

**RÖNESANS GAYRİMENKUL YATIRIM
ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
1 JANUARY - 31 DECEMBER 2025
INDEPENDENT AUDITOR'S REPORT**

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

		<i>(Audited current period)</i>	<i>(Audited prior period)</i>
ASSETS	Notes	31 December 2025	31 December 2024
Current Assets		10,887,806	6,503,876
Cash and cash equivalents	33	6,903,850	4,695,091
Financial investments	28	2,292,676	58,855
Trade receivables		964,821	863,788
- Trade receivables from related parties	5-6	41,807	231,991
- Trade receivables from third parties	6	923,014	631,797
Other receivables		2,743	3,740
- Other receivables from related parties	5-7	11	59
- Other receivables from third parties	7	2,732	3,681
Inventories	8	6,099	2,404
Prepaid expenses		374,652	617,824
- Prepaid expenses to related parties	5-9	154,636	474,946
- Prepaid expenses to third parties	9	220,016	142,878
Current income tax assets		3,512	2,513
Other current assets	14	339,453	259,661
Non-Current Assets		187,833,034	154,453,430
Other receivables		2,726	2,471
- Other receivables from third parties	7	2,726	2,471
Investments accounted through equity method	3	7,204,763	21,247,974
Inventories	8	4,293,936	3,682,687
Investment properties	10	174,381,929	128,691,260
Property, plant and equipment	11	191,663	189,017
Right of use assets		340,456	334,202
Intangible assets		6,096	2,058
- Other intangible assets		6,096	2,058
Prepaid expenses	9	8,781	9,785
Deferred tax assets	22	903,115	277,950
Other non-current assets	14	499,569	16,026
TOTAL ASSETS		198,720,840	160,957,306

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

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

		<i>(Audited current period)</i>	<i>(Audited prior period)</i>
	Notes	31 December 2025	31 December 2024
LIABILITIES			
Current Liabilities		6,296,080	7,833,204
Short-term financial debts	27	-	250,479
Short-term portion of long term financial debts	27	4,006,196	4,398,240
Trade payables		946,470	1,344,336
- Trade payables to related parties	5-6	314,639	752,916
- Trade payables to third parties	6	631,831	591,420
Payables related to employee benefits	13	21,423	18,234
Other payables		472,220	1,255,707
- Other payables to related parties	5-7	39,536	947,547
- Other payables to third parties	7	432,684	308,160
Derivative instruments	26	68,261	152,219
Deferred revenue	9	447,387	73,556
Current tax liabilities	22	221,272	288,691
Short term provisions		112,851	51,742
- Short-term provision for employee benefits	13	83,927	26,445
- Other short-term provisions	24	28,924	25,297
Non-Current Liabilities		59,437,561	35,891,098
Long term borrowings	27	29,774,287	19,321,602
Other payables		2,950,616	2,890,658
- Other payables to related parties	5-7	2,885,251	2,854,210
- Other payables to third parties	7	65,365	36,448
Deferred revenue	9	36,679	1,472
Long term provisions		207,145	153,505
- Long term provision for employee benefits	13	207,145	153,505
Deferred tax liabilities	22	26,468,834	13,523,861
TOTAL LIABILITIES		65,733,641	43,724,302
SHAREHOLDERS' EQUITY			
Equity attributable to the parent		132,987,199	117,233,004
Share capital	15	331,000	331,000
Adjustment to share capital	15	5,834,517	5,834,517
Other comprehensive income or expenses not to be reclassified to profit or loss		(36,213)	(26,683)
- Loss on remeasurement of defined benefit obligations		(36,213)	(26,683)
Share premium	15	16,411,919	16,411,919
Restricted profit reserve	15	932,236	851,989
Retained earnings		93,207,378	87,696,537
Net profit for the period		16,306,362	6,133,725
Total equity		132,987,199	117,233,004
TOTAL EQUITY AND LIABILITIES		198,720,840	160,957,306

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

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

PROFIT OR LOSS	Notes	<i>(Audited current period)</i>	<i>(Audited prior period)</i>
		1 January - 31 December 2025	1 January - 31 December 2024
Revenue	16	12,640,315	10,762,993
Cost of sales (-)	16	(3,799,730)	(3,284,924)
Gross profit		8,840,585	7,478,069
Marketing expenses (-)	17	(154,938)	(139,035)
General administrative expenses (-)	17	(502,173)	(360,839)
Other operating income	19	7,832,587	4,338,859
Other operating expense (-)	19	(1,940,215)	(3,122,469)
OPERATING PROFIT		14,075,846	8,194,585
Income from investing activities	21	10,023,168	5,001
Share of profit of investments accounted for using the equity method	3	88,530	174,081
OPERATING PROFIT BEFORE FINANCIAL INCOME		24,187,544	8,373,667
Financial income	20	1,839,442	1,415,663
Financial expenses (-)	20	(10,510,410)	(8,529,460)
Monetary gain	34	6,206,373	11,406,332
NET INCOME BEFORE TAX FROM CONTINUING OPERATIONS		21,722,949	12,666,202
Tax expense from continuing operations		(5,416,587)	(6,532,477)
Current tax expense	22	(654,770)	(609,106)
Deferred tax expense	22	(4,761,817)	(5,923,371)
PROFIT FOR THE PERIOD		16,306,362	6,133,725
Earnings per share	25	49.26	19.19

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

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

	<i>(Audited current period)</i> 1 January - 31 December 2025	<i>(Audited prior period)</i> 1 January - 31 December 2024
Notes		
PROFIT FOR THE YEAR	16,306,362	6,133,725
Other comprehensive income / (expenses)		
Items that will be reclassified to profit or loss		
-Loss on remeasurement of defined benefit obligations	13 (12,706)	(12,579)
Accumulated other comprehensive income or loss that will not be reclassified in profit or loss		
-Loss on remeasurement of defined benefit obligations	22 3,176	3,146
OTHER COMPREHENSIVE EXPENSES	(9,530)	(9,433)
TOTAL COMPREHENSIVE INCOME	16,296,832	6,124,292

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

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

	Share capital	Adjustment to share capital (*)	Share premium (**)	Other comprehensive income or expenses not to be reclassified to profit or loss			Net profit for the period	Total
				Loss on remeasurement of defined benefit obligations	Restricted profit reserve (**)	Retained earnings		
Balance at 1 January 2024	303,717	5,828,894	10,592,573	(17,250)	851,989	53,142,568	34,553,969	105,256,460
<i>Net income for the period</i>	-	-	-	-	-	-	6,133,725	6,133,725
<i>Total other comprehensive expense, net</i>	-	-	-	(9,433)	-	-	-	(9,433)
Total comprehensive income	-	-	-	(9,433)	-	-	6,133,725	6,124,292
<i>Capital increase (***)</i>	27,283	5,623	-	-	-	-	-	32,906
<i>Transfers</i>	-	-	-	-	-	34,553,969	(34,553,969)	-
<i>Increase due to share-based transactions</i>	-	-	5,819,346	-	-	-	-	5,819,346
Balance at 31 December 2024	331,000	5,834,517	16,411,919	(26,683)	851,989	87,696,537	6,133,725	117,233,004
Balance at 1 January 2025	331,000	5,834,517	16,411,919	(26,683)	851,989	87,696,537	6,133,725	117,233,004
<i>Net income for the period</i>	-	-	-	-	-	-	16,306,362	16,306,362
<i>Total other comprehensive expense, net</i>	-	-	-	(9,530)	-	-	-	(9,530)
Total comprehensive income	-	-	-	(9,530)	-	-	16,306,362	16,296,832
<i>Transfers</i>	-	-	-	-	80,247	6,053,478	(6,133,725)	-
<i>Dividend</i>	-	-	-	-	-	(542,637)	-	(542,637)
Balance at 31 December 2025	331,000	5,834,517	16,411,919	(36,213)	932,236	93,207,378	16,306,362	132,987,199

(*) Share capital is adjusted in accordance with inflation accounting to the purchasing power of 31 December 2025. The inflation effect is recognized in the adjustment to share capital account. As of 31 December 2025, the effect of inflation accounting on share capital is TRY 5,834,517 thousand.

(**) Share premium and restricted reserves have been adjusted to the purchasing power as of 31 December 2025 in accordance with inflation accounting. The effect of inflation on these items is TRY 15,781,075 thousand and TRY 787,124 thousand, respectively.

(***) The Company started to be traded on Borsa Istanbul on 26 April 2024. Through the capital increase method, the Company's issued capital of TRY 303,716,888 was increased to TRY 331,000,000.

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

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

	Notes	(Audited current period) 1 January - 31 December 2025	(Audited prior period) 1 January - 31 December 2024
A. Cash flows from operating activities			
Profit for the Period		16,306,362	6,133,725
Adjustments to reconcile net profit			
Adjustments related to depreciation and amortization expenses	18	29,628	25,215
Provision for doubtful receivables	6	85,710	44,463
Adjustments related to provisions		95,482	30,399
<i>Provision for employee termination benefits</i>	<i>13</i>	<i>83,658</i>	<i>14,615</i>
<i>Provision/ (reversal) for lawsuits</i>	<i>24</i>	<i>11,824</i>	<i>15,784</i>
Adjustments related to interest income	20	(709,221)	(787,107)
Adjustments related to interest expenses	20	2,322,231	4,096,850
Adjustments related to unrealized foreign currency losses		7,869,345	3,463,294
Adjustments related to fair value gains		(5,982,788)	(331,183)
<i>Changes in the fair value of investment properties</i>	<i>10</i>	<i>(5,916,636)</i>	<i>(250,789)</i>
<i>Changes in the fair value of derivative instruments</i>	<i>20</i>	<i>(66,152)</i>	<i>(80,394)</i>
Adjustments related to gains on disposal of non-current assets		(141,432)	(824,419)
<i>Adjustments related to gains on disposal of investment properties</i>		<i>(141,432)</i>	<i>(824,419)</i>
Adjustments related to gains arising from changes in the ownership interest in a joint venture	21	(9,815,867)	-
Adjustments related to Group's share on net assets of investments in accounted for using the equity method	3	(88,530)	(174,081)
Adjustments related to tax expense	22	5,416,587	6,532,477
Changes in net working capital		15,387,507	18,209,633
Adjustments for increase in trade receivables		52,488	(346,444)
Adjustments for decrease in other receivables related with operations		677,631	373,543
Adjustments for increase in inventories		(1,484,624)	(2,040,184)
Adjustments for increase in prepaid expenses		96,060	(132,712)
Adjustments for decrease in trade payables		(1,462,050)	123,619
Adjustments for increase in other payables related with operations		(2,112,655)	(3,585,321)
Adjustments for (increase)/ decrease in deferred revenue		391,331	(477,978)
Cash flows from operating activities		11,545,688	12,124,156
Employee benefits paid	13	(6,815)	(9,529)
Taxes paid	22	(622,807)	(468,421)
Other provisions paid		(13,500)	(5,114,000)
Adjustments related to monetary position gains		(5,398,153)	(8,224,177)
Net cash provided by operating activities		5,504,413	3,416,915

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

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

		<i>(Audited current period) 1 January - 31 December 2025</i>	<i>(Audited prior period) 1 January - 31 December 2024</i>
B. Cash flows from investing activities			
Cash outflows from the acquisition of shares in joint ventures	23	(4,121,717)	-
Cash outflows from the purchase of tangible and intangible assets		(46,709)	(52,173)
<i>Cash outflows from the purchase of tangible assets</i>		(37,238)	(50,534)
<i>Cash outflows from the purchase of intangible assets</i>		(9,471)	(1,639)
Cash inflows from sales of tangible assets		3,902	25
Cash inflows from sales of investment properties		794,397	1,228,827
Cash outflows from sales of investment properties	10	(447,761)	(439,798)
Cash inflows from sales of financial asset		40,832	57,429
Cash outflows from purchase of financial assets		(2,136,590)	-
Interest received		504,537	787,107
Net cash flow from investing activities		(5,409,109)	1,581,417
C. Cash flows from financing activities			
Proceeds from borrowings	27	15,434,623	15,994,068
Repayment of borrowings	27	(11,287,917)	(21,449,567)
Change in non-trade payables to related parties		(1,176,442)	(645,943)
Change in non-trade receivables from related parties		1,092,951	(424,394)
Cash inflows from derivative instruments		-	219,132
Cash outflows from derivative instruments		(17,150)	-
Interest paid		(1,874,927)	(3,485,086)
Cash inflows from share issuance		-	5,855,057
Dividend payments		(542,637)	-
Other cash outflow		(623,089)	(313,681)
Net cash provided by financing activities		1,005,412	(4,250,414)
D. Effect of inflation on cash and cash equivalents		1,108,043	928,033
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,208,759	1,675,951
E. Cash and cash equivalents at the beginning of the year	33	4,695,091	3,019,140
Cash and cash equivalents at the end of the year (A+B+C+D+E)	33	6,903,850	4,695,091

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

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Rönesans Gayrimenkul Yatırım Anonim Şirketi (“the Company”) was founded on 2 June 2006 in Ankara/Turkey. The registered address of the Company is Aziziye Mahallesi Portakal Çiçeği Sok. No: 33 Yukarı Ayrancı Çankaya/Ankara, Turkey.

The Company is controlled by its parent, Rönesans Emlak Geliştirme Holding A.Ş. (“Rönesans Emlak Geliştirme Holding”). Rönesans Emlak Geliştirme Holding is controlled by Rönesans Holding, and the ultimate controlling party of the Company is Erman Ilıcak, who holds 90.01% of the shares. The remaining outstanding shares in Rönesans Holding A.Ş. are held by other members of Ilıcak Family and International Finance Corporation (“IFC”). From hereinafter Erman Ilıcak and other members of Ilıcak Family will be referred to as “Ilıcak Family”. The details of the Company’s shareholders are disclosed in Note 15. As at 12 January 2024, trade name of Rönesans Emlak Geliştirme Holding A.Ş. was changed as Rönesans Varlık ve Proje Yatırımları A.Ş.

The principal activities of the Company and its subsidiaries (“the Group”) consist of developing and management of shopping malls, office buildings and other commercial real estate projects.

As of 25 February 2015, Euro Efes S.a.r.l acquired 11,6% shares of Rönesans Gayrimenkul by capital increase for a total consideration for TRY 6,848,965. Amounting to TRY 544,250 has been classified as nominal capital increase and the remaining amounting to TRY 6,304,715 has been classified as share premium.

Euro Efes S.a.r.l is a Company which is under indirect control GIC’s real estate department GIC Real Estate Pte. Ltd. of Singapore’s government fund. As of 9 December 2014, Euro Efes S.a.r.l acquired 9,8% shares of Rönesans Gayrimenkul by way of capital increase for a total consideration for TRY 4,657,312. Amounting to TRY 369,454 has been classified as nominal capital increase and the remaining amounting to TRY 4,287,858 has been classified as share premium .

As of 13 July 2023, Euro Efes S.a.r.l. has transferred all its rights and shares to Euro Cube Private Limited and the ultimate shareholder has not changed.

As at 31 December 2025, the Group has 348 employees (31 December 2024: 318).

