

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2025  
AND INDEPENDENT AUDITOR'S REPORT**

**(CONVENIENCE TRANSLATION OF  
THE FINANCIAL STATEMENTS ORIGINALLY  
ISSUED IN TURKISH)**



**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INDEPENDENT AUDITOR'S REPORT  
ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT AUDITOR'S REPORT**

To the General Assembly of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.

**A. Audit of the consolidated financial statements**

**1. Our opinion**

We have audited the accompanying consolidated financial statements of Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

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

**2. Basis for opinion**

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

**3. Key audit matters**

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



<b>Key Audit Matters</b>	<b>How the key audit matter was addressed in the audit</b>
<b>Revenue recognition</b>	
<p>The Group realizes sales mostly in the form of turnkey and Land Subject to Revenue Sharing Agreements (“LSRSA”) projects.(“ASKGP”).</p> <p>The Group obtained sales revenue of 71,882,265 thousand TL from land sales and residential and commercial unit sales projected using the “LSRSA” method within the accounting period of 1 January - 31 December 2025.</p> <p>In turnkey projects, it is the Group’s responsibility to maintain and complete the project and the Group recognizes revenue when performance obligation is fulfilled (independent units are transferred to the customer).</p> <p>In LSRSA projects, the contractor completes the construction and regarding the project, the Group receives advance payments from the buyer and makes payments to the contractor.</p> <p>Revenue in LSRSA project is recognized when performance obligation is fulfilled (the earlier of the signing of the temporary acceptance protocol with the contractor and the signing of the delivery protocol with the buyer).</p> <p>As of the balance sheet date, there may be cases where the construction has been completed, but the delivery has not been realized for turnkey projects. In LSRSA projects, there may be cases where the construction has been completed as of the balance sheet date, but the delivery has not been realized and the temporary acceptance protocol has not been signed.</p> <p>Based on the above-mentioned situations, whether the revenue is recognized in the correct period in accordance with the principle of seasonality of sales has been determined as a key audit matter.</p> <p>Explanations regarding the Group’s revenue accounting policies and amounts are given in Note 2 and Note 17.</p>	<p>We performed the following procedures in relation to the revenue recognition in turnkey and LSRSA projects:</p> <p>The design and implementation of the controls on the revenue process have been evaluated. The sales and delivery procedures of the Group have been analyzed.</p> <p>For the turnkey projects, the provisions regarding the delivery of residential in the contracts with customers have been examined and the timing of the revenue recognition in the consolidated financial statements has been evaluated. Through substantive procedures, it has been focused on the record of receivables and advances received and the evaluation of the situations where the performance obligation is not fulfilled for the independent units sold as of the balance sheet date for the turnkey projects.</p> <p>For the LSRSA projects, provisions regarding the temporary acceptance and the delivery of residential in the projects made with contractors and timing of the revenue recognition in the consolidated financial statements has been evaluated.</p> <p>Through substantive procedures, it has been focused on the record of receivables and advances received and the evaluation of the situations where the performance obligation is not fulfilled for the independent units sold as of the balance sheet date for the LSRSA projects.</p> <p>In addition, the adequacy of the disclosures presented in Note 17 Revenue and Cost of Sales has been evaluated under TFRS.</p>

