

TRUST, VALUE, SUSTAINABILITY



ANNUAL REPORT 2025

iş GYO





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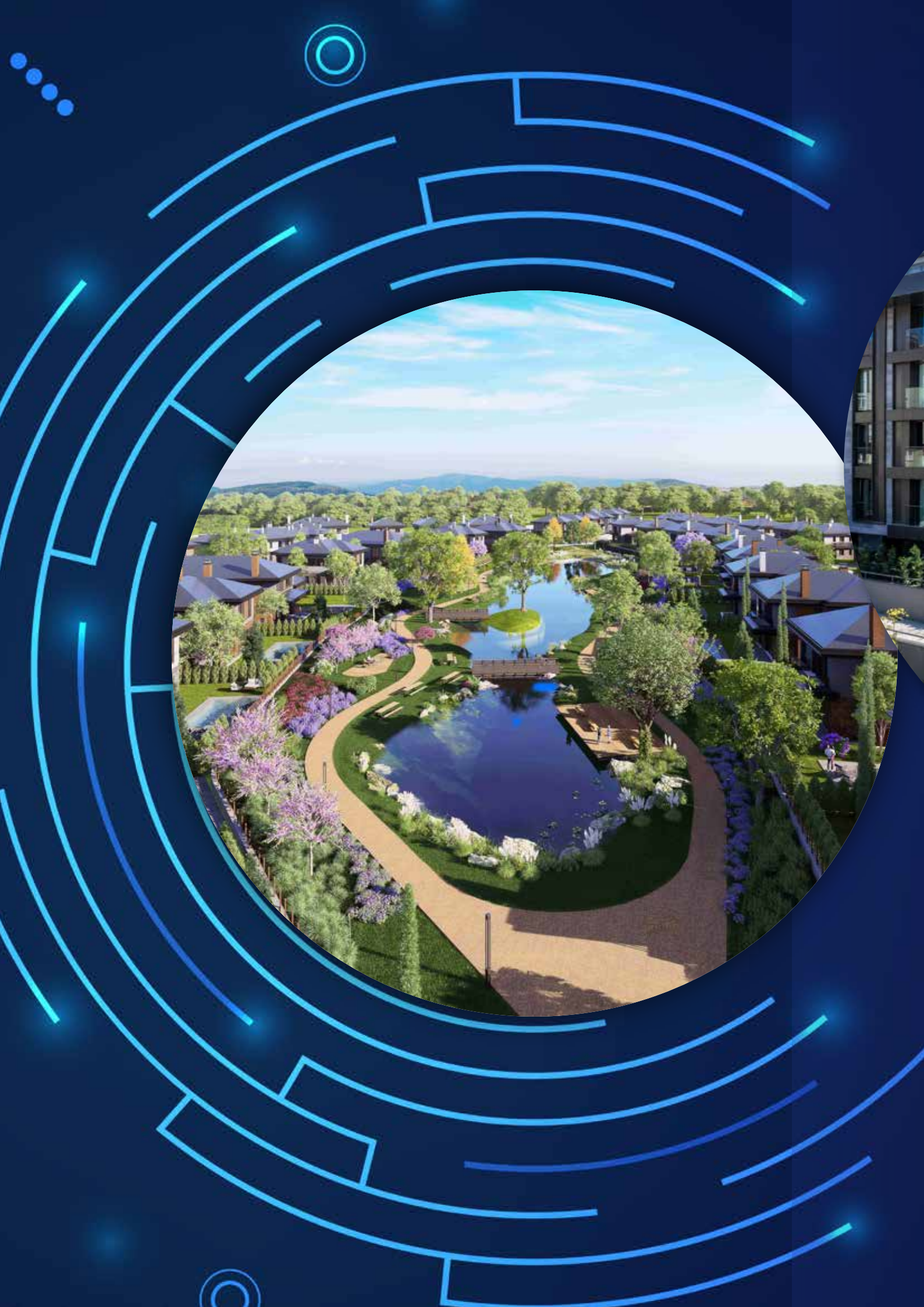


**WE ARE CONSOLIDATING
OUR PORTFOLIO VALUE
WITH OUR STELLAR
PROJECTS.**





**WE ARE REINFORCING
STAKEHOLDER TRUST
WITH OUR UNFAILING
CORPORATE PRINCIPLES
AND FINANCIAL
STRENGTH.**





**WE ARE CARRYING
OUR SIGNATURE TO
THE FUTURE WITH OUR
RESPONSIBLE APPROACH
AND OUR CONTRIBUTION
TO SUSTAINABLE
URBANIZATION.**

İŞ REIC IN BRIEF

REALIZING ITS NEW INVESTMENTS UNINTERRUPTEDLY ON THE BACK OF SUSTAINABLE RENTAL INCOME DERIVED ON ITS HIGH QUALITY PORTFOLIO, SOLID SHAREHOLDERS' EQUITY, AND FUNDING FACILITIES, İŞ REIC TARGETS TO ADVANCE ITS POSITION IN THE SECTOR BY INCREASING ITS GROWTH MOMENTUM.

İş Gayrimenkul Yatırım Ortaklığı A.Ş. (İş REIC) was founded through the takeover of Merkez Gayrimenkul Yatırım ve Proje Değerlendirme A.Ş. by İş Gayrimenkul Yatırım ve Proje Değerlendirme A.Ş. on 6 August 1999, which was then transformed into a real estate investment trust.

Blending its market prestige backed by the deep-rooted corporate principles and financial strength of its parent İşbank Group with its sectoral experience and vision, İş REIC develops distinguished projects and maintains a healthy growth process since the day it was founded.

One of the sector's prominent companies with its diversified and well-balanced portfolio and robust financial structure, İş REIC focuses on providing its investors with an optimal possible risk-return trade-off.

Using its solid shareholders' equity, funding facilities and sustainable sources generated on regular rental income derived on its high quality portfolio to finance its new investments, İş REIC takes sure-footed steps based on its determination to strengthen its position in the sector.

İş REIC, which invests in real estate properties and real estate projects, carries out its activities in compliance with the requirements of the Capital Markets Board of Türkiye (CMB) laws and regulations.

**Registered Capital**

TL 7,000,000,000

Date / Price of IPO

1-3 December 1999 - TL 14

BIST Trading Symbol

ISGYO

Date of Trading (BIST)

9 December 1999

BIST Indices

BIST 500 / BIST All Shares /
 BIST REIC / BIST Financials / BIST All-
 100
 BIST Stars / BIST Sustainability

Issued Capital

TL 958,750,000

Tax Office / No

İstanbul - Large Taxpayers 4810137715

Trade Registry Office / No

İstanbul / 402908

Corporate Title

İş Gayrimenkul Yatırım Ortaklığı A.Ş.

Company Headquarters

İş Kuleleri Kule 2 Kat: 10-11
 34330 Levent/İstanbul

Registered e-Mail

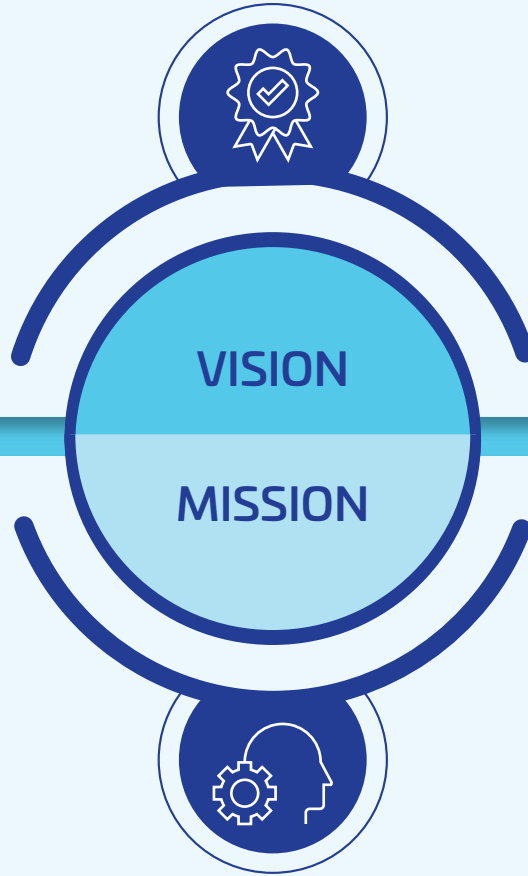
isgyo@hs02.kep.tr

MERSİS

0481013771500018

İŞ REIC IN BRIEF

To be an exemplary and reliable company in the global sense not only by the projects it undertakes, but also with the way it conducts business, **by its organizational structure, corporate values and management approach.**



To create desirable spaces for contemporary people and contemporary cities. To maximize the collective value of the portfolio **for the shareholders through sustainable growth and profitability by utilizing our investments and resources effectively.**

OBJECTIVES



To ensure sustainable profitability and growth with effective portfolio management.



To provide high capital gains and dividend yield to shareholders with stable growth and profitability.



To maintain its leading position in the Turkish real estate sector with its strong capital structure.

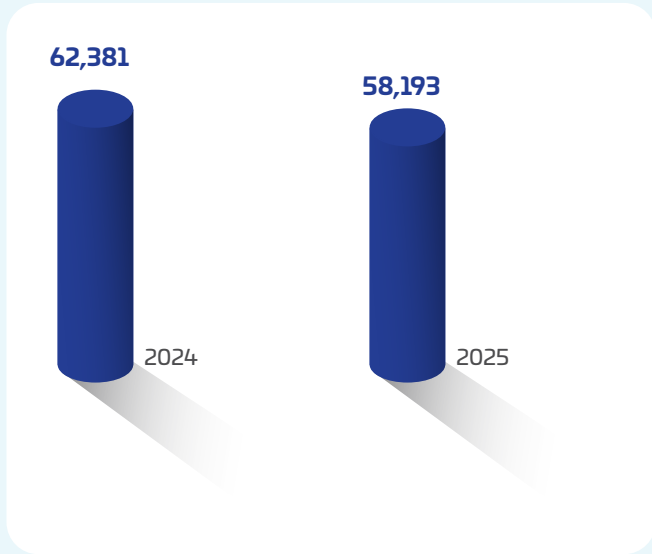


To develop projects that are environmentally friendly, sustainable and focused on customer satisfaction.

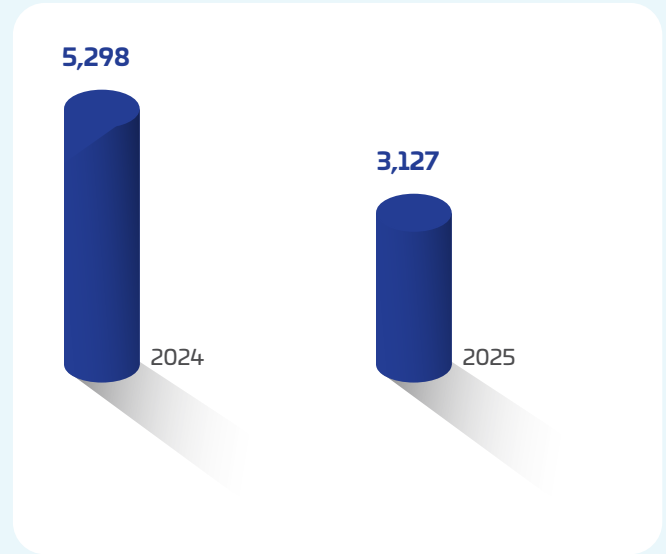
KEY FINANCIAL HIGHLIGHTS

SHAREHOLDER'S EQUITY REMAINED STRONG AT TL 50 BILLION AT 2025 YEAR END.

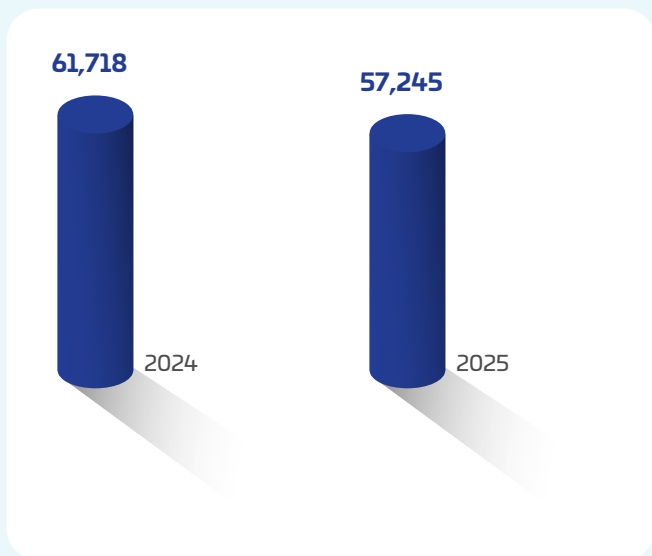
Total Assets (TL million)



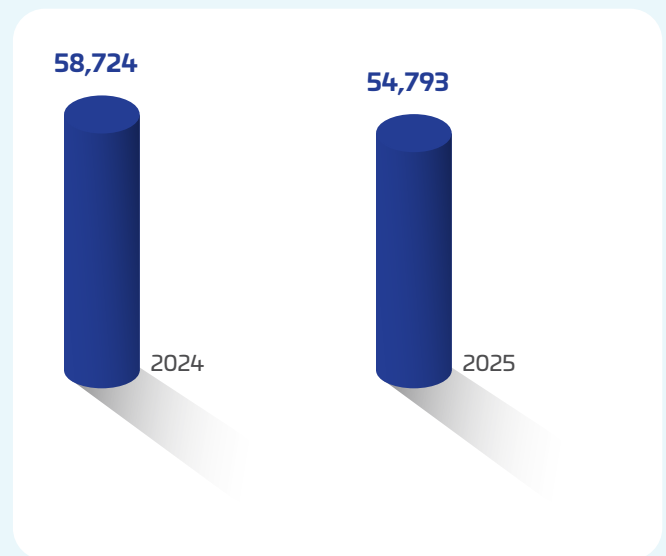
Sales Revenue (TL million)



Total Portfolio Value (TL million)



Real Estate Portfolio (TL million)



Total Assets

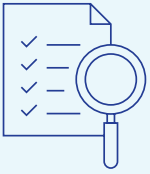
TL **58.2** BILLION

İŞ REIC'S TOTAL ASSETS WERE WORTH TL 58.2 BILLION AS AT YEAR-END 2025.

Sales Revenue

TL **3.1** BILLION

İŞ REIC BOOKED TL 3.1 BILLION IN REVENUES IN 2025.

Total Portfolio Value

TL **57.2** BILLION

IN 2025, İŞ REIC'S TOTAL PORTFOLIO VALUE WAS REGISTERED AS TL 57.2 BILLION.

Real Estate Portfolio

TL **54.8** BILLION

IN 2025, İŞ REIC'S REAL ESTATE PORTFOLIO VALUE WAS TL 54.8 BILLION.

KEY FINANCIAL HIGHLIGHTS

WITH A VALUE THAT REACHED TL 34.3 BILLION AS OF YEAR-END 2025, THE OFFICE CATEGORY ACCOUNTED FOR 60% OF THE TOTAL PORTFOLIO.

Balance Sheet (TL million)	31.12.2024	31.12.2025
Current Assets	4,038	3,557
Non-current Assets	58,343	54,636
Total Assets	62,381	58,193
Short-term Liabilities	6,460	2,153
Long-term Liabilities	4,729	5,790
Shareholders' Equity	51,192	50,250
Total Liabilities	62,381	58,193

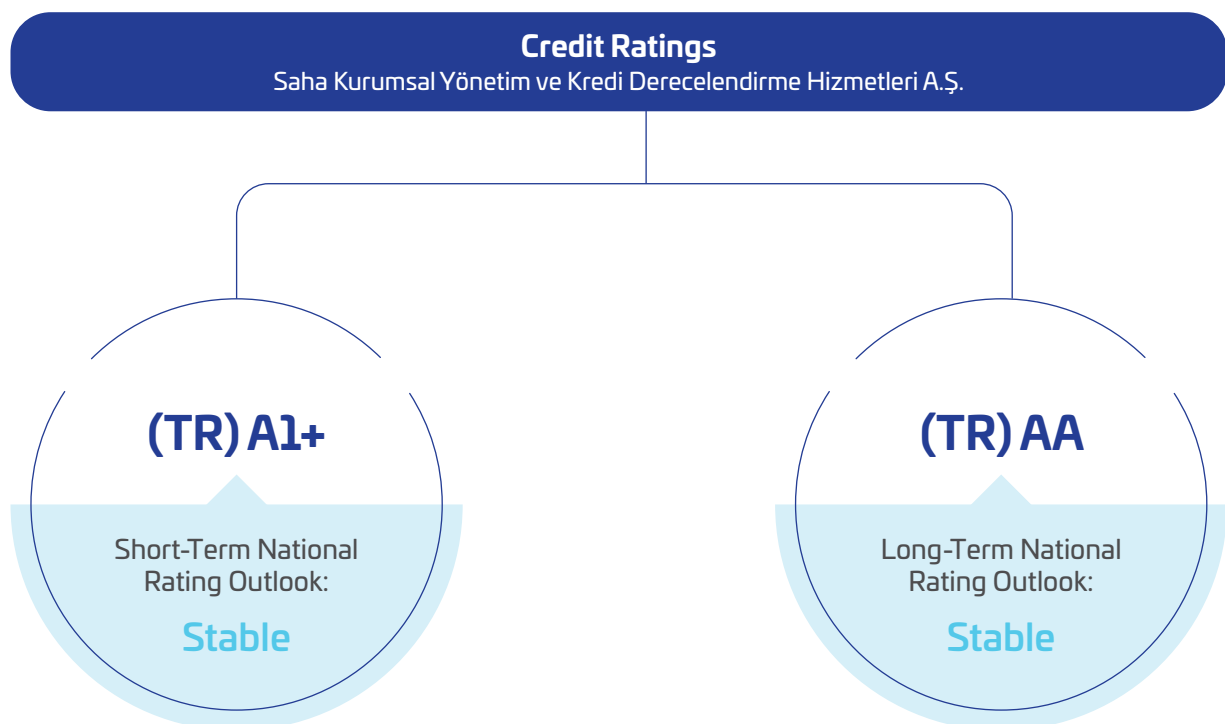
Income Statement (TL million)	31.12.2024	31.12.2025
Sales Revenue	5,298	3,127
Cost of Sales (-)	-3,500	-1,490
Gross Profit/Loss	1,798	1,637
Net Period Profit/Loss	1,168	-958

Financial Structure (TL million)	31.12.2024	31.12.2025
Total Liabilities	11,189	7,943
Shareholders' Equity	51,192	50,250
Financial Liabilities	5,606	1,012
Equity Ratio (%)	82	86
Financial Leverage Ratio (%)	18	14
Financial Liabilities/Total Assets (%)	9	2

Portfolio Breakdown - 2025	TL million	% Share
Office	34,316	60.0
Shopping Mall	9,044	15.8
Project	7,515	13.1
Inventory ^(*)	2,532	4.4
Land	1,385	2.4
Money & Capital Market Instruments	2,396	4.2
Subsidiaries	56	0.1
Total	57,245	100.0

(*) Represents the cost of units for sale in Manzara Adalar and Litus İstanbul projects.

Portfolio Development (TL million)	2024	2025
Real Estate Portfolio	58,724	54,793
Total Portfolio Value	61,718	57,245



CAPITAL AND SHAREHOLDER STRUCTURE

Capital Structure

İş REIC's issued capital amounts to TL 958,750,000 of which 52.50% is held by Türkiye İş Bankası A.Ş. (İşbank). İşbank, the Company's shareholder, has management control over the Company; there are no non-corporate shareholders holding directly more than 5% in the capital of the shareholder.

The Company's issued capital is divided into 958,750,000 shares, each with a nominal value of TL 1; out of these shares, the portion corresponding to TL 1,369,642.817 make up Group A shares and the portion corresponding to TL 957,380,357.183 make up Group B shares. Group A shares are entitled to specific preferential rights with respect to their representation on the Company's Board of Directors: only one seat on the board is filled from among candidates designated by Group B shareholders while all the remaining seats are filled from among candidates designated by Group A shareholders.

During the reporting period, the Company did not carry out a capital increase through rights or bonus issues.

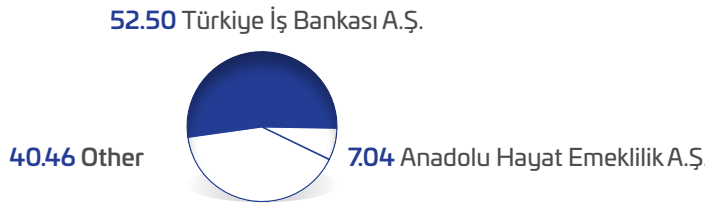
Under the existing capital market legislation and the Turkish Commercial Code (TCC), companies are allowed to acquire their own shares. In 2025, the Board of Directors did not pass any decisions regarding the purchasing of the Company stock, and hence, share buyback did not occur during the reporting period.

Article 14 of the CMB Communiqué (III-48.1) on the Principles Regarding Real Estate Investment Companies sets out that real estate investment trusts may issue shares that incorporate the privilege to nominate candidates for election of board of directors members. REICs are not allowed to issue any instrument that incorporates any preferential right other than shares that allow their holders to designate candidates for seats on their boards of directors. The Company's articles of association contain no provisions pertaining to special voting rights, and each share with a nominal value of TL 1 is entitled to one vote. There were no significant changes in the Company's shareholder structure during the reporting period.

Shareholder Structure as of 31 December 2025	TL	Share %
Türkiye İş Bankası A.Ş.	503,388,338.79	52.50
Anadolu Hayat Emeklilik A.Ş.	67,476,714.29	7.04
Other	387,884,946.92	40.46
Total	958,750,000.00	100.00

* Source: Public Disclosure Platform

Shareholder Structure (%)



The nominal value of the Company's shares in free float is TL 373.4 million, which corresponds to 38.95% of the Company's capital.

Subsidiaries

Currently, the Company has only one subsidiary: Kanyon Yönetim İşletim ve Pazarlama A.Ş.

There are no companies with which the Company has cross-shareholding relationship.

Kanyon Yönetim İşletim ve Pazarlama A.Ş. (Kanyon)

Kanyon, in which İş REIC and Eczacıbaşı each holds 50% of the company's common stock, has been established on 6 October 2004 to engage primarily in the management, operation and marketing activities of the residence, store, commercial or office buildings. The capital of Kanyon is TL 1 million, in which İş REIC currently controls 50% stake.

STOCK PERFORMANCE

IN 2025, BIST 100 INDEX GAINED VALUE BY 15%, AND İŞ REIC STOCK BY NEARLY 12% IN TERMS OF TURKISH LIRA.

With a market capitalization of approximately TL 20.1 billion as of 31 December 2025, the Company represents approximately 2.80% of the real estate investment trusts sector.

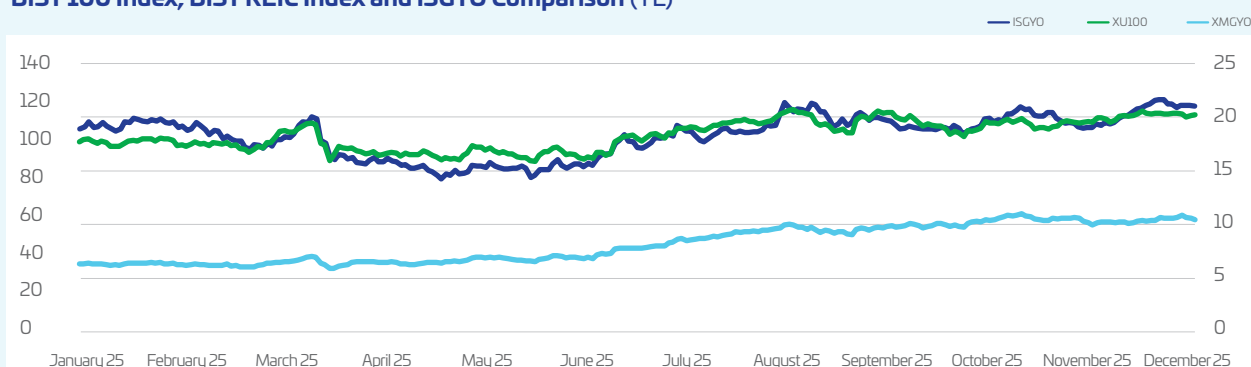
In 2025, BIST 100 Index gained value by 15%, and İş REIC stock by nearly 12% in terms of Turkish lira.

The average daily trading volume of the Company stock, which is traded on the BIST Star Market, was worth nearly TL 99.3 million in 2025.

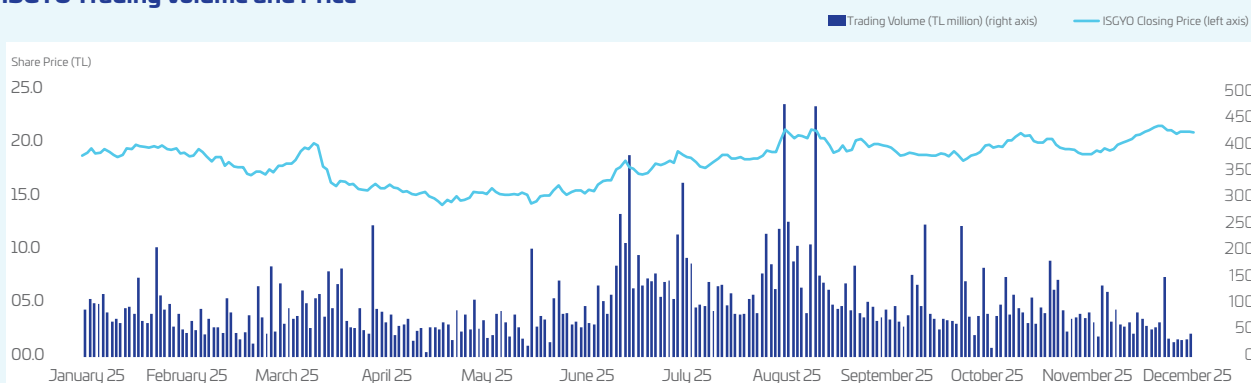
Stock Performance	31.12.2024	31.12.2025
Market Capitalization (TL million)	17,986	20,134
Market Share (%)	3.51	2.80
Earnings per Share (TL)	0.11	(0.001)
P/E Ratio	6.3	n.a.*
P/BV	0.54	0.4

* not applicable

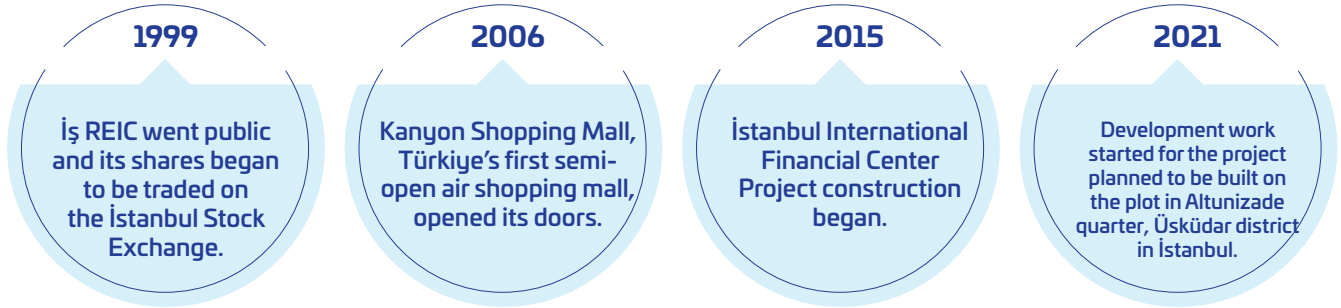
BIST 100 Index, BIST REIC Index and ISGYO Comparison (TL)



ISGYO Trading Volume and Price



MILESTONES IN İŞ REIC'S HISTORY



1999

- İş REIC went public and its shares began to be traded on the İstanbul Stock Exchange.

2004

- The foundations for Kanyon Mixed-Use Project were laid in the most valuable location in İstanbul.

2005

- The Company was named the "Best Developer in Türkiye" by Euromoney magazine.

2006

- Kanyon Shopping Mall, Türkiye's first semi-open air shopping mall, opened its doors.
- Cityscape 2006 Review Architectural Award was presented to Kanyon.

2007

- Esenyurt Hypermarket project developed on a turnkey-delivery basis opened for service.

2009

- Marmara Park investment, a regional shopping center, was initiated upon creation of the superficies right in the name of Ece Türkiye for 72 years.

2010

- Kapadokya Lodge Hotel and Club Magic Life Kemer Imperial Hotel were added to the portfolio, thus giving momentum to tourism investments.

2011

- Sign of the City-award-winner Tuzla Çınarlı Bahçe Residential Project construction and sales began.

2012

- The Marmara Park Shopping Mall was opened.
- The foundation was laid for Ege Perla, the first mixed-use project in İzmir.
- Construction work began for Tuzla Technology and Operation Center Project, which was developed on turnkey-delivery model for İşbank, and for the Tuzla mixed-use project.

2013

- Taksim Office Lamartine project was completed and opened.

2014

- Property was purchased for the collective housing project to be developed in Topkapı, which marked the first step of İş REIC & Nef investment.
- Manzara Adalar project launch took place, which was built in Kartal, the up-and-coming district of İstanbul.

2015

- İstanbul Project launch took place.
- İstanbul International Financial Center Project construction began.
- Kartal Manzara Adalar project claimed the bronze award at the Crystal Apple Türkiye Advertising Awards with its advertising film.
- Kartal Manzara Adalar Project was elected the "Premium Project" in the "Best Marketing Campaign" category at the Sign of the City Awards.
- İstanbul Project was awarded in the "Best Architectural Design Concept" category at the Sign of the City Awards.
- İşbank Technology and Operation Center Project and Tuzla Mixed-Use Project were awarded in the "Best Office" category at the Sign of the City Awards.

2016

- Tuzla Technology and Operation Center Project and Tuzla Mixed-Use Project were completed and became operational.
- Rental income increased significantly after Tuzla Technology and Operation Center Project and Tuzla Mixed-Use Project became operational.
- A plot was purchased for the planned residential investment development in Tuzla.
- Kartal Manzara Adalar Project received the "Best High-Rise Residence" award at the Sign of the City Awards.
- The Company acquired a 45% stake in the hotel investment project, which is planned to be developed in Kadıköy.

2017

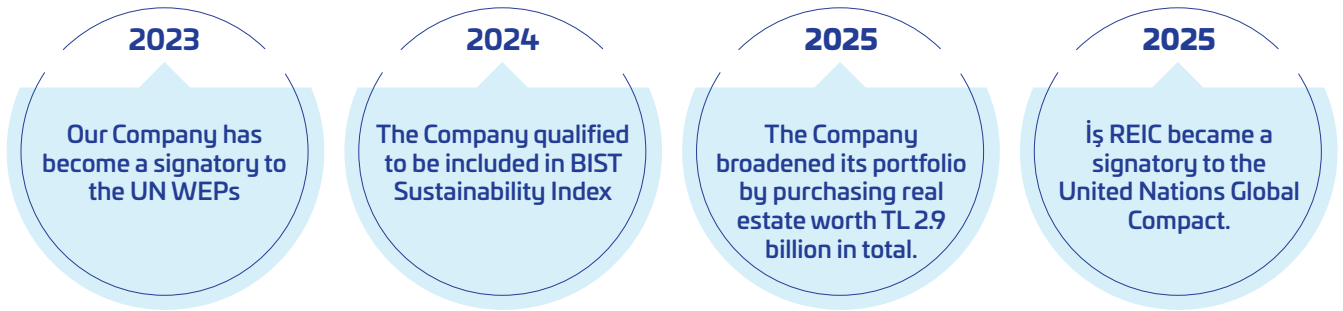
- Ege Perla Shopping Mall was opened.
- Ege Perla Project claimed the best office and the best local shopping mall awards at the Sign of the City Awards.

2018

- Deliveries started at Manzara Adalar.
- Deliveries of 1st and 2nd phases started at İstanbul.

2019

- İş REIC was named "The ONE" in 2019 in the Real Estate and Construction Industry category at "The ONE Integrated Marketing Awards".
- Offices and commercial spaces at Manzara Adalar were securitized and transferred to İş Portföy Yönetimi A.Ş. Second Real Estate Investment Fund.
- Kapadokya Lodge Hotel was sold.
- Deliveries of the 3rd phase were completed at İstanbul.



- The Office building in Tuzla Mixed Use Project and some commercial spaces in Tuzla Meydan Mall were sold to Türkiye Şişe ve Cam Fabrikaları A.Ş.

2020

- Plot entailing a license for villa construction located in Ömerli quarter, Çekmeköy district in İstanbul province was purchased.
- Deliveries in the 4th phase of İstanbul Project were completed to a large extent.

2021

- Development work started for the İş REIC-Tecim Yapı joint project planned to be built on the plot in Altunizade quarter, Üsküdar district in İstanbul.
- Construction commenced for the project comprised of 16 villas built on the plot in Çekmeköy district in İstanbul, which will form part of Kasaba Evleri. The sales process of the project is completed.

2022

- Deliveries were completed in the 16-villa project forming part of the Kasaba Evleri Project.
- Project plots with an approximate total area of 73 thousand m² were included in the portfolio as part of Kasaba Evleri Project.
- Balmumcu building was included in the portfolio.
- The construction of Litus İstanbul Residential project continued.
- Decision was made to acquire Profilo Shopping Mall for the portfolio.

2023

- Construction and sales activities continued for Litus İstanbul residential project.
- Development work continued for the project comprised of 165 villas on the plot that our Company acquired for its Kasaba Evleri Project.
- Our Company has become a signatory to the United Nations Women's Empowerment Principles (UN WEPs), a joint initiative by UN Global Compact and UN Women.
- Following the addition of Profilo Shopping Mall to the portfolio, an agreement was signed with Artaş İnşaat regarding project development based on revenue sharing for plot interest and construction in return for flat model.

2024

- Litus İstanbul residential project was mostly completed, and housing deliveries started. Also sales activities continued for the project.
- Construction activities at İstanbul Financial Center project were brought to completion.

- Strategic partnership was established with MDSap to accelerate digital transformation, and SAP S/4 HANA Rise project was launched.
- The Company qualified to be included in BIST Sustainability Index within the scope of its sustainability policies.
- Marmara Park Shopping Mall and adjacent parcels no. 102 and 103 were sold in October.
- The independent section no. 50 within İş Towers Complex was purchased from İşbank and included in the portfolio.
- Developed on a 138-acre land that was included in the portfolio within the scope of the Kasaba Evleri project and comprising 165 villas, Kasaba Modern project was launched and 61 villas taking place in the first phase of the project were put on the market.

2025

- İstanbul Financial Center Office Building and Ankara İş Tower in the Company's portfolio were sold.
- İzmir Şehitler Plot, İzmir Utility Building, İçerenköy Office Buildings and Parmakkapı Building were included in the portfolio for increasing the Company's rental income and for project development purposes.
- The construction of Litus İstanbul residential project was completed. The sales activities for the project continued throughout the year.
- The real property in the nature of a building lot in Dikilitaş, Beşiktaş was sold.
- A revenue sharing for plot interest agreement was signed with Akgün Group and Misesk İnşaat partnership, where the land owner İş REIC's plot gives it 35% share and the contractor has 65% share for the project to be developed on the Tuzla plot included in the Company's portfolio.
- Sales started from Avrupa Residence Şişli - 2 project, which was developed under the revenue sharing for plot interest and construction in return for flat agreement signed by and between the Company and Artaş İnşaat.
- Sales from Kasaba Modern project continued throughout the year.
- The Company's corporate website was awarded in two different categories at the Golden Spider Awards 2025, which marked the event's 23rd edition.
- The Company's digital transformation process was carried on with the transitions made to SAP S/4HANA, Jira and Paperzero applications.
- Within the frame of the Company's Sustainability Policy, the Company was welcomed as a signatory to the United Nations Global Compact.

MESSAGE FROM THE CHAIRMAN

IN 2025, WE ONCE AGAIN BUILT OUR STRATEGY UPON SELECTED INVESTMENT PRINCIPLES AIMED AT ACHIEVING CAUTIOUS GROWTH, SOLID BALANCE SHEET AND DIVERSIFIED RENTAL INCOME.



long-term value

The real estate sector remains one of the strongest generators of long-term value.

Dear Stakeholders,

Global economic outlook continues to present uncertainty

2025 was characterized by uncertainty molded by the inflationist pressure in global economies, tight monetary policies of central banks, and persisting geopolitical tensions. This setting led to volatilities in the financial markets in the short term, and forced a cautious approach in investor attitudes. Notwithstanding, we see that periods of uncertainty present opportunities for structural transformation and repositioning besides risks. At the heart of this transformation process was resilience, predictability and correct timing.

The Turkish economy followed suit of global trends in the reporting period. As the new macroeconomic order centered on the fight against inflation, monetary and fiscal policies implemented accordingly helped economic rebalancing progress gradually. The Medium Term Program that was announced underlined the importance attached to fiscal discipline and structural reforms. We believe that these policies carried on through interest and inflation channels will fortify economic stability and increase the predictability of the investment environment in the medium- and long-term. The young composition of the population, growing urbanization tendency, alongside the production, trade



and tourism capacity continued to take place among the key elements supporting Türkiye's medium- and long-term potential.

During 2025, real estate investments in our country have been cautious due to high interest rates and financing costs. Shifting commercial and political balances augmented investors' risk perception. In this process, the global search for a safe harbor drove the demand for precious metals. Noted on the other hand was the increased interest in real assets, and particularly, real estate investments, owing to their regular income generation capacity, high potential to preserve value, and physical nature. This tendency always distinguishes real estate as a solid and safe alternative for institutional investors having a long-term perspective.

The present conjuncture accommodates opportunities for our sector

The real estate sector remains one of the strongest generators of long-term value despite being highly vulnerable to macroeconomic developments. The key determinants in the sector in 2025 were the terms of financial access, supply-demand balance, and cost elements.

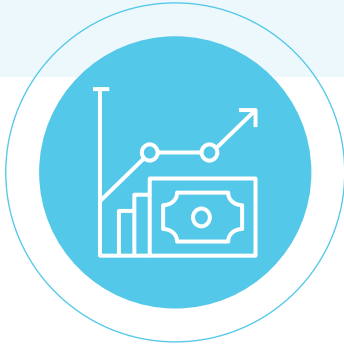
Despite this challenging conjuncture, high-quality projects positioned at the right locations and responding to the true needs of buyers preserved and even increased their values. Earthquake-resistance, quality, sustainability and usage efficiency turned into key competitive elements particularly in the commercial property segment and high-quality housing projects. We anticipate the coming period to present an investment environment where decoupling in the sector will get even more pronounced and players possessing a robust balance sheet composition, professional management and long-term perspective will come to the foreground. In our opinion, real estate investment trusts having an institutionalized structure will be able to capitalize on the opportunities presented by this period more effectively on the back of the portfolio quality and financial flexibility they enjoy.

We set our strategy as creating long-term value.

At İş REIC, we focused on transposing our portfolio into a more balanced and resilient composition in recent years. Accordingly, we disposed of certain assets from our portfolio, strengthening our financial structure and freeing up space for new investment opportunities. We started reaping the positive outcomes of our strategy that prioritizes the robustness of our balance sheet particularly at times of slower economic activity.

MESSAGE FROM THE CHAIRMAN

AS WE KEEP ENDEAVORING FOR INCREASED EFFICIENCY WITH OUR EXISTING PORTFOLIO, WE ARE PLANNING TO INVEST IN **NEW-GENERATION REAL ESTATE PROJECTS THAT BEAR HIGH GROWTH POTENTIAL AND WILL SERVE TO CREATING INCOME DIVERSITY BASED ON A SELECTIVE APPROACH.**



future vision

We will continue to manage our Company with a perspective that goes beyond adjusting to the current conditions and foresees the needs of the future today.

In 2025, we once again built our strategy upon selected investment principles aimed at achieving cautious growth, solid balance sheet and diversified rental income. We started the year with a portfolio optimization approach. As always, we concentrated on assets with the potential to generate long-term value instead of short-term gains. The steps we have taken in this direction were targeted at enhancing our portfolio quality, mitigating our risk exposure, and fortifying our cash flow. While we focused on our projects on sale, we carried on with our rental activities and enlarged our rental income consistently and in real terms.

On the investment front, we adopted the strategy to dispose of low-return assets from the portfolio and to include real properties with a high return potential, and we signed our name under partnerships that allow the completion of project development processes on our plots suitable for project development, and optimization of return and investment risk. In this way, we laid the solid foundations of sustainable growth and profitability through our completed and ongoing investments.

As a subsidiary of our founder İşbank, trust remained one of our core values. With this understanding, we carried on with our activities, remaining adhered to our target of generating value for all our stakeholders.



Our sustainable growth and future perspective

We predict that a more balanced, selective and sustainable growth model will become prevalent in the real estate sector in 2026 and thereafter. We believe that the sector will proceed on healthier grounds following the re-establishment of the demand/supply balance, gradual normalization of financing conditions, and clarification of the regulatory framework.

The sustainable cities approach is no longer a preference in the real estate sector; it has become a fundamental necessity. Climate action, resource efficiency, structures with high energy performance, and a design concept mitigating environmental impact will continue to form integral parts of investment decisions. At İş REIC, we also embrace an approach that dwells on environmental-responsiveness, user health, and living quality in the projects we develop and manage. We believe that projects that contribute to making cities more livable and more resilient, and that are integrated with transportation, infrastructure and social amenities create higher value in the long term. To this end, we will continue to consolidate sustainability criteria in the properties covered in our portfolio and to undersign projects that look out for environmental and social impacts and contribute to cities of the future in our new investments.

Quality, sustainability criteria and integration of technology will continue to be telling upon investment decisions in the coming period. While technology-oriented real estate sub-

segments such as logistics and especially data centers will presumably sustain their expansion, experience, service quality and flexibility will most likely drive differentiation in the office and retail segments.

As İş REIC, we are aspiring to be one of the pioneers of these trends. As we keep endeavoring for increased efficiency with our existing portfolio, we are planning to invest in new-generation real estate projects that bear high growth potential and will serve to creating income diversity based on a selective approach. While we set our sight on investments that diversify our portfolio and boosts our long-term revenue generation capacity as we maintain our robust balance sheet composition, we will continue to manage our Company with a perspective that goes beyond adjusting to the current conditions and foresees the needs of the future today.

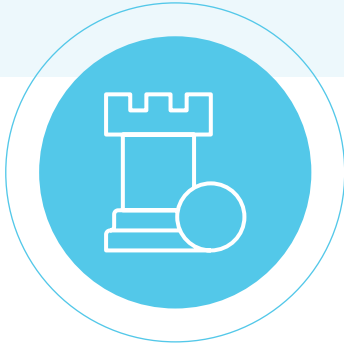
With this understanding, we are aiming to carry our sustainable and long-term value-generating growth story that instills confidence in all our stakeholders into the future. On behalf of our Board of Directors, I would like to thank all our employees, business partners and investors for contributing to our story.

Sincerely,

H. Cahit Çınar
Chairman

MESSAGE FROM THE CEO

**AS WE DISPLAYED A CONSISTENT PERFORMANCE IN 2025,
WE FOCUSED ON MAKING OUR INCOME STRUCTURE MORE
PREDICTABLE AND SUSTAINABLE.**



resilient financial structure

**We made our financial structure
more balanced and resilient through
the steps we have taken to reduce
indebtedness.**

Dear Stakeholders,

In 2025, we strengthened our long-term value generation capability

In 2025, the effects of tight monetary policies have become more evident both on a global and local scale, and access to financing has become more selective and cost-driven. Amid such a conjuncture, our key priority at İş REIC has been building a structure that reinforced our balance sheet resilience while maintaining growth, addressed risk management within a disciplined framework, and rendered our portfolio future-ready for long-term value generation.

Along this line, we devised our strategy in 2025 to reduce financial indebtedness using the cash flow generated on disposals of our assets with relatively low income-potential, and to expand our portfolio through new property and plot investments enjoying a solid location advantage. At the same time, we kept a close eye on investment opportunities in diverse sectors such as tourism, healthcare and logistics in order to create new areas of expansion in the medium- and long-term.

Throughout the year, we concentrated on assets with high rental income, redevelopment and appreciation potential. We made our financial structure more balanced and resilient



through the steps we have taken to reduce indebtedness. Critical for us in 2025 was to go beyond making new investments and to generate lasting value through the right asset, the right business model and the right timing.

We are confident that the steps we have taken will provide a solid ground in the coming period with respect to a more balanced growth and sustainable income.

Our financial and operational results attested to the accuracy of our strategy.

During 2025, we made consistent and determined strides towards the strategic priorities we set. As we displayed a consistent performance on the operational side, we focused on making our revenue structure more foreseeable and sustainable. The high occupation rates and solid tenant structure of our portfolio guaranteed a stable course of our rental income throughout the year. In our housing projects, we achieved progress in line with our plans, in line with the delivery and sales timelines.

During the reporting period, we carried out successful asset sales in keeping with the strategy to free our portfolio of properties with relatively limited rental income and appreciation potential, and to allocate the cash flow generated to more lucrative assets with higher efficiency,

ultimately strengthening our portfolio composition. We have significantly decreased our indebtedness on the back of these asset sales and strengthened our balance sheet composition. Furthermore, we realized strategic purchases that will secure efficiency in the long term.

In this framework, we sold our office building in İstanbul Financial Center in its entirety at the price of TL 5,600 million excluding VAT, and allocated part of the fund we generated for decreasing our debts and part of it for purchasing İzmir utility building, İzmir Şehitler plot and İçerenköy office buildings. As part of the same strategy, we sold Ankara İş Tower for TL 1,215 million excluding VAT in July 2025, and used a portion of the proceeds to purchase the Parmakkapı building on İstiklal Street in Beyoğlu, İstanbul from İşbank to increase our rental income.

Furthermore, we sold our plot with an area of 1,355 m² located in Balmumcu for USD 24.24 million excluding VAT in November 2025.

Using the cash generated on the real property during the reporting period, our financial debt declined from TL 5,606 million at year-end 2024 to TL 1,012 million by December 2025. While our financing cost which was TL 3,542 million in 2024 went down to TL 1,260 million at the end of

MESSAGE FROM THE CEO

TO İŞ REIC, SUSTAINABILITY IS NOT A CONCEPT THAT IS ONLY ABOUT ENVIRONMENTAL CRITERIA; INSTEAD, IT REFERS TO A HOLISTIC APPROACH THAT SPANS ALL THE WAY FROM DESIGN TO OPERATION, PORTFOLIO MANAGEMENT TO CORPORATE GOVERNANCE.

2025 in parallel with the decreasing need for borrowing; the disposals mentioned above significantly helped our Company attain a stronger balance sheet composition, bestowing the capability to allocate funds comfortably to our projects.

Our Company's total assets reached TL 58.2 billion as of 2025.

While our portfolio is substantially made up of commercial properties, these assets constituted approximately 96% of the total portfolio. Our property investments consisted of office spaces by 62.7%, shopping malls by 16.5%, 13.7% by projects, 4.6% by inventories and 2.5% by plots.

Our rental income included within the revenues increased by 21% year-on-year to reach TL 1,767 million. Within the revenues in the amount of TL 3 billion 127 million as of 31 December 2025, 57% was derived on rental income and 41% on the housing sales from Litus İstanbul and Manzara Adalar projects. In the same period, we booked TL 1 billion 637 million in gross profit and TL 1 billion 221 million in operating profit.

Our market capitalization on Borsa İstanbul reached TL 20.1 billion as of 31 December 2025.

We stand out with our high-quality and balanced portfolio composition.

As of 2025, İŞ REIC's portfolio has a balanced composition comprised mainly of offices, shopping malls, projects and inventories. While commercial properties constitute the backbone of our portfolio, housing projects take on a

complementary role from the standpoint of sales revenues and long-term appreciation.

While our ongoing projects warrant high occupancy rates and user satisfaction levels, cost, timing and quality management are painstakingly handled in our projects in progress. In new projects, on the other hand, we adopt a diversified portfolio approach according to location, demand and usage scenario instead of going for one type of asset. This approach increases our portfolio's resilience in the face of market volatilities.

From out of ongoing projects, we have completed the construction of Litus İstanbul. Within the frame of the ongoing sales process of the project, we sold 60 of 98 housing units. We have initiated the sales process for 61 housing units in the first phase of our 165-villa Kasaba Modern project located in Ömerli, İstanbul, and completed the sales of 15 villas.