The subsidiaries of the Group, place of incorporation, the nature of business together with geographical segments are as follows:

Registered name of subsidiary	Short name	Place of incorporation and operation	Nature of business	Business
Akaretler Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Akaretler	Turkey, Ankara	Real Estate Development	Land
Altunizade Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Altunizade	Turkey, Ankara	Real Estate Development	SHC
Ayazağa Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Ayazağa	Turkey, Ankara	Real Estate Development	Land
Bakırköy Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Bakırköy	Turkey, Ankara	Real Estate Development	Office&SHC
Bahariye Gayrimenkul Yatırım İnş. Turizm San. ve Tic. A.Ş.	Bahariye	Turkey, Ankara	Real Estate Development	Office
Bostancı Gayrimenkul Yatırım İnşaat Turizm Eğitim San. ve Tic. A.Ş.	Bostancı	Turkey, Ankara	Real Estate Development	Office&School
Cevizli Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Cevizli	Turkey, Ankara	Real Estate Development	Land
Esentepe Gayrimenkul Yatırım İnşaat Turizm San. Ve Tic. A.Ş.	Esentepe	Turkey, Ankara	Real Estate Development	SHC
Kabataş Gayrimenkul Yatırım İnş. Turizm San. ve Tic. A.Ş.	Kabataş	Turkey, Ankara	Real Estate Development	Land
Kozyatağı Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Kozyatağı	Turkey, Ankara	Real Estate Development	SHC
Kurtköy Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Kurtköy	Turkey, Ankara	Real Estate Development	SHC
Mel3 Gayrimenkul Geliştirme Yatırım İnş. ve Tic. A.Ş.	Mel3	Turkey, Ankara	Real Estate Development	SHC
Rönesans Yönetim A.Ş.	ROY	Turkey, Ankara	Asset Management	Management
Salacak Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Salacak	Turkey, Ankara	Real Estate Development	Office&SHC
Selimiye Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Selimiye	Turkey, Ankara	Real Estate Development	Land
Tarabya Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Tarabya	Turkey, Ankara	Real Estate Development	Office&SHC
Salacak Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.- Rönesans Gayrimenkul Yatırım A.Ş İş Ortaklığı	Salacak-RGY	Turkey, Ankara	Real Estate Development	Land
Kabataş Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.- Rönesans Gayrimenkul Yatırım A.Ş Adi Ortaklığı	Kabataş-RGY	Turkey, Ankara	Real Estate Development	Land
Yacacık Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Yacacık	Turkey, Ankara	Real Estate Development	Land

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP (Continued)

Joint Ventures:

The Company's joint ventures, center, main business activities and geographic segments is as follows:

<u>Registered name of joint ventures</u>	<u>Short name</u>	<u>Place of incorporation and operation</u>	<u>Nature of business</u>	<u>Business</u>
Feriköy Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş.	Feriköy	Turkey, Ankara	Real Estate Development	SHC
Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş.	Kandilli	Turkey, Ankara	Real Estate Development	Land

Approval of consolidated financial statements:

These consolidated financial statements have been approved for issue by the Board of Directors on 25 February 2026.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2025

Amendments to IAS 21 Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The aforementioned standard, amendments and improvements do not have any significant effect on the Group's consolidated financial position and performance.

b) New and revised IFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

<i>IFRS 18</i>	<i>Presentation and Disclosures in Financial Statements</i>
<i>IFRS 19</i>	<i>Subsidiaries without Public Accountability: Disclosures</i>
<i>Amendments to IFRS 9 and IFRS 7</i>	<i>Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments</i>
<i>Amendments to IFRS 9 and IFRS 7</i>	<i>Regarding power purchase arrangements</i>
<i>Annual Improvements</i>	<i>Annual Improvements to IFRS Accounting Standards - Volume 11</i>
<i>Amendments to IFRS 19</i>	<i>Subsidiaries without Public Accountability: Disclosures</i>
<i>Amendments to IAS 21</i>	<i>Translation to a Hyperinflationary Presentation Currency</i>
<i>Amendments to IFRS S2</i>	<i>Greenhouse Gas Emissions Disclosures</i>

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 New and Amended Turkish Financial Reporting Standards (Continued)

b) New and revised IFRSs in issue but not yet effective (Continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosure

IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 *Financial Instruments*. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Amendments to IFRS 9 and IFRS 7 Power Purchase Arrangements

The amendments aim at enabling entities to include information in their financial statements that in the IASB’s view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to IFRSs – Volume 11

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a ‘de facto agent’
- IAS 7: Cost method

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when IFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency

The amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 New and Amended Turkish Financial Reporting Standards (Continued)

b) New and revised IFRSs in issue but not yet effective (Continued)

Amendments to IFRS S2 *Greenhouse Gas Emissions Disclosures*

The amendments to IFRS S2 aim at supporting entities applying IFRS S2 by reducing the complexity, risk of potential duplication of reporting and related costs of applying specific requirements in IFRS S2. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2.2 Basis of representation

Statement of Compliance with IFRS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

Basis of presentation of consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial instruments that are measured at revalued amounts or fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The Company and its subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation. The accompanying consolidated financial statements are based on the statutory records, with adjustments and reclassifications, for the purpose of fair presentation in accordance with IFRS.

Reporting and measurement currency

Reporting currency

For the purpose of the consolidated financial statements, the results and the consolidated financial position of the Group is expressed in TRY.

Functional currency

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. For the purpose of the consolidated financial statements, the results and financial position of each entity consolidated are expressed in Turkish Lira (“TRY”), which is the functional and presentation currency of the Group.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Basis of representation (Continued)

Restatement for the effects of hyperinflation

The financial statements and the corresponding figures for previous periods are restated for the changes in the general purchasing power of the functional currency and, as a result, are stated in terms of the measuring unit current at the end of the reporting period in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies.

IAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. When a hyperinflation in an economy exists, IAS 29 requires that the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy is stated in terms of the measuring unit current at the end of the reporting period.

As of the reporting date, since the cumulative change in the general purchasing power of the last three years has been over 100% according to the Consumer Price Index (“CPI”) number, entities operating in Turkey are required to apply IAS 29 “Financial Reporting in High Inflation Economies” for reporting periods ending on or after 30 June 2022.

The financial statements at 31 December 2024 are expressed in terms of the purchasing power of TRY at 31 December 2025.

The restatement of the comparative amounts was calculated by means of conversion factors derived from the Turkish nationwide wholesale price index (“WPI”) published by the State Institute of Statistics (“SIS”). Indices and conversion factors used to restate the comparative amounts until 31 December 2025 are given below:

Date	Index	Conversion factor	Cumulative three-year inflation rate
31.12.2025	3.513,87	1.0000	%211
31.12.2024	2.684,55	1,3089	%291
31.12.2023	1.859,38	1,8898	%268

Comparative information and adjustment effect on previous financial statement

The financial statement of the Group includes comparative financial information to enable determination of financial position and performance. Comparative figures are reclassified where necessary to conform to changes in the presentation in the current period financial statements.

The interest income amounting to TRY 787,107, which was presented under the “other income from operating activities” in the consolidated financial statements as of 31 December 2024, has been reclassified to finance income.

The foreign exchange gain amounting to TRY 328,949, which was presented under the “other income from operating activities” in the consolidated financial statements as of 31 December 2024, has also been reclassified to finance income.

Going Concern

The consolidated financial statements have been prepared assuming that the Company and consolidated subsidiaries will continue as a going concern on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Basis of representation (Continued)

Basis of consolidation

Subsidiaries included in consolidation as at 31 December 2025 and 2024 are as follows:

Registered name of subsidiaries	Effective ownership rate (%)		Proportion of voting rights (%)	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Akaretler	100.00	100.00	100.00	100.00
Altunizade	100.00	100.00	100.00	100.00
Ayazağa	100.00	100.00	100.00	100.00
Bahariye	100.00	100.00	100.00	100.00
Bakırköy	100.00	100.00	100.00	100.00
Bostancı	100.00	100.00	100.00	100.00
Cevizli	100.00	100.00	100.00	100.00
Esentepe (**)	100.00	50.00	100.00	50.00
Göksu (*)	-	100.00	-	100.00
Kabataş	100.00	100.00	100.00	100.00
Kozyatağı	100.00	100.00	100.00	100.00
Kurtköy (**)	100.00	50.00	100.00	50.00
Mel2 (*)	-	100.00	-	100.00
Mel3	100.00	100.00	100.00	100.00
Mel4 (*)	-	100.00	-	100.00
Salacak	100.00	100.00	100.00	100.00
Selimiye	100.00	100.00	100.00	100.00
ROY	100.00	100.00	100.00	100.00
Tarabya	100.00	100.00	100.00	100.00
Yakacık	100.00	100.00	100.00	100.00
Kabataş-RGY	100.00	100.00	100.00	100.00
Salacak-RGY	100.00	100.00	100.00	100.00

(*) As of June 30, 2025, GOK, MEL, and ML4 companies have merged under RGY.

(**) As of 30 September 2025, Esentepe Gayrimenkul and as of 28 November 2025, Kurtköy Gayrimenkul is reclassified as subsidiary following the Group has acquired 50% of the company.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Basis of representation (Continued)

Basis of consolidation (Continued)

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group’s ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Basis of representation (Continued)

Basis of consolidation (Continued)

Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group’s share of the profit or loss and other comprehensive income of a joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that a joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in a joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of a joint venture.

Gains and losses resulting from transactions between the Group and its joint ventures are recognised in the Group’s consolidated financial statements only to the extent of unrelated investors’ interests in the joint venture. The Group’s share in the joint venture’s gains or losses resulting from these transactions is eliminated on consolidation.

2.3 Changes in accounting policies, estimates and errors

Changes in accounting policies arising from the initial application of a new standard are applied retrospectively or prospectively in accordance with the transitional provisions, if any. Changes for which no transitional provisions are provided, voluntary and material changes in accounting policies, as well as identified accounting errors, are applied retrospectively and prior-period financial statements are restated accordingly.

Changes in accounting estimates are applied prospectively: if the change affects only the current period, it is recognized in the period of the change; if it affects future periods, it is recognized both in the period of the change and in future periods.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies

IFRS 16 “Leases” Standard

Right-of-use Asset

The right-of-use asset is initially recognized at cost and comprises the following:

- a) the initial measurement of the lease liability,
- b) the amount of any lease payments made at or before the commencement date, less any lease incentives received, and
- c) any initial direct costs incurred by the Group.

In applying the cost model, the Group measures the right-of-use asset at:

- a) cost, less accumulated depreciation and accumulated impairment losses, and
- b) adjusted for any remeasurement of the lease liability.

When depreciating the right-of-use asset, the Group applies the depreciation requirements of IAS 16 Property, Plant and Equipment. If the lessor transfers ownership of the underlying asset to the Group by the end of the lease term, or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. In all other cases, the right-of-use asset is depreciated from the commencement date over the shorter of the lease term or the useful life of the underlying asset.

The Group applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to recognize any impairment loss identified.

Lease Liability

At the commencement date of the lease, the Group measures the lease liability at the present value of the lease payments that are unpaid at that date. Lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined; if not, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability at the commencement date consist of the following:

- a) fixed payments, less any lease incentives receivable,
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date,
- c) the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- d) payments of penalties for terminating the lease if the lease term reflects that the Group will exercise a termination option.

After the commencement date of the lease, the Group measures the lease liability as follows:

- a) increases the carrying amount to reflect interest on the lease liability,
- b) reduces the carrying amount to reflect the lease payments made, and
- c) remeasures the carrying amount to reflect any reassessments or lease modifications, or to reflect revised in-substance fixed lease payments.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

IFRS 16 “Leases” Standard (Continued)

The interest on the lease liability for each period during the lease term is determined by applying a constant periodic interest rate to the remaining balance of the lease liability. The periodic interest rate is the interest rate implicit in the lease, if this rate can be readily determined. If the implicit rate cannot be readily determined, the Group uses its incremental borrowing rate.

After the commencement date, the Group remeasures the lease liability to reflect changes in lease payments. The Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset in its financial statements.

The Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate when one of the following occurs:

- i. there is a change in the lease term. The Group determines the revised lease payments based on the revised lease term
- ii. there is a change in the assessment related to an option to purchase the underlying asset. The Group determines the revised lease payments to reflect the change in the amounts payable under the purchase option.

The Group determines the revised discount rate for the remaining lease term as the interest rate implicit in the lease, if this rate can be readily determined; if not, the Group uses its incremental borrowing rate at the date of reassessment.

The Group remeasures the lease liability by discounting the revised lease payments when one of the following occurs:

- i. there is a change in the amounts expected to be payable under a residual value guarantee. The Group determines the revised lease payments to reflect the change in the amount expected to be payable under the residual value guarantee.
- ii. there is a change in future lease payments as a result of a change in an index or a rate used to determine those payments. The Group remeasures the lease liability to reflect such revised lease payments only when a change in cash flows occurs.

The Group determines the revised lease payments for the remaining lease term based on the revised contractual payments. In this case, the Group uses an unchanged discount rate.

The Group accounts for a lease modification as a separate lease when both of the following conditions are met:

- i. the modification increases the scope of the lease by adding the right to use one or more underlying assets, and
- ii. the consideration increases by an amount that reflects the stand-alone price for the increase in scope and appropriate adjustments to reflect the terms and conditions of the contract.

Lease agreements with a term of 12 months or less, and lease agreements for office leases and property, plant and equipment identified by the Group as low-value, are assessed within the scope of the exemption permitted by the standard, and payments related to such leases continue to be recognized as an expense in the period in which they are incurred.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

IFRS 16 “Leases” Standard (Continued)

The Group – as lessor

The Group, through its subsidiaries, carries out operating lease transactions in its capacity as a “lessor.” In the Group’s operating leases, the leased assets are classified under investment properties in the consolidated balance sheet. Income is recognized when it is probable that the Company will obtain economic benefits from its operations and when the amount of the income can be measured reliably. Income is presented net of value-added tax and sales taxes. The following criteria must be met for income to be recognized.

Rental income from real estate leases

Rental income obtained from leased real estate is recorded on an accrual basis. Income is recognized when it is considered probable that the economic benefits arising from this transaction will flow to the Company and when the amount of such income can be measured reliably. Periodic rent discounts are presented net by offsetting them against rental income in the periods in which they occur.

Related parties

Related parties are individuals or entities that are related to the entity that is preparing its financial statements (“reporting entity”).

- a) An individual or a close family member is considered related party of the reporting entity when the following criteria are met: If a certain individual,
 - (i) Has control or joint control over the reporting entity,
 - (ii) Has significant influence over the reporting entity,
 - (iii) Is a key management personnel of the reporting entity or a parent company of the reporting entity.
- b) An entity is considered related party of the reporting entity when the following criteria are met:
 - (i) If the entity and the reporting entity is within the same group. (meaning every parent company, subsidiary and other subsidiaries are considered related parties of others).
 - (ii) If the reporting entity is a subsidiary or a joint venture of another entity (or of another entity that the entity is within the same group).
 - (iii) If both of the entities are a joint venture of a third party.
 - (iv) If one of the entities are a joint venture of a third party while the other entity is a subsidiary of this third party.
 - (v) If entity has plans of post employment benefits for employees of reporting entity or a related party of a reporting entity.
 - (vi) If the reporting entity has its own plans, sponsor employers are also considered as related parties.
 - (vii) If the entity is controlled or jointly controlled by an individual defined in the article (a).
 - (viii) If an individual defined in the clause (i) of article (a) has significant influence over the reporting entity or is a key management personnel of this certain entity (or a parent company of the entity).

Related party transactions are transfers of resources, services or liabilities between related parties and the reporting entity, regardless of whether or not against remuneration.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Revenue

Rental income from real estate properties

Rental income generated from real estate development projects is recognized on an accrual basis. Revenue is recognised if it is probable that the economic benefit associated with these transactions will flow to the entity or the amount of revenue can be measured reliably.

Revenue generated from electricity, water and shared area expense reflecting

Electricity, water and shared area expense invoices related to shopping malls and offices owned by the Group, are reflected to the tenants as accrual basis according to the rental agreements between Group companies and tenants.

Revenues generated from sale flats or residential units

The Group sells flats or residential units. Revenue from the sale of these flats or residential units is measured at the fair value of the consideration received or receivable.

Revenue from sale of flats or residential units is recognized when all the following conditions are satisfied in accordance with IFRS 15 Revenue from Contract with Customers.

- The Group has transferred to the buyer the control of the goods,
- The Group 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
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Transfers of control depending on the individual terms of the contract of sale. Revenues from the sale of flats or residential units are recognised when the Group turnover the ownership of the flats or residential units to the buyer and upon acceptance of such by the buyer.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with the majority being valued with weighted average method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income/(loss) in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

Residential projects under construction; costs comprise direct costs, attributable direct costs, attributable indirect costs, raw materials related to projects. These inventories are stated at the lower of cost or net realizable value.

Lands to be developed for projects consist of lands for sale of residential real estates.

In accordance with hyperinflation accounting, inventory items are indexed as of the date of entry into the inventory and are booked in the financial statements by bringing them to the purchasing power of the relevant reporting period.

In line with the hyperinflation accounting, the inventories are adjusted according to the price indexes at their inventory entry date and recognised in the financial statements after adjustment to the purchasing power level of the relevant reporting period.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Property, plant and equipment

Property and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated and carried at cost less accumulated impairment.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

When a property, plant and equipment asset is disposed of or when no future economic benefit is expected from its use or sale, it is derecognized from the statement of financial position. The profit or loss arising from the disposal of property, plant and equipment or from the retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset, and is included in the statement of profit or loss. Property, plant and equipment are amortized over their useful lives (5 – 50 years).

In line with the hyperinflation accounting, the property plant and equipment are adjusted according to the price indexes at their capitalisation date and recognised in the financial statements after adjustment to the purchasing power level of the relevant reporting period. Fixed assets adjusted according to the Producer Price Index in the statutory records are adjusted according to the Consumer Price Index in the financial statements prepared according to the IFRS.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of Intangible Assets

An intangible asset is derecognized from the statement of financial position when it is disposed of, or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of an intangible asset is calculated as the difference between the net proceeds from disposal, if any, and the carrying amount of the asset. This difference is recognized in profit or loss at the time the asset is derecognized.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Intangible assets (Continued)

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (3-15 years).

Costs associated with developing or maintaining computer software programmes are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognized as assets are amortized over their estimated useful lives (not exceeding 3 years).

In line with the inflation accounting principles, intangible assets are adjusted according to the price indexes at their capitalisation date and recognised in the financial statements after adjustment to the purchasing power level of the relevant reporting period. Fixed assets adjusted according to the Producer Price Index in the statutory records are adjusted according to the Consumer Price Index in the financial statements prepared according to the IFRS.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The amount of borrowing costs eligible for capitalization for funds borrowed for the purpose of specific qualifying assets is the actual borrowing costs incurred during the period on such borrowed funds less any investment income on any amount of the borrowing that is temporary invested.

All other borrowing costs are recognized in the consolidated statement of income in the period in which they are incurred.

Financial Instruments

Financial assets

Financial assets purchased or sold are recognised or derecognised on the settlement date.

“Financial assets” measured at their amortised costs are the non-derivative financial assets that include cash flows from interest payments due from only the principal and principal balance at certain dates as per the contract terms and that are hold for collection of the contractual cash flows within the scope of the relevant business model. The relevant assets are measured at their fair values at initial recognition in the financial statements, and afterwards, at their values discounted via effective interest rate method. The profits and losses from valuation of non-derivative financial assets measured at their amortised costs are recognised in the consolidated income statement.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Classification of financial assets

The financial assets that meet the following requirements are measured at their amortised costs:

- The financial asset is held within the scope of a business model that aims to collect the contractual cash flows.
- Contract terms related to the financial asset cause cash flows including interest payments due from the principal amount and the principal balance on certain dates.