Key Audit Matters	How the key audit matter was addressed in the audit
<p data-bbox="261 478 626 510"><b>Impairment of inventories</b></p> <p data-bbox="261 552 862 867">Inventories, as of 31 December 2025, amount to TL 241,196,731 thousand in the Group's consolidated financial statements and constitute 74% of total assets. Inventories consist of vacant land and plots and completed residential and commercial unit held by the Group for sale. The accounting policy regarding inventories is explained in footnote 2, and the total inventory balance as of the end of the year is explained in footnote 8.</p> <p data-bbox="261 909 870 1188">The Group takes into consideration independent expert valuation reports for inventory separately at least once a year and uses these reports to assess impairment if any. The current impairment is recognized in other expenses from main activities in the profit or loss and other comprehensive income statement in the period during which they are incurred.</p> <p data-bbox="261 1230 867 1476">Due to the accounting of the impairment, impairment of vacant land and plots and completed residential and commercial unit to be sold is considered a key audit matter for our audit since it has a significant impact on both the statement of financial position and the statement of profit or loss and other comprehensive income.</p>	<p data-bbox="899 552 1495 615">We performed the following procedures in relation to the impairment on inventories:</p> <p data-bbox="899 657 1503 762">The qualification, competence and qualifications of the independent real estate appraisers appointed by the Group have been assessed.</p> <p data-bbox="899 804 1438 909">The appropriateness of the valuation methods included in the valuation reports have been assessed.</p> <p data-bbox="899 951 1503 1014">It has been assessed whether the values assessed by the appraisers are within a reasonable range.</p> <p data-bbox="899 1056 1463 1161">The fair values of the inventories have been compared with the recorded cost values and the calculation of the impairment has been checked.</p> <p data-bbox="899 1203 1503 1413">The adequacy of the inventory impairment provision allocated in the current period has been assessed by comparing it with the impairment realized in the past period and the accounting of the inventory impairment allocated or reversed in the income statement has been checked.</p> <p data-bbox="899 1455 1495 1623">It has been assessed whether the amounts included in the inventory footnote and the standalone consolidated financial statements are consistent and whether the footnote explanations are sufficient in terms of TFRS.</p>



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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

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



**B. Other responsibilities arising from regulatory requirements**

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code (“TCC”) No. 6102 and that causes us to believe that the Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş.’s bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Company’s articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor’s report on the early risk identification system and committee was submitted to the Company’s Board of Directors on 6 March 2026.

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

Salim Alyanak, SMMM  
Independent Auditor

Istanbul, 6 March 2026

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**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 31 DECEMBER 2025 AND 31 DECEMBER 2024**

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

	Notes	Audited 31 December 2025	Audited 31 December 2024
<b>ASSETS</b>			
<b>Current Assests</b>		<b>302,689,071</b>	<b>247,041,997</b>
Cash and cash equivalents	3	14,753,530	10,839,696
Financial investments	4	2,441,955	75,205
Trade receivables		36,066,627	8,088,717
<i>Trade receivables due from related parties</i>	25	14,517,309	10,128
<i>Trade receivables due from third parties</i>	6	21,549,318	8,078,589
Other receivables		1,534,920	1,558,143
<i>Other receivables due from related parties</i>	25	86,890	340,331
<i>Other receivables due from third parties</i>	7	1,448,030	1,217,812
Inventories	8	243,436,513	218,876,846
Prepaid expenses		299,877	563,435
<i>Prepaid expenses to third parties</i>	15	299,877	563,435
Assets related to current income tax	23	7,074	-
Other current assets	14	4,148,575	7,039,955
<b>Non-current assets</b>		<b>32,500,873</b>	<b>21,160,253</b>
Trade receivables		7,932,035	5,688,552
<i>Trade receivables due from third parties</i>	6	7,932,035	5,688,552
Other receivables		17,185,102	33,706
<i>Other receivables due from related parties</i>	25	17,158,675	-
<i>Other receivables due from third parties</i>	7	26,427	33,706
Investments accounted for using equity method		3,266	3,262
Investment properties	9	3,981,387	3,456,099
Right of use assets		379,742	30,347
Property, plant and equipment	10	2,666,756	2,631,830
Intangible assets	11	221,443	165,762
Prepaid expenses		36,270	1,237
Deferred tax asset	23	94,872	9,149,458
<b>Total assets</b>		<b>335,189,944</b>	<b>268,202,250</b>

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 31 DECEMBER 2025 AND 31 DECEMBER 2024**