In December 2025, Artaş İnşaat put on sale Avrupa Residence - Şişli 2, a project co-executed with Artaş İnşaat on the basis of revenue sharing model which is developed on the plot of the former Profilo Shopping Mall and arrived at the construction phase; accordingly, we started collecting our share from the sales revenues.

For the project that will be developed on the Tuzla plot, we signed a Revenue Sharing for Plot Interest Agreement with Yapıtaş Gayrimenkul (Akgün Group) and Misesek İnşaat partnership in July 2025. For this project, the revenue shares of İŞ REIC and the contracting partnership were



determined as 35% and 65% respectively. The project in Tuzla is slated for going on sale during 2026 following the completion of the necessary preparations.

Besides our ongoing projects, we are planning a five-star city hotel investment on our Group's plot in Kadıköy with our business partner Tecim Yapı.

Our sector remains dynamic

During 2025, the real estate sector experienced a period in which financing costs, supply/demand balance and the changes in users' preferences have been telling. As selective demand gained the forefront in commercial properties, the decoupling between the segments got even more pronounced on the housing side.

A market structure characterized by earthquake-resilience, the right location and the right concept was formed particularly on the office and retail segment. In the housing segment, on the other hand, demographic dynamics kept the demand alive despite the borrowing conditions; however, the supply corresponding to the said demand remained limited. We believe that flexibility, right timing and asset quality were the main elements that determined success in the sector rather than scale.

According to TurkStat data, housing sales increased by 14.3% on a year-on-year basis to reach approximately 1.7 million units in 2025. In the commercial property segment,

turnover indices in shopping malls preserved their uptrend. Shopping mall revenue productivity index per square meter nominally increased by 29% annually in the fourth quarter of 2025 and reached 4,268 points; turnover per leasable area (in square meters) was registered as TL 20,426. On the part of offices, occupancy rates were stable particularly in İstanbul. In the İstanbul office market, total supply went up to 74 million m² with the gradual integration of İstanbul Financial Center in the market.

Sustainability is a natural part of our business

To İş REIC, sustainability is not a concept that is only about environmental criteria; instead, it refers to a holistic approach that spans all the way from design to operation, portfolio management to corporate governance. We aspire to create long-term sustainable value with our projects that we develop with a focus on environmental compatibility, construction safety, energy efficiency, and design for longevity principles.

International green building certifications, use of renewable energy, water and waste management practices take place within our portfolio's standard components. Our inclusion in BIST Sustainability Index and our being a signatory to the United Nations Global Compact serve as concrete evidence of this approach.

MESSAGE FROM THE CEO

WE WILL CONTINUE TO IMPLEMENT PROJECTS BEARING THE “SOLID SIGNATURE”, WHICH GENERATE CONSISTENT INCOME, REINFORCE OUR LONG-TERM VALUE PROPOSAL FOR OUR STAKEHOLDERS, AND WILL MAKE A DIFFERENCE IN OUR SECTOR.

We support the United Nations “Affordable and Clean Energy” goal and use I-REC certified green electricity both in the major properties in our portfolio and also in our head office. We take concrete steps to reduce our carbon footprint. We also publicly released our 2024 Sustainability Report drawn up in alignment with TSRS and consolidated our corporate transformation journey in this area.

As we step into 2026, we boast a robust balance sheet and high cash generation capability

On the back of our effective financial management approach and robust balance sheet composition, we ended 2025 on solid financial grounds. We are looking at 2026 as a year in which we will manifest our identity as a developer in a more articulated manner, we will be undertaking new investment projects, and our cash generation capability will be felt more strongly.

We are targeting a cash inflow of approximately USD 62 million from the ongoing sales of the housing units in our Litus İstanbul project, which our Company developed as the direct investor, and approximately USD 82 million that corresponds to our Company’s share from the sales of 105 villas from the first two phases of our Kasaba Modern project.

We are anticipating that our cash generation capacity will increase significantly in 2026 thanks to the projects we developed based on the revenue sharing model, as well as the projects that our Company developed itself. The commencement of sales in the Avrupa Residence Şişli 2

project already started supporting our cash inflow, where we are a partner with a 40% revenue sharing model, delivering us a minimum revenue share amounting to USD 65 million. Furthermore, we are projecting that our cash inflows from housing sales will continue at a growing extent provided that Tuzla Residential project sales starts in 2026; in this project, our Company has a 35% share in revenue, corresponding to a minimum projected revenue of USD 94 million.

Given all these projects, we are anticipating that our Company will attain a cash generation potential of approximately USD 300 million in 2026 and thereafter. This potential will grant our Company strategic flexibility with respect to increasing our dividend payment capability and capitalizing on new plot and project development opportunities.

We will grow with projects bearing the “Solid Signature”

In 2026, the sector’s agenda will likely be determined by the terms of financial access and cost management, ESG and sustainability criteria, demand for high-quality office spaces and flexible use models, the impact of global geopolitical risks upon investment decisions, the increasing prevalence of new segments such as logistics and healthcare, and the reflections of demographic tendencies on the sector. In the residential segment, we think that demand/supply balance will keep affecting the rent and price balances, whereas the needs of diverse sectors such as tourism, logistics and healthcare will become more prevalent/gain higher prominence.



Along this line, we are formulating our roadmap for 2026 and thereafter with the goal of expanding our portfolio qualitatively, focusing on assets possessing location advantage, high transformation and development potential, strong sustainable rental income capability and the possibility to develop high-return yielding projects, relying on our robust balance sheet composition and disciplined approach to investment.

We are capitalizing on our experience derived on our former investments in tourism and planning investments in city hotels. In addition to tourism, the healthcare sector will be another priority investment area that we will consider with a selective approach as we pursue new real estate projects for rental income generation.

All our investment decisions will continue to be determined mainly by location, tenant profile, long-term cash flow and transformation potential. We are also targeting to increase geographical diversity and to act with a growth approach that is not restricted with İstanbul but covers various big cities. We believe that this approach will add to our portfolio's resistance and strengthen its risk vs return balance.

As our existing projects proceed according to plans, we are aiming to realize the transformations that will create value in our portfolio through our new investments. We will continue to implement projects bearing the "solid signature", which maintain our robust balance sheet composition, generate consistent income based on a disciplined and selective approach, reinforce our long-term value proposal for our stakeholders, and will make a difference in our sector.

I would like to extend my heartfelt thanks to our principal shareholder, our Board of Directors, our shareholders, employees and business partners with whom we will walk together down our elaborate roadmap that thrills us, for their support and trust.

Sincerely,

Ö. Barlas Ülkü
CEO

BOARD OF DIRECTORS



H. CAHİT ÇINAR

Chairman

Mr. H. Cahit Çınar graduated from Ankara University, Faculty of Political Sciences, Department of International Relations in 1988 and studied at Ludwig-Maximilians University of Munich between 1989 and 1990. He began his career at İşbank as an Assistant Specialist in the Economic Research Division in 1991 and joined the Board of Inspectors as an Assistant Inspector in 1992. He was assigned to the Commercial Loans Underwriting Division as an Assistant Manager in 2001. Having served as Regional Manager from 2007, Head of the Commercial Loans Underwriting Department from 2010, and Güneşli Corporate Branch Manager from 2013, Mr. Çınar was named Chief Executive Officer of İşbank AG on 25 March 2016. He was appointed as Deputy Chief Executive of İşbank on 5 October 2018, in which position he served until 27 December 2023 when he was brought to the position of the General Manager of Trakya Yatırım Holding A.Ş. He was named Deputy Chief Executive of İşbank on 30 April 2025. Currently, Mr. Çınar serves as Chairman of the Board at İş REİC, İş Enerji Yatırımları A.Ş. Maxi Digital GmbH, and Jourma GmbH; Deputy Chairman of the Board at Türkiye Şişe ve Cam Fabrikaları A.Ş., Trakya Yatırım Holding A.Ş. and Polat Enerji Yatırımları A.Ş.; and a Member of the Board of Directors at Trakya Yatırım Holding A.Ş., Is Energy Investments B.V., Mimas Solarpark KFT., TİBAŞ 100th Year Foundation, and Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş.



MURAT KARLUK ÇETİNKAYA

Vice Chairman

Mr. Murat Karluk Çetinkaya graduated from Middle East Technical University, Department of Civil Engineering and holds a Master of Engineering degree from the same university. Mr. Çetinkaya worked as a Civil Engineer for various private companies between 1994 and 2000. Mr. Çetinkaya joined İşbank. Construction and Real Estate Management Department as a Civil Engineer in 2000; he was appointed as Assistant Manager of the Construction and Real Estate Management Department in 2011, Unit Manager in the same Department in 2017 and was appointed as Construction and Real Estate Management Manager on 30 June 2020. Mr. Çetinkaya has been serving as a Board Member at İş REİC since 10 July 2020. In addition to being a member and the Vice Chairman of the Board at İş REİC, Mr. Çetinkaya has been serving as a Board Member at İş Portföy Yönetimi A.Ş. since 2017.



ÖMER BARLAS ÜLKÜ

Board Member and CEO

Having graduated from the Middle East Technical University, Faculty of Engineering, Department of Civil Engineering in 1995, Ömer Barlas Ülkü received a graduate (MBA) degree from the METU Faculty of Economics and Administrative Sciences, Department of Business Administration. Ülkü started his career as a research assistant at METU, Department of Civil Engineering between 1995 and 1997, where he also pursued his graduate studies. He worked as an Auditor at the Audit Board of İşbank. between 2000 and 2008 and as a Manager at the Internal Audit and Control Department of İş REİC between 2008 and 2012. In 2012, he took part in the establishment of the Financial Management Department. From 2012 to 2021, he served as the Assistant General Manager responsible for the Business Development Department, Financial Operations and Support Activities Department, Accounting and Finance Department, and Information Technologies Department and was appointed as the General Manager of İş REİC on 1 August 2023. Ülkü is also a Board Member at İş REİC. As an in-group position, he serves as the Chairman of the Board of Directors at Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and the Vice Chairman of the Board of Directors at Kanyon Yönetim İşletim ve Pazarlama A.Ş.



BEHİCE ÇİLER ZORLU

Board Member

Behice Çiler Zorlu graduated from Hacettepe University, Faculty of Economics and Administrative Sciences, Department of Economics. She started her career in 1996 as a clerk at İşbank's Bartın Branch. After working as a supervisor in the Financial Management Division from 1998 and as II. Manager in the same division from 2004, Ms. Zorlu was appointed as Assistant Regional Manager at SME Loans Underwriting İstanbul-Maltepe Regional Directorate in 2008, Regional Manager in the same Directorate in 2015, and Branch Manager of Gebze Organize Sanayi Bölgesi Branch in Kocaeli in 2019. She has been serving as İşbank's Maltepe Branch Manager in İstanbul since 29 April 2024 and has been a member on the Board of Directors of İş REIC since 30 April 2025.



MURAT DOĞAN

Board Member

After graduating from Istanbul Technical University, Department of Industrial Engineering in 2000, Mr. Doğan started working as an Assistant Specialist within İşbank Affiliates Department in the same year, and continues his duty as Department Manager in the same department. Mr. Doğan, who served as a Member of the Audit Board at İş REIC between 2010 and 2012 and as a Member of the Board of Directors since 8 December 2014, is also a Member of the Corporate Governance Committee and the Early Detection of Risk Committee. Mr. Doğan holds the following in-group positions: Chairman of the Board of Directors of Batı Karadeniz Elektrik Dağıtım ve Ticaret A.Ş., Casaba Yönetim İşletim İm. İth. İhr. Paz. Tem. Güv. Ulaş. Tic. ve San. A.Ş. and Is Technology Investments B.V., Vice Chairman of the Board of Directors of Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and İş Enerji Yatırımları A.Ş., Board Member of İşbank AG, Maxis GSPY Temiz Enerji GSYF Investment Committee, Trakya Yatırım Holding A.Ş., Türkiye Sınai Kalkınma Bankası A.Ş., Türkiye Şişe ve Cam Fabrikaları A.Ş., and Member of İşbank Banking and Commercial Law Research Institute.



VAHİDE UYAR

Board Member

Ms. Vahide Uyar graduated from Bilkent University, Faculty of Business Administration, Department of Business Administration and started her career in 1997 as an Intern Assistant Credit Specialist in the Retail Loans Department of İşbank. Ms. Uyar, who served as Deputy Manager in the Retail Banking Marketing Department in 2007 and as Unit Manager in the Retail Loans Department in 2011. In 2022, she was appointed as the Retail Loans Department Manager, a position she held until 30 June 2024. She served as the Head of the Retail Banking Products Department until she assumed the role of Commercial Banking Products Department Manager on 26 November 2025. Ms. Uyar has been serving as a Board Member at İş REIC since 26 March 2024, and is also a member of the Corporate Governance Committee and the Early Detection of Risk Committee. In addition, Ms. Uyar also serves as a member of the Board of Directors of İş Portföy Yönetimi A.Ş., an in-group position.

BOARD OF DIRECTORS



PROF. DR. OĞUZ CEM ÇELİK

Independent Board Member

Having graduated in 1987 from Istanbul Technical University, Faculty of Civil Engineering, Department of Civil Engineering, Prof. Dr. Oğuz Cem Çelik received his MSc degree in 1990 and PhD degree in 1996 from the same university. Between 2001-2003, he was a postdoctoral researcher at the State University of New York (SUNY) at Buffalo, NY on structural earthquake engineering. Having worked as a Research Assistant between 1989-1996, Assistant Professor between 1997-2001, and Associate Professor between 2001-2010 at Istanbul Technical University, Mr. Çelik also worked as a Visiting Professor at Istanbul Bilgi University between 2010-2017 and at Beijing University of Technology between 2019-2021. Mr. Çelik continues teaching full-time as a Lecturer at Istanbul Technical University, Faculty of Architecture, Structural & Earthquake Engineering, and has been serving as a member of the "New Structural Technologies Board" within the scope of the Turkish National Risk Shield Model since March 2023. He has been the Senator of the Faculty of Architecture in the Istanbul Technical University Senate since October 2023, and a member of the Board of Directors of the Disaster Management Institute of Istanbul Technical University since August 2025. Mr. Çelik has been serving as a Board Member at İş REIC since 23 March 2022 and is also the Chairman of the Early Detection of Risk Committee. Mr. Çelik has no other in-group duties other than his Board Membership at İş REIC.



MEHMET GÖKPINAR

Independent Board Member

Mr. Mehmet Gökpınar graduated from Ankara University, Faculty of Political Sciences, Department of Public Administration in 1985. Mr. Gökpınar served as a member of Diyarbakır Administrative Court between 1992-1995, Manisa Administrative Court between 1995-1997 and Aydın Administrative Court between 1997-2000; served as the President of Muğla Administrative Court between 2000-2005 and as the President of Edirne Regional Administrative Court between 2005-2014. Since 2014, he served as a substitute member of the High Council of Judges and Prosecutors for 1 year. Mr. Gökpınar, who served as a Member of the 6th Chamber of the Council of State since 15.12.2014, retired as of 20.03.2024. Mr. Gökpınar has been serving as an Independent Board Member at İş REIC since 26 March 2024, and is also the Chairman of the Audit Committee. He does not have any duties within or outside the group other than being a Member of the Board of Directors at İş REIC.



İLKAY ARIKAN

Independent Board Member

Mr. Arıkan graduated from Hacettepe University, Department of Public Administration in 1987 and received his Executive MBA degree from The Wharton School, University of Pennsylvania in 1998. Between 1989 and 2001, he worked in the Supervisory Department of the Capital Markets Board of Turkey and was appointed as a Supervisor in 1992 with a thesis on the establishment of futures exchanges in Turkey. During his tenure, Mr. Arıkan was mainly involved in the supervision and regulation of financial institutions. Between 2001 and 2021, Mr. Arıkan worked at the Turkish Capital Markets Association (TSPB), where he served as the Manager of the Investigation and Legal Affairs Department between 2001 and 2002, as the Assistant Secretary General responsible for the Investigation and Legal Affairs and Administrative and Financial Affairs Departments between 2002 and 2004, and as the Secretary General of TSPB between 2004 and 2021. In 2004, he coordinated the establishment of Vadeli İşlemler ve Opsiyon Borsası A.Ş. in 2004, Gelişen İşletmeler Piyasaları A.Ş. in 2005, Birleşik İpotek Finansmanı A.Ş. in 2019, the establishment of the National Rating Company (Ulusal Derecelendirme Şirketi) in 2019. Mr. Arıkan coordinated the transformation of ISE into Borsa İstanbul A.Ş. in 2013, and the transformation process of TSPAKB into TSPB in 2014. He also took part in the reform of the tax regime of capital market instruments in the Income Tax Law in 2005 and the Istanbul Finance Center since the first preparatory meetings in 2007. Mr. Arıkan was a member of the Board of Directors and Vice Chairman of the Board of Directors of Merkezi Kayıt Kuruluşu A.Ş. between 2004-2006 and Sermaye Piyasası Lisanslama Sicil ve Eğitim Kuruluşu A.Ş. between 2011-2021, and served as a member of the TOBB Capital Markets Sector Council between 2006-2021 and as a member of the Tax Council between 2004-2021. The General Assembly meetings of the International Organization of Securities Commissions (IOSCO), the International Council of Securities Associations (ICSA), and the Asia Securities Forum (ASF), of which TSPB has been a member, were held in Istanbul under the coordination of Mr. Arıkan in 2012, 2010, and 2019, respectively. Mr. Arıkan has still works at Aktio Danışmanlık, where he is a Founding Partner. Mr. Arıkan has been serving as a Board Member at İş REIC since 23 March 2022 and is also the Chairman of the Corporate Governance Committee and a member of the Committee for Audit. On 27.04.2022, Mr. Arıkan was elected as an Independent Board Member at Global Menkul Değerler A.Ş. and he holds no other titles within the group other than his Board Membership at İş REIC.

BOARD OF DIRECTORS

Changes in Management During the Reporting Period

At the General Assembly Meeting held on 20 March 2025, Mr. Hasan Cahit Çınar was elected to serve as Board member until the next General Assembly Meeting, succeeding Board member Mr. Can Yücel whose term of office expired. Other eight members whose terms expired were reelected and continued to serve in their existing positions. Under the distribution of tasks within the Board of Directors, Mr. Hasan Cahit Çınar was appointed as the Chair of the Board, and Board member Mr. Murat Karluk Çetinkaya as the Vice Chair of the Board.

Under Article 363 of the Turkish Commercial Code (TCC), it was resolved to elect Ms. Behice Çiler Zorlu to fill the member's seat vacated on the Board of Directors due to the passing of Board member Mr. Özcal Korkmaz in the reporting period, in which position she will serve until the next General Assembly meeting to be convened, at which the said appointment will be laid down for approval.

Duties and Responsibilities of the Board of Directors

The duties and responsibilities of members of the Board of Directors are spelled out in the Company's articles of association. The Board of Directors is ultimately responsible for the management of the Company and for representing the Company before outside parties. The Board of Directors fulfills the duties incumbent upon it in compliance with the requirements of the Turkish Commercial Law, the Capital Markets Law, and other applicable regulations.

The Board consists of nine members, three of whom are independent board members.

Pursuant to the Corporate Governance Communiqué of the Capital Markets Board of Türkiye (CMB), following the General Assembly Meeting, delegation of duties was realized for the Board of Directors, heads and members of the Committees set up under the Board of Directors were elected and publicly disclosed in the reporting period.

Board of Directors Terms of Reference

The Board of Directors conducts its activities within the framework of publicly disclosed terms of reference. The Board convenes on such occasions as deemed to be made necessary by the Company's business and affairs upon an invitation by its chair or deputy chair. Under article 13 of the Company's articles of association, it is possible for other members to summon the Board to convene as well.

Board Meetings

The agendas for Board of Directors meetings are defined by the Chair of the Board. Additionally, the agenda can also be determined based on a decision of the Board of Directors.

During the reporting period, the Board of Directors convened five times physically and passed 128 decisions. During the reporting period, all but one Board of Directors meetings were held with full participation of its members and decisions were passed with the unanimous votes of the attending members. No Board member enjoys any special voting rights or has the power to exercise a veto.

There is a Board of Directors Secretariat at the Company.

External Positions Held by the Members of the Board of Directors

The permission of the General Assembly of Shareholders must be granted in order for the members of the Board of Directors to carry out the transactions specified in "Article 395 - Dealing with the company, borrowing from the company" and "Article 396 - Non-competition" of the TCC. The Board members were granted the said permission to engage in the said transactions falling under the scope of the said articles at the General Assembly meeting held on 20 March 2025.

There are no set rules governing the Board members' undertaking other duties outside the Company; the same are subject to general rules. No restrictions are imposed on outside positions to be held by Board members in view of the contribution of their business experiences and sectoral experiences to the Board of Directors. If the members of the Board of Directors take on an executive role or hold a seat on the board of directors of, or offer consultancy services to, another company, they act with the awareness that such external role must not cause a conflict of interest, and they also act so as to maintain the independence criteria defined in the principles. The in-group/non-group positions held by Board members outside the Company, their years of service in the Company and distribution of positions are provided in the members' résumés, and the same does not lead to any conflicts of interest.

Within the scope of the Board of Directors structures so far, there were no incidents where Board members skipped their duty as a member of our Company's Board of Directors, failed to exercise the due diligence or to allocate due time because of outside positions held.

The external positions held by the members of the Company's Board of Directors are stated hereinbelow; such positions do not lead to any conflicts of interest.

- Chairman Mr. Hasan Cahit Çınar serves as a Deputy Chief Executive at İşbank, Chairman of the Board at İş Enerji Yatırımları A.Ş., Maxi Digital GmbH and Jourma GmbH, Vice Chairman at Türkiye Şişe ve Cam Fabrikaları A.Ş., Trakya Yatırım Holding A.Ş., and Polat Enerji Yatırımları A.Ş., and Board member at Is Energy Investments BV, Mimas Solarpark KFT, TİBAŞ 100. Yıl Vakfı and Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş.;
- Vice Chairman of the Board Mr. Murat Karluk Çetinkaya serves as the Head of Construction and Real Estate Management Department at İşbank and Board member at İş Portföy Yönetimi A.Ş.;
- Board member Mr. Murat Doğan serves as the Head of Subsidiaries Department at İşbank, Chairman of the Board at Batı Karadeniz Elektrik Dağıtım ve Ticaret A.Ş., Casaba Yönetim İşletim İm. İth. İhr. Paz. Tem. Güv. Ulaş. Tic. ve San. A.Ş. and Is Technology Investments B.V., Vice Chairman of the Board at Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and İş Enerji Yatırımları A.Ş., Board member at İş Enerji Yatırımları A.Ş., İşbank AG, Maxis GSPY Temiz Enerji GSYF Investment Committee, Trakya Yatırım Holding A.Ş., Türkiye Sınai Kalkınma Bankası A.Ş., and Türkiye Şişe ve Cam Fabrikaları A.Ş. and member at İşbank Research Institute of Banking and Commercial Law;
- Board member Ms. Vahide Uyar serves as Head of Commercial Banking Product Department at İşbank, and Board member at İş Portföy Yönetimi A.Ş.,
- Board member Ms. Behice Çiler Zorlu serves as İşbank Maltepe İstanbul Branch Manager,
- CEO Mr. Ömer Barlas Ülkü serves as the Chairman of Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and the Vice Chairman of the Board at Kanyon Yönetim İşletim ve Pazarlama A.Ş.

Remuneration of the Members of the Board of Directors

The remuneration of the Board members is determined at the General Assembly meeting as per the relevant provision of the Company's articles of association, and the remuneration principles for all executives and employees are put into writing. The Company's Remuneration Policy has been presented for the information of shareholders at the General Assembly and publicly disclosed.

Remuneration of Board of Directors members are determined by the General Assembly within the frame of the related proposal of the Corporate Governance Committee. At the General Assembly Meeting convened on 20 March 2025, monthly gross remuneration to be paid to each Board member is set as TL 145,000, and all Board members are remunerated equally. The gross value of all remuneration provided to members of the Board of Directors during the reporting period was TL 46,448 thousand.

Besides the remuneration decided upon by the General Assembly of Shareholders, members of the Board of Directors are not granted any rights that will yield financial benefits such as premiums or bonuses. None of the remuneration provided to independent Board members involves any company stock options or any forms of payment linked to the Company's performance.

During the reporting period, the Company did not lend any sums or extend any credit, or made available any loans under the name personal loan through a third party to its Board members, nor did it stand guarantee for them such as providing suretyship in their favor.

Board of Directors Terms of Reference

As required both by the Capital Markets Board's corporate governance principles and by the Company's Board of Directors terms of reference, there are three committees within the Board: a Corporate Governance Committee, a Committee for Early Detection of Risk, and a Committee for Audit.

The Corporate Governance Committee fulfills the functions of the Nomination Committee and Remuneration Committee, which need to be established as per the Corporate Governance Principles. The Committee is also assigned with handling the Company's environmental, social and governance (ESG) matters and sustainability initiatives.

Terms of reference have been defined and publicly disclosed for each committee. The Board of Directors Committees perform their functions within the frame of those principles and they may seek third-party expert opinions in relation to matters requiring expertise and deemed to be necessary.

Each of these committees is headed by an independent board member. As required by law, all of the members of the Committee for Audit are independent Board members. The names and positions of those who serve as heads and members of these committees are presented below.

BOARD OF DIRECTORS

Corporate Governance Committee

Head	Member	Member	Member
İlkay Arıkan	Vahide Uyar	Murat Doğan	Ayşegül Şahin Kocameşe
Independent Board Member (non- executive)	Board Member (non- executive)	Board Member (non- executive)	(executive*)

(*) Assistant General Manager Responsible for Investor Relations & Sustainability Department

Committee for Early Detection of Risk

Head	Member	Member
Prof. Oğuz Cem Çelik	Vahide Uyar	Murat Doğan
Independent Board Member (non- executive)	Board Member (non- executive)	Board Member (non- executive)

Committee for Audit

Head	Member
Mehmet Gökpınar	İlkay Arıkan
Independent Board Member (non- executive)	Independent Board Member (non- executive)

A member of the Board of Directors can serve on more than one committee in order to be able to form the Board of Directors committees and to make sure that they function effectively. All due consideration is given to the requirements of Corporate Governance Principles when selecting committee members.

All of the independent Board members are serving on committees. Members serving in more than one committee maintain regular communication with committees working in similar topics and increase opportunities to cooperate and improve decision-making processes.

During the reporting period, the Corporate Governance Committee evaluated the nomination proposals for three independent members for Board of Directors membership and submitted its evaluation to the Board of Directors. The Board of Directors finalized the list of independent member nominees in the light of these evaluations and an application has been filed with the CMB for the list in question as per the applicable capital market requirements. Independent Board member nominees, about whom the CMB did not state any negative opinions, have been presented for the information of all stakeholders through a material event disclosure.

During the year, no events took place that prejudiced the independence of independent Board members.

Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems

As required by the capital market legislation and other applicable regulations and laws, there are Corporate Governance Committee, Committee for Early Detection of Risk, and Committee for Audit at İş REIC.

CMB's Corporate Governance Principles were adhered to during the election of the heads and members of the committees. Accordingly;

Committees are headed by independent board members,

All members of the Committee for Audit consist of independent board members,

The senior executive in charge of the Investor Relations and Sustainability Department serves as a member on the Corporate Governance Committee.

Under the Board of Directors decision dated 25 March 2025, the Committees set up and Committee members were publicly disclosed.

When the reports submitted by the Committees to the Board of Directors and advisory decisions passed are examined, it is observed that all of the Committees have efficiently carried out their activities in 2025 within the frame of the espoused terms of reference; they have fulfilled their duties and responsibilities set out in the Corporate Governance Principles, and accordingly, the Company's internal systems function efficiently. Through their activities, the committees contributed to the activities of the Board of Directors, and the Company furthered its compliance with corporate governance practices.

Corporate Governance Committee:

Corporate Governance Committee, which regularly reviews the Company's corporate governance practices, paid attention to meet prior to each Board meeting in principle. The Committee met eleven times during the reporting period. While priority is given to discussing the topics on the agenda in the Committee meetings, the Investor Relations and Sustainability Department's activities during the year, its determinations and evaluations were also addressed, and as such, the Committee fulfilled its function as a bridge between shareholders and the Board of Directors. Decisions adopted in Committee meetings, and the presentations on the topics discussed in meetings were shared with the Board of Directors after the Committee meetings.

The Corporate Governance Committee closely monitors the regulations and requirements regarding corporate governance principles. Within the scope of the activities during the reporting period, in order to oversee the Company's compliance with the principles, the Committee:

Took the necessary steps to make sure that the Company is in compliance with the applicable requirements, and especially with the Corporate Governance Principles Communiqué,

Fulfilled the functions of the Nominating Committee and Remuneration Committee,

Effectively supervised the activities of the Investor Relations and Sustainability Department.

Reviewed the Company's Sustainability Principles Compliance Framework and Sustainability Report, submitted it for the information of the Board of Directors, and oversaw its public disclosure,

BOARD OF DIRECTORS

Reviewed the Company's Corporate Governance Compliance Report and Corporate Governance Information Form, and presented them for the approval of the Board of Directors.

Managed the sustainability activities within the scope of its duties and responsibilities in relation to sustainability and oversaw the integration of sustainability practices in targets, strategy and business processes.

When carrying out these activities, the Corporate Governance Committee adopted advisory decisions to be presented to the Board of Directors regarding the matters for which the Board of Directors needed to take action.

Committee for Early Detection of Risk:

The Committee for Early Detection of Risk was set up to early detect the risks that may threaten the Company's existence, development and survival, to take necessary action for identified risks, and to manage risks as proactively as possible, in accordance with the CMB's rules and regulations concerning corporate governance, and the relevant provisions of the TCC. The Committee reports to the Board of Directors and carries out its activities as per the Committee for Early Detection of Risk Terms of Reference. The Committee held six meetings during the reporting period.

Within the frame of the review of the Company's risk management systems, the Committee submitted the following to the Board of Directors;

A quarterly Company Risk Report covering basic risk types in relation to the Company's activities with a particular focus on operational risk, liquidity risk, credit risk and market risk, which is prepared by the Risk Management, Internal Control and Compliance Activities Unit within the knowledge of the Committee for Early Detection of Risk,

Pursuant to Article 378 of the TCC and CMB's regulations concerning corporate governance, "Committee for Early Detection of Risk Assessment Report", which is drawn up to include risk detection and management matters, has been presented for the information of the Board of Directors once in every two months.

Through the reports issued and activities carried out during the reporting period, the Committee played an active role in the identification and analysis of important risks inherent in the Company's operations, ensured that the Board of Directors was briefed as necessary with respect to monitoring the regulatory and internal risk limits, and increased the efficiency of the Company's risk systems, while also overseeing the alignment of risk management activities to the Risk Policy.

Committee for Audit:

The Committee for Audit reports to the Board of Directors and carries out its activities in accordance with the Committee for Audit Terms of Reference. The Committee ensures the auditing and supervision of proper execution of financial and operational activities, and carries on with its activities in relation to public disclosure of the Company's financial statements, execution of independent audits, ensuring effective operation of the Company's internal systems, and active supervision of all other aspects of the independent auditors' activities. The Committee held eight meetings during the reporting period.

In parallel with its duties set forth in the Terms of Reference, the Committee for Audit, during the reporting period;

Oversaw the independent audit process including conformity of all aspects of the independent auditor's activities and of the interim and annual financial statements to be publicly disclosed to the accounting principles pursued by the Company, as well as their accuracy and fairness, seeking the opinions of the responsible manager at the Company and of independent auditors in the process,

Monitored the determination of the annual activity plan of the Company's Internal Audit Unit and execution of audit activities in accordance with the plan,

Followed up the studies, investigations, examinations and similar activities conducted by the Internal Audit Unit although not included in the annual activity plan of the Company's Internal Audit Unit,

Received information about audit activities and other activities conducted by the Internal Audit Units in periodic meetings,

Provided the necessary coordination for sharing the findings identified in the audits with the Board of Directors and the Company's senior management, and for ensuring that necessary remedial actions are taken.

Within this scope, the Committee reviewed the operation of the Company's internal audit system, contributed to identification of processes that presented room for improvement, and supervised that audits were carried out effectively.

DECLARATIONS OF INDEPENDENT BOARD MEMBERS

To: Chair of the Board of Directors of İş Gayrimenkul Yatırım Ortaklığı A.Ş.

Owing to my candidacy for a seat as an Independent Board Member at your Company's ("the Company") General Assembly Meeting, I hereby declare:

- a) Neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the second degree, have, within the most recent five years, entered into any employment relationship in an executive capacity involving major duties and responsibilities, collectively or individually held more than 5% of the capital or voting rights or privileged shares in, or established any commercial interest of a significant nature, with the Company, or with any companies in which the Company has management control or material influence, and with any shareholders having management control or material influence over the Company, or with any corporate entity which are controlled by these shareholders;
- b) Within the most recent five years, I have neither been a shareholder controlling 5% or higher share, or an employee in an executive position involving major duties and responsibilities nor a board member, in any company from/to which the Company purchases/sells significant amount of services or products under the agreements made during such time when services or products were purchased or sold, and particularly in companies involved in the Company's auditing, rating, or consulting;
- c) I possess the professional education, knowledge and experience for due performance of the duties I will assume in connection with being an independent board member;
- d) If elected, I shall not work on full-time basis at any public institution or organization during my term of office, apart from serving as a faculty member, provided that the same does not contradict with the legislation governing such institution;
- e) I am a resident of Türkiye for the purposes of the Income Tax Law;
- f) I possess the ethical standards and professional reputation and experience sufficient to enable me to make a positive contribution to the Company's affairs, to maintain my impartiality in any conflicts of interest that may arise between the Company and its shareholders, and to come to decisions freely taking into consideration all stakeholders' rights;
- g) I am capable of devoting sufficient amount of time to follow-up the conduct of the Company's activities and to fully satisfy the requirements of the duties I will be undertaking;
- h) I have not served as a member on the Company's Board of Directors for more than six years within the most recent ten years;
- i) I am not serving as an independent board member in more than three of the companies in which the Company, or shareholders having management control over the Company, have management control, or in more than five companies, in the aggregate, traded on the stock exchange;
- j) I have not been registered and promulgated on behalf of the corporate entity elected as a member of the Board of Directors.

Prof. Dr. Oğuz Cem Çelik
Independent Board Member

İlkay Arıkan
Independent Board Member

Mehmet Gökpinar
Independent Board Member

SENIOR MANAGEMENT



ÖMER BARLAS ÜLKÜ

Board Member and CEO

Having graduated from the Middle East Technical University, Faculty of Engineering, Department of Civil Engineering in 1995, Ömer Barlas Ülkü received a graduate (MBA) degree from the METU Faculty of Economics and Administrative Sciences, Department of Business Administration. Ülkü started his career as a research assistant at METU, Department of Civil Engineering between 1995 and 1997, where he also pursued his graduate studies. He worked as an Auditor at the Audit Board of İşbank. between 2000 and 2008 and as a Manager at the Internal Audit and Control Department of İş REIC between 2008 and 2012. In 2012, he took part in the establishment of the Financial Management Department. From 2012 to 2021, he served as the Assistant General Manager responsible for the Business Development Department, Financial Operations and Support Activities Department, Accounting and Finance Department, and Information Technologies Department and was appointed as the General Manager of İş REIC on 1 August 2023. Ülkü is also a Board Member at İş REIC. As an in-group position, he serves as the Chairman of the Board of Directors at Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and the Vice Chairman of the Board of Directors at Kanyon Yönetim İşletim ve Pazarlama A.Ş.





AYŞEGÜL ŞAHİN KOCAMEŞE

Assistant General Manager

Ayşegül Şahin Kocameşe got her bachelor's degree in political science and public administration from the Middle East Technical University Faculty of Economics and Administrative Sciences in 1998 and got her Executive MBA degree from İstanbul Technical University. She holds Capital Market Activities Level 3 License, Credit Rating License, Corporate Governance Rating License, and Real Estate Appraisal License from the SPL (Capital Markets Licensing Registry and Training Agency) and Sustainability Expertise Certificate from TCMA-SEGM (Sustainable Learning, Development and Excellence Association). She began her career as an assistant investment specialist at İşbank in 1998. She joined İş REIC in 1999 and personally worked in the incorporation and IPO of the Company. Upon establishment of the Risk Management and Investor Relations Department in 2005, she was brought to the position of manager in this unit. Having worked in the position of Group Head from 2012, Ms. Kocameşe currently serves as Assistant General Manager responsible for Finance, Financial Reporting, Budget and Accounting Division, Human Resources and Development Division, Board of Directors Reporting Division, and Investor Relations & Sustainability Division. In tandem with this position, she also serves as a member on the Company's Corporate Governance Committee and a member of the Board of Directors of Kanyon Yönetim, İşletim ve Pazarlama A.Ş.



BURAK BAKKALOĞLU

Assistant General Manager

Burak Bakkaloğlu graduated from İstanbul Technical University with a degree in Civil Engineering in 1997 and completed the MBA-Finance program at Yeditepe University in 2003. He began his career in 1998 at İşbank in the Construction and Real Estate Department, where he held various positions. Between 2010 and 2023, he served as the Real Estate Unit Manager, managing the Bank's real estate portfolio, overseeing strategic improvement projects, and leading valuation processes for mortgaged properties. In 2023, Bakkaloğlu joined Trakya Yatırım Holding A.Ş. as the Real Estate Business Line Managing Director. As of January 2025, he has been appointed as the Assistant General Manager at İş REIC, responsible for the Appraisal and Reporting Division, Strategy and Project Development Division, and Legal Affairs Division. He holds a Real Estate Appraisal Specialist license and has expertise in real estate management, appraisal, and value-enhancing projects. In addition to his primary role, he also serves as a Board Member at Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and Kanyon Yönetim İşletim ve Pazarlama A.Ş.



GÖKTAY ÖZBEK

Assistant General Manager

Göktay Özbek graduated from Ankara University, Faculty of Political Sciences, Department of International Relations in 1996 and started his career in 1997 as a credit specialist at İşbank, where he later worked as inspector, mixed branch manager, assistant manager at Regional and Head Office, commercial branch manager and regional manager. During his tenure at İşbank, he was named a change leader within the frame of the "Customer-Centric Transformation Program – MOD", in which role he was responsible for the establishment and training of sales organizations, regional organization, introduction to and roll-out of the change program and sales culture across the Bank. Having received leadership training at ESMT Berlin, Mr. Özbek joined İş REIC on 1 September 2023 as CFO and Assistant General Manager responsible for Business Development Unit. In this position, he led SAP integration processes in the capacity of project sponsor within the frame of transitioning to SAP applications. He was also involved in the Company's first-ever lease certificate issuance, and contributed to vesting in the Company in a sound and sustainable financial structure. Currently, Mr. Özbek serves as the Assistant General Manager responsible for Procurement and Administrative Support, Corporate Communications and Marketing, Sales, Rentals, Customer Experience, and Information Technology units. He also holds a member's seat on the Board of Directors of Kanyon Yönetim İşletim ve Pazarlama A.Ş.

AN OVERVIEW OF THE REAL ESTATE SECTOR

HOUSING SALES ACROSS TÜRKİYE WENT UP BY 14.3% YEAR-ON-YEAR, REACHING AN ALL TIME HIGH IN 2025.



growth performance

The construction industry attained a 13.9% rise in the third quarter of 2025, extending its growth streak to 12 quarters.

In 2025, the construction industry continued to outperform the overall economic growth. The industry registered 8.6% and 10.9% growth in the first two quarters of the year, respectively, followed by a 13.9% increase in the third quarter, extending its growth streak to 12 quarters. As of the third quarter of 2025, the share of the construction sector in Gross Domestic Product (GDP) was 6%. On the part of real estate activities, growth has been more restrained, recording growth rates of 2.4%, 2.6% and 4.2% in the first three quarters of the year, respectively. The redevelopment of the earthquake-hit region and large-scale public investments acted as the primary factors supporting the construction industry's contribution to economic growth. Conversely, weak private sector demand made the desired level of balancing difficult to be achieved in residential and commercial property investments. The high level of cost indices throughout the year repressed the profitability of the sector players. While increased costs restrained new project inceptions, high interest rates and tight financial access urged companies to adopt a more cautious approach to their investment decisions. The construction cost index (CCI) went up by 23.93% year-on-year in November 2025, whereas materials index and labor index increased by 20.48% and 30.98%, respectively, on an annual basis. Economy policies, redevelopment of the earthquake region, and urban transformation activities continued to act as the key factors that determine the level of existing orders and new project



development appetite. As high financing costs, tight lending policies and uncertainties continue to affect investment decisions, public investments stand out as the main dynamic that sets the course of the industry. According to TurkStat's Building Permission Statistics for the third quarter of 2025, the number of building permits granted increased by 22.3% in terms of the number of buildings, by 54.0% in terms of the number of apartments and by 42.6% in terms of total area on a year-on-year basis. The Construction Industry Confidence Index adjusted for seasonality was down by 0.5% on a monthly basis to 84.5 points in December. The course of tightening policies and anticipated rate cuts in the coming period will be telling with respect to the direction the confidence index will adopt.

Housing Market

Housing sales across Türkiye grew by 14.3% on a year-on-year basis in 2025 and reached an all-time annual high with 1,688,910 units sold in 2025. The strong sales performance persisted in the fourth quarter of 2025 with 560,183 houses sold, up by 5.5% year-on-year, which corresponded to the highest level in recorded data on a quarterly basis. Mortgage sales in 2025 numbered 236,668 for a year-on-year rise by 49.3%. Notwithstanding, the share of mortgage sales in total sales was limited at 14%. While the weighted average of housing loan rates was 42.8% in 2024, it went down slightly to 40.0% in 2025. This development indicates that

the relative improvement in financing conditions supports the buyers' demand.

Other sales, i.e. non-mortgage sales, on the other hand numbered 1,452,242, up by 10.1% year-on-year. First-hand housing sales reached the highest quarterly figure in recorded data with 198,145 units in the fourth quarter, whereas it hit the highest level of the past seven years with 540,786 units annually. This outlook demonstrates that the demand for new productions remains lively, and the industry stepped into 2026 with a more balanced demand structure.

Second-hand housing sales numbered 362,038 in the fourth quarter and 1,148,124 in the whole year. The ratio of first-hand housing sales to total sales marginally declined from 32.8% in the previous year to 32% in the reporting period, whereas the share of second-hand sales edged up from 67.2% to 68.0%. Housing sales to non-nationals decreased to 21,534 in 2025, accounting for 1.3% of total housing sales, the lowest in the past 12 years. The CBRT Residential Property Price Index (RPPI) value in December 2025 increased by 0.2% monthly to 204.5. While the rise was measured as 29.0% annually, there was a decline by 14% in real terms.

The CBRT RPPI, on the other hand, was up by 32.08% annually to 210,70 in December 2025.

AN OVERVIEW OF THE REAL ESTATE SECTOR

ECONOMIC UNCERTAINTIES, HIGH INFLATION, VOLATILE EXCHANGE RATES AND THE CHALLENGES IN ACCESSING FINANCING CAUSED NEW OFFICE INVESTMENTS TO REMAIN RESTRICTED.



442 malls

There were 442 shopping malls across Türkiye as of the fourth quarter of 2025.

Office Market

Total supply in Istanbul office market was registered as 74 million m² in the fourth quarter of 2025. Despite limited new supply conditions, demand particularly for Class A offices remained strong. Economic uncertainties, high inflation, volatile exchange rates and the challenges in accessing financing caused new office investments to remain restricted. While leasable office stock failed to capture a noteworthy rise across the year, developers focused on increasing the productivity of their existing portfolios and maintaining the quality standards, rather than venturing into new projects. On the demand side, rental activities were relatively lively particularly in CBD and non-CBD Asian Side. Companies' relocation and repositioning decisions supported the market activity, and limited supply and early leases helped maintain the market balance.

Average rents as of the fourth quarter of 2025 were as follows:

- CBD Class-A: 30.9 USD/m²/month
- CBD Class-B: 15.5 USD/m²/month
- Non-CBD European Side Class-A: 13.6 USD/m²/month
- Non-CBD Asian Side Class-A: 24.1 USD/m²/month

Vacancy rates were as follows:

- CBD Class-A: 15.0%
- CBD Class-B: 7.8%



- Non-CBD European Side Class-A: 6.1%
- Non-CBD Asian Side Class-A: 8.8%

At the end of the fourth quarter of 2025, CBD got 27% share out of the existing Class-A office stock, non-CBD European Side 16%, non-CBD Asian Side 21%, and Emerging Office Regions 36%. High rent projections were preserved in certain sub-markets in CBD, while the highest rent level was registered in the Levent area with 55 USD/ m²/month. In the coming period, Class-A office market is anticipated to present a balanced and cautious course where selected demand acts as the determinant factor, rather than a quick recovery.

Retail Market

There were 442 shopping malls across Türkiye as of the fourth quarter of 2025, with a total leasable area of approximately 13.7 million m². While organized retail density is calculated as 160 m² of leasable area per 1,000 people across the country, İstanbul has almost two times the retail density of the country's average with 312 m², and is home to 36.3% of the total leasable area stock. Ankara is also among the leading cities with a retail density of 281 m².

Demand and cost pressures are experienced concurrently in the retail sector. Rising rent figures and limited supply restrained the growth strategies of middle- and lower-segment brands in particular, many of them opting for optimizing their existing store networks instead of opening new ones. Six new shopping malls with a total leasable area of 205 thousand m² are slated for opening by year-end 2026.

Accordingly, total supply is expected to reach approximately 13.9 million m² and retail density to rise to 163 m².

According to the Shopping Mall Index maintained by the Council of Shopping Centers - Turkey (AYD and Akademetre Research Company), the productivity per square meter index was up by 7.1% in December 2025 as compared to November and reached 5,358 points. In the fourth quarter of 2025, the index increased by 29% on a year-on-year basis to 4,268 points.

Turnover per leasable area (in square meters) in December was as follows:

- İstanbul: TL 24,292
- Anatolia: TL 17,848
- Türkiye: TL 20,426

A category-based review of turnover per leasable area (in square meters) reveals that the clothing category recorded the highest increase with 32.6%, followed by the others category with 31%, hypermarket category with 29.9%, technology category with 28.6%, food and beverage category with 27.6%, and footwear category with 11.5%. The number of visitors index was up by 2% on an annual basis in December 2025, whereas it was up by 7% as compared to November 2025.

Sources: TurkStat, CBRT, Propin, Turkish Contractors Association (TMB), Council of Shopping Centers - Turkey (AYD), The Association of Real Estate and Real Estate Investment Companies (GYODER), Cushman & Wakefield

BOARD OF DIRECTORS ACTIVITIES IN 2025

AT YEAR-END 2025, THE COMPANY REACHED TL 57.2 BILLION IN PORTFOLIO VALUE, TL 58.2 BILLION IN TOTAL ASSETS, AND **TL 50.3 BILLION IN SHAREHOLDERS' EQUITY, PRESERVING ITS SOLID POSITION.**



economic growth

The Turkish economy, on the other hand, maintained its growth trend in 2025, and domestic demand pursued a more balanced course owing to tight monetary and fiscal policies.

In 2025, geopolitical risks, heightened trade wars and partially tight monetary policies had lingering effects, with economic growth remaining restricted and vulnerable. Tight financial conditions implemented especially by developed economies as part of the anti-inflationary efforts, ongoing geopolitical risks, political tensions and the slowdown in global trade continued to put pressure on the world economy. Notwithstanding, certain regions signaled economic rebalancing from the second half of the year, presenting an outlook with some degree of stability gained by global growth, albeit limited. The Turkish economy, on the other hand, maintained its growth trend in 2025, and domestic demand pursued a more balanced course owing to tight monetary and fiscal policies. The fight against inflation made the focal point of economy policies; access to financing has been more selective and cost-driven, all of which combined resulted in a CPI rise by 30.89% in 2025.

In the Turkish real estate sector, pursuit for real returns continued in 2025 due to the effects of the inflationist environment; however, the high financing costs kept this demand limited. On the housing front, although the share of mortgage sales remained low due to the ongoing difficulties in credit access, there was a year-on rise. Demographic dynamics and the continuity of the sheltering need helped



the sector preserve its medium- and long-term potential. Despite all these challenges in the housing sector, housing sales increased by 14.3% year-on-year in 2025 to 1,688,910 in total. Mortgage housing sales, on the other hand, were up by 49.3 % as compared to the previous year and reached 236,668. In December 2025, the CBRT Residential Property Price Index (RPPI) increased marginally by 0.2% over the previous month to 204.5. Having increased by 29.0% on a year-on-year basis, the RPPI declined by 1.4% in real terms within the same period. The CBRT residential price index for İstanbul was down by 0.2% on a monthly basis in December 2025, whereas it went up by 28.5% on an annual basis.