The financial assets that meet the following requirements are measured at their fair values through other comprehensive income:

- The financial asset is held within the scope of a business model that aims to collect the contractual cash flows and to sell the financial asset,
- Contract terms related to the financial asset cause cash flows including interest payments due from only the principal amount and the principal balance on certain dates.

If a financial asset is not measured at its amortised cost or fair value through other comprehensive income, the change in its fair value is measured through profit or loss.

At initial recognition in the consolidated financial statements, the Group has right to choose to present the future changes in the fair value of an investment in an equity instrument, which is not held for commercial purposes, in other comprehensive income.

Impairment in financial assets

The group used the “simplified approach” described in the IFRS 9 standard for the impairment calculations of its trade receivables that were recognised at their amortised cost in the consolidated financial statements and that do not contain any material financing component (those with a maturity period of less than 1 year). With this approach, the group measures the loss provisions related to its trade receivables at a value equal to the “expected lifetime credit losses” when trade receivables are not impaired for certain reasons (except for impairment losses realised).

The group uses a provision matrix which considers previous experiences and future expectations in measurement of expected credit losses. Provision rates are calculated using the matrix based on the number of days that a trade receivable is past due. These rates are reviewed each reporting period and revised when necessary. As of the reporting date, the provision impact is insignificant.

Measurement and accounting of the expected credit losses

Expected credit losses is measured using the probability of default, losses in the event of a default (i.e., size of the loss if there is any default) and the amount of default risk. The probability of default and losses in the event of a default are evaluated based on past data adjusted with prospective information. Default risk exposure amounts of financial assets are recognised at their gross book value at the reporting date.

Expected credit losses of the financial assets mean the current value of the difference between all future contractual cash flows of the group to arise on the maturity date and all cash flows the group expects to collect (all cash deficits). This value is calculated using the initial effective interest rate (or the effective interest rate adjusted according to the credit for the financial assets with credit impairment on the date of acquisition or recognition).

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Derecognition of financial assets from consolidated financial statements

The group derecognises a financial asset from the consolidated financial statements only when the term of the contractual rights to the cash flows from that financial asset has expired or all types of risks and rewards from that financial asset or the ownership of that financial asset are mainly transferred to another entity.

When a financial asset measured at its amortised cost is derecognised from consolidated financial statements, the difference between that asset’s book value and the value which has been and will be collected is recognised in the profit or loss. When derecognising a debt instrument whose fair value difference is recognised in the other comprehensive income from the consolidated financial statements, total sum of the gains and losses accumulated in the revaluation fund of the relevant instrument is reclassified in the profit or loss. If an equity instrument the group preferred to measure at fair value through the other comprehensive income at the initial recognition is derecognised from the consolidated financial statements, total gains or losses accumulated in the revaluation fund is not recognised in profit or loss; but is transferred directly to accumulated profits.

Amortised cost and effective interest method

The interest income from the financial assets recognised at their amortised costs is calculated using the effective interest method. Effective interest method is a method for calculating a debt instrument’s amortised cost and distributing its interest income to the relevant period.

During subsequent recognitions, the interest income is recognised by using the effective interest method for the debt instruments at amortised cost and fair value through other comprehensive income.

Interest income is recognised in profit or loss and presented under “financing income-interest income”.

Financial assets whose fair value difference is recognised through profit or loss

The financial assets that do not meet the criteria of being measured at fair value through other comprehensive income or at amortised cost are measured at fair value through profit or loss.

The financial assets whose fair value differences are recognised in profit or loss are measured at their fair values at the end of every period and all fair value changes are recognised in profit or loss unless the relevant financial assets are included in financial hedging transactions (see hedging accounting policy).

Foreign currency transactions

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

2.4 Significant Accounting Policies (Continued)

Earnings per share

Earnings per share disclosed in the consolidated income statement are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Turkey, companies can increase their share capital through a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

Events after balance sheet date

An explanation for any event between the balance sheet date and the publication date of the balance sheet, which has positive or negative effects on the Group (should any evidence come about events that were prior to the balance sheet date or should new events come about) will be explained in the relevant note.

The Group restates its consolidated financial statements if such subsequent events arise.

Advances

Advances received due to deferred payment sales contracts related to residential projects are classified as short-term and long-term, taking into consideration the probable delivery date of the residences. Advances received for other operational reasons are classified as short-term and long-term based on the purpose and term of the advance. Foreign currency advances given to suppliers and subcontractors within the scope of projects under development are not subject to exchange rate valuation. Foreign currency advances received from legal entities and real persons in relation to residential and office projects are subject to exchange rate valuation in cases where they are received from real persons and the obligation to refund the advance does not expire until the delivery of the residence or office; however, no exchange rate valuation is applied in cases where they are received from legal entities and there is no obligation to refund the relevant advance.

Advances that are not qualified as monetary assets and liabilities are presented in accordance with the purchasing power index, whereas advances qualified as monetary assets and liabilities are not subject to inflation accounting. Prepaid expenses consist of advances given for construction works and have been evaluated as non-monetary items.

Provisions, Contingent Assets and Liabilities

A provision is recognized in the financial statements when there is a present obligation arising from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

The amount recognized as a provision is determined by the best estimate of the expenditure required to settle the obligation as of the balance sheet date, taking into account the risks and uncertainties related to the obligation. When measuring a provision using the estimated cash flows necessary to settle the present obligation, the carrying amount of the provision is equal to the present value of those cash flows.

Where it is expected that some or all of the economic benefits required to settle a provision will be reimbursed by a third party, the amount to be reimbursed is recognized as an asset when, and only when, it is virtually certain that the reimbursement will be received and the amount can be measured reliably.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Segmental reporting

In accordance with IFRS 8 “Operating Segments”, an operating segment is a component of an entity: (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (b) whose operating results are regularly reviewed by the entity’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (c) for which discrete financial information is available. The Group’s chief operating decision maker (“CODM”) receives financial information and reviews assets, liabilities, deferred tax liabilities, value added tax, net operating income, operating expense, interest income from time deposit, interest expense, income tax expense and capital expenditures of its real estate projects on an individual basis for the purpose of determining resources to be allocated to segments and assessing the performance of each segment (Note 4).

Investment Properties

Land, buildings and shopping malls that are held for the purpose of earning rental income or for capital appreciation, or both, rather than being used in the production of goods and services, for administrative purposes, or sold in the ordinary course of business, are classified as investment property and are measured using the fair value model after initial recognition. Any gain or loss arising from a change in the fair value of investment property is included in the statement of comprehensive income in the period in which it arises (Note 10).

An investment property is recognized as an asset only when it is probable that future economic benefits associated with the property will flow to the entity and the cost of the investment property can be measured reliably.

Gains or losses arising from the retirement or disposal of an investment property are the difference between the net proceeds from disposal of the asset and the carrying amount of the property, and are recognized as investment property fair value gain or loss in the period in which the retirement or disposal occurs.

Investment properties are initially recognized at cost. The cost includes the costs incurred initially to acquire the investment property, as well as subsequent costs of additions, replacements or servicing related to an investment property. Transaction costs and borrowing costs are also included in this cost. Borrowing costs incurred during the acquisition, construction or production of a qualifying investment property are capitalized, and such capitalization continues until the asset is completed. The Group does not recognize day-to-day servicing costs of the property in the carrying amount of the investment property. These costs are recognized in profit or loss as incurred. “Maintenance” expenditures related to the property are recognized in the income statement in the period in which they occur.

The Group measures its investment properties at fair value after initial recognition. In determining fair value, the active market price may be adjusted, when necessary, by considering the specific structural characteristics, conditions and location of the asset. In the absence of such information, the Group applies alternative valuation methods such as the discounted cash flow method.

The fair value of an investment property does not reflect future capital expenditures that will improve or enhance the property, nor the related future benefits arising from such expenditures.

The Group measures its investment properties under construction and development at their fair values. For the fair value of such properties to be reliably assessed, management considers factors such as the stage of completion, the market comparability of the project under construction, the reliable determination of cash inflows expected after completion, risks specific to the property, past experience with similar constructions, zoning permits, estimated sales or rental prices per square meter, and occupancy rates.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Investment Properties (Continued)

The Group transfers an investment property to inventories or property, plant and equipment only when there is a change in its use. This change in use is the commencement of development activities with the intention to sell after development. If the Group decides to dispose of an investment property without any development, it continues to classify it as investment property until it is derecognized. Similarly, if the Group starts to redevelop an existing investment property with the intention of continuing to use it as an investment property in the future, that property remains as investment property and is not reclassified as owner-occupied property under property, plant and equipment during redevelopment. Details of investment properties are provided in Note 10a.

Investment properties under development

Investment properties under construction are recognized as investment property under construction until construction or development is completed, and upon completion are classified as investment properties. Gains or losses arising at the time of revaluation are recognized in the consolidated income statement.

Investment properties under construction are measured at fair value (when a reliable fair value can be determined), and changes in fair value are recognized in the income statement. Details of investment properties under construction are provided in Note 10b.

The fair value of the Group’s existing and investment properties under construction is generally determined based on the valuation performed by an independent appraisal company, unrelated to the Group, at the end of the sixth, ninth and twelfth months. In accordance with Capital Markets Legislation, the valuation is determined using methods such as referencing market transaction prices of similar properties, discounting future cash flows, and capitalization of income. Fair values are determined based on the price that would be agreed upon between a willing buyer and a willing seller under market conditions at the valuation date. Details of investment properties under construction are provided in Note 10b.

Income Taxes

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis according to the tax legislation of the country the entity operates.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

In calculation of the deferred tax assets and liabilities in relation with the investment properties measured by fair value method, it is assumed that the net book values of the buildings have been totally recovered through sale unless there is a contrary assumption. In addition, as lands are not subject to depreciation, a contrary assumption about recovery through sale cannot be certified.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Employee benefits

Termination and retirement benefits

The Group has operated in different countries and the local regulations and practices of the countries in question are applied in determination of defined benefit plan.

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No. 19 (revised) “Employee Benefits” (“IAS 19”).

The retirement benefit liability recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses through statement of other comprehensive income.

Business combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- i) Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- ii) Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-Based Payment at the acquisition date; and
- iii) Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Business combinations (Continued)

Partial share purchase and sale transactions with non-controlling interests

The Group considers the share purchase and sale transactions carried out with non-controlling interest shareholders regarding subsidiaries already controlled by the Group as transactions among equity holders of the Group. Accordingly, in additional share purchases from non-controlling interests, the difference between the acquisition cost and the carrying amount of the subsidiary’s net assets attributable to the acquired interest is recognized in equity. In share sale transactions to non-controlling interest shareholders, the difference between the sale proceeds and the carrying amount of the subsidiary’s net assets attributable to the sold interest, resulting in a loss or gain, is recognized in equity under retained earnings, since the Capital Markets Board-mandated template does not provide a separate caption for gains or losses arising from such transactions.

Derivative instruments

At initial recognition, derivative instruments—primarily foreign currency and interest rate swaps and forward foreign exchange purchase-sale contracts—are measured at acquisition cost, and the transaction costs related to these instruments are included in the acquisition cost. After initial recognition, derivative instruments are measured at fair value. All derivative instruments are classified as financial assets at fair value through profit or loss. The fair value of derivative instruments is calculated either based on market-determined fair values or by using a discounted cash flow model.

The fair value of over-the-counter forward foreign exchange contracts is determined by calculating the original forward rate based on market interest rates applicable to the remaining maturity of the contract for the relevant currency, and comparing it with the forward rate valid as of the balance sheet date.

Derivative instruments are recorded as assets or liabilities in the balance sheet depending on whether their fair value is positive or negative.

The differences arising in the fair value of derivative instruments classified as financial assets at fair value through profit or loss as a result of valuation are reflected in the statement of profit or loss.

Although some derivative instruments economically provide effective protection against risks, for accounting purposes they are recognized as “at fair value through profit or loss” in accordance with IFRS 9, and their changes in fair value are reflected in profit or loss for the period.

Gains and losses on interest rate swap transactions designated for hedging purposes are recognized as income or expense on the same basis as the related income or expense of the hedged item. Gains and losses on interest rate swap transactions are recorded as interest income or interest expense.

Changes in the fair value of derivative instruments designated as and qualifying for fair value hedges are recorded in the statement of profit or loss together with the changes in the fair value of the hedged asset or liability. The change in the fair value of the hedged asset or liability is presented together with the related asset or liability during the period in which hedge accounting is effective. When hedge accounting no longer meets the hedge accounting requirements, adjustments made to the carrying amount of the hedged item using the effective interest method are amortized to profit or loss over the remaining maturity.

For derivative instruments designated as and qualifying for cash flow hedges, the effective portions of changes in fair value are recognized in equity. Income or expense arising from the ineffective portions of fair value changes is recognized in profit or loss in the period in which it occurs.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant Accounting Policies (Continued)

Statements of Cash Flows

Current period statements of cash flows are categorized and reported as operating, investing and financing.

In the statement of cash flows, cash flows for the period are reported by classifying them based on operating, investing and financing activities. Cash flows from operating activities represent the cash flows arising from the Group’s main operations.

Cash flows related to investing activities represent the cash flows used in and generated from the Group’s investing activities (asset investments and financial investments).

Cash flows related to financing activities represent the resources used in the Group’s financing activities and the repayments of those resources.

Offsetting

Financial assets and liabilities are presented on a net basis when there is a legally enforceable right to offset the recognized amounts and when there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, demand deposits held at financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, credit card receivables and current accounts held with banks.

Capital and dividends

Ordinary shares are classified as equity. Dividends distributed on ordinary shares are recorded by deducting them from retained earnings in the period in which the dividend decision is made.

2.5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

2.5.1 Critical judgments in applying the entity’s accounting policies

In the process of applying the entity’s accounting policies, which are described in note 2.4, management has made the following judgments that have the most significant effect on the amounts recognized in the financial statements (apart from those involving estimations, which are dealt with below under notes).

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

2.5.1 Critical judgments in applying the entity’s accounting policies (Continued)

Deferred taxes

Deferred tax assets and liabilities are recorded using substantially enacted tax rates for the effect of temporary differences between book and tax bases of assets and liabilities. In the subsidiaries of the Group, there are deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, all of which could reduce taxable income in the future. Based on available evidence, both positive and negative, it is determined whether it is probable that all or a portion of the deferred tax assets will be realized. The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring; the carry-forward period associated with the deferred tax assets; future reversals of existing taxable temporary differences; tax-planning strategies (such as disposal of asset and company) that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset. As a result of the assessment made, the Group has recognized deferred tax assets in certain Group because it is probable that taxable profit will be available sufficient to recognize deferred tax assets in the Group. The Group has provided an allowance for deferred tax assets from carry forward tax losses because it is probable that taxable profit will not be available sufficient to recognize deferred tax assets in the Group. Deferred tax assets amounting to TRY 2,599,447 thousand (2024:TRY 1,601,998 thousand) is related to the carry forward tax losses of the Group. The Group concluded that the deferred tax asset will be able to be utilized before its expiration date by the way of taxable income, based on approved tax plannings and planned asset and company sales. These assets will be expired in a maximum of 5 years to be deducted from the taxable profit that will occur in the coming years.

2.5.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Determination of fair values of investment properties and investment properties under development

The fair value of investment property is based on valuations, performed by independent valuers, who hold recognized and relevant professional qualifications and who have recent experience in the location and category of the investment properties being valued. The valuations are based primarily on comparable rents, discount rates, yields and sales prices from recent market transactions on an arm’s lengths basis, using the Discounted Cash Flow technique, Market comparison and income capitalization approach for investment properties. Key estimates used in valuation is disclosed in Note 10.

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3. INTERESTS IN OTHER ENTITIES

The details of Group’s associates and joint ventures valued by using equity method as at 31 December 2025 and 31 December 2024 are as follows:

Investment accounted for using the equity method	Group's share on net asset of investments accounted for using the equity method	
	31 December 2025	31 December 2024
Joint ventures	7,204,763	21,247,974
	7,204,763	21,247,974

Investment accounted for using the equity method	Group's share on net income of investments accounted for using the equity method	
	1 January - 31 December 2025	1 January - 31 December 2024
Joint ventures	88,530	174,081
	88,530	174,081

As of 31 December 2025 and 31 December 2024, the values of the projects carried out by the joint ventures are presented below.

Joint ventures	Project	Investment location	31 December 2025	31 December 2024
Feriköy	Optimum İstanbul SHC ⁽¹⁾⁽²⁾	İstanbul, Turkey	6,798,678	6,986,997
Kandilli	Ümraniye Tepeüstü ⁽¹⁾	İstanbul, Turkey	1,493,752	1,472,127
Esentepe (*)	Optimum İzmir SHC ⁽¹⁾⁽²⁾	İzmir, Turkey	-	14,550,080
Kurtköy (*)	Optimum Ankara SHC ⁽¹⁾⁽²⁾	Ankara, Turkey	-	5,726,880
			8,292,430	28,736,084

⁽¹⁾ Amount presents the value of the projects multiplied with the Company’s share.

⁽²⁾ Assets are secured with mortgage, pledge, lien or other security interest to secure borrowings.

^(*) As of 30 September 2025, Esentepe Gayrimenkul and as of 28 November 2025 Kurtköy Gayrimenkul is reclassified as subsidiary following the Group has acquired 50% of the company.