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

	Notes	Audited 31 December 2025	Audited 31 December 2024
<b>Current liabilities</b>		<b>155,801,289</b>	<b>141,434,957</b>
Short-term borrowings	5	21,078,750	15,191,305
Short-term portions of long-term borrowings	5	110,521	1,700,583
<i>Lease liabilities</i>	5	110,521	3,978
<i>Bank loans</i>	5	-	1,696,605
Other financial liabilities	5	7,000,000	-
Trade payables		33,495,493	9,796,496
<i>Trade payables due to related parties</i>	25	23,227,450	-
<i>Trade payables due to third parties</i>	6	10,268,043	9,796,496
Other payables		4,391,811	3,964,842
<i>Other payables to related parties</i>	25	698	878
<i>Other payables to third parties</i>	7	4,391,113	3,963,964
Deferred income		87,866,924	109,927,768
<i>Deferred income from related parties</i>	25	10,673,726	5,904,061
<i>Deferred income from third parties</i>	15	77,193,198	104,023,707
Current period profit tax liability	23	1,227,662	166,635
Short-term provisions		630,128	687,328
<i>Short-term provisions for employee benefits</i>	13	146,862	124,066
<i>Other short-term provisions</i>	12	483,266	563,262
<b>Non-current liabilities</b>		<b>49,679,997</b>	<b>1,368,356</b>
Long-term borrowings	5	26,380,018	25,478
<i>Lease liabilities</i>	5	92,518	25,478
<i>Bank loans</i>	5	26,287,500	-
Other financial liabilities	5	21,408,305	-
Trade payables		176,935	483,286
<i>Trade payables due to third parties</i>	6	176,935	483,286
Other payables		684,897	618,906
<i>Other payables to third parties</i>	7	684,897	618,906
Deferred income		57,119	7,520
<i>Deferred income from third parties</i>	15	57,119	7,520
Long-term provisions		228,663	233,166
<i>Long-term provisions for employee benefits</i>	13	228,663	233,166
Deferred tax liabilities	23	744,060	-
<b>Shareholders' equity</b>		<b>129,708,658</b>	<b>125,398,937</b>
<b>Total equity attributable to equity holders of the Company</b>		<b>129,708,658</b>	<b>125,398,937</b>
Paid-in capital	16	3,800,000	3,800,000
Adjustment to share capital	16	68,263,485	68,263,485
Treasury shares (-)	16	(84,619)	(84,619)
Share premium (discounts)		37,867,758	37,867,758
Other comprehensive expenses		6,247	(29,842)
not to be reclassified under profit and loss			
<i>Loss arising from defined benefit plans</i>		6,247	(29,842)
Other equity reserves		(2,276,485)	(2,276,485)
Restricted reserves appropriated from profit		11,519,669	11,368,412
Retained earnings		4,610,320	(10,784,131)
Net profit for the year		6,002,283	17,274,359
<b>Non-controlling interests</b>		<b>-</b>	<b>-</b>
<b>Total liabilities and equity</b>		<b>335,189,944</b>	<b>268,202,250</b>

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME FOR THE YEAR  
ENDED 31 DECEMBER 2025 AND 2024**

