

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)*

10 February 2025

*This report consists of 5 pages independent
auditor's report and 68 pages financial statements
and supplementary footnotes*

Sınıflandırma: GENEL | Classification: PUBLIC



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
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.



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Valuation work related to determining the fair value of investment properties</p> <p>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>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>“Income approach and sales comparable approach” method is used in determining the fair value of investment properties.</p> <p>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>The fair values of investment properties have been determined by using the market value that determined by independent valuation experts with professional qualifications. 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>During our audit, the following audit procedures have been applied with respect to the fair value of investment properties;</p> <ul 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.

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.

A handwritten signature in blue ink, appearing to read 'T. Gül', is positioned below the company name.

Talar Gül, SMMM
Independent Auditor

Istanbul, 10 February 2026

İş Gayrimenkul Yatırım Ortaklığı
Anonim Şirketi

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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.)

		<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.)

		<i>Audited</i>	<i>Audited</i>
	Notes	31 December 2025	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.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

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>
		1 January- 31 December 2025	1 January- 31 December 2024
	Notes		
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		16,438,795	(34,803,573)
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			
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.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

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	Other comprehensive income that will never be reclassified to profit or loss		Legal reserves	Retained earning	Net period profit/(loss)	Equity
					Other earnings/losses	Revaluation and classification of gains/losses				
Balances as of 1 January 2024		958,750,000	26,981,861,046	12,770,308	(19,913,096)	199,833,286	1,072,263,526	15,964,409,132	5,917,491,051	51,087,465,253
Transfers		--	--	--	--	--	53,026,702	5,864,464,349	(5,917,491,051)	--
Total comprehensive income		--	--	--	1,183,797	(35,987,370)	--	--	1,167,598,428	1,132,794,855
Prior Period Deferred Tax Effect		--	--	--	--	--	--	(1,028,206,246)	--	(1,028,206,246)
Balances as of 31 December 2024	18	958,750,000	26,981,861,046	12,770,308	(18,729,299)	163,845,916	1,125,290,228	20,800,667,235	1,167,598,428	51,192,053,862
Balances as of 1 January 2025		958,750,000	26,981,861,046	12,770,308	(18,729,299)	163,845,916	1,125,290,228	20,800,667,235	1,167,598,428	51,192,053,862
Transfers		--	--	--	--	--	--	1,167,598,428	(1,167,598,428)	--
Total comprehensive income		--	--	--	527,654	15,911,141	--	--	(958,319,746)	(941,880,951)
Balances as of 31 December 2025	18	958,750,000	26,981,861,046	12,770,308	(18,201,645)	179,757,057	1,125,290,228	21,968,265,663	(958,319,746)	50,250,172,911

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

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

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	
		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 cancellation		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		(234,617,264)	(762,529,221)
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 summary 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.

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. Basis of presentation of financial statements (continued)

2.1 Basis of presentation (continued)

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.

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 (KGK) 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.

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.)

2. Basis of presentation of financial statements (continued)

2.1 Basis of presentation (continued)

- 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.

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.

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.)

2. Basis of presentation of financial statements (continued)

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.

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.)

2. Basis of presentation of financial statements (continued)

2.3 The new standards, amendments and interpretations (continued)

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.

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.)

2. Basis of presentation of financial statements (continued)

2.3 The new standards, amendments and interpretations (continued)

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.

- **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.

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.)

2. Basis of presentation of financial statements (continued)

2.3 The new standards, amendments and interpretations (continued)

- **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.

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.)

2. Basis of presentation of financial statements (continued)

2.3 The new standards, amendments and interpretations (continued)

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.

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.)

2. Basis of presentation of financial statements (continued)

2.3 The new standards, amendments and interpretations (continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosures’; with these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable. These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:

- IFRS 18 Presentation and Disclosure in Financial Statements;
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);
- Lack of Exchangeability (Amendments to IAS 21); and

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

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.)

2. Basis of presentation of financial statements (continued)

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.

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

2.4.1 Accounting for income and expenses (continued)

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.