In the office market, economic uncertainties, high inflation, challenges in financial access resulted in a weak investor appetite for new office projects. The limited office supply maintained its existing status overall, and developers opted for increasing the efficiency of their portfolios rather than developing new projects. In addition, spaces converted into offices through structural changes were noted in the office market in 2025. On the demand side, while vacancy rates in Class A office buildings showed an upturn particularly in CBD, rental activities remained relatively lively in CBD and CBD Non-Asia areas, as moving and relocation decisions supported the market activity. Notwithstanding, activity

has been restrained with respect to transaction volume. On another front, limited demand slowed down the rise in demanded rents. According to the CBRT Commercial Property Price Index (CPPI), the CPPI, which increased by 5.3% over the previous quarter in the third quarter of 2025 across Türkiye, was nominally up by 30.0% on a year-on-year basis, whereas it was down by 2.4% in real terms. In İstanbul, on the other hand, the index went up by 3.2% in the third quarter of 2025 over the previous quarter. Despite the limited activity in the office market in 2025, the occupancy rates in the Company's office portfolio reached the highest levels, and new tenants joined the portfolio. During 2025, the Company's rental income was up by 6% over the previous year.

In 2025, İş REIC once again focused on effectively managing its finances, completing its ongoing projects, and growing its sales and rental income based on a strategy that maintains its robust financial structure, constantly improves the quality of its portfolio, and manages demand and finance-side risks, in line with its target to create lasting and sustainable value. Thus, the Company reached TL 57.2 billion in portfolio value, TL 58.2 billion in total assets, and TL 50.3 billion in shareholders' equity at year-end 2025, preserving its solid position.

BOARD OF DIRECTORS ACTIVITIES IN 2025

IN LINE WITH ITS MISSION TO ENSURE THE PERMANENCE OF STAKEHOLDER VALUE, İŞ REIC CARRIED ON WITH ITS ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INITIATIVES IN 2025.



In 2026...

In 2026, İŞ REIC will focus on formulating its new investments and improving its portfolio qualitatively while carrying on with its existing projects.

Within the frame of its 2025 strategy that prescribes disposing of assets -which do not generate rental income, are not deemed strategically fit for long-term holding in the portfolio or generating relatively low income-, reducing financial indebtedness using the cash flow to be secured, and winning new properties for the portfolio so as to reinforce a diversified portfolio composition, İŞ REIC sold the İstanbul Financial Center office building that did not generate rental income as yet in March 2025 and booked TL 5,600 million (excluding VAT) in revenues on this sale. While the Company used part of the revenues generated on this transaction to reduce its indebtedness, it has paid a total of TL 2,255 million (excluding VAT) to purchase for its portfolio İşbank-owned İzmir utility building, İzmir Şehitler plot and İstanbul İçerenköy office buildings for project development and rental income growth purposes.

Under the same strategy, İŞ REIC sold Ankara İş Tower, which yielded a low rental income, for TL 1,215 million (excluding VAT) in July 2025, using part of the proceeds to purchase the Parmakkapı building located on İstiklal Street in Beyoğlu, İstanbul from İşbank for TL 600 million (excluding VAT) to increase its rental income.

Later, İŞ REIC considered the purchasing request for the plot of the Balmumcu Residence Project for which the conceptual project was prepared and building permit was obtained following the demolition of Balmumcu building; the Company decided to sell it by installments at the

price of USD 24.24 million in November 2025. The first installment for the sold plot was collected in December 2025. The satisfactory level of cash flow generated with this transaction was intended to secure a high return on the project and mitigate demand-side risks.

Ongoing during 2025 was the sales of 61 villas comprising the first phase of the 165-villa Kasaba Modern Project İş REIC co-develops with Tecim Yapı Elemanları İnşaat Servis ve Yön. Hizm. A.Ş. on a land of 138 thousand m² in Ömerli as the continuation of Kasaba Evleri Project. The project, in which İş REIC has a share of nearly 44%, has a projected total development cost of approximately USD 230 million, including the plot price. The ratio of sold units in the first phase of the project reached 25% and deliveries of sold villas from the first phase will be commenced in June 2026, with the sales of other phases to be initiated in 2026 depending on the demand.

From out of the Litus İstanbul project covered in the Company's portfolio and developed based on equal revenue and cost sharing model, 25 co-owned residential units not yet sold were purchased from TECİM for TL 3077 million, and the contract for revenue sharing has been terminated. The sales of residential units from the project are in progress. The rate of sales in Litus İstanbul Project reached 61% as of year-end 2025.

In relation to its plot investments, İş REIC pursues an investment strategy based on the determination of the best use method, followed by the design phase before undertaking project development on the basis of revenue sharing model or similar models on the relevant plots. Under this strategy, İş REIC signed a revenue sharing for plot interest agreement with Yapıtaş Gayrimenkul İnşaat Ticaret ve Sanayi A.Ş. (Akgün Group) and Misesk İnşaat Ticaret ve Sanayi A.Ş. partnership for the residential project to be developed on the Tuzla plot in its portfolio, where the Company and the contractor's shares will be 35% and 65%, respectively. Construction and sales are targeted to be commenced within 2026 following the amendment of the building permit for the residential project to be developed.

Sales started in December 2025 in the Avrupa Residence Şişli - 2 project comprised of 321 residential and 18 commercial units, which is being developed within the scope of the revenue sharing for plot interest and construction in return for flat agreement signed by and between İş REIC and Artaş İnşaat Ticaret ve Sanayi A.Ş.

In 2025, İş REIC carried on with its efforts for transitioning to the new ERP program to increase operational efficiency and strengthen corporate processes, speeding up its digital transformation in keeping with its strategy to foster its corporate brand equity through the right business models

as it adapted to the requirements of the digital age on the one hand, while continuing with its portfolio investments on the other. To complement this program, the Company increased the digitalization level of its processes to increase operational efficiency. Furthermore, the Customer Experience Unit was set up with the aim of generating lasting value in parallel with enhancing service quality and reinforcing feedback mechanisms.

In line with its mission to ensure the permanence of stakeholder value, İş REIC carried on with its environmental, social and governance (ESG) initiatives in 2025. Pursuant to the Turkish Sustainability Reporting Standards (TSRS) that came into force on 1 January 2024, the Company completed its work for defining its climate and sustainability risks and opportunities in accordance with TSRS guidelines, and for reporting the defined risks and opportunities in line with TSRS 2 expectations, which have then been published on the Public Disclosure Platform (in Turkish: KAP).

Within the frame of its Sustainability Policy, İş REIC became a signatory to the United Nations Global Compact, the world's largest corporate sustainability initiative. Acting with the goal of implementing sustainability transition in its own business processes in view of the ever-growing importance of the sustainability concept, climate change and its impacts, resource efficiency and requirements that are becoming more and more telling upon the investors' decisions, İş REIC has been regularly reporting its GHG emissions.

Having been one of the four real estate investment trusts to be included in BIST Sustainability Index once again in 2025 on the back of sustainability efforts, İş REIC is also placed in the low-risk category in the Risk Rating table prepared by Sustainalytics based on businesses' ESG data on the international scale.

In 2026, İş REIC will focus on formulating its new investments and improving its portfolio qualitatively while carrying on with its existing projects. Sustainability of the rentals portfolio and growing the revenues in real terms will be among key priorities, and maintaining a stable cash flow will be targeted through long-term rental agreements, a solid tenant profile and high occupancy rates. Furthermore, a close eye will be kept on new investment opportunities that may arise in diverse areas such as tourism, healthcare and logistics, aiming to strengthen the diversified portfolio composition. In 2026, İş REIC will keep moving ahead with the aim of achieving sustainable growth, lasting value generation and obtaining diversified rental income by realizing projects that bear a "solid signature" with its powerful vision that makes a difference in its sector.

STRATEGY

İŞ REIC'S PRIMARY APPROACH IS TO INCREASE THE VALUE OF ITS PORTFOLIO, DIVERSIFY THE SECTORAL COMPOSITION OF ITS PORTFOLIO, AND GENERATE LASTING AND SUSTAINABLE VALUE FOR ALL STAKEHOLDERS.



strategic priority

İş REIC determined its strategic priorities as boosting its balance sheet resilience, strengthening its liquidity structure, and raising long-term value generation capacity of its portfolio.

İş REIC pursues a strategy that preserves its solid financial structure, constantly improves its portfolio quality through dynamic portfolio management, and addresses risks with a proactive and holistic approach in line with its target to create lasting and sustainable value. The Company's fundamental approach is to secure a stable cash flow that grows in real terms by deriving sustainable and foreseeable rental income on real properties, support these revenues with high-return project development activities to increase the value of its portfolio, diversify the sectoral composition of the portfolio, and generate lasting and sustainable value for all stakeholders.

During 2025, the impacts of globally worsening geopolitical risks, uncertainties tainting trade policies, and AI-based technological transition upon the financial markets became more evident. For Türkiye, 2025 was characterized by the tight monetary policies implemented for fighting inflation, and a more selective and limited access to financing. Amid this macroeconomic environment, İş REIC determined its strategic priorities as boosting its balance sheet resilience, strengthening its liquidity structure, and raising long-term value generation capacity of its portfolio. Accordingly, the Company focused on flexible, convertible assets with high demand potential that can adapt to the future property usage trends independently from short-term market volatilities.



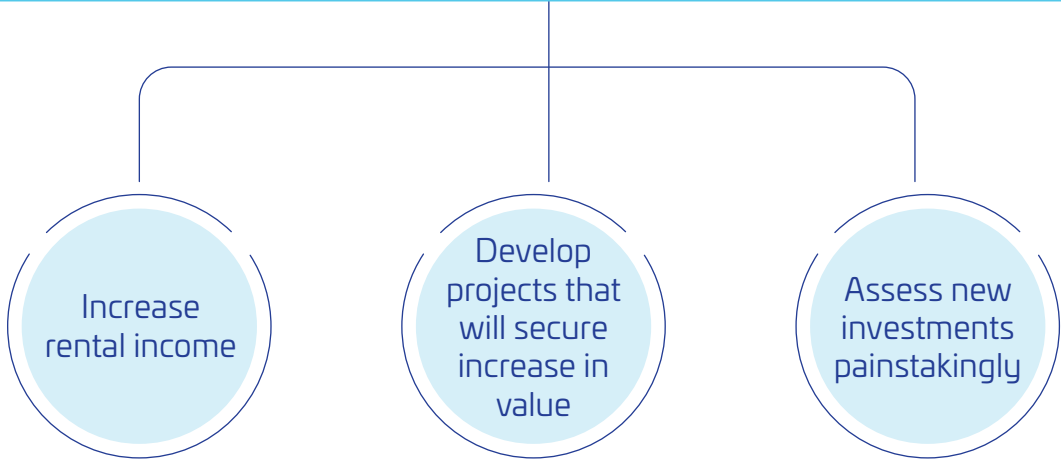
Portfolio management strategy that adopts a balanced risk vs. return understanding



Growth target focused on sustainable profitability



Investment in real estate properties and real estate projects with high return and value generation potential



Create value for all stakeholders

İŞ REIC WILL KEEP A CLOSE EYE ON INVESTMENT OPPORTUNITIES THAT MAY ARISE IN DIVERSE SECTORS, PARTICULARLY TOURISM, HEALTHCARE, DATA CENTER AND LOGISTICS.



corporate competencies

In 2025, corporate competencies were bolstered as well as portfolio composition.

In this framework, 2025 strategy was formulated on disposing of properties in the portfolio, which are limited with respect to rental income, appreciation potential or strategic compatibility according to systematic analyses, and using the cash generated for more lucrative properties with higher returns. As per this approach, it was targeted to free the portfolio from relatively unprofitable properties, and the funds secured were used to directly purchase properties with high sustainable rental income generation capacity, offering value growth in the long term, along with project development potential, or to be allocated for high-return project development purposes. Thus, the income quality and diversity were increased across the entire portfolio, and return on capital and risk vs. return balance were strengthened.

In tandem with the portfolio optimization approach, reinforcing financial discipline and decreasing indebtedness were among the key objectives. Cash inflow from portfolio outflows were actively utilized for reducing financial indebtedness, and the balance sheet was vested in a stronger, more flexible and more sustainable structure. As a concrete outcome of this strategic approach pursued, the Company's net financial debt dwindled from TL 5,160 million at year-end 2024 to approximately TL 774 million as of year-end 2025. The strengthened balance sheet composition opened up a major space for action for future high-yielding project development investments and growth strategies that rely on high quality rental income.



The fundamental strategy for land investments, on the other hand, is design work in line with the best and most efficient use principle for plots already included or intended to be included in the portfolio. Accordingly, the Company targets to participate in the added value to be created during the course of project development limiting the direct investment risk exposure through revenue sharing and similar models. This method increases the Company's capital efficiency, while supporting the implementation of projects with the potential to generate long-term and sustainable rental income which can respond to the future residential, commercial, tourism, healthcare and logistics needs.

In 2025, corporate competencies were bolstered as well as portfolio composition. In the reporting period, the Company's key target has been to support the long-term performance of the real estate portfolio, fortify sustainable rental income generation capability, and boost operational efficiency. The key principles espoused along this line were transparency, measurability, accountability and lasting value creation. To achieve these targets, momentum was given to digital transformation initiatives while organizational transparency and decision making quality were enhanced to ensure data-driven management of processes within a more traceable structure. In parallel, a Customer Experience Unit was set up to address tenant and customer satisfaction within an institutionalized format, and a management approach was adopted, which supported customer engagement and continued income. The

Company's investment and management principles rely on value generation by assets throughout their economic lives, sustainable rental income and permanent improvement of portfolio performance rather than short-term operational gains. As opposed to previous approaches, a transition was made from an activity-oriented perspective to a strategic, data-driven and long-term value-oriented management in the reporting period.

Upon the gradual improvement in economic circumstances from the second half of 2026, high-quality investment opportunities are anticipated to increase in the real estate sector. Thanks to its solid balance sheet composition and disciplined approach to investment, İş REIC targets to expand its portfolio, focusing on assets presenting location advantage, possessing transformation and development potential, having sustainable rental income generation capability, and offering the possibility to develop high-yielding projects.

İş REIC will closely monitor potential investment opportunities to arise in diverse sectors, particularly tourism, healthcare, data center and logistics, and continue resolutely to strengthen a portfolio composition that focuses on the future of real estate, can adapt to changing user expectations and economic circumstances, pursues risk vs. return balance, and creates long-term, sustainable value for stakeholders.

DIGITAL TRANSFORMATION

DURING 2025, THE INFORMATION TECHNOLOGY UNIT CARRIED OUT HIGH VALUE-ADDED, HIGH-TECHNOLOGY INVESTMENTS IN INFORMATION SECURITY, DIGITAL TRANSFORMATION, OPERATIONAL EFFICIENCY AND CORPORATE GOVERNANCE, SUPPORTING THE COMPANY'S GROWTH TARGETS.

Cybersecurity and Information Security

New-generation DLP (Data Loss Prevention) and SIEM (Security Information and Event Management) solutions were introduced to protect information assets and adopt a proactive approach to security against cyber threats. In this framework, SOC (Security Operations Center) reporting processes were created, which enable end-to-end systems monitoring, central incident analysis, and early risk detection, and information security monitoring and analysis capability was upgraded.

Corporate Implementations and ERP Transition

As part of the technology highlights in the reporting period, the existing ERP infrastructure was enhanced and the transition to SAP S/4HANA platform was completed.

An integrated structure encompassing all units of the Company was established with a modular and scalable architecture, which ensured end-to-end traceability of the ERP data.

Furthermore, the system is configured to run in consolidation with the İş Group companies, and was transformed into a modern ERP infrastructure compatible with consolidation and reporting processes, which significantly strengthened financial transparency, reporting speed and decision support mechanisms.

IT Service Management and Integrated Systems

Service catalogues were created under the Information Technology Unit, defining the digital identities for all units, assets and services across the Company. These initiatives have been instrumental in setting up integrated information systems, upgrading the management and traceability of IT services to corporate standards.

Asset Management and Digital Inventory

Under the Real Property Assets Counting Project carried out, all real property and equipment assets of İş REIC were counted and defined on the systems using digital barcoding. This project made the assets systemically traceable, increasing the levels of accuracy and control in inventory management.

Digitalization and Document Management

E-signature implementation was launched in all document and contract processes in order to spread digitalization across the Company. This practice lessened dependence on physical documents, shortened transaction times, and created a secure digital signature infrastructure that is aligned with the applicable legislation.

Task and Project Management - Organizational Memory

The Company switched to the Jira platform commonly used worldwide for task and project tracking. With this step that encompasses the models of doing business of all units and employees, project management was standardized, process traceability was improved, and an important transformation process was initiated for the creation and archiving of organizational memory in the digital environment.

Artificial Intelligence and Smart Assistants

Microsoft Copilot integration was carried out in accordance with the enterprise IT architecture of İş REIC; AI-enabled assistants were integrated in applications employed in business processes, which increased employees' operational efficiency, sped up access to information, and supported digital competencies.

Corporate Governance and Regulatory Compliance

As part of the digitalization of corporate governance processes, E- YKS (Electronic Board of Directors System) was set up in cooperation with the Central Securities Depository & Trade Repository of Türkiye (in Turkish: MKK). The Board of Directors meetings started to be conducted electronically in total compliance with the applicable legislation, and speed and security were ensured in decision-making processes.

Value Creation

Information Technology investments undertaken in 2025 made significant contributions to the Company in terms of enhancing operational efficiency, strengthening information security, supporting corporate transparency, and accelerating decision-making processes.

The Modern ERP infrastructure, digitalized task and document management processes, advanced cybersecurity implementations and AI-enabled solutions resulted in higher resource efficiency, mitigated risks, and a digital structure that supports sustainable growth. These initiatives are targeted at contributing technology-driven long-term added value to İş REIC's corporate value chain.

Future Vision

In the coming period, the Information Technology Unit targets to pursue a technology roadmap that further enhances data-driven management concept, integrates Artificial Intelligence (AI) and automation solutions in business processes, and constantly increases cybersecurity maturity.

It is targeted to hand İş REIC a digital infrastructure that is compatible with the Group companies and is also strong in sectoral competition by deepening the integration of enterprise applications, and strengthening digital governance and reporting capabilities. In the coming period, Information Technology will continue to be positioned as a business partner that backs the Company's strategies and creates value.

ACTIVITIES OF THE INVESTOR RELATIONS AND SUSTAINABILITY DEPARTMENT

THE INVESTOR RELATIONS AND SUSTAINABILITY DEPARTMENT EFFICIENTLY MANAGES ALL INVESTOR RELATIONS ACTIVITIES, WITH A PARTICULAR FOCUS ON THE EXERCISE OF SHAREHOLDER RIGHTS, PUBLIC DISCLOSURE, INFORMATION SHARING ACTIVITIES, AND THE GENERAL ASSEMBLY PROCESS.

Since the "Investor Relations Department" set up at the Company in 2005 as per the related requirements of the Capital Markets Board of Türkiye (CMB) is also responsible for coordinating the Company's sustainability activities, it carries on with its activities as the "Investor Relations and Sustainability Department". The Department reports to the Assistant General Manager in charge of Financial Reporting & Budget and Accounting Units.

The Department efficiently manages all investor relations activities, with a particular focus on the exercise of shareholder rights, public disclosure, information sharing activities, and the general assembly process.

Prior to each Board meeting, the Department prepares a report to be submitted to the Board of Directors about the Department's activities during the period. The Department manager physically participates in the Board of Directors meetings.

The Department takes on an active role for establishing the communication between shareholders and the Company, whereas the Corporate Governance Committee, which serves as a bridge between the Department and the Board of Directors, actively oversees the Department's activities during the year, and meets regularly.

The senior manager responsible for the Department, being a member of the Corporate Governance Committee, participated in the Committee meetings held during the year, and provided information to the Committee about the Department's activities, material developments that took place during the reporting period, and the assessments and analyses of shareholders in particular, and investment companies in general. The documents prepared in relation to the decisions passed in Committee meetings and the topics discussed were shared with the Board of Directors following the meetings.

Besides the regular reports presented to the Board of Directors, the Department draws up the "Annual Investor Relations and Sustainability Department Activity Report", which is then submitted for the information of the Board of Directors.

Additionally, the Department also handles the secretarial tasks of the Corporate Governance Committee as indicated in the Committee terms of reference.

Public Disclosure and Provision of Information

During 2025, the Department responded to all queries falling under the investor relations domain, which were received from stakeholders such as analysts, portfolio managers and public institutions, in addition to those received from shareholders.

Information requests from local and foreign shareholders or investment companies were responded to with careful observation of all matters with respect to public disclosure, and particularly the legislation and the Company's Information Policy. The Department kept records of verbal and written queries received and the answers given thereto as necessary.

Shareholders request information by directly contacting the Department employees, or by sending an e-mail either to the Department's e-mail address or using the communication form available on the website.

All information requests and queries related to the scope of investor relations, which are received from stakeholders such as analysts, portfolio managers, and public & private sector institutions, as well as from shareholders, are responded and support is given for questionnaires and academic studies as much as possible.

Besides the information requests received by the Company, the Department also regularly monitors the reports and bulletins published by brokerages in which any mention



of the Company is made, while providing the necessary support to brokerages for their reporting or model updating processes.

The Company website is actively used to facilitate public disclosure and exercise of shareholder rights. Quarterly investor presentations in Turkish and English, as well as balance sheets, income statements and other financial tables prepared within the scope of financial statements, along with material event disclosures made through the Public Disclosure Platform (PDP) are posted on the corporate website within the same day. Moreover, those sections of the Company's corporate website that are subject to updates, particularly the information with a potential impact on the exercise of shareholder rights, are regularly updated. Thereby, access to accurate and up-to-date information is made available especially to shareholders and investment companies in addition to various individuals or institutions that require information about the Company and its activities.

Shareholders can access the Central Securities Depository of Türkiye (MKK) portal via the "Information Society Services Section" on the website where they can get basic information about the Company; the currency of the information posted on the Information Society Services Section is followed up and updated as necessary.

Additionally, regular messages concerning public disclosures made, financial results and so on were sent to shareholders or investment company employees who are registered in the "Distribution List" of the Department.

General Assembly Process

The Company's 2024 Ordinary General Assembly Meeting was carried out in accordance with the provisions of Corporate Governance Principles and TCC, and the meeting took place on 20 March 2025 with 71% attendance representing TL 681 million in capital.

The documents related to the General Assembly were made available for review by shareholders 21 days in advance of the meeting date on PDP (Public Disclosure Platform), e-GKS (Electronic General Meeting System of the Central Registry Agency - MKK), and the Company's website. The "General Assembly Information Document" has been prepared so that shareholders can have prior information about the topics to be discussed in the general assembly meeting and all General Assembly documents were posted on the Company website. Furthermore, all General Assembly documents except for the list of attendants were prepared also in English language and made available for the information of all foreign shareholders via the Company's website.

After the General Assembly Meeting, the meeting minutes and the list of meeting attendants were publicly disclosed on PDP and Company websites, and the meeting minutes were also uploaded to the Companies Information Portal. Material event disclosures and notifications made during the general assembly process were also shared with the domestic and foreign shareholders or investment companies included in the Department's Disclosure Distribution List.

ACTIVITIES OF THE INTERNAL SYSTEMS DEPARTMENT

The establishment and operation of the Company's Internal Systems Department, its administrative organization, scope of activities, roles and responsibilities of its employees are set out in "İş REIC Internal Systems Department Terms of Reference" that stipulates the Department's operating procedures and principles. Established in November 2008, the Internal Systems Department is structured separately from and independent of other Company units. The Department has been reporting directly to, and responsible towards, the Board of Directors since June 2012. All activities falling under the scope of the duties and responsibilities of the Internal Systems Department are handled by Risk Management, Internal Control and Compliance Activities Unit and the Internal Audit Unit organized under the Department.

Internal Audit Activities

Audit and control systems at the Company have been organized in accordance with international practices, principles and organization framework. The Internal Audit Unit monitors, examines and reviews all of the business processes and activities of Company departments, conducts various analyses depending on the outcomes of its reviews, and makes preventive, corrective and/or improvement suggestions in areas it deems necessary according to its risk-focused audits.

The activities of the Internal Audit Unit during a given year are carried out in accordance with the "Annual Audit Schedule" approved by the Audit Committee and enforced upon approval by the Board of Directors.

Internal audit activities that are carried out independently and impartially are targeted at keeping under control the risks associated with the Company's operations; establishing and fostering an audit culture across the Company; and additionally providing assurance to the Board of Directors through evaluating the effectiveness and adequacy of the internal control, risk management and corporate governance systems.

On the other hand, the Internal Audit Unit also offers consultancy such as making recommendations and providing guidance without undertaking any administrative responsibility with the aim of improving and adding value to the Company's operations, as and when needed and as an extension of audit activities.

Periodic and risk-based internal audits are run so as to contribute to the efficiency and productivity of risk management and corporate governance systems and processes, and to effective, economic and productive use of the Company's resources.

Risk Management, Internal Control and Compliance Activities

Risk management functions and activities at İş REIC have been placed under the responsibility of Risk Management, Internal Control and Compliance Activities Unit. As part of its risk management function, the Unit identifies, monitors and measures the risks inherent in the Company's operations and reports them to the Company's senior management within the frame of the Company's Risk Policy and associated internal guidelines. In addition, documents related to the company's risk management are reviewed in line with the Company's altered needs and updated as needed. The Board of Directors and the Committee for Early Detection of Risk are kept informed about the Company's risk exposure by means of a comprehensive "Company Risk Report" that is prepared and submitted every three months. This report includes, among other things, information about the Company's business sector, key financial indicators, and the results of the unit's analysis and assessment of the risks which are inherent in the Company's activities. Detailed information is provided about business environment risk, a category of operational risk that the Company is particularly exposed to. In this context, it is ensured that the Board of Directors is informed about current risk assessments related to the Company's activities.

Furthermore, within the risk detection and management duties and responsibilities charged to the Committee for Early Detection of Risk and the Board of Directors under Article 378 of the Turkish Commercial Code no. 6102 and the CMB's regulations concerning corporate governance, an "Assessment Report of the Committee for Early Detection of Risk" is prepared on a bimonthly basis and submitted to the Board of Directors for its information.

The internal control system is run to make the maximum contribution towards the achievement of the Company's targets that are aligned with its vision, mission and strategies. Internal control activities are conducted within the frame of generally accepted COSO (Committee of Sponsoring Organizations) internal control practices, and the results are reported to the Board of Directors.

Compliance activities are carried out to ensure that the compliance risk is managed and kept under control duly and effectively at the Company within the frame of the severity- and risk-based approach, and to make the maximum contribution for handling of the Company's operations at all times in conformity to the applicable legislation, regulations and standards. Working also on Regulatory Compliance, Financial Crimes, Sanctions and International Obligations,

the function also handles the necessary research, review, monitoring, assessment, briefing, guidance, coordination and reporting activities for compliance-related matters. Quarterly "Compliance Reports" are prepared and submitted to the Board of Directors.

Committee for Early Detection of Risk:

The Committee for Early Detection of Risk was set up to early detect the risks that may threaten the Company's existence, development and survival, to take necessary action for identified risks, and to manage risks as proactively as possible, in accordance with the CMB's rules and regulations concerning corporate governance, and the relevant provisions of the TCC. The Committee reports to the Board of Directors and carries out its activities as per the Committee for Early Detection of Risk Terms of Reference. The Committee held eight meetings during the reporting period.

Within the frame of the review of the Company's risk management systems, the Committee submitted the following to the Board of Directors;

A quarterly Company Risk Report covering basic risk types in relation to the Company's activities with a particular focus on operational risk, liquidity risk, credit risk and market risk, which is prepared by the Risk Management, Internal Control and Compliance Activities Unit within the knowledge of the Committee for Early Detection of Risk,

Pursuant to Article 378 of the TCC and CMB's regulations concerning corporate governance, "Committee for Early Detection of Risk Assessment Report", which is drawn up to include risk detection and management matters, has been presented for the information of the Board of Directors once in every two months.

Through the reports issued and activities carried out during the reporting period, the Committee played an active role in the identification and analysis of important risks inherent in the Company's operations, ensured that the Board of Directors was briefed as necessary with respect to monitoring the regulatory and internal risk limits, and increased the efficiency of the Company's risk systems, while also overseeing the alignment of risk management activities to the Risk Policy.

Committee for Audit:

The Committee for Audit reports to the Board of Directors and carries out its activities in accordance with the Committee for Audit Terms of Reference. The Committee

ensures the auditing and supervision of proper execution of financial and operational activities, and carries on with its activities in relation to public disclosure of the Company's financial statements, execution of independent audits, ensuring effective operation of the Company's internal systems, and active supervision of all other aspects of the independent auditors' activities. The Committee held nine meetings during the reporting period.

In parallel with its duties set forth in the Terms of Reference, the Committee for Audit, during the reporting period;

- oversaw the independent audit process including conformity of all aspects of the independent auditor's activities and of the interim and annual financial statements to be publicly disclosed to the accounting principles pursued by the Company, as well as their accuracy and fairness, seeking the opinions of the responsible manager at the Company and of independent auditors in the process,
- monitored the determination of the annual activity plan of the Company's Internal Audit Unit and execution of audit activities in accordance with the plan,
- followed up the studies, investigations, examinations and similar activities conducted by the Internal Audit Unit although not included in the annual activity plan of the Company's Internal Systems Unit,
- received information about audit activities and other activities conducted by the Internal Audit Unit in periodic meetings,
- submitted for the approval of the Board of Directors the procurement of compulsory assurance audit service for the Company's reports to be drawn up under the Turkish Sustainability Reporting Standards (TSRS) and in alignment with TSRS from the suggested independent audit firm for 2024 and 2025 activity periods,
- provided the necessary coordination for sharing the findings identified in the audits with the Board of Directors and the Company's senior management, and for ensuring that necessary remedial actions are taken.

Within this scope, the Committee reviewed the operation of the Company's internal audit system, contributed to identification of processes that presented room for improvement, and supervised that audits were carried out effectively.

HUMAN RESOURCES

EMBRACING RESPECT FOR HUMAN RIGHTS AND EMPLOYEE RIGHTS ALONG WITH EQUAL OPPORTUNITIES, İŞ REIC ASPIRES TO MAINTAIN LONG-LIVED COLLABORATIONS WITH EMPLOYEES AND STRIVES TO ENSURE EMPLOYEE SATISFACTION.



future leaders

İş REIC's employees, targeting to contribute value to their own performances, pursue self-development and manage their career paths. In this framework, "Every Employee is a Future Leader" for the Company.

İş REIC recognizes the participation of human resources who share common values in the Company and providing such human resources with training and progression opportunities that will support their personal and professional development as essential elements of its corporate culture.

İş REIC's Human Resources & Education Unit that takes a proactive, innovative, systematic, and open-communication approach, is aware of its impact on the Company's strategic decisions, and cooperates with all related parties. Strategic human resources functions at İş REIC consist primarily of talent acquisition, performance management, career planning, organizational development, compensation and benefits management, training, development, and communication. Steering its efforts so as to increase productivity and enhance the quality of working life, İş REIC also carries on with talent management activities such as talent acquisition (recruitment) and retention in line with the principle of "placing the right individual in the right position" from amongst high-potential candidates who are compatible with the corporate culture and values, professionally competent, and open to development.



Backed by the support of the Human Resources & Education Unit, İş REIC's employees, targeting to contribute value to their own performances, pursue self- development and manage their career paths. In this framework, "Every Employee is a Future Leader" for the Company.

During 2025, when talent acquisition and matters associated with supporting the financial and emotional wellbeing of employees made the highlights with respect to HR management, Human Resources and Education Unit correctly analyzed the needs and expectations, responding to them with the necessary actions and implementations.

Career Architecture

"Career Architecture" was another project implemented in 2025. Under the strategic transformation project carried out in relation to career architecture, a global specialized consultancy firm was engaged, and our Company's title and level structures and career paths were redesigned with a holistic approach. This new structure devised in line

with national and international sector analyses created a modern career architecture, which is tailored to our organization, presents a competitive advantage and makes a difference in the sector. The new structure introduced helped define roles and responsibilities transparently and consistently, while career paths were concretized and our organizational scheme was updated. A solid framework has been established which supports employee development, encourages internal mobility, and strengthens sustainable talent management infrastructure. This transformation has been a strategic milestone increasing organizational agility and supporting lasting corporate value generation.

Human Resources Policy

The main objective of İş REIC is to recruit qualified personnel in order to carry out Company activities in the most effective manner and to ensure employee motivation so as to maintain constant success, as well as improve financial and social rights of employees, create a fair and professional work environment and determine the training needs of personnel.

HUMAN RESOURCES

IN KEEPING WITH THE GREAT IMPORTANCE ATTACHED TO WOMEN WORK FORCE, THE COMPANY PROVIDES EQUAL OPPORTUNITIES TO INCREASE WOMEN’S PARTICIPATION IN BUSINESS LIFE.

In line with the goals and strategies set out in the Human Resources Policy, the human resource that embraces the same shared values with the Company are selected, necessary training, and development and education activities aimed at creating a competitive advantage are carried out, with the ultimate goal of creating a shared corporate culture. Carrying out all its activities in conformity with the United Nations Global Compact principles, the Company exercises due care to fulfill the requirements of the UN Universal Declaration of Human Rights and those of international covenants to which our country is a party, notably the basic tenets of the International Labor Organization such as employee rights, human rights and social justice. Respectful of human rights and employee rights and embracing equal opportunities, the Company aims to maintain long-lived cooperation with employees and pursues employee satisfaction.

İş REIC aims to incorporate every segment of the society in working life with the target of ensuring a fair, egalitarian and contemporary working environment and decent working rights. In keeping with the great importance attached to women work force, the Company provides equal opportunities to increase women’s participation in business life. In terms of talent acquisition, the Company hired 15 new employees in 2025, and 13 people were promoted at the Company.

Employees are informed about decisions and developments that concern them. When making any decisions concerning its employees, İş REIC does so without discriminating on the basis of race, religion, language, ethnicity or any faith, gender, age, marital status, orientation, affinity or difference. There is not a trade union set up under the Company organization. Supporting the recognition of the right to association and the right to collective bargaining, the Company does not have in place any rules hampering the said rights; the Company management did not receive any such demands from the employees to date.

Employees’ job descriptions were developed based on business analyses. Employees are expected to embrace the performance-driven management concept and recognize that their individual involvement will contribute to customers and shareholders. Evaluation criteria and their results are shared with the employees within the frame of transparency principle. During 2025, employees who participated in the performance evaluation process and their line managers held “feedback interviews”.

The personal dignity of each employee and all of their legally recognized rights are protected within the framework of the Company’s Code of Ethics. All necessary measures have been taken to ensure a safe and healthy working environment. During the reporting period, the Human Resources and Development Unit received no complaints on account of discrimination.



İş REIC adopts equal pay for equal work principle without discriminating on the basis of sex. All employees of İş REIC are compensated above the minimum wage. Employees are informed of recruitment, career guidance and promotion requirements, compensation and fringe benefits.

Advocating a proactive and innovative perspective in human resources management, the Company strives for employee satisfaction. To this end, the Company provides comprehensive and hybrid institutional health insurance for its employees and their dependent spouses and children, purchases life insurance policies for all employees against possible negative developments that life might offer, and offers employer contribution for employees participating in the private pension system for the employees to lead a healthy life together with their families. In addition, all employees receive daily meal benefits, have access to Company-supplied transportation means or commuting benefit.

To maintain and improve employees' emotional wellbeing, the Company offers the "Employee Support Program", which can be benefited by the employees and their family members sharing the same house with them. The Employee Support Program covers dietitian support, psychological

consultancy and other areas that employees can seek advice from in any topic they may need. The Company also offers free gym membership at two different locations on the Asian and European sides of the city, which they can use any day of the week.

The Company applies the "Hybrid Working Format" that covers remote working model to help its employees build the work-life balance and to enhance employee satisfaction.

The Company grants all paid/unpaid maternity, paternity and breastfeeding leaves in full as legally stipulated by the Turkish Labor Law, and also offers leave of absence in addition to legally permitted ones for various situations that may come up in the natural flow of life. It is important to ensure the wellbeing, safety and welfare of all employees without discriminating on the basis of sex, and women employees' diverse demands and needs are taken into consideration. In this framework, a nursing room at the Company has been allocated for use by women employees returning from maternity leave. In addition, welcome gift kits are presented to new colleagues joining the Company to make their first day at work a memorable one. Family relationships are heeded in the work-life balance that makes

HUMAN RESOURCES

THE COMPANY WILL CONTINUE TO WORK WITHOUT COMPROMISING FROM BUSINESS CONTINUITY AND EMPLOYEE HEALTH AND WELFARE IN THE LIGHT OF ITS CORPORATE CULTURE AND VALUES.

a part of the Company’s corporate culture, and employees with children are entitled to a leave of absence to spend quality time with their children on the day they receive their report cards. In addition to the above, the employees are entitled to a one-day birthday leave that they can take within the month they were born. Furthermore, all the employees get together on the office day that falls on the last business day of each month to celebrate joyful occasions collectively.

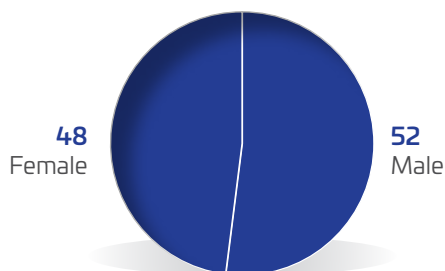
Targeting to maintain long-lived cooperation with its employees and seeking to ensure employee satisfaction, the Company introduced the human resources career architecture project, paying regard to the results of the employee engagement survey conducted with the aim of

identifying strengths and improvement areas, and informed all employees about the same in the reporting period. The Company will continue to work without compromising from business continuity and employee health and welfare in the light of its corporate culture and values.

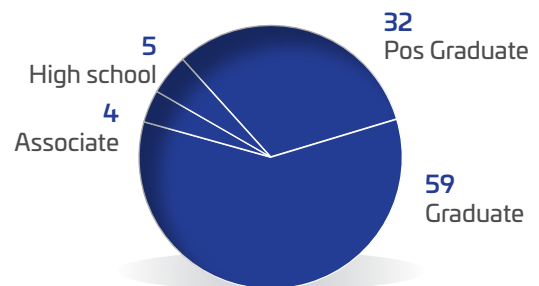
Training at İş REIC

The training programs designed according to employees’ needs are intended to bring about changes in their knowledge, skills and attitudes, to drive their advancement in their careers, to increase their motivation and job satisfaction, and to align corporate goals and personal targets. İş REIC’s priority is to make training programs available for all Company employees within the frame of equality of opportunity.

Gender Breakdown (%)



Educational Status Breakdown (%)





In 2025, İş REIC kept facilitating the employees' participation in training programs in parallel with the Company's administrative strategies. Participation was ensured in seminars and sector events that will drive technical development, and training programs that foster technical and professional development and compulsory protective training sessions were held during 2025. Average training time per employee was 11.5 hours in the reporting period. In addition, corporate collaboration

was established with LinkedIn Learning, a platform that provides global monitoring and a rich training database for upskilling/reskilling, and a training portal was created for our employees.

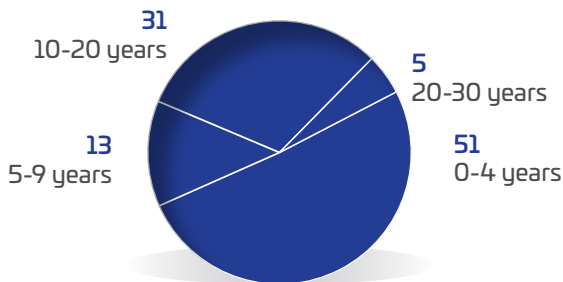
Intended to strengthen team spirit and share the Company's annual vision targets with the employees, the Motivation Training organized in the reporting period was held in Antalya and attended by all employees. The event has been a productive and unifying experience as it presented pleasant pastime opportunity away from the office.

Furthermore, employees attended technical and professional training programs, seminars and summits that deal with various topics specific to their respective fields in parallel with the Company's administrative strategies.

Organizational Structure

As per the outcomes of the career architecture project, organizational changes were made in 2025 in view of the market surveys and changing needs.

Company Tenure Breakdown (%)



ADDITIONAL INFORMATION REQUIRED BY CMB REGULATIONS

Information on Related Party Transactions

İş REIC regularly engages in related-party transactions with its principal shareholder İşbank and with other members of the İşbank Group. These are ordinary transactions carried out as part of the Company's normal business activities. They consist primarily of:

Letting, purchasing and selling transactions of properties, project development activities, and accounting for revenues, expenditures, and receivables associated therewith;

Borrowings, mortgagings, and collateralizations related to the conduct of the Company's ordinary business activities;

Insurance, banking, and non-banking services procured in the conduct of the Company's ordinary operations;

Other goods and services procurements.

Rental income makes up a substantial part of İş REIC's business revenues. In 2025, the Company received a total of TL 963,416,117 as rental income from related parties. In 2025, the company purchased real estate from its related party Türkiye İş Bankası A.Ş. in the amount of TL 2,855,000,000 plus VAT

As of the end of the reporting period (31 December 2025), total cash and cash equivalents belonging to İş REIC and held in accounts with İşbank amounted to TL 237,697,260 in value.

İş REIC's accounts as of the end of the period show that the portion of TL 107,011,091 of the borrowing instruments issued is placed with the group companies.

Further detailed information about related party transactions, which İş REIC was involved in during 2025, is provided in footnote 27 ("Related Party Disclosures") to the Company's financial statements provided elsewhere in this annual report.

In the "Conclusions" section of the "Affiliated Companies Report" published in compliance with the requirements of article 199 of the Turkish Commercial Code no. 6102, which went into effect on 1 July 2012, the following statement is made:

"All of the Company's dealings with its principal shareholder İşbank and with other members of the İşbank Group in 2025 are in the nature of ordinary transactions which are carried out on an arm's-length basis as part of the Company's normal business activities. The Company was adequately and appropriately compensated for each and every such transaction that it entered into at the time the transaction occurred. The conclusion reached is that there were no measures taken or refrained from which might have caused the Company to suffer a loss."

Lawsuits Initiated Against the Company during the Reporting Period

There were no lawsuits brought against the Company during the reporting period, which were of a nature to affect the Company's financial position and operations.

Administrative or Judicial Sanctions Imposed against the Company and the Members of the Governing Body

During the reporting period, no administrative or judicial sanctions were imposed against the Company and the members of the governing body, which were of a nature to affect the Company's financial position and operations.

Legal Proceedings Concerning the Group of Companies

İş Gayrimenkul Yatırım Ortaklığı A.Ş. (İş REIC) is a company affiliated to the Türkiye İş Bankası A.Ş. (İşbank) group of companies. Both companies are publicly-floated and traded on the stock exchange, and as such, both are subject to auditing. İşbank is audited both by the Banking Regulation and Supervision Agency (BRSA) and the Capital Markets Board of Türkiye (CMB). Similarly, İş REIC is audited by the CMB. Therefore, the actions and activities of both companies are legitimate. At present, laws preclude any decisions to be taken to the benefit of the controlling company or its affiliated company. For this reason, there has been no need to adopt an additional measure apart from the existing rules in place. The Company did not suffer any loss for not having adopted additional measures.

Disclosure under Principles 1.3.6 and 1.3.7 of Corporate Governance Principles

Neither shareholders having management control, nor the Board Members, nor executives with administrative responsibility or their spouses or relatives by marriage unto the second degree engaged in any transaction that our Company became aware of and needs to be reported under principle 1.3.6 of the Corporate Governance Principles.

The external positions held by the members of the Company's Board of Directors are stated hereinbelow; such positions do not lead to any conflicts of interest.

- Chairman Mr. Hasan Cahit Çınar serves as a Deputy Chief Executive at İşbank, Chairman of the Board at İş Enerji Yatırımları A.Ş., Maxi Digital GmbH and Jourma GmbH, Vice Chairman at Türkiye Şişe ve Cam Fabrikaları A.Ş., Trakya Yatırım Holding A.Ş., and Polat Enerji Yatırımları A.Ş., and Board member at Is Energy Investments BV, Mimas Solarpark KFT, TİBAŞ 100. Yıl Vakfı and Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş.;
- Vice Chairman of the Board Mr. Murat Karluk Çetinkaya serves as the Head of Construction and Real Estate Management Department at İşbank and Board member at İş Portföy Yönetimi A.Ş.;
- Board member Mr. Murat Doğan serves as the Head of Subsidiaries Department at İşbank, Chairman of the Board at Batı Karadeniz Elektrik Dağıtım ve Ticaret A.Ş., Casaba Yönetim İşletim İm. İth. İhr. Paz. Tem. Güv. Ulaş. Tic. ve San. A.Ş. and Is Technology Investments B.V., Vice Chairman of the Board at Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and İş Enerji Yatırımları A.Ş., Board member at İş Enerji Yatırımları A.Ş., İşbank AG, Maxis GSPY Temiz Enerji GSYF Investment Committee, Trakya

Yatırım Holding A.Ş., Türkiye Sınai Kalkınma Bankası A.Ş., and Türkiye Şişe ve Cam Fabrikaları A.Ş. and member at İşbank Research Institute of Banking and Commercial Law;

- Board member Ms. Vahide Uyar serves as Head of Commercial Banking Product Department at İşbank, and Board member at İş Portföy Yönetimi A.Ş.,
- Board member Ms. Behice Çiler Zorlu serves as İşbank Maltepe İstanbul Branch Manager,
- CEO Mr. Ömer Barlas Ülkü serves as the Chairman of Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş. and the Vice Chairman of the Board at Kanyon Yönetim İşletim ve Pazarlama A.Ş.

Some of the Company executives with administrative responsibility serve on the Board of Directors of Kanyon Yönetim İşletim ve Pazarlama A.Ş., a subsidiary of the Company. The said situation is specified in the resumés of these executives. These roles undertaken by the said executives with administrative responsibility do not lead to any conflict of interest.

No shareholder having management control over the Company, nor any Member of the Company's Board or of its senior management with administrative responsibility, nor any other person with privileged access to Company information save for any of their spouses or their relatives by blood or by marriage unto the second degree informed the Board of Directors on any matter for incorporation in the agenda for provision of information at the General Assembly about transactions they were engaged in on their own behalf, which fall within the Company's object and scope.

Financial Benefits Provided to Board Members and Senior Management

Financial benefits provided to the members of the Board of Directors consist of their salaries, and added up to TL 46,448 thousand gross in 2025.

The financial benefits provided to the senior management consist of salaries and bonuses. The financial rights provided to the senior management during the reporting period amounted to TL 15,526 thousand gross.

During the reporting period, the total amount of allowances, travel, accommodation and representation expenses, facilities in kind and in cash, insurance and similar guarantees made available to Board of Directors members and senior executives was TL 4,814 thousand.

During the reporting period, the Company did not lend any sums or extend any credit, or made available any loans under the name personal loan through a third party to its board members and senior managers, nor did it stand guarantee for them such as providing suretyship in their favor.

Changes in Legislation during the Reporting Period

The following regulations were published during the reporting period, which may have potential implications with respect to the Company's activities:

- "Regulation Amending the Zoning Regulation for Planned Areas" published in the Official Gazette issue 32796 dated 28 January 2025
- "Communiqué on Keeping Non-Accounting Commercial Books of the Business in the Electronic Environment" published in the Official Gazette issue 32813 dated 14 February 2025
- "General Communiqué (Serial No: 582) on Tax Procedure Law" published in the Official Gazette issue 32814 dated 15 February 2025
- "Regulation Amending the Zoning Regulation for Planned Areas" published in the Official Gazette issue 32838 dated 11 March 2025
- "Regulation Amending the Regulation on Immovable Trade" published in the Official Gazette issue 32915 dated 30 May 2025
- "Regulation Amending the Regulation on the Practice of Building Inspection" published in the Official Gazette issue 32924 dated 12 June 2025
- "Board Decision Concerning the Procedures and Principles Regarding the Implementation Scope of the Turkish Sustainability Reporting Standards (TSRS)" published in the Official Gazette issue 32957 dated 16 July 2025
- "Regulation Amending the Zoning Regulation for Planned Areas" published in the Official Gazette issue 32985 dated 13 August 2025
- "Regulation Amending the Regulation on Land and Plot Arrangements" published in the Official Gazette issue 33014 dated 11 September 2025
- "Regulation on the Implementation of Value Increase Share Regarding Zoning Plan Amendments" published in the Official Gazette issue 33085 dated 22 November 2025
- "Regulation Amending the Regulation on Green Certificates for Buildings and Settlements" published in the Official Gazette issue 33095 dated 02 December 2025

The above mentioned changes to the regulatory framework are being assessed with respect to the operations of İş REIC and all necessary work for achieving compliance with the legislation has been, or is being, undertaken.