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

	Notes	Audited 1 January - 31 December 2025	Audited 1 January - 31 December 2024
Revenue	17	99,829,173	41,753,570
Cost of sales (-)	17	(72,006,439)	(30,488,708)
<b>Gross profit</b>		<b>27,822,734</b>	<b>11,264,862</b>
General administrative expenses (-)	18	(4,881,669)	(4,500,493)
Marketing expenses (-)	18	(1,457,545)	(745,790)
Other income from operating activities	20	8,397,859	11,697,205
Other expenses from operating activities (-)	20	(5,168,158)	(5,752,632)
<b>Operating profit</b>		<b>24,713,221</b>	<b>11,963,152</b>
Income from investing activities	22	2,671	154
Expense from investing activities	22	(421,074)	(1,145)
<b>Operating profit before financial income</b>		<b>24,294,818</b>	<b>11,962,161</b>
Financial income	21	1,779,915	4,547,596
Financial expenses (-)	21	(12,616,400)	(2,673,101)
Monetary gain/(loss)	26	5,026,661	(5,292,091)
<b>Profit for the period</b>		<b>18,484,994</b>	<b>8,544,565</b>
<b>Tax expense, continuing operations</b>		<b>(12,482,711)</b>	<b>8,729,794</b>
<i>Current tax expense (-)</i>	23	<i>(2,699,029)</i>	<i>(381,851)</i>
<i>Deferred tax expense (-)</i>	23	<i>(9,783,682)</i>	<i>9,111,645</i>
<b>Net profit for the period</b>		<b>6,002,283</b>	<b>17,274,359</b>
<b>Allocation of profit for the period</b>			
Non-controlling interests		-	-
<b>Equity attributable to owners of the parent</b>		<b>6,002,283</b>	<b>17,274,359</b>
<b>Other comprehensive income/expense</b>			
<b>Not to be reclassified to profit or loss</b>			
<i>Loss arising from defined benefit plans</i>	13	51,053	(40,234)
<b>Taxes related to other comprehensive income to be reclassified to profit or loss</b>		<b>(14,964)</b>	<b>10,392</b>
<i>Loss arising from defined benefit plans, tax effect</i>	23	<i>(14,964)</i>	<i>10,392</i>
<b>Other comprehensive expense</b>		<b>36,089</b>	<b>(29,842)</b>
<b>Total comprehensive income for the period</b>		<b>6,038,372</b>	<b>17,244,517</b>
<b>Allocation of total comprehensive income</b>			
Non-controlling interests		-	-
<b>Owners of the Company</b>		<b>6,038,372</b>	<b>17,244,517</b>
<b>Earnings per share (full TRY)</b>	24	<b>0.15814</b>	<b>0.45513</b>

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

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. VE BAĞLI ORTAKLIKLARI

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025 AND 2024

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

	Share capital	Capital adjustments	Treasury shares	Share premium/discounts	Other equity reserves	Other restricted reserves appropriated from profit	Other accumulated comprehensive income and expense not to be reclassified to profit or loss	Retained earnings		Equity attributable to the parent	Non-controlling interest	Total equity
							Gain/loss on remeasurement of defined benefit plans	Retained earnings	Net profit for the period			
<b>1 January 2024</b>	<b>3,800,000</b>	<b>68,263,485</b>	<b>(84,619)</b>	<b>37,867,758</b>	<b>(2,276,485)</b>	<b>11,368,412</b>	-	<b>(3,084,466)</b>	<b>(7,699,665)</b>	<b>108,154,420</b>	-	<b>108,154,420</b>
Transfers	-	-	-	-	-	-	-	(7,699,665)	7,699,665	-	-	-
Total comprehensive income	-	-	-	-	-	-	(29,842)	-	17,274,359	17,244,517	-	17,244,517
<b>31 December 2024</b>	<b>3,800,000</b>	<b>68,263,485</b>	<b>(84,619)</b>	<b>37,867,758</b>	<b>(2,276,485)</b>	<b>11,368,412</b>	<b>(29,842)</b>	<b>(10,784,131)</b>	<b>17,274,359</b>	<b>125,398,937</b>	-	<b>125,398,937</b>
<b>1 January 2025</b>	<b>3,800,000</b>	<b>68,263,485</b>	<b>(84,619)</b>	<b>37,867,758</b>	<b>(2,276,485)</b>	<b>11,368,412</b>	<b>(29,842)</b>	<b>(10,784,131)</b>	<b>17,274,359</b>	<b>125,398,937</b>	-	<b>125,398,937</b>
Transfers	-	-	-	-	-	-	-	17,274,359	(17,274,359)	-	-	-
Dividend (*)	-	-	-	-	-	151,257	-	(1,879,908)	-	(1,728,651)	-	(1,728,651)
Total comprehensive income	-	-	-	-	-	-	36,089	-	6,002,283	6,038,372	-	6,038,372
<b>31 December 2025</b>	<b>3,800,000</b>	<b>68,263,485</b>	<b>(84,619)</b>	<b>37,867,758</b>	<b>(2,276,485)</b>	<b>11,519,669</b>	<b>6,247</b>	<b>4,610,320</b>	<b>6,002,283</b>	<b>129,708,658</b>	-	<b>129,708,658</b>