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

2.4.3 Tangible assets (continued)

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

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

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.

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

2.4.7 Financial instruments (continued)

i) Financial assets (continued)

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

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

2.4.7 Financial instruments (continued)

i) Financial assets (continued)

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

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.

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.

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.)

2. Basis of presentation of financial statements (continued)

2.4 Summary of key accounting policies (continued)

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.

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.

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.)

2. Basis of presentation of financial statements (continued)

2.5 Basis of presentation of financial statements (continued)

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.

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.

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.)

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.

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.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Condensed 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.)

4. Operating segments (continued)

	Ankara İş Kule Building	Istanbul İş Kuleleri Complex	Maslak Office Building	Muğla Marmaris Mallmarine Shopping Mall	Istanbul Kanyon Shopping Mall	Istanbul Marmara Park Shopping Mall	Taksim Office Lamartine	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
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	548,944,699	11,457,011	69,563,067	52,844,745	1,387,914	--	22,613,019	1,767,262,938
Income from sales of residential units	--	--	--	--	--	--	--	--	--	--	--	340,179,372	926,626,605	--	1,266,805,977
Income from right of construction	--	--	--	--	--	74,024,661	--	--	--	--	--	--	--	--	74,024,661
Income fees and service	--	3,961	593,392	--	931,242	--	--	--	--	9,272,871	--	--	--	--	10,801,466
Other income	--	1,740,634	--	--	3,593,752	--	136,336	--	4,634	2,261,309	--	25,246	--	--	7,761,912
Real estate revenues	12,192,074	605,163,425	5,284,543	8,413,529	419,458,591	74,024,661	16,939,638	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
Cost of sales of residential units	--	--	--	--	--	--	--	--	--	--	--	295,562,733	872,630,611	--	1,168,193,343
Administrative expense	--	43,252,191	1,541,063	--	82,005,414	--	1,465,285	3,628,632	7,220,142	72,963,205	--	5,716,944	--	5,304,134	223,097,010
Tax and duty and other charges	2,188,077	13,495,354	967,636	207,831	7,949,387	--	681,451	2,901,529	3,000,005	4,688,010	8,160	1,629,117	14,433	6,765,147	44,496,137
Insurance expense	957,829	8,723,462	591,254	310,268	3,865,998	--	161,567	18,317,050	--	6,992,517	4,273	365,119	--	594,133	40,883,470
Other	260,088	3,280,597	1,010,729	127,061	186,059	--	740,595	1,135,859	483,488	540,816	954,863	3,441,968	284	750,008	12,912,414
Cost of Sales	3,405,994	68,751,605	4,110,681	645,161	94,006,858	--	3,048,899	25,983,069	10,703,635	85,184,548	967,296	306,715,880	872,645,328	13,413,422	1,489,582,374
Gross Profit	8,786,080	536,411,820	1,173,862	7,768,368	325,451,733	74,024,661	13,890,739	522,961,630	758,010	(4,087,300)	51,877,449	34,876,652	53,981,277	9,199,597	1,637,074,580
Capital investments	--	105,129,407	--	--	20,221,744	--	1,172,622	1,913,765	--	6,704,612	1,182,710,780	--	907,693,737	3,270,312,071(*)	5,495,858,738

(*) 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.

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

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4. Operating segments (continued)

