



ALARKO

GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**ANNUAL REPORT
2024**

April 09, 2025
General Assembly Meeting
2024 Fiscal Year

Registered Capital
TL 500.000.000

Issued Capital
TL 289.800.000



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MESSAGE FROM THE BOARD OF DIRECTORS

Dear Shareholders,

The year 2024 was a year of decisions and policies to reduce high inflation rates, resulting in a rebalancing of the global economy. We have seen a slowdown in global inflationary pressures and a strong labor market performance after a year in which the rate hikes that began in 2023 peaked and were replaced by rate cuts. The disruptions in the supply chain that began with the pandemic and were exacerbated by the war between Russia and Ukraine continued in 2024, albeit at a slower pace. The global economy grew despite tight monetary policies. Although estimates vary, the global economy is expected to grow by about 3% this year.

We expect 2025 to be as challenging as 2024. We believe 2025 will be a year of much higher geopolitical risk and global uncertainty, although access to financing will be easier as global interest rates fall. The global economy is expected to grow in 2025 in parallel with the 2024 growth; the disinflationary process will continue in general, and the labor market will not deteriorate. However, the ongoing impact of protectionist policies and geopolitical tensions suggests the likelihood of continued trade disputes in 2025, which will have implications for global markets and supply chains.

Our country is at the end of a year of fighting inflation and is still trying to heal the wounds of the earthquake. In 2024, the Turkish Central Bank's policy rate hike peaked at 50% and was replaced by a rate cut. Although inflationary pressures were averted, a full recovery in distorted pricing habits and inflationary expectations has not yet been achieved. Our country is expected to grow about 3% despite these challenging conditions. We believe that the difficulties in accessing finance and the high cost of borrowing in Türkiye this year will give way to a more optimistic outlook in 2025. However, the tightening of monetary policy will likely have a dampening effect on economic activity, and this may have an impact on the growth rate.

With its strong assets and strong corporate identity, our company successfully completed 2024. Rental income from our assets continued to increase as a result of economic growth, particularly in the tourism sector. We expect the growth in the tourism sector to continue in the coming years. However, the fact that the exchange rate increase is still well below price and wage increases may harm tourism profitability next year, as it did this year. The large-scale hotel modernization and renovation works we have initiated in Bodrum are currently underway. As mentioned above, the strengthening of the Turkish lira has had an impact on our cost base for this project. The completion time of our project has also been extended due to the working conditions in the tourism region. Despite these challenges, this project is going to be one of the most important sources of revenue in our portfolio once it is completed. The value of the assets in our portfolio increased in real terms this year as well, which in turn strengthened our asset base.

As always, we will look for favorable investment opportunities to strengthen our asset portfolio and make the best use of our assets in 2025.

We are happy to have successfully completed 2024, and we would like to thank all of our employees who contributed to this success through their creative and selfless work, as well as our valued shareholders who have supported us in our endeavors.

With these feelings and thoughts, we greet you all with respect and love and wish you a healthy and peaceful year.

Board of Directors



BOARD OF DIRECTORS AND AUDITORS

Board of Directors	Duty	Commencement Date of Duty	Expiry Date of Duty
Mehmet Ahkemoğlu	Chairman	14.05.2024	14.05.2027
Harun Hanne Moreno	Vice Chairman	14.05.2024	14.05.2027
Ümit Nuri Yıldız	Director	14.05.2024	14.05.2027
Alpaslan Serpen	Director	14.05.2024	14.05.2027
Bedriye Banu Köker	Director (Independent)	14.05.2024	14.05.2027
Neslihan Tonbul	Director (Independent)	14.05.2024	14.05.2027
Nergis Ayvaz Bumedian	Director (Independent)	14.05.2024	14.05.2027

Except for General Manager, Harun Hanne Moreno, the other members of the Board of Directors have no executive duties in the Company's management

Auditor

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member Firm of Ernst & Young Global Limited)	14.05.2024	31.03.2025
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Independent Auditor

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member Firm of Ernst & Young Global Limited)	14.05.2024	31.03.2025
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Powers and Limits of Members of the Board of Directors

The Chairman and Directors are having the power and responsibility in accordance with the Turkish Commercial Legislations and Company's Articles of Association.

INFORMATION REGARDING MEMBERS OF THE BOARD

Mehmet AHKEMOĞLU

Chairman of the Board of Directors

Mehmet Ahkemoğlu was born in Ankara in 1964 and graduated from Ankara University, Faculty of Political Sciences, School of Economics in 1986. In 1996, he completed his Master's Degree in International Accounting and Auditing at Illinois University.

In 1986, Ahkemoğlu started working at the Ministry of Finance as Assistant Tax Inspector, in 1989 as Tax Inspector, in 1997-2004 as Department Head on the Revenues Administration of the Ministry of Finance, and in 2005 as Department Head on the Department of Revenues Management of the Revenues Administration. He resigned at the end of 2005 and joined the Alarko Group of Companies in 2006. He is the Chief Financial Officer of the Alarko Group of Companies. Ahkemoğlu who is also a member of the Board of various companies within the Alarko Group. He speaks English.

Mehmet Ahkemoğlu does not qualify as independent director according to the CMB's Communiqué Numbered II-17.1.

Harun Hanne MORENO

Vice Chairman of the Board

Moreno was born in Istanbul in 1960. In 1982, he graduated from the Industrial Engineering Department of the Faculty of Engineering of Boğaziçi University. Moreno completed his MBA at the Social Studies Institute of the Faculty of Business Administration of the same university in 2002.

Harun Moreno started to work at the Alarko Group of Companies in 1986. Following various middle and top management positions in the various units of the group, he was appointed general manager of the Alarko Real Estate Investment Partnership Co. in 2001. He is still holding this position.

Harun Hanne Moreno speaks English and Spanish. He is married and has two children.

Ümit Nuri YILDIZ

Member of the Board

Ümit Nuri Yıldız was born in Erzurum in 1966. He graduated from the Department of Business Administration, Faculty of Political Sciences of Ankara University in 1986. He obtained his MSc degree from University of Illinois. In 1987, he started working as Assistant Tax Inspector at Board of Auditors of the Ministry of Finance. Yıldız continued to work in the Ministry as Tax Inspector and Chief Tax Inspector until 1997. He was appointed Deputy General Manager of the Turkish Employment Organization in 1997. He resigned from his position and joined the Alarko Group of Companies in 1998. Yıldız who is presently working as Chief Executive Officer at Alarko Group is also a member of the Board of various companies within the group. Yıldız speaks English and is married with two children.

Ümit Nuri Yıldız does not qualify as independent director according to the CMB's Communiqué Numbered II-17.1.

Alpaslan SERPEN

Member of the Board

Born in 1977 in Balıkesir, Mr. Serpen graduated from the Department of Industrial Engineering, Faculty of Engineering, Middle Eastern Technical University in 1999. He received a Minor Degree in Finance, Department of Business Administration of METU during 1996-1999.

He embarked on his professional career in 1999 as Dealer in Department of Treasury Fund Management of Pamukbank. Joining Alarko Group of Companies as Feasibility Expert in 2005, Alpaslan Serpen worked in the fields of privatization tenders, acquisitions and mergers, investment planning, company valuation, strategic planning and energy investments. He currently serves as Chief Strategy Officer of Alarko Group of Companies. Alpaslan Serpen is married and speaks English.

Alpaslan Serpen does not qualify as independent director according to the CMB's Communiqué Numbered II-17.1.

**Bedriye Banu KÖKER*****Independent Member of the Board***

Born in 1974 in Van, Bedriye Banu Köker graduated from the Department of Business Administration, Faculty of Economic and Administrative Sciences of Boğaziçi University in 1996, and received her graduate degree in Finance, Texas A&M University.

Having embarked upon her professional carrier in Abn Amro Bank in 1998 as executive candidate, Köker quit her office in 2010 as she was Group President in Charge of Corporate Banking Officer. She worked as Managing Director in Charge of Corporate Customers at Standard Ünlü during the 2010-2012 period and at Ünlü & Co during the 2012-2020 period.

During her 22-year term of office in the banking sector, Ms. Köker has achieved many accomplishments in the fields of both corporate banking and investment banking, serving the leading family holdings and corporate companies of Turkey.

Having acted as angel investor since 2020, she supports new start-ups as both investor and mentor. Banu Köker is a member of Women on Board Association Türkiye, holds a Gestalt Coaching Certificate and speaks English.

Bedriye Banu Köker meets the independence criterion as per the CMB Communiqué No. II-17.1.

Neslihan TONBUL***Independent Member of the Board***

Born in İstanbul, in 1959, Ms. Neslihan Tonbul, received a BA degree in economics and political science from Rutgers University (USA), and was awarded an MA degree in development economics and international relations from the Fletcher School of Law and Diplomacy at Tufts University.

After beginning her international banking career in 1983 at the Irving Trust Company, New York, she moved to İstanbul in 1988, as the Middle East Region Manager. She has been a pioneer in the development of the finance industry, and continued to work for BNY Mellon until 2008. In 2009, Ms. Tonbul became a board member for Yaşar Holding, and then served on the boards of Prysmian, Turcas, Petrol, and ANEL, and she is currently serving as an Independent Board Member for Vakıfbank International AG, TOFAŞ, and PETKİM.

She is a senior advisor for the New Zealand Development Agency and Cambridge Family Enterprise Group since 2014, and she also gives lectures at Koç University, Economics and Administrative Sciences Faculty. In addition to her professional work, Ms. Tonbul is also an active member of the civil society. Ms. Tonbul is a Trustee of the American Research Institute in Türkiye (ARIT), Young Presidents Organization (YPO), and Turkish Education Volunteers Foundation (TEGV), and she is among founders of Turkish-American Business Forum. She has been mentoring Women Entrepreneurs at the EBRD since 2014. Ms. Tonbul knows English, French, Azerbaijani, Italian and Persian.

Neslihan Tonbul meets the independence criterion as per the CMB Communiqué No. II-17.1.

Nergiz Ayvaz BUMEDİAN***Independent Member of the Board***

Born in İstanbul in 1970, Nergis Ayvaz Bumedian graduated from Kadıköy Anatolian High School in 1988 and got her bachelor's degree in Economics from Boğaziçi University in 1992.

She worked at Yapı ve Kredi Bankası between 1992 and 1995 and at Demirbank T.A.Ş. in Corporate Banking between 1995 and 1997. In 1997, she joined Finansbank Corporate and Commercial Banking team. Then, she was appointed as Branch Manager in 1998 and Finansbank Commercial Banking Group Manager in 2000. Ayvaz Bumedian served as Chief Commercial Banking Officer of Finansbank between January 2008 and June 2009 and as a member of the Board of Directors of Finans Leasing between March 2009 and May 2010. In June 2009, she was appointed General Manager of Finans Faktoring A.Ş., a Finansbank affiliate. Since 2015, Finansbank A.Ş. and its affiliates have been operating under the Qatar National Bank (QNB) umbrella. Nergis Ayvaz Bumedian still serves as Board Member and General Manager of QNB Finansfaktoring.

Nergis Ayvaz Bumedian meets the independence criterion as per the CMB Communiqué No. II-17.1.



AGENDA OF THE ANNUAL GENERAL ASSEMBLY MEETING

1. Opening and moment of silence.
2. Deliberation and decision on the election of the Presiding Committee.
3. Deliberation and decision on authorizing the Presiding Committee to sign the minutes of the General Assembly Meeting.
4. Reading and deliberation on the Annual Report of the Board of Directors, Auditor Report and Independent Audit Company Report for 2024.
5. Reading, deliberation and approval of the Statement of Financial Position and the Statement of Comprehensive Income for 2024.
6. Deliberation and resolution for the acquittal of the Board of Directors members for the activities in 2024.
7. Presenting information about donations made by the Company in 2024.
8. Deliberation and decision on determining the upper limit of donations to be made by our company in 2025.
9. Presenting information about the guarantees, pledges, mortgages and bails given by our company in favor of third parties.
10. Discussion of, and decision on the proposal of the Board of Directors for dividend distribution.
11. Discussion of decision on the determination of the remuneration of the members of the Board of Directors.
12. Informing the General Assembly about the share buyback program.
13. Deliberation and resolution regarding vesting the authority to the Board of Directors members in accordance with articles 395 and 396 of the Turkish Commercial Code.
14. Presenting information to General Assembly on procedures indicated in articles 1.3.6 of the "Corporate Governance Principles" in the annex of the Communiqué numbered II-17.1 of the Capital Markets Board.
15. Deliberation and decision on the approval for the auditing of the company's accounts and operations for 2025 by an Independent Audit Company selected by the Board of Directors in accordance with the Capital Markets Regulations and Turkish Commercial Code.
16. Remarks and suggestions.

Board of Directors



ANNUAL REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

We hereby present the Annual Statement of Financial Position, Statement of Comprehensive Income and other financial statements which reflect the results of our company's activities in 2024 for your evaluation and criticism.

- 1) Our annual report covers the period between January 1, 2024 and December 31, 2024.
- 2) The members of the Board and the Statutory Auditors during 2024 are their terms of office are presented on page 4.

The financial statements which show the operational results obtained in 2024 were audited independently by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member Firm of Ernst & Young Global Limited)

- 3) The Board of Directors convened 22 times during the term. All members have attended to the meetings held during the period. Board decisions have been taken unanimously. Therefore, there is no record of dissenting votes.
- 4) The company's registered capital ceiling in 2024 was TL 500.000.000.
- 5) Our issued capital is TL 289.800.000 and our net profit for the period TL 445.950.916.
- 6) The rate of participation to our Ordinary General Assembly Meeting held on May 14, 2024 was 52.99%. The shareholders that hold more than 10% of our capital are; Alarko Holding A.Ş. with 16.42% of the shares and Alsim Alarko Sanayi Tesisleri ve Ticaret A.Ş. with 34.78% of the shares. 48.77% of the capital is offered to the public.

In the last three years of activity, dividends were paid out of the issued capital as follows: 165% in cash in 2021, 175% in cash 125% bonus issue, a total of 300% dividend in 2022 and 5% in cash, 100% bonus issue in 2023, a total of 105% dividend was paid in 2023.

The proposal for profit distribution for the year 2024 submitted by the Board of Directors to the approval of the General Assembly is on page 21 of the report. At the time this report was written, the nominal value of TL 1 of our share certificate registered with the İstanbul Stock Exchange, where their transaction is carried out, was TL 19.

- 7) TL 1.000.000 was donated to in 2024.
- 8) Information on the guarantees, pledges and mortgages lodged by our company in favor of third parties as of 31.12.2024 is given in footnote 12 of the financial statements.
- 9) There are no important lawsuits brought against our company which could impinge on its financial status or activities of the company as of 31 December 2024.
- 10) Shareholders who control the management, members of the board of directors, top executives and their spouses and blood and in-law relatives up to and including second kin have not executed any transaction which may lead to conflict of interest with the Company or its affiliates. Members of the Board have no transactions of their own or on behalf of others that could be within the scope of the noncompetition covenant.
- 11) Footnote 33 to the financial statements contains information related to checking compliance with portfolio limitations.



GENERAL INFORMATION REGARDING OUR ACTIVITIES

Our company was established to invest in real estate and real estate projects, real estate based rights, money and capital market instruments and continues to develop its portfolio by diversifying its investments.

The Bodrum Hotel Project with a capacity of 782 beds, located in Muğla Bodrum Gündoğan, which is an asset of our company and the construction of which we continue in 2024, will provide our company with a stable rental income in the long term when it is completed.

The Company has also included many qualified properties in its portfolio in previous years in order to generate rental income. High prestigious properties included in our portfolio in the previous years are as follows; Hillside Beach Club Holiday Village with a capacity of 781 beds in Kalemaya Bay, Fethiye; factory building and facilities in Eyüp, Istanbul; 39 shops in Alkent Etiler Bazaar in Etiler, Istanbul; 4-storey Alarko Business Centre in Necatibey Street, Karaköy, Istanbul; 10 shops in Alkent2000 Complex in Büyükçekmece, Istanbul; 6-storey Alarko business centre in Çankaya, Ankara.

We continue to our efforts to develop projects on other lands in our portfolio and/or to evaluate them in other ways. In addition, we continue to search for suitable land for new projects and carry out feasibility studies.