(\*) At the Ordinary General Assembly Meeting held on 14 May 2025, it was resolved by a majority of votes to distribute a cash dividend of TRY 1,728,651 from the 2024 profit. As of the dividend distribution decision date (14 May 2025), since the Company holds 0.12% of its own shares with a nominal value of TRY 1, the dividend related to these shares held by the Company is presented net of the total dividend amount to be distributed. The dividend payment was made in cash on 16 June 2025.

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

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025 AND 2024**

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

Notes	Audited	Audited	
	1 January - 31 December 2025	1 January - 31 December 2024	
<b>Cash flows from operating activities</b>			
Profit for the period	6,002,283	17,274,359	
<b>Adjustments related to reconcile of net profit for the period</b>			
Adjustments related to depreciation and amortization expenses	9, 10, 11, 18, 19	504,021	292,510
Adjustments related to tax expense	23	12,482,711	(8,729,794)
Adjustments related to (reversal of) impairments (net)		(8,634,024)	(6,137,136)
Adjustments related to (reversal of) impairment of inventories (net)	8	(8,634,024)	(6,137,136)
Adjustments related to provisions		168,358	354,968
Adjustments related to (reversal of) provisions for employee benefits	13	124,866	118,158
Adjustments related to (reversal of) provision for lawsuit and other		43,492	236,810
Adjustments for interest (income) and expenses		8,120,958	(1,837,234)
Adjustments for interest income	20, 21	(6,995,807)	(6,577,439)
Adjustments for interest expense	20, 21	15,116,765	4,740,205
Adjustments related to (loss)/gain on disposal of property		69,650	991
Loss on sale of property, plant and equipment		69,650	991
Monetary loss/gain		(5,365,291)	5,070,546
<b>Net cash from operations before changes in assets and liabilities</b>		<b>13,348,666</b>	<b>6,289,210</b>
<b>Changes in net working capital:</b>			
Adjustments related to (increase)/decrease in trade receivable		(37,148,161)	2,911,283
Decrease/(increase) in trade receivables from related parties		(16,098,755)	5,758,976
Decrease/(Increase) in trade receivables from third parties		(21,049,406)	(2,847,693)
Adjustments related to decrease/(increase) in inventories		(16,530,542)	(53,157,355)
Adjustments related to increase/(decrease) in trade payables		28,646,657	5,229,779
Increase/(decrease) in trade payables to third parties		28,646,657	5,229,779
Adjustments related to decrease/(increase) in other receivables related to operations		1,173,754	(1,940,662)
Adjustments related to increase/(decrease) in other payables related to operations		(18,195,579)	12,195,152
Adjustments related to other increase/(decrease) in working capital		(5,806,590)	(987,412)
<b>Cash flows from operating activities</b>		<b>673,047</b>	<b>249,620</b>
Interest received		(38,410)	(55,284)
Payments related to provisions for employee benefits		(1,645,076)	(206,107)
<b>Cash flows from operating activities, net</b>		<b>(35,522,234)</b>	<b>(29,471,776)</b>
Yatırım amaçlı gayrimenkul,maddi ve maddi olmayan duran varlıkların satımından kaynaklanan nakit girişleri	9, 10, 11	59,493	1,921
Yatırım amaçlı gayrimenkul,maddi ve maddi olmayan duran varlıkların property, plant and equipment and intangible assets	9, 10, 11	(558,296)	(766,664)
Adjustments related to the increase/decrease in financial investments		(2,645,665)	(88,034)
<b>Cash flows from investing activities</b>		<b>(3,144,468)</b>	<b>(852,777)</b>
Proceeds from borrowings	5	58,459,879	20,606,001
Proceeds from loans		32,242,875	9,075,335
Proceeds from Issue of debt instruments		26,217,004	11,530,666
Repayments of borrowings	5	(22,486,881)	(9,071,426)
Loan repayments		(8,033,633)	(4,048,832)
Payments of issued debt instruments		(14,453,248)	(5,022,594)
Cash outflows related to leases		(176,321)	-
Change in other receivables from related parties		(19,038,006)	-
Factoring liabilities	5	7,000,000	-
Other financial liabilities		23,753,084	-
Interest paid		(12,064,733)	(3,243,609)
Dividend		(1,728,651)	-
Interest received		6,322,760	6,577,439
<b>Cash flow from financing activities</b>		<b>40,041,131</b>	<b>14,868,405</b>
<b>Inflation impact on cash and cash equivalents</b>		<b>(2,186,890)</b>	<b>(3,953,485)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(812,461)</b>	<b>(19,409,633)</b>
Cash and cash equivalents at the beginning of the period	3	8,691,093	28,100,726
<b>Cash and cash equivalents at the end of the period</b>	<b>3</b>	<b>7,878,632</b>	<b>8,691,093</b>