MAIN SERVICE PROVIDERS

Tax consultant

Kuzey Yeminli Mali Müşavirlik ve Bağımsız Denetim A.Ş.

Independent auditor

PwC Bağımsız Den.ve Serbest Muhasebeci Mali Müş. A.Ş.

Credit rating agency

Saha Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş.

Asset management companies

İş Portföy Yönetimi A.Ş.

Maxis Girişim Sermayesi Portföy Yönetimi A.Ş.

Brokerage house

İş Yatırım Menkul Değerler A.Ş.

Asset leasing company

Levent Varlık Kiralama A.Ş.

Real estate appraisal firms from which services were procured in 2025

Reel Gayrimenkul Değerleme A.Ş.

Bilgi Gayrimenkul Değerleme A.Ş.

Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.

Epos Gayrimenkul Danışmanlık ve Değerleme A.Ş.

Vera Gayrimenkul Değerleme ve Danışmanlık A.Ş.

Management companies from which services were procured in 2025

İş Merkezleri Yönetim ve İşletim A.Ş. (İŞMER)

Kanyon Yönetim İşletim ve Pazarlama A.Ş.

Tepe Emlak Yatırım İnş. ve Tic. A.Ş.

Disclosure of any Conflicts of Interest Between the Company and Its Service Providers

In the selection of its service providers, the Company complies with applicable capital market regulations and takes all necessary measures to prevent potential conflicts of interest.

There were no conflicts of interest between the Company and the service providers identified above either during the course of service procurement or subsequently.

CORPORATE SOCIAL RESPONSIBILITY

As it progresses towards generating high returns for its shareholders that represents one of its main goals, the Company carries out various activities within the frame of its corporate social responsibility understanding in order to contribute to social life and the environment. In line with our policy to realize social investments that will serve as an example for all the segments of the society, the sector and the business world and will create concrete benefits, our Corporate Social Responsibility Policy has been established, which places children's equal access to educational, cultural, environmental and social means in our focal point and targets to better equip the children within the scope of our material issues. The said Policy was disclosed on the Public Disclosure Platform (PDP) and on the Company website. Our Corporate Social Responsibility Policy is erected upon our influence and power to change and transform our circle as a result of our efforts carried out in keeping with our mission to create desirable spaces for contemporary people and cities. When fulfilling our responsibility to the world we live in, to our society we live within, and our people, we make use of our solution generation competencies in line with our priority to create value before all our stakeholders and with our employees' sensitivity regarding social problems; along this line, we embrace it as a principle to generate social value that will create change in the areas we focus and have influence on.

DONATION POLICY

The Company may make charitable donations that are in line with its sense of social responsibility and that comply with applicable principles and procedures laid down by the Capital Markets Board.

The Company may make charitable donations related to the matters listed below with the aim of contributing favorably towards public perception of its sensitivity about the fulfillment of its social responsibilities and on condition that it shall do so without seeking any financial or commercial benefit therefrom.

Education, health, culture, law, art, scientific and scholarly research, environmental protection, sport, and similar social endeavors; or natural disasters that have occurred in Türkiye or elsewhere.

Donations in the Reporting Period

The upper limit for the Company's donations for 2025 set by the General Assembly of Shareholders is TL 2,025,000. During the reporting period, the Company donated TL 150,000 to Cerebral Palsy Türkiye and TL 285,000 to TOHUM Autism Foundation, adding up to TL 435,000. The shareholders will be informed about the donations made in the General Assembly Meeting.

PORTFOLIO INFORMATION

REAL ESTATE PORTFOLIO



Offices



Shopping Malls

- İş Towers Complex (Branch Building, Tower 2 and Tower 3)
- Tuzla Technology & Operation Center
- Maslak Office Building
- Taksim Office Lamartine
- İzmir Service Building
- İçerenköy Office Buildings
- Parmakkapı Building

- Kanyon Shopping Mall
- Ege Perla Shopping Mall
- Kule Çarşı
- Marmaris Mallmarine Shopping Mall
- Tuzla Meydan Shopping Mall



**WELL-
BALANCED
PORTFOLIO**



Inventory

Real Estate
Projects

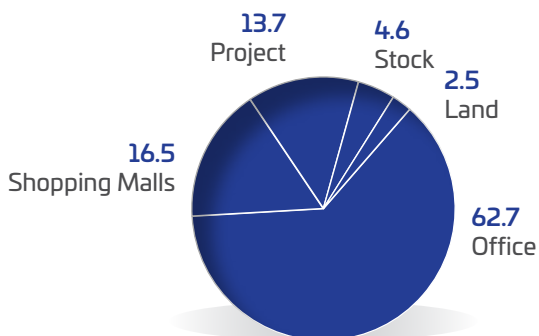
Lands

- Kartal Manzara Adalar (7 residential units)
- Litus İstanbul (38 residential units)

- Balmumcu Project
- Tuzla Residential Project
- Avrupa Residence Şişli - 2 Project (formerly Profilo Shopping Mall)

İzmir Şehitler lands
İstanbul Levent lands (7,613 m²)
İstanbul Çekmeköy lands (7,751.1 m²)

Value of the Portfolio - Breakdown by Type (%)



İş REIC's portfolio consists primarily of residential and commercial properties, which make up approximately 96% of the total.

PORTFOLIO INFORMATION

İş Towers Complex (Branch Building, Tower 2, Tower 3 and Kule Çarşı Shopping Mall)



Location:
İstanbul-Beşiktaş, Levent

Acquisition Date:
1999

Total Saleable/Leasable Area (m²):
65,781

Appraisal Value (TL - excluding VAT):
15,334,997,000

Tuzla Technology & Operation Center



Location:
İstanbul-Tuzla

Completion Date:
2016

Total Gross Area (m²):
184,653

Appraisal Value (TL - excluding VAT):
14,246,300,000





Kanyon Shopping Mall



Location:
İstanbul-Şişli, Levent

Opening Date:
2006

Total Leasable Area (m²):
42,210*

Appraisal Value (TL - excluding VAT):
5,727,840,000**

BREEAM[®]

* Total gross leasable area in the shopping mall.
** İş REIC has 50% ownership and the appraisal value represents İş REIC's share.

Ege Perla Shopping Mall



Location:
İzmir-Konak

Opening Date:
2017

Total Leasable Area (m²):
23,096

Appraisal Value (TL - excluding VAT):
1,845,920,000



PORTFOLIO INFORMATION

Tuzla Meydan Shopping Mall



Location:
İstanbul-Tuzla

Completion Date:
2016

Total Leasable Area (m²):
3,595

Appraisal Value (TL - excluding VAT):
299,410,000

Mallmarine Shopping Mall



Location:
Muğla-Marmaris

Opening Date:
2001

Total Leasable Area (m²):
3,463

Appraisal Value (TL - excluding VAT):
278,727,000

**İçerenköy
Office Buildings**
(C & D Blocks)



Location:
İstanbul-Ataşehir

Acquisition Date:
2025

Total Gross Area (m²):
6,133

Appraisal Value (TL - excluding VAT):
420,300,000

**Parmakkapı
Building**



Location:
İstanbul-Beyoğlu

Acquisition Date:
2025

Total Gross Area (m²):
1,988

Appraisal Value (TL - excluding VAT):
675,075,000

PORTFOLIO INFORMATION

ofis
Lamartine

Maslak Office Building



Location:
İstanbul-Sarıyer

Acquisition Date:
2001

Total Leasable Area (m²):
10,987

Appraisal Value (TL - excluding VAT):
2,030,120,000

Taksim Office Lamartine



Location:
İstanbul-Beyoğlu

Completion Date:
2013

Total Saleable/Leasable Area (m²):
3,949

Appraisal Value (TL - excluding VAT):
1,305,130,000



İzmir Service Building



Location:
İzmir-Konak

Acquisition Date:
2025

Total Saleable/Leasable Area (m²):
9,567

Appraisal Value (TL - excluding VAT):
1,196,830,000

Litus İstanbul



Location:
İstanbul-Üsküdar, Altunizade

Appraisal Value (TL - excluding VAT):
2,386,466,000*

Total Saleable Area (m²):
13,000

* Reflects İş REIC's share in 38 independent sections present in the stock on the appraisal date.

PORTFOLIO INFORMATION



Kasaba Modern Project



Location:
İstanbul-Çekmeköy, Ömerli

Investment Value (USD):
230,000,000*

Appraisal Value (TL - excluding VAT):
2,180,431,000**

* Total investment cost of the project comprised of three phases, including land, excluding financing and VAT,
** İş REIC has 44% ownership and the appraisal value represents İş REIC's share.

Balmumcu Project



Location:
Beşiktaş

Appraisal Value (TL - excluding VAT):
538,520,000*

* Excluding financing costs and VAT, and including land.

The real property, which is in the status of a building lot, was sold by installments for USD 24,240,000 (excluding VAT). The transfer of the title deed for the property will occur following the collection of the sales price in full.

Tuzla Project



Location:
İstanbul-Tuzla

Investment Model:

A Construction for Promise to Sell Land Interest and Revenue Sharing Agreement has been signed by and between İş REIC, and Yapıtaş Gayrimenkul İnşaat Ticaret ve Sanayi A.Ş. (Akgün Group) and Misek İnşaat Ticaret ve Sanayi A.Ş. partnership. In this project, İş REIC has a revenue share of 35% whereas Akgün Group and Misek İnşaat partnership has 65% in the capacity of the contractor.

Appraisal Value (TL - excluding VAT):
2,800,250,000

Avrupa Residence Şişli - 2 Project

(formerly Profilo Shopping Mall)



Location:
İstanbul-Şişli

Investment Model:

A project comprised of 321 residential and 18 commercial units is being developed pursuant to the Revenue Sharing for Plot Interest and Construction in Return for Flat Agreement signed by and between İş REIC and Artış İnşaat. In this project where all costs will be borne by Artış İnşaat, İş REIC will be paid 40% of the revenues to be derived on the sales as revenue share in consideration of the plot price. The minimum revenue share to be paid to İş REIC is determined as USD 65 million + VAT.

Appraisal Value (TL - excluding VAT):
2,572,477,000

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

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR’S REPORT ON THE BOARD OF DIRECTORS’ ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH

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

1. Opinion

We have audited the annual report of İş Gayrimenkul Yatırım Ortaklığı A.Ş. (the “Company”) for the period 1 January - 31 December 2025.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Company’s position in the Board of Directors’ Annual Report are consistent and presented fairly, in all material respects, with the audited full set financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

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

3. Our Audit Opinion on the Full Set Financial Statements

We expressed an unqualified opinion in the auditor’s report dated 10 February 2026 on the full set financial statements for the period 1 January - 31 December 2025.

4. Board of Director’s Responsibility for the Annual Report

Company management’s responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code (“TCC”) No. 6102 and Capital Markets Board’s (“CMB”) Communiqué Serial II, No:14.1, “Principles of Financial Reporting in Capital Markets” (the “Communiqué”) are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the General Assembly;
- b) to prepare the annual report to reflect the Company’s operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Company may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Company's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements of the Company and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements and with the information obtained in the course of audit.

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

Talar Gül, SMMM
Independent Auditor
Istanbul, 26 February 2026

2025 ORDINARY GENERAL ASSEMBLY MEETING OF SHAREHOLDERS AGENDA

İş Gayrimenkul Yatırım Ortaklığı A.Ş.

2025 Ordinary General Assembly Meeting of Shareholders Agenda

1. Opening, establishment of the Chairmanship Council,
2. Reading and discussion of the Annual Report of the Board of Directors on the Company's activities in 2025 and the reading of the Auditor's Report,
3. Reading, discussion and approval of the financial statements of the year 2025.
4. Reading, discussion and approval of Sustainability Report for 2024 prepared in compliance with TSRS (Türkiye Sustainability Reporting Standards),
5. Approval of the Board of Directors' appointment made during the year by the General Assembly,
6. Discharge of the Board Members for their activities in 2025,
7. Discussion and decision of the Board of Directors' proposal on the distribution of the profit in 2025,
8. Determining the number and the term of office of Board members and electing members of the Board of Directors,
9. Determining the remuneration of the Board Members,
10. Election of the Audit Company,
11. Authorization of the Board Members to conduct the transactions provided under the Articles 395 and 396 of the Turkish Commercial Law.
12. Informing shareholders on the Company's donations made in 2025 and determining the limit for the donations to be made in 2026,
13. Informing the General Assembly under the principle 1.3.6. of the Corporate Governance Principles.
14. Informing shareholders in accordance with Article 37 of the Capital Markets Board's Communiqué numbered III-48.1,
15. Wishes and closing.

SUMMARY BOARD OF DIRECTORS' REPORT

Dear Shareholders

2025 was characterized by uncertainty molded by the inflationist pressure in global economies, tight monetary policies of central banks, and persisting geopolitical tensions. This setting led to volatilities in the financial markets in the short term, and forced a cautious approach in investor attitudes.

Tight financial conditions implemented especially by developed economies as part of the anti-inflationary efforts, ongoing geopolitical risks, political tensions and the slowdown in global trade continued to put pressure on the world economy. Notwithstanding, certain regions signaled economic rebalancing from the second half of the year, presenting an outlook with some degree of stability gained by global growth, albeit limited.

The Turkish economy followed suit of global trends in the reporting period. As the new macroeconomic order centered on the fight against inflation, monetary and fiscal policies implemented accordingly helped economic rebalancing progress gradually.

The Turkish economy, on the other hand, maintained its growth trend in 2025, and domestic demand pursued a more balanced course owing to tight monetary and fiscal policies. The fight against inflation made the focal point of economy policies; access to financing has been more selective and cost-driven, all of which combined resulted in a CPI rise by 30.89% in 2025.

In the Turkish real estate sector, pursuit for real returns continued in 2025 due to the effects of the inflationist environment; however, the high financing costs kept this demand limited. On the housing front, although the share of mortgage sales remained low due to the ongoing difficulties in credit access, there was a year-on rise.

Despite all these challenges in the housing sector, housing sales increased by 14.3% year-on-year in 2025 to 1,688,910 in total. Mortgage housing sales, on the other hand, were up by 49.3 % as compared to the previous year and reached 236,668. In December 2025, the CBRT Residential Property Price Index (RPPI) increased marginally by 0.2% over the

previous month to 204.5. Having increased by 29.0% on a year-on-year basis, the RPPI declined by 1.4% in real terms within the same period. The CBRT residential price index for İstanbul was down by 0.2% on a monthly basis in December 2025, whereas it went up by 28.5% on an annual basis.

In 2025, İŞ REIC once again focused on effectively managing its finances, completing its ongoing projects, and growing its sales and rental income based on a strategy that maintains its robust financial structure, constantly improves the quality of its portfolio, and manages demand and finance-side risks, in line with its target to create lasting and sustainable value

In line with its mission to ensure the permanence of stakeholder value, İŞ REIC carried on with its environmental, social and governance (ESG) initiatives in 2025.

In 2026, İŞ REIC will focus on formulating its new investments and improving its portfolio qualitatively while carrying on with its existing projects. Sustainability of the rentals portfolio and growing the revenues in real terms will be among key priorities, and maintaining a stable cash flow will be targeted through long-term rental agreements, a solid tenant profile and high occupancy rates.

As at 31 December 2025, İŞ REIC registered;

- TL 58,193 million in total assets,
- TL 50,250 million in shareholders' equity,
- TL 57,245 million in total portfolio value and
- TL 54,793 million in total real estate portfolio.

Our Company's net loss for the period was TL 958 million.

We would like to thank all our shareholders for their support and confidence.

Sincerely,

İŞ Gayrimenkul Yatırım Ortaklığı A.Ş.

Board of Directors

DIVIDEND POLICY

The dividend distribution proposal of the Board of Directors is discussed at the General Assembly and it is decided whether to pay out dividends, as well as its manner and timing. The Company's articles of association stipulate that first dividends in the rate and amount determined by the CMB are to be distributed from the distributable profit.

The Board of Directors adopted a dividend distribution policy based on the principle of proposing to distribute at least 30% of the distributable profit in bonus shares or in cash to the General Assembly, giving due consideration to:

maintaining the delicate balance between shareholders' expectations and the Company's need to grow, and the Company's profitability.

There are no privileges regarding distribution of profit, and dividend distribution is carried out within the legally prescribed period of time. In the event that the Board of Directors proposes against distribution of profit to the

General Assembly, information on the reasons therefor and the usage manner of retained earnings will be presented to the shareholders at the General Assembly, incorporated in the annual report, and disclosed publicly. The Company's articles of association address distribution of advances on profit share, and advances on dividends may be distributed to shareholders subject to capital market requirements and regulations.

PROFIT DISTRIBUTION PROPOSAL BY THE BOARD OF DIRECTORS FOR 2025

İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. Profit Distribution Table for the Year 2025 (TL)

1.	Paid-in/Issued Capital		958,750,000.00
2.	General Legal Reserve (based on legal records)		129,882,114.85
	Information regarding privileges in profit distribution according to the Articles of Association, if any, information on such privileges		There are no privileges in profit distribution
		Based on CMB	Based on Legal Records
3.	Profit for the Period	603,377,924.00	1,254,160,438.90
4.	Taxes (-)	1,561,697,670.00	33,375,738.76
5.	Net Profit for the Period (=)	-958,319,746.00	1,220,784,700.14
6.	Prior Period Losses (-)	0.00	0.00
7.	Primary Legal Reserve (-)	0.00	61,039,235.01
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	0.00	1,159,745,465.14
9.	Donations Made within the Year (+)	435,000.00	0.00
10.	Net Distributable Current-Year Profit Including Donations	0.00	1,159,745,465.14
	First Dividend to Shareholders	0.00	47,937,500.00
11.	- Cash	0.00	47,937,500.00
	- Bonus	0.00	0.00
	- Total	0.00	47,937,500.00
12.	Dividends for Preferred Shareholders	0.00	0.00
	Dividends for Others	0.00	0.00
13.	- Board Members	0.00	0.00
	- Employees	0.00	0.00
	- Other than Shareholders	0.00	0.00
14.	Dividend to Owner of Redeemed Shares	0.00	0.00
15.	Second Dividend to Shareholders	0.00	32,062,500.00
16.	Secondary Legal Reserves	0.00	3,206,250.00
17.	Statutory Reserves	0.00	0.00
18.	Special Reserves	0.00	0.00
19.	EXTRAORDINARY RESERVES	0.00	1,076,539,215.14
	Other Distributable Sources	80,000,000.00	0.00
20.	- Previous Year's Profit	80,000,000.00	
	- Extraordinary Reserves		
	- Other Reserves		
	Reserves to be Set Aside from Other Distributable Funds	64,245,485.01	0.00
	- Reserves to be Set Aside from Previous Years' Profits	64,245,485.01	0.00

İş Gayrimenkul Yatırım Ortaklığı A.Ş. Dividend Ratio Table for 2025

GROUP	TOTAL DIVIDENDS		TOTAL DIVIDENDS/ NET DISTRIBUTABLE PERIOD PROFIT	OF TL 1 NOMINAL VALUE DISTRIBUTED PROFIT	
	CASH (TL)	BONUS (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
NET	A	114,285.711	0.00	0.0834	8.34%
	B	79,885,714.289	0.00	0.0834	8.34%
	TOTAL	80,000,000.000	0.00	0.0%	-

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Believing in the importance of Corporate Governance Principles and observing compliance with them, the Company espouses the four main elements of Corporate Governance Principles, which are equality, transparency, accountability and responsibility, in its activities.

In this context, the Company acts in line with the applicable regulations with respect to exercising of shareholding rights and public disclosure, makes sure that its relations with all stakeholders are carried out within the frame of publicly disclosed "Code of Ethics", and the Company's Board of Directors carries out its activities in compliance with the principles through the Committees and mechanisms set up.

The Company's Investor Relations and Sustainability Department efficiently managed the processes associated with the exercising of shareholder rights, public disclosure and information sharing activities in particular, as well as General Assembly formalities. The Department actively took part in the public disclosure of the matters related to the said processes, ensured that the sections of the Company website that concerns shareholders are kept up-to-date, and oversaw the exercising of shareholder rights.

The Company's Board of Directors is formed of nine members, three of which are independent members and one is an executive director. Board of Directors members are elected to serve for a one-year term of office; two new members were elected in total, one member in the General Assembly Meeting convened, and one member due to the change in the Board during the reporting period, while the remaining seven members were reelected and continued to serve in their existing positions. Information such as the number of years Board of Directors members have been serving on the Company's Board, and the external positions they hold is provided in their resumé.

Carrying out its activities as per the terms of reference that have been made public, the Board of Directors met five times in 2025. All but one of the board meetings were held with the full participation of Board members, and decisions were passed with the unanimous votes of the attending members in the reporting period. The table below presents the attendance rates to the Board meetings held in 2025 activity period.

01 January 2025-31 December 2025	
Attendance Rates:	
Hasan Cahit Çınar	100%
Murat Karluk Çetinkaya	100%
Ömer Barlas Ülkü	100%
Murat Doğan	67%
Behice Çiler Zorlu	100%
Vahide Uyar	100%
Oğuz Cem Çelik	100%
İlkay Arıkan	100%
Mehmet Gökpinar	100%

The Committee for Audit, the Committee for Early Detection of Risk and the Corporate Governance Committee have been set up under the Board of Directors, and the Committees efficiently carried out their activities according to the accepted terms of reference and within the scope of their duties and responsibilities defined in the Corporate Governance Principles. The Committees contributed to the activities of the Board of Directors with the reports produced and advisory decisions taken.

The Company displays the required sensitivity for compliance with Corporate Governance Principles; the Corporate Governance Committee was set up at the Company in 2007, and as part of its principal duties, the Committee follows up corporate governance activities, monitors the Company's compliance with the principles, identifies improvement areas, takes necessary actions and makes proposals to the Board of Directors, thus playing an active role in continuously improving the corporate governance system.

Also functioning as the Nomination Committee and the Remuneration Committee, the Corporate Governance Committee has evaluated proposed independent membership nominees for seats on the Board of Directors taking into consideration whether they satisfy the independence criteria, presented them in a report, and submitted it to the Board of Directors. Moreover, the Committee passed advisory decisions for determining the remuneration to be paid to Board of Directors members and managers with administrative responsibility, and made suggestions to the Board of Directors.

The Corporate Governance Committee is also assigned with handling the Company's environmental, social and governance (ESG) matters and sustainability initiatives. To this end, the Committee managed the sustainability activities, oversaw the integration of sustainability practices in targets, strategy and business processes, and reported the ESG-related activities it has carried out during the reporting period to the Board of Directors.

The Board of Directors reviewed the effectiveness of the risk management and internal control systems, and

produced a report on the operation and efficiency of the Company's internal systems during the reporting period.

The Company implements all of the compulsory Corporate Governance Principles, takes care to maximize its compliance with optional principles that are not compulsory to be implemented, and complies with the majority of optional principles.

From out of the non-compulsory principles, the Company partially complies with the principles numbered 3.2.2, 3.3.5., 4.2.8., 4.4.2., 4.4.7, 4.6.1., 4.6.5 whereas it does not comply with the principles numbered 1.5.2., 3.2.1., 4.3.9. and 4.5.5. During the year, no conflicts of interest arose due to optional principles that it has achieved partial or no compliance with.

Explanations about the Company's compliance level with the principles and partially complied or non-complied optional principles are provided in detail in the Corporate Governance Principles Compliance Report. Partially complied or non-complied optional principles mostly relate to matters that necessitate extensive arrangements, that are not widely implemented in our country, or not subjected to additional arrangements given the Company's existing scale or Board of Directors organization. The Company does not have any short-term plans to achieve compliance with the relevant principles.

Publicly disclosed on the Public Disclosure Platform (www.kap.org.tr), the Corporate Governance Compliance Report and the Corporate Governance Information Form for 2025 are also posted under the Corporate Governance Heading of the Investor Relations tab on the Company website for the information of all stakeholders.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Company Compliance Status			Not Applicable	Explanation
Yes	Partial	No		
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	The Board of Directors was not informed regarding Principle 1.3.7
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			
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	There are no companies with which the Company has cross-shareholding 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		Other than the current legal arrangements, as it is the case across the country, Articles of Association provide no additional arrangements regarding the minority rights. On the other hand, our Company's Codes of Ethic stipulates that each shareholder is given the same value and treated equally regardless of their share. All relevant regulations governing the use of the shareholders' rights are observed. There are no plans for amending the Articles of Association so that it covers the minority rights in greater detail.

Company Compliance Status		
	Yes	Partial
	No	Exempted
	Not	Applicable
	Explanation	
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	
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	
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	
3.1.4 - A whistleblowing program 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	

CORPORATE GOVERNANCE COMPLIANCE REPORT

Company Compliance Status			Explanation
Yes	Partial	No Exempted Not Applicable	
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	Participation of employees in management has not been regulated by the Articles of Association or the internal regulations. Under the present organization of the Company, the executives of the Company participate in the meetings of the Board of Directors. Other than that, the Company keeps all channels of communication open for the participation of the employees in management, and it establishes platforms and mechanisms for the employees' communication of their opinions and suggestions. Adoption of additional regulations is not considered on this subject, because the present practices of the Company under its organizational structure are believed to satisfy the needs.
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		Although the views of the stakeholders are taken into consideration in important decisions that have consequences for the stakeholders, the aforementioned methods cannot be applied on the basis of all stakeholders within the scope of the Company's business processes.
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		
3.3.2 - Recruitment criteria are documented.	X		
3.3.3 - The company has a policy on human resources development, and organizes trainings for employees.	X		
3.3.4 - Meetings have been organized 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	Decisions and regulations that may affect employees are informed to them. There are no employee representatives or an assigned union, and no communication has been established with other unions.
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		

Company Compliance Status			
	Yes	Partial	No
	Exempted	Not Applicable	Explanation
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		
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		Our Company's Board Members are insured within the scope of the umbrella liability insurance policy, which includes the companies in our group as insured, against the risk of loss caused by their faults during their duties, but the insurance cost is not determined as an amount exceeding 25% of the capital.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Company Compliance Status			Explanation
Yes	Partial	No Exempted	
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	Although the Company has so far not set a certain target ratio and timeframe for the number of female directors in the board of directors and so no policy has been adopted to this end, the Company cares to include people with sufficient competence to the Company's executive positions and the Board without any discrimination, and shows maximum efforts to have women take active roles in the board of directors. On the other hand, while selecting the board members, priority is given to the selection of candidates with due quality and experience as required by the Company's activity area, and we do not prefer to adopt a binding policy that sets a certain number for female directors. There have been female directors in the Company's board of directors since 2012, while there are two female directors in the current board of directors (female directors ratio 22%). There are no immediate plans to take action for adopting a target or setting a policy regarding the number of the female directors.
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 attend the majority of the board meetings in person or via an electronic board meeting system	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	Board meetings are held in accordance with the Company's Articles of Association and working principles of the Board of Directors, and none of these regulations set a minimum time by which information and documents relevant to the board meetings should be delivered to the board members. There is a Board of Directors Secretariat in the Company responsible for preparing and delivering the information and documents related with the board meetings to the Board of Directors; and as a rule under the general practices of the Company, care is taken to send the information and documents relevant to the agenda of the board meetings to all board members at least one week in advance. We are planning to insert a minimum time to the working principles on this subject, when updating the Board of Directors' Working Principles comes to the agenda.
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		

Company Compliance Status						Explanation
Yes	Partial	No	Exempted	Not Applicable		
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				Assumption of external commitments by the Board members has been subject to the general provisions and the board members are required to get the permission of the General Assembly for having transactions with the Company and borrowing from the Company under the Article 395 of Turkish Code of Commerce (TTK) and noncompetition with the Company under the Article 396 of TTK. Assumption of external commitments by the Board members hasn't been limited given the contribution of the work experiences and industry experiences of the Board members. Board Members are required to consider during their appointment as an executive or a Board member or a consultant for another company that this appointment should not lead to conflicts of interest, while Independent Board Members - in addition to this fact - should further consider that their such assignments should not violate the independence criteria as provided under the working principles. Furthermore, relevant regulations are observed in assessment of the candidates for Board memberships. The résumés of the board members include their external commitments and information about Board Members is submitted to the shareholders at the General Shareholders' meeting. There are no intentions to restrict the external commitments of the Board members, because until now there has been no case in our Company where a Board member neglected his/her duty as a Board member in our Company or failed to show the due diligence and time for the Company due to an assumption of an external commitment.
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.			X			Board members may serve in more than one Board committee to enable the establishment of Board committees and their functioning efficiently. All of our independent Board members have a role in our Board committees. The Board members who serve in more than one committee both help increase the possibilities of cooperation between the committees having similar work areas and improve the decision-making processes as they ensure a good communication between these 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	No external consultancy services are used by the Committees in 2025.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

Company Compliance Status				Not Applicable	Explanation
Yes	Partial	No	Exempted		
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			No Board performance evaluation is conducted in our Company. However, Board members participate actively in the negotiation and decision-making processes of both the Board of Directors and the Committees established under it by joining in person to the meetings of both the Board of Directors and the Committees, and also identify the strategic targets of the Company by preparing the Company's strategy paper. Board of Directors reviews and reports the efficiency of the Committees on an annual basis. There is no need for another separate application for the Board performance evaluation, given the scale of the Company and the functioning of its Board of Directors.
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 favor of them.	X				
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X			The benefits offered to the Board members and the top management are collectively disclosed to the public via Financial Statements issued every three months, and in the Annual Report the benefits are disclosed separately for the Board of Directors and the top management. The remuneration of the Board members are decided at the General Shareholders' meetings, so the salary of the Board members are known by the public because all Board members are paid equal salaries. The remunerations paid to the executives with administrative responsibility are preferred not to be disclosed given the current general practice in the country and the competitive conditions in the labor market.

CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS

1.1. Facilitating the Exercise of Shareholders Rights

The number of investor meetings (conference, seminar/etc.) organized by the company during the year 17 investor meetings in total were held with analysts and fund managers and information requests via mail and call were responded.

1.2. Right to Obtain and Examine Information

The number of special audit request(s) 0

The number of special audit requests that were accepted at the General Shareholders' Meeting 0

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/1394893>

Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time All General Assembly Documents (invitation, agenda, power of attorney, informative document, profit distribution proposal, board members nominees and resolutions of the general assembly), except list of attendants are disclosed at the same time.

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 1.39 -

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) <https://www.kap.org.tr/en/Bildirim/1408541> <https://www.kap.org.tr/en/Bildirim/1464106>

The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1) <https://www.kap.org.tr/en/Bildirim/1400927>

The name of the section on the corporate website that demonstrates the donation policy of the company Investor Relations/Corporate Governance/Policies

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/192006>

The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting Article 22

Identified stakeholder groups that participated in the General Shareholders' Meeting, if any Besides shareholders and their representatives, Board Members and the representative of the independent audit firm attended the 2024 General Assembly Meeting. Also, by informing the Company, Company employees participated in the General Assembly Meeting without the right to take the floor.

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. Our Company Articles of Association contains no privileges with regard to use of votes. But, the Group A shareholders have the privilege to nominate candidates to become members of the Board of Directors. One of the Board of Directors members is elected among the nominees of Group B shareholders and the remaining members are elected from the nominees of Group A shareholders.

The percentage of ownership of the largest shareholder 52.50%

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. -

CORPORATE GOVERNANCE INFORMATION FORM

1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations/Corporate Governance/Policies
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.	In accordance with the Tax Procedure Law, it was decided by majority vote, not to distribute dividends due to the absence of net distributable period profit in the company's financial statements prepared and adjusted for inflation.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	https://www.kap.org.tr/en/Bildirim/1408810

General Assembly Meetings

General 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
20/03/2025	0	71.03%	0.00%	70.99%	Investor Relations/ General Assembly/ Resolutions Made In The Annual General Assembly	Investor Relations/ General Assembly/ Resolutions Made In The Annual General Assembly	-	297	https://www.kap.org.tr/en/Bildirim/1408810

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.	"Corporate" and "Investor Relations" sections.
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.	We have no real person shareholder who directly own more than 5% of the shares. Shareholder structure of the Company is provided in "Corporate>Shareholder Structure" section of the website.
List of languages for which the website is available	Turkish and 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	""Board of Directors"", ""Senior Management"" and ""Declaration of Independent by Independent Board Members""
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	Board of Directors/Working Principles of Board of Directors Committees
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	Boards of Directors/Board Meetings
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	"Changes in Legislation During the Reporting Period"
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	"Additional Information Required by CMB Regulations / Lawsuits Initiated Against the Company during the Reporting Period"

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	“Main Service Providers/Disclosure of Any Conflicts of Interest Between the Company and Its Service Providers”
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%	There is no cross ownership subsidiaries.
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	“Human Resources” and “Corporate Social Responsibility”
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	Investor Relations/Corporate Governance/Policies
The number of definitive convictions the company was subject to in relation to breach of employee rights	1
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Committee for Audit
The contact detail of the company alert mechanism	https://www.isgyo.com.tr/contact/ethic-line-contact-form/
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	Company’s organizational chart and the current promotion application require that employees are placed under each management who are trained and regarded as the manager candidates while promotions to key positions are under the authority of 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.	“Human Resources” and “Corporate/Sustainability”
Whether the company provides an employee stock ownership program	There isn’t an employee stock ownership program.
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 resource policy.	“Human Resources” and “Corporate/Sustainability”
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	Investor Relations/Corporate Governance/Code of Ethics

CORPORATE GOVERNANCE INFORMATION FORM

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.	The Company does not have Corporate Social Responsibility Report. The Company has formed environmental, social and corporate governance policies and disclosed them. The ESG Policies and Company's Sustainability Principles Compliance Report are available in "Corporate>Sustainability" section of the Corporate web site
Any measures combating any kind of corruption including embezzlement and bribery	An Ethical Hotline has been established for the stakeholders to report the transactions considered to be contradictory to the laws and the Company's ethical values. The Company's Code of Ethics regulates this subject. Internal regulations of the Company also stipulates a ban to offer benefits regarding the employees. All of these factors are scrutinized by the current supervision activities of the Company. The Company's Gifts & Hospitality Policy and Anti-Bribery and Anti-Corruption Policy are submitted to the information of all stakeholders.

4. BOARD OF DIRECTORS-I

4.2. Activity of the Board of Directors

Date of the last board evaluation conducted	-
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	According to the assignment of duties and responsibilities; Board Members Mr. Hasan Cahit Çınar and Mr. Murat Karluk Çetinkaya were elected as the Chairman of the Board of Directors and as the Vice Chairman, respectively. Also, elections to committee seats were held as required by CMB Corporate Governance Communiqué and working principles of the Committees. Independent Board Member Mr. Prof. Oğuz Cem Çelik was elected as the Head of the Committee for Early Detection of Risk, Independent Board Member Prof. Mehmet Gökpinar was elected as the Head of the Audit Committee; Independent Board Member Mr. İlkay Arıkan was elected as the Head of the Corporate Governance Committee and the member of the Audit Committee; Board Member Mr. Murat Doğan was elected as members of the Corporate Governance Committee and Committee for Early Recognition of Risk. There is no delegation of authority other than the distribution of tasks. Neither a Nominating Committee nor a Remuneration Committee has been set up. The functions of these committees are performed by the Corporate Governance Committee. The Corporate Governance Committee is also appointed within the scope of the Company's Environmental, Social and Corporate Governance issues and sustainability practices
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	16
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	Internal System Unit
Name of the Chairman	Hasan Cahit Çınar
Name of the CEO	Ömer Barlas Ülkü
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 Company has insurance for any damage that may be caused by the members of the board of directors during the discharge of their duties but the amount of the insurance does not exceed 25% of the capital. No PDP notification is made regarding this issue.
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	There is 1 female Board Member in the Board. The ratio is 11%.

Board Members

Name-Surname	Whether Executive Director or Not	Independent Board Member 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
Hasan Cahit Çınar	Non-Executive	Dependent Member	20/03/2025	-	-	-	Yes
Murat Karluk Çetinkaya	Non-Executive	Dependent Member	10/07/2020	-	-	-	Yes
Ömer Barlas Ülkü	Executive	Dependent Member	31/07/2023	-	-	-	Yes
Behice Çiler Zorlu	Non-Executive	Dependent Member	15/05/2025	-	-	-	Yes
Murat Doğan	Non-Executive	Dependent Member	8/12/2014	-	-	-	Yes
Vahide Uyar	Non-Executive	Dependent Member	26/03/2024	-	-	-	Yes
Mehmet Gökpınar	Non-Executive	Independent Member	26/03/2024	https://www.kap.org.tr/tr/Bildirim/1408810	Considered.	No	Yes
Prof. Dr. Oğuz Cem Çelik	Non-Executive	Independent Member	23/03/2022	https://www.kap.org.tr/tr/Bildirim/1408810	Considered	No	Yes
İlkay Arıkan	Non-Executive	Independent Member	23/03/2022	https://www.kap.org.tr/tr/Bildirim/1408810	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	The Board of Directors convened 3 times during this year.
Director average attendance rate at board meetings	96%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	As a rule under the general practices of the Company, care is taken to send the information and documents relevant to the agenda of the board meetings to all board members at least one week in advance.
The name of the section on the corporate website that demonstrates information about the board charter	"Investor Relations/Corporate Governance/Articles of Association" and "Corporate/Board of Directors/Board of Directors Working Principles"
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	"There is no policy covering the number of external duties held by directors. Assumption of external commitments by the Board members has been subject to the general provisions and the board members are required to get the permission of the General Assembly for having transactions with the Company and borrowing from the Company under the Article 395 of Turkish Code of Commerce (TTK) and noncompetition with the Company under the Article 396 of TTK."

CORPORATE GOVERNANCE INFORMATION FORM

4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented	Board of Directors/Operating Principles of the Board of Directors and Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems sections and "Committee for Audit Report" section.
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/Bildirim/363253 https://www.kap.org.tr/Bildirim/1074633

Composition of Board Committees-I

Names Of The Board Committees	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Corporate Governance Committee	İlkay Arıkan	Yes	Board member
	Vahide Uyar	No	Board member
	Murat Doğan	No	Board member
	Ayşegül Şahin Kocameşe	No	Not Board member
Committee of Early Detection of Risk	Prof. Dr. Oğuz Cem Çelik	Yes	Board member
	Vahide Uyar	No	Board member
	Murat Doğan	No	Board member
Audit Committee	Mehmet Gökpınar	Yes	Board member
	İlkay Arıkan	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)	"Board of Directors/Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections and "Committee for Audit Report" section.
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)	"Board of Directors/Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections
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)	"Board of Directors/Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections
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)	"Board of Directors/Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections
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)	"Board of Directors/Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections

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)	Board of Directors Activities in 2025
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	The remuneration of Board of Directors is regulated in the Article 15 of Company's Article of Association. The remunerations of the Members of the Board of Directors are proposed by the Corporate Governance Committee and the remuneration to be paid is determined by the General Assembly. Company's Remuneration Policy comprising all executives and employees of the Company at every levels, is disclosed in the Company's web site in "Investor Relations/ Corporate Governance/Policies" section.
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)	""Board of Directors/Remuneration of the Members of the Board of Directors"" and ""Additional Information Required by CMB Regulations/ Remuneration of the Board of Directors and Senior Management""

Composition of Board Committees-II

Names Of The Board Committees	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
Corporate Governance Committee	75%	25%	The Committee held 11 meetings during the year. No physical meetings were conducted.	12
Committee of Early Detection of Risk	100%	33%	The Committee held 6 meetings during the year. No physical meetings were conducted.	6
Audit Committee	100%	100%	The Committee held 8 meetings during the year. No physical meetings were conducted.	7

STATEMENT OF COMPLIANCE WITH SUSTAINABILITY PRINCIPLES

Environmental, Social and Governance (ESG) Policies and guidelines describing the Company’s approach to sustainability have been established based on the Board of Directors decision and made available for the information of all stakeholders via the Company website. The Company’s ESG issues, risks, opportunities and targets have been set out in respective policies and publicly disclosed.

The Corporate Governance Committee has been designated as the highest body responsible for ESG matters at the Company, and it oversees the implementation of sustainability policies. The Investor Relations and Sustainability Department, on the other hand, is responsible for the internal coordination of sustainability efforts and activities.

The Company’s 2025 activities within the frame of ESG policies have been presented to the Board of Directors in a report drawn up by the Corporate Governance Committee as stipulated in the Committee’s terms of reference. The Company presented intelligible, accurate and adequate information regarding the sustainability performance, goals and actions in its 2025 Annual Report.

From out of optional sustainability principles, the Company achieves partial compliance with the principles numbered B13, B14, B15, B20, C1.9, D1, D2; however, the Company does not comply with the principles no. A2.3, and B4.

“Sustainability Compliance Report” describing the Company’s compliance status with optional sustainability principles is publicly disclosed via the Public Disclosure Platform - PDP (www.kap.org.tr). The said report provides detailed explanations about the principles that the Company achieves partial and no compliance with in the “Sustainability Principles Compliance Framework”.

The “Sustainability Compliance Report” and “Sustainability Principles Compliance Framework” for 2025 are made available for the information of shareholders and all stakeholders in the Annual Report and under the “Corporate/Sustainability” tab on the Company website.

SUSTAINABILITY COMPLIANCE REPORT

Company Compliance Status				Report Information on Publicly Disclosed Information	
Yes	Partial	No	Not Applicable		Explanation
Sustainability Compliance Report					
A. GENERAL PRINCIPLES					
A1. Strategy, Policy and Goals					
A1.1. The prioritized environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X			The Company's material ESG issues, risks and opportunities have been set out specifically in the "Sustainability Policies" and Environmental and Social Impact Policy" approved by the Board of Directors and publicly disclosed, and in other guidelines that are made public.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X			The Company has in place a Sustainability Policy, Environmental and Social Impact Policy, Human Rights and Human Resources Policy, Anti-Bribery Policy, Gifts and Entertainment Policy, Supplier Management Principles, Gender Equality Policy, Occupational Health and Safety Policy, and Customer Satisfaction Policy, which have been approved by the Board of Directors decision and publicly disclosed.	https://www.isgyo.com.tr/corporate/sustainability/
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X			The Company's ESG targets have been set out under the related Policies and publicly disclosed.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
A2. Implementation/Monitoring					
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X			The Corporate Governance Committee has been designated as the highest body responsible for ESG matters at the Company, and it oversees the implementation of sustainability policies. The Investor Relations and Sustainability Department, on the other hand, is responsible for the internal coordination of sustainability efforts and activities. This point has been announced by way of a PDP (Public Disclosure Platform) disclosure.	https://www.kap.org.tr/tr/Bildirim/1074632
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X			The Corporate Governance Committee presented 2025 activities in a report it has drawn up to the Board of Directors.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	X			The Company developed implementation and action plans in line with ESG targets and publicly disclosed the same.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.			X	Determination of ESG key performance indicators will be considered in the future.	

SUSTAINABILITY COMPLIANCE REPORT

Company Compliance Status				Report Information on Publicly Disclosed Information		
Yes	Partial	No	Not Applicable		Explanation	
	X			A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	The Company publicly disclosed its efforts for improving its sustainability performance associated with its business processes or products and services.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
A3. Reporting						
	X			A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company in an understandable, accurate and sufficient manner.	The Company provided intelligible, accurate and adequate information regarding its sustainability performance, goals and actions in its 2025 Annual Report.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
	X			A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	With the activities it undertakes, the Company supports the following UN 2030 Sustainable Development Goals: Good Health and Well-Being; Gender Equality; Clean Water and Sanitation; Affordable and Clean Energy; Decent Work and Economic Growth, Sustainable Cities and Communities, Responsible Production and Consumption; Climate Action; Peace, Justice and Strong Institutions.	https://www.isgyo.com.tr/en/corporate/sustainability
			X	A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.	There are no lawsuits in relation to ESG matters which are filed or concluded against the Company, or are material with respect to ESG policies or may have a material impact on operations.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
A4. Verification						
			X	A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	Verification service is not applicable since the Company's ESG Key Performance criteria are not yet determined.	
B. ENVIRONMENTAL PRINCIPLES						
	X			B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	Adhering to the principles set out in the "Environmental and Social Impacts Policy" and acting in an environmentally-sensitive manner in the conduct of its activities, the Company aims to achieve improvement in energy and water efficiency, GHG emissions, waste generation and recycling under the said Policy, and disclosed its existing and planned implementations in this respect.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
	X			These matters have been disclosed in the "GHG Report" for the period 1 January – 31 December 2025, and posted on the Company website.	https://www.isgyo.com.tr/corporate/sustainability/
			X	Environmental targets are not included in rewarding criteria under the performance incentive systems.	
	X			The Company reviews its business targets within the frame of the "Environmental and Social Impacts Policy" principles and environmental issues prioritized accordingly, and takes into account these matters when devising its investment strategies.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
	X			Targeting to develop environment-friendly, sustainable projects that focus on customer satisfaction within the frame of its publicly disclosed strategic goals, the Company has developed the "Customer Satisfaction Policy" and "Supplier Management Principles" in relation to its customers and suppliers that make two of the most important stakeholders of its value chain based on the Board of Directors decision when developing its ESG policies, and made them available for the information of all stakeholders on its Company website. If/when deemed necessary, the Company will carry out initiatives to raise further awareness of environmental and social issues of its customers and suppliers, and thus make sure its customers and suppliers are involved in the Company's Environmental and Social Impacts Policy.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
			X	In the reporting period, the Company was not involved in environment-related policy making processes of concerned organizations and NGOs engaged in environmental issues.	