ADDITIONAL INFORMATION REGARDING OUR ACTIVITIES

- 1) Our Company had no activities related to Research and Development in the financial term of 2024.
- 2) Information regarding the internal control system of our company and its internal and external auditing activities: Our Company conforms to the principles stated in the Corporate Governance Principles. Hence, an "Auditing Committee" was constituted within the Board of Directors and the committee's work principles were determined by the Board. The results of the internal auditing reports drawn as a result of the inspections carried out in accordance with the internal control system set up and the audit reports drawn at the end of inspections carried out by the independent auditing companies are followed by the committee and reported to the Board. The financial statements showing the results of the activities of Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. for the year 2024 have been subject to independent auditing by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member Firm of Ernst & Young Global Limited). Both internal auditing and independent auditing were conducted twice within the financial period of 2024 and no adverse case was determined. Neither public nor special inspection was conducted within the term. The financial statements of the company were examined by the Auditing Committee and it was determined that they reflected the financial status of the company correctly, and were in accordance with the records and that the results of 2024 were in compliance with the relevant laws and the Articles of Association.



- 3) Direct participations and share ratios of are company are as follows. The company has no mutual participation exceeding 5%.

Subsidiaries	Declared Capital (TL)	Share (TL)	Share (%)
Alarko Holding A.Ş.	435.000.000	1.183.962	0,27
Alsim Alarko Sanayi Tesisleri ve Ticaret A.Ş.	3.988.750.235	12.451	0,00
Mosalarko A.O.	30.000.000 (Ruble)	30.000.000 (Ruble)	100,00

Information regarding our partnership ratios in our shareholdings as of 31 December 2024 and the dividends we have accumulated in 2023 and 2024 are given in note numbers 4 and 21 to the Financial Statements.

- 4) As of December 31, 2024, the total number of share repurchases provided from the Company's internal resources is 14.539.680 shares and its ratio in the Company's capital is 5.017%. Information on this issue is given in footnote 16.
- 5) As there is no practice by the Company and the members of the Board of Directors against to the applicable laws and regulations, there is neither any administrative nor judicial litigation against the Company and the members of the Board of Directors.
- 6) Objectives determined in former terms have been attained and there are no matters that have not been implemented in the decisions taken at the General Assemblies of the Company.
- 7) No extraordinary General Assembly was held during the term.
- 8) Our company made donations to Alarko Eğitim-Kültür Vakfı within the scope of its social responsibility project. Social contributions are made through the GYO (Real Estate Investment) Association and Alarko Educational Cultural Foundation.
- 9) Our company is a dependent company of Alarko Holding A.Ş. as defined in Turkish Commercial Code Article 195 Paragraph 1. Our company has carried out some transactions of goods and services with the parent company and its affiliates. All aforesaid transactions are conducted in accordance with arm's length principle.

No legal action was taken by our Company in favor of the parent company or its affiliates under directives of the parent company. Therefore, no measures were taken or avoided to be taken in favor of the parent company or its affiliates during the past year.

All business activities of our Company performed with the parent company and its affiliates are in total conformity with law and regulations and also with the arm's length principle, and therefore no compensation is needed for aforesaid transactions according to Turkish Commercial Code Article 199 whatsoever.

- 10) There have been no legislative amendments that can seriously affect the Company's activities within the term.
- 11) Conflict of interest does not exist between the Company and investment consulting institutions as well as rating institutions which render services to the Company.



AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND JUSTIFICATION OF SUCH AMENDMENTS

It has been decided that the issued capital of the Company, amounting to TL 144.900.000, be increased by TL 144.900.000 corresponding to 14.490.000.000 Group C bearer shares with a nominal value of 1 Kr and thus be increased to TL 289.800.000, that the entire increased capital be covered from the 2023 dividend in accordance with the ordinary general assembly decision dated 14 May 2024, and that the bearer Group C shares corresponding to 100% of the existing capital to be issued to represent the increased capital amounting to TL 144.900.000 be duly distributed to the shareholders as bonus shares. An application has been filed with the Capital Markets Board on 31 July 2024. Necessary permissions were obtained from the Capital Markets Board with its decision dated 4 September 2024 and numbered E-12233903-340.05.05-59327 for the certificate for issuing shares for the capital increase and amended texts of Articles 6 and 7 of the Articles of Association of the Company, and the certificate and the amended texts were registered by Istanbul Trade Registry on 11 September 2024.

It has been decided in the Board Meeting held on 20 December 2023 that, since the authorized capital allowed by the Capital Markets Board will have completed the 5-year period in 2024, permission be obtained for time extension, and that the authorized capital of the company, which is TL 150.000.000, be increased to TL 500.000.000. An application has been filed with the Capital Markets Board on 27 December 2023. Necessary permissions were obtained from the Capital Markets Board with its letter dated 19 January 2024 and numbered E-12233903-340.08-48339 for the amended text of Article 6 of the Articles of Association of the Company related to the increase of authorized capital, and it has been stated in the letter dated 5 February 2024 and numbered E-50035491-431.02-00093642608 of the General Directorate of Domestic Trade of the Ministry of Trade that the amended text was approved. The foregoing has been discussed at the 2023 Ordinary General Assembly meeting and accepted by majority of votes.

FINANCIAL RIGHTS GRANTED TO BOARD MEMBERS AND TOP EXECUTIVES

Except for the Independent Members of the Board, no financial rights such as honorariums, fees, bonuses, premiums, profit share are granted to Board Members. The gross total of fees and similar financial rights provided to the Independent Board Members and top executives in 2024 was TL 19.700.378.

There are no allowances, travel, accommodation and representation expenses and real and financial means, insurances and any similar collaterals given to the Members of the Board of Directors.

INFORMATION ABOUT HUMAN RESOURCES

The average number of employees on the 01.01.2024 - 31.12.2024 term is 18.

As of 31.12.2024, the company has calculated TL 1.984.091 employment termination indemnities with full provision.

All employees are treated fairly and equally in terms of training and promotion opportunities, training plans and policies aiming at improving the knowledge, skills and experience of the employees are developed. The employees receive training regularly during the year.

Job descriptions are developed for every position. Performance and reward criteria are determined on a yearly basis and are then implemented upon agreement with the employees.

Health insurance, transportation, lunch facilities are provided to employees by company.

A safe working environment is provided to the personnel and it is improved continuously.



CURRENT CAPITAL AND PARTNERSHIP STRUCTURE

Shareholders	Share Amount (TL)	Number of shares and votes	Ratio (%)	Number of (*) A Group shares and votes	Number of (**) B Group shares and votes	Number of C Group shares and votes
Alarko Holding A.Ş.	47.568.791	4.756.879.128	16.42	16.467.000	–	4.740.412.128
Alsim Alarko Sanayi Tesisleri ve Ticaret A.Ş.	100.800.459	10.080.045.944	34.78	–	23.500.000	10.056.545.944
Other	93.946	9.394.612	0.03	33.000	–	9.361.612
Public Offering	141.336.804	14.133.680.316	48.77	–	–	14.133.680.316
Total	289.800.000	28.980.000.000	100	16.500.000	23.500.000	28.940.000.000

(*) A Group Shareholders have right of nomination of 4 candidates at election of members of Board.

(**) B Group Shareholders have right of nomination of 3 candidates at election of members of Board.

There are no other concessions except for that of “Nomination to the Board” as stated above.

PROFIT DISTRIBUTION POLICY

Our Company distributes its profits within the frame of Capital Market Legislation, Turkish Commercial Code, Tax Legislation, other concerned legislation and the provisions stipulated under the Articles of Association of the Company.

The amount of profit to be distributed is determined by taking into consideration the funds that may be needed in line with the investment policy and other cash needs of the company.

In principle, our company will distribute every year at least 5% of its distributable profit for the term to its shareholders in cash as dividend or as non-paid by adding it to the capital. In case of occurrence of extraordinary economic circumstances, a dividend at a lower rate than the above indicated one may be distributed or no dividend may be distributed. Such a case is announced to the public with a special case announcement containing a justification by passing a resolution from the Board of Directors.

The Board of Directors passes a resolution containing its proposal for the distribution of profit every year within the frame of profit distribution policy of the company and presents same to the approval of the General Assembly.

It is essential that the distribution of dividend is started on 31st of May every year in case the proposal of the Board of Directors related to the distribution of profit is approved by General Assembly. General Assembly of Shareholders may determine the date of distribution of profit provided that such date shall not be later than the last day of current accounting period during which the meeting is held.

There is no privileges in profit distribution.

Our company distributed a total of 152.145.000 TL dividends to its shareholders in 2024 as 7.245.000 TL in cash and 144.900.000 TL in bonus shares.



RISK MANAGEMENT AND INTERNAL AUDIT MECHANISM

A risk governance and internal audit mechanism is established by the Board of Directors. Managerial risks are reviewed periodically by the Auditing Committee constituted by the Board members. The Committee has decided to establish, audit and update an internal control mechanism. The Auditing Group has been appointed to supervise the constitution of the internal control mechanism and to oversee its operability. The Auditing Group inspects the internal control mechanism regularly through the approved annual audit plans and communicates its opinions and findings to top management.

Pursuant to this decision, the Auditing Group has been appointed to oversee the setting up of the internal control mechanism and supervise its operability. The Auditing Group supervises the internal control mechanism at predetermined periods in accordance with the approved annual plans and reports its views on matters determined to top management. Furthermore, the Auditing Committee and Early Detection of Risk Committee review related matters and advise the Board accordingly. The Auditing Committee and the Board determine the measures to be taken and instruction the managers of the company by way of the General Manager.

An Early Detection of Risk Committee consisting of three members has been established to determine risks likely to be encountered and to make recommendations to the Board in order to set up an effective risk management system and their operation principles have been approved by the Board. The Early Detection of Risk Committee convened 1 times in 2024 and the 6 reports of Committee were presented to the Board.

BOARD OF DIRECTORS

Structure and Composition of Board of Directors

Board of Directors

Mehmet Ahkemoğlu	Chairman
Harun Hanne Moreno	Vice Chairman
Ümit Nuri Yıldız	Member
Alpaslan Serpen	Member
Bedriye Banu Köker	Member (Independent)
Neslihan Tonbul	Member (Independent)
Nergis Ayvaz Bumedian	Member (Independent)

Except for General Manager, Harun Hanne Moreno, the other members of the Board of Directors have no executive duties in the Company's management.

There are 3 independent members on the Board of Directors.

For election to the Independent Membership, a Nomination Committee has not been constituted among the members of our company's Board of Directors. Hence, the Corporate Governance Committee undertook the duty of the Nomination Committee in accordance with the Corporate Governance Communiqué of the Capital Market Board. There was no situation to rule out their independence in the relevant term of activity of the Independent Members of the Board.



Their independence declaration is as follows:

Declaration of Independence

I declare to the Board, the partners and all the related parties that I meet all the independence criteria specified in clauses 4.3.6 and 4.3.7 of the Corporate Governance Announcement number II-17.1 published by the Capital Markets Board, have the qualifications stipulated in the related legislation and the Articles of Association and in case there are any changes affecting my independence, I will duly inform the Board of the Alarko Real Estate Investment Partnership Co.

Name Surname : Bedriye Banu KÖKER
Tarih : 09.02.2024

Declaration of Independence

I declare to the Board, the partners and all the related parties that I meet all the independence criteria specified in clauses 4.3.6 and 4.3.7 of the Corporate Governance Announcement number II-17.1 published by the Capital Markets Board, have the qualifications stipulated in the related legislation and the Articles of Association and in case there are any changes affecting my independence, I will duly inform the Board of the Alarko Real Estate Investment Partnership Co.

Name Surname : Neslihan TONBUL
Date : 09.02.2024

Declaration of Independence

I declare to the Board, the partners and all the related parties that I meet all the independence criteria specified in clauses 4.3.6 and 4.3.7 of the Corporate Governance Announcement number II-17.1 published by the Capital Markets Board, have the qualifications stipulated in the related legislation and the Articles of Association and in case there are any changes affecting my independence, I will duly inform the Board of the Alarko Real Estate Investment Partnership Co.

Name Surname : Nergis Ayvaz BUMEDİAN
Date : 09.02.2024

The CV's of the members of the Board of Directors, their term in office and their duties outside the company are published in the previous parts of the Annual Report and the web-site of the Company. They are not included here to avoid repetition.

Our Board of Directors has three female member, and the nomination process is determined in consideration of inclusion and competency criteria. Works are ongoing for the development of a policy to increase compliance with diversity and inclusion criteria, which will also consider the members' competency.

Board members are in no way restricted in assuming position in other organizations or entitles other than the company.

General Manager Harun Hanne Moreno

Moreno was born in Istanbul in 1960. In 1982, he graduated from the Industrial Engineering Department of the Faculty of Engineering of Boğaziçi University. Moreno completed his MBA at the Social Studies Institute of the Faculty of Business Administration of the same university in 2002.



Harun Moreno started to work at the Alarko Group of Companies in 1986. Following various middle and top management positions in the various units of the group, he was appointed general manager of the Alarko Real Estate Investment Partnership Co. in 2001. He is still holding this position.

Harun Hanne Moreno speaks English and Spanish. He is married and has two children.

Operational Principles of the Board of Directors

The Board of Directors convenes when it is deemed necessary from the point of view of the company's operations upon the invitation of the chairman or deputy chairman. However, meeting once a month is compulsory. The chairman of the Board confers with the other members of the Board and the General Manager and determines the agenda of the Board meetings and sends it to all members 3 days prior to the meeting. Members make a point of attending every meeting and expressing their opinions. Participation in the Board meeting can be done by any technological means that allows remote access. Remarks of members who are unable to attend the meeting but report them to the Board in writing are presented to the other members. No weighed voting right is granted to the Board members. Each member of the Board has one vote. In Board meetings related to related party transaction, the member of the relevant Board does not have a voting right. The meeting and resolution quorum of the Board meeting is stated in the Articles of Association. Decisions that present characteristics stated in the Communiqué of the Capital Markets Board the articles of the communiqué are applied. The powers and responsibilities of the Board members are given in the Articles of Corporation.

The Board of Directors convened 22 times during the term. All members have attended to the meetings held during the period. Board decisions have been taken unanimously. Therefore, there is no record of dissenting votes. In 2024 there were no related party transactions and transactions of important character to be presented to the approval of the independent members of the Board.

ASSESSMENT OF THE OPERATING PRINCIPLES AND EFFECTIVENESS OF COMMITTEES OF THE BOARD OF DIRECTORS

Our Company's Board of Directors has established new committees and laid down their operating principles pursuant to the Capital Markets Board's Communiqué No. II-17.1 on Corporate Governance and the provisions of the Turkish Commercial Code.

All committee members are non-executive members.

Information on the purviews and operating principles of the committees and on their members is disclosed on the Public Disclosure Platform (PDP) and published on our corporate web site for investors for information purposes. Decisions taken as a result of independent studies conducted by committees are proposed to the Board of Directors, and the final decision is made by the Board of Directors.

For this purpose;

- A Corporate Governance Committee consisting of 4 members is established in order to develop corporate management practices, and Independent Member Bedriye Banu KÖKER, is elected as the chairman of the Committee, Members Mehmet AHKEMOĞLU, Alpaslan SERPEN and Investor Relations Department manager Metin FRANKO are elected as Committee members. Corporate Governance Committee met 3 times in 2024 with full attendance of all members and submitted a report to the Board of Directors about its activities.



The Corporate Governance Committee;

- has supervised the works of Investor Relations department.
- has reviewed Company's performance evaluation system.
- has evaluated the implementation of corporate governance principles. In the evaluation, information has been obtained on Corporate Governance Principles Compliance Report prepared pursuant to the CMB's Communiqué No. II-17.1 on Corporate Governance.
- For the purpose of early detection of risks that may be encountered by our Company and establishment of an effective risk management system, an Early Risk Detection Committee consisting of 4 members has been established to give advices to the Board of Directors, and Independent Member Bedriye Banu KÖKER has been elected as the Chairman of the Committee, Ümit Nuri YILDIZ, Mehmet AHKEMOĞLU and Alpaslan SERPEN were elected as member of the committee. Early Risk Detection Committee has 1 times in 2024 with the attendance of all members and the 6 reports of Committee were submitted to the Board of Directors.

Early Risk Detection Committee has carried out studies on early detection of the risks that may endanger the existence, development and continuation of the Company under the regulations and legal legislation, and on the implementation of appropriate measures related to determined risks and management of the risk.

- Independent Member Bedriye Banu KÖKER has been elected as the Chairman and Independent Member Neslihan TONBUL has been elected as the member of the Audit Committee which exists under the Board of Directors. The Audit Committee has met 5 times in 2024 with the attendance of all members and the results of meeting have been submitted to the Board of Directors in a report.

The Audit Committee;

- has supervised the operation and effectiveness of the internal control system by evaluating the reports issued by the Company management, independent audit firm and internal auditors.
- has submitted to the board of directors, for approval, its proposal for the independent audit firm following appointment of independent audit firm which will provide services to the Company and prior approval by the committee of the services to be obtained from this company.
- has submitted to the board of directors, for approval, the annual and interim financial statements to be disclosed to the public, together with its own evaluations, after taking the opinions of the company's chief operating officers and independent auditors on their truthfulness, accuracy and compliance with the accounting principles observed by the company.
- has reviewed the activities of the independent audit firm.