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

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

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

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

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### NOTE 1 – ORGANIZATION AND OPERATION OF THE GROUP

Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş. ("Emlak Konut GYO" or the "Group") was established on 26 December 1990 as a subsidiary of Türkiye Emlak Bankası A.Ş. The Group is governed by its articles of association, and is also subject to the terms of the decree law about Public Finances Enterprises No. 233, in accordance with the statute of Türkiye Emlak Bankası A.Ş. The Group has been registered and started its activities on 6 March 1991. The Group's articles of association were revised on 19 May 2001 and it became an entity subject to the Turkish Commercial Code No. 4603.

The Company was transformed into a Real Estate Investment Company with Senior Planning Committee Decree No. 99/T-29, dated 4 August 1999, and according to Statutory Decree No. 588, dated 29 December 1999. According to Permission No. 298, dated 20 June 2002, granted by the Capital Markets Board ("CMB") regarding transformation of the Company into a Real Estate Investment Company and permission No. 5320, dated 25 June 2002, from the Republic of Turkey Ministry of Industry and Trade and amendment draft for the articles of association of the Company was submitted for the approval of the Board and the amendment draft was approved at the Ordinary General Shareholders Committee meeting of the Company convened on 22 July 2002, changing the articles of association accordingly.

The articles of association of the Company were certified by Istanbul Trade Registry Office on 29 July 2002 and entered into force after being published in Trade Registry Gazette dated 1 August 2002. As the result of the General Shareholders committee meeting of the Company convened on 28 February 2006, the title of the Company "Emlak Gayrimenkul Yatırım Ortaklığı A.Ş." was changed to "Emlak Konut Gayrimenkul Yatırım Ortaklığı A.Ş."

By the decision of the Board of Directors of Istanbul Stock Exchange Market on 26 November 2010, 25% portion of the Company's class B shares with a nominal value of TRY625,000 has been trading on the stock exchange since 2 December 2010.

The registered address of the Group is Barbaros Mah. Mor Sümbül Sok. No: 7/2 B (Batı Ataşehir) Ataşehir – İstanbul. As of 31 December 2025, the number of employees of the Group is 1,461 (31 December 2024 – 1,231).

The objective and operating activity of the Company is coordinating and executing real estate property projects mostly housing, besides, commercial units, educational units, social facilities, and all related aspects, controlling and building audit services of the ongoing projects, marketing and selling the finished housing. Due to statutory obligation to be in compliance with the Real Estate Investment Companies decrees and related CMB communiqués, The Company cannot be a part of construction business, but only can organize it by auctioning between the contractors.

The consolidated financial statements on 31 December 2025 have been approved by the Board of Directors on 6 March 2026.

The ultimate parent and ultimate controlling party of the Group is T.C. Toplu Konut İdaresi Başkanlığı (the Housing Development Administration of Turkey, "TOKİ"). TOKİ is a state institution under the control of Republic of Turkey Ministry of Environment Urbanisation and Climate Change.