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

	1 January - 31 December 2025	1 January - 31 December 2024
Opening balance	21,247,974	21,072,740
Share on net profit of joint ventures	88,530	174,081
Capital increase	400	1,153
Acquisition of subsidiary (Note 23)	(14,132,141)	-
Closing balance	7,204,763	21,247,974

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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3. INTERESTS IN OTHER ENTITIES (Continued)

31 December 2025	Esentepe (**)	Feriköy	Kandilli	Kurtköy (**)	Total
Cash	-	302,274	73	-	302,347
Other current assets	-	1,005,240	-	-	1,005,240
Current assets	-	1,307,514	73	-	1,307,587
Investment property	-	13,597,355	2,987,505	-	16,584,860
Other non-current assets	-	4,620,244	17,173	-	4,637,417
Non-current assets	-	18,217,599	3,004,678	-	21,222,277
Total assets (*)	-	19,525,113	3,004,751	-	22,529,864
Financial liabilities	-	232,975	-	-	232,975
Other current liabilities	-	180,946	253	-	181,199
Current liabilities	-	413,921	253	-	414,174
Financial liabilities	-	4,641,694	-	-	4,641,694
Deferred tax liabilities	-	2,731,271	306,339	-	3,037,610
Other non-current liabilities	-	26,855	-	-	26,855
Non-Current Liabilities	-	7,399,820	306,339	-	7,706,159
Total liabilities (*)	-	7,813,741	306,592	-	8,120,333
Net assets of subsidiaries	-	11,711,372	2,698,159	-	14,409,531
Group's share in subsidiaries	50%	50%	50%	50%	50%
Carrying amount of the Group's interest in subsidiaries	-	5,855,686	1,349,080	-	7,204,766
Group's share in investment properties	-	6,798,678	1,493,753	-	8,292,430
Group's share in total assets	-	9,762,557	1,502,376	-	11,264,932
Group's share in deferred tax liabilities	-	1,365,636	153,169	-	1,518,805
Group's share in total liabilities	-	3,906,871	153,296	-	4,060,167

(*) Non trade receivables and non-trade payables disclosed in related party notes are shown in total asset and total liability.

(**) As of 30 September 2025, Esentepe Gayrimenkul and as of 28 November 2025 Kurtköy Gayrimenkul is reclassified as subsidiary following the Group has acquired 50% of the company.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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3. INTERESTS IN OTHER ENTITIES (Continued)

31 December 2024	Esentepe	Feriköy	Kandilli	Kurtköy	Total
Cash	729,998	255,482	72	278,749	1,264,301
Other current assets	1,781,800	163,226	-	34,957	1,979,983
Current assets	2,511,798	418,708	72	313,706	3,244,284
Investment property	29,100,159	13,973,993	2,944,257	11,453,759	57,472,168
Other non-current assets	507	4,779,337	22,430	761,809	5,564,083
Non-current assets	29,100,666	18,753,330	2,966,687	12,215,568	63,036,251
Total assets (*)	31,612,464	19,172,038	2,966,759	12,529,274	66,280,535
Financial liabilities	4,875,834	230,612	-	225,264	5,331,710
Other current liabilities	164,071	193,539	160	156,067	513,837
Current liabilities	5,039,905	424,151	160	381,331	5,845,547
Financial liabilities	-	4,616,907	-	2,901,534	7,518,441
Deferred tax liabilities	5,133,567	2,627,868	176,753	2,397,791	10,335,979
Other non-current liabilities	29,846	27,863	-	26,912	84,621
Non-Current Liabilities	5,163,413	7,272,638	176,753	5,326,237	17,939,041
Total liabilities (*)	10,203,318	7,696,789	176,913	5,707,568	23,784,588
Net assets of subsidiaries	21,409,146	11,475,249	2,789,846	6,821,706	42,495,947
Group's share in subsidiaries	50%	50%	50%	50%	50%
Carrying amount of the Group's interest in subsidiaries	10,704,573	5,737,625	1,394,923	3,410,853	21,247,974
Group's share in investment properties	14,550,080	6,986,997	1,472,129	5,726,880	28,736,084
Group's share in total assets	15,806,232	9,586,019	1,483,380	6,264,637	33,140,268
Group's share in deferred tax liabilities	2,566,784	1,313,934	88,377	1,198,896	5,167,990
Group's share in total liabilities	5,101,659	3,848,395	88,457	2,853,784	11,892,294

(*) Non trade receivables and non-trade payables disclosed in related party notes are shown in total asset and total liability.

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3. INTERESTS IN OTHER ENTITIES (Continued)

31 December 2025	Esentepe	Feriköy	Kandilli	Kurtköy	Total
Revenue	1,678,078	1,046,051	-	772,660	3,496,789
Cost of sales	(397,850)	(313,130)	-	(245,490)	(956,470)
Marketing expenses	(3,644)	(15,645)	-	(2,822)	(22,111)
General administrative expenses	(55,722)	(28,447)	(1,874)	(20,176)	(106,219)
Other operating income	610,334	590,925	43,257	341,769	1,586,285
Other operating expense	(558,870)	(21,195)	-	(543,380)	(1,123,445)
Financial income	424,750	1,219,173	-	80,287	1,724,210
Financial expenses	(1,766,578)	(1,775,019)	-	(1,031,247)	(4,572,844)
Monetary gain	478,759	(223,285)	-	525,902	781,376
Current tax expense	(223,146)	(103,404)	(129,587)	-	(456,137)
Deferred tax income/ (expense)	(72,259)	(139,904)	(5,089)	42,881	(174,371)
Net profit/ (loss) for the period	113,852	236,120	(93,293)	(79,616)	177,063
Group's share in subsidiaries	50%	50%	50%	50%	50%
Group's share in revenue	839,039	523,026	-	386,330	1,748,395
Group's share in cost of sales	(198,925)	(156,565)	-	(122,745)	(478,235)
Group's share in marketing expenses	(1,822)	(7,823)	-	(1,411)	(11,056)
Group's share in general administrative expenses	(27,861)	(14,224)	(937)	(10,088)	(53,110)
Group's share in other operating income	305,167	295,463	21,628	170,885	793,143
Group's share in other operating expense	(279,435)	(10,598)	-	(271,690)	(561,723)
Group's share in financial income	212,375	609,587	-	40,144	862,106
Group's share in financial expense	(883,289)	(887,510)	-	(515,624)	(2,286,423)
Group's share in monetary gain	239,380	(111,643)	-	262,951	390,688
Group's share in current tax expense	(111,573)	(51,702)	(64,794)	-	(228,069)
Group's share in deferred tax income/ (expense)	(36,130)	(69,952)	(2,545)	21,441	(87,186)
Group's share in profit/(loss) for the period	56,926	118,059	(46,648)	(39,807)	88,530

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3. INTERESTS IN OTHER ENTITIES (Continued)

31 December 2024	Esentepe	Feriköy	Kandilli	Kurtköy	Total
Revenue	1,963,335	959,482	-	775,105	3,697,922
Cost of sales	(506,921)	(302,680)	-	(265,011)	(1,074,612)
Marketing expenses	(9,467)	(5,269)	-	(6,634)	(21,370)
General administrative expenses	(74,133)	(38,516)	(2,374)	(28,996)	(144,019)
Other operating income	311,661	788,233	(66,807)	752,374	1,785,461
Other operating expense	(1,437,988)	(1,361,948)	(361)	(36,586)	(2,836,883)
Financial income	243,436	509,988	-	77,703	831,127
Financial expenses	(1,224,216)	(1,043,592)	-	(682,934)	(2,950,742)
Monetary gain	1,264,409	67,979	(9,591)	1,003,279	2,326,076
Current tax expense	-	(182,871)	-	-	(182,871)
Deferred tax income/ (expense)	(528,054)	224,385	(129,787)	(648,465)	(1,081,921)
Net profit/ (loss) for the period	2,062	(384,809)	(208,920)	939,835	348,168
Group's share in subsidiaries	50%	50%	50%	50%	50%
Group's share in revenue	981,668	479,741	-	387,553	1,848,962
Group's share in cost of sales	(253,461)	(151,340)	-	(132,506)	(537,307)
Group's share in marketing expenses	(4,734)	(2,635)	-	(3,317)	(10,686)
Group's share in general administrative expenses	(37,067)	(19,258)	(1,187)	(14,498)	(72,010)
Group's share in other operating income	155,831	394,117	(33,404)	376,187	892,731
Group's share in other operating expense	(718,994)	(680,974)	(181)	(18,293)	(1,418,442)
Group's share in financial income	121,718	254,994	-	38,852	415,564
Group's share in financial expense	(612,108)	(521,796)	-	(341,467)	(1,475,371)
Group's share in monetary gain	632,205	33,990	(4,798)	501,640	1,163,037
Group's share in current tax expense	-	(91,436)	-	-	(91,436)
Group's share in deferred tax income/ (expense)	(264,027)	112,193	(64,894)	(324,233)	(540,961)
Group's share in profit/(loss) for the period	1,031	(192,404)	(104,464)	469,918	174,081

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4. SEGMENTAL REPORTING

The Group identifies and presents segment reporting in accordance with IFRS 8, Operating Segments. The information on operating segments is based on internal reports which are periodically reviewed by the management of the Company.

The management of the Company reviews assets, liabilities, deferred tax liabilities, value added tax, net operating income, operating expense, interest income from time deposit, interest expense, income tax expense and capital expenditures real estate projects for the purpose of determining resources to be allocated to segments and assessing the performance of each segment.

The assets, liabilities, deferred tax assets and liabilities, net operating income, operating expense, value added tax, interest income from time deposit, interest expense, income tax expense, realised derivative and capital expenditures of the Group’s real estate projects are as follows:

a) Total Assets (*)

Company	Project	31 December 2025	31 December 2024
Tarabya	Hilltown SHC ve Office	19,477,047	16,654,984
Me13	Kahramanmaraş Piazza SHC	12,067,572	10,623,432
Altunizade	Hilltown Karşiyaka SHC	35,127,648	29,598,301
Salacak	Maltepe Piazza SHC and Office	21,555,740	21,475,567
Bakırköy	Maltepe Park SHC and Office	17,615,482	18,628,667
RGY	Optimum Adana SHC	14,965,339	18,135,001
Kurtköy (**)	Optimum Ankara SHC	11,319,654	6,264,636
Feriköy	Optimum İstanbul SHC	9,762,556	9,586,019
Esenetepe (**)	Optimum İzmir SHC	33,374,362	15,806,232
RGY	Samsun Piazza SHC and Hotel	16,668,566	18,404,256
RGY	Şanlıurfa Piazza SHC	6,623,007	7,138,975
Kandilli	Ümraniye Tepeüstü	1,502,376	1,483,383
Other	Combined eliminations	1,264,351	(2,947,508)
	Combined	201,323,700	170,851,945
	Less : Joint ventures (Note 3)	(11,264,932)	(33,140,269)
	Less : Consolidation eliminations and adjustments	8,662,072	23,245,630
	Consolidated	198,720,840	160,957,306

(*) Total Asset includes related party receivables.

(**) Following the acquisition of the remaining 50% shares, it was reclassified from a joint venture to a subsidiary.

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4. SEGMENTAL REPORTING (Continued)

b) Total Liabilities (*)

<u>Company</u>	<u>Project</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Tarabya	Hilltown SHC ve Office	5,644,703	4,725,444
Mel3	Kahramanmaraş Piazza SHC	3,182,967	2,778,854
Altunizade	Hilltown Karşıyaka SHC	12,432,877	8,090,147
Kozyatağı	Kozzy SHC	559,931	458,033
Bostancı	Küçükyalı Office and School	1,307,359	1,164,951
Salacak	Maltepe Piazza SHC and Office	7,243,112	7,685,769
Bakırköy	Maltepe Park SHC and Office	7,339,898	5,880,564
RGY	Optimum Adana SHC	5,868,474	5,980,146
Kurtköy (***)	Optimum Ankara SHC	4,496,275	2,853,784
Feriköy	Optimum İstanbul SHC	3,906,871	3,848,395
Esentepe (***)	Optimum İzmir SHC	11,134,788	5,101,659
RGY	Samsun Piazza SHC and Hotel	5,615,202	5,263,604
Kandilli	Ümraniye Tepeüstü	153,296	88,457
Other	Combined eliminations	(548,820)	(300,859)
	Combined	68,336,933	53,618,948
	Less : Joint ventures (Note 3)	(4,060,167)	(11,892,294)
	Less : Consolidation eliminations and adjustments	1,456,875	1,997,648
	Consolidated	65,733,641	43,724,302

(*) Total Liability includes related party payables.

(**) Other projects include combined elimination and adjustments.

(***) Following the acquisition of the remaining 50% shares, it was reclassified from a joint venture to a subsidiary.

c) Deferred Tax Assets

<u>Company</u>	<u>Project</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Rönesans Gayrimenkul Yatırım	Rönesans Gayrimenkul Yatırım	860,997	173,589
Bakırköy	Maltepe Park SHC and Office	13,122	73,200
Rönesans Yönetim	Rönesans Yönetim	6,424	147
Other	Other	22,572	31,014
	Combined	903,115	277,950
	Less : Joint ventures (Note 3)	-	-
	Consolidated	903,115	277,950

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4. SEGMENTAL REPORTING (Continued)

d) Deferred Tax Liabilities

<u>Company</u>	<u>Project</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Tarabya	Hilltown SHC ve Office	2,233,272	954,790
Mel3	Kahramanmaraş Piazza SHC	1,526,525	1,154,155
Altunizade	Hilltown Karşıyaka SHC	5,083,401	4,023,356
Kozyatağı	Kozzy SHC	35,856	2,988
Bostancı	Küçükyalı Office and School	1,049,415	736,279
Salacak	Maltepe Piazza SHC and Office	1,954,338	1,098,439
RGY	Optimum Adana SHC	2,853,786	2,669,744
Kurtköy	Optimum Ankara SHC	2,408,231	1,198,896
Feriköy	Optimum İstanbul SHC	1,365,636	1,313,933
Esentepe	Optimum İzmir SHC	5,641,985	2,566,784
RGY	Samsun Piazza SHC and Hotel	2,731,821	2,105,254
RGY	Şanlıurfa Piazza SHC	950,203	778,856
Kandilli	Ümraniye Tepeüstü	153,170	88,377
	Combined	27,987,639	18,691,851
	Less : Joint ventures (Note 3)	(1,518,805)	(5,167,990)
	Consolidated	26,468,834	13,523,861

(*) Following the acquisition of the remaining 50% shares, it was reclassified from a joint venture to a subsidiary.

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4. SEGMENTAL REPORTING (Continued)

e) Gross Profit

Company	Project	31 December 2025			31 December 2024		
		Sales	Cost	Gross profit	Sales	Cost	Gross profit
Tarabya	Hilltown SHC ve Office	1,853,433	(600,593)	1,252,840	1,695,532	(559,920)	1,135,612
Mel3	Kahramanmaraş Piazza SHC	822,026	(258,501)	563,525	729,765	(235,756)	494,009
Altunizade	Hilltown Karşıyaka SHC	2,178,552	(459,686)	1,718,866	2,008,681	(436,618)	1,572,063
Kozyatağı	Kozzy SHC	220,383	(121,259)	99,124	187,212	(105,654)	81,558
Bostancı	Küçükyalı Office and School	543,471	(184,848)	358,623	455,187	(171,141)	284,046
Salacak	Maltepe Piazza SHC and Office	1,643,380	(544,073)	1,099,307	1,524,586	(556,095)	968,491
Bakırköy	Maltepe Park SHC and Office	885,486	(369,820)	515,666	734,341	(297,209)	437,132
RGY	Optimum Adana SHC	1,201,792	(365,037)	836,755	1,089,365	(350,574)	738,791
Kurtköy	Optimum Ankara SHC	467,829	(156,484)	311,345	387,553	(132,506)	255,047
Feriköy	Optimum İstanbul SHC	526,243	(156,565)	369,678	479,741	(151,340)	328,401
Esentepe	Optimum İzmir SHC	1,436,263	(350,292)	1,085,971	981,668	(253,461)	728,207
RGY	Samsun Piazza SHC and Hotel	1,341,605	(327,303)	1,014,302	1,215,126	(312,026)	903,100
RGY	Şanlıurfa Piazza SHC	642,123	(235,628)	406,495	581,606	(219,165)	362,441
Other	Combined eliminations	411,999	(20,492)	391,507	490,364	(42,122)	448,242
	Other	14,174,585	(4,150,581)	10,024,004	12,560,727	(3,823,587)	8,737,140
	Less : Joint ventures (Note 3)	(1,748,395)	478,235	(1,270,160)	(1,848,962)	537,306	(1,311,656)
	Less : Consolidation eliminations and adjustments	214,125	(127,384)	86,741	51,228	1,357	52,585
	Consolidated	12,640,315	(3,799,730)	8,840,585	10,762,993	(3,284,924)	7,478,069

Following the acquisition of the remaining 50% shares, Esentepe and Kurtköy were reclassified from a joint venture to a subsidiary.