	Ankara İş Tower Building	İstanbul Business Towers Complex	Maslak Office Building	Muğla Marmaris Mallmarine Shopping Mall	İstanbul Kanyon Shopping Center	İstanbul Marmara Park Shopping Mall	Taksim Office Lamartine	Tuzla Technology and Operation Center	Tuzla Square Bazaar	İzmir Ege Perla Sgeçmiş rhopping Mall	İzmir Ege Perla	Eagle Landscape Islands	Litus İstanbul Altunizade	Other Real Estate	Total
31 December 2024															
Sales revenue															
Income from sales of residential units	--	--	--	--	--	--	--	--	--	--	10,592,769	127,498,751	3,398,539,447	296,811	3,536,927,778
Rent income	24,344,014	383,903,656	3,526,435	7,897,972	386,679,873	--	44,721,642	544,831,956	9,449,980	52,510,912	418,001	885,770	--	--	1,459,170,212
Income from right of construction	--	--	--	--	--	282,876,311	--	--	--	--	--	--	--	--	282,876,311
Income fees and service	--	196,248	881,325	--	603,569	--	--	--	--	6,712,580	3,373,722	--	--	--	11,767,444
Other income	6,379	1,011,637	--	21,220	5,099,298	--	45,517	--	4,977	1,403,635	--	1,819	--	901	7,595,382
Real estate revenues	24,350,393	385,111,540	4,407,761	7,919,192	392,382,740	282,876,311	44,767,160	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
Cost of sales of residential units	--	--	--	--	--	--	--	--	--	--	6,144,221	65,802,769	3,010,019,432	5,638,255	3,087,604,677
Administrative expense	--	58,942,830	2,559,328	--	83,050,301	--	182,490	--	10,377,140	71,220,208	71,156	4,114,193	5,830,722	41,401	236,389,767
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	419,370	6,124,789	3,923,271	94,692	677,696	655,468	132,340	116,712,456
Insurance expense	894,452	10,438,066	530,079	277,250	6,696,321	--	--	20,253,576	1,141,046	2,955,260	8,467,349	410,580	--	282,816	52,346,795
Other	193,992	236,975	105,242	58,290	1,313,699	371,815	--	--	--	333,027	189,403	30,926	--	3,938,617	6,771,986
Cost of Sales	2,714,079	82,927,910	4,258,803	565,294	99,749,883	79,393,088	926,902	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
Gross Profit	21,636,314	302,183,630	148,958	7,353,898	292,632,857	203,483,223	43,840,258	524,159,010	(8,188,018)	(17,804,638)	(582,330)	57,350,175	382,033,825	(9,735,717)	1,798,511,446
Capital investments	1,022,493	1,306,487,055	209,970	--	10,909,225	--	--	2,211,799	--	4,470,329	--	1,964,698	1,435,282,525	1,103,141,460	3,868,319,918

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

4. Operating segments (continued)

Reconciliations on revenues, assets and liabilities

Sales Revenue	1 January- 31 December 2025	1 January- 31 December 2024
Segment revenue	3,126,656,954	5,298,337,127
Total Revenue	3,126,656,954	5,298,337,127
Cost of sales	1 January- 31 December 2025	1 January- 31 December 2024
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

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Notes to the Condensed 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.)

5. Cash and cash equivalents (continued)

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

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

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

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

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Notes to the Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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7. Loans and borrowings (continued)

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 Ekim 2025	27 Nisan 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
TRSIGY12519	39.00%	500,000,000	1 August 2023	22 January 2025	763,735,412
TRSIGYK2519	48.00%	500,000,000	14 November 2023	3 November 2025	696,710,252
TRSIGY82512	47.00%	850,000,000	22 November 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

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Notes to the Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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8. Trade receivables and payables

Short-term trade receivables and liabilities

	31 December 2025	31 December 2024
<u>Trade receivables</u>		
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
<u>Trade payables</u>		
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
<u>Trade receivables</u>		
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

(*) TRY3,500,180 of the amount consists of tax office receivables (31 December 2024: TRY4,581,158).

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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9. Other receivables and payables (continued)

	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

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).

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.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Notes to the Condensed 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 (continued)

	2025	2024
Investment properties that are active		
Tuzla Technology and Operation Center	Market Value Determination	Sales comparison approach
İstanbul Business Towers Complex	Market Value Determination	Sales comparison approach
Kanyon Shopping Center	Market Value Determination	Sales comparison approach
İzmir 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
Muğla 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	--
İstanbul 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
İzmir 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

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Notes to the Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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11. Inventories

<i>Short-term stocks</i>	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

<i>Long-term stocks</i>	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 Misesk 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 Artış 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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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

	Buildings (*)	Machinery and Equipment	Vehicles	Fixtures	Total
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 Çarşı (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.