SUSTAINABILITY COMPLIANCE REPORT

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
	X			The Company is aware of the impacts of climate change on our daily lives, takes responsibility in this respect, and reports its GHG inventory. 2025 GHG Report commissioned in this scope has been publicly disclosed, and presents GHG emissions in comparison with previous periods.	https://www.isgyo.com.tr/corporate/sustainability/
	X			2025 GHG Report incorporates such information as the standard, protocol, methodology and so on employed for collecting and calculating data. The report has been publicly disclosed.	https://www.isgyo.com.tr/corporate/sustainability/
	X			Environmental indicators have been disclosed comparatively for the years 2024 and 2025.	https://www.isgyo.com.tr/corporate/sustainability/
		X		The Company has set its short- and long-term goals under the main targets defined in its policies to mitigate its environmental impact.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
		X		Works are being carried out to include the climate crisis risk in the Company Risk Policy adopted by the Board of Directors and to define it in the Company Risk Catalog.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
	X			The Company has publicly disclosed the fundamental practices put in place or planned to avoid or minimize the potential negative effects of its property portfolio on the environment.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
		X		The Company contributes to reduction of GHG emissions of its suppliers and customers that it services by way of its properties and its implementations for carbon footprint reduction and securing energy and water efficiency on the back of green building certification processes for its existing properties and those under development.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
	X			The Company publicly disclosed environmental benefits/gains and cost savings secured by the equipment used within the scope of IT employed for environmental impact mitigation purposes.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
	X			Energy consumption data have been disclosed within the GHG Report.	https://www.isgyo.com.tr/corporate/sustainability/
			X	There was no such generation during the reporting period.	
	X			The Company aims to qualify for I-REC and eco-energy labelling to help with increasing its renewable energy consumption and its transition to zero- or low-carbon electricity. I-REC certification is being obtained at the Company Head Office from 2021, and is obtained also in 2025 for the electricity consumed at the Company's Head Office.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
	X			With I-REC certificates obtained in 2024 and 2025, İş REIC has certified that 100% of the electricity consumed by its Headquarters, Kanyon A.Ş., Kanyon AVM and Ofis Lamartine locations were supplied from renewable electricity sources.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
		X		The Company takes care to use environment-friendly energy consuming systems for increased energy efficiency, and plans buildings with maximum energy efficiency by utilizing heat insulation systems that classify energy needs and consumption of buildings, and reduce GHG emission levels.	https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations https://www.isgyo.com.tr/en/corporate/sustainability
	X			The Company's total water consumption in 2025 was 29,268 cubic meters and it was disclosed in the GHG Report. The Company uses the mains water supplied by local administrations for its water consumption. Water waste is discharged into treatment facilities and similar infrastructures as defined by local administrations.	https://www.isgyo.com.tr/corporate/sustainability/
			X	The Company is not included in any carbon pricing system by reason of its operations or activities.	
			X	The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	

SUSTAINABILITY COMPLIANCE REPORT

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
			X	No carbon credits were saved or purchased in the reporting period.	
			X	The Company does not implement carbon pricing.	
	X			The Company discloses its environmental data in the Annual Reports and under the "Corporate/Sustainability" tab on its Company website. Additionally, in the case of EIA report or similar applications for the projects developed, the related reports are publicly disclosed by the relevant regulatory authorities.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
C. SOCIAL PRINCIPLES					
C1. Human Rights and Employee Rights					
	X			The Company has devised its "Human Rights and Human Resources Policy" that incorporates the Universal Declaration of Human Rights, the International Labor Organization (ILO) covenants that Türkiye ratified, and other applicable legislation, which was approved by the Board of Directors, and the Assistant General Manager to whom the HR function reports is responsible for the implementation of the said Policy. The Human Rights and Human Resources Policy and the people in charge of them are made available for the information of all stakeholders on the Company website.	https://www.isgyo.com.tr/corporate/sustainability/

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
	X			The Human Rights and Human Resources Policy covers various principles including non-discrimination between employees on any basis including race, religion, language, sect or any faith, gender, age, cultural or social class; respecting human rights, ensuring equal opportunities in all kinds of HR management processes, protecting employees from internal physical, mental and/or emotional abuse, implementation of a fair and competitive remuneration policy, establishment of necessary mechanisms for employee feedbacks and complaints; and the importance attached to training, development and talent management, as well as occupational health and safety.	https://www.isgyo.com.tr/corporate/sustainability/
	X			Looking out for certain economically, environmentally and socially-vulnerable segments, the Company aims to include all segments of the society in business life with the aim of a fair, egalitarian and modern working environment; and adheres to the principle of "equal pay for equal work" without discriminating on the basis of race, religion, language, gender, disability, etc. The Company offers equal opportunities for increasing employment of economically, environmentally and socially-vulnerable segments through various implementations such as supporting the engagement of employees with disabilities, provision of equal promotion opportunities to women employees, etc.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
	X			Adhering to the principle of respecting human rights and employee rights in its operations, the Company takes necessary measures against any indecent violation of rights. Forced labor, child labor, hazardous labor, etc. are out of the question at İş REIC. The Company employs people above the age of 18 and the said age limit is also incorporated in the Company's internal guidelines as a criterion for hiring. Suppliers are also expected to act accordingly pursuant to the Company's Human Rights and Human Resources Policy.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations

SUSTAINABILITY COMPLIANCE REPORT

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
	X			Fringe benefits and/or benefits provided by the Company to its employees are determined by internal regulations and employees are informed about the management of wages and fringe benefits. The Company's Compensation Policy has been disclosed to the public and the Policy can be accessed from the "Investor Relations/Corporate Governance/Policies" section of the Company's website.	isgyo.com.tr/en/investor-relations/corporate-governance#policies https://www.isgyo.com.tr/en/corporate/sustainability
	X			The Company employs open, transparent and cordial communication channels for employees to convey their opinions, suggestions, complaints and feedbacks, and mechanisms for resolution of conflicts. Conflict resolution processes are addressed in the Company's implementations and employees have been informed on the same.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X			The Company aims to establish long-term collaborations with its employees and prioritizes employee satisfaction. In this regard, the Company organizes annual motivation and engagement activities with the participation of all employees, taking their opinions into consideration. During the 2025 reporting period, the Company organized various employee-oriented activities, including New Year's dinners, motivation events, service award ceremonies, monthly birthday celebrations, and executive-team gatherings. The Company places strong emphasis on maintaining employees' work-life balance. Through employee assistance programs as well as additional benefits and support provided for special occasions such as birthdays, weddings, and other personal milestones, the Company consistently demonstrates its commitment to standing by its employees. Furthermore, as a token of appreciation for their dedication, employees who complete certain years of service are granted service recognition awards. Adopting a proactive and innovative approach to human resources management and prioritizing employee satisfaction, the Company has implemented a Hybrid Working Model that includes remote working practices, taking into account employees' expectations. Based on the results of employee engagement surveys conducted in the previous reporting period and the related action plans developed in 2024, a project focusing on organizational development and career architecture was launched in 2025. The completed organizational development and career architecture framework was presented to employees in July 2025. With this new structure, the Company aims to enhance employee satisfaction and establish a more sustainable career development system. In addition, in line with the findings of the employee engagement surveys, a project to revise the performance management system has been planned and initiated for implementation in 2026.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
C1.6. The occupational health and safety policies have been established and disclosed.	X			The Company established its "Occupational Health and Safety Policy" which has been made available for the information of all stakeholders.	https://www.isgyo.com.tr/corporate/sustainability/

SUSTAINABILITY COMPLIANCE REPORT

Company Compliance Status				Report Information on Publicly Disclosed Information
Yes	Partial	Not Applicable	Explanation	
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X		The Company discloses such data in its Annual Reports and Sustainability Principles Compliance Framework.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
C1.7. The personal data protection and data security policies have been established and disclosed.	X		The Company established its Personal Data Protection and Privacy Policy.	https://www.isgyo.com.tr/en/corporate/protection-of-personal-data
C1.8. The ethics policy have been established and disclosed.	X		The Company established and disclosed its Code of Ethics.	https://www.isgyo.com.tr/en/investor-relations/corporate-governance#code-of-ethics
C1.9. The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.		X	In 2025, the Company participated in the Istanbul Half Marathon, sponsored by İşbank, on behalf of the Turkish Foundation for Children with Cerebral Palsy. In addition, 17 volunteer employees took part in the Winter Run. The Company also prioritizes the procurement of products and services from women entrepreneurs. Within this scope, throughout the year, the Company provided free booth spaces at İş Towers to Kadın Emekçini Değerlendirme Vakfı (KEDV), Tohum Otizm Vakfı, LÖSEV, Mardin Bir Dünya Üreten Kadınlar, and KAÇUV, thereby supporting their activities.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X		Information meetings and training programs are organized for employees to raise awareness on sustainability and its importance. In this context, new internal practices were implemented during the year in order to increase employees' individual awareness on sustainability.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
C2. Stakeholders, International Standards and Initiatives				
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X		The Company established its "Customer Satisfaction Policy" for customer complaints handling and resolution, and made it available for the information of all stakeholders on the Company website.	https://www.isgyo.com.tr/corporate/sustainability/
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X		The Company takes care to effectively maintain its communication with all stakeholders that are directly or indirectly affected by its activities in keeping with accountability and transparency concepts. The Company's main stakeholders that it is in contact with include employees, customers, suppliers and shareholders; the manner in which communication with these stakeholders is maintained has been publicly disclosed.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
C2.3. The international reporting standards that adopted in reporting have been explained.			X	There is not an international reporting standard that the Company espoused in relation to sustainability.

Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information
Yes	Partial	No	Not Applicable		
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X			As of the reporting period, the Company became a signatory of the United Nations Women's Empowerment Principles (WEPPs) in order to contribute to raising awareness and efforts on gender equality.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X			Seeking to improve its performance on ESG issues and sustainability, the Company was included in Borsa Istanbul's Sustainability Index	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
D. CORPORATE GOVERNANCE PRINCIPLES					
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.		X		The structure of the "Sustainability Working Group" set up for effective and inclusive execution of sustainability activities that represents customers and suppliers, e.g. other important stakeholders of the Company, as well as employees allows being informed about the stakeholders' opinions about the sustainability issues being discussed, and hence, stakeholders' opinions are taken into consideration in determining the sustainability measures and strategies. Furthermore, the Company pays regard to the rights and interests of customers, suppliers or business partners and the public interest when adopting medium- and long-term strategies, as set out also in its Sustainability Policy.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X			During the year, new practices were introduced in the office in order to increase the individual awareness of employees on sustainability.	https://www.isgyo.com.tr/en/corporate/sustainability https://www.isgyo.com.tr/en/investor-relations/reports-and-presentations

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

A. GENERAL PRINCIPLES

The Company's priority Environmental, Social and Governance (ESG) issues, risks and opportunities are determined particularly in the "Sustainability Policy" and "Environmental and Social Impacts Policy" that have been approved by the Board of Directors and publicly disclosed, and in other applicable and publicly disclosed guidelines. The risks associated with these issues are regularly monitored and analyzed by the Committee for Early Detection of Risk. Furthermore, ESG processes and associated risks are assessed as part of the Company's risk management, internal control and audit activities.

ESG factors make the focal point of the Company's activities; combating climate change, employee and customer satisfaction, supplier relationship management, occupational health and safety, stakeholder communication, gender equality, compliance with the code of conduct and transparent corporate governance practices and so on take to the forefront. ESG policies and related guidelines that represent the Company's approach to sustainability are provided below:

Sustainability Policy

- Environmental and Social Impact Policy
- Human Rights and Human Resources Policy
- Anti-Bribery and Anti-Corruption Policy
- Gifts and Entertainment Policy
- Supplier Management Principles
- Gender Equality Policy
- Occupational Health and Safety Policy
- Customer Satisfaction Policy

The said guidelines have been established based on Board of Directors decisions and made available for the information of all stakeholders via the Company website. The guidelines can be found on the company website, under the tab Corporate/Sustainability/Policies. The Company's ESG targets are determined within the scope of relevant policies and disclosed publicly.

The Corporate Governance Committee has been designated as the highest body responsible for ESG matters at the Company, and it oversees the implementation of sustainability policies. The Investor Relations and Sustainability Department, on the other hand, is responsible for the internal coordination of sustainability efforts and activities.

The Corporate Governance Committee is formed of three Board members one of whom is independent member, and the Assistant General Manager responsible for Investor Relations and Sustainability function; the Committee's terms of reference were updated to incorporate environmental, social and governance management and sustainability practices. The afore mentioned have been made available to all stakeholders via the PDP and Company websites.

A "Sustainability Working Group" was set up which is led by the Assistant General Manager to whom Investor Relations and Sustainability Department reports and in which the Company's all key functions are represented for ensuring effective and inclusive execution of the Company's sustainability efforts.

Activities carried out under the Company's ESG policies are reported at least annually to the Board of Directors, as stated also in the terms of reference of the Corporate Governance Committee. The Corporate Governance Committee presented its 2025 activities in its report to the Board of Directors.

The Company has created implementation and action plans for the ESG targets it has set. The Company undertakes initiatives to improve its sustainability performance associated with its business processes, products and services. Basic steps implemented or planned for preventing or minimizing potential negative impact of the Company's property portfolio on the environment are described in the "Environmental Principles" section, and its plans concerning other matters in the "Social Principles" section. Determination of ESG key performance indicators will be considered in the future.

The Company presented intelligible, accurate and adequate information regarding the sustainability performance, goals and actions in its 2025 Annual Report and under the "Corporate/Sustainability" tab on its Company website.

With the activities it undertakes, the Company supports the UN 2030 Sustainable Development Goals (SDGs). The SDGs that are associated with the Company activities are addressed in the "Environmental Principles" and "Social Principles" sections.

There are no lawsuits in relation to ESG matters which are filed or concluded against the Company, or are material with respect to ESG policies or may have a material impact on operations.

Verification service is not applicable since the Company's ESG Key Performance criteria are not yet determined.



B. ENVIRONMENTAL PRINCIPLES

Adhering to the principles set out in the “Environmental and Social Impacts Policy” and acting in an environmentally-sensitive manner in the conduct of its activities, the Company aims to achieve improvement in energy and water efficiency, GHG emissions, waste generation and recycling under the said Policy, and disclosed its existing and planned actions in this respect.

In keeping with these goals and implementations, actions that can be taken in the short- and long-term both for the existing properties in the Company’s portfolio and for projects that are being or will be developed by the Company are evaluated with respect to their qualifications for each property and project, and are implemented in view of the fitness of the property or development phases of projects.

Described below are the basic steps taken or planned for preventing or minimizing the potential negative environmental impact of the property portfolio of the Company that pursues -activities in a manner to support the UN SDGs titled “Sustainable Cities and Communities”, “Responsible Consumption and Production”, “Clean Water and Sanitation” and “Climate Action”.

Care is taken to align the properties in the portfolio with the criteria of worldwide-accepted green building certifications such as LEED and BREEAM, and necessary work is undertaken accordingly on the basis of each property. LEED-EBOM application process for İş Towers Complex Tower 2 where the Company is headquartered is in progress and the green building certification process is envisaged to be completed in 2026.

The Company considers obtaining the International Renewable Energy Certificate (I-REC) or eco energy label for the electricity consumption at the Company Head Office for carbon footprint offsetting or minimization.

Zero Waste Certificate was obtained for Kule Çarşı Shopping Mall located in the İş Towers Complex (Tower 2, Tower 3 and Kule Çarşı Shopping Mall) where the Company is headquartered, and Zero Waste Management process is ongoing for Tower 2 and Tower 3.

For energy efficiency purposes, the heating and cooling system is set at a certain temperature using the central automation system in the immovable properties, thus avoiding unnecessary energy consumption due to overheating or overcooling in buildings. For instance, central automation systems are used at İş Towers Complex (Tower

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

2, Tower 3 and Kule Çarşı Shopping Mall), Tuzla Technology and Operation Center (TUTOM) and Ege Perla Shopping Mall.

The water collected by the rainwater harvesting system is used across the İş Towers Complex and for irrigation of green areas in TUTOM.

Work was commenced for gradually replacing the common area lighting in the properties in the portfolio with LED fixtures for energy efficiency purposes. Implementations securing energy efficiency are targeted to be spread across the entire portfolio. To this end, photovoltaic (PV) panel use in new project developments has been detailed in projects and implementation is in progress.

Project design discussions are held for solar power generation for self-consumption at each property within the scope of renewable energy generation.

Below are examples of the Company's actions for assessing the environmental impact of the projects that are being developed. Photovoltaic panels for power generation are installed in our Manzara Adalar and Kasaba Modern projects.

The Company obtains energy identification certificates to ensure energy efficiency for the projects it develops, and seeks to reduce electricity consumption. Energy identification certificates exist for all of the Company's existing properties, which are renewed once in every 10 years.

An energy identification document has been obtained for each project developed since 2011 for measurement and documentation of energy consumption in an effort to ensure efficient energy consumption. With respect to planned projects, the Company designs buildings with maximum energy efficiency by utilizing heat insulation systems that classify energy needs and consumption of buildings, and reduce GHG emission levels for the purposes of reducing wasted energy and preserving the nature, correct and beneficial use of energy and energy resources.

The following measures are taken to reduce electricity consumption in developed projects:

Equipment and devices in A energy class are envisaged to be used.

Care is taken to select energy-saving LED bulbs for lighting and solar-powered luminaires for outdoor lighting.

Care is taken to use energy-saving EC-class motors in HVAC equipment.

Lighting automation and movement sensors are installed in buildings to contribute to reduced electricity consumption and preclude unnecessary lighting.

In addition;

Green building certification is targeted to be obtained in projects under development to devise and spread environmentally-sensitive design, implementation and operation standards.

Importance is attached to systems that ensure environment-friendly energy consumption for increasing energy efficiency and reducing air pollution and carbon emissions. Accordingly, care is taken to using photovoltaic systems, a renewable energy source, for common area energy consumption. For instance, photovoltaic panels were used in our Manzara Adalar Project, which systems generated 99,173.654 kWh energy. 16% energy saving was achieved in overall consumption. In the Kasaba Modern project, which is currently under development by the Company, detailing work has been conducted to integrate photovoltaic systems, and the implementation process is ongoing.

Care is taken to allocate indoor and outdoor spaces for as many electric vehicles and bicycles as possible, and specific access is provided in related spots in the project to encourage the residents of the project to use mass transportation.

Care is taken to keep driving routes under the ground and to increase green spaces depending on the size of the projects. Manzara Adalar Project, Çınarlı Bahçe Project developed in Tuzla, and Litus İstanbul Residential Project all have the same design, where similar actions are taken. In addition, İş Towers landscaping were restored, vested in a modern look and transformed into a space with increased social interaction .

EV charging stations are included in projects for reducing carbon emissions. EV charging stations are installed in İş Towers, TUTOM (Tuzla Technology and Operation Center), Tuzla Çarşı, Ege Perla, Kanyon Shopping Mall and Litus İstanbul Residential Project, which are included in our portfolio. The Company plans to install vehicle charging stations in Kasaba Modern project as well.

Rainwater harvesting system is employed in projects in development phase. Additionally, care is taken to using greywater treatment system that contribute significantly to environmental protection by reducing unnecessary depletion of natural water resources, and also supports reducing wastewater generation and mains water consumption. For instance, both systems were used in Litus İstanbul Residential Project. Thus, treated greywater and rainwater are used for garden irrigation and/or flush tanks.

Care is taken to using oil-water separator systems in projects to prevent water pollution. Kasaba Modern project entails a waste water treatment system; treated water is used for landscape irrigation purposes under the project.

Attention is paid to selecting locally-sourced and natural and/or recyclable materials and care is taken to using water-efficient plumbing fixtures and built-in reservoirs, as well as to procuring the materials from points of extraction/purchase that are near the project site.

Drought-resistant plants that require minimum watering are included in projects' landscaping; the ecosystem is supported by choosing species that break solar radiation and develop the green texture quickly, and whose leaves, flowers and seeds can be used. Rooftop gardens are created to minimize environmental impact. In addition, rainwater storage system is employed at Litus İstanbul and Kasaba Modern projects, and the collected water is used for landscape irrigation.

For conservation of water resources, rainwater and greywater treatment systems are used depending on the characteristics of a given project, solutions designed to reduce water consumption are preferred for projects, and increasing and improving the use of these solutions is promoted. In this context, greywater system has been installed in Litus İstanbul project, which treats the water from lavatories and showers to be reused in flush tanks. Kasaba Modern project is fitted with a water saving system, which uses the waste water treated in the treatment facility for landscaping purposes, instead of a sewer system.

It is aimed to help conserve water resources by adding technologies that reduce water consumption such as water efficiency, wastewater treatment, water recycling and reuse technologies, and additionally, developing projects that embody these technologies.

Attention is paid to engaging management companies that adopt technologies and methods that reduce wastewater ratio by reducing pollution and increase the safety of recycling.

The Company reviews its business goals within the frame of "Environmental and Social Impacts Policy" principles and of environmental matters prioritized accordingly, and pays regard also to these points when formulating its investment strategies.

If/when deemed necessary, the Company will carry out initiatives to raise further awareness of environmental and social issues of its customers and suppliers, and thus make sure its customers and suppliers are involved in the Company's Environmental and Social Impacts Policy.

Achieving alignment with the criteria of globally-recognized green building certifications such as LEED, BREEAM takes place among the Company's existing targets. The Company devised a strategy for obtaining LEED certification during the development phase of its future property projects and

in renovations of its existing properties or within the scope of additional investments. During the execution of these certification processes, carbon footprint reduction, ensuring water and energy efficiency, waste management and recycling requirements are fulfilled.

The majority of the Company's property portfolio consist of properties that have received or applied for a certificate.

Certified properties:

Tuzla Technology and Operation Center - LEED Gold

Tuzla Mixed-Use Project - LEED Gold

Manzara Adalar (Residential) - LEED Gold

Kanyon Shopping Mall - BREEAM Outstanding

Work in relation to LEED certification for TUTOM, an important property in the Company's portfolio, is detailed under the "Corporate/Sustainability" tab on the Company website.

Properties for which approval process is in progress:

İş Towers Tower -2 - LEED - EBOM

İş Towers Tower -3 - LEED - CS

21% of the Company's leasable portfolio is comprised of investments with green building certification.

This ratio is targeted to go up to 31.5% provided that the properties for which application processes are ongoing earn certification.

Recognizing the effects of climate change on our daily life, the Company takes responsibility in this respect and reports its GHG inventory. The "GHG Report" for 2025 is posted on the Company's website, under the "Corporate/Sustainability" tab.

The said report's scope covered the Company Head Office, Kanyon Yön. İşl. ve Paz. A.Ş. (Kanyon A.Ş.) owned by 50%, and Kanyon Shopping Mall managed by Kanyon A.Ş. and Office Lamartine, and the reporting scope, period, data, limitations and other information including the standard, protocol, methodology etc. employed in reporting are described within the GHG Report.

Covering the period from 1 January 2025 through 31 December 2024, the report includes energy and water consumption data and GHG emissions also for the years 2024 and 2025, and increases or decreases in these environmental indicators as compared to previous years are made available for the information of all stakeholders.

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The report presents the Company's total energy consumption in 2024 and 2025 in MWh and GJ units. Total energy consumption in 2025 is 3,676.51 MWh (13,235.48 GJ).

In 2025, total Scope 1 and 2 GHG emissions decreased by 0.34% year-on-year and were calculated as 261.88 tCO₂e. Scope 3 emissions, on the other hand, showed a rise on an annual basis due to the fact that Scope 3 Category 1 emissions from Purchased Goods and Services increased as compared to 2024. In 2025, Scope 1 emissions accounted for 28.47% of total GHG emissions, whereas Scope 2 and Scope 3 emissions were responsible for 0% and 71.53%, respectively.

Scope 2 emissions calculation took into account I-REC renewable energy procurement certifications; I-REC certifications obtained in 2025 for the Company Head Office, Kanyon A.Ş., Kanyon Shopping Mall and Office Lamartine building certified that electricity consumption at these locations are totally supplied from renewables.

The Company's total water consumption in 2025 is 29,268 cubic meters. Water consumption solely by the Head Office is 704.58 cubic meters. The Company uses the mains water supplied by local administrations for its water consumption. Wastewater is discharged into treatment facilities and similar infrastructures as defined by local administrations.

For water efficiency purposes, tap aerators in all common area washrooms at İş Towers Complex (Tower 2, Tower 3 and Tower Shopping Mall) were replaced with water-saving types. Solutions that serve to water efficiency are intended to be spread across the entire portfolio.

Maximum compliance with specifications, regulations, protocols and standards applicable in Türkiye and in the world is sought to be attained in projects in development phase and in existing properties. Accordingly, the aim is to conserve natural resources, establish structures and systems that support sustainability through reduced energy use and emissions, and create value for the end users of projects and for future generations.

The Company does not directly undertake the construction works in its development projects or existing properties, but procures the construction service from construction companies that operate within certain quality standards and are capable of satisfying the Company's expectations in relation to quality standards. When selecting these companies, the Company takes into account the service criteria that will ensure qualification as a "green building" and/or similar quality in development projects and properties subject to renovation. In addition, the Company

oversees the interaction of the companies that will offer construction service with all the stakeholders that might be potentially impacted by the project or property with the aim of avoiding or minimizing potential environmental impacts of existing projects or those in development phase. Relationships with all suppliers and particularly with companies offering construction service are handled in accordance with the publicly disclosed "Supplier Management Principles" and "Code of Ethics".

The Company targets to develop projects that will be eligible for "Environmental Impact Assessment (EIA) Not Required" certificate. The Company gets EIA introductory files prepared for assessing the environmental impacts of its planned projects of a specific scale as per the "Environmental Impact Assessment (EIA) Regulation" of the Ministry of Environment, Urbanization and Climate Change. In the EIA introductory files, the Company undertakes to abide by the applicable regulations in relation to the quantity of wastewater, solid waste, excavation waste, construction waste, packaging waste, hazardous waste, medical waste, gas waste generation quantity; waste batteries and accumulators, waste mineral oil, vegetable oil waste, exhaust emissions, noise generation quantity; environmental impacts of dust emissions from vegetal soil and excavation waste, and soil pollution, and the measures to be adopted therefor. Projects are evaluated by the related Ministry within this context, and projects, which are concluded to not have significant impacts upon the environment as a result of this assessment, receive an "Environmental Impact Assessment Not Required" certificate.

The Company also follows up the policies and regulations (e.g. ISO 14001) that management companies abide by within the framework of sustainability principles during the operation of the buildings in its portfolio, and encourages management companies to align themselves with new standards. Hence, the tenants in the properties serviced by management companies are prompted with regard to fundamental environmental issues such as carbon footprint reduction, and ensuring energy and water efficiency.

Major properties in the Company's portfolio such as İş Towers Complex, TUTOM and Kanyon Shopping Mall are operated by management companies holding ISO 14001 certification, and related environmental management system standards are observed in matters such as energy and water management, waste management and so on. In this context, approximately 75% of the Company's properties generating rental income are operated by management companies possessing ISO 14001 certification.



Zero Waste Certificate was obtained for Kule Çarşı Shopping Mall located in the İş Towers Complex (Tower 2, Tower 3 and Kule Çarşı Shopping Mall) where the Company is headquartered, and the Zero Waste Management process is ongoing for Tower 2 and Tower 3. The total quantity of waste from the Company's Headquarters in 2025 was 7.38 tonnes, all of which is being sent for recycling. The ratio of recycled waste is 5.6%.

Zero waste management system was established at TUTOM, Kanyon Shopping Mall and Ege Perla Shopping Mall covered in the Company's portfolio and that fall under the scope of the "Zero Waste Regulation", and "Zero Waste Certificates" were obtained.

As part of its long-term goals, the Company will consider obtaining a Zero Waste Certificate and ISO 14001 Certification for the Company Head Office in the coming period.

As stated in its Sustainability Policy approved by the Board of Directors and publicly disclosed, the Company assesses risks and opportunities within the scope of the combat against climate change, strives to minimize its impacts resulting from its operations, and determines the actions that need to be taken therefor. The Company attaches the necessary importance to combating climate change, and carries out work for inclusion of climate crisis risk within the Company Risk Policy approved by the Board of Directors, and for its description in the Company Risk Catalogue.

The Company strives to regularly measure GHG emissions that act as the main cause of climate change and to conduct mitigation activities. Accordingly, controls are performed and monitoring is undertaken to reduce consumption values.

The measures adopted for reducing carbon footprint, and the steps taken at the Head Office and existing properties and those under development have been defined together with the Company's environmental targets. Furthermore, the target of obtaining green building certification for existing projects and those under development takes place among the actions for reduction of GHG emissions. The Company contributes to reduction of GHG emissions of its suppliers and customers that it services by way of its properties and its implementations for carbon footprint reduction and securing energy and water efficiency as well as green building certification processes. In 2022, the Company started reporting on environmental factors including carbon footprint, water and energy consumption, and publicly disclosed its practices and plans for reduction of those factors. The Company plans to continue measuring the said environmental indicators and to set and disclose numeric targets for the reduction of measurement results in the future. The Company also targets to gradually replace the vehicles in its fleet with hybrid vehicles. At present, 60% of the vehicles in the Company's fleet are hybrid cars; in the future, it is targeted to gradually replace the vehicles

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

in the fleet with hybrid cars. Furthermore, the employees are offered the chance to use Company-provided service bus for commuting to minimize the potential environmental impact stemming from employee commuting. The cost arising for the employees due to this service is borne entirely by the Company for incentivization purposes. The Company provides commuting benefit to employees who do not use the Company-provided transformation means for commuting to/from work.

Supporting the UN SDG no. 7 “Affordable and Clean Energy”, the Company aims to qualify for I-REC and eco-energy labelling to help with increasing its renewable energy consumption and its transition to zero- or low-carbon electricity. I-REC certification is being obtained at the Company Head Office since 2021. In this framework, the Company consumed 246 GW/h of I-REC certified green electricity in 2025 at its Head Office. I-REC certification is intended to be obtained also in 2026 for the electricity consumed at the Company’s Head Office.

Kanyon Shopping Mall, TUTOM and Office Lamartine, three of the Company’s major properties that represent approximately 41% of the leasable portfolio in terms of value, also consume I-REC certified green electricity. In addition, some of the tenants in İş Towers Tower 2 & 3 also get I-REC certification.

The Company promotes environment-friendly technologies, and strives to minimize the harmful effects any IT equipment has on the environment throughout their lifecycles. The work undertaken in this respect is described below:

The number of physical servers existing at the Company was decreased from 20 to 3 within the scope of virtualization initiatives, and the annual energy consumption was reduced from 172,800 KW/h to 45,360 KW/h.

Conference rooms were set up in each construction site and sales office to enable online meetings instead of physical ones in view of the fact that the Company’s construction sites and sales offices can be located in different places. Thus, carbon emission reduction was achieved in CO₂ per kilometer value, enabled by the elimination of vehicle use for transportation.

Paper consumption was minimized thanks to “Incoming and Outgoing Invoices” and “Incoming Documents” processes developed within the scope of digital transformation.

Card readers are used for printing out documents at the Company, which prevents unnecessary printing, in a bid to protect the nature. Reduced quantity of print-outs and the Ysoft software on printers saved 1,005 liters of water (2024: 841 liters of water), 155 KW/h of energy (2024: 131 KW/h of energy) and 10 kg CO₂ (2024: 8.6 kg CO₂) in 2025.

The Company started taking steps to encourage its employees to delete large-capacity email that are not necessary to be kept on Outlook and online archives, with the aim of reducing the database disk dimension on its email server. The said digital cleaning is intended to eradicate the need for replacing the data storage devices and to limit the Company’s energy consumption. In addition, elimination of a new purchase will also contribute to offsetting the energy items spent for the production of the relevant device. Work was commenced to transition to the SAP system as part of the digital transformation of the Company’s business processes, which went live in January 2026. Through the SAP Application, a holistic transformation is targeted in sustainability management, data accuracy, operational efficiency and regulatory compliance. The Company also started using the Jira application in 2025 in line with the digital transformation strategy. Jira application will become a critical tool that supports our environmental, social and governance (ESG) performance by increasing process traceability, transparency and collaboration. In the related reporting period, Paperzero electronic signature practice was launched within the scope of digital document management, which directly contributes to environmental, operational and economic sustainability and accelerates operations.

To reduce its environmental impact, the Company has set its short- and long-term targets within the scope of the main targets set out in the Company’s policies and the progress achieved towards the targets is made available for the information of all stakeholders via this report.

The Company is not included in any carbon pricing system by reason of its operations or activities, and does not implement carbon pricing. Additionally, the Company is not currently using carbon credits; the Company firstly targets to reduce its direct and indirect emissions (Scope 1 and Scope 2) and carbon credit purchasing might be considered in the future.

The Company takes pains to follow-up the latest developments in Türkiye and in the world in contact and cooperation with various stakeholders, particularly NGOs, universities and public agencies.

The Company discloses its environmental data in the Annual Reports and under the “Corporate/Sustainability” tab on its Company website. Additionally, in the case of EIA report or similar applications for the projects developed, the related reports are publicly disclosed by the relevant regulatory authorities.

C. SOCIAL PRINCIPLES

The Company has devised its “Human Rights and Human Resources Policy” that incorporates the Universal Declaration of Human Rights, the International Labor Organization (ILO) covenants that Türkiye ratified, and other applicable legislation, which was approved by the Board of Directors, and the Assistant General Manager to whom the HR function reports is responsible for the implementation of the said Policy. The Human Rights and Human Resources Policy and the people in charge of them are made available for the information of all stakeholders on the Company website. The Company complies with the principles of United Nations Global Compact in the performance of all its activities.

The “Human Rights and Human Resources Policy” that is created in a complementary nature and an integral part of the Company’s Sustainability Policy are regularly reviewed by the Corporate Governance Committee in line with the necessities and the changes in operating conditions, and updated and revised as necessary upon the suggestion of the Committee, which are enforced following the approval of the Board of Directors. The Internal Systems Unit audits compliance with the provisions of the Human Rights and Human Resources Policy.

Erected on various principles including non-discrimination between employees on any basis including race, religion, language, sect or any faith, gender, age, cultural or social class; respecting human rights, ensuring equal opportunities in all HR management processes, protecting employees from internal physical, mental and/or emotional abuse, implementation of a fair and competitive remuneration policy, establishment of necessary mechanisms for employee feedbacks and complaints; and the importance attached to training, development and talent management, as well as occupational health and safety, the Human Rights and Human Resources Policy can be accessed on the Company website under the “Corporate/Sustainability/Policies” tab. Suppliers from which the Company purchases goods or services are also anticipated to abide by the Policy principles in their business dealings.

Adhering to the said Policy principles in HR management, the Company strives to provide the necessary support to keep employees motivated, to constantly improve financial and social rights offered to employees, to create a fair, egalitarian and modern working environment, and to identify and satisfy training needs of employees in a bid to recruit the qualified human resource that will enable maximum efficiency in the conduct of the Company’s activities and to maintain its success. Human Resources management activities are described in the “Human Resources Section” of the Annual Report.

Looking out for certain economically, environmentally and socially-vulnerable segments or minority rights, the Company aims to include all segments of the society in business life with the aim of a fair, egalitarian and modern working environment; and adheres to the principle of “equal pay for equal work” without discriminating on the basis of race, religion, language, gender, disability, etc. The Company offers equal opportunities for increasing employment of economically, environmentally and socially-vulnerable segments through various implementations such as supporting the participation of employees with disabilities, provision of equal promotion opportunities to women employees, and so on. Requirements for promotion for all employees are set forth in documented internal rules. Decisions concerning the promotion of an employee is made by the Personnel Committee taking into consideration permanent staffing, seniority and performance results.

As the result of its initiatives carried out within the frame of its Sustainability Policy, İş REIC became a signatory to the United Nations Global Compact, the world’s largest corporate sustainability initiative. Through this affiliation, the Company integrated the ten principles of the UN Global Compact that deal with human rights, working standards, environment, and anti-corruption in its value system. These principles help the Company strengthen its undertakings in relation to environmental, social and governance (ESG) issues in compliance with international standards, restore stakeholder trust, and derive global competitive advantage. The Company established and disclosed its “Gender Equality Policy”, which supports the UN SDG no. 5 “Gender Equality” in line with the principles of equal opportunity and diversity set out in its Human Rights and Human Resources Policy. The Company aims to become a signatory to the statements of initiatives championing gender equality on national and international platforms, that are aligned with the Company’s purpose and strategies, have a large sphere of influence and offer opportunities for development. Within the scope of these initiatives, the Company has become a signatory to the WEPs (Women’s Empowerment Principles). The Company carried on with its activities for raising increased awareness of its employees about gender equality in the reporting period.

In addition, the Company seeks to procure products/ services from women entrepreneurs. In this context, the Company allocated free-of-charge spaces in the reporting period to Foundation for the Support of Women’s Work (KEDV), Töhum Autism Foundation, LÖSEV Foundation for Children with Leukemia, Mardin Women’s Cooperative for Production and Business, and KAÇUV (The Hope Foundation for Children with Leukemia) for them to set up stands at İş Towers.

Relying on a female labor-intensive workforce since its inception, the Company assigns women to managerial

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positions. The ratio of women employees is 48% at the Company that has 75 employees on its payroll as of 2025 year-end. While the ratio of women in senior executive positions is 46% and in middle-level managers is 44%, the ratio of women in all the managers of the Company is 45%. The distribution of employees by gender, age and educational background is provided in the "Human Resources" section of the Annual Report.

Pursuant to the governing legislation, the Company attaches priority to selecting nominees possessing the necessary qualifications and experience associated with the field of activity when selecting the Board of Directors members, and also pursues diversity in the composition of the Board of Directors. Experience, skills and perspectives associated with corporate challenges for effective leadership, qualifications required in the composition of the Board of Directors are addressed in accordance with the Capital Markets Board of Türkiye (CMB)'s Communiqué on Real Estate Investment Funds, Turkish Commercial Code and other applicable capital market legislation.

Board of Directors members have been selected so as to complement one another in terms of their backgrounds, professional experience and expertise, and this approach is aimed at capitalizing on diverse resources.

The existing Board of Directors is composed of members having competence and experience in finance, banking, construction, architecture and accounting and finance.

İş REIC abides by the provisions of the Company's Articles of Association and the Turkish Commercial Code when composing the Board of Directors. According to Articles 11 and 21 of the Company's Articles of Association, the Board of Directors is elected by the General Assembly, and the meeting and decision quorums at the General Assembly are subject to the provisions of the Turkish Commercial Code and the Capital Market Law.

The Company accords importance to making sure that individuals with the necessary competencies take place in the execution and on the Board of Directors of the Company, without discriminating on the basis of gender; accordingly, maximum care is taken to ensure that women actively take place on the Board of Directors. There is one woman member on the Board of Directors.

The ratio of women in new hires in 2025 is 38%, and the average age of new recruits is 30. The turnover rate, on the other hand, is 14% in 2025. 40% of the employees who left the Company in 2025 are women and average age of employees who left the Company is 38.

At the Company that offers equal promotion opportunities to women employees, the ratio of female employees promoted to all promoted employees during the reporting

period is 69%. The Company also briefs women employees about all their rights available under the law prior to and after childbirth and looks out for employees' rights. There is a nursery room at the Company Head Office which can be used by women employees returning to active work after childbirth. Return-to-work and retention ratio after childbirth among women employees is 100%.

İş REIC adopts inclusive practices beyond legal obligations towards employees with disabilities and grants administrative leave and flexible working opportunities as and when needed; the ratio of individuals with disabilities employed at the Company is 0.03%.

All maternity and paternity leaves granted to employees are arranged in parallel with the regulatory framework, and made available for the information of all employees within the Company's Human Resources Bylaws. Women employees are regularly notified of the 16-week paid maternity leave granted in case of maternity, along with other available leaves including part-time maternity leave, part-time working, 6-month unpaid leave and breastfeeding leave. The Company grants 5 days of paternity leave.

The Company takes necessary measures for respecting human rights and for protecting Company employees from any internal physical, psychological and emotional abuse. Employees refrain from any abuse, discrimination or abusive acts at the work place. In such cases, employees are obliged to report the incident through the communication channels made available, notably the Human Resources Portal Suggestion and Complaint section and the Whistleblowing Line. In 2025, employees did not report any complaints regarding discrimination or abuse.

Adhering to the principle of respecting human rights and employee rights in its activities, the Company takes necessary measures against any indecent violation of rights. Forced labor, child labor, hazardous labor, etc. are out of the question at İş REIC in support of the UN SDG no. 8 "Decent Work and Economic Growth". The Company employs people above the age of 18 and the said age limit is also incorporated in the Company's internal guidelines as a criterion for hiring. Suppliers are also expected to act accordingly pursuant to the Company's Human Rights and Human Resources Policy.

The Company employs open, transparent and cordial communication channels for employees to convey their opinions, suggestions, complaints and feedback, and mechanisms for resolution of conflicts. Conflict resolution processes are addressed in the Company's implementations and employees have been informed on the same.

All employees can convey their opinions, suggestions, complaints and feedback either via their line managers or the Human Resources and Education Unit. Also, the Company



created a channel on the Human Resources Portal for the employees to convey their opinions, suggestions and satisfaction, and express themselves for the resolution of their complaints and disputes. In addition, methods including questionnaires/consultation are employed regarding decisions that produce a result affecting the Company employees.

In the prior reporting period, an employee engagement questionnaire was administered to seek employees' assessment of the Company with respect to corporate culture and values, management actions, communication environment and similar areas, and to identify the weaknesses and improvement areas of the Company policies and practices. Within the frame of the action plans made in 2024 based on the questionnaire results, an organizational development and career architecture project was introduced in 2025. The organizational development and career architecture structure that has been finalized was presented to our employees in July 2025. The new structure was targeted at ensuring employee satisfaction to arrive at a more sustainable career architecture. At the same time, a project has been planned with the related work on it commenced regarding the change in the performance system to be introduced in 2026 in view of the outcomes of the same employee engagement survey results.

Fundamental HR processes such as recruitment, career planning, salary and fringe benefits management,

performance management and rewarding, resignation and compensation, etc. are shared with all employees; briefing meetings are held upon demand by the employee or as and when the need arises.

Targeting increased productivity in the Company's activities and enhancing the quality of work life, the human resources management conducts recruitment and placement activities informed by the principle of "placing the right individual in the right position" from among candidates who are compatible with İş REIC's corporate culture and values, are professionally competent, are open to development, and have strong potential without discriminating on whatsoever basis including race, religion, language, gender, disability etc. Conducting a fair recruitment process offering equal opportunities, the stages of recruitment and all the tools used in talent acquisition are made known to candidates.

İş REIC adopts the principle of offering equal opportunities for training and development of the qualified workforce needed for all managerial and specialist positions in different levels. In case of a vacant position at the Company, such position is firstly attempted to be filled from internal sources depending on the relevant position, by pursuing equal opportunities.

İş REIC adopts a fair and competitive remuneration and rewarding concept aligned with its ethical values and strategic goals, and embraces the principle of "equal pay for

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equal work” without any discrimination including gender. The Company employs a salary cascade system based on employees’ job and position-based weight in determining the remunerations. Job descriptions for the position and title, and implementation principles for the performance have been documented and announced to employees. Furthermore, peer salaries offered in the market on the basis of sector and business unit are monitored each year, taking action in view of the external balance, as well as the internal balance in remuneration.

The Remuneration Policy in place was approved by the Board of Directors and presented for the information of shareholders in the first General Assembly convened. Refusing all sorts of discrimination in processes and practices encompassing its employees within the frame of the Human Rights and Human Resources Policy, İş REIC compensates all employees in accordance with the principles of the Remuneration Policy, Human Rights and Human Resources Policy, and Human Resources Bylaws. All employees on the Company’s payroll are compensated above the minimum wage.

The Company’s publicly disclosed Remuneration Policy applies to managers and employees working at any level; the basic principle is to ensure alignment of the remuneration to be paid to managers and employees at any level are in harmony with the Company’s ethical values, internal balances and strategic goals, and not linked solely to the Company’s short-term performance. Performance-based incentive payments are determined depending on objective conditions and in a manner to positively influence the Company’s corporate values, taking into account the maturity of the risks taken and without guaranteeing the amounts in advance. Performance-based incentive payments criteria are determined and communicated to employees; the set criteria are regularly reviewed. Full wording of the Company Remuneration Policy can be accessed on the website, under the “Investor Relations/Corporate Governance/Policies” tab.

The Corporate Governance Committee is charged with and responsible for determining the principles, criteria and practices to be employed in the remuneration of executives with administrative responsibility and to present suggestions to the Board of Directors on these matters.

Fringe benefits and/or rights the Company provides to employees are determined in internal regulations; employees are familiar with salary and fringe benefits management. The Company’s Compensation Policy is publicly disclosed and can be accessed on the Company website, under the “Investor Relations/Corporate Governance/Policies” tab.

Company health insurance is provided to company employees and their dependent spouses and children in a manner that supports UN SDG no. 3 “Good Health and Well-Being”; all employees have life insurance, and employer contribution is granted for employees participating in the private pension system. The Company offers “Employee Support Program” that can be used by employees and family members residing in the same household with the purpose of helping them establish the work-life balance and enhancing employee satisfaction. The Employee Support Program covers dietitian support, psychological consultancy and other areas that employees can seek advice from in any topic they may need. The Company also offers free gym membership at two different locations on the Asian and European sides of the city, which they can use any day of the week.

In addition, practices providing income support for a fixed period of time were introduced in 2025 with the aim of supporting employees’ purchasing power.

The Company grants a paid leave of absence for the first day of school to all employees who have children at preschool and primary school age. Additionally, all employees who have children attending preschool, primary school, middle school or high school are entitled to half-day paid leave of absence on report card days.

The Company aims to maintain long-lived cooperation with employees and strives to ensure employee satisfaction. The Company organizes annual motivational events intended for the participation of all employees, prior to which employees’ opinions are sought. In 2025 reporting period, the Company organized a number of events for employees, including the New Year’s Eve dinner party, a motivational event including an overnight stay in a different city, memento of service ceremony, monthly birthday celebrations, farewell dinner, and manager&team gatherings. Pursuing employees’ work-life balance, the Company provides employee support service, which is available to all employees, as well as fringe benefits and supporting mechanisms provided for special occasions such as childbirth, marriage and special days, along with remote working option based on hybrid working format in parallel with the employees’ expectations in this respect.

Championing a proactive and innovative perspective to HR management and seeking to ensure employee satisfaction, the Company offers employees the opportunity to work remotely based on the “Hybrid Working Model” introduced in response to the employees’ expectations in this regard.

The Company bases employee training and development on “Performance and Competence Building System”. This competence-based system clarifies the attitudes and

behaviors expected of employees for achievement of targets in their respective areas of responsibility, lets them see their contribution to the Company as a whole, and aims to reinforce job satisfaction and motivation. The outputs of this system in which all employees actively take part and which is regarded as kind of a development journey for employees are used as an instrument in revealing employee potential. Moreover, based on the system outputs, training programs that support employees' improvement areas are organized and feedback is provided by their line managers. In 2025 reporting period, feedback meetings were held with all employees subject to performance evaluation, which were attended by the relevant senior manager that they report to.

Within the scope of learning and development activities carried out based on lifelong learning notion, it is aimed to align training programs planned according to employee needs with the Company goals and to let employees reflect the outcomes of the training in their business and personal lives. The Company strives to ensure that all employees participate in training within the frame of equal opportunities.

In keeping with this approach, the Company continued to facilitate employee participation in training programs in parallel with its administrative strategies in 2025 as well. Participation was ensured in seminars and sector events that will drive technical development, and training programs that foster technical and professional development and compulsory protective training sessions were held during 2025. Average training time per employee was 11.5 hours in the reporting period. In addition, corporate collaboration was established with LinkedIn Learning, a platform that provides global monitoring and a rich training database for upskilling/reskilling, and a training portal was created for our employees. During the reporting period, the employees participated in training programs on various topics for their professional and personal development and career progress, including taxation and accounting, audit, sustainability, project management, and property development. They also took part in various seminars, summits and similar events associated with their professions. Furthermore, an agreement was made with LinkedIn Learning, a global education platform covering approximately 20,000 different educational contents, and was made available for use by employees any time through any channel to support their professional and personal development. Having a proactive and innovative perspective to HR management, İş REIC adopts a fair working manner erected on employee participation and entailing cooperation with all units. The Company promotes innovation and creativity in all HR processes.

Giving importance to digital transformation, İş REIC uses an HR portal which all HR functions can be run on, provides ease of use to employees, and is flexible and adaptable to needs. Through this portal, employees can transparently

reach HR processes, and access the cloud-based application from anywhere with an Internet connection. Furthermore, it is aimed to execute existing HR practices in a manner to leave as much digital trail as possible and conservation of nature is pursued by reducing the number of hard-copies. In parallel with these objectives, the initial modules of the SAP application started to be used in 2025, which will enable integrated operation of all Company systems and reduce the use of paper and printed materials through shared platforms.

Employees are informed of the decisions made in relation to them or of developments that concern them. There is not an employee representative, nor is there a trade union due to the scale of the Company; the employees have not so far submitted such a demand to the Company management. Similarly, collective bargaining agreement is not needed, given the Company's scale. In 2025 reporting period, there were no employees represented by trade union organizations or covered by a collective bargaining agreement. On the other hand, the Company respects the right to unionization and collective bargaining. All employees are free to unionize and act of their own free will. The Company does not have any regulations prohibiting the freedom of association and the right to collective bargaining.

At the İş Towers Complex that houses the Head Office of the Company that pursues a healthy and peaceful working environment for the employees, there are physicians and healthcare personnel that employees can refer to for a medical examination when they need it.

Occupational health and safety is an important element of HR policies and practices.

Under the applicable legislation and practices associated with occupational health and safety, the Company provides a healthy and safe working environment to its employees and constantly improves its related processes with preventive, corrective and protective approaches. The Company offers regular occupational health and safety training to employees, provides necessary information and raises awareness of the topic. For instance, in preparation for potential natural disasters, a 24/7 emergency communication hotline has been established in 2025 to ensure continuous accessibility for all employees. Within this scope, refresher training on Occupational Health and Safety is given to employees once in every three years in accordance with the regulatory requirements. OHS training was given to 29 employees in the reporting period. On the other hand, new employees hired during the reporting period received 104 hours of occupational health and safety training. The Company's Human Resources and Education Unit periodically sends awareness e-mails to employees in relation to occupational health and safety, emergencies, earthquake, first aid and so on.

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The Company devised its “Occupational Health and Safety Policy” and made it available for the information of all stakeholders. The said Policy can be accessed on the Company website, under the “Corporate/Sustainability/Policies” tab.

Encompassing all employees, customers, visitors and service providers of İş REIC, the Policy has been created to establish a safe and healthy working environment and to promote protective healthcare practices. The Policy sets out the Company’s implementation principles, structuring and obligations on the basis of each responsible party in relation to occupational health and safety.

The Policy is implemented by the Occupational Health and Safety Board in charge of coordinating internal occupational health and safety practices under the supervision of the Corporate Governance Committee. The Occupational Health and Safety Board comprises of the Company’s various employees, workplace physician and OHS expert and regularly holds quarterly meetings.

The Policy is reviewed in view of needs, changes in operating conditions and legal regulations at least once a year. It is updated and modified as necessary upon the suggestion of the Corporate Governance Committee and enforced following the approval of the Board of Directors.