Nomination Committee and Remuneration Committee have not been established among Members of the Board of Directors, and pursuant to the CMB's Communiqué on Corporate Governance, the Corporate Governance Committee has performed the duties of the Nomination Committee and Remuneration Committee.

According to the organization of the Board of Directors, the Board has three independent members. As the chairmen of the committees and all members of the Audit Committee must be independent members, some independent members serve in several committees.



HUMAN RESOURCES POLICY

The Human resources policy of the company is defined in the manual “Our Policy” issued annually and announced to the employees in annual meetings.

Recruitment criteria are determined in writing and are complied with. The physiological, psychological and intellectual characteristics required by each job are taken into consideration in the recruitment process. These characteristics are measured and evaluated by a written test. Following the initial evaluation by the human resources department, the candidate is interviewed by the manager of the particular unit to employ him/her.

All employees are treated fairly and equally in terms of training and promotion opportunities, training plans and policies aiming at improving the knowledge, skills and experience of the employees are developed. Employees receive training regularly every year.

Job descriptions are developed for every position. Performance and reward criteria are determined on a yearly basis and are then implemented upon agreement with the employees. The performance and evaluation system used in measuring and evaluating individual performance is taken into account during wage and career planning.

On the other hand, a certain number of personnel are granted “Golden Badge” as a reward of their outstanding performance. And employees winning the “Invention Prize” competition are also awarded. Thus, the creative personnel are motivated.

A safe working environment is provided to the personnel and improvements are made continuously.

RULES OF ETHICS AND SOCIAL RESPONSIBILITY

Rules of ethics approved by the Company’s Board of Directors, agreed by all Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. personnel and managers and defined in the Alarko Group of Companies Philosophy are summarized here below.

These rules are integrated to the policies, objectives, procedures and principles of Alarko.

- Act honestly in all business activities towards the government, clients, shareholders, personnel, partners and sub- and by- industries,
- Protect the environment and maintain the inter-company social balance,
- Orient the customers without forcing and give priority to their needs,
- Maintain high-quality; try to supply the best at the lowest price even when the customers are satisfied and contented with what is given already,
- Achieve the profits deserved by the shareholders under the current conditions,
- Give priority to teamwork as a corporation performing systematically on the basis of pre-defined procedures; share profit, loss and success and failure.

Our policies are shaped by this philosophy. And this philosophy is affixed at easily visible points in various units of our Company. In addition, all employees are informed through annual Policy Meetings and Our Policy Book published. Our existing and newly recruited personnel are trained on this philosophy and related rules regularly.

Our philosophy comprising these rules of ethics is also published in the in-company intranet system and the www.alarkoyatirim.com.tr web-site. All Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. employees are obliged to conform to these rules. Rules of ethics are followed-up by the superiors of all employees in the hierarchical order. Employees are obliged to notify the



management of any act or behavior contrary to the rules of ethics immediately. The rules of ethics are published in the Report on Compliance with Corporate Governance Principles link of the website.

Any infraction of rules noticed, notified or suspected by the Board of Auditors, General Manager or other managers are reviewed by the Board of Directors or instructed to be reviewed by the Board of Auditors to ensure compliance therewith. Disciplinary sanctions are applied to doers of actually proven infractions.

Social contributions are made through the education foundation established by the GYO Association of which we are a member and the group of companies that our our main shareholders.

There is no litigation or warning filed against our Company either during the current year or in the past for damages on the environment.

FINANCIAL INDEXES

According to the independently audited financial statements prepared as of December 31, 2024 financial indexes are as follows.

Financial Indexes	Year 2024	Year 2023
Net Sales	TL 370.929.859	TL 472.806.786
Net Profit for the Period	TL 445.950.916	TL 1.861.594.885
Current Ratio	3,34	7,06
Liquidity Ratio	3,34	6,85
Debt Equity Ratio	35.24%	7.88%
Total Assets	TL 18.017.512.207	TL 16.752.940.032

Analysis of the basic ratios regarding the term of 2024 shows that our Company's net working capital is adequate, that it can pay all its short term liabilities in cash or with economic assets that can be liquidated in a short period and also that its operating activities are financed with its equities. The Company's paid-in capital is TL 289.800.000, and it is in a position to pay its debts. The financial structure of the company is propitious to maintaining its activities. Hence, there are no precautions taken concerning this issue.

As of 31.12.2024, the number of shares at par value of TL 1,00 is 289.800.000 and the current value per share is TL 62.

Information regarding assets in our portfolio is summarized below :

i – Real Estates

Real Estates, Real Estate Projects, Chattel Real		Appraisal Date	Appraisal Value (TL)		Rent Appraisal Value (TL)	
			VAT excluded	VAT Included	VAT excluded	VAT Included
- Land in Büyükçekmece Eskice Village	Büyükçekmece / İstanbul, 3 parcels 622.477,84 m ² .	31.12.2024	947.577.000	1.042.334.700	-	-
- Maslak Land	Sarıyer / İstanbul, 2 parcels, in Maslak, on the Şişli - İstinye Büyükdere motorway 18.961,90 m ² .	31.12.2024	845.900.000	930.490.000	-	-
- İstanbul Karaköy Business Center	Karaköy / İstanbul, gross 1.730 m ² , single block, elevator, air conditioning heating, ½ bought in 1997, ½ bought in 1999.	31.12.2024	170.920.000	205.104.000	680.000	816.000
- Ankara Çankaya Business Center	Çankaya / Ankara, gross 1.887 m ² , single block, 6 storeys, elevator, chiller air conditioning, natural gas heating.	31.12.2024	67.960.000	81.552.000	362.000	434.400
- Fethiye Hillside Beach Club Holiday Village	10.128,09 m ² , in Fethiye / Muğla, Parcel 3 with 1. Class Holiday Village in Kaya Village, Kalemnya Bay.	31.12.2024	582.370.000	698.844.000	-	-
- Fethiye Hillside Beach Club Holiday Village (usufruct)	Fethiye / Muğla, 2 parcels, 84.762 m ² , usufruct for parcel 1 in Kaya Village, Kalemnya Bay.	31.12.2024	7.117.630.000	8.541.156.000	291.240.000	349.488.000
- Factory and land in Eyüp - Topçular	Eyüp / İstanbul, 15.675 m ² , facilities located in Topçular neighborhood. Door no. 8, block 247, parcel 56.	31.12.2024	600.000.000	720.000.000	966.000	1.159.200
- 39 shops in Etiler Alkent Housing Estate	39 shops in Etiler Alkent Shopping Center in Beşiktaş, İstanbul.	31.12.2024	511.848.000	614.217.600	2.132.700	2.559.240
- 10 shops in Büyükçekmece Alkent 2000 Yeditepe Housing Estate	10 shops in Büyükçekmece Alkent 2000 Shopping Center in Büyükçekmece, İstanbul.	31.12.2024	103.704.000	124.444.800	432.100	518.520
-Bodrum Hillside Hotel	Hotel facility in Gündoğan township in Bodrum, Muğla, which is registered with the land registry under Block No 363 and Lot No.10 and which has an area of 41.829,84 m ² ,	31.12.2024	4.432.410.000	5.318.892.000	-	-
TOTAL			15.380.319.000	18.277.035.100	295.812.800	354.975.360





ii – Money and Capital Market Instruments

Type	Total (TL)	Ratio (%)
Government Bonds and Bills	857.694.784	65,26
Mutual Funds	324.017.745	24,65
Share Certificates	108.924.505	8,29
Foreign Currency Time Deposits	16.544.459	1,26
Foreign Currency Deposits	3.647.567	0,28
TL Deposit	3.437.959	0,26
Cash	14.842	0,00
TOTAL	1.314.281.861	100

iii – Participations

Type	Total (TL)	Ratio (%)
Participations	29.309	0,001

INFORMATION REGARDING PORTFOLIO ASSETS LEASED

Information Regarding Portfolio Assets Leased	Insurance Value (TL)	Rent Appraisal Date	Rent Appraisal Value (TL)	Monthly Rent(TL)
- İstanbul Karaköy Business Center	23.500.000	29.12.23	433.000	435.500
- 39 shops in Etiler Alkent Shopping Center	33.000.000	29.12.23	1.470.000	1.988.555
- 10 shops in Büyükçekmece Alkent 2000	12.000.000	29.12.23	283.500	540.955
- Factory in Eyüp - Topçular	2.288.000	29.12.23	648.000	630.000
- Ankara Çankaya Business Center	21.000.000	29.12.23	228.000	310.080
- Fethiye Hillside Beach Club Holiday Village (*)	1.334.963.070	29.12.23	278.410.000	254.027.061

Note:

- (*) The main operator of Hillside Beach Club Holiday Resort in Fethiye is Attaş Alarko Turistik Tesisler A.Ş. According to the operation contract, the annual rent income is minimum USD 2.582.000. Hillside Beach Club Holiday Resort in Fethiye has been rented for Turkish Lira equivalent of US Dollar. Turkish lira value of the rent changes according to the change in the exchange rate. In addition to the annual fixed rent of USD 2.582.000, if the amount of land allocation fee paid in TL to the Ministry of Forestry for the facility, the rent for land paid in TL at 2% of the operation income, and the annual gross operation profit of the operator exceed USD 3.500.000, 50% of the sum in excess is added to the annual rent.



PROPOSAL FOR PROFIT DISTRIBUTION

- The profit for the period included in the 2024 financial statements of our company presented for approval at the General Shareholders' Meeting is TL 445.950.916 and we hereby propose:
- to set aside primary statutory reserves amounting to TL 5.888.812 in accordance with the provisions of the Capital Markets Legislation, the Company's Articles of Association, and other applicable legislation;
- not to distribute the net distributable profit for the period amounting to TL 441.062.104 which includes TL 1.000.000 of donations made during the year, in order to strengthen the financial structure of our Company and to create additional resources for financing investments;
- to transfer the remaining amount not subject to distribution to extraordinary reserves,

Board of Directors

In accordance with the provisions of the Capital Markets Legislation, the Company's Articles of Association, and other applicable legislation, dividends will be distributed as follows:

Profit for the Period.....	TL 445.950.916
Primary Statutory Reserves.....	TL 5.888.812
Net Distributable Profit for the Period	TL 440.062.104
Net Distributable Profit for the Period Including Donations	TL 441.062.104
Dividends to be Distributed to Shareholders	-
Balance to be transferred to Extraordinary Reserves	TL 440.062.104



REPORT ON COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

DECLARATION OF COMPLIANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES

Our company has taken due care in the observation of Corporate Governance Principles published by the Capital Markets Board. All of the obligatory principles defined in the Communiqué on Corporate Governance have been observed by our Company. Most of the non-obligatory Corporate Governance Principles have also been complied with, while those that could not be complied with have been explained in the relevant section. Please find the details on the issue in the following sections. The Corporate Governance Committee continues to perform its activities.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	There is no action within the scope of this article.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					



Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	The Company does not have any corporation with which it has cross shareholding that also brings along a domination relationship.
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The articles of association stipulates that minority rights are not less than one-twentieth of the capital.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	Dividend distribution made.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					



Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1 - The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.			X			The rights of stakeholders are protected under the legislation.
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/ manuals), regulate the participation of employees in management.			X			No special model is designed for employee participation in management.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					



Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					



Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1 - The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.			X			No insurance has been made.
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					Our Board of Directors has three female members, and the nomination process is determined in consideration of inclusion and competency criteria. Works are ongoing for the development of a policy to increase compliance with diversity and inclusion criteria, which will also consider the members' competency.



Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.3.10 - At least one member of the audit committee has 5 years of experience in audit / accounting and finance	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1 - Each board member physically or electronically attended the majority of the board meetings in person.	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			X			No rules or restrictions have been laid down for preventing members of the board of directors from serving outside the company, and their services in this scope are presented to the shareholders in the general assembly meeting for information.
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.			X			As the chairmen of the Committees and all members of the Audit Committee must be independent members, some independent members serve in several committees.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	The committees have not procured consulting services.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					



Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.6. FINANCIAL RIGHTS						
4.6.1 - The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4 - The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				The wages paid to members of the board of directors and managers with administrative responsibilities are explained in the annual report; however no explanation has been provided on an individual basis.



CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	80 physical and 56 virtual meetings were held.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	-
The number of special audit requests that were accepted at the General Shareholders' Meeting	-
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/en/Bildirim/1273129
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Yes
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	-
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	-
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II17.1)	-
The name of the section on the corporate website that demonstrates the donation policy of the company	https://www.alarkoyatirim.com.tr/en/investor-relations/corporate-governance/articles-of-association.pdf
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/en/Bildirim/1286374
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	https://www.alarkoyatirim.com.tr/en/investor-relations/corporate-governance/articles-of-association.pdf , article no: 20,21,22,23,24
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	-
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
The percentage of ownership of the largest shareholder	34.78%
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association.	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy.	https://www.alarkoyatirim.com.tr/index.php/en/investor-relations/corporate-governance/profit-distribution-policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Dividend distribution made.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends.	Dividend distribution made.



General Assembly Meetings

General Meeting Date	Meeting Date The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
14.05.2024	0	52.99%	1.25%	51.74%	https://www.alarkoyatirim.com.tr/index.php/en/investor-relations/corporate-governance/general-assembly-participation-and-minutes	https://www.alarkoyatirim.com.tr/index.php/en/investor-relations/corporate-governance/general-assembly-participation-and-minutes	-	0	https://www.kap.org.tr/en/Bildirim/1273129

2. DISCLOSURE AND TRANSPARENCY

2.1. Corporate Website

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	https://www.alarkoyatirim.com.tr/index.php/en/investor-relations/corporate-governance
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	https://www.alarkoyatirim.com.tr/index.php/en/investor-relations/corporate-governance/shareholder-structure
List of languages for which the website is available	Turkish, English

2.2. Annual Report

The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Information Regarding Members of the Board pages 5 Board of Directors - page 13
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Assessment of The Operating Principles and Effectiveness of Committees of The Board of Directors - page 15
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Operational Principles of the Board of Directors page 15
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Additional Information Regarding Our Activities page 9
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Annual Report of the Board of Directors - page 8
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	-

f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	Additional Information Regarding Our Activities page 9
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Information About Human Resources - page 11, Human Resources Policy - page 17, Rules of Ethics and Social Responsibility page 17
3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	-
The number of definitive convictions the company was subject to in relation to breach of employee rights	-
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Investor Relations Department Manager
The contact detail of the company alert mechanism	Metin Franko Tel: 0212 310 34 14 metin.franko@alarko.com.tr Fatma Acar Tel: (0212) 310 34 63 fatma.acar@alarko.com.tr
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	-
Corporate bodies where employees are actually represented	-
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Succession plan is being conducted by the Board of Directors.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	http://www.alarkoyatirim.com.tr/index.php/en/investor-relations/annual-reports/HumanResourcesPolicy
Whether the company provides an employee stock ownership programme	There is no employee share ownership plan.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resources policy.	http://www.alarkoyatirim.com.tr/index.php/en/investor-relations/annual-reports/HumanResourcesPolicy
The number of definitive convictions the company is subject to in relation to health and safety measures	-
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	http://www.alarkoyatirim.com.tr/index.php/en/investor-relations/annual-reports/RulesofEthicsandSocialResponsibility
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	http://www.alarkoyatirim.com.tr/index.php/en/investor-relations/annual-reports/RulesofEthicsandSocialResponsibility



Any measures combating any kind of corruption including embezzlement and bribery	http://www.alarkoyatirim.com.tr/index.php/en/investor-relations/annual-reports/Risk Management and Internal Audit Mechanism
4. BOARD OF DIRECTORS - I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	14.05.2024
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	-
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	2
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Risk Management and Internal Audit Mechanism page 13
Name of the Chairman	Mehmet Ahkemoğlu
Name of the CEO	General Manager - Harun Hanne Moreno
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	-
The number and ratio of female directors within the Board of Directors	3 - 42.86%

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/ Or Finance Or Not
Mehmet AHKEMOĞLU	Non-executive	Not independent director	29.03.2006	-	-	-	-
Harun Hanne MORENO	Executive	Not independent director	29.03.2022	-	-	-	-
Ümit Nuri YILDIZ	Non-executive	Not independent director	27.03.2009	-	-	-	-
Alpaslan SERPEN	Non-executive	Not independent director	08.07.2020	-	-	-	-
Bedriye Banu KÖKER	Non-executive	Independent director	29.03.2022	-	Considered	No	Yes
Neslihan TONBUL	Non-executive	Independent director	04.05.2023	-	Considered	No	Yes
Nergis Ayvaz BUMEDİAN	Non-executive	Independent director	14.05.2024	-	Considered	No	Yes

