulative effect related to deferred tax arising from legislative changes in the financial statements as of December 31, 2024, for the year 2023 and prior years has been directly reflected under equity in the "Retained Earnings or Losses" account, while the effect of deferred tax income (expense) for the year 2024 has been reflected in the current period's profit or loss statement.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

25. Tax Assets and Liabilities (continued)

c) Deferred Tax Assets and Liabilities (continued)

	Accumulated temporary differences	Deferred tax assets / liabilities
	December 31, 2024	December 31, 2024
Tax assets		
Provision for unused vacation	2.031.814	609.544
Provision for employment termination benefits	1.984.091	595.227
Other	196.046.353	58.813.907
Total	200.062.258	60.018.678
Deferred tax liability		
Construction costs spread over the years	(6.807.659)	(2.042.298)
Investment properties	(9.656.441.601)	(2.896.932.481)
The net difference between the recorded book values of tangible and intangible assets and their tax bases	(652.941)	(195.882)
Total	(9.663.902.201)	(2.899.170.661)
Deferred tax liabilities, net	(9.463.839.943)	(2.839.151.983)

26. Earnings per Share

Calculation of earnings/(loss) per share is calculated as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Profit for the year	445.950.916	1.861.594.885
Weighted average number of ordinary shares for the reporting period	289.800.000	289.800.000
(per share of TL 1 nominal value)		
Treasury stock	(14.539.680)	(14.429.531)
Earnings per share	1,6201	6,7603

The company does not have any diluted shares. Moreover, in Turkey, companies can increase their capital by distributing shares ("Bonus Shares") to existing shareholders from accumulated profits in proportion to their shares. When calculating earnings per share, this bonus share issuance is considered as issued shares. Therefore, the weighted average number of shares used in calculating earnings per share is obtained by retroactively applying the issuance of shares free of charge. There is no difference between the basic and proportional earnings per share for any period.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

27. Related Party Disclosures

a) Balances due from / due to related parties are as follows:

	December 31, 2024	
	Receivables	Payables
Balances with related parties	Current- Trading	Current- Trading
Attaş Alarko Turistik Tesisler A.Ş. (3)	307.511.205	8.802.224
Less: Deferred income	(592.773)	-
Alarko Holding A.Ş. (1)	-	1.089.280
Alsim Alarko San. Tes. ve Tic A.Ş. (2)	-	589.722
Alarko Konut Projeleri Geliştirme A.Ş. (3)	3.592	-
Aldem Alarko Konut İnşaat ve Tic. A.Ş. (3)	26.477	-
Al-Riva Projesi Arazi Değ. Konut İnş. ve Tic. A.Ş. (3)	992	-
Al-Riva Arazi Değ. Konut İnş. ve Tic. A.Ş. (3)	389	-
Al-Riva Arazi Değ. Konut İnş., Tur. Tes. Golf İşl.ve Tic.A.Ş. (3)	501	-
Alarko Dijital Teknoloji Çözümleri A.Ş. (3)	-	881.871
Alarko Tarım Sanayi ve Ticaret A.Ş. (3)	-	9.436
Total (Note 6)	**306.950.383**	**11.372.533**

	December 31, 2023	
	Receivables	Payables
Balances with related parties	Current- Trading	Current- Trading
Attaş Alarko Turistik Tesisler A.Ş.(3)	427.071.876	7.710.730
Less: Deferred income	(992.839)	-
Alarko Holding A.Ş.(1)	-	913.841
Alsim Alarko San. Tes. ve Tic A.Ş.(2)	-	278.659
Alarko Carrier San. ve Tic. A.Ş. (3)	346.509	-
Total (Note 6)	**426.425.546**	**8.903.230**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

27. Related Party Disclosures(continued)

b) Sales to / purchases from related parties are as follows:

	January 1 - December 31, 2024			
Transactions with related parties	Goods Purchases	Service Purchases	Other Purchases	Other Sales
Attaş Alarko Turistik Tes. A.Ş. (3)	27.242.122	48.652.328	6.338.860	271.434.585
Alarko Carrier San. ve Tic. A.Ş. (3)	5.329.287	6.045	-	4.271.006
Alarko Holding A.Ş. (1)	48.080	5.937.324	4.769.028	-
Alsim Alarko San. Tes. ve Tic. A.Ş. (2)	-	4.431.089	341.577	-
Alarko Dijital Teknoloji Çözümleri A.Ş.(3)	-	734.892	-	-
Alarko Tarım Sanayi ve Ticaret A.Ş. (3)	-	1.520.130	-	-
Total	**32.619.489**	**61.281.808**	**11.449.465**	**275.705.591**

	January 1 - December 31, 2023			
Transactions with related parties	Goods Purchases	Service Purchases	Other Purchases	Other Sales
Attaş Alarko Turistik Tes. A.Ş.(3)	24.764.982	50.973.614	1.069.243	400.683.026
Alarko Carrier San. ve Tic. A.Ş. (3)	56.988.750	-	-	4.430.404
Alarko Holding A.Ş. (1)	18.089	1.498.102	5.719.152	-
Alsim Alarko San. Tes. ve Tic. A.Ş. (2)	-	2.436.848	-	-
Total	**81.771.821**	**54.908.564**	**6.788.395**	**405.113.430**

1.Ultimate parent company
2.Parent company
3.Entities controlled by the ultimate parent company

As of December 31, 2024 and 2023, there are no doubtful receivables arising from related parties.

As of December 31, 2024 and 2023, the salaries and similar remuneration provided to top management amounts to TL 19.700.378 TL ve 11.657.464 TL gross, respectively.

28. Nature and Level of Risks Arising from Financial Instruments

<u>Financial instruments and financial risk management</u>

Due to the nature of its operations, the Company is exposed to various financial risks including the effects of changes in foreign exchange rates and interest rates on debt and capital market prices. The Company's total risk management program focuses on the unpredictability of financial markets, and aims to minimize its potential negative impact on the Company's financial performance.

Risk management is implemented within the frame of the following policies:

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

Financial instruments and financial risk management (continued)

i. Credit Risk

The collection risk of the Company is basically attributed to its trade receivables. Trade receivables are valued by the Company management taking into account the past experiences and the current economic outlook; and they are recognized in the statement of financial position, net, after provisions for doubtful receivables are made when necessary

As of December 31, 2024, maturity and guarantee structure of the Company's receivables and cash and cash equivalents consist of the following:

	Receivables				
	Trade Receivables		**Other Receivables**		
December 31, 2024	**Related Parties**	**Other**	**Related Parties**	**Other**	**Cash and Cash Equivalents**
Maximum credit risk exposed as of balance sheet date (A+B+C+D) (1) (Note 3, 6 and 7)	**306.950.383**	**1.184.704**	**-**	**2.251.800**	**327.455.704**
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired (2) (Note 3, 6 and 7)	306.950.383	1.184.704	-	2.251.800	327.455.704
B. Terms are re-negotiated,, otherwise accepted as overdue or impaired financial assets' fair value	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired (3)	-	-	-	-	-
D. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross amount) (Note 6)	-	-	-	-	-
- Impairment (-) (Note 6)	-	-	-	-	-
- Secured portion of the net book value by guarantees, etc	-	-	-	-	-
E. Off-balance sheet items include credit risk	-	-	-	-	-

(1) In determining the credit amounts, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.
(2) No impairment or credit risk is anticipated in relation to the financial assets that are not overdue or impaired.
(3) As the overdue financial assets that are not impaired have short term maturities, they are not expected to create impairment loss in the future either.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

i. Credit Risk (continued)

As of December 31, 2023, maturity and guarantee structure of the Company's receivables and cash and cash equivalents consist of the following:

	Receivables				
	Trade Receivables		Other Receivables		
December 31, 2023	**Related Parties**	**Other**	**Related Parties**	**Other**	**Cash and Cash Equivalents**
Maximum credit risk exposed as of balance sheet date (A+B+C+D) (1) (Note 3, 6 and 7)	**426.425.546**	**1.248.463**	**-**	**2.007.039**	**222.839.327**
- Secured portion of the maximum credit risk by guarantees	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired (2) (Note 3, 6 and 7)	426.425.546	1.248.463	-	2.007.039	222.839.327
B. Terms are re-negotiated,, otherwise accepted as overdue or impaired financial assets' fair value	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired (3)	-	-	-	-	-
D. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross amount) (Note 6)	-	-	-	-	-
- Impairment (-) (Note 6)	-	-	-	-	-
- Secured portion of the net book value by guarantees, etc	-	-	-	-	-
E. Off-balance sheet items include credit risk	-	-	-	-	-

(1) In determining the credit amounts, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.
(2) No impairment or credit risk is anticipated in relation to the financial assets that are not overdue or impaired.
(3) As the overdue financial assets that are not impaired have short term maturities, they are not expected to create impairment loss in the future either.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

i. Credit Risk (continued)

As of December 31, 2024 and 2023, there are no receivables overdue but not impaired.

ii. Liquidity Risk

Liquidity risk arises during funding of the Company operations and management of the open position. Liquidity risk comprises the risk of not funding the operations at an appropriate maturity and rate and also the risk of not liquidating an asset at a reasonable price in an appropriate time frame.

The following table shows the maturity breakdown of the Company's non-derivative short term financial liabilities as of December 31, 2024 and 2023:

31 December 2024	**Carrying Value**	**Total Contracted Cash Outflows (I+II+III)**	**Less than 3 months (I)**	**3 to 12 months (II)**	**1 to 5 years (III)**	**More than 5 years**
Terms According to the Contract						
Non-Derivative Financial Obligations						
Payables due to bank loans (Note 5)	1.617.628.419	2.440.434.526	60.667.119	453.058.410	1.598.879.398	327.829.599
Trade payables to related parties (Note 6)	11.372.533	11.372.533	11.372.533	-	-	-
Other trade payables (Note 6)	27.205.096	27.205.096	27.205.096	-	-	-
Other payables (Note 7)	32.399.188	32.399.188	20.234.262	-	12.164.926	-
Total	**1.688.605.236**	**2.511.411.343**	**119.479.010**	**453.058.410**	**1.611.044.324**	**327.829.599**

31 December 2023	**Carrying Value**	**Total Contracted Cash Outflows (I+II+III)**	**Less than 3 months (I)**	**3 to 12 months (II)**	**1 to 5 years (III)**	**More than 5 years**
Terms According to the Contract						
Non-Derivative Financial Obligations						
Payables due to bank loans (Note 5)	926.837.106	2.160.350.478	61.547.304	206.632.082	1.171.396.273	720.774.819
Trade payables to related parties (Note 6)	8.903.230	8.903.230	8.903.230	-	-	-
Other trade payables (Note 6)	45.701.025	45.701.025	45.701.025	-	-	-
Other payables (Note 7)	56.704.044	56.704.044	48.859.417	-	7.844.627	-
Total	**1.038.145.405**	**2.271.658.777**	**165.010.976**	**206.632.082**	**1.179.240.900**	**720.774.819**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

iii. Market Risk

Market risk is the risk of encountering a fluctuation in the fair value of a financial asset or in future cash flows arising from changes in market prices which may lead to a negative impact on the entity. The standard market risk factors are foreign exchange rates, interest rates, and commodity prices.

iv. Foreign Currency Risk

Foreign currency risk stems from the change in the value of a financial instrument depending on a change in foreign exchange rate. The Company may face foreign currency risk because of its foreign currency denominated receivables and payables. The Company continuously monitors the said risk and takes the necessary precautions. The main foreign currencies constituting the said risk is USD.