To prevent workplace accidents and to protect health:

Employee training and briefing activities are carried out;

Workplace physicians perform initiation and periodic health examinations of employees as part of health supervision; risk analyses and field observation are regularly conducted and renewed, led by the occupational safety expert and workplace physician at the workplace;

Emergency action plans are created;

Occupational Health and Safety Board meetings are held regularly;

Accident analysis is performed in case of incidents such as workplace accidents and professional diseases, and related improvement procedures are devised;

Regulatory and preventive activities are organized with the relevant business units in line with the data and findings from field observations, near-misses and accident analyses at the Company.

The Company reports the measures adopted for workplace accidents and for protecting health, workplace accidents, and accident statistics to the Joint Health and Safety Unit (OSGB) from which service is provided, workplace physician and related authorities. In 2025, no employees suffered an injury or a condition leading to a graver result such as

death by reason of a workplace accident in terms of 1 million hours. On the other hand, there were no lost workdays of employees resulting from the activities carried out. Under the existing regulatory framework, all employees bound by a labor contract must receive occupational health and safety training, and employers must report workplace accidents, accident statistics and the measures adopted to related authorities. Accordingly, all suppliers from which the Company procures goods or services are expected to adhere to the principles set out in the Company’s publicly disclosed “Human Rights and Human Resources Policy”, specifically with those related to respecting human rights and occupational health and safety matters, as stipulated in the “Supplier Management Principles”.

The Company established its Personal Data Protection and Privacy Policy, which can be accessed on the Company website under the “Corporate/Personal Data Protection” tab. The Company also established and disclosed its Code of Ethics, which can be accessed on the Company website under the “Investor Relations/Corporate Governance/Code of Ethics” tab. Pursuant to the Company’s Governance Principle concerning stakeholders, the Company takes necessary measures to ensure that human rights are respected and Company employees are protected from any internal physical, psychological and emotional abuse. Employees refrain from any abuse, discrimination or abusive act at the work place. Company employees avoid any act that might lead to abuse, discrimination or mobbing at the work place. In such cases, employees are obliged to report the incident through the communication channels made available,

Conducting its activities in a manner to support UN SDG no. 16 “Peace, Justice and Strong Institutions”, the Company set up a Whistleblowing Line for the so-called stakeholders consisting of shareholders, customers, creditors, suppliers and personnel to report any deeds they consider to be illegal or unethical to the Audit Committee composed of Independent Board Members. Whistleblowing Contact Form can be accessed on the Company website. This line enables handling major issues such as ethical violations, cases of corruption and so on. Complaints received via the Whistleblowing Line are carefully reviewed by the Audit Committee and necessary actions are taken. Set up with the purposes of encouraging sustainable management functions and enabling a more transparent and fair organization, the Whistleblowing Line offers solutions for all the concerns and problems of related stakeholders wishing to report nonconformities and ethical violations. An additional channel has been created on the HR Portal for employees to communicate their opinions, suggestions and satisfaction and to express themselves in search for a solution for their complaints and conflicts. During 2025, no complaints on account of discrimination or mistreatment were received from the employees.



Furthermore, employees acting within the frame of integrity and transparency principles and reporting in good faith deeds or attempts in violation of the Anti-Bribery and Anti-Corruption Policy posted on the Company website do not face a penalty and/or retribution for doing so. The Company's Anti-Bribery and Anti-Corruption Policy can be accessed on the Company website, under the "Corporate/Sustainability/Policies" tab. The employees received the "Anti-Bribery and Anti-Corruption Training" in previous periods for increased awareness purposes, and refresher sessions are included in the training plans to be repeated at regular intervals.

Established by the Corporate Governance Committee within the frame of ESG factors and enforced based on the Board of Directors decision, ESG Policies were shared with the employees in writing; additionally, briefing meetings were held with the employees regarding ESG policies and practices. In line with short-term targets, Company employees were given training related to sustainability with the aim of supporting their development in ESG matters.

The Company established its "Customer Satisfaction Policy" for customer complaints handling and resolution, and made it available for the information of all stakeholders on the

Company website. The said Policy can be accessed on the Company website, under the "Corporate/Sustainability/Policies" tab.

The Company takes care to effectively maintain its communication with all stakeholders that are directly or indirectly affected by its activities in keeping with accountability and transparency concepts. The Company's main stakeholders that it is in contact with include employees, customers, suppliers and shareholders.

The Company maintains a communication that employs open, transparent and cordial communication channels with its employees that represent its most important stakeholder group. Furthermore, various socialization opportunities are taken advantage of to get together with the employees including annual performance feedback assessments and motivational events, mementos of service and monthly birthday celebrations.

The Company is in contact with tenants, home buyers and real estate agents within the scope of its rental and sales activities. Regular contact is maintained with these stakeholders in the form of face-to-face contacts, emails, telephone and video calls and digital platforms (website,

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social network accounts, complaint websites etc.).

The Company is in constant communication with suppliers within the frame of its project development activity; although it varies on project basis, regular supplier contacts happen mostly in the form of face-to-face contacts, as well as by email, telephone and video calls.

Oral and written contact is established with stakeholders requesting information about the Company's operations such as shareholders, analysts, portfolio managers etc., and sometimes meetings are organized with the said parties upon demand. These stakeholders can contact the Company's Investor Relations and Sustainability Department any time. Stakeholder queries increase at times that coincide with the general assembly meetings, announcement of financial results and so on.

Maintaining contact also with stakeholders such as public and private sector institutions as called for by its operations or in response to the requests from the related parties, the Company provides feedback on draft regulations concerning capital markets and the sector, and extends support to questionnaires and academic studies to the extent possible.

The Company did not embrace any sustainability reporting standard; the Company is a signatory to the Women's Empowerment Principles (WEPS). Adoption of international reporting standards and/or affiliating to other international principles or initiatives will be considered in the future.

Seeking to improve its ESG and sustainability performance, the Company completed the necessary work in the reporting period towards its goal of qualifying for Borsa İstanbul Sustainability Index and has been included in the said index since the October-December 2024 period.

Targeting to develop environment-friendly, sustainable projects that focus on customer satisfaction, the Company has developed the "Customer Satisfaction Policy" and the "Supplier Management Principles" in relation to its customers and suppliers that make two of the most important stakeholder groups of its value chain based on the Board of Directors decision, and made them available for the information of all stakeholders on its Company website. As of 1 July 2025, the Company established the Customer Experience Unit to strengthen its customer satisfaction policy and manage its customer-oriented approach within a corporate structure.

In this framework, the basic principle is to maintain a continuous, transparent and open communication with customers at every stage of the process; this approach helps achieve sustainable customer satisfaction, strengthen the long-term customer loyalty, and increase the Company's competitive strength.

The Customer Experience Unit carries out its activities under two main headings: post-rental and after-sales.

Post-Rental Activities

Post-rental processes are targeted at ensuring effective and continuous communication with tenants, managing requests via a central structure, and improving operational processes. Accordingly, our tenants were sent a memo informing them that the Customer Experience Unit has been established.

Requests and complaints received from tenants are handled by the Customer Experience Unit, which provides coordination with the Company's relevant units, follows up the process end-to-end, and keeps the tenants regularly informed.

Furthermore, on-site visits started to be paid to tenants, during which their requests and suggestions are sought followed by referrals as necessary.

For tenants that recently joined the portfolio through new rentals, onboarding was introduced. Efforts in this vein will be carried on with the incorporation of further details.

Tenants' debts and payments were regularly monitored and reported.

Active use of the CRM system in the leasing front is targeted at recording and monitoring requests and feedback from tenants.

In addition, rental contracts were entered in the system in relation to the commissioning of the RE module within the scope of the SAP project, and coordination was carried out and information was shared with all related stakeholders, especially the Accounting Unit and the Rent Unit for smooth running of the process.

After-Sales Activities

The Customer Experience Unit takes on an active role for effective management of customer requests and rendering customer satisfaction sustainable in after-sales processes.

Contact is maintained with customers starting with the payment of the deposit; information provision and coordination are carried out across different stages including agreement processes, notary public procedures, and title deed transfer.

Following the transfer of the title deed and delivery of the unit, customer requests and complaints are followed up in coordination with related units. Customer requests are recorded in the CRM system and regularly updated. For more effective monitoring of requests and complaints, internal reporting systems and Jira application are used to coordinate the processes.

Prior to delivery, units are inspected, and any identified deficiencies are recorded and resolved. The delivery process is carefully planned; post-delivery defects are followed up, and all necessary rectifications are effected. Throughout this process, continuous and open communication with the customer is maintained.

Units in the stock are checked jointly with the architectural unit and any deficiencies are established and improvement plans are created.

Similarly, sales contracts were entered in the system in relation to the commissioning of the SD module within the scope of the SAP project, and coordination was carried out and information was shared with all related stakeholders, especially the Accounting Unit and the Sales Unit for smooth running of the process.

D. Corporate Governance Principles

Set up in a manner to encompass all key functions in the Company so that sustainability activities can be carried out effectively and inclusively, the "Sustainability Working Group" represents mainly employees, and customers and suppliers that make up two other important stakeholder groups of the Company. Its structure enabling

representation of different types of stakeholder groups allows being informed about the stakeholders' opinions about the sustainability issues being discussed, and hence, stakeholders' opinions are taken into consideration in determining the sustainability measures and strategies. Furthermore, the Company pays regard to the rights and interests of customers, suppliers or business partners and the public interest when adopting medium- and long-term strategies, as set out also in its Sustainability Policy.

The Company prioritizes creating stakeholder value while fulfilling its responsibility to our world, society and our people. Within the scope of the Company's publicly disclosed Corporate Social Responsibility Policy, education, environment and nature, culture & arts, and gender equality are the topics that are given priority. In 2025, the Company joined the Tohum Autism Foundation's 'Every Classroom a Seed' (Her Sınıf Bir Tohum) project. A donation was made to the special education classroom attended by children with autism at Üsküdar Rauf Orbay Primary School for the provision of educational materials, technological devices, and a full year of support services. The Company's Corporate Social Responsibility Policy can be accessed on the Company website, under the "Corporate/Corporate Social Responsibility and Donations Policy" tab.

In addition, briefing meetings and training programs for employees are organized for raising increased awareness of sustainability and its significance.

Believing in the vitality of increasing the awareness of customers and suppliers in relation to environmental and social issues, the Company will be considering the potential actions to be taken for raising increased awareness of stakeholders other than employees.

AUDIT COMMITTEE REPORT

Report by the Committee for Audit has been drawn up to disclose our commitment to our responsibilities as the Committee for Audit and how we have performed our duty throughout the year.

Main Purpose:

The main purpose of the Committee for Audit is to oversee that the Company's financial reports are drawn up in accordance with the applicable legislation, regulations and standards, and to supervise the effectiveness and adequacy of the Company's internal systems in accordance with the applicable legislation and the Company's policies.

Committee Members

Committee members are designated by the Board of Directors and disclosed on the Public Disclosure Platform (in Turkish: KAP). As set out in the CMB's Corporate Governance Communiqué, the members of the Committee for Audit are independent Board members and the Committee is composed of two members. The Committee for Audit is constituted by Mehmet Gökpınar and İlkay Arıkan who have been elected according to the criteria set out in the Working Guidelines of the Committee for Audit, and it is headed by Mehmet Gökpınar. The Committee members have been designated to secure their contribution to the Committee with their rich commercial and financial experiences acquired within the frame of their other professional activities.

Responsibilities:

The duties and responsibilities of the Committee for Audit have been set out in the Committee's Working Guidelines, and are summarized below:

The Committee for Audit oversees the operation and efficiency of the Company's accounting system, public disclosure of financial information, independent audit and internal control and internal audit system;

Designation of the independent audit firm, preparation of the independent audit contracts and inception of the independent audit process, and the activities of the independent audit firm at every stage are carried out under the supervision of the Committee for Audit;

The independent audit firm from which the Company will procure service and the services to be procured from these entities are determined by the Committee for Audit and submitted for the approval of the Board of Directors;

The Committee for Audit establishes the methods and criteria applicable to the handling and concluding of complaints received by the Company in relation to the Company's accounting, internal control and internal audit systems, as well as their independent auditing, and to the assessment of the Company's accounting and independent audit-related issues reported by the employees within the confidentiality principle;

The Committee for Audit presents its assessments regarding the conformity of the annual and interim financial statements to be publicly disclosed with the accounting principles pursued by the Company, as well as their accuracy and fairness, by also incorporating the opinions of the Company's responsible managers and independent auditors in writing to the Board of Directors;

The Committee for Audit fulfills the other duties and responsibilities to be assigned by the Board of Directors.

The Committee for Audit Terms of Reference can be found on the Company website at the address www.isgyo.com.tr.

Assessment of the Committee Performance:

As part of the review of the operation and efficiency of the Company's internal systems, the Board of Directors also evaluated the performance of the Committee for Audit. Accordingly, it has been concluded that the Committee worked effectively with respect to public disclosure of the Company's financial data, conduct of independent audit, ensuring efficient operation of internal systems, and actively overseeing the works of the independent auditor through every step.

Meetings:

During the reporting period, the Committee met eight times and made seven written notifications to the Board of Directors. The meetings were held prior to the Board of Directors meetings so that information could be presented to the Board about the Committee's activities and the Company's financial statements.

One more Committee meeting was held after the end of the calendar year and before the date of this writing.

Provided the necessary coordination for the submission of the findings from the audit activities to the Board of Directors and the Company's Senior Management, and for ensuring that actions are taken for remedying the findings.

Activities:

During the reporting period, the Committee's activities dealt with financial reporting, internal audit, internal control and external audit.

The Committee:

- oversaw the works of the independent audit firm through every step and the independent audit process through to the evaluation of the annual and interim financial statements to be made public with respect to their fairness, accuracy and conformity to the accounting principles adopted by the Company.
- passed a decision in 2025 to submit for the approval of the Board of Directors the procurement of compulsory assurance audit service for the Company's reports to be drawn up under the Turkish Sustainability Reporting Standards (TSRS) and in alignment with TSRS from the suggested independent audit firm for 2024 and 2025 activity periods, as opposed to previous years,
- approved the annual audit plan of the Company's Internal Audit Unit, oversaw that audits are conducted in accordance with the plan, and received information about audits and other activities carried out by the Internal Audit Unit in regularly held meetings.
- provided the necessary coordination for the submission of the findings from the audit activities to the Board of Directors and the Company's Senior Management, and for ensuring that actions are taken for remedying the irregularities.

Auditor's Efficiency:

The efficiency of the independent audit process relies on the accurate determination of the key audit topics at the start of the audit cycle. Every year, independent auditors present the detailed audit plan covering an assessment of the key audit topics to the Committee.

Every year, the Committee holds private meetings with the independent auditors in the absence of the executive level, thus offering an additional opportunity for feedback. In general, the topics discussed include the auditor's assessment of business risk and the efficiency of the management, transparency and openness of the mutual communications with the management, whether there exists any restriction imposed by the management, and how they practice professional skepticism.

The Company's independent audit activities have been conducted by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. for the 2021, 2022 and 2023 reporting periods and by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş for the 2024 and 2025 reporting period in accordance with the CMB legislation.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

**Financial Statements As of and
For the Year Ended 31 December 2025
With Independent Auditors' Report**

(Convenience Translation of Financial Statements and Related
Disclosures and Footnotes Originally Issued in Turkish)

Independent Auditor's Report

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

A. Audit of the financial statements

1. Our opinion

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

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

2. Basis for opinion

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

3. Key audit matters

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

Independent Auditor’s Report

Key Audit Matters	How the key audit matter was addressed in the audit
<p data-bbox="113 396 778 465">Valuation work related to determining the fair value of investment properties</p> <p data-bbox="113 472 778 640">As disclosed in Note 8 to the accompanying financial statements of the Company, investment properties accounted for at their fair value, amounting to a total of TRY 6,694,866,305 as of 31 December 2025, represent a significant portion of total assets.</p> <p data-bbox="113 649 778 817">As of 31 December 2025, the fair values of investment properties determined independent valuation experts have been evaluated by management and these values were used as the fair values of the investment properties in the financial statements.</p> <p data-bbox="113 828 778 936">“Income approach and sales comparable approach” method is used in determining the fair value of investment properties.</p> <p data-bbox="113 947 778 1149">The valuation of the Company’s investment properties involves significant areas of judgment and requires subjective assumptions. Important reasoning and assumptions can be directly affected by factors such as capitalization rate, discount rate, occupancy rates of leasable areas, and rental income.</p> <p data-bbox="113 1160 778 1305">The fair values of investment properties have been determined by using the market value that determined by independent valuation experts with professional qualifications.</p> <p data-bbox="113 1317 778 1462">Valuation of investment properties is determined as a key audit matter, since investment properties constitute a significant portion of assets and the valuation methods applied include significant estimates and assumptions.</p>	<p data-bbox="783 396 1447 564">During our audit, the following audit procedures have been applied with respect to the fair value of investment properties;</p> <ul data-bbox="783 573 1447 1628" style="list-style-type: none"> - Design and implementation of the controls conducted by the Company management regarding the valuation reports prepared by independent valuation experts, assigned by the Company were understood, - The competence, capability and objectivity of the independent valuation experts assigned by the Company were evaluated, - Valuation methods applied in the valuation reports were evaluated, - The calculation tables included in the valuation reports have been verified for mathematical accuracy. - Regarding the income models included in the valuation reports, the consistency of the projected cash inflows and outflows has been assessed by comparing them with the Company’s budget projections for future periods - Reasonableness of the important judgments and assumptions used in the valuation reports by independent valuation experts assigned by the Company were evaluated together with the independent appraisers assigned by us as the independent auditors by applying the following procedures, - Suitability of market approach method used in valuation studies was evaluated, - Values determined by the independent valuation experts were evaluated whether if they have been within a reasonable range, - The fair values in the valuation reports were compared to the disclosures, the consistency with the valuation reports and the adequacy in accordance with TFRS were checked with the amounts in the disclosures and financial statements.

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

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

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

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

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

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

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

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

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

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

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

Independent Auditor's Report

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

B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 10 February 2026

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

Talar Gül, SMMM
Independent Auditor
Istanbul, 10 February 2026

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As of 31 December 2025 and 2024 Statement of Financial Position (Balance Sheet)

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

		<i>Audited</i>	<i>Audited</i>
	<i>Notes</i>	31 December 2025	31 December 2024
ASSETS			
Current assets		3,557,221,062	4,038,085,084
Cash and cash equivalents	5	237,717,257	445,182,577
Trade receivables	8	99,225,319	109,490,136
<i>Trade receivables from related parties</i>	27	25,289,807	16,001,938
<i>Trade receivables from third parties</i>		73,935,512	93,488,198
Other receivables	9	11,530,566	15,781,147
<i>Other receivables from related parties</i>		11,530,566	15,781,147
Inventories	11	2,532,445,734	3,055,890,043
Prepaid expenses	16	657,217,249	388,492,360
<i>Prepaid expenses to related parties</i>	27	431,901,609	166,635,718
<i>Prepaid expenses to third parties</i>		225,315,640	221,856,642
Other current assets	16	19,084,937	23,248,821
Non-current assets		54,635,549,305	58,343,061,507
Financial investments	6	2,158,803,355	2,500,268,936
Trade receivables	8	--	37,450,104
<i>Other trade receivables from third parties</i>		--	37,450,104
Inventories	11	7,627,079,279	6,951,616,061
Investments accounted for using the equity method	3	55,860,872	48,395,215
Investment properties	10	44,056,930,000	48,144,406,511
Property, plant and equipment	12	509,044,293	496,390,405
Intangible assets	13	16,886,055	16,356,138
Prepaid expenses	16	210,945,451	148,178,137
<i>Prepaid expenses to third parties</i>		210,945,451	148,178,137
TOTAL ASSETS		58,192,770,367	62,381,146,591

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

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

As of 31 December 2025 and 2024 Statement of Financial Position (Balance Sheet)

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

	Notes	<i>Audited</i> 31 December 2025	<i>Audited</i> 31 December 2024
LIABILITIES			
Short-Term Obligations		2,152,372,194	6,460,233,566
Short term loans and borrowings	7	1,011,695,200	2,399,196,664
<i>Loans and borrowings to related parties</i>	27	107,011,091	162,380,114
<i>Loans and borrowings to third parties</i>		904,684,109	2,236,816,550
Short term portion of long term loans and borrowings	7	--	2,888,613,086
<i>Loans and borrowings to related parties</i>	27	--	173,164,023
<i>Loans and borrowings to third parties</i>		--	2,715,449,063
Trade payables	8	125,308,474	187,886,611
<i>Trade payables to related parties</i>	27	76,372,261	114,597,105
<i>Trade payables to third parties</i>		48,936,213	73,289,506
Other payables	9	43,079,412	39,666,287
<i>Other payables to third parties</i>		43,079,412	39,666,287
Liabilities from contracts with customers	17	924,551,511	835,109,326
<i>Contractual obligations from sales of goods and services</i>		924,551,511	835,109,326
Deferred income (Excluding liabilities from contracts with customers)	16	5,812,080	4,146,788
<i>Deferred income from related parties</i>	27	722,597	859,885
<i>Deferred income from third parties</i>		5,089,483	3,286,903
Current Tax Liability	25	7,651,513	--
Short-term provisions		16,286,618	65,588,356
<i>Provisions for employee benefits</i>	15	7,591,614	5,894,596
<i>Other short-term provisions</i>	14	8,695,004	59,693,760
Other short-term liabilities	16	17,987,386	40,026,448
Non-current liabilities		5,790,225,262	4,728,859,163
Long term loans and borrowings	7	--	317,861,103
<i>Loans and borrowings to third parties</i>		--	317,861,103
Long term provisions		18,173,562	15,728,965
<i>Provisions for employee benefits</i>	15	18,173,562	15,728,965
Deferred tax liabilities	25	5,772,051,700	4,395,269,095
EQUITY		50,250,172,911	51,192,053,862
Share capital	18	958,750,000	958,750,000
Adjustment to share capital	18	26,981,861,046	26,981,861,046
Share premium	18	12,770,308	12,770,308
Other comprehensive income that will never be reclassified to profit or loss		161,555,412	145,116,617
<i>Revaluation and classification of gains/losses</i>		179,757,057	163,845,916
<i>Other earnings/losses</i>		(18,201,645)	(18,729,299)
Restricted profit reserves	18	1,125,290,228	1,125,290,228
Retained earnings	18	21,968,265,663	20,800,667,235
Net profit for the period		(958,319,746)	1,167,598,428
TOTAL EQUITY AND LIABILITIES		58,192,770,367	62,381,146,591

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

Statement of Profit or Loss For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

		<i>Audited</i>	<i>Audited</i>
	Notes	1 January- 31 December 2025	1 January- 31 December 2024
Revenue	19	3,126,656,954	5,298,337,127
Cost of sales (-)	19	(1,489,582,374)	(3,499,825,681)
Gross Profit		1,637,074,580	1,798,511,446
General administrative expenses (-)	20	(368,229,492)	(321,685,468)
Marketing expenses (-)	20	(72,321,356)	(90,445,264)
Other operating income	22	1,350,132,514	4,339,809,248
Other operating expenses (-)	22	(1,325,216,773)	(527,571,249)
Operating Profit		1,221,439,473	5,198,618,713
Income from investment activities	22	590,464,012	--
Income from investments accounted by equity method	3	24,158,571	10,046,768
Operating Profit Before Financing Income		1,836,062,056	5,208,665,481
Financial income	23	663,184,197	281,148,292
Financial expenses (-)	23	(1,260,218,177)	(3,541,992,202)
Net monetary position gain/(loss)	24	(635,650,152)	2,512,611,627
Operating Profit Before Tax From Continuing Operations		603,377,924	4,460,433,198
Tax Expense From Continuing Operations	25	(1,561,697,670)	(3,292,834,770)
- Current tax expense		(200,606,712)	--
- Deferred tax expense		(1,361,090,958)	(3,292,834,770)
Profit For The Period		(958,319,746)	1,167,598,428
Earnings/(Loss) Per Share	26	(0,0100)	0,0122

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

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Statement of Other Comprehensive Income For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

		<i>Audited</i>	<i>Audited</i>
	Notes	1 January- 31 December 2025	1 January- 31 December 2024
Period income/(loss)		(958,319,746)	1,167,598,428
Other comprehensive income			
Other comprehensive income that will never be reclassified to profit or loss			
Revaluation and classification of gains/(losses)	12	31,376,651	37,733,367
- Tax effect		(15,465,510)	(73,720,737)
Actuarial gain/(loss) arising from defined benefit plans		753,791	1,691,138
- Tax effect		(226,137)	(507,341)
Other comprehensive income		16,438,795	(34,803,573)
Other comprehensive income/expense		16,438,795	(34,803,573)
TOTAL COMPREHENSIVE INCOME/EXPENSES		(941,880,951)	1,132,794,855

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

Statement of Changes in Equity For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

	Notes	Share capital	Adjustments to share capital	Share premium
Balances as of 1 January 2024		958,750,000	26,981,861,046	12,770,308
Transfers		--	--	--
Total comprehensive income		--	--	--
Prior Period Deferred Tax Effect		--	--	--
Balances as of 31 December 2024	18	958,750,000	26,981,861,046	12,770,308
Balances as of 1 January 2025		958,750,000	26,981,861,046	12,770,308
Transfers		--	--	--
Total comprehensive income		--	--	--
Balances as of 31 December 2025	18	958,750,000	26,981,861,046	12,770,308

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

	Other comprehensive income that will never be reclassified to profit or loss					
	Other earnings/losses	Revaluation and classification of gains/losses	Legal reserves	Retained earning	Net period profit/(loss)	Equity
	(19,913,096)	199,833,286	1,072,263,526	15,964,409,132	5,917,491,051	51,087,465,253
	--	--	53,026,702	5,864,464,349	(5,917,491,051)	--
	1,183,797	(35,987,370)	--	--	1,167,598,428	1,132,794,855
	--	--	--	(1,028,206,246)	--	(1,028,206,246)
	(18,729,299)	163,845,916	1,125,290,228	20,800,667,235	1,167,598,428	51,192,053,862
	(18,729,299)	163,845,916	1,125,290,228	20,800,667,235	1,167,598,428	51,192,053,862
	--	--	--	1,167,598,428	(1,167,598,428)	--
	527,654	15,911,141	--	--	(958,319,746)	(941,880,951)
	(18,201,645)	179,757,057	1,125,290,228	21,968,265,663	(958,319,746)	50,250,172,911

Statement of Cash Flow

For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

	Notes	Audited	Audited
		1 January - 31 December 2025	1 January - 31 December 2024
A. Cash flows from operating activities			
Net profit for the period		(958,319,746)	1,167,598,428
Profit adjustments for:			
Adjustments to depreciation and amortization	12, 13	28,822,952	27,481,443
Adjustments to impairment or cancelation		458,481,653	72,986,512
- Adjustments to impairment of receivables	8	(186,863)	946,825
- Adjustments to impairment of inventories	11	458,668,516	72,039,687
Adjustments for provisions		9,340,454	9,759,312
- Adjustments to provision for employee severance indemnity		9,340,454	9,759,312
Adjustments for (gain)/losses on fair value		(1,514,416,735)	(3,999,449,158)
- Adjustments to (gain)/losses on fair value of investment property	10	(1,331,030,449)	(4,226,999,497)
- Adjustments to (gain)/losses on fair value of financial assets	22	(183,386,286)	227,550,339
Adjustments for retained earnings of investments valued by equity method		(24,158,571)	(10,046,768)
- Adjustments for retained earnings of subsidiaries	3	(24,158,571)	(10,046,768)
Adjustments for tax income/(expense)		1,561,697,670	4,321,041,017
Other adjustments for non-cash items		--	(1,028,206,246)
Adjustments for losses/(gains) due to disposal of investment properties	21	435,035,120	(101,854,381)
Adjustments to interest income and expense		655,833,863	3,328,824,548
- Adjustments to interest income	5,23	(595,247,783)	(195,932,699)
- Adjustments to interest expense	23	1,251,081,646	3,524,757,247
Adjustments to foreign exchange differences		(1,457,808)	(9,892,124)
Adjustments to monetary gain/(loss)		(1,031,966,188)	(2,933,409,684)
Operating profit from before the changes in working capital		(381,107,336)	844,832,899
Changes in working capital			
Changes in trade receivables		50,571,989	303,535,214
- Changes in trade receivables from related parties		(9,287,869)	(4,051,612)
- Changes in trade receivables from third parties		59,859,858	307,586,826
Changes in other receivables		4,250,581	17,950,056
- Changes in other receivables from third parties		4,250,581	17,950,056
Changes in inventories		(610,687,425)	670,473,898
Changes in prepaid expenses		(331,492,203)	55,521,768
Changes in trade payables		(62,578,137)	(268,623,142)
- Changes in trade payables from related parties		(38,224,844)	46,283,665
- Changes in trade payables from third parties		(24,353,293)	(314,906,807)
Changes in other payables		3,413,125	(38,190,605)
- Changes in other payables from third parties		3,413,125	(38,190,605)
Changes in liabilities from contracts with customers		89,442,185	(785,516,842)
- Changes in contractual obligations from sales of goods and services		89,442,185	(785,516,842)
Changes in deferred income (Excluding liabilities from contracts with customers)		1,665,292	1,467,574
Other changes in working capital		(68,873,934)	149,606,976
- Changes in other assets		4,163,884	166,599,614
- Changes in other liabilities		(73,037,818)	(16,992,638)
		(1,305,395,863)	951,057,796
Cash generated from operating activities			
Employee termination benefits paid	15	(1,367,108)	(10,383,870)
Interests received	5,23	595,562,044	270,813,353
Tax Refunds (Payments)		(192,955,199)	--
Net cash provided by/(used in) operating activities		(904,156,126)	1,211,487,279
B. Cash flows from investment activities			
Cash outflows from participation (profit share) and other financial instruments		(495,604,529)	--
Cash inflows from participation (profit share) and other financial instruments		429,992,384	--
Cash inflows arising from sales of investment properties		8,545,216,688	3,790,683,437
Cash outflows arising from purchase of investment properties	10	(3,561,744,849)	(1,417,414,819)
Other cash outflows		--	(19,633,844)
Cash inflows arising from sales of tangible and intangible assets		1,843,793	1,781,905
- Cash inflows arising from sales of tangible assets		1,843,793	1,781,905
Cash outflows arising from purchases of tangible and intangible assets	12, 13	(12,473,899)	(5,945,427)
- Cash outflows arising from purchases of tangible assets		(9,636,007)	(1,236,058)
- Cash outflows arising from purchases of intangible assets		(2,837,892)	(4,709,369)
Dividends received		602,010,527	7,575,314
Net cash used in investing activities		5,509,240,115	2,357,046,566
C. Cash flows from financing activities			
Borrowings received	7	2,496,434,820	5,408,687,443
Borrowings paid	7	(5,854,117,666)	(6,295,494,688)
Interest paid	7	(1,482,018,407)	(3,444,255,821)
Net cash provided by financing activities		(4,839,701,253)	(4,331,063,066)
Increase/(decrease) in cash and cash equivalents before effect of changes in foreign currency rates			
Effect of changes in foreign currency rates over cash and cash equivalents		1,457,808	9,892,124
Net increase/(decrease) in cash and cash equivalents		(233,159,456)	(752,637,097)
Cash and cash equivalents at the beginning of the period	5	444,613,010	1,131,525,692
Net monetary gain/(loss) in cash and cash equivalents		26,008,397	65,724,415
Cash and cash equivalents at the end of the period	5	237,461,951	444,613,010

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

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

1. Organization and operations of the Company

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("the Company") was established on 6 August 1999 by İş Gayrimenkul Yatırım ve Proje Değerlendirme Anonim Şirketi taking over all assets and liabilities of İş Gayrimenkul Yatırım ve Proje Değerlendirme Anonim Şirketi and Merkez Gayrimenkul Yatırım ve Proje Değerlendirme Anonim Şirketi, both of which operated separately and were established in 1998. The Company is a subsidiary of Türkiye İş Bankası Anonim Şirketi ("İş Bankası"). The Company's registered address is at İş Kuleleri Kule 2 Kat 10, 11 Levent İstanbul/Turkey.

The main objective and operations of the Company are to engage in activities regulated by the Capital Markets Board of Turkey ("CMB") related with the Real Estate Investment Corporations such as; properties, property oriented capital market instruments, real estate projects and investing in capital market instruments. Compliance to the CMB's regulations and related legislation are taken as a basis for the Company's operations, portfolio investment policies and management limitations.

The company's shares have been traded on the Borsa İstanbul Anonim Şirketi (formerly known as the Istanbul Stock Exchange) ("BIST") since 1999.

As of 31 December 2025, the Company has 75 employees (31 December 2024: 72).

Kanyon Yönetim İşletim ve Pazarlama Limited Şirketi ("Kanyon") was established on 6 October 2004 by both 50% equal participations of the Company and Eczacıbaşı Holding Anonim Şirketi ("Eczacıbaşı Holding"). However, Kanyon is converted to Joint Stock Company status as at 5 June 2015. The main objective and operations of the jointly controlled entity are the management of the residences, offices and shops; providing cleaning, maintenance, security, basic environmental set up and similar activities as well as acting as an agent in the introduction and marketing of the projects of the complexes, including property letting and sale.

2. Basis of presentation of financial statements

2.1 Basis of presentation

Statement of compliance

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

The financial statements as of 31 December 2024 were approved by the Board of Directors on 14 February 2025 and signed on behalf of the Board of Directors. The General Assembly and the legal authorities have the authority to amend the statutory financial statements and these financial statements.

Additional paragraph for convenience translation into English

The differences between accounting principles, as described in the preceding paragraphs, and the accounting principles generally accepted in countries, in which the accompanying financial statements are to be distributed may have significant influence on the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with the accounting principles generally accepted in such countries.

Preparation of financial statements

The accompanying financial statements have been presented in accordance with the TAS taxonomy announced by POA as of 4 July 2024.

Functional and presentation currency

The financial position and the results of the Company's operations have been expressed in Turkish Lira ("TRY") which is the functional currency of the Company and which is the presentation currency of the financial statements.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Principles of measurement

The financial statements have been prepared based on historical cost except for assets that are measured at fair value.

Preparation of financial statements in Hyperinflationary Periods

With the statement made by the Public Oversight Accounting and Auditing Standards Authority (KGG) on 23 November 2023, entities who applies TFRS on their financial statements will be subject to inflation accounting accordance with TMS 29 Financial Reporting Standard in High Inflation Economies, starting from the annual reporting period ending on or after 31 December 2023. IAS 29 applies to the financial statements of entities whose functional currency is the currency of a hyperinflationary economy.

The accompanying financial statements are prepared on the historical cost basis, except for financial investments measured at fair value and investment properties measured at revalued amounts. The previously mentioned financial statements and all comparative amounts from previous periods have been adjusted according to the changes in the general purchasing power of the Turkish Lira in accordance with TMS 29 and are finally expressed in terms of the purchasing power of the Turkish Lira as of 31 December 2025.

The restatements made in accordance with TMS 29 were made using the correction coefficient obtained from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute ("TÜİK").

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

Date	Index	Cumulative three-year inflation rate	Adjustment coefficient
31 December 2025	3,513.87	211%	1,00000
31 December 2024	2,684.55	291%	1,30892
31 December 2023	1,859.38	268%	1,88980

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

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provision of TAS 36, TAS 40 and TAS 2 were applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant conversion coefficients.
- All items included in the income statements and other comprehensive income statements, except the cost of sales (excluding investment properties' costs), fair value increases/decreases of investment properties, depreciation expense, and profit/loss on asset sales, have been adjusted using the relevant monthly conversion factors. Cost of sales, depreciation expense, asset sale profit/loss items, fair value increases/decreases of investment properties have been recalculated on the basis of adjusted balance sheet items using conversion factors.
- All items in the statement of cash flows are expressed in the measurement unit in effect at the end of the reporting period.
- The effect of inflation on the Company's net monetary position is included in the statements of income as monetary gain or loss.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Interest in Joint Arrangements

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

Jointly controlled entity which is constituted as Kanyon is accounted for using the equity method in the accompanying financial statements. Under the equity method, investments in the jointly controlled entities are carried in the statement of financial position at cost plus post acquisition changes in the Company's share of net assets of the jointly controlled entity and the comprehensive income reflects the share of the results of operations of the jointly controlled entities. Where there has been a change recognized directly in the equity of the jointly controlled entities, the Company recognizes its share of any changes and discloses this based on IAS 28 "Investment in Associate and Joint Ventures", when applicable, in the statement of changes in equity.

The financial statements of jointly controlled entity were prepared by using same accounting policies and periods to confirm with the Company's financial statements.

Foreign currency transactions

Transactions in foreign currencies are translated to TRY at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to TRY at the exchange rate at that date. Foreign currency differences arising on retranslation and gains and losses from foreign currency transactions are recognized in profit or loss.

The valuation principles applied, and the presentation of accounting policies have been consistently applied in all period information. Significant changes in accounting policies and significant accounting errors identified are applied retrospectively and the prior period financial statements are restated.

2.2 Changes in accounting policies and estimates

The changes in estimates of accounting are about only one period, when the change is made, are about future, prospectively applied by including future periods. There is no change in accounting estimates in the current period. Determined significant accounting estimates errors are applied retrospectively and restated prior financial statements.

2.3 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the financial statements as of 31 December 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of 1 January 2025 and thereafter. The effects of these standards and interpretations on The Company's financial position and performance have been disclosed in the related paragraphs.

i) The new standard, amendments and interpretations which are effective as of 1 January 2025 are as follows:

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

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

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

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

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments; effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

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

- **Annual improvements to IFRS - Volume 11;** effective from annual periods beginning on or after 1 January 2026 (earlier application permitted). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

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

Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity; effective from annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required. These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.

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

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

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

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

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

- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

For the year ending December 2025, disclosures should include:

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

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

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

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

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

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

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

c. Consider alignment with other public communications.

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

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

not only the end of the reporting period.

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

IFRS 19 Subsidiaries without Public Accountability: Disclosures' and amendment; effective from annual periods beginning on or after 1 January 2027. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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

IFRS 19 Subsidiaries without Public Accountability: Disclosures'; with these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable. These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:

- IFRS 18 Presentation and Disclosure in Financial Statements;
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);
- Lack of Exchangeability (Amendments to IAS 21); and

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

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

2.4 Summary of significant accounting policies

Significant accounting policies applied for the preparation of the accompanying financial statements are as follows:

2.4.1 Accounting for income and expenses

Revenue

The company recognizes revenue in the financial statements when it satisfies a performance obligation by transferring a promised good or service to the customer, or as the obligation is satisfied. The asset is considered transferred when control of the asset passes to the customer (or as control is passed).

The company recognizes revenue in the financial statements in accordance with the following 5 key principles:

- a) Identification of contracts with customers,
- b) Identification of performance obligations in the contracts,
- c) Determination of the transaction price in the contracts,
- d) Allocation of the transaction price to the performance obligations in the contracts,
- e) Recognition of revenue when each performance obligation is satisfied.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

The company recognizes a contract with its customer as revenue when all of the following conditions are met. The parties to the contract have approved the contract (in writing, orally, or in accordance with other commercial customs) and have committed to performing their obligations:

- The company is able to identify each party's rights regarding the goods or services to be transferred,
- The company is able to identify the payment terms for the goods or services to be transferred,
- The contract is commercial in nature,
- It is probable that the company will collect the amount of consideration to be received for transferring the goods or services to the customer.

When evaluating the collectability of an amount, the company considers only the customer's ability and intention to pay the amount when due. At the start of the contract, the company evaluates the goods or services promised in the contract with the customer and defines each promise to transfer goods or services to the customer as a performance obligation.

At the start of the contract, the company evaluates the goods or services promised in the contract with the customer and defines each promise to transfer goods or services to the customer as a performance obligation in the following way:

- a) A distinct good or service (a bundle of goods or services), or
- b) A series of distinct goods or services that are substantially the same and are transferred to the customer in the same manner.

A series of distinct goods or services is subject to the same transfer method when all of the following conditions are met:

- a) Each distinct good or service in the series constitutes a performance obligation that will be satisfied over time by meeting the necessary conditions, and
- b) In accordance with the relevant paragraphs of the standard, the company uses the same method to measure progress towards complete satisfaction of the performance obligation for each distinct good or service in the series

Rent income from investment properties under operating leases

Rent income generated during the period from investment properties is recognized on an accrual basis. Revenue can only be realized if the amount is reliably measured and the inflow of the economic benefits related with the transaction to the Company is probable. Revenue is recognized as the fair value of the consideration amount received or receivable.

Income from expenses made for investment properties invoiced to tenants is recognized in the period when the service is provided by the Company.

Revenue from sale of investment property

Revenue is recognized when the significant risks and rewards of ownership of the investment property are transferred to the buyer and the amount is reliably measured. Revenue is recognized when and only when the Company transfers the significant risks and rewards of ownership of the goods to the buyer, retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue and cost of sales are recognized once the sales contracts of the projects are in line with the above stated criteria.

Interest income and expenses

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

If borrowing costs are totally related with an investment property in progress, these borrowing costs are included in the cost of mentioned investment property. Other borrowing costs are recognized through profit or loss by using the effective interest rate.

Other income and expenses

Other income and expenses are recognized on an accrual basis.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

2.4.2 Investment property

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

Terrains and buildings which hired to use for production of goods and services or administrative use or to be sold or rented in the ordinary course of business or in the purpose of appreciation, or for both are classified as investment properties and are evaluated by fair value measurement. Profit or loss that inflicting by a change in the fair value of an investment property, is included to the profit and loss statement in its consisting time (Note 22).

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

Management considers level of completion of construction, comparability of constructional project in market, identifiability of cash flows credibly which are following completion of construction, risks of real estate property, backgrounds and reconstruction permits of other construction which has same qualifications for faithfully evaluation of fair value of real estate properties which are under construction.

2.4.3 Tangible assets

As of 31 December 2004 the Company were reflecting tangible assets purchased before 1 January 2005 on cost restated for the effects of inflation. In the following period were reflecting purchase cost, after allocating accumulated depreciation and permanent impairment provisions to the financial statements. Due to the changes in accounting policies since 30 September 2015, valuation of real estate in use recorded under tangible fixed assets was amended from cost model to the revaluation model in accordance with "TAS 16- Tangible Assets".

Offices held for administrative purposes are expressed at their revalued amounts. The increase resulting from the revaluation of the buildings in question is recorded in the revaluation fund in equity. The increase in value resulting from revaluation is recorded in the statement of profit or loss in the event of a decrease in the value of the property, plant and equipment previously shown in the statement of profit or loss, in proportion to the said decrease in value. The decrease in the book value resulting from the revaluation of the mentioned buildings is recorded in the statement of profit or loss if the asset exceeds the balance in the revaluation fund related to the previous revaluation.

Depreciation of revalued buildings is included in the statement of profit or loss. Unless the asset is derecognized, no transfer is made from the revaluation fund to undistributed profits.

Property, plant and equipment other than buildings are shown at cost, less accumulated depreciation and accumulated impairment losses.

Cost of a tangible asset represents all cash outflows directly attributable to purchase of an asset and includes capitalized borrowing costs if any.

If the components of a tangible asset have different useful lives, these components (essential parts) must be recognized separately.

Gains and losses of sale of a tangible asset is determined by offsetting the carrying value with recovered amount and recognized through profit or loss in the other operating income/loss account.

Depreciation

Tangible assets are depreciated principally on a straight-line basis considering estimated useful lives, acquisition and assembly dates. Estimated useful lives are summarized below:

Buildings	50 year
Machinery and equipment	4-5 year
Vehicles	4-5 year
Assets	3-5 year

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Subsequent costs

Expenditures incurred to replace a component of tangible assets that is accounted for separately, including major inspection and overhaul costs, are capitalized. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

2.4.4 Intangible assets

Intangible assets acquired before 1 January 2005 are carried at restated cost; and subsequent purchases are carried at cost, less accumulated amortization and impairment.

Amortization

Intangible assets are amortized principally on a straight-line basis considering the estimated useful lives. Related intangible assets are amortized when they are ready to use. The expected useful lives of intangible assets are 3-5 years.

2.4.5 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If an asset's or cash generating unit's recoverable amount is less than its carrying value, the value of this asset or cash generating unit is discounted to recoverable amount. Impairments are recognized through profit or loss.

2.4.6 Inventories

Inventories are measured at the lower of cost or net realizable value. Inventories comprise of construction costs of housing units (completed and in-progress) and the costs of land used for these housing projects. Cost elements included in inventory are purchase costs, conversion costs and other costs necessary to prepare the asset for its intended use. Unit costs of the inventories are valued at the lower of cost or net realizable value. Housing units which are completed and ready for delivery to customers together with work-in progress costs for housing units which will be completed within a year are classified as short term inventories, and which will not be completed within a year are classified as long term inventories in the financial statements.

2.4.7 Financial instruments

i) Financial assets

Classification

The Company classifies its financial assets in three categories of financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

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Recognition and Measurement

"Financial assets measured at amortized cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Company's financial assets measured at amortized cost comprise "cash and cash equivalents", "trade receivables" and "other receivables". Financial assets carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of nonderivative financial assets measured at amortized cost are accounted for under the statement of income.

"Financial assets measured at fair value through other comprehensive income", are non-derivative assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified to retained earnings. The Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. In such cases, dividends from those investments are accounted for under statement of income.

"Financial assets measured at fair value through profit or loss", are assets that are not measured at amortized cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the statement of income.

Derecognition

The Company derecognized a financial asset when the contractual rights to the cash flows from the asset expired, or it transferred the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Company was recognized as a separate asset or liability.

Impairment

- Impairment of the financial and contractual assets measured by using "Expected credit loss model" (ECL). The impairment model applies for amortized financial and contractual assets. Provision for loss measured as below;
- 12- Month ECL: results from default events that are possible within 12 months after reporting date.
- Lifetime ECL: results from all possible default events over the expected life of financial instrument. Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since 12 month ECL measurement if it has not.

The Company may determine that the credit risk of a financial asset has not increased significantly if the asset has low credit risk at the reporting date. However lifetime ECL measurement (simplified approach) always apply for trade receivables and contract assets without a significant financing

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Trade Receivables

Trade receivables are carried at amortized rate method, less the unearned financial income. Short duration receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant. The Company has preferred to apply "simplified approach" for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 12 months). In accordance with the simplified approach, the Company measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

If the amount of the impairment subsequently decreases due to an event occurring after the writedown, the release of the provision is credited to general administrative expenses.

Unearned finance income/expense due to commercial transactions are accounted for under "Other Operating Income/ Expenses" in the statement of income or loss.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash, bank deposits with maturity periods of less than three-months and other highly liquid short-term investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. The carrying values of these assets are close to their fair values.

Reverse repurchase agreements

Marketable securities held as part of resale agreement commitments ("reverse repo") are accounted for under cash and cash equivalents in the statement of financial position. The difference between purchase and resale prices is accounted for as interest and amortized during the period of the agreement.

ii) Financial liabilities

Financial liabilities are recognized with fair values in initial registration date. Financial liabilities are recognized with their acquisition costs including transaction costs and evaluated through amortized costs depending on the method of active interest rate. In case of enforcing, cancelling or abolishing the obligations based on the agreement; the Company deducts aforesaid financial obligations from registrations.

iii) Non-derivative financial obligations

Trade and other payables

Trade and other payables are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Short-term debts that do not have a set interest rate are shown at cost values, if the effect of the original effective interest rate is not too large.

iv) Paid-in capital

Ordinary shares

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

2.4.8 Offsetting

Financial assets and liabilities are offset when the Company has a legally enforceable right to set off, and when the Company has the intention of collecting or paying the net amount of related assets and liabilities or when the Company has the right to offset the assets and liabilities simultaneously.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

2.4.9 Effects of foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates on the dates of the transactions. The Company's financial statements and operation results are presented in TRY which is effective currency and presentation currency of the Company.

Monetary assets and liabilities based on foreign currency included in the statement of financial position have been converted to TRY using spot exchange rates at the end of the reporting period. Foreign exchange income or expenses arising from the translation of transactions denominated in foreign currencies into TRY or the expression of monetary items are reflected in the profit or loss statement for the relevant period.

2.4.10 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, such as investment property, are capitalized as part of the cost of that asset.

All other borrowing costs are recorded in the profit or loss in the period in which they are incurred.

2.4.11 Earnings per share

Earnings per share is calculated by dividing profit or loss by the weighted average number of ordinary shares outstanding during the period. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held (Note 26).