4. BOARD OF DIRECTORS - II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical or electronic board meetings in the reporting period (meetings in person)	22
Director average attendance rate at board meetings	100%
Whether the board uses an electronic portal to support its work or not	No
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	3
The name of the section on the corporate website that demonstrates information about the board charter	http://www.alarkoyatirim.com.tr/index.php/en/investor-relations/annual-reports/Operational Principles of the Board of Directors
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	-
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Assessment of The Operating Principles and Effectiveness of Committees of The Board of Directors - page 15
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/en/Bildirim/229158 https://www.kap.org.tr/en/Bildirim/198295

Composition of Board Committees - I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Audit Committee	-	Bedriye Banu KÖKER	Yes	Board Member
Audit Committee	-	Neslihan TONBUL	No	Board Member
Corporate Governance Committee	-	Bedriye Banu KÖKER	Yes	Board Member
Corporate Governance Committee	-	Mehmet AHKEMOĞLU	No	Board Member
Corporate Governance Committee	-	Alpaslan SERPEN	No	Board Member
Corporate Governance Committee	-	Metin FRANKO	No	Not Board Member
Committee of Early Detection of Risk	-	Bedriye Banu KÖKER	Yes	Board Member
Committee of Early Detection of Risk	-	Ümit Nuri YILDIZ	No	Board Member
Committee of Early Detection of Risk	-	Mehmet AHKEMOĞLU	No	Board Member
Committee of Early Detection of Risk	-	Alpaslan SERPEN	No	Board Member



4. BOARD OF DIRECTORS - III	
4.5. Board Committees - II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Annual Report / Assessment of The Operating Principles and Effectiveness of Committees of The Board of Directors - page 15
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Annual Report / Assessment of The Operating Principles and Effectiveness of Committees of The Board of Directors - page 15
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Committee carries out the duties of the Nomination Committee.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Annual Report / Assessment of The Operating Principles and Effectiveness of Committees of The Board of Directors - page 15
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Committee carries out the duties of the Remuneration Committee.
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Annual Report of the Board of Directors page 8, General Information Regarding Our Activities page 9
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	https://www.alarkoyatirim.com.tr/index.php/en/investor-relations/corporate-governance/significant-management-board-resolutions
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Financial Rights Granted to Board Members And Top Executives - page 11

Composition of Board Committees - II

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Audit Committee	-	100%	100%	5	5
Corporate Governance Committee	-	100%	25%	3	3
Committee of Early Detection of Risk	-	100%	25%	1	6



SUSTAINABILITY PRINCIPLES COMPLIANCE DECLARATION

Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. closely follows best practices in sustainability, including those specified in the Capital Markets Board (CMB) Sustainability Principles Compliance Framework, and conducts its activities to ensure compliance with generally accepted best practices in this field.

Practices regarding the principles within the scope of the CMB Sustainability Principles Compliance Framework are included in the “Sustainability” section of the Annual Report.

A. General Principles

Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. manages environmental, social, and corporate governance principles within the context of sustainability by incorporating them into its practices and projects.

While environmental sensitivity is prioritized in all projects that have been and are currently being carried out, we constantly improve OHS and environmental performance in all projects by measuring them on both a project and an individual basis.

We ensure that these issues are taken into consideration in the management of the assets we rent to operating companies.

Environmental Management Systems are regularly reported in the “Management Review Meetings” as part of the activities carried out under the Hillside Beach Club holiday village brand in Fethiye, which is in our Company’s portfolio.

The prior year’s target and completion rate, as well as the target for the following year, are provided.

B. Environmental Principles

In terms of environmental principles, the Tourism Group, the operating company that manages the Hillside Beach Club Holiday Resort in Fethiye, which is an asset of our Company, holds ISO 18001, Food Safety 22000, Environmental Management 14001, Safe Tourism Certificate, Zero Waste Basic Certificate, Blue Flag Certificate, HACCP Gold Certificate, and Travelife Gold certificates, and this facility is regularly audited and compliant.

Regulations on environmental pollution and solid hazardous waste pollution are complied with. ISO 18001, and Environmental Management 14001 practices and principles are complied with.

Every year, saplings are planted, and annual electricity, gas, and water consumption is reduced to combat environmental problems. It is aimed to reduce the consumption of chemicals, and the staff is trained on this issue.

C. Social Principles

Full compliance with the legal framework and legislation is achieved in the employment contract made with all employees who will work at Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. and in human resources procedures. Equal opportunity in recruitment is maintained through policies in compliance with the applicable legislation. The requirements of the Labor and Social Security



Legislation and Labor Law against discrimination, inequality, human rights violations, and child labor are met.

Processes and policies on the protection of personal data have been developed, and are regularly updated and controlled.

Customer satisfaction is extremely important to Hillside, and we use a Customer Questionnaire Form that is sent to our customers regularly throughout the year to measure their satisfaction and take quick action when necessary.

The ethical rules and principles approved by the Company's Board of Directors and accepted by all Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. Members and Management, as well as stated in the Philosophy of Alarko Group of Companies, are shared under the title of "Ethical Rules and Social Responsibility" in the Annual Report.

D. Corporate Governance Principles

Sustainability is at the center of the corporate governance strategy. Disciplinary procedures are in place in relation to bribery and corruption.



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INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the General Assambly of
Alarko Gayrimenkul Yatırım Ortaklığı A.Ş.

1) Opinion

We have audited the annual report of Alarko Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("the Company) and its subsidiary ("the Group") for the period of 01.01.2024 - 31.12.2024.

In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

2) Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) as issued by the POA, 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) Our Auditor's Opinion on the Full Set Consolidated Financial Statements

We have expressed an unqualified opinion in our auditor's report dated March 8, 2025 on the full set consolidated financial statements of the Group for the period of 01.01.2024 - 31.12.2024.

4) The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Group is responsible for the following items:

- Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest



manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.

c) The annual report also includes the matters below:

- Subsequent events occurred after the end of the fiscal year which have significance,
- The research and development activities of the Group,
- Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

5) Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with InAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

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

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

Fatih Polat, SMVM
Partner

March 8, 2025
İstanbul, Türkiye



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INDEPENDENT AUDITOR'S REPORT

**To the General Assambly of
Alarko Gayrimenkul Yatırım Ortaklığı A.Ş.**

A) Report on the Audit of the Consolidated Financial Statements

1) Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matter	How the matter was addressed in the audit
<p>Valuation of investment properties</p> <p>As explained in Notes 2 and 9, the Group 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 16.033.694.587 TL, which are shown in the consolidated financial statements, are determined by independent valuation companies and the details are explained in Note 9.</p> <p>Since investment properties constitute an important part of the Group'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.</p>	<p>We have assessed the licenses, competencies and impartiality of real estate appraisers appointed by the management.</p> <p>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 9 has been reviewed.</p> <p>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.</p> <p>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.</p> <p>In addition, the appropriateness of the information contained in the consolidated 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.</p>

Key Audit Matter	How the matter was addressed in the audit
<p>Application of the hyperinflationary accounting</p> <p>As stated in 2.1 to the consolidated financial statements, the Group has started to apply “TAS 29 Financial Reporting in Hyperinflation Economies” since the functional currency of the Group (Turkish Lira) is the currency of a hyperinflationary economy as per TAS 29 as of December 31, 2024.</p> <p>In accordance with TAS 29, consolidated 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.</p> <p>In accordance with the guidance in TAS 29, the Group utilised the Turkey consumer price indices to prepare inflation adjusted financial statements. The principles applied for inflation adjustment is explained in 2.1.</p> <p>Given the significance of the impact of TAS 29 on the reported result and financial position of the Group, we have assessed the hyperinflation accounting as a key audit matter.</p>	<p>Our audit procedures included the following;</p> <p>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,</p> <p>We have tested the inputs and indices used, to ensure completeness and accuracy of the calculations,</p> <p>We have audited the restatements of corresponding figures as required by TAS 29,</p> <p>We assessed the adequacy of the disclosures in inflation adjusted financial statements for compliance with TAS 29.</p>

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

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

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

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

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

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

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

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

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

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.

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

Fatih Polat, SMVM
Partner

March 8, 2025
İstanbul, Türkiye



**CONSOLIDATED FINANCIAL
STATEMENTS AUDITED
BY INDEPENDENT AUDITORS**



ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 DECEMBER 2024 (TL)

ASSETS	Notes	Current Period 31 December 2024	Prior Period 31 December 2023
CURRENT ASSETS		1.864.738.195	2.635.135.490
Cash and Cash Equivalent	3	347.662.572	250.381.274
Financial Investments	4	857.694.784	1.463.708.314
Trade Receivables		310.442.454	431.022.666
Trade Receivables from Related Parties	6,26	306.950.383	426.425.546
Trade Receivables from Third Parties	6	3.492.071	4.597.120
Other Receivables		1.630.793	1.836.546
Trade Receivables from Third Parties	7	1.630.793	1.836.546
Inventories	8	3.761	77.137.100
Prepaid Expenses	14	332.974.113	392.705.004
Current Tax Asset		12.376.089	17.411.033
Other Current Assets		1.542.988	522.912
SUB TOTAL		1.864.327.554	2.634.724.849
Assets Held for Sales	15	410.641	410.641
NON-CURRENT ASSETS		16.152.774.012	14.117.804.542
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
Investment Properties	9	16.033.694.587	13.948.497.445
Property, Plant and Equipment	10	7.740.890	11.786.046
Intangible Assets		1.763.714	2.436.767
Other Intangible Assets	11	1.763.714	2.436.767
TOTAL ASSETS		18.017.512.207	16.752.940.032

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



LIABILITIES	Notes	Current Period 31 December 2024	Prior Period 31 December 2023
CURRENT LIABILITIES		558.885.478	373.427.919
Short Term Portion of Long Term Borrowings	5	470.246.263	228.657.667
Trade Payables		38.891.179	54.830.895
- Trade Payables to Related Parties	6,26	11.372.533	8.903.230
- Trade Payables to Third Parties	6	27.518.646	45.927.665
Payables Related to Employee Benefits	13	10.910.196	11.672.111
Other Payables		33.547.196	68.480.183
- Other Payables to Third Parties	7	33.547.196	68.480.183
Deferred Income		320.719	338.570
Current Income Tax		4.969.925	6.704.791
Other Current Liabilities		—	2.743.702
NON-CURRENT LIABILITIES		4.135.821.448	850.140.203
Financial Borrowings	5	1.147.382.156	698.179.439
Other Payables		25.194.324	27.265.982
- Other Payables to Third Parties	7	25.194.324	27.265.982
Long-term Provisions		4.015.905	2.806.992
- Long-term Provisions for Employee Benefits	13	4.015.905	2.806.992
Deferred Tax Liability	24	2.959.229.063	121.887.790
EQUITY		13.322.805.281	15.529.371.910
Equity Attributable to Parent		13.322.805.281	15.529.371.910
Share Capital	1,16	289.800.000	144.900.000
Adjustments to Share Capital	16	1.539.164.496	1.521.585.362
Treasury stocks (-)	16	(164.494.483)	(164.922.124)
Effect of Mergers Involving Enterprises or Businesses Under Common Control		(608.880.066)	(608.880.066)
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		466.304.128	562.496.475
- Currency Translation Difference		466.304.128	562.496.475
Restricted Reserves Appropriated from Profit	16	458.327.320	439.813.639
Prior Years' Profit	16	10.816.417.507	11.646.696.512
Net Profit for the Year	25	445.950.916	1.861.594.885
TOTAL LIABILITIES AND EQUITY		18.017.512.207	16.752.940.032



ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
AUDITED CONSOLIDATED STATEMENTS OF PROFIT OR
LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2024 (TL)

	Notes	Current Period 1 January 2024 31 December 2024	Prior Period 1 January 2023 31 December 2023
PROFIT AND LOSS			
Revenue	17	370.929.859	472.806.786
Cost of Sales (-)	17	(23.009.348)	(11.600.810)
GROSS PROFIT		347.920.511	461.205.976
Administrative expenses (-)	18	(112.604.672)	(94.552.689)
Other Income from Operating Activities	20	1.257.192.374	2.303.341.675
Other Expenses from Operating Activities (-)	20	(78.120.367)	(51.139.615)
OPERATING PROFIT		1.414.387.846	2.618.855.347
Income from Investing Activities	21	3.136.455	62.909.481
OPERATING PROFIT / (LOSS) BEFORE FINANCE INCOME / EXPENSE		1.417.524.301	2.681.764.828
Financing Expenses (-)	22	(226.390.267)	(7.972.851)
Net Monetary Position Gains (Losses)	23	(365.800.249)	(802.965.476)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		825.333.785	1.870.826.501
- Current Tax Expense / Income	24	(5.274.910)	(5.543.766)
- Deferred Tax Expense / Income	24	(374.107.959)	(3.687.850)
Tax Expense / Income from Continuing Operations	24	(379.382.869)	(9.231.616)
PROFIT FROM CONTINUING OPERATIONS		445.950.916	1.861.594.885
PROFIT FOR THE YEAR	25	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	4,16	(45.864.098)	(76.091.424)
- Gain / Loss on Remeasurement of Defined Benefit Plans	13	(49.581)	529.127
- Taxes on Other Comprehensive Income Not to be Reclassified to Profit or Loss			
Deferred Tax (Expense) Income		41.915	—
Items that will be Reclassified Subsequently to Profit or Loss			
- Foreign Currency Translation Differences Regarding the Translation of Foreign Businesses		(96.192.347)	9.611.867
OTHER COMPREHENSIVE INCOME/(EXPENSE)		(142.064.111)	(65.950.430)
TOTAL COMPREHENSIVE INCOME		303.886.805	1.795.644.455
Earnings per share			
- Earnings / (Loss) per Share from Continuing Operations	25	1,6201	6,7603

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

ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
AUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2024 (TL)

	Notes	Share Capital	Adjustments to Share Capital	Treasury Shares (-)	Effect of Mergers Involving Enterprises or Businesses Under Common Control	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			
						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	Equity attributable to parent
Balances as of January 1, 2023												
(Opening Balance)		64.400.000	1.435.854.881	(161.837.107)	(608.880.066)	202.471.884	(822.360)	552.884.608	396.562.376	10.293.560.700	1.795.340.216	13.969.535.132
Transfers		-	-	-	-	-	-	-	40.166.246	1.522.451.310	(1.562.617.556)	-
Total Comprehensive Income / (Expense)		-	-	-	-	(76.091.424)	529.127	9.611.867	-	-	1.861.594.885	1.795.644.455
Capital Increase		80.500.000	85.730.481	-	-	-	-	-	-	(166.230.481)	-	-
Dividends	16	-	-	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)	(608.880.066)	126.380.460	(293.233)	562.496.475	439.813.639	11.646.696.512	1.861.594.885	15.529.371.910
Balances as of January 1, 2024												
(Opening Balance)		144.900.000	1.521.585.362	(164.922.124)	(608.880.066)	126.380.460	(293.233)	562.496.475	439.813.639	11.646.696.512	1.861.594.885	15.529.371.910
Transfers		-	-	-	-	-	-	-	18.941.322	1.834.129.968	(1.853.071.290)	-
Total Comprehensive Income / (Expense)		-	-	-	-	(45.864.098)	(7.666)	(96.192.347)	-	-	445.950.916	303.886.805
Capital Increase		144.900.000	17.579.134	-	-	-	-	-	-	(162.479.134)	-	-
Dividends	16	-	-	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)	(608.880.066)	80.516.362	(300.899)	466.304.128	458.327.320	10.816.417.507	445.950.916	13.322.805.281

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





ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
AUDITED CONSOLIDATED STATEMENTS OF CHANGES IN
CASH FLOWS FOR THE PERIOD BETWEEN
1 JANUARY - 31 DECEMBER 2024 (TL)