As of December 31, 2024, the company's net foreign exchange position is 111,535,660 TL (December 31, 2023 – 1,801,160,155 TL). A 10% increase in exchange rates will increase the company's profit by 11,153,566 TL, while a 10% decrease will reduce it by 11,153,566 TL

Foreign currency position

On "totals" basis;

	December 31, 2024	December 31, 2023
A. Foreign currency assets	1.111.667.716	1.808.135.434
B. Foreign currency liabilities	1.000.132.056	6.975.279
Net foreign currency position (A-B)	**111.535.660**	**1.801.160.155**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

iv. Foreign Currency Risk (continued)

Foreign currency position (continued)

Breakdown on foreign currency basis;

	31 December 2024		
	TL Amount (Functional Currency)	**US Dollar**	**Euro**
1. Trade Receivables	253.972.932	7.198.718	-
2a. Monetary Finacial Assets	857.694.784	24.310.870	-
2b. Non-monetary Financial Assets	-	-	-
3. Other	-	-	-
4. CURRENT ASSETS	1.111.667.716	31.509.588	-
5. Trade Receivables	-	-	-
6a. Monetary Finacial Assets	-	-	-
6b. Non-monetary Financial Assets	-	-	-
7. Other	-	-	-
8. NON-CURRENT ASSETS	-	-	-
9. TOTAL ASSETS	1.111.667.716	31.509.588	-
10. Trade Payables	-	-	-
11. Financial Liabilities	267.589.144	-	7.270.970
12a. Monetary Other Liabilities	-	-	-
12b. Non-Monetary Other Liabilities	-	-	-
13. CURRENT LIABILITIES	267.589.144	-	7.270.970
14. Trade Payables	-	-	-
15. Financial Liabilties	726.752.926	-	19.747.433
16a. Monetary Other Liabilities	5.789.986	163.819	-
16b. Non-Monetary Other Liabilities	-	-	-
17. NON-CURRENT LIABILITIES	732.542.912	163.819	19.747.433
18. TOTAL LIABILITIES	1.000.132.056	163.819	27.018.403
19. Net Foreign Currency Assets/Liabilities Position (9-18)	111.535.660	31.345.769	(27.018.403)
20. Monetary Items Net Foreign Currency Assets / Liabilities position (1+2a+5+6a-10-11-12a-14-15-16a)	111.535.660	31.345.769	(27.018.403)

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

iv. Foreign Currency Risk (continued)

Foreign Currency Position (continued)

Breakdown on foreign currency basis;

	31 December 2023	
	TL Amount (Functional Currency)	**US Dollar**
1. Trade Receivables	344.427.120	8.103.689
2a. Monetary Finacial Assets	1.463.708.314	34.438.161
2b. Non-monetary Financial Assets	-	-
3. Other	-	-
4. CURRENT ASSETS	1.808.135.434	42.541.850
5. Trade Receivables	-	-
6a. Monetary Finacial Assets	-	-
6b. Non-monetary Financial Assets	-	-
7. Other	-	-
8. NON-CURRENT ASSETS	-	-
9. TOTAL ASSETS	1.808.135.434	42.541.850
10. Trade Payables	-	-
11. Financial Liabilities	-	-
12a. Monetary Other Liabilities	-	-
12b. Non-Monetary Other Liabilities	-	-
13. CURRENT LIABILITIES	-	-
14. Trade Payables	-	-
15. Financial Liabilties	-	-
16a. Monetary Other Liabilities	6.975.279	163.819
16b. Non-Monetary Other Liabilities	-	-
17. NON-CURRENT LIABILITIES	6.975.279	163.819
18. TOTAL LIABILITIES	6.975.279	163.819
19. Net Foreign Currency Assets/Liabilities Position (9-18)	1.801.160.155	42.378.031
20. Monetary Items Net Foreign Currency Assets / Liabilities position (1+2a+5+6a-10-11-12a-14-15-16a)	1.801.160.155	42.378.031

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

iv. Currency Risk (continued)

Foreign currency position sensitivity analysis as of December 31, 2024 and 2023 is as follows:

	December 31, 2024		**December 31, 2023**	
	Profit / Loss		**Profit / Loss**	
	Appreciation of foreign currency	**Depreciation of foreign currency**	**Appreciation of foreign currency**	**Depreciation of foreign currency**
In case of US Dolar increases in 10% against TL				
1 - US Dolar net asset/liability	110.587.773	(110.587.773)	180.116.016	(180.116.016)
2- US Dolar hedges (-)	-	-	-	-
3- Net effect of US Dollar (1 +2)	110.587.773	(110.587.773)	180.116.016	(180.116.016)
In case of Avro increases in 10% against TL				
4 - Euro net asset/liability	(99.434.207)	99.434.207	-	-
5- Euro hedges (-)	-	-	-	-
6- Net effect of Euro (4+5)	(99.434.207)	99.434.207	-	-
Total	**11.153.566**	**(11.153.566)**	**180.116.016**	**(180.116.016)**

v. Interest Risk

The company's activities are exposed to the risk of changes in interest rates when interest-sensitive assets and liabilities are amortized or repriced at different times or amounts. This interest rate risk is managed through natural measures that balance interest-sensitive assets and liabilities. The company's loan agreements have fixed and variable interest rates, with maturities ranging from 5 to 10 years.

	31 December 2024	31 December 2023
Financial instruments with fixed interest rates		
Financial assets		
Fair value difference Assets recognised in profit/loss (Note 4)	**857.694.784**	749.561.097
Assets carried at amortised cost (Note 4)	**-**	714.147.217
Financial liabilities (Note 5) (*)	**623.286.349**	926.837.106

	31 December 2024	31 December 2023
Financial instruments with floating interest rates		
Financial Liabilities (Note 5) (*)	**994.342.070**	-
Investment funds (Note 3)	**324.017.745**	221.837.770

(*) The financial liabilities presented under fixed and variable interest financial instruments consist of the total of short-term and long-term bank loans. As of December 31, 2024, if the interest rates on variable interest foreign currency loans had increased/decreased by 0.5%, and all other variables remained constant, the pre-tax profit/(loss) would have decreased/increased by 308,632 TL due to the change in interest expenses.

vi. Share Price Risk

"The company is exposed to equity price risk due to potential price changes in the stocks within its portfolio. As of December 31, 2024, if there were a 10% increase/decrease in the best bid price among the pending orders on Borsa Istanbul used for the valuation of these stocks, while keeping all other variables constant, the company's equity would have been 10,892,451 TL lower/higher due to the direct impact on net equity without affecting profit/loss (December 31, 2023 – 15,487,072 TL) (Note: 4)

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

vii. Capital Risk Management

For proper management of capital risk, the Company aims;

- to maintain continuity of operations so as to provide earnings to partners and benefits to other shareholders, and

- to increase profitability through determining a product and service pricing policy that is commensurate with the level of risks inherent in the market.

The Company determines the amount of share capital in proportion to the risk level. The equity structure of the Company is arranged in accordance with the economic outlook and the risk attributes of assets.

The Company monitors capital management by using the debt/equity ratio. This ratio is calculated by dividing the debt, net, by the total share capital. The net debt is calculated by deducting the value of cash and cash equivalents from the total debt (the sum of short and long term liabilities stated in the statement of financial position). The total share capital is the sum of all equity items stated in the statement of financial position.

There's basically no change in the Company's general strategy with respect to the previous year. As of December 31, 2024 and 2023, the ratio of the total equity to net debts is as follows:

	December 31, 2024	December 31, 2023
Total borrowings	4.543.004.039	1.055.706.780
Less: Cash and cash equivalents	(327.455.704)	(222.839.327)
Net debt	4.215.548.335	832.867.453
Total capital	13.323.683.296	15.535.347.350
Gearing Ratio	% 32	%5

29. Financial Instruments (Fair Value Disclosures and Explanations on Hedge Accounting)

December 31, 2024	Financial Assets at amortized cost	Fair value through profit or loss	Fair value through other comperhensive income	Financial Liabilities at amortized cost	Carrying Value
Financial assets					
Cash and cash equivalents (Note 3)	327.455.704	-	-	-	327.455.704
Trade Receivables (Note 6)	1.184.704	-	-	-	1.184.704
Due from related parties (Note 6)	306.950.383	-	-	-	306.950.383
Other receivables (Note 7)	2.251.800	-	-	-	2.251.800
Other financial assets (Note 4)	-	857.694.784	108.953.814	-	966.648.598
Financial liabilities					
Financial liabilities (Note 5)	-	-	-	(1.617.628.419)	(1.617.628.419)
Trade payables (Note 6)	-	-	-	(27.205.096)	(27.205.096)
Due to related parties (Note 6)	-	-	-	(11.372.533)	(11.372.533)
Other financial liabilities (Note 7)	-	-	-	(32.399.188)	(32.399.188)