In Turkey, companies can raise their share capital by distributing "bonus shares" to shareholders from retained earnings. In computing earnings per share, such "bonus share" distributions are assessed as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

2.4.12 Events after the reporting period

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

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

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

2.4.13 Provisions, contingent assets and liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. If the related criteria not met, obligations must be disclosed in the notes to the financial statements.

If there is a probable cash inflow for an economic benefit, contingent asset must be disclosed in the notes to the financial statements. 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 recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

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2.4.14 Taxation

Corporate tax

According to Article 5/1(d) ⁽⁴⁾ of the New Corporate Tax Law No. 5520 ("CTV"), the income of Real Estate Investment Trusts ("REIT") is exempt from Corporate Tax in Türkiye.

With the Law No. 7524, certain conditions have been introduced for the exemption from corporate tax on the profits of REITs starting from 1 January 2025. Accordingly, when at least 50% of the gains derived from real estate are distributed as dividends, a tax rate of 10% will be applied to the corporate profit. Therefore, a tax rate of 30% will be used for the calculation of current taxes and deferred tax assets and liabilities for undistributed profits.

Deferred tax

Due to tax regulations, as of 31 December 2024, taxable or deductible temporary differences recognized in the financial statements have been multiplied by the 30% tax rate effective from 1 January 2025, to calculate the deferred tax liability or asset. In accordance with the letter titled 'Reporting of Tax Amounts in Real Estate Investment Trusts and Real Estate Investment Funds' sent to Real Estate Investment Trusts by the KGK on 12 February 2025, the deferred tax liability arising from the legislative change in the financial statements as of 31 December 2024, is reflected as follows: the effect related to the years 2023 and prior is recorded under equity as retained earnings or losses from previous years, while the effect related to 2024 is reflected in the profit or loss statement.

2.4.15 Employee benefits/Retirement pay provisions

In accordance with TAS 19 all actuarial gains and losses are recognized in other comprehensive income.

The most important change in new TAS 19 is related to the accounting for the defined benefit obligations effective from 31 December 2012.

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

The retirement benefit obligation recognized in the financial statements represents the present value of the defined benefit obligation. All actuarial gains and losses have been recognized in the statement of other comprehensive income.

2.4.16 Share capital and dividends

Common shares are classified as equity. Expenses directly attributable to the issuance of common shares and share options are recognized in equity with net of tax. Dividends on common shares are recognized in equity in the period in which they are approved and announced.

2.4.17 Related parties

For the purpose of the accompanying financial statements, the shareholders, key management personnel and the Board members, and in each case, together with their families and companies controlled by/affiliated with them; and investments are considered and referred to as the related parties. Shareholders and the Company's management are also included in the related parties. Related party transactions include the transfer of the assets and liabilities between institutions with or without a charge.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

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2.4.18 Leasing

Finance leasing is a leasing method which most of the risks and rewards transferred to lessee. All other leasing activities are classified as operational leasing.

The Company, as lessor in the operational lease transactions

Operational lease income is recognized in the profit or loss on a straight-line basis for the whole lease period in the agreement.

The Company, as lessee in the operational lease transactions

Operating lease expenses are recorded in the profit or loss statement by linear method during the lease period. The direct initial costs incurred in the realization and negotiation of the lease are likewise included in the cost of the leased asset and are amortized for the duration of the lease by the linear method.

The Company, as lessee in the finance lease transactions

Tangible assets acquired by finance leasing are recognized both as an asset and liability in the statement of financial position of the Company. The value of these assets is determined as lower of fair value or present value of future lease payments. Financial costs arising from leasing transactions are distributed in a fixed rate through the lease agreement period.

2.4.19 Statement of cash flows

The Company presents statement of cash flows as an integral part of other financial statements to inform the users of financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows under new conditions. Cash and cash equivalents are comprised of cash, receivables from reverse repos and time deposits with maturity shorter than three months.

2.4.20 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are regularly reviewed by the Company Management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

2.5 Basis of presentation of financial statements

The information included in the footnote titled "Control of Compliance with Portfolio Limitations" is in the nature of summary information derived from financial statements in accordance with the CMB's Communiqué Serial: II No: 14.1 "Principles of Financial Reporting in the Capital Markets". This information was published in the Official Gazette numbered 28660 on 28 May 2013, Serial: III, No: 48.1 "Communiqué on Principles Regarding Real Estate Investment Trusts"; The Communiqué on the Amendment of the Communiqué, Serial: III, No: 48.1a, published in the Official Gazette No. 28891 on 23 January 2014, and published in the Official Gazette No. 31269 on 9 October 2020, Serial: III No: Amendments to the Communiqué No. 48.1.e on "Principles Regarding Real Estate Investment Trusts". It has been prepared within the framework of the provisions of the Communiqué on the control of compliance with portfolio limitations.

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Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

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2.6 Accounting estimates

Preparation of financial statements requires the use of assumptions and estimates that might affect the amounts of assets and liabilities reported as of balance sheet date, explanation of the conditional assets and liabilities and amounts of the income and expenses reported throughout the accounting period. Accounting evaluations, estimates and assumptions are evaluated taking into consideration past experience, other factors, current conditions and reasonable expectations for future events. Such evaluations and estimates might differ from actual consequences, even though they are based on the best knowledge of the management about current events and transactions. The main notes on which estimates are used are as follows:

- Note 10 Investment property
- Note 11 Inventories
- Note 14 Provision for litigation
- Note 15 Provisions for employee benefits

The Company preferred to apply the revaluation provisions within the scope of paragraph (Ç) of the provisional Article 298 of the Tax Procedure Law during the reporting period and revalued its depreciable assets in its statutory financial statements. Deferred tax effects arising from the temporary differences resulting from such revaluation transactions recognized in the statutory financial statements have been calculated and reflected in the financial statements prepared in accordance with Turkish Financial Reporting Standards ("TFRS").

In the recognition of the deferred tax asset/liability arising from the revaluation, the Company's management has based its assessment on the assumption that the related assets are not planned to be disposed of in the foreseeable future.

3. Equity accounted investees

The investments that are valued using equity method are shown in the financial statements of the Company by using equity method. Company's business partnerships that valued according to equity method are listed below:

	Ownership rate (%)	31 December 2025	Ownership rate (%)	31 December 2024
Kanyon	50	55,860,872	50	48,395,215
		55,860,872		48,395,215

The summarized financial statements information of the jointly control entities under the equity method are listed below:

Kanyon	31 December 2025	31 December 2024
Current assets	324,658,920	218,166,529
Non-current assets	9,123,647	3,683,317
Short-term liabilities	(205,959,819)	(110,089,857)
Long-term liabilities	(16,101,004)	(14,969,559)
Net assets	111,721,744	96,790,430

Kanyon	1 January - 31 December 2025	1 January - 31 December 2024
Income for the period	1,151,256,566	1,179,799,962
Expense for the period (-)	(1,102,939,424)	(1,159,706,426)

The Company recognized profit amounting to TRY 24,158,571 resulting from consolidation of Kanyon with equity method for the year ended 31 December 2025 (31 December 2024: TRY10,046,768) in the accompanying statement of profit and loss.

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4. Operating segments

Each segment of the Company is managed by the Company's management on project basis. Allocation of the resources to the segments is also managed on project basis.

	Ankara İş Kule Building	İstanbul İş Kuleleri Complex	Maslak Office Building	Mugla Marmaris Mallmarine Shopping Mall	İstanbul Kanyon Shopping Mall	İstanbul Marmara Park Shopping Mall	Taksim Office Lamartine
31 December 2025							
Sales revenue							
Rent income	12,192,074	603,418,830	4,691,151	8,413,529	414,933,596	--	16,803,302
Income from sales of residential units	--	--	--	--	--	--	--
Income from right of construction	--	--	--	--	--	74,024,661	--
Income fees and service	--	3,961	593,392	--	931,242	--	--
Other income	--	1,740,634	--	--	3,593,752	--	136,336
Real estate revenues	12,192,074	605,163,425	5,284,543	8,413,529	419,458,591	74,024,661	16,939,638
Cost of sales of residential units							
Administrative expense	--	43,252,191	1,541,063	--	82,005,414	--	1,465,285
Tax and duty and other charges	2,188,077	13,495,354	967,636	207,831	7,949,387	--	681,451
Insurance expense	957,829	8,723,462	591,254	310,268	3,865,998	--	161,567
Other	260,088	3,280,597	1,010,729	127,061	186,059	--	740,595
Cost of Sales	3,405,994	68,751,605	4,110,681	645,161	94,006,858	--	3,048,899
Gross Profit	8,786,080	536,411,820	1,173,862	7,768,368	325,451,733	74,024,661	13,890,739
Capital investments	--	105,129,407	--	--	20,221,744	--	1,172,622

(*) Of the total amount, TRY1,146,663,583 relates to the acquisition of the İzmir Şehitler Land, TRY406,367,294 relates to the acquisition of the İçerenköy Office Buildings, and TRY 672,729,799 relates to the acquisition of the Parmakkapı Service Building.

Tuzla Technology and Operation Center	Tuzla Square Bazaar	Izmir Ege Perla Shopping Mall	Izmir Konak Residence/ Office	Eagle Landscape Islands	Litus İstanbul Altunizade	Other Real Estate	Total
548,944,699	11,457,011	69,563,067	52,844,745	1,387,914	--	22,613,019	1,767,262,938
--	--	--	--	340,179,372	926,626,605	--	1,266,805,977
--	--	--	--	--	--	--	74,024,661
--	--	9,272,871	--	--	--	--	10,801,466
--	4,634	2,261,309	--	25,246	--	--	7,761,912
548,944,699	11,461,645	81,097,248	52,844,745	341,592,532	926,626,605	22,613,019	3,126,656,954
--	--	--	--	295,562,733	872,630,611	--	1,168,193,343
3,628,632	7,220,142	72,963,205	--	5,716,944	--	5,304,134	223,097,010
2,901,529	3,000,005	4,688,010	8,160	1,629,117	14,433	6,765,147	44,496,137
18,317,050	--	6,992,517	4,273	365,119	--	594,133	40,883,470
1,135,859	483,488	540,816	954,863	3,441,968	284	750,008	12,912,414
25,983,069	10,703,635	85,184,548	967,296	306,715,880	872,645,328	13,413,422	1,489,582,374
522,961,630	758,010	(4,087,300)	51,877,449	34,876,652	53,981,277	9,199,597	1,637,074,580
1,913,765	--	6,704,612	1,182,710,780	--	907,693,737	3,270,312,071^(*)	5,495,858,738

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

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	Ankara İş Tower Building	İstanbul Business Towers Complex	Maslak Office Building	Mugla Marmaris Mallmarine Shopping Mall	İstanbul Kanyon Shopping Center	İstanbul Marmara Park Shopping Mall	Taksim Office Lamartine
31 December 2024							
<u>Sales revenue</u>							
Income from sales of residential units	--	--	--	--	--	--	--
Rent income	24,344,014	383,903,656	3,526,435	7,897,972	386,679,873	--	44,721,642
Income from right of construction	--	--	--	--	--	282,876,311	--
Income fees and service	--	196,248	881,325	--	603,569	--	--
Other income	6,379	1,011,637	--	21,220	5,099,298	--	45,517
Real estate revenues	24,350,393	385,111,540	4,407,761	7,919,192	392,382,740	282,876,311	44,767,160
<u>Cost of sales of residential units</u>							
Administrative expense	--	58,942,830	2,559,328	--	83,050,301	--	182,490
Tax and duty and other charges	1,625,635	13,310,039	1,064,155	229,754	8,689,562	79,021,273	744,412
Insurance expense	894,452	10,438,066	530,079	277,250	6,696,321	--	--
Other	193,992	236,975	105,242	58,290	1,313,699	371,815	--
Cost of Sales	2,714,079	82,927,910	4,258,803	565,294	99,749,883	79,393,088	926,902
Gross Profit	21,636,314	302,183,630	148,958	7,353,898	292,632,857	203,483,223	43,840,258
Capital investments	1,022,493	1,306,487,055	209,970	--	10,909,225	--	--

Tuzla Technology and Operation Center	Tuzla Square Bazaar	Izmir Ege Perla Sgeçmiş rhopping Mall	Izmir Ege Perla	Eagle Landscape Islands	Litus İstanbul Altunizade	Other Real Estate	Total
--	--	--	10,592,769	127,498,751	3,398,539,447	296,811	3,536,927,778
544,831,956	9,449,980	52,510,912	418,001	885,770	--	--	1,459,170,212
--	--	--	--	--	--	--	282,876,311
--	--	6,712,580	3,373,722	--	--	--	11,767,444
--	4,977	1,403,635	--	1,819	--	901	7,595,382
544,831,956	9,454,957	60,627,128	14,384,491	128,386,339	3,398,539,447	297,712	5,298,337,127
--	--	--	6,144,221	65,802,769	3,010,019,432	5,638,255	3,087,604,677
--	10,377,140	71,220,208	71,156	4,114,193	5,830,722	41,401	236,389,767
419,370	6,124,789	3,923,271	94,692	677,696	655,468	132,340	116,712,456
20,253,576	1,141,046	2,955,260	8,467,349	410,580	--	282,816	52,346,795
--	--	333,027	189,403	30,926	--	3,938,617	6,771,986
20,672,946	17,642,975	78,431,766	14,966,821	71,036,164	3,016,505,622	10,033,429	3,499,825,681
524,159,010	(8,188,018)	(17,804,638)	(582,330)	57,350,175	382,033,825	(9,735,717)	1,798,511,446
2,211,799	--	4,470,329	--	1,964,698	1,435,282,525	1,103,141,460	3,868,319,918

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Reconciliations on revenues, assets and liabilities

	1 January- 31 December 2025	1 January- 31 December 2024
Sales Revenue		
Segment revenue	3,126,656,954	5,298,337,127
Total Revenue	3,126,656,954	5,298,337,127
Cost of sales		
Segment costs	(1,489,582,374)	(3,499,825,681)
Total cost of sales	(1,489,582,374)	(3,499,825,681)
Assets	31 December 2025	31 December 2024
Segment assets	54,216,455,013	58,151,912,615
Other assets	99,225,319	146,940,240
Non-segment related assets	3,877,090,035	4,082,293,736
Total assets	58,192,770,367	62,381,146,591
Liabilities	31 December 2025	31 December 2024
Segment liabilities	7,739,749,390	10,880,222,510
Other liabilities	202,848,066	308,870,219
Total liabilities	7,942,597,456	11,189,092,729

5. Cash and cash equivalents

	31 December 2025	31 December 2024
Time deposits	236,171,064	434,875,867
Demand deposits	1,546,193	10,044,926
Other cash equivalents	--	261,784
	237,717,257	445,182,577
Interest accrued on cash and cash equivalents	(255,306)	(569,567)
Total cash and cash equivalents in the statement of cash flows	237,461,951	444,613,010

Time Deposits:

Currency	Interest rate	Maturity	31 December 2025
TRY	39.50%	January 2026	236,171,064
			236,171,064

Time Deposits:

Currency	Interest rate	Maturity	31 December 2024
TRY	46.75%-48.00%	January 2025	434,875,867
			434,875,867

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

6. Financial investments

Long-term financial investments

Long-term financial investments	31 December 2025	31 December 2024
Financial assets at fair value through profit or loss		
İş Portföy Yönetimi A.Ş. Second Real Estate Investment Fund	1,944,837,309	1,904,396,794
100th Anniversary Venture Capital Investment Fund	213,966,046	595,872,142
Total	2,158,803,355	2,500,268,936

As of 31 December 2025, the Company is kept the held of financial investments with 340,601,205 shares from İş Portföy Yönetimi A.Ş. İkinci Gayrimenkul Yatırım Fonu

The movement of İş Portföy Yönetimi A.Ş. İkinci Gayrimenkul Yatırım Fonu and Maxis Girişim Sermayesi Portföy Yönetimi A.Ş. 100. Yıl Girişim Sermayesi Yatırım Fonu is as follows:

	31 December 2025	31 December 2024
Opening balance as of 1 January	2,500,268,936	1,945,980,012
Additions	(407,077,726)	(227,550,338)
Fair value difference (Note 22)	495,604,529	19,633,844
Transfers	(429,992,384)	--
Disposals (-)	--	762,205,418
Closing balance as of 31 December	2,158,803,355	2,500,268,936

7. Loans and borrowings

As of 31 December 2025 and 2024, the details of financial borrowings are as follows:

	31 December 2025	31 December 2024
Short-term borrowings		
Issued commercial papers/notes	1,011,695,200	2,266,088,541
Lease Certificate	--	133,108,123
Total	1,011,695,200	2,399,196,664

	31 December 2025	31 December 2024
Short-term portions of long-term financial borrowings:		
Short-term portions of long-term loans	--	250,052,794
Issued bonds	--	2,638,560,292
Total	--	2,888,613,086

	31 December 2025	31 December 2024
Long-term financial borrowings:		
Long-term bank loans	--	317,861,103
Total	--	317,861,103

As of 31 December 2024, the details of bank loans are as follows:

			31 December 2024	
Currency	Interest rate (%)	Original currency amount	Short term (TRY)	Long term (TRY)
TRY	49,5	567,913,897	250,052,794	317,861,103
Total			250,052,794	317,861,103

As of 31 December 2025, the Company borrowed no cash loans.(As of 31 December 2024, the Company borrowed cash loans amounting to TRY1,050,000,000).

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

The details of the securities issued as of 31 December 2025 and 2024 are as follows:

31 December 2025					
ISIN CODE	Interest rate (%)	Nominal amount issued (TRY)	Date of issuance	Amortization date	Registered value
TRFISGY42612	40.62%	950,000,000	30 October 2025	27 April 2026	1,011,695,200
		950,000,000			1,011,695,200
31 December 2024					
ISIN CODE	Interest rate (%)	Nominal amount issued (TRY)	Date of issuance	Amortization date	Registered value
TRISISGY12519	39.00%	500,000,000	1 August 2023	22 January 2025	763,735,412
TRISISGYK2519	48.00%	500,000,000	14 November 2023 22 November 2023	3 November 2025	696,710,252
TRISISGY82512	47.00%	850,000,000	2023	13 August 2025	1,178,114,628
TRFISGY52512	52.22%	200,000,000	17 May 2024	16 May 2025	278,491,365
TRFISGY62511	50.67%	400,000,000	13 June 2024	12 June 2025	536,663,405
TRFISGY72510	52.93%	500,000,000	11 July 2024	10 July 2025	731,799,761
TRFISGY42513	52.89%	350,000,000	16 July 2024	11 April 2025	511,519,223
TRFISGY82519	51.59%	150,000,000	20 August 2024	19 August 2025	207,614,787
TRDLVNT32513	43.00%	100,000,000	16 December 2024	17 March 2025	133,108,123
		3,550,000,000			5,037,756,956

The statement of movement of financial borrowings for the years ended 31 December is as follows:

	31 December 2025	31 December 2024
Opening balance as of 1 January	5,605,670,853	9,264,120,635
Borrowings received	2,496,434,820	5,408,687,443
Borrowings paid	(5,854,117,666)	(6,295,494,688)
Interest paid	(1,482,018,407)	(3,444,255,821)
Interest accrual	1,260,218,177	3,541,992,202
Monetary gain/(loss)	(1,014,492,577)	(2,869,378,918)
Closing balance as of 31 December	1,011,695,200	5,605,670,853

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

8. Trade receivables and payables

Short-term trade receivables and liabilities

	31 December 2025	31 December 2024
Trade receivables		
Receivables from customers	71,928,622	91,058,683
Notes receivable	2,006,890	2,429,515
Doubtful receivables	8,534,880	11,391,948
Provision for doubtful receivables (-)	(8,534,880)	(11,391,948)
Due from related parties (Note 27)	25,289,807	16,001,938
	99,225,319	109,490,136
Trade payables		
Payables to suppliers	48,936,213	73,289,506
Due to related parties (Note 27)	76,372,261	114,597,105
	125,308,474	187,886,611

As of 31 December 2025, the provision for doubtful trade receivables is TRY8,534,880 (31 December 2024: TRY11,391,948). Provision for doubtful receivables is determined based on the historical collection performance.

Movement of provision for doubtful receivables for the year is as follows:

	31 December 2025	31 December 2024
Opening balance as of 1 January	(11,391,948)	(15,256,590)
Charge for the period	(4,268,815)	(2,613,655)
Provisions released	4,455,678	1,666,830
Monetary gain/(loss)	2,670,205	4,811,467
Closing balance as of 31 December	(8,534,880)	(11,391,948)

Long-term trade receivables

	31 December 2025	31 December 2024
Trade receivables		
Receivables from customers	--	37,450,104
	--	37,450,104

9. Other receivables and payables

	31 December 2025	31 December 2024
Other short-term receivables (*)	11,530,566	15,781,147
	11,530,566	15,781,147

(*) TRY3,505,180 of the amount consists of tax office receivables (31 December 2024: TRY4,581,158).

	31 December 2025	31 December 2024
Other debts - short-term		
Deposits and guarantees given	42,695,116	39,457,646
Other short-term payables	384,296	208,641
Total	43,079,412	39,666,287

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

10. Investment properties

As of 31 December 2025 and 2024, the details of investment properties are as follows:

	31 December 2025	31 December 2024
Investment property that are active	44,056,930,000	48,144,406,511
Total	44,056,930,000	48,144,406,511

As of 31 December 2025, total insurance amount on investment properties is TRY11,303,903,044 (31 December 2024: TRY15,197,144,840).

	1 January 2025 opening balance	Purchases	Sales	Fair value difference	31 December 2025 closing balance
Investment properties					
Ankara İş Kule Building	1,506,256,557	--	(1,434,443,862)	(71,812,695)	--
Istanbul İş Kuleleri Complex	14,503,388,314	105,129,406	--	232,130,281	14,840,648,000
Muğla Marmaris Mallmarine Shopping Mall	268,807,030	--	--	9,919,970	278,727,000
Maslak Office Building	2,170,868,900	--	--	(140,748,899)	2,030,120,000
Taksim Office Lamartine	1,274,817,978	1,172,622	--	29,139,400	1,305,130,000
İstanbul Kanyon Shopping Mall	5,258,599,290	20,221,744	--	449,018,966	5,727,840,000
İstanbul Tuzla Meydan Bazaar	288,604,495	--	--	10,805,505	299,410,000
Tuzla Technology and Operation Centre	13,678,349,097	1,913,765	--	566,037,138	14,246,300,000
İzmir Ege Perla Shopping Mall	1,636,278,452	6,704,612	--	202,936,936	1,845,920,000
Levent Land	30,759,695	--	--	(2,129,697)	28,630,000
İzmir Şehitler Land	--	1,146,663,583	--	15,336,417	1,162,000,000
İzmir Konak Office Building	--	1,182,710,780	--	14,119,220	1,196,830,000
İçerenköy Office Buildings	--	406,367,294	--	13,932,706	420,300,000
İstanbul Finance Center Buildings	7,527,676,703	18,131,243	(7,545,807,946)	--	--
Parmakkapı Service Building	--	672,729,799	--	2,345,201	675,075,000
	48,144,406,511	3,561,744,848	(8,980,251,808)	1,331,030,449	44,056,930,000

As of 31 December 2025, the Company has 1st and 2nd-degree mortgages on the investment properties amounting to USD136,000,000 and TRY5,000,000,000 which are established in favor of İş Bank. In the current period, the Company obtained rent income amounting to TRY1,841,287,589 (31 December 2024: TRY1,742,046,524) from its investment property. Total direct operating expenses related to these properties amount to TRY321,389,031 (31 December 2024: TRY412,221,004).

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Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

The fair values of the Company's investment properties on 31 December 2025, have been arrived at on the basis of valuations carried out in December 2025 by six independent appraiser firms which are not related parties of the Company. Appraisal firms are accredited independent firms licensed by the Capital Markets Board of Turkey and have appropriate qualifications and recent experience in appraising properties in the relevant locations. According to the appraisal reports, the valuations made in accordance with the International Valuation Standards have been performed according to the methods specified in the table below.

	2025		2024		
Investment properties that are active					
Tuzla Technology and Operation Center	Market Value Determination		Sales comparison approach		
Istanbul Business Towers Complex	Market Value Determination		Sales comparison approach		
Kanyon Shopping Center	Market Value Determination		Sales comparison approach		
Izmir Ege Perla Shopping Mall	Market Value Determination		Sales comparison approach		
Ankara Business Tower Building	--		Sales comparison approach		
Maslak Office Building	Market Value Determination		Sales comparison approach		
Taksim Office Lamartine	Market Value Determination		Sales comparison approach		
Tuzla Square Bazaar	Market Value Determination		Sales comparison approach		
Mugla Marmaris Mallmarine Shopping Mall	Market Value Determination		Sales comparison approach		
Levent Land	Market Value Determination		Fair value based on estate tax		
İzmir Şehitler Land	Market Value Determination		--		
İzmir Konak Office Building	Market Value Determination		--		
İçerenköy Office Buildings	Market Value Determination		--		
İstanbul Finance Centre Building	--		Sales comparison approach		
Parmakkapı Service Building	Market Value Determination		--		
	1 January 2024 opening balance	Purchases	Sales	Fair value difference	31 December 2024 closing balance
Investment property that are active					
Ankara Business Tower Building	1,278,549,166	1,022,493	--	226,684,898	1,506,256,557
İstanbul Marmarapark Shopping Mall	3,307,162,872	--	(3,688,829,056)	381,666,184	--
Istanbul İş Kuleleri Complex	12,778,726,150	1,306,487,055	--	418,175,109	14,503,388,314
Muğla Marmaris Mallmarine Shopping Mall	227,402,408	--	--	41,404,622	268,807,030
Maslak Office Building	2,091,544,291	209,970	--	79,114,639	2,170,868,900
Taksim Office Lamartine	1,130,766,231	--	--	144,051,747	1,274,817,978
İstanbul Kanyon Shopping Center	4,630,028,020	10,909,225	--	617,662,045	5,258,599,290
İstanbul Tuzla Meydan Bazaar	249,123,854	--	--	39,480,641	288,604,495
Tuzla Technology and Operation Center	12,448,406,724	2,211,799	--	1,227,730,574	13,678,349,097
Izmir Ege Perla Shopping Mall	1,269,950,543	4,470,329	--	361,857,580	1,636,278,452
Levent Land	34,328,349	--	--	(3,568,654)	30,759,695
İstanbul Finance Centre Building	6,742,832,643	92,103,948	--	692,740,112	7,527,676,703
	46,188,821,251	1,417,414,819	(3,688,829,056)	4,226,999,497	48,144,406,511

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

11. Inventories

Short-term stocks	31 December 2025	31 December 2024
<i>Completed Properties</i>		
Kartal Manzara Adalar ⁽¹⁾	82,754,734	372,571,175
Litus İstanbul Altunizade Project ⁽²⁾	2,717,926,471	2,683,318,868
Provision for impairment (-)	(268,235,471)	--
Total	2,532,445,734	3,055,890,043
Long-term stocks	31 December 2025	31 December 2024
Tuzla Housing Project ⁽³⁾	2,223,464,660	2,214,721,537
Avrupa Residential Şişli 2 ⁽⁴⁾	2,716,286,336	2,999,192,632
Balmumcu Land ⁽⁵⁾	574,019,336	618,886,451
Kasaba Modern Project ⁽⁶⁾	2,576,932,958	1,392,006,407
Land of Çekmeköy Omerli	112,186,618	112,186,618
Provision for impairment (-)	(575,810,629)	(385,377,584)
Total	7,627,079,279	6,951,616,061

⁽¹⁾ There are 975 residential units in Kartal Manzara Adalar Project, as of 31 December 2025, 970 residential units has been delivered to the customers.

⁽²⁾ There are 98 residential units in Litus İstanbul Altunizade project. as of 31 December 2025, 59 residential units has been delivered to the customers. Balance of advances given related with the Project is amounting to TRY53,573,582 (31 December 2024: TRY613,766,923)

⁽³⁾ The excavation and shoring works of the Tuzla Housing Project have been completed, a revenue sharing agreement based on land share has been signed with Akgün Group and Misk İnşaat for the residential development project.

⁽⁴⁾ Within the scope of the land share-based revenue sharing and construction-in-return-for-land share agreement executed with Artaş İnşaat, the project currently under development comprises 321 residential units and 18 commercial units, and sales have commenced.

⁽⁵⁾ The immovable property has been sold on a deferred basis for USD 24,240,000, excluding VAT. The sales price will be collected in 12 monthly installments, and the title deed transfer will be executed upon full collection of the sales price. The first installment was collected in December 2025, and the balance of advances received amounts to TRY86,542,052.

⁽⁶⁾ The project includes a total of 165 villas/houses, and the first phase is planned to consist of 61 villas/houses. The balance of advances received for orders related to the Kasaba Modern Project amounts to TRY721,321,219.

The Company's transaction table for inventory impairment provision is as follows:

	31 December 2025	31 December 2024
Opening balance as of 1 January 2024	(385,377,584)	(313,337,897)
Charge for the period (-)	(664,737,428)	(95,314,520)
Provisions released	206,068,912	23,274,833
Closing balance	(844,046,100)	(385,377,584)

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Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

12. Tangible Assets

	Buildings (*)	Machinery and Equipment	Vehicles	Fixtures	Total
Costs					
Opening balance as of 1 January 2025	547,702,117	2,653,076	11,286,839	76,835,544	638,477,576
Purchases	--	--	--	9,636,007	9,636,007
Disposals	--	--	(3,338,859)	(113,523)	(3,452,382)
Fair value difference	31,376,651	--	--	--	31,376,651
Closing balance as of 31 December 2025	579,078,768	2,653,076	7,947,980	86,358,028	676,037,852
Accumulated depreciation					
Opening balance as of 1 January 2025	64,931,942	2,653,076	5,260,875	69,241,278	142,087,171
Current year charge	19,797,826	--	1,597,558	5,119,593	26,514,977
Disposals	--	--	(1,558,134)	(50,455)	(1,608,589)
Closing balance as of 31 December 2025	84,729,768	2,653,076	5,300,299	74,310,416	166,993,559
Net book value as of 1 January 2025	482,770,175	--	6,025,964	7,594,266	496,390,405
Net book value as of 31 December 2025	494,349,000	--	2,647,681	12,047,612	509,044,293
Costs					
Opening balance as of 1 January 2024	509,968,750	2,653,076	15,715,060	75,626,027	603,962,913
Purchases	--	--	26,541	1,209,517	1,236,058
Disposals	--	--	(4,454,762)	--	(4,454,762)
Fair value difference	37,733,367	--	--	--	37,733,367
Closing balance as of 31 December 2024	547,702,117	2,653,076	11,286,839	76,835,544	638,477,576
Accumulated depreciation					
Opening balance as of 1 January 2024	46,342,314	2,653,076	5,675,037	64,889,973	119,560,400
Current year charge	18,589,628	--	2,258,695	4,351,305	25,199,628
Disposals	--	--	(2,672,857)	--	(2,672,857)
Closing balance as of 31 December 2024	64,931,942	2,653,076	5,260,875	69,241,278	142,087,171
Net book value as of 1 January 2024	463,626,436	--	10,040,023	10,736,054	484,402,513
Net book value as of 31 December 2024	482,770,175	--	6,025,964	7,594,266	496,390,405

(*) As of 31 December 2025, İş Kuleleri Kule:2 10th and 11th floor offices are the most important tangible assets item of the Company which are currently used for registered address with amounting to TRY494,349,000. These areas get share from the mortgages amounting to USD 136 million and TRY 5 billion established in İş Kuleleri and Kule Çarşısı (31 December 2024: USD 136 million and TRY 2.5 billion).

As of 31 December 2025, the Company has tangible assets which is fully depreciated amounting to TRY60,081,678

All related depreciation expenses have been classified under general administrative expenses.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

13. Intangible assets

	Computer Programs	Total
Cost value		
Opening balance as of 1 January 2025	100,386,640	100,386,640
Addition	2,837,892	2,837,892
Closing balance as of 31 December 2025	103,224,532	103,224,532
Accumulated amortization shares		
Opening balance as of 1 January 2025	84,030,502	84,030,502
Current year charge	2,307,975	2,307,975
Closing balance as of 31 December 2025	86,338,477	86,338,477
Net book value as of 1 January 2025	16,356,138	16,356,138
Net book value as of 31 December 2025	16,886,055	16,886,055
Cost value		
Opening balance as of 1 January 2024	95,677,271	95,677,271
Addition	4,709,369	4,709,369
Closing balance as of 31 December 2024	100,386,640	100,386,640
Accumulated amortization shares		
Opening balance as of 1 January 2024	81,748,687	81,748,687
Addition	2,281,815	2,281,815
Closing balance as of 31 December 2024	84,030,502	84,030,502
Net book value as of 1 January 2024	13,928,584	13,928,584
Net book value as of 31 December 2024	16,356,138	16,356,138

As at 31 December 2025 and 2024, the Company has no intangible assets which is capitalized in the business area.

The Company has intangible assets with a cost value of TRY80,456,812 that have expired but have been used as of 31 December 2025.

All related depreciation expenses have been classified under general administrative expenses.

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Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

14. Provisions, contingent assets and liabilities

	31 December 2025	31 December 2024
Debt provisions	7,425,838	58,024,993
Litigation provisions	1,269,166	1,668,767
Total	8,695,004	59,693,760
	31 December 2025	31 December 2024
Letters of guarantee received ^(*)	867,207,024	1,246,027,170
Mortgages received	1,047,040	1,370,495
Total	868,254,064	1,247,397,665

(*) Letters of guarantee consist of the letters received from tenants and suppliers of the Company.

Details of collaterals, pledges and mortgages ("CPM") given by the Company as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
A. CPM given for companies own legal personality ^(*)	11,469,230,834	13,701,082,762
B. CPM given in behalf of fully consolidated companies	-	-
C. CPM given for continuation of its economic activities on behalf of third parties ^(**)	923,790	13,696,455
D. Total amount of other CPM's	-	-
- Total amount of CPM's given on behalf of majority shareholder	-	-
- Total amount of CPM's given on behalf of other Group companies which are not in scope of B and C	-	-
- Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-
Total	11,470,154,624	13,714,779,217

(*) CPM given for the Company's own legal personality consists of letters of guarantee amounting to TRY392,215,634 and pledge amounting to USD136.000.000 and TRY5.000.000.000. As of 31 December 2025, the investment properties are pledged in favour of İş Bankası amounting to 1st degree USD 136.000.000 and TRY2.500.000.000 and 2nd degree TRY2.500.000.000. (Mortgage was constituted in favour of İş Bankası from investment properties portfolio of the Company, Kule-2 and Kule Çarşı amounting to USD 136.000.000 as 1st degree mortgage, Kule-3 amounting to TRY2.500.000.000 1st degree mortgage, Kule-2 and Kule Çarşı amounting to TRY2.500.000.000 as 2nd degree mortgage).

(**) Represents the cost of guarantors given to the related banks in return for the loan amount in case the buyers of the Company's ongoing residential and office projects use mortgage/business loan from contracted banks.

As of 31 December 2025, TRY1,269,166 legal case provision is accrued and there are 115 legal cases and 100 enforcement proceedings of the Company is a party. The lawsuit in question are ongoing, and as of 31 December 2025, there is provision for lawsuits amounting to TRY1,207,997 within the scope of the lawsuit filed regarding the ÇED process of the Ege Perla Project. Lawsuits are not of a nature to affect the financial situation and activities of the Company.

Operating leases

The Company, as the lessor in the operating lease transactions

The Company signed operating lease agreements as lessor for the investment properties in its portfolio with tenants which are shopping mall tenants, hotel operators and other third parties. The future minimum lease receivables as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Less than 1 year	1,405,414,537	1,553,553,759
Between 1-5 years	3,394,021,797	3,843,932,111
More than 5 years	4,700,548,594	6,781,856,353
Total	9,499,984,928	12,179,342,223

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

15. Provisions for employee benefits

	31 December 2025	31 December 2024
Unused vacation provisions	7,591,614	5,894,596
Total	7,591,614	5,894,596
	31 December 2025	31 December 2024
Severance pay indemnity	18,173,562	15,728,965
Total	18,173,562	15,728,965

There is an obligation to pay the severance indemnities to those employees are terminated with employment contract to be entitled to severance pay in accordance with Labour Law No. 4857 and Social Security Law No. 5510.

The amount payable consists of one month's salary limited to a maximum of TRY64,948.77 for each period of service as of 1 January 2026 (31 December 2024: TRY46,655.43).

TAS 19- Employee Benefits requires the development of actuarial methods for the determination of the retirement pay liability.

Actuarial assumptions used to calculate the total liability is given below:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as of 31 December 2025, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective reporting dates have been calculated assuming an annual inflation rate of 22% (estimated salary increase rate) and a discount rate of 26.78%, resulting in a real discount rate of approximately 3.92% (31 December 2024: the provisions have been calculated assuming an annual inflation rate of 21.85% (estimated salary increase rate) and discount rate of 26.70%, resulting in a real discount rate of approximately 3.98% discount rate). The anticipated rate of for features is considered. As the maximum liability is revised semi-annually, the maximum amount of TRY64,948.77 effective from 1 January 2026 has been taken into consideration in calculation of provision from employment termination benefits..

	1 January - 31 December 2025	1 January - 31 December 2024
Opening balance as of 1 January 2025	15,728,965	26,524,355
Service cost	3,634,706	4,471,546
Interest cost	5,399,933	4,820,439
Retirement pay provisions (-)	(1,367,108)	(10,383,870)
Actuarial differences	(753,791)	(1,691,138)
Monetary gain/(loss)	(4,469,143)	(8,012,367)
Closing balance as of 31 December 2025	18,173,562	15,728,965

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

16. Prepaid expenses, other assets, deferred revenue (excluding liabilities from contracts with customers) and other liabilities

Prepaid expenses - short term	31 December 2025	31 December 2024
Job advances ^(*)	218,051,453	217,644,373
Prepaid expenses	7,264,187	4,212,269
Related party prepaid expenses (Note 27)	431,901,609	166,635,718
Total	657,217,249	388,492,360

(*)The amount generally consists of advances given to the contractors of the projects.

Prepaid expenses - long term	31 December 2025	31 December 2024
Job advances ^(*)	145,111,457	131,597,839
Prepaid expenses	65,833,994	16,580,298
Total	210,945,451	148,178,137

(*) An agreement has signed in order to bought 45% shares of the land registered in Kadikoy, Istanbul, has 9043 m2 of floor space which is ownership of the land is belong to Tecim Yapı Elemanları İnşaat Servis ve Yönetim Hizmetleri San. ve Tic. Limited Şirketi (TECİM). In this context, the expenses incurred until the price of the land is reached in accordance with the terms of the agreement will be accounted in this account.

Other current assets	31 December 2025	31 December 2024
Prepaid taxes and dues payable	16,674,698	21,825,957
Deposits and guarantees given	378,095	1,422,864
Other current assets	2,032,144	--
Total	19,084,937	23,248,821

Other short-term liabilities	31 December 2025	31 December 2024
Taxes and funds payable	13,679,207	36,613,020
Payable social security cuts	4,308,179	3,413,428
Total	17,987,386	40,026,448

Deferred revenues	31 December 2025	31 December 2024
Deferred revenue	5,089,483	3,286,903
Short-term deferred revenue from related parties (Note 27)	722,597	859,885
Total	5,812,080	4,146,788

17. Liabilities from contracts with customers

Obligations arising from customer contracts	31 December 2025	31 December 2024
Contractual liabilities from sales of goods and services ^(*)	924,551,511	835,109,326
Total	924,551,511	835,109,326

(*) A significant portion of the amount for the current period consists of advances received from the owners of the residential units sold by Litus İstanbul Altunizade and Kasaba Modern Projects, as well as advances received due to the sale of the Balmumcu Land (Note 11).

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

18. Shareholder's equity

Share capital

The composition of the paid-in share capital as of 31 December 2025 and 31 December 2024 are as follows

İş Gayrimenkul Yat. Ort. A.Ş.	31 December 2025		31 December 2024	
	(%)		(%)	
Türkiye İş Bankası A.Ş.	52.50	503,388,339	52.22	500,638,265
Anadolu Hayat Emeklilik A.Ş.	7.04	67,476,714	7.04	67,476,714
Other	40.46	387,884,947	40.74	390,635,021
Total	100	958,750,000	100	958,750,000

The total number of ordinary shares consists of TRY958,750,000 (31 December 2024: TRY958,750,000) shares with a par value of TL 1 per share. All of the shares are issued to name and TRY1,369,642.817 (31 December 2024: TRY1,369,642.817) of the total amount is Group A and TRY957,380,357.183 (31 December 2024: TRY957,380,357.183) of the total amount is Group B shares. Group A shareholders have the privilege to nominate candidates during the Board of Directors member elections. One member of Board of Directors is selected among the candidates nominated by Group B shareholders while the rest is selected among the candidates nominated by Group A shareholders. There is no other privilege given to the Group A shares.

There was no capital increase with or without price during the period.

The explanation regarding the Company's equity accounts adjusted in accordance with TAS 29, prepared pursuant to the Capital Markets Board Bulletin published on 7 March 2024, is as follows;

31 December 2025

Equity	Producer Price Index (PPI) indexed legal adjustments ⁽¹⁾	Consumer Price Index (CPI) indexed amounts	Differences to be followed in retain earnings
Adjustment to share capital	34,362,418,312	26,981,861,046	(7,380,557,266)
Share Premiums	13,229,207	12,770,308	(458,899)
Restricted reserves	1,324,269,253	1,125,290,228	(198,979,025)
Total	35,699,916,772	28,119,921,582	(7,579,995,190)

31 December 2024

Equity	Producer Price Index (PPI) indexed legal adjustments	Consumer Price Index (CPI) indexed amounts	Differences to be followed in retain earnings
Adjustment to share capital	44,579,375,760	26,981,861,046	(17,597,514,714)
Premiums/discounts on shares	17,071,511	12,770,308	(4,301,203)
Restricted reserves	1,708,891,254	1,125,290,228	(583,601,026)
Total	46,305,338,525	28,119,921,582	(18,185,416,943)

⁽¹⁾ Since inflation accounting was discontinued in the statutory records in 2025, it was last applied in 2024.

Adjustment to share capital amount is TRY26,981,861,046 as of 31 December 2025 and 31 December 2024. Adjustment to share capital represents the restatement effect of the cash contributions to share capital equivalent to purchasing power of TRY.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

20. Administrative expenses/Marketing, selling and distribution expenses

	1 January- 31 December 2025	1 January- 31 December 2024
General administrative expenses		
Personnel expenses	(235,963,969)	(209,726,270)
Outsourced service expenses	(70,957,408)	(48,285,302)
Depreciation and amortization	(28,822,952)	(27,481,443)
Board of Directors fees and expenses	(15,525,554)	(13,074,378)
Legal expenses	(4,127,843)	(14,427,740)
Taxes and dues	(1,367,268)	(2,363,185)
Donations	(494,713)	(310,661)
Other	(10,969,785)	(6,016,489)
Total	(368,229,492)	(321,685,468)
Marketing sales and distribution expenses		
Advertising expenses	(53,058,751)	(66,775,596)
Sales commission expenses	(17,561,908)	(21,187,703)
Sales office expenses	(1,499,784)	(2,105,729)
Other	(200,913)	(376,236)
Total	(72,321,356)	(90,445,264)

21. Expenses by nature

	1 January- 31 December 2025	1 January- 31 December 2024
Personnel expenses		
Administrative expenses (Note 20)	(235,963,969)	(209,726,270)
Total	(235,963,969)	(209,726,270)
Depreciation and amortization		
Administrative expenses (Note 20)	(28,822,952)	(27,481,443)
Total	(28,822,952)	(27,481,443)

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

22. Other income/expenses

Other income and expenses from main operations for the periods ended 31 December 2025 and 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Other income from core activities		
Revaluation income of investment property (Note 10)	1,331,030,449	4,226,999,497
Investment property sales profits	--	101,854,381
Foreign exchange gains	--	6,916,877
Other	19,102,065	4,038,493
Total	1,350,132,514	4,339,809,248
Other operating expense		
Impairment of inventories (Note 11)	(458,668,516)	(72,039,687)
Revaluation loss of investment property	(435,035,120)	--
Losses on fair value of financial assets	(407,077,726)	(227,550,339)
Foreign exchange loss	(4,453,674)	--
Provision for doubtful receivables	(4,065,368)	--
Other	(15,916,369)	(227,981,223)
Total	(1,325,216,773)	(527,571,249)
Income from investment activities		
Dividend income ^(*)	590,464,012	--
	590,464,012	--

(*) Represents dividend income received from İş Portföy Yönetimi A.Ş. Second Real Estate Investment Fund included in financial investments.

23. Financing income/(expenses)

Finance income and expenses as of 31 December 2025 and 2024 are as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Finance income		
Interest income from bank deposits	595,562,044	270,813,353
Profit from buying and selling securities	67,622,153	10,334,939
	663,184,197	281,148,292
Finance expense		
Interest expense	(1,251,081,646)	(3,524,757,247)
Commission expenses	(9,136,531)	(17,234,955)
	(1,260,218,177)	(3,541,992,202)

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

24. Explanations related to net monetary position gains/(losses)

Non-monetary Items	1 January- 31 December 2025	1 January- 31 December 2024
Financial Position Statement Items	(10,796,782,439)	(13,035,657,544)
Advances received	(125,627,065)	182,175,668
Equity accounted investees	213,924	1,387,355
Tangible assets	(704,825)	1,062,233
Intangible assets	2,844,297	3,570,701
Prepaid expenses	140,632,786	(99,398,166)
Inventories	2,191,264,936	2,436,168,638
Deferred Tax Liability	(1,037,341,895)	--
Share capital	(6,594,355,384)	(8,588,312,387)
Share premium	(3,013,962)	(3,925,304)
Other comprehensive income that will not be reclassified to profit or loss	79,690,725	87,204,888
Restricted profit reserves	(265,583,443)	(340,356,294)
Retained earnings	(5,184,802,533)	(6,715,234,876)
Profit or Loss Statement Items	10,161,132,287	15,548,269,171
Revenue	(521,217,629)	(879,082,433)
Cost of sales	32,946,876	1,038,809,157
Marketing expenses	8,239,888	8,864,303
General administrative expenses	36,216,320	40,177,273
Other operating income	10,103,034,238	14,593,840,077
Other operating expenses	472,884,248	302,346,011
Share of profit of equity-accounted investees	4,515,076	14,463,846
Financing income	(80,576,047)	(26,599,156)
Financing expenses	169,229,457	455,450,093
Revenues from investment activities	(64,140,140)	--
NET MONETARY POSITION GAINS/(LOSSES)	(635,650,152)	2,512,611,627

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Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

25. Tax assets and liabilities

a) Corporate Tax

The corporate tax rate is the rate applied to the legal tax base, which is determined by adding non-deductible expenses according to tax laws to the commercial profit of corporations and subtracting the exemptions specified in the tax laws.

As detailed in Note 2, the tax exemption granted to real estate investment trusts under Article 5, paragraph d-4 of the Corporate Tax Law is conditional upon at least 50% of the gains derived from real estate being distributed as dividends, starting from January 1, 2025, as per Law No. 7524 dated 2 August 2024. Accordingly, if at least 50% of the gains derived from the immovable properties are distributed as dividends, a corporate tax rate of 10% will apply. The tax rate used in the calculation of the current tax expense for the year 2025 is 30%.

	1 January- 31 December 2025	1 January - 31 December 2024
Corporate and income tax	(200,606,712)	--
Prepaid taxes	192,955,199	--
Tax liabilities (net)	(7,651,513)	--

b) Period tax income/(expense)

	1 January- 31 December 2025	1 January- 31 December 2024
Period tax expense	(200,606,712)	--
Deferred tax expense	(1,361,090,958)	(3,292,834,770)
Total tax expense	(1,561,697,670)	(3,292,834,770)

	1 January- 31 December 2025
Tax reconciliation	
Profit before tax	603,377,924
Tax for the period	(181,013,377)
KKEG	67,738,896
Discount	(64,376,804)
Exemptions: donations and contributions	(130,500)
Profit not subject to deferred tax	(7,247,571)
Effect of revaluation under Article 298(Ç)	(1,692,772,983)
Monetary gain/(loss)	316,104,670
Total	(1,561,697,670)

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Deferred tax assets and liabilities

The company recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax-based financial statements and the financial statements prepared in accordance with TFRS. These differences generally arise from the recognition of certain income and expense items in different periods in the tax-based financial statements and the financial statements prepared under TFRS.