	Notes	Audited 1 January 2024 31 December 2024	Restated Audited 31 January 2023 31 December 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES		886.191.666	269.278.047
Profit / Loss for the Year		445.950.916	1.861.594.885
Adjustments to Reconcile Profit / Loss for the Year		(455.004.845)	(1.922.389.948)
- Adjustments Related to Depreciation and Amortization Expenses	10,11,18	1.445.232	1.649.776
- Adjustments Related to Provisions	13	1.595.401	1.251.556
- Adjustments Related to Interest Income and Expenses	20	(65.454.117)	(120.915.572)
- Adjustments Related to Unrealized Currency Translation Differences		86.602.877	(323.532.378)
- Adjustments Related to Gain / Loss on Fair Value	9,20	(772.406.794)	(1.579.613.106)
- Adjustments Related to Tax (Income) / Expense	24	379.382.869	9.231.616
- Adjustments Related to Losses / (Gains) on Disposal of Fixed Assets		-	(690.060)
- Adjustments Related to Monetary Loss / Gain		(82.939.189)	90.437.777
- Other Adjustments Related to the Reconciliation of Profit / (Loss)		(3.231.124)	(209.557)
Changes in working capital		288.558.204	(263.932.506)
- Adjustments Related to Increase / Decrease in Trade Receivables	6	120.672.151	(56.068.660)
- Adjustments Related to Increase / Decrease in Other Receivables from Operations	7	(244.761)	(1.726.113)
- Adjustments Related to Increase / Decrease in Inventories	8	(3.761)	156.865
- Adjustments Related to Increase / Decrease in Trade Payables	6	(15.936.986)	14.511.577
- Adjustments Related to Increase / Decrease in Other Payables From Operations	7	(37.004.645)	(1.872.066)
- Adjustments Related to Other Increase / Decrease in Working Capital		221.076.206	(218.934.109)
Cash Generated From Operations		279.504.275	(324.727.569)
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
Tax Return / (Payments)		(7.009.776)	(4.179.637)
B. CASH FLOWS FROM INVESTING ACTIVITIES		(1.402.776.205)	(813.752.619)
Payments for Purchase of Property, Plant and Equipment and Intangible Assets	10,11	(108.246)	(18.089)
Payments for Investment Properties	9	(1.459.650.556)	(904.985.025)
Cash Inflows from Sales of Assets held for Sale		-	849.938
Dividends Received From Other Equity Investments	21	3.136.455	781.115
Interest Received		53.846.142	89.619.442
C. CASH FLOWS FROM FINANCING ACTIVITIES		719.360.958	451.099.430
Cash Outflows for The Acquisition of Own Shares and Other Equity Instruments		-	(14.761.048)
Cash Inflows From Borrowing	5	1.053.636.000	720.738.827
Cash Outflows From Borrowing	5	(326.179.088)	(30.222.785)
Cash Outflows Related to Debt Payments Arising From Lease Agreements	5	-	(3.608.935)
Dividends Paid	16	(8.095.954)	(221.046.629)
Net Increase / (Decrease) in Cash and Cash Equivalents Before the Effect of Currency Translation Differences		202.776.419	(93.375.142)
D. EFFECT OF CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		(28.533.576)	19.385.896
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		174.242.843	(73.989.246)
MONETARY LOSS / GAIN ON CASH AND CASH EQUIVALENTS	3	250.381.274	534.474.773
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		(76.961.545)	(210.104.253)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3	347.662.572	250.381.274

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



ALARKO GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
AUDITED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (TL))

1- ORGANIZATION AND OPERATIONS OF THE COMPANY

The company name of Aletim Alarko Elektrik Tesisat ve İnşaat Malzemeleri Anonim Şirketi founded on 6 June 1978 was changed to Alarko Gayrimenkul Yatırım Ortaklığı Anonim Şirketi (the Company) upon being published in the Turkish Trade Register Gazette dated 6 August 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 Nr 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 31 December 2024 and 31 December 2023, the shareholders and the shareholding structure of the Company at historic values is as follows:

Shareholders	31 December 2024		31 December 2023	
	Share Rate (%)	Share Amount (TL)	Share Rate (%)	Share Amount (TL)
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%.

It has been decided to increase the company's issued capital of 144.900.000 TL by 144.900.000 TL to 289.800.000 TL in return for 14.490,000.000 unit C group shares with a nominal value of 1 KR each, with the entire increased capital to be covered from the 2023 dividend according to the ordinary general assembly decision dated May 14, 2024, and to distribute the C group shares representing the increased capital of 144.900.000 TL, which correspond to 100% of the existing capital, to the shareholders free of charge in accordance with the procedures. An application was made to the Capital Markets Board on July 31, 2024. The necessary permissions have been obtained with the decision of the Capital Markets Board dated September 4, 2024, and numbered E-12233903-340.05.05-59327 regarding the issuance document related to the capital increase and the amendment text of the 6th and 7th articles of the Company's Articles of Association, and it was registered by the Istanbul Chamber of Commerce on September 11, 2024.

As of 31 December 2024 and 31 December 2023, 2023, the difference arising from the inflation adjustment of the nominal capital is at the amount of 1.539.164.496 and 1.521.585.362 TL (Note 16 (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 31 December 2024, the average number of the Company personnel is 18 (31 December 2023: 20).

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.

Joint Ventures:

In the accompanying consolidated financial statements, Mosalarko OJSC company residing in the Russian Federation, whose activities are only real estate, has been consolidated according to the full consolidation method with 100% ownership as of December 31, 2024 and 2023.

Approval of financial statements:

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

2- BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Presentation :

Statement of Compliance with TFRS

The accompanying financial statements are prepared in accordance with the provisions of the "Communiqué Related to the Financial Reporting Principles at the Capital Markets" (Communiqué) Nr. II/14.1 of the CMB published in the Official Gazette dated 13 June 2013 Nr 28676, taking as basis the Turkish Accounting Standards /Turkish Financial Reporting Standards and the related appendices and interpretations (TAS/TFRS) put into effect by the Public Oversight Accounting and Auditing Standards Authority (POA) as per the Article 5 of the Communiqué. In addition, it was presented in accordance with the 2024 IFRS taxonomy, which was published by the KGK on 2 June 2016 with the decision numbered 30 and subsequently announced to the public on 15 April 2019 together with the changes in the Revenue from IFRS-15 Customer Contracts and IFRS-16 Leases standards, published under the name of "2019 TFRS" and updated on 3 July 2024.

Consolidated financial statements are prepared on the historical cost basis, except for the revaluation of investment properties and the fair value of financial investments. In determining the historical cost, fair value of the amount generally paid for the assets is taken as basis.

Functional Currency

The functional currency of the Parent Company is Turkish Lira (TL) and the accompanying consolidated financial statements and footnotes are presented in Turkish Lira (TL). The functional currency of the Parent Company's subsidiary operating in Russia is Ruble. In

the statement of financial position, asset items are converted to TL with the buying rate at the end of the reporting period, liability items are converted to TL with the selling rate at the end of the reporting period, income and expenses are converted to TL with the average rate of the period. Profit or loss arising from the translation transaction is shown in the “currency translation differences” account in the consolidated statement of profit or loss and other comprehensive income.

Consolidation Principles

During the preparation of the financial statements of the companies included in the consolidation, necessary adjustments and classifications have been made in terms of compliance with the Turkish Accounting Standards published by the Public Oversight Accounting and Auditing Standards Authority, and compliance with the accounting policies and presentation formats applied by the Group.

Subsidiaries refer to companies that Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. has the authority and power to control directly and/or indirectly. Control is provided to the Group’s investee if and only if all of the following indicators are present; a) Has power over the investee, b) Is exposed to or has rights to varying returns from its involvement with the investee, c) Has the ability to use its power over the investee to influence the amount of returns it receives.

The financial position statements and profit or loss and other comprehensive income statements of the Subsidiaries are consolidated using the full consolidation method, and the book values and equity of the Subsidiaries owned by Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. are mutually offset. Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. Intra-group transactions and balances between the Group and its Subsidiaries have been deducted during consolidation. The book values of the shares owned by Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. and the dividends arising from them have been netted off from the related equity and income statement accounts.

Subsidiaries are included in the scope of consolidation from the date on which control over their activities is transferred to the Group and are excluded from the scope of consolidation on the date that control ceases. Non-controlling interests in the net assets and operating results of Subsidiaries are presented as “non-controlling interests” in the consolidated statement of financial position and statement of profit or loss and other comprehensive income.

Financial Reporting in Hyperinflationary Economies

Entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 December 2023 with the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

The accompanying financial statements are prepared on a historical cost basis, except for financial investments measured at fair value and investment properties measured at revalued amounts. 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 31 December 2024 as per TAS 29.



On the IAS 29 application, the company used the correction coefficients obtained according to the Consumer Price Indices (CPI) published by the Turkish Statistical Institute in accordance with the guidance made by the KGK.As of December 31, 2024, the indices and correction 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 order to make the necessary adjustments in the financial statements under TMS 29, assets and liabilities have first been distinguished as monetary and non-monetary, and non-monetary assets and liabilities have been subject to an additional distinction as those measured at current value and those measured at cost value.

Monetary items (excluding those linked to an index) and non-monetary items measured at their current values at the end of the reporting period are not subjected to inflation adjustments 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 subjected to inflation adjustment using the relevant coefficient. If the inflation-adjusted value of non-monetary items exceeds the recoverable amount or net realizable value, a reduction in the carrying amount has been made applying the relevant IFRS. In addition, inflation adjustment has been made on all items in equity items and income statement or other comprehensive income statement.

Non-monetary items acquired or assumed prior to January 1, 2005, the date when the definition of Turkish Lira as the currency of a hyperinflationary economy ended, or equities put into operation or formed before this date have been adjusted according to the change in the CPI from January 1, 2005 to 31 December 2024.

2.2 Adjustments :

The accompanying consolidated financial statements are prepared in accordance with TAS/IFRS with the below mentioned adjustments which are not stated 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 Restatement of Prior Period Financial Statements :

The consolidated financial statements are prepared comparatively with the prior period in order to allow the determination of the financial position and performance trends. The statements of financial position as at 31 December 2024 and 2023 and notes to the statements of financial position and the statements of profit or loss and other comprehensive income, cash flows and changes in equity for the years ended 31 December 2024 and 2023 and the related notes are presented comparatively. Comparative information is reclassified, where necessary, to conform to the presentation in the current period consolidated financial statements and significant changes are explained. As explained in Note 2.1, amounts and comparative information for the previous reporting period are restated by applying the general price index to present the comparative financial statements in the currency 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 Company's accounting policies during the current period.

2.6 Changes and Errors in Accounting Estimates :

If the changes in accounting estimates are for only one period, they are applied prospectively in the current period when the change is made, both in the period when the change is made and in the future periods. In the current year, the Company's Büyükçekmece land has been transferred from inventories to investment property. Significant accounting errors are corrected 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 consolidated financial statements as of 31 December 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 Group's financial position and performance have been disclosed in the related paragraphs.

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

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 Group.

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 Group.

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 Group.

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 consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated 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 Group will wait until the final amendment to assess the impacts of the changes.

TFRS 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. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. In accordance with amendments issued by POA in December 2021, entities have transition option for a “classification overlay” to avoid possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of TFRS 17.

The mandatory effective date of the Standard for the following entities has been postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA:

- Insurance, reinsurance and pension companies.
- Banks that have ownership/investments in insurance, reinsurance and pension companies and
- Other entities that have ownership/investments in insurance, reinsurance and pension companies.

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

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 Group and will not have an impact on the financial position or performance of the Group.

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

The following amendments to IAS 21 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments are issued and become effective under TFRS.

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

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 Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

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

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 Group and will not have an impact on the financial position or performance of the Group.

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

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 Group and will not have an impact on the financial position or performance of the Group.



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

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

2.8 Summary of Significant Accounting Policies :

Financial Instruments :

Financial Assets

The Company measures the remaining financial assets at fair value when they are first recognized in the financial statements, excluding trade receivables that do not have a significant financing component. In cases where trade receivables do not have a significant financing component under IFRS 15 (or if the Company chooses the practical expedient), these receivables are measured at their transaction price (as defined in IFRS 15) when they are first recognized in the financial statements.

At initial measurement of financial assets, other than those reflected in profit or loss for changes in fair value, transaction costs that can be directly attributed to their acquisition or issuance are added to or deducted from the fair value. Financial assets that are bought and sold in the ordinary course of business are recorded on the transaction date.

The Company classifies its financial assets as: measured at amortized cost, through other comprehensive income for changes in fair value, or through profit or loss for changes in fair value, based on (a) The business model used by the Company for managing financial assets, and (b) The characteristics of the contractual cash flows of the financial assets. The Company only reclassifies all financial assets that are affected when it changes the business model it uses to manage its financial assets. The reclassification of financial assets is applied prospectively from the reclassification date. In such cases, no



corrections are made for any previously recognized gains, losses (including impairment gains or losses), or interest.

Financial Assets Measured At Amortised Cost

Financial instruments that meet the following conditions are measured subsequently at amortised cost:

- (a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income on financial assets carried at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset:

- (a) Credit-impaired financial assets when purchased or generated. For such financial assets, the Company applies the effective interest rate on the amortized cost of a financial asset based on the loan from the date of the recognition in the financial statements.
- (b) Non-financial assets that are impaired at the time of acquisition or generation but subsequently become a financial asset that has been impaired. For such financial assets, the Company applies the effective interest rate to the amortized cost of the asset in the subsequent reporting periods.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Financial Assets Measured at Fair Value Through Other Comprehensive Income

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

- (a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets,
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss



previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. If the financial asset is reclassified out of the fair value through other comprehensive income measurement category, the Company accounts for the cumulative gain or loss that was previously recognised in other comprehensive income in consolidated financial statements. Interest calculated using the effective interest method is recognised in profit or loss.

At initial recognition, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading.

Financial assets measured at fair value through profit or loss

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

The financial assets, which constitute derivative products that are not identified as an effective means of protection against financial risk, are also classified as financial assets whose fair value difference is reflected in profit or loss. Related financial assets are shown at their fair values, and the gains and losses resulting from the valuation are accounted in the income statement

Impairment

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost or fair value through other comprehensive income.

The Company applies the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through other comprehensive income. However, the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

At each reporting date, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses except for purchased or originated credit impaired financial assets. For purchased or originated credit-impaired financial assets, the Company only recognises the cumulative changes in lifetime expected credit losses since initial recognition as a loss allowance at the reporting date.

The Company measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables, contract assets and lease receivables that do not contain a significant financing component, which is referred as simplified approach.

Financial liabilities

At initial recognition, the Company measures a financial liability at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.



The Company classifies all financial liabilities as subsequently measured at amortised cost, except for:

- (a) financial liabilities at fair value through profit or loss: Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.
- (b) financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. If a transfer does not result in derecognition because the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. In subsequent periods, the Company recognises any income on the transferred asset and any expense incurred on the financial liability.
- (c) contingent consideration recognised by an acquirer in a business combination to which TFRS 3 applies. Such contingent consideration is subsequently be measured at fair value with changes recognised in profit or loss.

The Company does not reclassify any financial liability.

Recognition and derecognition of financial assets and liabilities

The Company recognises a financial asset or a financial liability in the statement of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument. The Company derecognises a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for derecognition. If a transfer of financial asset does not result in derecognition because the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company will continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the Company recognises any income on the transferred asset and any expense incurred on the financial liability.

The Company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished—i.e. when the obligation specified in the contract is discharged or cancelled or expires.

Related Parties:

A related party is a person or entity that is related to the entity that is preparing its financial statements.

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity,
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group.
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).



- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

Within the scope of this report, the Company shareholders, Alarko Holding A.Ş. and Alarko Holding Group Companies, their executive staff, and other companies controlled by or related to these companies are defined as related parties.

Inventories

Inventories are valued at their restated acquisition cost; however, the expertise values creating basis for the fair values of unsold inventories and the contract totals of inventories of which sales contracts are signed during the current period are compared with the restated acquisition costs, and if the expertise value and the contract total are lower than the restated acquisition cost, provision is made for impairment within the frame of conditions stated in the "Impairment of Assets" section. Impairment loss is determined for all inventories separately. In cases where the conditions leading to the reduction of inventories to net realizable value have expired or there has been an increase in net realizable value due to changing economic conditions, the provision for impairment is canceled. The canceled amount is limited by the amount of impairment previously reserved.

Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation, including property under construction for such purposes. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

Transfers are made 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 occurred. 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 usage status, and in a transfer from inventories to investment properties

that will 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 Equipments

Tangible fixed assets are stated by deducting accumulated depreciation and, if any, impairment from cost amounts. In converting tangible fixed assets into the purchasing power of Turkish Lira at the reporting date by indexing, the initial entry dates to the asset are considered. For tangible fixed assets, depreciation is allocated based on the normal depreciation method using the revised amounts according to inflation accounting and the estimated useful lives of the assets. Information on the depreciation rates of the assets is as follows

	<u>Economic Lives</u>
Machinery, plant and equipment	4-5 Years
Furniture and fixtures	4 -16 Years
Other tangible assets	5 - Years

Repair and maintenance expenses are expensed when realized. In case the repair and maintenance expenses provide an increase or an observable development in tangible assets, they are capitalized.

In case the book value of a tangible asset is higher than the recoverable value, the book value is decreased to the recoverable amount.

The profit or loss arising from the sale of a tangible asset is determined by comparing the restated amount of the assets sold and the amount collected and reflected to the income or loss for the current period.