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

29. Financial Instruments (Fair Value Disclosures and Explanations on Hedge Accounting) (continued)

December 31, 2023	Financial Assets at amortized cost	Fair value through profit or loss	Fair value through other comperhensive income	Financial Liabilities at amortized cost	Carrying Value
Financial assets					
Cash and cash equivalents (Note 3)	222.839.327	-	-	-	222.839.327
Trade Receivables (Note 6)	1.248.463	-	-	-	1.248.463
Due from related parties (Note 6)	426.425.546	-	-	-	426.425.546
Other receivables (Note 7)	2.007.039	-	-	-	2.007.039
Other financial assets (Note 4)	714.147.217	749.561.097	154.913.791	-	1.618.622.105
Financial liabilities					
Financial liabilities (Note 5)	-	-	-	(926.837.106)	(926.837.106)
Trade payables (Note 6)	-	-	-	(45.701.025)	(45.701.025)
Due to related parties (Note 6)	-	-	-	(8.903.230)	(8.903.230)
Other financial liabilities (Note 7)	-	-	-	(56.704.044)	(56.704.044)

Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Financial instruments may create/affect/decrease liquidity risk, credit risk and stock market risk in the financial statements of the Company. All financial assets are reviewed to prevent impairment risk.

Fair value is the value of an asset or liability in an arms length transaction between knowledgeable and willing parties.

The Company has determined the fair value of its financial instruments by using current market information at present and by using appropriate valuation methods. However, assessing market information and forecasting actual values requires judgment. The forecasts presented as a conclusion may not always represent the values that are acquired by the Company in current market transactions.

Methods and assumptions used to estimate the fair value of financial instruments are as follows:

Financial Assets

Balances denominated in foreign currency are translated by using the exchange rates valid at the balance sheet date. It is foreseen that these balances are close to their carrying values. The fair values of certain financial assets, which also include cash and cash equivalents, are considered to approximate their carrying values due to their short term nature.

The carrying values of trade receivables along with the related allowances for uncollectability are estimated to represent their fair values.

The fair values of investments held to maturity are calculated by deducting impairment losses, if any, from the cost values amortized by the effective interest method.

The fair values of financial assets which are available for sale and traded in active markets correspond to the best bid among current orders pending at the balance sheet date. The fair values of financial assets available for sale which are not traded in active markets cannot be determined reliably; hence, they are assumed to be equivalent to their restated cost values.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

29. Financial Instruments (Fair Value Disclosures and Explanations on Hedge Accounting) (continued)

Financial Liabilities

Loan contracts are measured at amortized cost.

Trade payables have been presented at their fair values.

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

Level 1: Fair value of financial assets and liabilities is measured at quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Fair value of financial assets and liabilities is measured at prices other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Fair value of financial asset and liabilities is measured using inputs that are not based on observable inputs of the active markets.

The hierarchical levels of the assets and liabilities stated at fair value are as follows:

		Fair value level as of reporting period		
		Level 1	Level 2	Level 3
	December 31, 2024	TL	TL	TL
Financial Assets				
Publicly traded shares	108.924.505	108.924.505	-	-
Financial Investments (Eurobond)	798.035.876	-	798.035.876	-
Other	59.658.908	-	59.658.908	-

		Fair value level as of reporting period		
		Level 1	Level 2	Level 3
	December 31, 2023	TL	TL	TL
Financial Assets				
Publicly traded shares	154.870.718	154.870.718	-	-
Financial Investments (Eurobond)	749.561.097	-	749.561.097	-

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

29. Financial Instruments (Fair Value Disclosures and Explanations on Hedge Accounting (continued)

Investment Properties

In determining the fair value of investment properties using the income discounting method, if there were a 0.5% increase/decrease in the discount rates as of December 31, 2024, while keeping all other variables constant, the profit would be 350,000,000 TL lower and 320,000,000 TL higher, respectively. (As of December 31, 2023, with a 0.5% increase/decrease and all other variables held constant, the profit would have been 332,071,174 TL lower and 303,195,420 TL higher.)