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Notes to the Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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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
	Computer Programs	Total
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 Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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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.

Notes to the Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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14. Provisions, contingent assets and liabilities (continued)

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

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..

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15. Provisions for employee benefits (continued)

	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

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 9.043 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

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16. Prepaid expenses, other assets, deferred income (excluded from obligations arising from customer contracts) and other liabilities (continued)

<i>Other short-term liabilities</i>	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).

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

	31 December 2025		31 December 2024	
İş Gayrimenkul Yat. Ort. A.Ş.	(%)		(%)	
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.

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18. Shareholders’ equity (continued)

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(*)	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)

(*) 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.

As of 31 December 2025 and 31 December 2024, share premiums amounting TRY12,770,308 represent excess amount of selling price and nominal value for each share during initial public offering of the Company’s shares.

	31 December 2025	31 December 2024
Legal reserves	1,125,290,228	1,125,290,228
Total	1,125,290,228	1,125,290,228

Legal reserves consist of first and second legal reserves. The first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the paid-in share capital. The second legal reserve is calculated as the 10% of dividend distributions, in excess of 5% of paid-in capital. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50% of paid-in capital.

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18. Shareholders’ equity (continued)

Prior Years Profits/Losses

	31 December 2025	31 December 2024
Prior years’ profits	21,968,265,663	20,800,667,235
Total	21,968,265,663	20,800,667,235

Dividend distribution

At the Ordinary General Assembly Meeting held on 20 March 2025; after the Board of Directors' Profit Share Distribution Proposal was accepted as is, it was decided that no dividend would be distributed due to the absence of net distributable profit in the company’s financial statements prepared according to the Tax Procedure Law.

In accordance with the decision taken at the Ordinary General Assembly Meeting held on 20 March 2025, the transfer of the 2024 profit determined according to the financial statements prepared in accordance with the Capital Markets Legislation was made as stated below:

	Amount
1. Primary reserve 5%	--
Dividend	--
2. Secondary reserve	--
Capital increase through bonus shares	--
Transferred to prior years’ profits	1,167,598,428
Total	1,167,598,428

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19. Revenue and cost of sales

	1 January-31 December 2025	1 January-31 December 2024
Rent Income	1,767,262,938	1,459,170,212
Income from sales of residential units	1,266,805,977	3,536,927,778
Income from right of construction	74,024,661	282,876,311
Income fees and service	10,801,466	11,767,444
Other revenue	7,761,912	7,595,382
Total revenue	3,126,656,954	5,298,337,127

	1 January-31 December 2025	1 January-31 December 2024
Cost of sales of residential units	(1,168,193,343)	(3,087,604,677)
Cost of administrative expenses	(223,097,010)	(236,389,767)
Taxes and dues	(44,496,137)	(116,712,456)
Insurance expenses	(40,883,470)	(52,346,795)
Other	(12,912,414)	(6,771,986)
Total	(1,489,582,374)	(3,499,825,681)

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)

	1 January-31 December 2025	1 January-31 December 2024
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)

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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)

	1 January- 31 December 2025	1 January- 31 December 2024
Depreciation and amortization		
Administrative expenses (Note 20)	(28,822,952)	(27,481,443)
Total	(28,822,952)	(27,481,443)

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

	1 January- 31 December 2025	1 January- 31 December 2024
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)

	1 January- 31 December 2025	1 January- 31 December 2024
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.

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23. Financing income/(expenses)

Finance income and expenses as of 31 December 2025 and 2024 are as follows:

Finance income	1 January- 31 December 2025	1 January- 31 December 2024
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	281,148,292

Finance expense	1 January- 31 December 2025	1 January- 31 December 2024
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)	(3,541,992,202)

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	32,946,876	1,038,809,157
Cost of sales	8,239,888	8,864,303
Marketing expenses	36,216,320	40,177,273
General administrative expenses	10,103,034,238	14,593,840,077
Other operating income	472,884,248	302,346,011
Other operating expenses	4,515,076	14,463,846
Share of profit of equity-accounted investees	(80,576,047)	(26,599,156)
Financing income	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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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)

Tax reconciliation	1 January - 31 December 2025
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)

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%).