Intangible Assets

Intangible fixed assets are stated by deducting accumulated amortization and, if any, impairment from cost amounts. In converting intangible fixed assets into the purchasing power at the reporting date by indexing, the initial entry dates to the asset are considered. Intangible fixed assets have been amortized over the revised amounts according to inflation accounting and the rates specified below:

	<u>Economic Lives</u>
Leasehold improvements	2 – 33 Years
Rights	3 – 32 Years

Effect of Exchange Differences

Foreign Currency Balances and Transactions

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in TL, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.



In preparing the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising due to translation from original currency to TL are recognized in the statement of profit or loss in the relevant period.

Impairment of Intangible Assets Other Than Goodwill and Tangible Assets

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

Intangible assets with an indefinite useful life and not ready for use are tested for impairment at least annually 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 risks specific to the asset not considered in the estimates of future cash flows and the current market assessment of the value of money.

If 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 asset is not measured at a revalued amount, the impairment loss is recognized directly in profit or loss. In this case, the impairment loss is considered a decrease in the revaluation amount.

If the impairment loss is reversed in subsequent periods, the carrying amount of the asset (or the relevant cash-generating unit) is increased to reflect the updated estimated recoverable amount. The increased carrying amount must not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior periods. Unless the asset is shown at a revalued amount, the reversal of the impairment loss is recognized directly in profit or loss.

Corporate Income Taxes

Corporate Tax

According to Article 5/1(d)(4) of the Corporate Tax Law No. 5520 ("KVK"), profits obtained from real estate investment trusts are exempt from Corporate Tax.

With Law No. 7524, specific conditions have been introduced for the corporate tax exemption applicable to the profits of real estate investment trusts (REITs) starting from

January 1, 2025. Accordingly, when at least 50% of the profits obtained from real estate are distributed as dividends, a tax rate of 10% will be applied to the corporate profit. Therefore, the tax rate of 30%, which is applicable to undistributed profits, will be used in the calculation of period taxes and deferred tax assets and liabilities.

Deferred Tax

The deferred tax liability or asset is determined by calculating the tax effects of the temporary differences between the amounts of the assets and liabilities shown in the financial statements and the amounts considered in the legal tax base account, by taking into account the legal tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly likely to benefit from such differences by obtaining taxable profit in the future. Such assets and liabilities are not recognized if the temporary difference related to the transaction that does not affect commercial or financial profit / loss is due to the first time the goodwill or other assets and liabilities are included in the financial statements (other than business combinations).

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and affiliates and shares in business partnerships, except when the Company can control the disappearance of temporary differences and the likelihood that this difference will disappear in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and shares are calculated on the condition that it is highly probable to benefit from these differences by obtaining sufficient taxable profit in the near future and that the related differences are likely to disappear in the future.

Deferred tax assets and liabilities are calculated over the tax rates (tax regulations) that are expected to be valid during the period when the assets will be realized or liabilities will be fulfilled and have been legalized or significantly legalized as of the balance sheet date. During the calculation of deferred tax assets and liabilities, the tax results of the methods that the Company predicted to recover its book value or fulfill its liabilities as of the balance sheet date are taken into account.

Deferred tax assets and liabilities, if there is a legal right to offset current tax assets and current tax liabilities, or if such assets and liabilities are associated with income tax collected by the same tax authority or if the Company intends to pay by netting the current tax assets and liabilities. deducted.

In calculating deferred tax liabilities and deferred tax assets for investment property that is measured using the fair value model, it is assumed that the carrying amount of these assets will be recovered entirely through sale, unless there is evidence to the contrary.

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.

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 Türkiye 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 an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

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.

Supplementary note: Control of Compliance to Portfolio Limitations

As of December 31, 2024, and 2023, the information provided in the footnote titled “Control of Compliance with Portfolio Limitations” are summary information derived from financial statements in accordance with Article 16 of the CMB’s Series: II, No: 14.1 “Principles on Financial Reporting in Capital Markets”. This information has been prepared in line with the provisions of the Series III, No. 48.1 “Principles for Real Estate Investment Trusts” published in the Official Gazette No. 28660 dated May 28, 2013, and the Series



III, No. 48.1a “Communiqué Amending the Principles for Real Estate Investment Trusts” published in the Official Gazette No. 28891 dated January 23, 2014, regarding the control of compliance with portfolio restrictions. The data in the table may not coincide with the information in the consolidated statements as they are non-consolidated data.

2.9 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

Fair values of investment properties

In the financial statements, the fundamental assumptions used in the appraisal reports for determining the fair value of properties classified as investment property are specified in Note 9. 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. In 2024 and 2023, the Mosalarko Office Building was appraised by Nexia Pacioli Consulting LLC.

2.10 Going Concern

The consolidated financial statements have been prepared based on the going concern principle under the assumption that the Company will benefit from its assets and meet its obligations in the next year and within the natural course of its operations.

3- CASH AND CASH EQUIVALENTS

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

	31 December 2024	31 December 2023
Cash at banks	23.629.985	28.535.374
- Foreign currency demand deposit (*)	16.544.459	23.699.525
- Demand deposit TL	3.437.959	1.001.260
- Demand deposit in foreign currency	3.647.567	3.834.589
B type liquid funds	324.017.745	221.837.770
Cash	14.842	8.130
Total (Note 27 (i))	347.662.572	250.381.274

(*) As of 31 December 2024, interest rate of time deposits in Ruble is 18.50% (As of 31 December 2023, interest rate of time deposits in Ruble is 12.75%).

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

4- FINANCIAL ASSETS

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



Short-term financial assets disclosed at amortized cost :

31 December 2024				31 December 2023		
Currency	Book Value (TL)	Interest Rate	Maturity	Book Value (TL)	Interest Rate	Maturity
US Dollar Eurobond (*)	–	–	–	714.147.217	2.88%	22.03.2024
Total	–			714.147.217		

Short-Term Financial Assets Shown in the Income Statement at Fair Value through Profit or Loss :

31 December 2024				31 December 2023		
Currency	Book Value (TL)	Interest Rate	Maturity	Book Value (TL)	Interest Rate	Maturity
US Dollar Eurobond (*)	798.035.876	2.13%	13.03.2025	46.278.201	3.18%	10.02.2024
US Dollar Eurobond (*)	–	–	–	703.282.896	3.18%	10.08.2024
Other Marketable Securities (**)	59.658.908	2.75%	28.01.2025	–	–	–
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 13 March 2025 (31 December 2023 - Eurobonds with coupon payment dates 10 February 2024, 22 March 2024 and 10 August 2024).

(**) Repo in foreign currency

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

31 December 2024			31 December 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 16(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 31 December 2024 and 31 December 2023, Company’s short-term borrowings are as follows :

	31 December 2024	31 December 2023
Short term portion of long-term liabilities	470.246.263	228.657.667
Total (Note 27(ii))	470.246.263	228.657.667

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

	31 December 2024	31 December 2023
Long term liabilities	1.147.382.156	698.179.439
Total (Note 27(ii))	1.147.382.156	698.179.439

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

31 December 2024

	Maturity	Effective Interest Rate	Original Currency	Exchange Rate	Currency	Amount
Bank loans	18.02.2025 - 15.12.2025	10.00% - 36.00%	TL	202.657.119	-	202.657.119
Bank loans	27.06.2025 - 26.12.2025	6.21%	Euro	7.270.970	36,8024	267.589.144
Total						470.246.263

31 December 2023

	Maturity	Effective Interest Rate	Original Currency	Exchange Rate	Currency	Amount
Bank loans	19.02.2024 - 16.12.2024	10.00% - 36.00%	TL	228.657.667	-	228.657.667
Total						228.657.667



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

31 December 2024

	Maturity	Effective Interest Rate	Original Currency	Exchange Rate	Currency	Amount
Bank loans	18.02.2026 - 15.12.2032	10.00% - 36.00%	TL	420.629.230	-	420.629.230
Bank loans	26.06.2026 - 28.06.2029	6.21%	Euro	19.747.433	36,8024	726.752.926
Total						1.147.382.156

31 December 2023

	Maturity	Effective Interest Rate	Original Currency	Exchange Rate	Currency	Amount
Bank loans	18.02.2025 - 18.08.2033	10.00% - 36.00%	TL	698.179.439	-	698.179.439
Total						698.179.439

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

	Bank Loans 31 December 2024	Bank Loans 31 December 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

Movement tables of financial liabilities as of 31 December 2024 and 31 December 2023 are as follows:

	Bank Loans
Opening balance, January 1, 2024	926.837.106
Used amounts	1.053.636.000
Interest accruals	198.552.609
Principle payments	(128.731.891)
Interest payments	(197.447.197)
Effective interest rate effect	1.425.472
Adjustments related to unrealised foreign exchange 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

6- TRADE RECEIVABLES AND PAYABLES

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

	31 December 2024	31 December 2023
Trade receivables	3.492.071	4.597.120
Trade receivables from related parties (Note 26(a))	306.950.383	426.425.546
Total (Note 27(i))	310.442.454	431.022.666

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

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

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

	31 December 2024	31 December 2023
Trade payables	27.518.646	45.927.665
Trade payables from related parties (Note 26(a))	11.372.533	8.903.230
Total (Note 27(ii))	38.891.179	54.830.895

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

7. OTHER RECEIVABLES AND PAYABLES

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

	31 December 2024	31 December 2023
Other miscellaneous receivables	1.630.793	1.836.546
Total (Note 27(i))	1.630.793	1.836.546



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

	31 December 2024	31 December 2023
Deposits and guarantees given	621.007	170.493
Total (Note 27(ii))	621.007	170.493

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

	31 December 2024	31 December 2023
VAT Payables	23.171.411	53.856.880
Other taxes	9.798.062	14.323.906
Other miscellaneous liabilities	577.723	299.397
Total (Note 27(ii))	33.547.196	68.480.183

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

	31 December 2024	31 December 2023
Deposits and guarantees received	25.194.324	27.265.982
Total (Note 27(ii))	25.194.324	27.265.982

8- INVENTORIES

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

	31 December 2024			31December 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	29.12.2023
Raw Materials And Supplies Inventories	3.761	-	-	-	-	-	-	-
Total	3.761	-	-	-	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 reports dated 29 December 2023 and 29 December 2022 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.



9- INVESTMENT PROPERTIES

Investment properties are as given below :

Fair Value	Investment Properties
As of January 1, 2023	11.666.618.663
Additions (*)	104.140.692
Additions (**)	800.844.333
Foreign currency conversion differences	(202.719.349)
Increase resulting from fair value change	1.579.613.106
As of 31 December 2023	13.948.497.445
As of 1 January 2024	13.948.497.445
Additions (*)	27.242.122
Additions	1.432.408.434
Transfers	77.137.100
Foreign currency conversion differences	(223.997.308)
Increase resulting from fair value change	772.406.794
As of 31 December 2024	16.033.694.587

As of 31 December 2024 and 31 December 2023, the total insurance amount on investment properties is 5.044.449.423 TL and 4.819.050.701 TL, respectively (Note 32).

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

(**) Investments made for Bodrum Hotel.

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

31 December 2024		
Name of Real Estate	Date of Expertise Report	Market Value (TL)
Hillside Beach Club Holiday Village	31 December 2024	7.700.000.000
Bodrum Hotel	31 December 2024	4.432.410.000
Land in Büyükçekmece (*)	31 December 2024	947.577.000
Land in Maslak	31 December 2024	845.900.000
Mosalarko Office Building	31 December 2024	653.375.587
Eyüp Topçular – Factory	31 December 2024	600.000.000
Etiler Alkent Site - Shops	31 December 2024	511.848.000
İstanbul Karaköy Business Center	31 December 2024	170.920.000
Büyükçekmece Alkent 2000 – Shops	31 December 2024	103.704.000
Ankara Çankaya Business Center	31 December 2024	67.960.000
Total		16.033.694.587

(*) 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.



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

Real Estate Name	Valuation Methods Used	Valuation Method Considered
Hillside Beach Club Holiday Village	Income Reduction, Cost Analysis	Income Reduction
Bodrum Hotel	Cost Analysis, Income Reduction	Cost Approach
Land in Maslak	Comparable Comparison	Comparable Comparison
Land in Büyükçekmece	Comparable Comparison, Income Reduction	Comparable Comparison
Mosalarko Office Building	Comparable Comparison, Income Reduction	Average
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 31 December 2023, the market values of investment properties are as follows :

31 December 2023

Name of Real Estate	Date of Expertise Report	Market Value (TL)
Hillside Beach Club Holiday Village	29 December 2023	7.392.193.097
Bodrum Hotel	29 December 2023	3.626.390.477
Land in Maslak	29 December 2023	810.080.411
Mosalarko Office Building	29 December 2023	690.714.629
Eyüp Topçular – Factory	29 December 2023	600.615.689
Etiler Alkent Sitesi – Shops	29 December 2023	509.368.306
İstanbul Karaköy Business Center	29 December 2023	157.084.103
Büyükçekmece Alkent 2000 – Shops	29 December 2023	98.235.316
Ankara Çankaya Business Center	29 December 2023	63.815.417
Total		13.948.497.445



As of 31 December 2023, the valuation methods used in determining the fair value of investment properties are as follows :

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

As of 31 December 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 31 December 2023, the fair value of the Company's investment properties was determined by independent real estate valuation companies, Reel Gayrimenkul Değerleme A.Ş. and TSKB Gayrimenkul Değerleme A.Ş.

Valuation companies are authorized by the Capital Markets Board (SPK) and provide real estate valuation services in accordance with capital market regulations. They possess sufficient experience and qualifications in the fair value measurement of properties in the relevant regions. The Mosalarko Office Building has been valued by Nexia Pacioli Consulting LLC.

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	31 December 2024	31 December 2023
Land	1.400-44.610	42.722
Building	40.500-217.000	38.029-223.527



As of 31 December 2024 and 31 December 2023 the fair value hierarchy of the Company's investment properties and the related assets are shown in the following table :

	31 December 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 Maslak	845.900.000	-	845.900.000	-
Land in Büyükçekmece	947.577.000	-	947.577.000	-
Mosalarko Office Building	653.375.587	-	-	653.375.587
Total	16.033.694.587	-	7.064.767.000	8.968.927.587

	31 December 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	-
Mosalarko Office Building	690.714.629	-	-	690.714.629
Total	13.948.497.445	-	5.257.986.097	8.690.511.348

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

	31 December 2024	31 December 2023
Openning Balance	8.690.511.348	7.697.721.610
Total loss / gain - profit /loss projected	475.171.425	1.209.936.318
Foreign currency translation differences	(223.997.308)	(202.719.349)
Transfers (*)	-	(118.567.923)
Realized	27.242.122	104.140.692
Closing Balance	8.968.927.587	8.690.511.348

As of 31 December 2024, rental income from investment properties is 364.731.205 TL (31 December 2023 – 469.071.187 TL). Relevant rental income is presented as revenue in the statement of profit or loss and other comprehensive income (Note 17).



10- PROPERTY, PLANT AND EQUIPMENTS

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

Cost ;

	Opening 1 January 2024	Addition	Foreign currency translation differences	Closing 31 December 2024
Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	19.106.150	60.166	(5.321.028)	13.845.288
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal	19.850.933	60.166	(5.321.028)	14.590.071

Accumulated Depreciation;

Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	7.320.104	724.099	(1.939.805)	6.104.398
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal (Note 19)	8.064.887	724.099	(1.939.805)	6.849.181
Net Book Value	11.786.046	-	-	7.740.890

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

Cost ;

	Opening 1 January 2023	Addition	Foreign currency translation differences	Closing 31 December 2023
Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	26.179.797	-	(7.073.647)	19.106.150
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal	26.924.580	-	(7.073.647)	19.850.933

Accumulated Depreciation ;

Plant, Machinery and Equipment	99.398	-	-	99.398
Furniture and Fixture	7.908.167	924.769	(1.512.832)	7.320.104
Other Tangible Fixed Assets	645.385	-	-	645.385
Subtotal (Note 19)	8.652.950	924.769	(1.512.832)	8.064.887
Net Book Value	18.271.630	-	-	11.786.046



As of 31 December 2024 and 31 December 2023, the total insurance amount on property, plant and equipment is respectively, 63.609.592 TL and 91.458.947 TL (Note 32).

11- INTANGIBLE ASSETS

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

Cost

	Opening 1 January 2024	Addition	Disposal	Closing 31 December 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 19)	4.912.824	721.133	-	5.633.957
Net Book Value	2.436.767	-	-	1.763.714

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

Cost

	Opening 1 January 2023	Addition	Disposal	Closing 31 December 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 19)	4.187.817	725.007	-	4.912.824
Net Book Value	3.143.685	-	-	2.436.767

All depreciation expenses have been included in the general administrative expenses.