December 31, 2024	Discount Rate	Sensitivity Analysis	The effect on profit from Fair Value	The effect on loss from Fair Value
Hillside Beach Club Holiday Village	%26,50	%0,5	320.000.000	(350.000.000)

December 31, 2023	Discount Rate	Sensitivity Analysis	The effect on profit from Fair Value	The effect on loss from Fair Value
Hillside Beach Club Holiday Village	%26,50	%0,5	303.195.420	(332.071.174)

30. Segment Reporting

The main activity of the Company is to engage in the purposes and subjects stated in the regulations of the CMB on real estate investment trusts. In this context, the Company engages in the investment such as investment in real estate, real estate projects and capital market instruments. Due to the same legislation affecting the operations of the Company, no separate financial information regularly reviewed by the competent authority to make decisions regarding activities and since the Company operates in a single geographical area, segment reporting has not been reported in the accompanying financial statements in accordance with TFRS 8.

31. Events After the Reporting Period

None.

32. Fees for Services Received from Independent Auditor/Auditor

As of December 31, 2024 and 2023, the services and related fees received by the Company from the independent audit firm are as follows:

	December 31, 2024	December 31, 2023
Independent audit fee for the reporting period	2.000.015	1.754.473
Fee for other assurance services	-	198.622
Fee for tax consultancy services	-	-
Fees for non-audit other services	-	-
Total	**2.000.015**	**1.953.095**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at December 31, 2024, unless otherwise indicated.)

33. Disclosure of Other Matters That May Affect Financial Statements Significantly or is Necessary for Financial Statements to Be Clear, Interpretable and Comprehensible

Total value of insurance on assets for the respective periods are as follows;

	December 31, 2024	December 31, 2023
Investment Properties (Note 10)	4.717.395.525	4.348.209.416
Property, Plant and Equipment (Note 11)	815.243	1.057.420
Total	**4.718.210.768**	**4.349.266.836**

34. Supplementary Notes: Monitoring Compliance with Portfolio Restrictions

As of December 31, 2024 and 2023, the control of compliance with portfolio restrictions is as follows:

	Main Account Items of Unconsolidated / Separate Financial Statements	**Related Regulation**	**Current Year (TL) December 31, 2024**	**Prior Year (TL) December 31, 2023**
A	Money Market and Capital Market Instruments	Md. 24/(b)	1.294.074.993	1.841.418.359
B	Real estates, real estate projects and rights supported by real estates	Md. 24/(a)	15.380.319.000	13.334.919.916
C	Affiliates	Md. 24/(b)	545.005.248	588.515.595
	Due from Related Parties (Non-Trade)	Md. 23/(f)	-	-
	Other Assets		647.288.094	826.200.260
D	**Total Assets**	Md. 3/(p)	**17.866.687.335**	**16.591.054.130**
E	Financial Liabilities	Md. 31	1.617.628.419	926.837.106
F	Other Financial Liabilities	Md. 31	-	-
G	Lease Obligations	Md. 31	-	-
H	Due to Related Parties (Non-Trade)	Md. 23/(f)	-	-
İ	Equity	Md. 31	13.323.683.296	15.535.347.350
	Other Liabilities		2.925.375.620	128.869.674
D	**Total Liabilities and Equity**	Md. 3/(p)	**17.866.687.335**	**16.591.054.130**
	Other Financial Informations Related with Unconsolidated Financial Statements	**Related Regulation**	**Current Year (TL) December 31, 2024**	**Prior Year (TL) December 31, 2023**
A1	Part of Money Market Instruments and Capital Market Instruments Held for Real Estates (3 Years)	Md. 24/(b)	-	-
A2	Time and Demand Deposits in TL/Foreign Currency	Md. 24/(b)	3.437.959	1.001.557
A3	Foreign Capital Market Instruments	Md. 24/(d)	-	-
B1	Real estates, real estate projects and rights supported by real estates	Md. 24/(d)	-	-
B2	Lands Held Idle	Md. 24/(c)	845.900.000	887.217.511
C1	Foreign Investments	Md. 24/(d)	544.975.939	588.472.522
C2	Participation in the Operating Company	Md. 28/1(a)	29.309	43.073
J	Non-cash Loans	Md. 31	5.452.356.721	5.588.233.206
K	Mortgage lien on lands to be administrated for projects and the property of which does not belong to the company	Md. 22/(e)	-	-
L	All of the money and capital markets in a single investment company Tools	Md. 22/(l)	108.924.505	154.870.718