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25. Tax assets and liabilities (continued)

	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 Accumulated Temporary Differences	31 December 2024 Accumulated Temporary Differences	31 December 2025 Deferred Tax Assets/(Liabilities)	31 December 2024 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)

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.

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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.

	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

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27. Related party disclosures(continued)

<i>Balances with related parties</i>	31 December 2025		31 December 2024	
	Financial Borrowings	Interest and Commission Fee	Financial Borrowings	Interest and Commission Fee
T. İş Bankası A.Ş.	--	--	--	445,400,338

<i>Balances with related parties</i>	31 December 2024			
	Short Term Trade Receivables	Short Term Prepaid Expenses	Short Term Trade Payables	Deferred Income
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

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

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27. Related party disclosures(continued)

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)

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

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27. Related party disclosures (continued)

<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.

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

Notes to the Condensed Financial Statements For the Year Ended 31 December 2025 and 2024
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27. Related party disclosures (continued)

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.

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

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

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28. Nature and level of risks arising from financial instruments (continued)

b.1) Credit risk management

Exposure to maximum credit risk as of reporting date	Receivables					
	Trade Receivables		Other Receivables			
	Related Party	Other Parties	Related Party	Other Parties	Deposits in Banks	Other (***)
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 Condensed Financial Statements For the Year Ended 31 December 2025 and 2024

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28. Nature and level of risks arising from financial instruments (continued)

b.1) Credit risk management (continued)

Exposure to maximum credit risk as of reporting date	Receivables					
	Trade Receivables		Other Receivables		Deposits in Banks	Other (***)
31 December 2024	Related Party	Other Parties	Related Party	Other Parties		
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.

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28. Nature and level of risks arising from financial instruments (continued)

b.1) Credit risk management (continued)

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.

The aging of the overdue but not impaired receivables are as follows:

Receivables			
31 December 2025	Trade Receivables	Other Receivables	Total
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

Receivables			
31 December 2024	Trade Receivables	Other Receivables	Total
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

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28. Nature and level of risks arising from financial instruments (continued)

b.1) Credit risk management (continued)

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.

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					
<u>Contractual maturities</u>	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					
<u>Contractual maturities</u>	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

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28. Nature and level of risks arising from financial instruments (continued)

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

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28. Nature and level of risks arising from financial instruments (continued)

b.3.1) Foreign currency risk management (continued)

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	--	--	--
19b. 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	--	--	--

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28. Nature and level of risks arising from financial instruments (continued)

b.3.1) Foreign currency risk management (continued)

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)	--	--	--
19.a 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	--	--	--

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28. Nature and level of risks arising from financial instruments (continued)

b.3.1) Foreign currency risk management (continued)

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

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28. Nature and level of risks arising from financial instruments (continued)

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.

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)

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Notes to the Condensed 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(continued)

31 December 2025	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
<i>Financial assets</i>						
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
<i>Financial Liabilities</i>						
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 2023						
<i>Financial assets</i>						
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
<i>Financial Liabilities</i>						
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

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:

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

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29. Fair value of financial assets and liabilities(continued)

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.

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

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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
	Real estates, rights supported by real estates and real estate projects. Real estate investment fund of the first paragraph			
B	of article 28, in which they have 100% participation in their participation shares and capital	III-48.1. Md. 24 / (a)	56,670,336,615	60,552,699,814
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)	--	--
	Foreign Currency Time Deposit / Special Current-Participation Account and TL Time Deposit /Participation		237,717,257	445,182,577
A2	Account	III-48.1. Md. 24 / (b)		
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 / (e)	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.

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Additional Note: Control of compliance with restrictions on the investment portfolio (continued)

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 ecompany	III-48.1 Md. 22 / (1)	0%	1%	Maximum 10%