12- PROVISIONS, CONDITIONAL ASSETS AND LIABILITIES

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

With regard to the shops located in Beşiktaş District, Etiler Alkent Site, with the journal number 6430 dated October 14, 1987, an easement right facility and 1 in some parts, in favor of the Company's 1411 parcel 1 and against 1408 parcel 1, in favor of central heating facilities, There is an easement right for 49 years for a price of 7.72 TL to pass the 5 m wide canal belonging to the heating facilities.

Besides, there is a personal right of easement for the owners of the property on section 1410 parcel 1 to benefit from the unused parking lot as stated in the project against the same parcel by voucher dated 26 February 1992 nr 784.

- b) The guarantees, securities, and mortgages given by the Company in the name of its own corporate body are as follows:

Collateral/pledge/mortgage ("CPM") given by the Company	31 December 2024	31 December 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 31 December 2024 and 31 December 2023, the ratio of other CPM's given by the Company to equity is 0%.



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

	31 December 2024	31 December 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 31 December 2024, there is no significant lawsuit filed against the Company that would result in a cash outflow. There are 2 ongoing cases that the Company is a party to and there is no uncertainty in their legal processes, therefore the Company management does not foresee any cash outflows related to these cases. Therefore, no lawsuit provision has been set aside in the attached consolidated financial statements.

13- EMPLOYEE BENEFITS

According to the Labor Law, the Company has completed one year and is subject to Article 25/II of the Law. It is obliged to pay severance pay for its personnel who have been dismissed from the company, called for military service, married and quit the job within one year (for women), retired or died without the justified reasons stated in the article. The compensation to be paid is one month's salary for each year worked, and this amount is limited to 41.828,42 TL for each year of service as of 31 December 2024 (31 December 2023 - 23.489,83).

Severance pay liability is not legally subject to any funding. The provision for severance pay is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. TAS 19 Employee Benefits requires the company's liabilities to be developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

The main assumption is that the maximum liability amount for each service year will increase parallel to inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for future inflation effects. Therefore, as of December 31, 2024, in the attached financial statements, provisions are calculated by estimating the present value of the probable liability arising from the retirement of employees. The provisions at the related balance sheet dates were calculated using the real discount rate obtained as approximately 2.85% based on the assumptions of 25.00% annual inflation and 28.57% discount rate (31 December 2023: 2.12%). Voluntary employment termination rates are also considered as 100% for employees working 0-15 years and 0% for employees working 16 and over years. The cap amount of 46.655,43 TL valid from January 1, 2025 is considered in the calculation of the company's severance pay (January 1, 2024: 35.058,58 TL). Significant estimates used in calculating the severance pay obligation are the discount rate and the probability of voluntary termination of employment.



Short term provisions are as follows :

	31 December 2024	31 December 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 :

	31 December 2024	31 December 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 ;

	1 January 2024 31 December 2024	1 January 2023 31 December 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

Unused Vacation Provision:

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Provision for unused vacations at the beginning of the period	1.095.088	693.125
Increase / (decrease) 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



14- PREPAID EXPENSES

Short term prepaid expenses are as follows:

	31 December 2024	31 December 2023
Advances given to subcontractors	331.122.800	391.084.606
Advances given	265.928	106.650
Prepaid expenses	1.585.385	1.513.748
Total	332.974.113	392.705.004

15- ASSETS HELD FOR SALE

Assets held for sale are as follows:

	31 December 2024	31 December 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 31 December 2024.

16- EQUITY

a) Paid-in Capital

As at 31 December 2024 and 31 December 2023, the Company's authorised share capital is TL 500.000.000 and TL 150.000.000, issued and paid-in share capital is TL 289.800.000 and TL 289.800.000, respectively. The Company's share capital consists of 28.980.000.000.000 and 14.490.000.000 shares with a nominal value of Kr 1 each. The details of the Company's shareholding structure are disclosed 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, 2024, and numbered E-12233903-340.08-48339, it 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 31 December 2024 and 31 December 2023, the difference arising from the adjustment of nominal capital for inflation amounts to TRY 1.539.164.496 and TRY 1.521.585.362, respectively.

c) Gains (Losses) from Investments in Equity-Based Financial Instruments

The investment amount in Alarko Holding A.Ş. has been valued at the best bid price among the current pending orders on Borsa İstanbul A.Ş., which is expected to approximate its fair value as of 31 December 2024, and 31 December 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" item within the Equity account. Accordingly, as of 31 December 2024 and 31 December 2023, the decreases in value resulting from fair value measurements are recorded as a decrease of 45.946.213 TL and 76.091.424 TL, respectively, in the "Other Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss" account.

Additionally, 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" item (Note 4).

d) Restricted Profit Reserves

Restricted reserves set aside from equity are as follows:

	31 December 2024	31 December 2023
Legal reserves	105.238.186	89.501.678
Inflation difference of legal reserves	353.089.134	350.311.961
Total	458.327.320	439.813.639

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

- 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.
- 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 :

	31 December 2024	31 December 2023
Extraordinary reserves	1.836.459.766	1.296.008.246
Inflation difference of extraordinary reserves	1.627.206.174	7.982.951.002
Retained earnings from previous years	7.352.751.567	2.367.737.264
Total	10.816.417.507	11.646.696.512

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 31 December 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, and numbered 32415 (2nd Repeated), 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 inflation accounting practices. 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 31 December 2024.

Due to the use of different indices in the inflation accounting practices of the Tax Procedure Law and TMS 29, as well as the adjustment of amounts from previous reporting periods to the purchasing power as of 31 December 2024, discrepancies have arisen between the amounts presented in the balance sheet prepared according to the Tax Procedure Law for the items "Capital Adjustment Differences," "Premiums (Discounts) on Shares," "Restricted Reserves Allocated from Profit," and "Other Reserves," and the amounts presented in the financial statements prepared in accordance with TMS/IFRS.

These discrepancies have been reflected in the TMS/IFRS financial statements under the item "Retained Earnings or Losses from Previous Years." The details of these discrepancies are provided below:



31 December 2024

	Adjustment to Share Capital	Legal Reserve	Reserve for Repurchased Shares	Special Fund	Extraordinary Reserves
According to TAS/IFRS 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

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	Adjustment to Share Capital	Legal Reserve	Reserve for Repurchased Shares	Extraordinary Reserves
According to TAS/IFRS 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 31 December 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 under 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 under the "Treasury Shares (-)" account.

From the treasury shares repurchased in 2019, 167.789.800 TL, the following dividends have been deducted: 7.802.446 TL in 2020, 10.326.957 TL in 2021, and 11.155.191 TL in 2022. Additionally, 14.006.616 TL in dividends were deducted, and 37.338.517 TL was added as the repurchase amount. As of 31 December 2023, after deducting 11.676.031 TL in dividends and adding 14.761.048 TL in repurchase amounts, the total for 2024 is 164.494.483 TL after deducting 427.641 TL in dividends. (As of 31 December 2023, the amount was 164.922.124 TL.)



17- SALES AND COST OF SALES

Sales revenues are as follows :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Rental income	364.731.205	469.071.187
Other	6.198.654	3.735.599
Total	370.929.859	472.806.786

Cost of sales are as follows :

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

18- GENERAL ADMINISTRATIVE EXPENSES

General administrative expenses are as follows :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
General administrative expenses	112.604.672	94.552.689
Total	112.604.672	94.552.689



General administrative expenses consist of the following :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Personnel expenses (Note 19)	47.883.199	37.662.041
Outsourced repair and services	20.434.021	12.859.712
Taxes and duties	12.375.304	14.829.881
Rental expenses	6.939.161	4.726.036
Benefits obtained from outside	3.429.756	4.040.802
Financial consulting and audit expenses	2.157.140	1.694.468
Security service expenses	1.886.595	1.775.362
Participation fee for public and professional organizations	1.458.514	1.155.221
Depreciation and amortization (Note 10,11)	1.445.232	1.649.776
Communication expenses	745.374	413.921
Construction and joinery maintenance and repair expenses	680.841	1.921.670
Other consultancy expenses	593.967	550.519
Bank charges	564.182	688.560
Litigation, execution, notary expenses	514.202	264.450
Printing and publishing expenses	103.281	159.443
Other	11.393.903	10.160.827
Total	112.604.672	94.552.689

19- EXPENSES BY NATURE

Depreciation and amortisation expenses consist of the following :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Property, plant and equipment (Note 10)	724.099	924.769
Intangible Assets (Note 11)	721.133	725.007
Total	1.445.232	1.649.776

Expenses related to employee benefits are as follows :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Wages and salaries	40.237.843	32.589.232
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	47.883.199	37.662.041



20- OTHER OPERATING INCOME / (EXPENSES)

Other operating income consists of the following :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Increase arising from changes in fair value (Note 9)	772.406.794	1.579.613.106
Foreign exchange gains	297.156.798	539.065.975
Gain on sale of other marketable securities	93.335.178	21.742.248
Interest income	65.454.117	121.237.708
Republic of Türkiye Ministry of Environment and Forestry - Lease Price	15.301.182	29.025.863
Republic of Türkiye Ministry of Environment and Forestry - Land Allocation	5.963.651	3.965.701
Income from maturity difference	3.568.270	3.271.165
Rediscount interest income	992.839	708.130
Non-rental income from property	976.793	665.111
Other	2.036.752	4.046.668
Total	1.257.192.374	2.303.341.675

Other operating expenses consist of the following :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Foreign exchange losses	26.051.115	6.569.130
Republic of Türkiye Ministry of Environment and Forestry - Against Rent	23.036.556	35.618.509
Republic of Türkiye Ministry of Environment, Urbanisation and Climate Change - Rent Fee	16.148.296	-
Republic of Türkiye Ministry of Environment and Forestry - Land Allocation	5.963.651	3.965.701
Financial Investments Fair Value Decrease	4.961.990	-
Donations and grants	1.000.000	3.777.903
Rediscount interest expense	592.773	992.839
Other	365.986	215.533
Total	78.120.367	51.139.615



21- INCOME AND EXPENSE FROM INVESTING OPERATIONS

Income from investing operations consists of the following :

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Dividends received	3.136.455	781.115
Profit on sale of fixed assets	-	690.060
Fair value difference of currency hedged deposits:	-	61.438.306
Total	3.136.455	62.909.481

22- FINANCING EXPENSES

Financing expenses are as follows :

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



23- EXPLANATIONS ON GAINS / (LOSSES) ON NET MONETARY POSITION

Net monetary position gains/(losses) reported in the statement of profit or loss arise from the following monetary/non-monetary financial statement items:

	1 January 2024
Non-Monetary Items	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
Tangible Fixed Assets	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 Operating Expenses	(6.935.170)
Income from Investing Activities	527.734
Finance Expenses	(25.363.075)
Net Monetary Position Gains / (Losses)	(365.800.249)

24- TAX ASSETS AND LIABILITIES

a) Current income tax

Law No. 7524 introduced certain conditions for the corporate tax exemption to be applied to the earnings of REITs as of 1 January 2025. Accordingly, if at least 50% of the earnings from immovable properties are distributed as dividends, the tax rate applied to corporate income will be 10%. For this reason, the tax rate of 30% applicable to retained earnings is used in the calculation of period taxes and deferred tax assets and liabilities. Corporate tax rate is applied on the tax base which is calculated by adding non-deductible expenses to the commercial income of the corporations in accordance with the tax laws and deducting the exemptions and deductions in the tax laws.



Taxation of the Operations of the Foreign Subsidiary

In the accompanying consolidated financial statements, the tax rate is used as 20% as of December 31, 2024 and 2023 for the period tax and deferred tax calculations for the foreign subsidiary Mosalarko A.O, which is consolidated with the full consolidation method.

b) Current Tax Income / (Expense)

The tax income and expenses included in the consolidated statement of profit or loss and other comprehensive income are summarized below:

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Current tax	(5.274.910)	(5.543.766)
Deferred tax (income)/expense (Note 24(c))	(374.107.959)	(3.687.850)
Total	(379.382.869)	(9.231.616)

The current period corporate tax calculation is as follows :

	31 December 2024	31 December 2023
Profit/ (Loss) before tax	825.333.785	1.861.594.885
Local tax rate	30%	25%
Tax expense calculated over the tax rate	(247.600.136)	(465.398.721)
Deductible expenses and other additions	(186.167.187)	-
Exempted earnings and other discounts (*)	35.332.985	458.387.653
Impact of changes in tax rates	19.051.469	(2.220.548)
Total	(379.382.869)	(9.231.616)

(*) Real Estate Investment Trust's earnings for the period are shown as other discounts.

c) Deferred tax assets and liabilities

For Mosalarko A.O, deferred tax assets and liabilities are recognized for the temporary timing differences arising from the differences between the tax base financial statements and the financial statements prepared in accordance with TFRS. These differences usually arise from some income and expense items being included in different periods in the tax base financial statements and the financial statements prepared in accordance with TFRS, and these differences are indicated below. In the calculation of deferred tax assets and liabilities, a tax rate of 20% has been used on the temporary timing differences. As explained in detail in Note 2, the tax exemption granted to real estate investment trusts by Article 5, subparagraph d-4 of the Corporate Tax Law is subject to the condition that at least 50% of the earnings from immovable properties must be distributed through dividends as of 1 January 2025 with the law dated 2/8/2024 and numbered 7524. Since the profit distribution decision is under the authority of the general assembly, the tax rate used in the calculation of deferred tax assets and liabilities for 2024 is 30% (31 December 2023: 0%).



The deferred tax assets, liabilities, income, and expenses, along with the temporary differences that form the basis of the deferred tax calculations, are as follows:

Temporary income / (expense) differences :

	Accumulated temporary differences		Deferred tax assets / liabilities	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Tax assets				
Usable financial losses	52.990.185	81.275.679	10.598.037	16.255.135
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	253.052.443	81.275.679	70.616.715	16.255.135

Deferred tax liability

Construction costs spread over the years	(6.807.659)	-	(2.042.298)	-
Investment properties	(10.309.817.188)	(690.714.629)	(3.027.607.598)	(138.142.925)
The net difference between the recorded book values of tangible and intangible assets and their tax bases	(652.941)	-	(195.882)	-
Total	(10.317.277.788)	(690.714.629)	(3.029.845.778)	(138.142.925)
Deferred tax liabilities, net			(2.959.229.063)	(121.887.790)
Deferred tax liability in the balance sheet			(2.959.229.063)	(121.887.790)
Total tax expense			(2.959.229.063)	(121.887.790)

Deferred Tax (Expense / Income)

	1 January 2024 31 December 2024	1 January 2023 31 December 2023
Prior period deferred tax liability	(121.887.790)	(154.351.478)
Deferred tax (expense) / income (Note 24(b))	(374.107.959)	(3.687.850)
Deferred tax expense recognised in retained earnings / (loss) (*)	(2.502.357.480)	-
Other comprehensive income / (expense)	39.124.166	36.151.538
Total	(2.959.229.063)	(121.887.790)



(*) In accordance with the letter on 'Reporting of Tax Amounts in Real Estate Investment Trusts and Real Estate Investment Funds' communicated by POA to real estate investment trusts on 12 February 2025, in the financial statements dated 31 December 2024, in relation to the deferred tax arising as a result of the change in legislation, the cumulative effect for 2023 and prior years is directly reflected in the 'Retained earnings or losses' account under equity, and the deferred tax income (expense) effect for 2024 is reflected in the statement of profit or loss for the current period.

25- EARNINGS PER SHARE

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

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

The company does not have any diluted shares. Moreover, in Türkiye, 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.

26- RELATED PARTY DISCLOSURES

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

	31 December 2024	
Balances with related parties	Receivables Current Trading	Payables 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



31 December 2023

Balances with related parties	Receivables Current Trading	Payables 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

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

The details of transactions with related parties on a company basis are as follows :

1 January - 31 December 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

1 January - 31 December 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 31 December 2024 and 31 December 2023, there are no doubtful receivables arising from related parties.

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

27- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial instruments and financial risk management

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 :

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

	Receivables				
	Trade Receivables		Other Receivables		
	Related Parties	Other	Related Parties	Other	Cash and Cash Equivalents
31 December 2024					
Maximum credit risk exposed as of balance sheet date (A+B+C+D) (1) (Note 3, 6 and 7)	306.950.383	3.492.071	-	2.251.800	347.647.730
- 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	3.492.071	-	2.251.800	347.647.730
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) (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.

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

	Receivables				
	Trade Receivables		Other Receivables		
	Related Parties	Other	Related Parties	Other	Cash and Cash Equivalents
31 December 2023					
Maximum credit risk exposed as of balance sheet date (A+B+C+D) (1) (Note 3, 6 and 7)	426.425.546	4.597.120	-	2.007.039	250.373.144
- 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	4.597.120	-	2.007.039	250.373.144
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) (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.