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4. SEGMENTAL REPORTING (Continued)

f) Operational Expenses

<u>Company</u>	<u>Project</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Tarabya	Hilltown SHC ve Office	54,199	58,526
Mel3	Kahramanmaraş Piazza SHC	21,054	40,429
Altunizade	Hilltown Karşıyaka SHC	59,854	70,965
Kozyatağı	Kozzy SHC	11,205	10,564
Salacak	Maltepe Piazza SHC and Office	40,998	51,686
Bakırköy	Maltepe Park SHC and Office	93,271	79,729
Göksu	Optimum Adana SHC	35,445	83,719
Kurtköy	Optimum Ankara SHC	17,131	17,815
Feriköy	Optimum İstanbul SHC	22,046	21,893
Esentepe	Optimum İzmir SHC	53,893	41,801
Mel2	Samsun Piazza SHC and Hotel	51,772	47,543
Mel4	Şanlıurfa Piazza SHC	20,546	28,912
Other	Combined adjustments	233,161	(23,597)
	Combined	714,573	529,985
	Less : Joint ventures (Note 3)	(64,166)	(82,696)
	Less : Consolidation eliminations and adjustments	6,704	52,585
	Consolidated	657,111	499,874

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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5. RELATED PARTY DISCLOSURES

The ultimate controlling party of the Group is Rönesans Holding A.Ş. Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Details of balances and transactions between the Group and other related parties are disclosed below:

	31 December 2025					
	Receivables		Payables			Advances
	Short-term		Short-term	Long-term		Short-term
	Trade	Non-trade	Trade	Non-trade (*)	Non-trade (*)	
Balances with related parties						
<i>Subsidiaries and Joint Ventures</i>						
Feriköy Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	22,624	-	181	8,980	2,885,251	-
Kandıllı Gayrimenkul Yatırım Yönetim İnşaat ve Ticaret A.Ş.	230	11	-	-	-	-
<i>Shareholders</i>						
Rönesans Varlık ve Proje Yatırımları A.Ş.	93	-	9,214	-	-	-
<i>Other companies controlled by the parent company</i>						
Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. ⁽²⁾	220	-	-	22,533	-	154,196
Rönesans Holding A.Ş. ⁽³⁾	3,760	-	7,202	636	-	-
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽⁴⁾	-	-	101,174	-	-	-
Rönesans Merkezi Hizmetler Danışmanlık ve Tic. A.Ş. ⁽⁵⁾	-	-	186,208	-	-	-
Rönesans Şarj İstasyon Enerji Yatırımları A.Ş.	4,863	-	18	-	-	45
Rönesans Endüstri Tesisleri İnşaat Sanayi ve Ticaret A.Ş.	2,097	-	-	-	-	-
Other	7,919	-	10,640	7,387	-	395
	41,807	11	314,639	39,536	2,885,251	154,636

(1) Current trade receivables consist of asset, property management leasing services provided. Non-trade payables represent the reverse shareholder loans provided by the relevant joint ventures to Rönesans Gayrimenkul Yatırım A.Ş.

(2) The payables and advances given to Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. is related to the construction services provided for the Maltepe Park residential project.

(3) Rönesans Holding A.Ş. provides services to group companies. Payables are related to these services provided to Rönesans Gayrimenkul. Receivables are related to office leases provided to Rönesans Holding A.Ş. by the Company

(4) Rönesans Elektrik Enerji Toptan Satış A.Ş. provides electric energy to the Group's shopping centers and offices. The related charges are related to electricity supply amounts.

(5) Rönesans Merkezi Hizmetler Danışmanlık ve Tic. A.Ş provides administrative and facility management services to group companies.

(*) Non-trade payables to associates and shareholders consist of shareholder loans and reverse shareholder loans given to Rönesans Gayrimenkul Yatırım with interest rates between 6.30%-47.5% and maturities of 1-2 years.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (Continued)

	31 December 2024					
	Receivables		Payables			Advances
	Short-term		Short-term		Long-term	Short-term
	Trade	Non-trade	Trade	Non-trade (*)	Non-trade (*)	
Balances with related parties						
<i>Subsidiaries and Joint Ventures</i>						
Esentepe Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	59,513	2	407	873,727	-	-
Kurtköy Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	83,030	42	175	-	417,502	-
Feriköy Gayrimenkul Yatırım İnşaat Turizm San.ve Tic.A.Ş. ⁽¹⁾	57,192	-	174	66,458	2,436,707	-
Kandilli Gayrimenkul Yatırım Yönetim İnşaat ve Ticaret A.Ş.	135	13	-	-	-	-
<i>Shareholders</i>						
Euro Cube Private Limited	168	-	-	-	-	-
Rönesans Varlık ve Proje Yatırımları A.Ş.	4	-	1,509	-	-	-
<i>Other companies controlled by the parent company</i>						
Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. ⁽²⁾	-	-	614,190	-	-	470,477
Rönesans Holding A.Ş. ⁽³⁾	319	-	33,251	89	-	-
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽⁴⁾	-	-	88,537	-	-	-
RSY Sağlık Ticari Yatırım A.Ş.	26,767	-	-	-	-	-
Other	4,863	1	14,673	7,272	-	4,469
	231,991	59	752,916	947,547	2,854,210	474,946

(1) Current trade receivables consist of asset, property management leasing services provided. Non-trade payables represent the reverse shareholder loans provided by the relevant joint ventures to Rönesans Gayrimenkul Yatırım A.Ş.

(2) The payables and advances given to Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. is related to the construction services provided for the Maltepe Park residential project.

(3) Rönesans Holding A.Ş. provides services to its group companies. The payables are related with such services rendered to Rönesans Gayrimenkul Yatırım A.Ş.

(4) Rönesans Elektrik Enerji Toptan Satış A.Ş. provides electric energy to the Group's shopping centers and offices. The related charges are related to electricity supply amounts.

(*)Non-trade payables to associates and shareholders consist of shareholder loans and reverse shareholder loans given to Rönesans Gayrimenkul Yatırım with interest rates between 4,35%-50% and maturities of 1-2 years.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (Continued)

Transactions with related parties	1 January -31 December 2025		
	Purchases	Sales	Interest paid
<i>Joint ventures & Subsidiaries</i> ⁽¹⁾	286	177,957	457,645
<i>Shareholders</i>			
Rönesans Varlık ve Proje Yatırımları A.Ş.	41,714	1,115	-
<i>Other companies controlled by the parent company</i>			
Rönesans Holding A.Ş. ⁽²⁾	219,655	23,045	-
Rönesans Endüstri Tesisleri İnşaat Sanayi ve Ticaret A.Ş. ⁽⁷⁾	31	22,500	-
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽³⁾	1,103,872	-	-
Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. ⁽⁴⁾	630,100	86	-
Rönesans Merkezi Hizmetler Danışmanlık ve Tic. A.Ş. ⁽⁵⁾	473,763	20,615	-
Rönesans Özel Okulları Eğitim Öğretim Hizmetleri A.Ş. ⁽⁶⁾	-	45,268	-
Other	82,780	35,154	-
	2,552,201	325,740	457,645

- (1) Sales to joint ventures consists of the services provided to investments accounted for using the equity method from Rönesans Gayrimenkul Yatırım A.Ş.
- (2) Rönesans Holding A.Ş. provides services to group companies. Purchases are related to direct and indirect services provided to Rönesans Gayrimenkul Yatırım. TRY 219,655 of the TRY 159,954 of purchases mainly consist of services such as license usage, IT and technology consultancy etc. and are reflected to Rönesans Gayrimenkul through Rönesans Holding.
- (3) Purchases from Rönesans Elektrik Enerji Toptan Satış A.Ş. are composed of energy services provided to the Group. The related charges are related to electricity supply amounts.
- (4) Purchases from Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. are related to the construction services provided for Maltepe Park residential project.
- (5) Rönesans Merkezi Hizmetler Danışmanlık ve Tic. A.Ş provides administrative and facility management services to group companies.
- (6) Sales to Rönesans Özel Okulları Eğitim Öğretim Hizmetleri A.Ş. consist of the rent of Küçükalyalı school owned by Bostancı Gayrimenkul.
- (7) Sales to Rönesans Endüstri Tesisleri İnşaat San. ve Tic. A.Ş. consists of office rental income.

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(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (Continued)

Transactions with related parties	1 January -31 December 2024		
	Purchases	Sales	Interest paid
<i>Joint ventures & Subsidiaries</i> ⁽¹⁾	-	497,296	582,073
<i>Shareholders</i>			
Euro Cube Private Limited ⁽²⁾	-	-	24,840
Rönesans Varlık ve Proje Yatırımları A.Ş. ⁽²⁾	4,398	-	115,823
<i>Other companies controlled by the parent company</i>			
IVF Investment and Credit Pte.Ltd. ⁽⁴⁾	-	-	362,444
Gamstar Pte. Ltd. ⁽⁴⁾	-	-	146,454
Rönesans Holding A.Ş. ⁽³⁾	124,230	26,268	-
Rönesans Elektrik Enerji Toptan Satış A.Ş. ⁽⁵⁾	1,008,391	-	-
Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. ⁽⁶⁾	775,100	8,965	-
Rönesans Merkezi Hizmetler Danışmanlık ve Tic. A.Ş. ⁽⁷⁾	37,348	14,393	-
RSY Sağlık Ticari Yatırım A.Ş.	-	26,170	-
Rönesans Özel Okulları Eğitim Öğretim Hizmetleri A.Ş. ⁽⁸⁾	-	24,009	-
Other	9,551	34,359	-
	1,959,018	631,460	1,231,634

- (1) Sales to joint ventures consists of the services provided to investments accounted for using the equity method from Rönesans Gayrimenkul Yatırım A.Ş.
- (2) Interest paid represents accrued interest of reverse shareholder loans received from joint ventures and shareholder loans received from Euro Cube Private Limited and Rönesans Varlık ve Proje Yatırımları A.Ş.
- (3) Rönesans Holding A.Ş. provides services to group companies. Purchases are related to direct and indirect services provided to Rönesans Gayrimenkul Yatırım. TL 99.187 of the purchases amounting to TL 124.230 mainly consist of services such as licence usage, IT and technology consultancy etc. and are reflected to Rönesans Gayrimenkul through Rönesans Holding.
- (4) Interest paid represents accrued interest loans received from IVF Investment and Credit Pte.Ltd. and Gamstar Pte.Ltd.
- (5) Purchases from Rönesans Elektrik Enerji Toptan Satış A.Ş. are composed of energy services provided to the Group.
- (6) Purchases from Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt A.Ş. are related to the construction services provided for Maltepe Park residential project.
- (7) Rönesans Merkezi Hizmetler Danışmanlık ve Tic. A.Ş. provide consulting regarding to administrative services to Rönesans Gayrimenkul Yatırım A.Ş.
- (8) Sales to Rönesans Özel Okulları Eğitim Öğretim Hizmetleri A.Ş. are related to with rent of Küçükyalı School which is the project of Bostancı Gayrimenkul.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

5. RELATED PARTY DISCLOSURES (Continued)

Benefits provided to key management personnel:

Key management personnel consists of members of Board of Directors and other members. The compensation of key management personnel includes salaries, bonus, health insurance, communication and transportation and total amount of compensation is explained below. The remuneration of key management personnel during the year were as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Salaries and other short-term benefits	131,543	117,561

6. TRADE RECEIVABLES AND PAYABLES

a) Trade receivables:

As at balance sheet date, details of trade receivables of the Group are as follows:

	31 December 2025	31 December 2024
Current trade receivables		
Trade receivables	1,112,261	744,080
Notes receivables	14,559	288
Trade receivables from related parties (Note 5)	41,807	231,991
Expected credit loss (-)	(203,806)	(112,571)
	964,821	863,788

Average maturity for receivables is approximately 30 days (2024: 30 days).

The movement of the Group’s provision for expected credit loss as at 31 December 2025 and 2024 is as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Movement of allowance for credit loss		
Opening	(112,571)	(99,671)
Charge for the period (Note 19)	(266,268)	(159,866)
Provision released (Note 19)	180,558	115,403
Transfer from joint venture to subsidiary (*)	(53,946)	-
Monetary gain	48,421	31,563
Closing	(203,806)	(112,571)

The provision for trade receivables is provided based on expected credit loss amounts from the sale of services, determined by reference to past default experience and current financial condition of customers.

(*)Following the acquisition of the remaining 50% shares of Esentepe Gayrimenkul on 30 September 2025 and Kurtköy Gayrimenkul on 28 November 2025, these entities were removed from joint venture classification and reclassified as subsidiaries.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

6. TRADE RECEIVABLES AND PAYABLES (Continued)

b) Trade payables

As at balance sheet date, details of trade payables of the Group are as follows:

	31 December 2025	31 December 2024
Current trade payables		
Trade payables	631,831	591,420
Trade payables to related parties (Note 5)	314,639	752,916
	946,470	1,344,336

Average maturity for payables is approximately 30 days. (2024: 30 days).

Risk characteristics and levels in trade receivables and trade payables have been disclosed in Note 29.

7. OTHER RECEIVABLES AND PAYABLES

a) Other receivables:

	31 December 2025	31 December 2024
Other short term receivables		
Other receivables	2,732	3,681
Non-trade receivables from related parties (Note 5)	11	59
	2,743	3,740
	31 December 2025	31 December 2024
Other long term receivables		
Deposits and guarantees given	2,726	2,471
	2,726	2,471
	31 December 2025	31 December 2024
Other short term payables		
Taxes due and payables	401,857	291,923
Non-trade payables to related parties (Note 5)	39,536	947,547
Deposits and guarantees received	30,350	16,059
Other	477	178
	472,220	1,255,707
	31 December 2025	31 December 2024
Other long term payables		
Non-trade payables to related parties (Note 5)	2,885,251	2,854,210
Deposits and guarantees received	65,365	36,448
	2,950,616	2,890,658

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

8. INVENTORIES

a) Short term inventories

	31 December 2025	31 December 2024
Inventories	6,099	2,404
	6,099	2,404

b) Long term inventories

	31 December 2025	31 December 2024
Inventories (*)	4,293,936	3,682,687
	4,293,936	3,682,687

(*) The amount represents the cost of the land on which the residential project of Bakırköy Gayrimenkul, whose preliminary preparation and license process has been completed and whose construction will start in 2024, is located and the construction expenditures made until December 31, 2025 in addition to this cost.

9. PREPAID EXPENSES AND DEFERRED INCOME

Short-term prepaid expenses	31 December 2025	31 December 2024
Advances given to related parties (*) (Note 5)	154,636	474,946
Prepaid expenses	174,728	101,987
Order advances given	45,288	39,892
Other	-	999
	374,652	617,824

(*) 154,591 of the advances given to related parties is related to Rönesans Stratejik ve Özellikli Yapılar İnşaat ve Taahhüt. A.Ş. for the construction of the residential project. (2024: 470,477)

Long-term prepaid expenses	31 December 2025	31 December 2024
Prepaid expenses	8,781	9,785
	8,781	9,785

Short-term deferred income	31 December 2025	31 December 2024
Order advances received (**)	447,387	73,556
	447,387	73,556

Long-term deferred income	31 December 2025	31 December 2024
Order advances received (**)	36,679	1,472
	36,679	1,472

(**)Order advances received related to prepaid annual rents paid by office tenants and order advances received for shopping centres.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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10. INVESTMENT PROPERTIES

	31 December 2025	31 December 2024
Investment properties	174,353,534	128,663,086
Investment properties under development	28,395	28,174
	174,381,929	128,691,260

a) Investment properties

	1 January- 31 December 2025	1 January- 31 December 2024
Investment properties		
Opening balance	128,663,086	127,808,772
Additions through subsequent expenditure	447,761	439,798
Land rental	404,737	566,885
Disposal	(652,965)	(404,408)
Transfer from joint venture to subsidiary (*)	39,574,500	-
Net gain from fair value adjustments (Note 19)	5,916,415	252,039
Closing balance	174,353,534	128,663,086

The fair value of the Group’s investment properties is TRY 174,353,534 thousand as of 31 December 2025 (31 December 2024: TRY 128,663,086 thousand).

(*) Following the acquisition of the remaining 50% shares of Esentepe Gayrimenkul on 30 September 2025 and Kurtköy Gayrimenkul on 28 November 2025, these entities were removed from joint venture classification and reclassified as subsidiaries.

As of 31 December 2025 and 2024, the fair value of the Group’s investment properties has been determined by TSKB Real Estate Appraisal Inc., an independent valuation company from the Group. TSKB Gayrimenkul Değerleme A.Ş. is authorized by the Capital Markets Board and provides real estate appraisal services in accordance with the capital markets legislation, and has sufficient experience and qualifications in measuring the fair value of real estate in the relevant regions.

The valuation reports of the investment properties prepared by reference to discounted cash flows approach are primarily based on the following key assumptions:

	31 December 2025	31 December 2024
Currency	TL	TL
Discount rate (%)	18,75	22,50
Occupancy rate (%)	96-100	90-100
Rent increase rate (%)	9-20,50	9-22,75
Capitalization rate (%)	6,75-7,75	6,75-8,0

The Group mortgages some real estates as collateral of the bank loans. The details of mortgages are disclosed in Note 12.

The property rental income earned by the Group from its investment property, all of which is leased out under operating leases, amounted to TRY 12,183,275 thousand (31 December 2024: TRY 10,241,429 thousand). Direct operating expenses arising on the investment property in the year include maintenance and repair costs which amounted to TRY 3,644,961 thousand (31 December 2024: TRY 3,136,987 thousand) (Note 16).