The tax rate used in the calculation of deferred tax assets and liabilities for 2025 is 30% (31 December 2024: 30%).

	1 January - 31 December 2025	1 January - 31 December 2024
Deferred tax liabilities	5,772,051,700	4,395,269,095
Deferred tax liabilities	5,772,051,700	4,395,269,095

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

Account Name	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	Accumulated Temporary Differences	Accumulated Temporary Differences	Deferred Tax Assets/(Liabilities)	Deferred Tax Assets/(Liabilities)
Investment Properties	14,940,919,533	10,374,455,833	(4,482,275,860)	(3,112,336,750)
Inventories	4,211,706,255	4,158,703,299	(1,263,511,877)	(1,247,610,989)
Prepaid Expenses	229,030,327	126,151,067	(68,709,098)	(37,845,320)
Securities Issued	4,910,160	15,008,235	(1,473,048)	(4,502,471)
Fixed Assets	4,740,453	3,708,479	(1,422,136)	(1,112,544)
Severance Pay Provisions	(18,173,562)	(15,728,965)	5,452,069	4,718,689
Unused vacation Provisions	(7,591,614)	(5,894,596)	2,277,484	1,768,379
Doubtful Trade Receivables Provisions	(738,342)	(1,624,256)	221,503	487,277
Other	(124,630,877)	(3,882,109)	37,389,263	1,164,634
Deferred Tax Assets/ (Liabilities), Net			(5,772,051,700)	(4,395,269,095)

Pursuant to paragraph (Ç) of the provisional Article 298 of the Tax Procedure Law, the tax effects arising from the revaluation of assets not intended for sale have been included in the deferred tax calculation as of 31 December 2025.

	1 January - 31 December 2025	1 January - 31 December 2024
Deferred Tax Assets/(Liabilities) at the Beginning of the Period	(4,395,269,095)	--
Actuarial loss/gain on severance pay recognized in equity	(226,137)	(507,341)
Associated with property, plant and equipment revaluation increases	(15,465,510)	(73,720,737)
Associated with the profit or loss statement	(1,361,090,958)	(3,292,834,770)
Effect of deferred tax from prior periods	--	(1,028,206,246)
Deferred Tax Assets/(Liabilities) at the End of the Period	(5,772,051,700)	(4,395,269,094)

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Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

26. Earnings per share

	1 January- 31 December 2025	1 January - 31 December 2024
Period opening of number of shares in circulation	95,875,000,000	95,875,000,000
Period closing of number of shares in circulation	95,875,000,000	95,875,000,000
Weighted average number of shares in circulation	95,875,000,000	95,875,000,000
Net period profit	(958,319,746)	1,167,598,428
Earnings per share	(0,0100)	0,0122
Earnings per diluted share	(0,0100)	0,0122

As of 31 December 2025, the Company's capital consists of 95,875,000,000 shares with a nominal value of TL 0.01 each.

27. Related party disclosures

Related parties of the Company are direct or indirect subsidiaries of İş Bankası and the executives and personnel of the Company.

Receivables from related parties are mainly due to sales transactions and the average payment term is one month. The receivables are unsecured and no interest is accrued.

Payables due to related parties are mainly due to purchase transactions and the average credit payment term is one month. No interest is calculated on these payables.

Details of related party balances are as follows:

Balances at T. İş Bankası	31 December 2025	31 December 2024
Time deposits	236,171,064	434,473,196
Demand deposits	1,526,196	10,044,440
Other literal values	--	261,784
Total	237,697,260	444,779,420

The Company has letters of guarantee amounting TRY392,215,634 (31 December 2024: TRY548,863,493) from İş Bankası. In addition, 1st and 2nd degree mortgage is instituted by the Company in favour İş Bankası amounting to USD136,000,000 and TRY5,000,000,000 on some investment properties.

As of 31 December 2025 and 31 December 2024, the financial assets included in the Company's assets are investment funds established by İş Portföy Yönetimi Anonim Şirketi and Maxis Girişim Sermayesi Portföy Yön. A.Ş.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

	31 December 2025			
	Trade Receivables	Prepaid Expenses	Trade Payables	Deferred Income
Balances with related parties				
İş Merkezleri Yönetim ve İşletim A.Ş.	1,492,694	37,946,097	6,470,699	--
Türkiye İş Bankası A.Ş.	2,481,912	--	--	86,555
Kanyon Yönetim İşletim ve Pazarlama A.Ş.	3,452,284	--	21,701,919	636,042
Anadolu Anonim Türk Sigorta A.Ş.	--	39,869,895	39,168,341	--
Anadolu Hayat Emeklilik A.Ş.	--	--	--	--
İş Net Elektronik Hizmetler A.Ş.	--	--	992,091	--
İş Yatırım Menkul Değerler A.Ş.	--	--	--	--
Paşabahçe Mağazacılık A.Ş.	2,061,991	--	--	--
Tecim Yapı Elemanları A.Ş.	15,762,927	354,072,576	4,229,977	--
Topkapı Danışmanlık Elektrik Hizmetleri Paz. ve Tic. A.Ş.	36,231	--	9,148	--
Yüzüncü Yıl Teknoloji Girişimleri A.Ş.	1,768	--	--	--
Trakya Yatırım Holding A.Ş.	--	--	729,605	--
Erişim Müşteri Hizmetleri A.Ş.	--	--	--	--
Due to shareholders (dividends)	--	--	705	--
Other	--	13,041	3,069,776	--
	25,289,807	431,901,609	76,372,261	722,597

	31 December 2025		31 December 2024	
	Financial Borrowings	Interest and Commission Fee	Financial Borrowings	Interest and Commission Fee
Balances with related parties				
T. İş Bankası A.Ş.	--	--	--	445,400,338

	31 December 2024			
	Short Term Trade Receivables	Short Term Prepaid Expenses	Short Term Trade Payables	Deferred Income
Balances with related parties				
İş Merkezleri Yönetim ve İşletim A.Ş.	--	3,552,798	4,288,873	--
Türkiye İş Bankası A.Ş.	132,406	--	--	86,209
Kanyon Yönetim İşletim ve Pazarlama A.Ş.	3,208,444	--	2,527,323	773,676
Anadolu Anonim Türk Sigorta A.Ş.	--	45,158,490	43,012,136	--
İş Net Elektronik Hizmetler A.Ş.	--	--	157,345	--
Paşabahçe Mağazacılık A.Ş.	1,881,406	--	21,484	--
Tecim Yapı Elemanları A.Ş.	7,859,608	117,916,471	11,267,138	--
İş Enerji Yatırımları A.Ş.	23,653	--	--	--
Topkapı Danışmanlık Elektronik Hizmetler Pazarlama Ve Ticaret A.Ş.	1,490	--	67,300	--
Moka Ödeme Kuruluşu A.Ş.	855,719	--	--	--
Maxis Girişim Sermayesi Portföy Yön. A.Ş.	9,951	--	143,121	--
Trakya Yatırım Holding	716,920	--	51,417,113	--
Yüzüncü Yıl Teknoloji Girişimleri A.Ş.	1,312,341	--	--	--
Levent Varlık Kiralama A.Ş.	--	--	75,315	--
Due to shareholders (dividends)	--	--	923	--
Other	--	7,959	1,619,034	--
	16,001,938	166,635,718	114,597,105	859,885

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Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Transactions with related parties	1 January - 31 December 2025				
	Purchases	Interest received	Rental income	Other income	Other expenses
Türkiye İş Bankası A.Ş. ^(*)	3,167,698,405	559,920,782	703,462,728	609,868	2,410,100
Anadolu Anonim Türk Sigorta A.Ş. ^(**)	51,281,302	--	110,507	2,968,617	--
Anadolu Hayat Emeklilik A.Ş.	4,100,333	--	48,335,576	--	--
İş Merkezleri Yönetim ve İşletim A.Ş. ^(***)	112,225,845	--	19,503,516	1,599,107	--
İş Girişim Sermayesi Yatırım Ortaklığı A.Ş.	--	--	7,272,470	--	--
İş Net Elektronik Hizmetler A.Ş.	7,561,777	--	3,777,400	--	487,185
Paşabahçe Mağazacılık A.Ş.	68,818	--	11,208,329	--	--
Softtech Yazılım Teknolojileri A.Ş.	951,237	--	31,259,609	--	12,582
Maxis Girişim Sermayesi Portföy Yön. A.Ş.	--	--	8,882,375	--	--
İş Enerji Yatırımları A.Ş.	--	--	10,968,241	--	--
İş Yatırım Menkul Değerler A.Ş.	4,156,259	--	49,983,169	--	--
Tecim Yapı Elemanları A.Ş.	57,053,050	--	--	36,115,080	--
BAYEK Ağız Ve Diş Sağlığı Hizm. ve İşl. A.Ş.	--	--	1,472,432	--	--
Topkapı Danışmanlık Elektrik Hizmetleri Paz. ve Tic. A.Ş.	148,068	--	5,255,771	--	--
Penta Tıp Sağlık Hizmetleri	44,129	--	--	--	--
Maksmarket Danışmanlık Elektronik Hizm. Tic. A.Ş.	--	--	1,337,321	--	--
Trakya Yatırım Holding A.Ş.	2,159,866	--	8,862,505	--	69,321
Milli Reasürans Türk A.Ş.	--	--	33,088,679	--	--
İş Portföy Yönetimi A.Ş.	--	--	2,372,103	--	--
Yüzüncü Yıl Teknoloji Girişimleri A.Ş.	--	--	8,426,421	--	--
Levent Varlık Kiralama A.Ş.	--	--	--	--	23,046,200
Erişim Müşteri Hizmetleri A.Ş.	446,200	--	6,173,329	--	--
Türkiye İş Bankası Kültür Yayınları İş Türk A.Ş.	--	--	1,663,636	--	--
	3,407,895,289	559,920,782	963,416,117	41,292,672	26,025,388

^(*) The purchase amount relates to the acquisition of the İzmir Service Building, İzmir Şehitler Lands, İstanbul İçerenköy Building, and Parmakkapı Service Buildings, all of which are owned by Türkiye İş Bankası A.Ş.

^(**) The amount of purchases with Anadolu Anonim Türk Sigorta Anonim Şirketi is related to the insurance of the Company's real estates.

^(***) The amount of purchases from the İş Merkezleri Yönetim ve İşletim Anonim Şirketi is related to the operation of the Company's investment properties İş Kuleleri and İstanbul Tuzla Combined.

In 2025, there is no revenue share compensation paid to T. İş Bankası A.Ş. within the scope of the Ege Perla project. (31 December 2024: TRY34,505,555). As of 31 December 2025, a revenue share compensation of TRY544,874,191 was paid to Tecim A.Ş. within the scope of the Altunizade Litus project (31 December 2024: TRY387,132,182). As of 31 December 2025, a revenue share compensation of TRY233,681,653 was paid to Tecim A.Ş. within the scope of the Kasaba Modern project (31 December 2024: TRY122,162,637)

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

<i>Transactions with related parties</i>	1 January - 31 December 2024				
	Purchases	Interest received	Rental income	Other income	Other expenses
Türkiye İş Bankası A.Ş.	1,381,484,401	269,988,370	551,882,489	857,949	2,268,590
Anadolu Anonim Türk Sigorta A.Ş. ^(*)	51,543,034	--	--	5,950,685	--
Anadolu Hayat Emeklilik A.Ş.	4,223,030	--	40,716,355	--	--
İş Finansal Kiralama A.Ş.	--	--	418,001	--	--
İş Merkezleri Yönetim ve İşletim A.Ş. ^(**)	100,911,628	--	17,189,389	271,858	288,763
İş Yatırım Menkul Değerler A.Ş.	8,577,840	--	36,245,838	--	--
İş Girişim Sermayesi Yatırım Ortaklığı A.Ş.	--	--	4,441,780	--	--
İş Net Elektronik Hizmetler A.Ş.	2,628,924	--	3,014,149	4,991	4,694
Paşabahçe Mağazacılık A.Ş.	551,588	--	12,979,930	29,785	363,775
Softtech Yazılım Teknolojileri A.Ş.	--	--	42,792,056	--	--
Maxis Girişim Sermayesi Portföy Yön. A.Ş.	--	--	6,000,730	--	164,276
İş Enerji Yatırımları A.Ş.	10,815,539	--	8,000,227	--	--
Tecim Yapı Elemanları A.Ş.	756,151,323	--	--	611,306,790	--
BAYEK Ağız Ve Diş Sağlığı Hizm. ve İşl. A.Ş.	--	--	908,055	--	--
BAYEK Tedavi Sağlık Hizm.ve İşlet.A.Ş.	6,829	--	--	--	--
Topkapı Dan. Elektrik Hizm. Paz. ve Tic. A.Ş.	459,566	--	4,771,384	--	--
Moka Ödeme Kuruluşu A.Ş.	--	--	7,531,292	--	--
Maksmarket Dan. Elektronik Hizm. Tic. A.Ş.	--	--	1,277,376	--	--
Trakya Yatırım Holding	53,007,892	--	11,802,921	--	--
Kasaba Gayrimenkul İnşaat Taahhüt ve Tic. A.Ş.	197,167	--	--	--	--
Milli Reasürans Türk A.Ş.	--	--	13,438,621	--	--
İş Portföy Yönetimi A.Ş.	--	--	142,902	--	--
Sportive Spor Malzemeleri	--	--	3,918,418	--	--
Yüzüncü Yıl Teknoloji Girişimleri A.Ş.	--	--	3,428,880	--	--
Levent Varlık Kiralama A.Ş.	--	--	--	--	338,479
	2,370,558,761	269,988,370	770,900,793	618,422,058	3,428,577

^(*) The purchase amount with Anadolu Anonim Türk Sigorta Şirketi is related to the insurance of the Company's immovable properties.

^(**) The amount of purchases from İş Merkezleri Yönetim ve İşletim Anonim Şirketi is related to the operation of the Business Towers and Tuzla Meydan Bazaar, which are the Company's investment properties.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

The related party balances of debt instruments issued as of 31 December 2025 and 31 December 2024 are as follows:

Related-party balances	31 December 2025	31 December 2024
Anadolu Hayat Emeklilik A.Ş.	--	152,789,570
İş Yatırım Menkul Değerler A.Ş.	--	20,374,452
Milli Reasürans Türk A.Ş.	107,011,091	29,271,991
Levent Varlık Kiralama A.Ş.	--	133,108,124
	107,011,091	335,544,137

Coupon interests paid for debt instruments issued as of 31 December 2025 and 31 December 2024 are as follows:

Transactions with related parties	31 December 2025	31 December 2024
Anadolu Hayat Emeklilik A.Ş.	22,445,976	68,661,168
İş Yatırım Menkul Değerler A.Ş.	4,751,886	10,035,746
Anadolu Anonim Türk Sigorta A.Ş.	--	6,631,208
Milli Reasürans Türk A.Ş.	13,066,761	7,621,460
	40,264,623	92,949,582

Benefits provided to key management personnel:

Benefits provided to the board of directors, general manager, and assistant general managers during the period are as follows:

	1 January- 31 December 2025	1 January - 31 December 2024
Short-term employee benefits	69,542,295	65,459,335
	69,542,295	65,459,335

28. Nature and level of risks arising from financial instruments

a) Capital risk management

The Company's purpose in capital management is; to ensure the continuity of the group as an income-generating enterprise, to observe the benefit of shareholders and corporate partners, and at the same time to ensure the continuity of the most efficient capital structure in order to reduce the cost of capital.

The Company's capital and funding structure consists of cash and cash equivalents, share capital and retained earnings.

The Company management evaluates the cost of capital and the risk associated with each class of equity.

b) Financial risk factors

The risks of the Company, resulting from operations, include market risk (including currency risk, fair value and cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management program generally seeks to minimize the effects of uncertainty in financial markets on the financial performance of the Company.

Risk management is implemented according to the policies approved by the Board of Directors. According to the policy, once a risk is identified, it has been evaluated by each operating unit which is responsible to coordinate the work to minimize the exposure to that risk. The Board of Directors is in charge of forming written procedures in order to manage the foreign currency risk, interest risk, credit risk, and use of derivative and non-derivative financial instruments and the assessment of excess liquidity.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

b.1) Credit risk management

Exposure to maximum credit risk as of reporting date	Receivables					
	Trade Receivables		Other Receivables		Deposits in Banks	Other (***)
	Related Party	Other Parties	Related Party	Other Parties		
31 December 2025						
Maximum net credit risk as of the reporting date (A+B+C+D+E) (*)	25,289,807	73,935,512	--	11,530,566	237,717,257	--
- The part of maximum risk under guarantee with collateral etc. (**)	--	25,029,930	--	--	--	--
A.Net book value of financial assets that are neither past due not impaired	25,289,807	45,267,657	--	11,530,566	237,717,257	--
B.Net book value of financial assets which are overdue but not impaired	--	28,667,855	--	--	--	--
C.Net book value of impaired assets	--	--	--	--	--	--
- Past due (gross carrying amount)	--	8,534,880	--	--	--	--
- Impairment (-)	--	(8,534,880)	--	--	--	--
- The part of net value under guarantee with collateral etc.	--	--	--	--	--	--
- Not past due (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- The part of net value under guarantee with collateral etc.	--	--	--	--	--	--
D.Off-balance sheet items with credit risk	--	--	--	--	--	--

(*) In determining the amount, factors that provide an increase in credit reliability, such as the guarantees taken, were not taken into account.

(**) The guarantees consist of collateral bonds received from customers, collateral checks and mortgages.

(***) Mutual funds shown in cash and cash equivalents, receivables from government bond reverse repo transactions with a maturity of less than 3 months, other ready values and currency-protected deposits in financial investments are included.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Exposure to maximum credit risk as of reporting date	Receivables					
	Trade Receivables		Other Receivables		Deposits in	
	Related Party	Other Parties	Related Party	Other Parties	Banks	Other (***)
31 December 2024						
Maximum net credit risk as of the reporting date (A+B+C+D+E) (*)	16,001,938	130,938,302	--	15,781,147	444,920,793	261,784
- Guarantee of maximum risk. The part secured by vs (**)	--	22,504,952	--	--	--	--
A. Net book value of financial assets that are neither past due not impaired	16,001,938	78,904,392	--	15,781,147	444,920,793	261,784
B. Net book value of financial assets which are overdue but not impaired	--	52,033,910	--	--	--	--
C. Net book value of impaired assets	--	--	--	--	--	--
- Past due (gross carrying amount)	--	11,391,948	--	--	--	--
- Impairment (-)	--	(11,391,948)	--	--	--	--
- The part of net value under guarantee with collateral etc.	--	--	--	--	--	--
- Not past due (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- The part of net value under guarantee with collateral etc.	--	--	--	--	--	--
D. Off-balance sheet items with credit risk	--	--	--	--	--	--

(*) In determining the amount, factors that provide an increase in credit reliability, such as the guarantees taken, were not taken into account.

(**) The guarantees consist of collateral bonds received from customers, collateral checks and mortgages.

(***) Mutual funds shown in cash and cash equivalents, receivables from government bond reverse repo transactions with a maturity of less than 3 months, and other ready values are included.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure to credit risks is monitored on a continuous basis.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

The aging of the overdue but not impaired receivables are as follows:

31 December 2025	Receivables		Total
	Trade Receivables	Other Receivables	
Past due 1-30 days	5,213,336	--	5,213,336
Past due 1-3 months	4,270,531	--	4,270,531
Past due 3-12 months	7,897,169	--	7,897,169
Past due 1-5 years	10,543,786	--	10,543,786
Past due more than 5 years	743,033	--	743,033
Total overdue receivables	28,667,855	--	28,667,855
Total collateralized portion	26,121,658	--	26,121,658

31 December 2024	Receivables		Total
	Trade Receivables	Other Receivables	
Past due 1-30 days	8,674,647	--	8,674,647
Past due 1-3 months	4,189,095	--	4,189,095
Past due 3-12 months	3,538,238	--	3,538,238
Past due 1-5 years	6,428,343	--	6,428,343
Past due more than 5 years	6,698,633	--	6,698,633
Total overdue receivables	29,528,956	--	29,528,956
Total collateralized portion	25,029,930	--	25,029,930

Collaterals held for trade receivables that are past due but not impaired as of the reporting date are as follows:

	31 December 2025		31 December 2024	
	Nominal Value	Fair Value	Nominal Value	Fair Value
Letter of guarantee	25,907,531	25,907,531	24,565,007	24,565,007
Cash deposit	148,877	148,877	137,692	137,692
Notes payable	65,250	65,250	327,231	327,231
	26,121,658	26,121,658	25,029,930	25,029,930

b.2) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. On the other hand, derivative financial liabilities are presented based on their gross cash inflows and outflows which have not been discounted. Derivative instruments are settled and realized on a net basis based on their respective gross cash inflows and outflows which have not been discounted. When the receivables and payables are not fixed, the amount disclosed is calculated via an interest rate derived from yield curves as of the reporting date.

31 December 2025					
Contractual maturities	Book Value	Total cash outflows under the contract (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)
Non derivative financial liabilities					
Loans and borrowings	1,011,695,200	1,139,243,800	--	1,139,243,800	--
Trade payables	125,308,474	125,308,474	125,308,474	--	--
Other payables	43,079,412	43,079,412	43,079,412	--	--
Total liabilities	1,180,083,086	1,307,631,686	168,387,886	1,139,243,800	--

31 December 2024					
Contractual maturities	Book Value	Total cash outflows under the contract (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)
Non derivative financial liabilities					
Loans and borrowings	5,605,670,853	7,017,879,822	1,505,961,773	5,113,535,077	398,382,972
Trade payables	187,886,611	187,886,611	187,886,611	--	--
Other payables	39,666,287	39,666,287	39,666,287	--	--
Total liabilities	5,833,223,751	7,245,432,720	1,733,514,671	5,113,535,077	398,382,972

b.3) Market risk management

b.3.1) Foreign currency risk management

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Market risk exposures of the Company are measured using sensitivity analysis and stress scenarios.

There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

Foreign currency transactions lead to currency risks

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

Currency	31 December 2025		31 December 2024	
	Buying	Selling	Buying	Selling
US Dollar	42,8457	42,9229	46,1792	46,2623
Euro	50,2859	50,3765	48,0849	48,1715

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

The foreign currency denominated monetary and non-monetary assets and liabilities of the Company as of the reporting date are as follows:

31 December 2025			
	TRY Equivalent (Functional currency)	US Dollar	Euro
1. Trade Receivables	--	--	--
2a. Monetary Financial Assets	1,456,715	29,801	3,577
2b. Non-Monetary Financial Assets	968,313	22,600	--
3. Other	--	--	--
4. CURRENT ASSETS	2,425,028	52,401	3,577
5. Trade Receivables	--	--	--
6a. Monetary Financial Assets	--	--	--
6b. Non-Monetary Financial Assets	--	--	--
7. Other	--	--	--
8. NON CURRENT ASSETS	--	--	--
9. TOTAL ASSETS	2,425,028	52,401	3,577
10. Commercial Liabilities	36,844,179	61,016	679,388
11. Financial Obligations	--	--	--
12a. Other Monetary Liabilities	--	--	--
12b. Other Non-Monetary Liabilities	7,583,678	--	150,540
13. SHORT TERM LIABILITIES	44,427,857	61,016	829,928
14. Commercial Liabilities	--	--	--
15. Financial Obligations	--	--	--
16a. Other Monetary Obligations	--	--	--
16b. Other Non-Monetary Obligations	--	--	--
17. LONG TERM LIABILITIES	--	--	--
18. TOTAL LIABILITIES	44,427,857	61,016	829,928
19. Net asset/liability position of off balance sheet derivatives (19a-19b)	--	--	--
19.a. Off-balance sheet foreign currency derivative assets	--	--	--
19.b. Off-balance sheet foreign currency derivative liabilities	--	--	--
20. Net foreign currency asset/liability position	(42,002,829)	(8,615)	(826,351)
21. Net foreign currency asset/liability position of monetary items (1+2a+5+6a+10-11-12a-14-15-16a)	(35,387,464)	(31,215)	(675,811)
22. Fair Value of foreign currency hedged Financial asset	--	--	--
23. Hedged foreign currency assets	--	--	--
24. Hedged foreign currency liabilities	--	--	--

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

31 December 2024			
	TRY Equivalent (Functional currency)	US Dollar	Euro
1. Trade Receivables	--	--	--
2a. Monetary Financial Assets	9,900,143	118,334	92,244
2b. Non-Monetary Financial Assets	--	--	--
3. Other	--	--	--
4. CURRENT ASSETS	9,900,143	118,334	92,244
5. Trade Receivables	--	--	--
6a. Monetary Financial Assets	--	--	--
6b. Non-Monetary Financial Assets	--	--	--
7. Other	--	--	--
8. NON CURRENT ASSETS	--	--	--
9. TOTAL ASSETS	9,900,143	118,334	92,244
10. Commercial Liabilities	37,081,007	117,368	657,054
11. Financial Obligations	--	--	--
12a. Other Monetary Liabilities	--	--	--
12b. Other Non-Monetary Liabilities	7,113,689	8,400	139,607
13. SHORT TERM LIABILITIES	44,194,696	125,768	796,661
14. Commercial Liabilities	--	--	--
15. Financial Obligations	--	--	--
16a. Other Monetary Obligations	--	--	--
16b. Other Non-Monetary Obligations	--	--	--
17. LONG TERM LIABILITIES	--	--	--
18. TOTAL LIABILITIES	44,194,696	125,768	796,661
19. Net asset/liability position of off balance sheet derivatives (19a-19b)	--	--	--
19a. Off-balance sheet foreign currency derivative assets	--	--	--
19b. Off-balance sheet foreign currency derivative liabilities	--	--	--
20. Net foreign currency asset/liability position	(34,294,553)	(7,434)	(704,416)
21. Net foreign currency asset/liability position of monetary items (1+2a+5+6a+10-11-12a-14-15-16a)	(27,180,864)	965	(564,809)
22. Fair Value of foreign currency hedged Financial asset	--	--	--
23. Hedged foreign currency assets	--	--	--
24. Hedged foreign currency liabilities	--	--	--

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Foreign currency sensitivity

The Company is mainly exposed to foreign currency risk on Euro and US Dollar.

The following table details the Company's sensitivity to 10% increase in the currency of Euro and US Dollar. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The positive amount indicates the increase in profit/loss and equity.

31 December 2025		
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
<u>If US Dollar changes against TRY by 10%</u>		
US Dollar net asset/liability	(133,741)	133,741
Portion hedged against US Dollar risk (-)	--	--
US Dollar net effect	(133,741)	133,741
<u>If the Euro Changes 10% Against the TRY by 10%::</u>		
Euro net asset/liability	(3,398,379)	3,398,379
Portion hedged against Euro risk (-)	--	--
Euro net effect	(3,398,379)	3,398,379
31 December 2024		
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
<u>If US Dollar changes against TRY by 10%</u>		
US Dollar net asset/liability	4,457	(4,457)
Portion hedged against US Dollar risk (-)	--	--
US Dollar net effect	4,457	(4,457)
<u>If the Euro Changes 10% Against the TRY by 10%::</u>		
Euro net asset/liability	(2,715,878)	2,715,878
Portion hedged against Euro risk (-)	--	--
Euro net effect	(2,715,878)	2,715,878

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

b.3) Market risk management

b.3.2) Interest rate risk management

Interest rate risk represents the risk of fair value decrease in the Company's interest rate sensitive assets due to market fluctuations.

Mutual funds classified as financial asset at fair value through profit or loss in accompanying financial statements is subject to price risk depending on price changes.

There are no debt securities of the Company classified as financial asset at fair value through profit or loss in accompanying financial statements as of 31 December 2025 and 2024.

As of 31 December 2025 and 2024, the Company has no financial liabilities with variable interest rates

	Interest Rate Table	
	31 December 2025	31 December 2024
Fixed Rate Financial Instruments		
Financial Assets		
<i>Financial assets classified at fair value through profit or loss</i>	--	--
<i>Time deposits at banks</i>	236,171,064	434,875,867
Financial Liabilities	1,011,695,200	5,605,670,853
Floating Interest Rate Financial Instruments		
Investment Funds	--	--

b.3.3) Equity price risk

As of 31 December 2025, company has no equity in their portfolio. Therefore, there is no equity price risk.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

29. Fair value of financial assets and liabilities

Financial assets

Financial investments recognized in financial statements are reflected at fair values. The Company assumes that the carrying values of the cash and cash equivalents are close to their fair value because of their short-term nature.

Financial liabilities

The Company assumes that the carrying values of the floating interest rate banks loans are close to their fair value, since floating interest rate banks loans are re-priced recently. The Company assumes that the carrying values of the fixed interest rate banks loans are close to their fair value, since the opening date of the bank loan is close to the reporting period and there is no significant change in the market interest rates. The estimated fair value of fixed rate financial liabilities is calculated by using discounted cash flows using current market interest rates. As of 31 December 2025, the net book value is TRY1,011,695,200 and its fair value is close to its net book value.(31 December 2024: TRY5,605,670,853)

	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Carrying value	Note
31 December 2025						
Financial assets						
Cash and cash equivalents	237,717,257	--	--	--	237,717,257	5
Financial investments	--	2,158,803,355	--	--	2,158,803,355	6
Trade receivables	73,935,512	--	--	--	73,935,512	8
Due from related parties	25,289,807	--	--	--	25,289,807	27
Other financial assets	11,530,566	--	--	--	11,530,566	9
Financial Liabilities						
Loans and borrowings	--	--	1,011,695,200	--	1,011,695,200	7
Trade payables	--	--	48,936,213	--	48,936,213	8
Trade payables to related parties	--	--	76,372,261	--	76,372,261	27
Other payables	--	--	43,079,412	--	43,079,412	9
Derivative instruments	--	--	--	--	--	6
31 December 2024						
Financial assets						
Cash and cash equivalents	445,182,577	--	--	--	445,182,577	5
Financial investments	--	2,500,268,936	--	--	2,500,268,936	6
Trade receivables	130,938,302	--	--	--	130,938,302	8
Due from related parties	16,001,938	--	--	--	16,001,938	27
Other financial assets	15,781,147	--	--	--	15,781,147	9
Derivative instruments	--	--	--	--	--	6
Financial Liabilities						
Loans and borrowings	--	--	5,605,670,853	--	5,605,670,853	7
Trade payables	--	--	73,289,506	--	73,289,506	8
Loans and borrowings from related parties	--	--	114,597,105	--	114,597,105	27
Other payables	--	--	39,666,287	--	39,666,287	9
Derivative instruments	--	--	--	--	--	6

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Fair Value of Financial Instruments

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

Level I: Financial assets and liabilities are carried at quoted prices in an active market which are used for similar financial assets and liabilities.

Level II: Other than quoted prices specified in Level I, financial assets and liabilities are carried at inputs used to determine direct or indirect observable market prices.

Level III: Financial assets and liabilities are carried at inputs which are used in determining fair value of financial assets and liabilities but not based on any observable market data.

The levels of the financial assets and liabilities presented in fair values are as follows:

Assets at fair value	31 December 2025	Level 1	Level 2	Level 3
Investment properties	44,056,930,000	--	44,056,930,000	--
Tangible assets	509,044,293	--	509,044,293	--
Financial assets held for trading	2,158,803,355	--	2,158,803,355	--
	46,724,777,648	--	46,724,777,648	--
Assets at fair value	31 December 2024	Level 1	Level 2	Level 3
Investment properties	48,144,406,511	--	48,144,406,511	--
Tangible assets	496,390,405	--	496,390,405	--
Financial assets held for trading	2,500,268,936	--	2,500,268,936	--
	51,141,065,852	--	51,141,065,852	--

30. Fees for services received from independent auditor/independent audit firm

As of 31 December 2025, the services and related fees received by the Company from the independent audit company are as follows:

	31 December 2025	31 December 2024
Independent audit fee for the reporting period	1,714,500	1,665,605
Fee for other non-audit services ^(*)	3,589,341	662,813
Fees for tax attestation consultancy services	490,000	327,231
	5,793,841	2,655,649

^(*) The service fee paid within the scope of the TSRS audit is included under other non-audit services.

31. Events after the reporting period

In our Kasaba Modern Project under development in Ömerli Neighborhood, Çekmeköy District, İstanbul Province, it has been decided to increase the Company's current land share of 43.53% to 50% by acquiring a 6.47% land share from the project partner Tecim Yapı Elemanları İnşaat Servis ve Yönetim Hizmetleri San. ve Tic. Ltd. Şti. (TECİM) for a total of TL 489,372,000, excluding VAT, with TL 140 million to be paid upfront and the remaining amount to be paid over a 4-month term, including interest.

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

Additional Note: Control of compliance with restrictions on the investment portfolio

Unconsolidated (individual) financial statement main account items		Related regulation	31 December 2025	31 December 2024
A	Capital and money market instruments	III-48.1. Md. 24/(b)	451,683,303	1,041,054,718
B	Real estates, rights supported by real estates and real estate projects. Real estate investment fund of the first paragraph of article 28, in which they have 100% participation in their participation shares and capital	III-48.1. Md. 24/(a)		
C	Affiliates ^(*)	III-48.1. Md. 24/(b)	55,860,872	48,395,215
	Due from related parties (other receivables)	III-48.1. Md. 23/(f)	--	--
	Other assets		1,014,889,577	738,996,844
D	Total assets (Total assets)	III-48.1. Md. 3/(p)	58,192,770,367	62,381,146,591
E	Loans and borrowings	III-48.1. Md. 31	1,011,695,200	5,605,670,853
F	Other financial liabilities	III-48.1. Md. 31	8,695,004	59,693,760
G	Leasing obligations	III-48.1. Md. 31	--	--
H	Due to related parties (other payables)	III-48.1. Md. 23/(f)	--	--
I	Equity	III-48.1. Md. 31	50,250,172,911	51,192,053,861
	Other resources		6,922,207,252	5,523,728,117
D	Total liabilities and equity	III-48.1. Md. 3/(k)	58,192,770,367	62,381,146,591
Other separate financial information		Related regulatio	31 December 2025	31 December 2024
A1	Capital and money market instruments amount held for 3-year real estate payments	III-48.1. Md. 24/(b)	--	--
A2	Foreign Currency Time Deposit/Special Current-Participation Account and TL Time Deposit/Participation Account	III-48.1. Md. 24/(b)	237,717,257	445,182,577
A3	Foreign capital market instruments	III-48.1. Md. 24/(d)	--	--
B1	Foreign real estates, rights supported by real estates and real estate projects	III-48.1. Md. 24/(d)	--	--
B2	Inactive land	III-48.1. Md. 24/(c)	28,630,000	30,759,697
C1	Foreign affiliates	III-48.1. Md. 24/(d)	--	--
C2	Participating to operating company	III-48.1. Md. 28	55,860,872	48,395,215
J	Non-cash loans	III-48.1. Md. 31	392,215,634	548,863,495
K	Mortgage amounts of the mortgaged lands that the project will be developed on without ownership	III-48.1. Md. 22/(e)	--	--
L	The sum of investments in money and capital market instruments in a single company	III-48.1 Md. 22/ ⁽¹⁾	237,697,257	444,779,420

^(*) From the associates disclosed in Note 3, Kanyon is in the scope of the Company under the scope of Article 28 paragraph 1 of the "Communiqué on Principles Regarding Real Estate Investment Trusts" No: 48.1 of the CMB, III. The Company accounts for this associate according to the equity method in the accompanying financial statements. As of 31 December 2025, the Company's participation in Kanyon is TRY500.000 and does not exceed 10% of the total assets.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Financial Statements For the Year Ended 31 December 2025 and 2024

(Amounts are expressed in TRY based on the purchasing power of the Turkish Lira ("TRY") as of 31 December 2025 unless otherwise indicated.)

	Portfolio restrictions	Related regulation	31 December 2025	31 December 2024	Minimum/ Maximum rate
1	Mortgage amounts of the mortgaged lands that the project will be developed on without ownership	III-48.1. Md. 22/(e)	0%	0%	Maximum 10%
2	Real estates, rights supported by real estates and real estate projects. Real estate investment fund of the first paragraph of article 28, in which they have 100% participation in their participation shares and capital.	III-48.1. Md. 24/(a). (b)	97%	97%	Minimum 51%
3	Capital and money market instruments and subsidiaries	III-48.1. Md. 24/(b)	1%	2%	Maximum 49%
4	Foreign real estates, rights supported by real estates and real estate projects, affiliates and capital market instruments	III-48.1. Md. 24/(d)	0%	0%	Maximum 49%
5	Inactive land	III-48.1. Md. 24/(c)	0%	0%	Maximum 20%
6	Participating to operating company	III-48.1. Md. 28/1 (a)	0%	0%	Maximum 10%
7	Borrowings limits	III-48.1. Md. 31	3%	12%	Maximum 500%
8	Foreign Currency Time Deposit/Special Current-Participation Account and TRY Time Deposit/Participation Account	III-48.1. Md. 24/(b)	0%	1%	Maximum 10%
9	The sum of investments in money and capital market instruments in a single company	III-48.1 Md. 22/ ⁽¹⁾	0%	1%	Maximum 10%

APPENDIX 1: SUMMARY APPRAISAL REPORTS

Subject of Appraisal	İstanbul İş Towers Complex
Application Date	03.11.2025
Report Prepared by	Reel Gayrimenkul Değerleme A.Ş.
Report Date and Report No	30.12.2025/ISGY-2510032
Appraisal Date	29.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Reinforced concrete business center of with an area of 25,909 m ² registered at İstanbul Province, Beşiktaş District, Rumelihisarı Neighborhood, Sheet 81, Block 1420, Parcel 1
Appraisal Value	TL 15,334,997,000 (excluding VAT)
Subject of Appraisal	Tuzla Technology & Operation Center
Application Date	01.12.2025
Report Prepared by	Epos Gayrimenkul Danışmanlık ve Değerleme A.Ş.
Report Date and Report No	31.12.2025/İŞGYO-2025-00008
Appraisal Date	18.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Building and office with an area of 44,395.35 m ² registered at İstanbul Province, Tuzla District, Merkez Neighborhood, Sheet G22B17A1C, Block 7301, Parcel 1
Appraisal Value	TL 14,246,300,000 (excluding VAT)
Subject of Appraisal	Kanyon Shopping Mall
Application Date	01.12.2024
Report Prepared by	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	31.12.2025/2025/3589
Appraisal Date	25.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	195 independent units registered at İstanbul Province, Şişli District, Mecidiyeköy Neighborhood, Sheet 303, Block 1946, Parcel 136 with an area of 29,427.34 m ²
Appraisal Value	TL 5,727,840,000 (excluding VAT)
Subject of Appraisal	İzmir Ege Perla Shopping Mall
Application Date	01.11.2025-002
Report Prepared by	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	31.12.2025/2025/3588
Appraisal Date	25.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	108 independent units, comprising Block A (50-story reinforced concrete residential building), Block B (36-story reinforced concrete office and business premises), and Block C (10-story reinforced concrete office and business premises) along with its land registered at İzmir Province, Konak District, Mersinli Neighborhood, Sheet 296, Block 3324, Parcel 106 with an area of 18,392 m ²
Appraisal Value	TL 1,845,920,000 (excluding VAT)
Subject of Appraisal	Mallmarine Shopping Mall
Application Date	01.12.2025
Report Prepared by	Epos Gayrimenkul Danışmanlık ve Değerleme A.Ş.
Report Date and Report No	31.12.2025/ISGYO-202500005
Appraisal Date	15.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	6-storeyed reinforced building registered at Muğla Province, Marmaris District, Kemeraltı Neighborhood, Uzunyalın Area, Block 432 Parcel 7
Appraisal Value	TL 278,727,000 (excluding VAT)

Subject of Appraisal	İçerenköy Office Buildings (C-D Blocks)
Application Date	20.11.2025
Report Prepared by	Vera Gayrimenkul Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	30.12.2025/2025_1911
Appraisal Date	30.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	18 independent units in “Masonry Business Premises Consisting of 2 Blocks” registered at İstanbul Province, Ataşehir District, İçerenköy Neighborhood, Block 3219, Parcel 165 with an area of 2,194.66 m ² (with full land share).
Appraisal Value	TL 420,300,000 (excluding VAT)
Subject of Appraisal	Parmakkapı Building
Application Date	20.11.2025
Report Prepared by	Vera Gayrimenkul Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	30.12.2025/2025_1914
Appraisal Date	30.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	7 independent units in a “Masonry Business Building with Basement, Ground Floor, Mezzanine and Six Full Floors” registered at İstanbul Province, Beyoğlu District, Katip Mustafa Çelebi Neighborhood, Block 457, Parcel 22, with an area of 234 m ² .
Appraisal Value	TL 675,075,000 (excluding VAT)
Subject of Appraisal	Maslak Office Building
Application Date	03.11.2025
Report Prepared by	Bilgi Gayrimenkul Değerleme A.Ş.
Report Date and Report No	30.12.2025/ISGYO-202500013
Appraisal Date	26.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Independent units numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 in Block B registered at İstanbul Province, Sarıyer District M. Ayazağa Neighborhood Block 10 Parcel 10
Appraisal Value	TL 2,030,120,000 (excluding VAT)
Subject of Appraisal	Taksim Office Lamartine
Application Date	20.11.2025
Report Prepared by	Vera Gayrimenkul Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	31.12.2025/2025_1915
Appraisal Date	31.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	8 independent units in “Reinforced Concrete Frame Business Premises” registered at İstanbul Province, Beyoğlu District, Şehit Muhtar Neighborhood, Block 408, Parcel 24, with a surface area of 578.72 m ²
Appraisal Value	TL 1,305,130,000 (excluding VAT)
Subject of Appraisal	İzmir Service Building
Application Date	03.11.2025
Report Prepared by	Reel Gayrimenkul Değerleme A.Ş.
Report Date and Report No	30.12.2025/ISGY-2510034
Appraisal Date	28.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Property registered in İzmir Province, Konak District, Akdeniz Neighborhood, Block 950, Parcel 6
Appraisal Value	TL 1,196,830,000 (excluding VAT)

APPENDIX 1: SUMMARY APPRAISAL REPORTS

Subject of Appraisal	Litus İstanbul
Application Date	01.12.2025
Report Prepared by	Nova Taşınmaz Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	31.12.2025/2025/3590
Appraisal Date	25.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	38 independent units in "6-Story Reinforced Concrete Commercial Building (Block A), 6-Story Reinforced Concrete Apartment Buildings (Blocks B and G) and 7-Story Reinforced Concrete Apartment Buildings (Blocks C, D, E, and F) and land" registered at İstanbul Province, Üsküdar District, Burhaniye Neighborhood, Sheet 213, Block 725, Parcel 213 along with Parcel 212
Appraisal Value	TL 2,386,466,000 (excluding VAT)
Subject of Appraisal	Kasaba Modern Project
Application Date	02.05.2025
Report Prepared by	Vera Gayrimenkul Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	30.12.2025/2025_1912
Appraisal Date	30.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Land, Block 1, Parcel 65, with an area of 2,56999 m ² ; Land, Block 1, Parcel 75, with an area of 2,185.37 m ² ; Land, Block 1, Parcel 78, with an area of 3,158.07 m ² ; Land, Block 1, Parcel 79, with an area of 3,348.32 m ² ; Land, Block 1, Parcel 80, with an area of 6,972.71 m ² ; Land, Block 1, Parcel 81, with an area of 14,30943 m ² ; Land, Block 110, Parcel 7, with an area of 27,92741 m ² ; Land (sports area), Block 110, Parcel 12, with an area of 5,888.72 m ² ; Land, Block 110, Parcel 13, with an area of 12.01 m ² ; Land, Block 110, Parcel 14, with an area of 79,741.73 m ² all located in İstanbul Province, Çekmeköy District, Ömerli Neighborhood.
Appraisal Value	TL 2,180,431,000 (excluding VAT)
Subject of Appraisal	Balmumcu Project
Application Date	03.11.2025
Report Prepared by	Bilgi Gayrimenkul Değerleme A.Ş.
Report Date and Report No	29.12.2025/ISGYO-202500012
Appraisal Date	25.12.2025
Appraisal Method Used	Market Value Method + Cost Method
Registry of Deeds	Land with an area of 1,355.57 m ² registered at İstanbul Province, Beşiktaş District, Dikilitaş Neighborhood, Block 1342, Parcel 8
Appraisal Value	TL 538,520,000 (excluding VAT)
Subject of Appraisal	Tuzla Project
Application Date	03.11.2025
Report Prepared by	Bilgi Gayrimenkul Değerleme A.Ş.
Report Date and Report No	30.12.2025/ISGYO-202500007
Appraisal Date	29.12.2025
Appraisal Method Used	Market Value Method + Cost Method
Registry of Deeds	Land with an area of 59,901.78 m ² registered at İstanbul Province, Tuzla District, Merkez Neighborhood Parcel 8557,
Appraisal Value	TL 2,800,250.000 (excluding VAT)

Subject of Appraisal	Avrupa Residence Şişli -2 Project
Application Date	01.12.2025
Report Prepared by	Epos Gayrimenkul Danışmanlık ve Değerleme A.Ş.
Report Date and Report No	05.01.2026/İŞGYO-2025-00007
Appraisal Date	31.12.2025
Appraisal Method Used	Market Value Method + Cost Method
Registry of Deeds	Land registered at Istanbul Province, Şişli District, Mecidiyeköy Neighborhood, Block 2410, Parcel 250
Appraisal Value	TL 2,572,477,000 (excluding VAT)
Subject of Appraisal	Kadıköy Land
Application Date	20.11.2025
Report Prepared by	Vera Gayrimenkul Değerleme ve Danışmanlık A.Ş.
Report Date and Report No	30.12.2025/2025_1917
Appraisal Date	20.12.2025
Appraisal Method Used	Revenue Method
Registry of Deeds	Land with an area of 8,292.72 m ² registered at Istanbul Province, Kadıköy District, İbrahimağa Neighborhood, Block 1421, Parcel 4
Appraisal Value	TL 355,750,000 (excluding VAT)
Subject of Appraisal	Çekmeköy/ Ömerli Store
Application Date	03.11.2025
Report Prepared by	Bilgi Gayrimenkul Değerleme A.Ş.
Report Date and Report No	29.12.2025/İSGYO-202500008
Appraisal Date	27.11.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	1/407 share of the "Shop" located on a land with an area of 17,884.13 m ² registered at Istanbul Province, Çekmeköy District, Ömerli Neighborhood, Block 1, Parcel 71
Appraisal Value	TL 70,500 (excluding VAT)
Subject of Appraisal	Çekmeköy/Ömerli Lands
Application Date	03.11.2025
Report Prepared by	Bilgi Gayrimenkul Değerleme A.Ş.
Report Date and Report No	29.12.2025/İŞGYO-202500009
Appraisal Date	26.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Lands registered at Istanbul Province, Çekmeköy District, Ömerli Neighborhood, Block 56 Parcel 5 (6,431.07 m ²), Block 110 Parcel 2 (3,743.18 m ²) and Block 110 Parcel: 3 (4,228.18 m ²)
Appraisal Value	TL 194,130,000 (excluding VAT)
Subject of Appraisal	İzmir Şehitler Lands
Application Date	03.11.2025
Report Prepared by	Reel Gayrimenkul Değerleme A.Ş.
Report Date and Report No	30.12.2025/İSGYO-2510036
Appraisal Date	28.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Land registered at İzmir Province, Konak District, Umurbey Neighborhood, Block 3535, Parcel 8-9
Appraisal Value	TL 1,162,000,000 (excluding VAT)

APPENDIX 1: SUMMARY APPRAISAL REPORTS

Subject of Appraisal	Tuzla Meydan Shopping Mall
Application Date	01.12.2025
Report Prepared by	Epos Gayrimenkul Danışmanlık ve Değerleme A.Ş.
Report Date and Report No	31.12.2025/ISGYO-2025-00010
Appraisal Date	25.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	A total of 39 independent units of varying types located in Blocks A and B in “3 Blocks of Reinforced Concrete Offices, Workplaces and Land,” registered at İstanbul Province, Tuzla District, Merkez Neighborhood, Block 7301, Parcel 2
Appraisal Value	TL 299,410,000 (excluding VAT)
Subject of Appraisal	Levent Lands
Application Date	03.11.2025
Report Prepared by	Reel Gayrimenkul Değerleme A.Ş.
Report Date and Report No	30.12.2025-ISGY-2510031
Appraisal Date	29.12.2025
Appraisal Method Used	Market Value Method
Registry of Deeds	Land registered at İstanbul Province, Beşiktaş District, Levent Neighborhood, Block 916, Parcel 572, 630, 631 and Block 1779, Parcel 629
Appraisal Value	TL 28,630,000 (excluding VAT)

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