34. Supplementary Notes: Monitoring Compliance with Portfolio Restrictions (continued)

	Portfolio Limitations	**Related Regulation**	**Current Year December 31, 2024**	**Current Year December 31, 2023**	**Ratio of Minimum/ Maximum**
1	Mortgage lien on lands to be administrated for projects and the property of which does not belong to the company	Md. 22/(e)	% 0,00	% 0,00	≤ % 10
2	Real estates, real estate projects and rights supported by real estates	Md. 24/(a),(b)	% 86,08	% 80,37	≥ % 51
3	Money Market and Capital Market Instruments and Subsidiaries	Md. 24/(b)	% 10,29	% 14,65	≤ % 49
4	Real estates, real estate projects and rights supported by real estates, Subsidiaries, Capital Market Instruments	Md. 24/(d)	% 3,05	% 3,55	≤ % 49
5	Lands Held Idle	Md. 24/(c)	% 4,73	% 5,35	≤ % 20
6	Participation in the Operating Company	Md. 28/1 (a)	% 0,00	% 0,00	≤ % 10
7	Borrowing Limit	Md. 31	% 53,06	% 41,94	≤ % 500
8	Time and Demand Deposits in TL / Foreign Currency	Md. 24/(b)	% 0,02	% 0,01	≤ % 10
9	All of the money and capital markets in a single investment company Tools	Md. 22/(l)	% 0,61	% 0,93	≤% 10

The communiqué published in the Official Gazette dated May 28, 2013, and enacted by the Capital Markets Board's Communiqué Serial: III, No: 48.1 states that the "Principles Regarding Real Estate Investment Trusts" Article 24, paragraph (c) stipulates that "The ratio of land and plots in the portfolio, which have not been subject to any action for project development despite the passage of five years since their acquisition, cannot exceed 20% of the total assets." According to the financial statements dated December 31, 2024, the ratio of these lands to the total assets is 4.73%, which is within the limits specified in the communiqué.

Additionally, the same communiqué states in Article 24, paragraph (a) that "They must invest at least 51% of the total assets in real estate, real estate-based rights, and real estate-based projects." According to the financial statements dated December 31, 2024, this ratio is 86.08%, which is within the limits specified in the communiqué.

Furthermore, Article 24, paragraph (b) of this communiqué states that "They can invest up to 49% of the total assets in the assets specified in the first paragraph (k) of Article 22 of this communiqué and in the affiliates mentioned in Article 28." According to the financial statements dated December 31, 2024, this ratio is 10.29%, which is within the limits specified in the communiqué.

The paragraph (b) of Article 24 of the communiqué also states that "...they can invest up to 10% of the total assets in demand and time deposits in Turkish Lira or foreign currency." According to the financial statements dated December 31, 2024, this ratio is 0.02%, which is within the limits specified in the communiqué.

The borrowing limit, the participation rates in the operating company, foreign real estate, real estate-based projects, real estate-based rights, affiliates, capital market instruments, and investments in money and capital market instruments in a single company comply with the portfolio restrictions. There are no other portfolio restriction issues.