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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10. INVESTMENT PROPERTIES (Continued)

As at 31 December 2025 and 2024 investment properties and their values are as follows:

Project	Company	Place of property	31 December 2025	31 December 2024
Hilltown SHC Karşıyaka ⁽¹⁾	Altunizade	İzmir, Türkiye	29,739,040	28,903,640
İzmir Optimum SHC ⁽¹⁾⁽⁷⁾	Esentepe	İzmir, Türkiye	29,120,090	-
Maltepe Piazza SHC and Office ⁽¹⁾	Salacak	İstanbul, Türkiye	20,784,380	20,787,505
Hilltown SHC and Office ⁽¹⁾⁽³⁾	Tarabya	İstanbul, Türkiye	18,884,068	16,412,105
Samsun Piazza SHC and Hotel ⁽¹⁾	Mel 2	Samsun, Türkiye	16,227,260	14,746,499
Adana Optimum SHC ⁽¹⁾	Göksu	Adana, Türkiye	14,889,617	14,876,567
Ankara Optimum SHC ⁽¹⁾	Kurtköy	Ankara, Türkiye	11,185,505	-
Maltepe Park SHC and Office ⁽¹⁾⁽⁵⁾	Bakırköy	İstanbul, Türkiye	10,400,905	11,369,755
Kahramanmaraş Piazza SHC ⁽¹⁾	Mel 3	Kahramanmaraş, Türkiye	8,850,940	8,213,884
Şanlıurfa Piazza SHC ⁽¹⁾	Mel 4	Şanlıurfa, Türkiye	6,593,935	6,400,063
Küçükyalı Office & Ted Rönesans College ⁽¹⁾⁽²⁾	Bostancı	İstanbul, Türkiye	6,420,482	5,792,187
Kozzy SHC ⁽¹⁾⁽⁴⁾	Kozyatağı	İstanbul, Türkiye	1,257,313	1,160,881
			174,353,534	128,663,086

(1) The consolidated financial statements as of 31 December 2025 and 31 December 2024 are based on the valuation report of TSKB Gayrimenkul Değerleme A.Ş., an independent valuation company licensed by the Capital Markets Board of Turkey.

(2) Land lease payables, which were deducted while calculating the fair values of Küçükyalı Office and School project, have been added to the fair value of the project as TRY 489,512 thousand (2024: TRY 421,727 thousand) due to the obligation to present such lease payables as financial liabilities in the balance sheet in accordance with IFRS. The details of the lease agreements are disclosed in Note 12.

(3) Land lease payables, which were deducted while calculating the fair values of Hilltown Shopping Mall and Office project, have been added to the fair value of the project as TRY 2,008,558 thousand (2024: TRY 1,697,797 thousand) due to the obligation to present such lease payables as financial liabilities in the balance sheet in accordance with IFRS. The details of the lease agreements are disclosed in Note 12.

(4) Land lease payables deducted while calculating the fair value of Kozzy Shopping Center project, due to the obligation to present such lease payables as financial liabilities in the balance sheet within the framework of IFRS TRY 138,853 thousand (2024: TRY 112,662 thousand) has been added to the fair value of the project. The details of the lease agreements are disclosed in Note 12.

(5) On the land where the Maltepe Park shopping mall and office areas are located, the mixed-use project Piazza Park—featuring both residential and office units—is planned to be developed. The construction permit for Piazza Park has been obtained from Maltepe Municipality, and the initial preparations have been completed. The project commenced in 2024.

(6) Following the acquisition of the remaining 50% shares of Esentepe Gayrimenkul on 30 September 2025 and Kurtköy Gayrimenkul on 28 November 2025, these entities were removed from joint venture classification and reclassified as subsidiaries.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

10. INVESTMENT PROPERTIES (Continued)

b) Investment properties under development (Continued)

	1 January- 31 December 2025	1 January- 31 December 2024
Investment properties under development		
Opening balance	28,174	29,424
Net gain/ (loss) from fair value adjustments (Note 19)	221	(1,250)
Closing balance	28,395	28,174

Investment properties under development consist of two components: land and costs capitalized in connection with the development of the site. Costs capitalized related to development carried out on sites owned or partly owned by the Group or sites to which the Group holds lease titles and which will be acquired on completion of the development. Land and buildings that are being constructed for future use as investment property are classified under investment properties under development account until construction or development is complete, at which time they are reclassified as investment.

As of 31 December 2025 and 2024 the fair value of the Group’s investment properties under development has been arrived at based on a valuation carried out at that date by independent valuers not connected with the Group. The valuation, which conforms to Capital Market Board legislation, was arrived at by reference to market evidence of transaction prices for similar properties and discounted cash flows and income capitalization approach. The fair values are based on the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm’s length transaction.

The fair value of the investment properties under development prepared by reference to sale comparison approach are primarily based on the following key assumptions:

	31 December 2025	31 December 2024
Market comparable sqm value in TRY	61,000	47,000

Investment properties under development comprise of the following projects:

<u>Project</u>	<u>Company</u>	<u>Place of property</u>	31 December 2025	31 December 2024
Ataşehir (*)	RGY	Istanbul, Türkiye	28,395	28,174
			28,395	28,174

(*) In the consolidated financial statements as of 31 December 2025 and 31 December 2024, based on the valuation reports issued by TSKB Gayrimenkul Değerleme A.Ş. an independent accredited valuer licenced by the Capital Market Board of Turkey.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2025 unless otherwise indicated.)

10. INVESTMENT PROPERTIES (Continued)

Details of the Group’s investment properties and information about the fair value hierarchy as at 31 December 2025 and 2024 are as follows:

	31 December 2025	Fair value as at 31 December 2024		
		Level 1 TRY	Level 2 TRY	Level 3 TRY
Investment properties	174,353,534	-	-	174,353,534
Investment properties under development	28,395	-	28,395	-

	31 December 2024	Fair value as at 31 December 2023		
		Level 1 TRY	Level 2 TRY	Level 3 TRY
Investment properties	128,663,086	-	-	128,663,086
Investment properties under development	28,174	-	28,174	-

Sensitivity analysis of investment properties is as follow:

	Change in fair value as at 31 December 2025	Change in fair value as at 31 December 2024
	Investment properties	Investment properties
Rent Increase Rate		
increases 1%	13,117,310	8,992,248
decreases 1%	(12,019,963)	(8,230,605)
Discount Rate		
increases 1%	(10,672,555)	(6,573,970)
decreases 1%	11,770,506	7,209,362
Occupancy Rate		
increases 1%	1,582,664	1,140,805
decreases 1%	(1,866,909)	(1,152,702)
Capitalization rate		
increases 1%	(9,801,137)	(5,202,904)
decreases 1%	13,094,045	6,887,641

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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11. PROPERTY, PLANT AND EQUIPMENT

<u>Cost value</u>	<u>Buildings</u>	<u>Furniture and fixtures</u>	<u>Leasehold improvements</u>	<u>Construction in progress (*)</u>	<u>Total</u>
Opening balance as of 1 January 2025	25,291	52,591	102,279	125,583	305,744
Addition	-	3,204	21,696	-	24,900
Disposal	-	-	-	-	-
Transfer	-	-	-	-	-
Closing balance as of 31 December 2025	25,291	55,795	123,975	125,583	330,644
<u>Accumulated depreciation</u>					
Opening balance as of 1 January 2025	(20,993)	(23,738)	(71,996)	-	(116,727)
Charge for the year	(1,081)	(8,564)	(12,609)	-	(22,254)
Disposal	-	-	-	-	-
Closing balance as of 31 December 2025	(22,074)	(32,302)	(84,605)	-	(138,981)
Net book value as of 31 December 2025	3,217	23,493	39,370	125,583	191,663

(*) As of 31 December 2024, construction in progress amounting to TRY 114,939 thousand is the construction costs spent for the Beachtown project in Antalya. The Group has a construction license for the related project. The Group has the right to use the land where the investment will be made from Antalya Metropolitan Municipality under an operational lease agreement for 30 years with the right of renewable utilization at the end of the contract date. As of December 31, 2025, the lease agreement will expire in 2047 and is recognized as the right of use asset in the financial statements. There are no restrictions on these lease agreements of the Group.

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11. PROPERTY, PLANT AND EQUIPMENT (Continued)

Cost value	Buildings	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress (*)	Total
Opening balance as of 1 January 2024	25,291	2,209	19,287	89,355	121,594	257,736
Addition	-	-	33,620	12,924	3,989	50,533
Disposal	-	(2,209)	(316)	-	-	(2,525)
Transfer	-	-	-	-	-	-
Closing balance as of 31 December 2024	25,291	-	52,591	102,279	125,583	305,744
Accumulated depreciation						
Opening balance as of 1 January 2024	(19,530)	(2,185)	(17,480)	(62,800)	-	(101,995)
Charge for the year	(1,463)	-	(6,575)	(9,196)	-	(17,234)
Disposal	-	2,185	317	-	-	2,502
Closing balance as of 31 December 2024	(20,993)	-	(23,738)	(71,996)	-	(116,727)
Net book value as of 31 December 2024	4,298	-	28,853	30,283	125,583	189,017

(*) As of 31 December 2024, construction in progress amounting to TRY 114,939 thousand is the construction costs spent for the Bechtown project in Antalya. The Group has a construction license for the related project. The Group has the right to use the land where the investment will be made from Antalya Metropolitan Municipality under an operational lease agreement for 30 years with the right of renewable utilization at the end of the contract date. As of December 31, 2024, the lease agreement will expire in 2047 and is recognized as the right of use asset in the financial statements. There are no restrictions on these lease agreements of the Group.

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12. COMMITMENTS AND CONTINGENCIES

The Group’s guarantee given, pledges and mortgages (“GPM”) position as at 31 December 2025 are as follows:

	31 December 2025			
	USD TRY Equivalent ('000)	EUR TRY Equivalent ('000)	TRY	Total TRY Equivalent
A.GPM given on behalf of its own legal entity	3,500	567,415	82,756	28,860,709
- Mortgage	-	564,386	-	28,475,095
- Letters of guarantees given	3,500	3,029	82,756	385,614
B.GPM given on behalf of the subsidiaries included in full consolidation	-	-	-	-
- Mortgage	-	-	-	-
- Letters of guarantees given	-	-	-	-
C.GPM given for execution of ordinary commercial activities to collect third parties debt	-	-	-	-
D.Total amount of other GPM given	-	96,000	60	2,421,814
i.Total Amount of GPM on behalf of the main partner	-	-	-	-
ii.Total amount of GPM given on behalf of other Company companies that do not cover B and C	-	96,000	60	-
- Mortgage	-	-	-	-
- Surety and guarantees given (*)	-	96,000	60	2,421,814
iii.Total amount of GPM on behalf of third parties that do not cover C	-	-	-	-
- Surety and guarantees given	-	-	-	-
Total	3,500	663,415	82,816	31,282,523

(*) An amount of TL 2,421,814 in guarantees was provided by the Company to banks, proportionate to its equity interest in Feriköy.

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12. COMMITMENTS AND CONTINGENCIES (Continued)

	31 December 2024		
	EUR	TRY	Total TRY Equivalent
A.GPM given on behalf of its own legal entity			
- Mortgage	486,921	389,033	18,279,949
- Letters of guarantees given	369,008	225,605	18,041,933
B.GPM given on behalf of the subsidiaries included in full consolidation	3,000	71,616	238,017
- Mortgage	-	-	-
- Letters of guarantees given	-	-	-
C.GPM given for execution of ordinary commercial activities to collect third parties debt	-	-	-
D.Total amount of other GPM given	-	-	-
i.Total Amount of GPM on behalf of the main partner	264,886	557	6,370,287
ii.Total amount of GPM given on behalf of other Company companies that do not cover B and C	-	-	-
- Mortgage	264,886	557	-
- Surety and guarantees given (*)	-	-	-
iii.Total amount of GPM on behalf of third parties that do not cover C	264,886	557	6,370,287
- Surety and guarantees given	-	-	-
Total	751,807	389,590	24,650,236

(*) An amount of TL 6,370,287 in guarantees was provided by the Company to banks, proportionate to its equity interest in Esentepe, Feriköy and Kurtköy Gayrimenkul subsidiaries.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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12. COMMITMENTS AND CONTINGENCIES (Continued)

The Group’s guarantee given, pledges and mortgages (“GPM”) position as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Mortgage	28,475,095	18,041,933
Letters of guarantees given	385,614	238,017
Surety and guarantees given	2,421,814	6,370,287
	31,282,523	24,650,236

TRY 30,896,909 of total amount in 2025 is already reflected in the consolidated statement of financial position and related with the guarantees given for the loans utilized by the Group. The remaining TRY 385,614 is for the guarantees provided by the Group for the third or related parties (31 December 2024: TRY 24,412,219 remaining amount: TRY 238,017).

Lease commitments – Company as lessee

The Group has leasing contracts for the projects of Hilltown SHC and office, Küçükyalı School & Office on land belonging to Atik Valide Sultan Vakfı in İstanbul, Maltepe and the Group has the usage right with a renewal option at the end of the lease period for 49 years. There are no restrictions placed upon the Group by entering into these leases.

The Group has a leasing contract for the projects of Antalya Konyaaltı project on land belonging to Antalya Metropolitan Municipality in Antalya, Konyaaltı. The Group has the usage right with a renewal option at the end of the lease period for 30 years. There are no restrictions placed upon the Group by entering into these leases.

The Group has a leasing contract for the projects of Kozzy SHC on land belonging to İstanbul Metropolitan Municipality in İstanbul, Kozyatağı. The Group has the usage right with a renewal option at the end of the lease period for 30 years. There are no restrictions placed upon the Group by entering into these leases.

The minimum usufruct right rental payables under non-cancellable operating leases at 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Within one year	29,084	25,202
After one year but no more than five years	118,139	103,082
More than five years	805,474	718,455
	952,697	846,739

The Group consider these leasing contracts as non-cancellable contract and accounted in accordance with IFRS 16. Leasing assets arising from these contracts are accounted under investment properties.

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13. EMPLOYEE BENEFITS

Payables related to employee benefits:

	31 December 2025	31 December 2024
Social security premiums payables	21,358	18,234
Payables to personnel	65	-
	21,423	18,234

Short-term provisions for employee benefits:

	31 December 2025	31 December 2024
Provisions for bonuses	59,127	-
Unused vacation liability	24,800	26,445
	83,927	26,445

The movement of the Group’s liability for unused vacation as at 31 December 2025 and 2024 is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Provision at 1 January	26,445	28,633
Charge for the year	15,052	9,489
Payments	(9,952)	(1,900)
Monetary gain	(6,745)	(9,777)
Provision at 31 December	24,800	26,445

Long-term provisions for employee benefits:

	31 December 2025	31 December 2024
Retirement pay provision	207,145	153,505
	207,145	153,505

Provision for employment termination benefits for Turkish employees working in Turkey:

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service and reaches the retirement age (58 for women and 60 for men).

The amount payable consists of one month’s salary limited to a maximum of TRY 53,919.68 for each period of service at 31 December 2025 (31 December 2024: TRY 41,828.42).

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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13. EMPLOYEE BENEFITS (Continued)

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

The 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 consolidated financial statements as at 31 December 2025, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated with the assumption of 3.65% real discount rate (31 December 2024: 2.50%) calculated by using 24.02% annual inflation rate and 28.55% discount rate. The maximum amount of TL 64,948.77 effective from 1 January 2026 has been taken into consideration in the calculation of the Group's provision for employment termination benefits (1 January 2025: TL 46,655.43).

	1 January - 31 December 2025	1 January - 31 December 2024
Provision at 1 January	153,505	160,423
Service cost	8,917	5,107
Interest cost	563	19
Termination benefits paid	(6,815)	(9,529)
Transfer from joint venture to subsidiary	34,194	-
Actuarial loss	12,706	12,579
Monetary gain	4,075	(15,094)
Provision at 31 December	207,145	153,505

14. OTHER CURRENT AND NON-CURRENT ASSETS

	31 December 2025	31 December 2024
Other current assets		
VAT deductible	339,453	259,661
	339,453	259,661
	31 December 2025	31 December 2024
Other current assets		
VAT deductible	499,569	16,026
	499,569	16,026

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15. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital

<u>Shareholders</u>	<u>%</u>	<u>31 December 2025</u>	<u>%</u>	<u>31 December 2024</u>
Rönesans Varlık ve Proje Yatırımları A.Ş. (*)	68,12	225,477	68,12	225,477
Euro Cube Private Limited	13,85	45,830	17,84	59,043
Other (**)	18,03	59,693	14,04	46,480
Nominal share capital in TRY	100	331,000	100	331,000
Adjustment to share capital		5,834,517		5,834,517
Capital		6,165,517		6,165,517

(*) As of 13 July 2023, Euro Efes S.a.r.l. has transferred all its rights and shares to Euro Cube Private Limited and the ultimate shareholder has not changed.

(**) Among the ‘other’ shares, 15.9% represent publicly traded shares (2024: 10.08%).