As of 31 December 2024, and 31 December 2023, there are no assets that are 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 distribution of the Company's non-derivative short-term financial liabilities as of 31 December 2024 and 31 December 2023:

31 December 2024						
Contract Terms	Carrying Value	Total Contracted Cash Outflows (I+II+III+IV)	Less than 3 Months (I)	3 to 12 Months (II)	1 to 5 Months (III)	More than 5 Years (IV)
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)	27.518.646	27.518.646	27.518.646	-	-	-
Other payables (Note 7)	58.741.520	58.741.520	33.547.196	-	25.194.324	-
Total	1.715.261.118	2.538.067.225	133.105.494	453.058.410	1.624.073.722	327.829.599

31 December 2023						
Contract Terms	Carrying Value	Total Contracted Cash Outflows (I+II+III+IV)	Less than 3 Months (I)	3 to 12 Months (II)	1 to 5 Months (III)	More than 5 Years (IV)
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)	45.927.665	45.927.665	45.927.665	-	-	-
Other payables (Note 7)	95.746.165	95.746.165	68.480.183	-	27.265.982	-
Total	1.077.414.166	2.310.927.538	184.858.382	206.632.082	1.198.662.255	720.774.819

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.

The Company's net foreign currency position as of December 31, 2024 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 decrease it by 11.153.566 TL.

Foreign Currency Position

On totals basis;

	31 December 2024	31 December 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



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 Financial 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 Financial 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 Liabilities	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)



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 Financial 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 Financial 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 Liabilities	—	—
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



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

	31 December 2024		31 December 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 Euro increases in 10% against TL				
Avro net asset/liability	(99.434.207)	99.434.207	—	—
5- Avro hedges (-)	—	—	—	—
6- Net effect of Avro (4+5)	(99.434.207)	99.434.207		
Total	11.153.156	(11.153.156)	180.116.016	(180.116.016)

v. Interest Risk

The Company's operations 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. The said interest rate risk is managed by natural measures that occur by balancing interest rate sensitive assets and liabilities. The loan agreement of the Company has a fixed interest rate and its maturity is 10 years.

Fixed rate financial instruments

	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



(*) As of December 31, 2024, the financial liabilities shown under fixed and variable interest financial instruments consist of the total of short-term and long-term bank loans.

If the interest rates on variable interest foreign currency loans increased or decreased by 0.5%, while all other variables remained constant, the pre-tax profit/(loss) would have decreased/increased by 308.632 TL as a result of the change in interest expenses.

vi. Share Price Risk

The Company is exposed to the stock price risk caused by the price changes that may occur in the stocks in its portfolio. As of December 31, 2024, if there is a 10% increase/decrease in the best purchase price among the current orders pending in Borsa Istanbul used in the valuation of these stocks, and all other variables are kept constant, the Company will have a direct net effect on equity without affecting profit/loss. would have been TL 10.892.451 TL lower/higher (December 31, 2023 – 15.487.072 TL) (Note: 4).

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:

	31 December 2024	31 December 2023
Total borrowings	4.694.706.926	1.223.568.122
Less: Cash and cash equivalents	(347.662.572)	(250.381.274)
Net debt	4.347.044.354	973.186.848
Total equity	13.322.805.281	15.529.371.910
Gearing Ratio	33%	6%



28-FINANCIAL INSTRUMENTS (Fair Value Disclosures and Explanations on Hedge Accounting)

31 December 2024	Financial assets at amortized cost	Fair value through profit or loss	Fair value through other comprehensive income	Financial liabilities at amortized cost	Carrying Value
Financial assets					
Cash and Cash Equivalents (Note 3)	347.662.572	–	–	–	347.662.572
Trade Receivables (Note 6)	3.492.071	–	–	–	3.492.071
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)	–	–	–	(27.518.646)	(27.518.646)
Due to Related Parties (Note 6)	–	–	–	(11.372.533)	(11.372.533)
Other Financial Liabilities (Note 7)	–	–	–	(58.741.520)	(58.741.520)
31 December 2023	Financial assets at amortized cost	Fair value through profit or loss	Fair value through other comprehensive income	Financial liabilities at amortized cost	Carrying Value
Financial Assets					
Cash and Cash Equivalents (Note 3)	250.381.274	–	–	–	250.381.274
Trade Receivables (Note 6)	4.597.120	–	–	–	4.597.120
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)	–	–	–	(45.927.665)	(45.927.665)
Due to Related Parties (Note 6)	–	–	–	(8.903.230)	(8.903.230)
Other Financial Liabilities (Note 7)	–	–	–	(95.746.165)	(95.746.165)

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.

Financial Liabilities

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

	31 December 2024	Level 1	Level 2	Level 3
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

	31 December 2023	Level 1	Level 2	Level 3
Financial Assets				
Publicly traded shares	154.870.718	154.870.718	–	–
Financial Investments (Eurobond)	749.561.097	–	749.561.097	–

Investment Properties

In the case of a 0.5% increase/decrease in the discount rates used in determining the fair value of investment properties as of December 31, 2024, and all other variables are held constant, the profit would be lower by 350,000,000 TL and higher by 320.000.000 TL respectively. (As of 31 December 2023 - in the case of a 0.25% increase/decrease and all other variables are held constant, the profit would be lower by 332.071.174 TL and higher by 303.195.420 TL respectively.)

	Discount Rate	Sensitivity Rate	Effect on Profit of Fair Value	Effect on Loss of Fair Value
31 December 2024				
Hillside Beach Club Holiday Village	26.50%	0.5%	320.000.000	(350.000.000)
31 December 2023				
Hillside Beach Club Holiday Village	26.50%	0.5%	303.195.420	(332.071.174)

29- SEGMENT REPORTING

The main activity of Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. is to deal with the objectives and subjects written in the regulations of the Capital Markets Board regarding real estate investment trusts. In this context, it is engaged in issues such as real estate, real estate projects and investing in capital market instruments. Reporting by segment is made for Türkiye and Russia, which are the geographical divisions of the Group.



	Türkiye 31 December 2024	Russia 31 December 2024	Total 31 December 2024
PROFIT AND LOSS			
Revenue	311.669.490	59.260.369	370.929.859
Cost of Sales (-)	(23.009.348)	-	(23.009.348)
GROSS PROFIT	288.660.142	59.260.369	347.920.511
Administrative Expenses (-)	(69.388.413)	(43.216.259)	(112.604.672)
Other Income from Operating Activities	1.067.622.050	189.570.324	1.257.192.374
Other Expenses from Operating Activities (-)	(77.832.330)	(288.037)	(78.120.367)
OPERATING PROFIT	1.209.061.449	205.326.397	1.414.387.846
Income from Investing Activities	3.136.455	-	3.136.455
OPERATING PROFIT / (LOSS) BEFORE FINANCE INCOME / EXPENSE	1.212.197.904	205.326.397	1.417.524.301
Financing Expenses (-)	(226.390.267)	-	(226.390.267)
Net Monetary Position Gains (Losses)	(365.800.249)	-	(365.800.249)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	620.007.388	205.326.397	825.333.785
- Current Tax Expense / Income	-	(5.274.910)	(5.274.910)
- Deferred Tax Expense / Income	(336.836.418)	(37.271.541)	(374.107.959)
Tax Expense / Income from Continuing Operations	(336.836.418)	(42.546.451)	(379.382.869)
PROFIT FROM CONTINUING OPERATIONS	283.170.970	162.779.946	445.950.916
PROFIT FOR THE YEAR	283.170.970	162.779.946	445.950.916

	Türkiye 31 December 2024	Russia 31 December 2024	Total 31 December 2024
Depreciation and amortization expense	893.080	552.152	1.445.232



	Türkiye 31 December 2023	Russia 31 December 2023	Total 31 December 2023
PROFIT AND LOSS			
Revenue	410.995.366	61.811.420	472.806.786
Cost of Sales (-)	(11.600.810)	-	(11.600.810)
GROSS PROFIT	399.394.556	61.811.420	461.205.976
Administrative expenses (-)	(47.180.908)	(47.371.781)	(94.552.689)
Other Income from Operating Activities	2.280.312.390	23.029.285	2.303.341.675
Other Expenses from Operating Activities (-)	(50.946.578)	(193.037)	(51.139.615)
OPERATING PROFIT	2.581.579.460	37.275.887	2.618.855.347
Income from Investing Activities	62.909.481	-	62.909.481
OPERATING PROFIT/(LOSS) BEFORE FINANCE INCOME/EXPENSE	2.644.488.941	37.275.887	2.681.764.828
Financing Expenses (-)	(7.972.851)	-	(7.972.851)
Net Monetary Position Gains (Losses)	(802.965.476)	-	(802.965.476)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	1.833.550.614	37.275.887	1.870.826.501
- Current Tax Expense / Income	-	(5.543.766)	(5.543.766)
- Deferred Tax Expense / Income	-	(3.687.850)	(3.687.850)
Tax Expense/Income from Continuing Operations	-	(9.231.616)	(9.231.616)
PROFIT FROM CONTINUING OPERATIONS	1.833.550.614	28.044.271	1.861.594.885
PROFIT FOR THE YEAR	1.833.550.614	28.044.271	1.861.594.885

	Türkiye 31 December 2023	Russia 31 December 2023	Total 31 December 2023
Depreciation and amortization expense	900.245	749.531	1.649.776



	Türkiye 31 December 2024	Russia 31 December 2024	Total 31 December 2024
Total Assets	17.321.711.396	695.800.811	18.017.512.207
Total Liabilities	4.543.004.039	151.702.887	4.694.706.926
	Türkiye 31 December 2023	Russia 31 December 2023	Total 31 December 2023
Total Assets	16.002.581.608	750.358.424	16.752.940.032
Total Liabilities	1.055.706.780	167.861.342	1.223.568.122

30- EVENTS AFTER THE REPORTING PERIOD

None.

31- FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR / AUDITOR

The statement of the Company regarding the fees of the services provided by independent audit firms, prepared in accordance with the Board Decision published in the duplicate Official Gazette on March 30, 2021, by the Public Oversight Accounting and Auditing Standards Authority (POA), and based on the POA letter dated August 19, 2021, which was announced by the POA on October 4, 2024, is as follows:

	31 December 2024	31 December 2023
Independent audit fee for the reporting period	2.000.015	1.754.473
Fees related to other assurance services	-	198.622
Total	2.000.015	1.953.095



32- DISCLOSURE OF OTHER MATTERS THAT MAY AFFECT FINANCIAL STATEMENTS SIGNIFICANTLY OR IS NECESSARY FOR FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND COMPREHENSIBLE

a) Total value of insurance on assets for the respective periods are as follows :

	31 December 2024	31 December 2023
Investment Properties (Note 9)	5.044.449.423	4.819.050.701
Property, Plant and Equipment (Note 10)	63.609.592	91.458.947
Toplam	5.108.059.015	4.910.509.648

33- SUPPLEMENTARY NOTES: MONITORING COMPLIANCE WITH PORTFOLIO RESTRICTIONS

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



	Main Account Items of Unconsolidated / Separate Financial Statements	Related Regulation	Current Year (TL) 31 December 2024	Prior Year (TL) 31 December 2023
A	Money Market and Capital Market Instruments	Art. 24/(b)	1.294.074.993	1.841.418.359
B	Real estates, real estate projects and rights supported by real estates	Art. 24/(a)	15.380.319.000	13.334.919.916
C	Affiliates	Art. 24/(b)	545.005.248	588.515.595
	Due from Related Parties (Non-Trade)	Art. 23/(f)	-	-
	Other Assets		647.288.094	826.200.260
D	Total Assets	Art. 3/(p)	17.866.687.335	16.591.054.130
E	Financial Liabilities	Art. 31	1.617.628.419	926.837.106
F	Other Financial Liabilities	Art. 31	-	-
G	Lease Obligations	Art. 31	-	-
H	Due to Related Parties (Non-Trade)	Art. 23/(f)	-	-
i	Equity	Art. 31	13.323.683.296	15.535.347.350
	Other Liabilities		2.925.375.620	128.869.674
D	Total Liabilities and Equity	Art. 3/(p)	17.866.687.335	16.591.054.130
	Other Financial Informations Related with Unconsolidated Financial Statements	Related Regulation	Current Year (TL) 31 December 2024	Prior Year (TL) 31 December 2023
A1	Part of Money Market Instruments and Capital Market Instruments Held for Real Estates (3 Years)	Art. 24/(b)	-	-
A2	Time and Demand Deposits in TL / Foreign Currency	Art. 24/(b)	3.437.959	1.001.557
A3	Foreign Capital Market Instruments	Art. 24/(d)	-	-
B1	Real estates, real estate projects and rights supported by real estates	Art. 24/(d)	-	-
B2	Lands Held Idle	Art. 24/(c)	845.900.000	887.217.511
C1	Foreign Investments	Art. 24/(d)	544.975.939	588.472.522
C2	Participation in the Operating Company	Art. 28/1(a)	29.309	43.073
J	Non-cash Loans	Art. 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	Art. 22/(e)	-	-
L	All of the money and capital markets in a single investment company Tools	Art. 22/(l)	108.924.505	154.870.718



	Portfolio Limitations	Related Regulation	Current Year 31 December 2024	Current Year 31 December 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	Art. 22/(e)	0.0%	0.00%	≤ 10%
2	Real estates, real estate projects and rights supported by real estates	Art. 24/(a),(b)	86.08%	80.37%	≥ 51%
3	Money Market and Capital Market Instruments and Subsidiaries	Art. 24/(b)	10.29%	14.65%	≤ 49%
4	Real estates, real estate projects and rights supported by real estates, Subsidiaries, Capital Market Instruments	Art. 24/(d)	3.05%	3.55%	≤ 49%
5	Lands Held Idle	Art. 24/(c)	4.73%	5.35%	≤ 20%
6	Participation in the Operating Company	Art. 28/1 (a)	0.00%	0.00%	≤ 10%
7	Borrowing Limit	Art. 31	53.06%	41.94%	≤ 500%
8	Time and Demand Deposits in TL / Foreign Currency	Art. 24/(b)	0.02%	0.01%	≤ 10%
9	All of the money and capital markets in a single investment company Tools	Art. 22/(l)	0.61%	0.93%	≤ 10%

The Communiqué on Principles Regarding Real Estate Investment Funds, number III: 48.1 issued by the Capital Markets Board (CMB) that became effective upon its publication in the Official Gazette dated 28.05.2013, stipulates in clause (c) of the article 24 that “the proportion of land and fields in the portfolio that have not been subjected to any disposition for project development despite five years have passed since their acquisition cannot exceed 20% of the total assets”. As of the financial statements dated 31 December 2024, the ratio of these lands to the total assets is 4.73%, which is within the limits specified in the Communiqué.

The same Communiqué, in clause (a) of article 24 of “Principles on Real Estate Investment Funds” numbered III: 48.1, it is stated that “They should invest at least 51% of the total assets in real estate, real estate-based rights, and real estate-based projects.” As of the financial statements dated December 31, 2024, this ratio is 86.08%, which is within the limits specified in the Communiqué.

Also with this Communiqué, in clause (b) of Article 24 of “Principles Regarding Real Estate Investment Funds” numbered III: 48.1, it is stated that “They can invest in the assets stated in clause (k) of the first paragraph of Article 22 of this Communiqué and all of the partnerships stated in Article 28 up to 49% of the total assets.” As of the financial statements dated December 31, 2024, this ratio is 10.29%, which is within the limits specified in the Communiqué.

In clause (b) of Article 24 of the Communiqué, it is stated that "... They can invest in demand deposits in Turkish Lira or foreign currency, and term deposits at a maximum rate of 10% of the total assets." As of the financial statements dated December 31, 2024, this ratio is 0.02%, which is within the limits specified in the Communiqué.

Borrowing limit, the participation rate to the operating company, foreign real estates, real estate-based projects, real estate-based rights, participations, capital market instruments, and investments in money and capital market instruments in a single company are in line with the portfolio restrictions. There are no other matters related to the portfolio restriction..

The information provided under the note titled "Control of Compliance with Portfolio Limits" as of December 31, 2024, and 2023 is an abstract derived from the financial statements according to Article 16 of the CMB Series: II, No: 14.1 "Communiqué Regarding Principles of Financial Reporting in Capital Markets". The table is prepared under the provisions related to the control of compliance with portfolio limits in "Principles Regarding Real Estate Investment Funds" numbered III: 48.1 published in the Official Gazette no. 28660 on 28 May 2013 and "Communiqué Regarding Changes in the Communiqué on Principles Regarding Real Estate Investment Funds" numbered III: 48.1a published in the Official Gazette no. 28891 on January 23, 2014. The data in the table are non-consolidated, therefore, they may not match the information in the consolidated statements.

NOTES

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NOTES

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