The total number of ordinary shares is 331,000 thousand (31 December 2024: 331,000) with a par value of TRY 1 (31 December 2024: per share TRY 1).

b) Restricted Reserves

	<u>31 December 2025</u>	<u>31 December 2024</u>
Legal reserves	<u>932,236</u>	<u>851,989</u>
	932,236	851,989

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”). The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions.

c) Share premium

	<u>31 December 2025</u>	<u>31 December 2024</u>
Share premium	<u>16,411,919</u>	<u>16,411,919</u>
	16,411,919	16,411,919

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16. REVENUE AND COST OF SALES

a) Revenue

	1 January - 31 December 2025	1 January - 31 December 2024
Rental revenue from investment properties ⁽¹⁾	12,183,275	10,241,429
Management and consulting revenue	266,217	341,310
Other	190,824	180,254
	12,640,315	10,762,993

(1) This includes electricity, water and other common utility charges of the shopping malls and offices owned by the Group and charged to the tenants on an accrual basis in accordance with lease agreements.

b) Cost of revenue

	1 January - 31 December 2025	1 January - 31 December 2024
Utilities expenses	(1,144,299)	(1,015,939)
Personel expenses	(909,298)	(760,148)
Office management expenses	(765,664)	(654,154)
Maintenance expenses	(230,443)	(219,357)
Rent expenses	(178,759)	(148,347)
Consultancy expenses	(154,769)	(147,937)
Taxes and fees	(75,727)	(89,961)
Depreciation expenses	(29,628)	(25,215)
Other	(311,143)	(223,866)
	(3,799,730)	(3,284,924)
	1 January - 31 December 2025	1 January - 31 December 2024
Cost of revenue related to investment properties	(3,644,961)	(3,136,987)
Cost of revenue related to management and consulting and other	(154,769)	(147,937)
	(3,799,730)	(3,284,924)

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17. GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

	1 January - 31 December 2025	1 January - 31 December 2024
Marketing expenses	(154,938)	(139,035)
General administrative expenses	(502,173)	(360,839)
	(657,111)	(499,874)

a) Detail of marketing expenses:

	1 January - 31 December 2025	1 January - 31 December 2024
Advertising expenses	(154,938)	(139,035)
	(154,938)	(139,035)

b) Detail of general administrative expenses:

	1 January - 31 December 2025	1 January - 31 December 2024
Employee benefits expenses	(294,058)	(207,484)
Consultancy expenses	(201,111)	(145,836)
Other	(7,004)	(7,519)
	(502,173)	(360,839)

18. EXPENSES BY NATURE

	1 January - 31 December 2025	1 January - 31 December 2024
Utilities expenses	(1,144,299)	(1,015,939)
Personel expenses	(1,203,356)	(967,632)
Office management expenses	(765,664)	(654,154)
Consultancy expenses	(355,880)	(293,773)
Maintenance expenses	(230,443)	(219,357)
Rent expenses	(178,759)	(148,347)
Advertising expenses	(154,938)	(139,035)
Taxes and fees	(75,727)	(89,961)
Depreciation and amortisation expenses	(29,628)	(25,215)
Other	(318,147)	(231,385)
	(4,456,841)	(3,784,798)

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19. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Other operating income	1 January - 31 December 2025	1 January - 31 December 2024
Change in fair value of investment properties (Note 10.a)	7,445,241	3,147,245
Income from sale of investment property	141,432	420,010
Reversal of provision (Note 6)	180,558	115,403
Foreign exchange gain from operations, net	37,835	50,174
Insurance income	21,720	399,285
Change in fair value of investment properties under development (Note 10.b)	221	-
Other	5,580	206,742
	7,832,587	4,338,859
Other operating expense	1 January - 31 December 2025	1 January - 31 December 2024
Change in fair value of investment properties (Note 10.a)	(1,528,826)	(2,895,206)
Provision for expected credit losses (Note 6)	(266,268)	(159,866)
Change in fair value of investment properties under development (Note 10.b)	-	(1,250)
Other	(145,121)	(66,147)
	(1,940,215)	(3,122,469)

20. FINANCIAL INCOME AND EXPENSES

Financial income	1 January - 31 December 2025	1 January - 31 December 2024
Foreign exchange gain	1,046,091	328,949
Interest income (*)	709,221	787,107
Derivative financial instruments at fair value through profit or loss realized profit on instruments	16,065	299,607
Derivative financial instruments at fair value through profit or loss unrealized gain on instruments (**)	68,065	-
	1,839,442	1,415,663

(*) Interest income consists of interest income from time deposits.

(**) Represents the change in fair value of derivative instruments.

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20. FINANCIAL INCOME AND EXPENSES (Continued)

	1 January - 31 December 2025	1 January - 31 December 2024
Financial expenses		
Foreign exchange loss of bank loans	(7,869,339)	(3,792,243)
Interest expense of bank loans	(1,793,486)	(3,374,114)
Interest expense to related parties	(528,745)	(722,737)
Bank commission expenses	(283,274)	(407,637)
Derivative financial instruments at fair value through profit or loss realized loss on instruments	(17,978)	(155,283)
Derivative financial instruments at fair value through profit or loss unrealized loss on instruments (*)	-	(63,931)
Other	(17,588)	(13,515)
	(10,510,410)	(8,529,460)

(*) Represents the change in fair value of derivative instruments.

21. INCOME FROM INVESTMENT ACTIVITIES

	1 January - 31 December 2025	1 January - 31 December 2024
Income from investment activities		
Gain on acquisition of subsidiary (*) (Note 23)	9,815,470	-
Gain on disposal of financial assets	207,698	5,001
	10,023,168	5,001

(*) Following the acquisition of the remaining 50% shares of Esentepe Gayrimenkul on 30 September 2025 and Kurtköy Gayrimenkul on 28 November 2025.

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 December 2025	31 December 2023
<i>Current tax liability</i>		
Current corporate tax provision	555,388	608,850
Less: prepaid taxes and funds	(334,116)	(320,159)
	221,272	288,691
	1 January - 31 December 2025	1 January - 31 December 2024
<i>Income tax recognized in profit or loss</i>		
Current tax expense	(654,770)	(609,106)
Deferred tax expense	(4,761,817)	(5,923,371)
	(5,416,587)	(6,532,477)

Corporate Tax

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group’s results for the years and periods. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective tax rate in 2025 is 25% (2024: 25%) for the Group.

In Turkey, advance tax returns are filed on a quarterly basis. Advance corporate income tax rate applied in 2025 is 25%. (2024: 25%). Losses can be carried forward for offset against future taxable income for up to 5 years. However, losses cannot be carried back for offset against profits from previous periods.

Law No. 7456 on Amending the Application of Additional Motor Vehicle Tax, on Certain Laws and on Provision No. 375 to Compensate for the Economic Losses Arising From Earthquakes on 6 February 2023” was published in Official Gazette No. 32249 dated 15 July 2023. The corporate income tax rate is defined in article 21 of this law, as well as in this provision of the first paragraph of the 32nd article of Corporate Income Tax Law No. 5520: “Corporate tax is 20% of the corporate earnings. The corporate tax rate was increased to 25% for banks, companies in the scope of Law No. 6361, electronic payment and currency institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

Pursuant to the provisional article added to the Tax Procedure Law by Law No. 7571, published in the Official Gazette dated 24 December 2025, it has been stipulated that, even if the relevant conditions are met, the inflation adjustment based on the Domestic Producer Price Index shall not be applied for the financial years 2025, 2026, and 2027. Accordingly, inflation adjustment has not been applied in the financial statements that form the basis for the corporate tax returns for these periods.”

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

	1 January - 31 December 2025	1 January - 31 December 2024
<u>Reconciliation of tax provision:</u>		
Profit before tax	21,722,949	12,666,202
Corporate tax rate	25%	25%
Calculated tax	5,430,737	3,166,551
Tax effect of:		
- exemptions and discounts	(385)	(47,267)
- expenses that are not deductible in determining taxable profit	73,236	73,075
- effect of indexation on statutory financial statements in accordance to IAS29 (*)	-	(3,275,656)
- share in profit of associates	22,133	43,521
- accumulated losses on which deferred tax is not recognized	-	1,391,465
- non-taxable inflation adjustments	6,430,825	8,471,679
- effect of change in consolidation method	(2,453,868)	-
- monetary loss	(3,942,170)	(3,403,951)
- other	(143,921)	113,060
Income tax expense recognised in profit or loss	<u>5,416,587</u>	<u>6,532,477</u>

(*) Taxable statutory financial statements are restated by using PPI rates.

Deferred Tax:

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes and they are given below.

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not netted off against subsidiaries that have deferred tax liabilities position and disclosed separately.

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

	31 December 2025	31 December 2024
<u>Temporary differences subject to deferred tax:</u>		
Change in fair values of investment properties under development	28,396	28,172
Change in fair values of investment properties	114,508,612	61,661,784
Adjustments related to inventories	(549,892)	(2,023,496)
Tax losses carried forward	(10,536,340)	(6,407,992)
Provision for retirement pay and unused vacation	(120,184)	(53,040)
Other temporary differences	(1,067,716)	(221,784)
	<u>102,262,876</u>	<u>52,983,644</u>
	31 December 2025	31 December 2024
<u>Deferred tax (assets)/ liabilities:</u>		
Change in fair values of investment properties under development	7,099	7,043
Change in fair values of investment properties	28,627,153	15,415,446
Adjustments related to inventories	(137,473)	(505,874)
Tax losses carried forward	(2,634,085)	(1,601,998)
Provision for retirement pay and unused vacation	(30,046)	(13,260)
Other temporary differences	(266,929)	(55,446)
	<u>25,565,719</u>	<u>13,245,911</u>

At the balance sheet date, the Group has unused tax losses of TRY 10,397,788 thousand (2024: TRY 6,407,992 thousand) available for offset against future profits and deferred tax asset have been recognized in respect of TRY 2,599,447 (2024: TRY 1,601,998) of such losses.

The movement of deferred tax assets for years ended 31 December 2025 and 2024 as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
<u>Movement of deferred tax liability:</u>		
Opening balance	13,245,911	7,325,686
Charged to statement of profit or loss	4,761,817	5,923,371
Transfer from joint venture to subsidiary (*) (Note 23)	7,561,166	-
Charged to equity	(3,176)	(3,146)
Closing balance	<u>25,565,718</u>	<u>13,245,911</u>

(*) Following the acquisition of the remaining 50% shares of Esentepe Gayrimenkul on 30 September 2025 and Kurtköy Gayrimenkul on 28 November 2025, these entities were removed from joint venture classification and reclassified as subsidiaries.

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

The years in which the carried-forward tax losses, for which a deferred tax asset has been recognized, are expected to expire are as follows:

	31 December 2025	31 December 2024
Expires in 2025		182
Expires in 2026	354,549	360,049
Expires in 2027	303	491
Expires in 2028	4,636,704	6,044,624
Expires in 2029	518,060	2,646
Expires in 2030 and subsequent years	5,026,724	-
	10,536,340	6,407,992

23. BUSINESS COMBINATIONS

On 30 September 2025, the Group acquired the remaining 50% of the outstanding issued share capital and control of Esentepe for EUR 63.6 million (3.1 billion TRY)

The identifiable assets and liabilities have been recognized at their carrying amounts as of the acquisition date.

	Fair value
Net assets acquired	
Cash and cash equivalents	183,443
Trade receivables	130,069
Other receivables	3,287,963
Investment properties	28,616,604
Other non-current and current assets	28,888
Bank loans	(5,119,632)
Trade payables	(92,410)
Deferred tax liability	(5,206,170)
Other liabilities	(304,324)
	21,524,431
Effective ownership acquired	50%
Net assets acquired	10,762,216
Cash consideration paid	3,233,103
Gain on acquisition of subsidiary	(7,529,113)
Cash and cash equivalents paid	3,233,103
Cash and cash equivalents acquired	(183,443)
Net cash outflow arising on acquisitions	3,049,660

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23. BUSINESS COMBINATIONS (Continued)

On 28 November 2025, the Group acquired the remaining 50% of the outstanding issued share capital and control of Kurtköy for EUR 21.9 million (1.1 billion TRY)

The identifiable assets and liabilities have been recognized at their carrying amounts as of the acquisition date.

	Fair value
Net assets acquired	
Cash and cash equivalents	11,512
Trade receivables	59,911
Other receivables	35
Investment properties	10,957,897
Other non-current and current assets	8,100
Bank loans	-
Trade payables	(56,770)
Deferred tax liability	(2,354,996)
Other liabilities	(1,885,839)
	6,739,850
Effective ownership acquired	50%
Net assets acquired	3,369,925
Cash consideration paid	1,083,568
Gain on acquisition of subsidiary	(2,286,357)
Cash and cash equivalents paid	1,083,568
Cash and cash equivalents acquired	(11,512)
Net cash outflow arising on acquisitions	1,072,056

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24. PROVISIONS

	31 December 2025	31 December 2024
Short term provision		
Lawsuit provision	28,924	25,297
	28,924	25,297
	1 January - 31 December 2025	1 January - 31 December 2024
Provision at 1 January	25,297	20,699
Charge for the year	16,477	18,662
Disposal	(4,652)	(2,879)
Payments	(3,548)	(3,214)
Foreign exchange loss	6	10,736
Transfer from joint venture to subsidiary	2,365	-
Monetary gain	(7,020)	(18,707)
Provision at 31 December	28,924	25,297

This amount represents the provisions set aside for certain lawsuits filed by the employees against the Group. Provision is recognized in the consolidated statement of profit or loss as general administrative expense. According to the Group management, with the adoption of appropriate legal opinions, such lawsuits will not lead to any significant loss beyond 31 December 2025.

25. EARNING PER SHARE

	1 January - 31 December 2025	1 January - 31 December 2024
Net profit for the year	16,306,362	6,133,725
Average number of ordinary share outstanding during the year	331,000	319,632
Earning per share from operations (TRY)	49.26	19.19

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26. DERIVATIVE INSTRUMENTS

	<u>31 December 2025</u>	<u>31 December 2024</u>
Interest rate swap	50,328	68,072
Forward	17,933	84,147
	<u>68,261</u>	<u>152,219</u>
Short term	68,261	152,219
	<u>68,261</u>	<u>152,219</u>

27. FINANCIAL INSTRUMENTS

Financial Debts

	<u>31 December 2025</u>	<u>31 December 2024</u>
Short- term bank loans	-	250,479
Short term portion of long term borrowings	3,967,956	4,367,905
Total short term borrowing	<u>3,967,956</u>	<u>4,618,384</u>
Current portion of long-term financial lease	38,240	30,335
Total short term financial debt	<u>38,240</u>	<u>30,335</u>
Long-term bank loans	28,834,229	18,479,406
Total long term borrowing	<u>28,834,229</u>	<u>18,479,406</u>
Long-term leases	940,058	842,196
Total long term financial debt	<u>940,058</u>	<u>842,196</u>
Total financial debt	<u>33,780,483</u>	<u>23,970,321</u>

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27. FINANCIAL INSTRUMENTS (Continued)

The interest rates of the Group’s bank borrowings as of 31 December 2025 and 2024 are as follows:”

31.12.2025

<u>Currency type</u>	<u>Interest rate range (%)</u>	<u>Original Amount</u>	<u>TRY equivalent</u>
EUR	3,50 - 4,60	620,830	31,322,884
USD	9.11	34,513	1,479,300

31.12.2024

<u>Currency type</u>	<u>Interest rate range (%)</u>	<u>Original Amount</u>	<u>TRY equivalent</u>
EUR	3 - 7,30	465,859	22,404,458
TRY	3,45 - 12,50	529,706	693,332

The table below details changes in the Group’s liabilities arising from financing activities, including both cash and non–cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group’s consolidated statement of cash flows as cash flows from financing activities.

	<u>1 January 2025</u>	<u>Financing cash inflows</u>	<u>Financing cash outflows</u>	<u>Foreign exchange loss</u>	<u>Other changes</u>	<u>Acquisition of subsidiary (*)</u>	<u>Monetary gain</u>	<u>31 December 2025</u>
Bank loans	23,097,790	15,434,623	(11,287,917)	7,083,712	141,650	5,119,632	(6,787,305)	32,802,185
	<u>1 January 2024</u>	<u>Financing cash inflows</u>	<u>Financing cash outflows</u>	<u>Foreign exchange loss</u>	<u>Other changes</u>	<u>Acquisition of subsidiary</u>	<u>Monetary gain</u>	<u>31 December 2024</u>
Bank loans	35,645,626	15,994,068	(21,449,567)	3,409,613	219,779	-	(10,721,729)	23,097,790

(*) Following the acquisition of the remaining 50% shares of Esentepe Gayrimenkul on 30 September 2025 and Kurtköy Gayrimenkul on 28 November 2025, these entities were removed from joint venture classification and reclassified as subsidiaries.

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27. FINANCIAL INSTRUMENTS (Continued)

The movement of the Group’s financial and operational lease liabilities is as follows:

	<u>1 January 2025</u>	<u>Financing cash outflows</u>	<u>Other changes</u>	<u>Land rental</u>	<u>Monetary gain</u>	<u>31 December 2025</u>
Leases	872,531	(1,673)	8,214	339,274	(240,048)	978,298

	<u>1 January 2024</u>	<u>Financing cash outflows</u>	<u>Other changes</u>	<u>Land rental</u>	<u>Monetary gain</u>	<u>31 December 2024</u>
Leases	426,870	(3,455)	9,203	505,782	(65,869)	872,531

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27. FINANCIAL INSTRUMENTS (Continued)

The Group's principal bank borrowings are as follows:

- Tarabya’s loan balance as of 31 December 2025 is EUR 50,000 The maturity of these loans are on August 2030.
- Salacak’s loan balance as of 31 December 2025 is EUR 95,046. The maturity of this loan is on June 2029.
- Altunizade’s loan balance as of 31 December 2025 is EUR 140,427. The maturity of this loan is on October 2032.
- Mel3’s loan balance as of 31 December 2025 is EUR 28,500. The maturity of this loan is on June 2031.
- Esentepe’s loan balance as of 31 December 2025 is EUR 100,000 The maturity of these loans are on August 2033.
- Kurtköy’s loan balance as of 31 December 2025 is EUR 30,000 The maturity of these loans are on December 2033.
- Rönesans Gayrimenkul Yatırım’s total corporate loans balance as of 31 December 2025 are EUR 60,000, EUR 59,038, EUR 52,000 and USD 33,000. The maturity of these loans due in December 2030, December 2032, April 2027 and August 2030.

The table below details changes in the Group’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group’s consolidated statement of cash flows as cash flows from financing activities.

	31 December 2025	31 December 2024
Payable within 1 year	3,967,956	4,618,384
Payable between 1-2 years	3,979,034	3,318,321
Payable between 2-3 years	4,299,795	3,208,179
Payable between 3-4 years	5,718,308	3,032,609
Payable between 4-5 years	7,838,132	5,379,440
Payable after 5+ years	6,998,960	3,540,857
	32,802,185	23,097,790

Covenants:

The Group, in a number of its bank loans, are subject to a number of covenant whereby the Group is required to meet certain key performance indicators. The terms of these loans allows the lender to terminate the loan agreement, unless this circumstance is cured by equity injection which means Debt Service Coverage Ratio (“DSCR”) and Loan to Value (“LTV”) brought to required level, under the following situations:

- For the loan drawn by Esentepe for the İzmir Optimum SHC, the DSCR falls below 110%.
- For the loan drawn by Kurtköy for the Ankara Optimum SHC, the LTV falls below 60%
- For the loan drawn by Mel2 for the Samsun Piazza SHC and Hotel, the DSCR falls below 110%, LTV falls below 50%
- For the loan drawn by Salacak for the Maltepe Piazza SHC and Office, the DSCR falls below 115%, LTV falls below 60%
- For the loan drawn by Mel3 for the Kahramanmaraş Piazza SHC, the DSCR falls below 110%, LTV falls below 45%
- For the loan drawn by Bostancı for the Küçükyalı Office&School, the DSCR falls below 100%, LTV falls below 60%

All performance criterias are met as of 31 December 2025 and 2024.

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28. FINANCIAL INVESTMENTS

Short term financial investments	31 December 2025	31 December 2024
Financial assets at fair value through profit or loss (*)	2,292,676	58,855
	2,292,676	58,855

(*) TRY 2,286,868 thousand of the short-term financial investments is comprised of short-term mutual funds.

29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Capital risk management:

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt, which includes bank loans disclosed in Note 27 and equity attributable to equity holders of the parent, premiums in capital stock, restricted profit reserves and retained earnings.

Within the framework of risk management activities, Group defines the undertaken risks, estimates the loss amounts caused by these risks and defines the capital base amount related to these loss amounts. Thus, Group aims to minimize its capital risk.

After the capital base is defined, the steadily management of funding structure is aimed by obtaining new debts, repayment of existing debts, and dividend payments.

The Group has to comply the ratios about bank loans covenant. As of 31 December 2025 and 2024, the Group has comply the ratios.

Details of net debt for years ended 31 December 2025 and 2024 as follows:

	31 December 2025	31 December 2024
Financial debts (Borrowings+IFRS 16)	33,780,483	23,970,321
Less: Cash and cash equivalents and financial investments	(6,903,850)	(4,695,091)
Net debt	26,876,633	19,275,230
Total equity	132,987,199	117,233,004
Total capital	159,863,832	136,508,234
Gearing ratio	17%	14%

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department under policies approved by the management of the Company. Financial risks are identified, evaluated and hedged in close co-operation with the group’s operating units. The management of the Company provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors

b.1) Credit risk management

Credit risk exposures by types of financial instruments

31 December 2025	Trade receivables		Other receivables		Bank deposits
	Related party	Third party	Related party	Third party	
Maximum credit risk exposure at balance sheet date (A+B+C) ⁽¹⁾	41,807	923,014	11	5,458	6,903,600
-Secured portion of maximum credit risk by guarantee or etc. ⁽²⁾	-	467,835	-	-	-
A. Net book value of nor due or nor impaired financial assets	41,807	752,567	11	5,458	6,903,600
B. Net book value of assets that are due but not impaired	-	170,447	-	-	-
- Secured portion by guarantees, collaterals, etc.	-	-	-	-	-
C. Net book value of impaired assets	-	-	-	-	-
- Over due (gross book value)	-	203,806	-	-	-
-Impairment (-)	-	(203,806)	-	-	-
-Secured net value via guarentee or etc	-	-	-	-	-

(1) In determining the amounts, elements providing increase in loan credibility such as warrants received are not considered.

(2) Guarantees consist of collateral bills and letters of guarantees.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors (Continued)

b.1) Credit risk management (Continued)

Credit risk exposures by types of financial instruments

31 December 2024	Trade receivables		Other receivables		Bank deposits
	Related party	Third party	Related party	Third party	
Maximum credit risk exposure at balance sheet date (A+B+C) ⁽¹⁾	101,903	631,797	606	13,590	4,694,960
-Secured portion of maximum credit risk by guarantee or etc. ⁽²⁾	-	374,340	-	-	-
A. Net book value of nor due or nor impaired financial assets	231,991	515,035	59	6,152	4,694,960
B. Net book value of assets that are due but not impaired	-	116,762	-	-	-
- Secured portion by guarantees, collaterals, etc.	-	-	-	-	-
C. Net book value of impaired assets	-	-	-	-	-
- Over due (gross book value)	-	112,571	-	-	-
-Impairment (-)	-	(112,571)	-	-	-
-Secured net value via guarentee or etc	-	-	-	-	-

(1) In determining the amounts, elements providing increase in loan credibility such as warrants received are not considered.

(2) Guarantees consist of collateral bills and letters of guarantees.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors (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 Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group’s exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved annually.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Aging of overdue receivables is as follows:

31 December 2025	Trade receivables	Total
Overdue by 1-30 days	29,316	29,316
Overdue by 1-3 months	27,099	27,099
Overdue by 3-12 months	99,234	99,234
Overdue by 1-5 years	14,798	14,798
Total overdue receivables	170,447	170,447
Secured portion via guarantee or etc.	170,447	311,578

31 December 2024	Trade receivables	Total
Overdue by 1-30 days	26,740	26,740
Overdue by 1-3 months	20,397	20,397
Overdue by 3-12 months	64,704	64,704
Overdue by 1-5 years	4,921	4,921
Total overdue receivables	116,762	116,762
Secured portion via guarantee or etc.	116,762	116,762

As of the balance sheet date, the guarantees received for trade receivables are as follows:

	31 December 2025	31 December 2024
Guarantee received	467,835	374,340
	467,835	374,340

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 Group’s short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The following table details the Group’s liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows/ (outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

Liquidity risk table:

31 December 2025						
Due date on agreement	Carrying value	Cash outflows according to agreements (I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)	More than 5 year (IV)
Financial liabilities						
Bank loans	33,780,483	51,595,774	1,170,652	5,721,659	31,840,008	12,863,455
Trade payables (due to related parties included)	946,470	946,470	-	53	946,417	-
Payables related to employee benefits	21,423	21,423	-	21,423	-	-
Other payables	3,422,836	3,422,836	-	472,220	2,950,616	-
Total liabilities	38,171,212	55,986,503	1,170,652	6,215,355	35,737,041	12,863,455
31 December 2024						
Due date on agreement	Carrying value	Cash outflows according to agreements (I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)	More than 5 year (IV)
Financial liabilities						
Bank loans	23,970,321	29,692,382	2,329,488	3,741,466	19,272,281	7,860,487
Trade payables (due to related parties included)	1,344,336	1,344,336	39	1,344,297	-	-
Payables related to employee benefits	18,234	18,234	-	18,234	-	-
Other payables	4,146,365	4,146,364	1,906	1,253,801	2,890,657	-
Total liabilities	29,479,256	35,201,316	2,331,433	6,357,798	22,162,938	7,860,487

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b.3) Market risk management

There has been no change to the Group’s exposure to market risks or the manner in which these risks are managed and measured.

b.3.1) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. The Group is exposed to currency risk (in the form of transaction risk) from receivables, liabilities, cash and cash equivalents and pending transactions other than functional currency of the Group companies concerned in each case. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Group’s foreign currency denominated monetary assets and liabilities at the reporting period are as follows:

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b.3.1) Foreign currency risk management (Continued)

31 December 2025	Thousands TRY	Thousands USD	Thousands EUR
1. Trade receivables	28,917	49	529
2. Monetary financial assets	5,342,762	30,960	79,593
3. Non monetary financial assets	495,866	124	9,723
4. CURRENT ASSETS	5,867,545	31,133	89,845
5. Monetary financial assets	-	-	-
6. Non monetary financial assets	-	-	-
7. NON CURRENT ASSETS	-	-	-
8. TOTAL ASSETS	5,867,545	31,133	89,845
9. Trade payables	(83,438)	(767)	(985)
10. Financial liabilities	(3,968,244)	(4,887)	(74,500)
11. Non monetary financial liabilities	-	-	-
12. Non monetary other liabilities	(10,719)	(180)	(59)
13. CURRENT LIABILITIES	(4,062,402)	(5,835)	(75,544)
14. Trade payables	-	-	-
15. Financial liabilities	(28,834,229)	(29,333)	(546,584)
16. Non monetary financial liabilities	(2,044,950)	-	(40,532)
17. Non monetary other liabilities	(32,685)	(288)	(403)
18. NON CURRENT LIABILITIES	(30,911,863)	(29,622)	(587,519)
19. TOTAL LIABILITIES	(34,974,265)	(35,456)	(663,063)
20. Net foreign currency assets/ (liabilities) position	(29,106,720)	(4,323)	(573,218)
21. Monetary items net foreign currency assets/(liabilities) position (1+2+5+9+10+11+14+15+16)	(29,559,181)	(3,979)	(582,478)

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b.3.1) Foreign currency risk management (Continued)

31 December 2024	Equivalent of Thousands TRY	Thousands USD	Thousands EUR
1. Trade receivables	25,826	15	522
2. Monetary financial assets	3,489,780	201	72,371
3. Non monetary financial assets	474,119	109	9,754
4. CURRENT ASSETS	3,989,725	325	82,647
5. Monetary financial assets	-	-	-
6. Non monetary financial assets	-	-	-
7. NON CURRENT ASSETS	-	-	-
8. TOTAL ASSETS	3,989,725	325	82,647
9. Trade payables	(123,238)	(682)	(1,855)
10. Financial liabilities	(4,041,086)	-	(84,027)
11. Non monetary financial liabilities	(862,642)	-	(17,937)
12. Non monetary other liabilities	(47,381)	(51)	(936)
13. CURRENT LIABILITIES	(5,074,347)	(733)	(104,755)
14. Trade payables	-	-	-
15. Financial liabilities	(18,363,372)	-	(381,832)
16. Non monetary financial liabilities	(2,193,241)	(5,063)	(40,750)
17. Non monetary other liabilities	(18,942)	(162)	(238)
18. NON CURRENT LIABILITIES	(20,575,555)	(5,226)	(422,821)
19. TOTAL LIABILITIES	(25,649,902)	(5,959)	(527,576)
20. Net foreign currency assets/ (liabilities) position	(21,660,177)	(5,634)	(444,929)
21. Monetary items net foreign currency assets/(liabilities) position (1+2+5+9+10+11+14+15+16)	(22,067,973)	(5,530)	(453,509)

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors (continued)

b.3.1) Foreign currency risk management (Continued)

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and Euro.

The following table details the Group’s sensitivity to a 20% (2024:20%) increase and decrease in the US Dollars and Euro. 20% (2024: %20) 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 20% (2024: 20%) change in foreign currency rates. The sensitivity analysis includes external loans within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

	31 December 2025	
	Profit / (Loss)	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars 20% appreciated vs TRY	
US Dollars net assets/ (liabilities)	(34,106)	34,106
	If EUR 20% appreciated vs TRY	
Euro net assets/ (liabilities)	(5,877,580)	5,877,580
TOTAL	(5,911,686)	5,911,686
	31 December 2024	
	Profit / (Loss)	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars 20% appreciated vs TRY	
US Dollars net assets/ (liabilities)	(38,955)	38,955
	If EUR 20% appreciated vs TRY	
Euro net assets/ (liabilities)	(3,332,648)	3,332,648
TOTAL	(3,371,603)	3,371,603

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors (continued)

b.3.2) Interest rate risk management

Interest rate sensitivity

Detail of the Group’s financial instruments exposed to interest rate sensitivity is as follows:

Interest rate position table

Floating rate financial instruments	31 December 2025	31 December 2024
Financial liabilities	32,802,185	22,962,996

Interest rate position table

Fixed rate financial instruments	31 December 2025	31 December 2024
Financial liabilities	978,298	1,007,326

If the Group’s variable interest rate financial liabilities had been 50 basis points higher/lower as of 31 December 2025, with all other variables held constant, profit before tax and non-controlling interests would have been TL 483,593 / 967,186 lower/higher.

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate, interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the start of the financial year.

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30. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING)

Categories of financial instruments and fair values

31 December 2025	Loans and receivables	Fair value through profit and loss	Financial liabilities at amortized cost	Carrying value (*)	Notes
Financial assets					
Cash and cash equivalents	6,903,850	-	-	6,903,850	33
Trade receivables (due to related parties included)	964,821	-	-	964,821	5-6
Other current and non current receivables (due from related parties)	5,469	-	-	5,469	5-7
Financial instruments	-	2,292,676	-	2,292,676	28
Financial liabilities					
Financial debts	-	-	33,780,483	33,780,483	27
Trade payables (due to related parties included)	-	-	946,470	946,470	5-6
Payables related to employee benefits	-	-	21,423	21,423	13
Other short and long term payables	-	-	3,422,836	3,422,836	5
Derivative instruments	-	68,261	-	68,261	26

(*) The Group believes that the carrying values of its financial asset and liabilities reflect their fair values.

RÖNESANS GAYRİMENKUL YATIRIM ANONİM ŞİRKETİ

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30. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)

Categories of financial instruments and fair values (Continued)

31 December 2024	Loans and receivables	Fair value through profit and loss	Financial liabilities at amortized cost	Carrying value (*)	Notes
Financial assets					
Cash and cash equivalents	4,695,091	-	-	4,695,091	33
Trade receivables (due to related)	863,788	-	-	863,788	5-6
Other current and non current receivables (due from related parties)	6,211	-	-	6,211	5-7
Financial instruments	-	58,855	-	58,855	28
Financial liabilities					
Financial debts	-	-	23,970,321	23,970,321	27
Trade payables (due to related parties included)	-	-	1,344,336	1,344,336	5-6
Payables related to employee benefits	-	-	18,234	18,234	13
Other short and long term payables	-	-	4,146,365	4,146,365	5
Derivative instruments	-	152,219	-	152,219	26

(*) The Group believes that the carrying values of its financial asset and liabilities reflect their fair values.

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30. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)

Fair value of financial instruments

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

- Level 1: The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- Level 2: The fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.
- Level 3: The fair value of the financial assets and financial liabilities where there is no observable market data.

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

Financial Assets / Financial Liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	31 December 2024	31 December 2023				
Financial instruments	2,292,676	58,855	Level 1	Observable market price of Eurobonds and investment funds	-	-
Interest rate swap, forward, cross currency	(68,261)	(152,219)	Level 2	Future cash flows estimated by using term interest rate (yield curves observable at the end of the reporting period resulting from interest rate) and contractual interest rates, are discounted by using a rate that reflects the credit risk of various parties.	-	-
Investment properties	174,381,929	128,691,260	Level 3	Income approach method		

31. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDIT FIRMS

	31 December 2025	31 December 2024
Audit fee for the reporting period	11,590	13,377
Tax consulting services fee	-	54
Other assurance services fee	1,000	1,200
Total	12,590	14,631

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32. EVENTS AFTER THE REPORTING PERIOD

The approval regarding the merger of Esentepe Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret Anonim Şirketi, the Company’s 100% subsidiary, into the Company through a simplified procedure by way of the transfer of all its assets and liabilities as a whole, was obtained from the Capital Markets Board on 9 January 2026, and the procedures relating to the registration of the merger were completed on 16 January 2026.

33. DISCLOSURES RELATED TO CONSOLIDATED STATEMENT OF CASH FLOWS

	31 December 2025	31 December 2024
Cash on hand	250	131
Demand deposits	3,275,088	1,177,409
Time deposits	3,628,512	3,517,551
	6,903,850	4,695,091

Explanations about the nature and level of risks related to cash and cash equivalents are provided in Note 28.

The details of time deposits as at 31 December 2025 and 2024 are as follows:

Currency type	Range of interest rate %	Maturity date	Currency amount	30 December 2025
EUR	0-1,25	January 2026	19,225	969,944
TRY	30-38,5	January 2026	1,558,905	1,558,905
USD	0-3,65	January 2026	25,656	1,099,663
				3,628,512

Currency type	Range of interest rate %	Maturity date	Currency amount	31 December 2024
TRY	0-4.55	January 2025	51,102	2,457,626
USD	40-50	January 2025	806,188	1,055,219
EUR	0-0.05	January 2025	102	4,706
				3,517,551

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34. EXPLANATIONS ON NET MONETARY POSITION GAINS (LOSSES)

Non-Monetary Items

Statement of Financial Position Items

	31 December 2025	31 December 2024
Inventories	995,954	1,041,632
Investment Properties	35,472,243	49,864,393
Tangible& Intangible Assets	10,111	35,009
Right of Use Assets	43,368	75,831
Deferred Tax Liability	(4,250,639)	(2,256,338)
Capital	(1,455,060)	(1,888,096)
Share premiums	(3,873,208)	(4,288,879)
Legal reserves	(203,628)	(263,810)
Prior years' gains	(20,661,881)	(30,815,388)

Profit or Loss Statement Items

Revenue	(1,505,313)	(1,530,675)
Cost of sales	519,933	528,068
Marketing expenses	16,641	18,241
General and administrative expenses	88,212	88,868
Income from investment activities	(34,523)	(10,585)
Other income from main operations	(254,825)	(308,726)
Other expense from main operations	116,946	30,514
Financial income	(74,100)	(6,520)
Financing expenses	1,256,143	1,092,794

NET MONETARY POSITION GAINS

6,206,373

11,406,332

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