Emlak Konut GYO will be referred to as the "Group" with its subsidiaries and interests in joint ventures.

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

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

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

### NOTE 1 – ORGANIZATION AND OPERATION OF THE GROUP (Continued)

#### Subsidiaries

Subsidiaries of Emlak Konut GYO operate in Turkey and their main operations are as follows:

<u>Subsidiaries</u>	<u>Main Operations</u>
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş.	Real Estate Investments
Emlak Konut Asansör Sistemleri Sanayi ve Ticaret A.Ş.	Production, Sales and Marketing
Emlak Konut Global LLC	Real Estate Investments
EKA Enerji ve Teknoloji A.Ş.	Energy and Technology Operations

During 2025, the Group established Emlak Konut Global LLC, a subsidiary incorporated in Saudi Arabia in which the Group holds 100% ownership. As of the reporting date, the capital contribution of the subsidiary has not yet been paid; therefore, it has no impact on the consolidated financial statements.

	31 December 2025		31 December 2024	
	Direct and indirect ownership rate (%)	Effective ownership rate (%)	Direct and indirect ownership rate (%)	Effective ownership rate (%)
Emlak Planlama İnşaat Proje Yönetimi ve Ticaret A.Ş.	100	100	100	100
Emlak Konut Asansör Sistemleri Sanayi ve Ticaret A.Ş.	100	100	100	100
Eka Enerji ve Teknoloji A.Ş.	100	100	-	-

#### Shares in Joint Operations

Shares in Joint Operations of Emlak Konut GYO operate in Turkey and their main operations are as follows:

#### Shares in Joint Operations

#### Main Operations

Dap Yapı İnşaat Sanayi ve Ticaret A.Ş. ve Eltes İnşaat Tesisat Sanayi ve Ticaret A.Ş. Ortak Girişimi – Emlak Konut GYO A.Ş. (“İstmarina AVM Adi Ortaklığı”)	Shopping Mall and Office Management
Büyükyalı Tesis Yönetimi A.Ş.	Shopping Mall and Office Management
Merkez Cadde Yönetim A.Ş.	Shopping Mall and Office Management
EPP-SUA İnşaat Adi Ortaklığı	Real Estate Investments
EPP-Atlas İnşaat Adi Ortaklığı	Real Estate Investments
EPP-Güneri Adi Ortaklığı	Real Estate Investments
EPP-Nogay Adi Ortaklığı	Real Estate Investments

	31 December 2025		31 December 2024	
	Direct and indirect ownership rate (%)	Effective ownership rate (%)	Direct and indirect ownership rate (%)	Effective ownership rate (%)
Merkez Cadde Yönetim A.Ş.	30	30	30	30
İstmarina AVM Adi Ortaklığı	40	40	40	40
Büyükyalı Tesis Yönetimi A.Ş.	37	37	37	37
EPP-SUA İnşaat Adi Ortaklığı	50	50	-	-
EPP-Atlas İnşaat Adi Ortaklığı	50	50	-	-
EPP-Güneri Adi Ortaklığı	50	50	-	-
EPP-Nogay Adi Ortaklığı	55	55	-	-

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

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

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

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**

**2.1. Basis of Presentation**

The accompanying standalone financial statements of the Company have been prepared in accordance with the communiqué numbered II-14,1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) which is published on Official Gazette numbered 28676 dated 13 June 2013 and Turkish Financial Reporting Standards and appendices and interpretations related to them adopted by the Public Oversight Accounting and Auditing Standards Authority (“POA”) have been taken as basis. TFRS is updated through communiqués in order to comply with the changes in the Turkish Financial Reporting Standards (TFRS).

The consolidated financial statements are presented in accordance with the formats specified in the “Communiqué on TFRS Taxonomy” published by the POA on 3 July 2024 and the Illustrations of Financial Statements and Application Guidance published by the CMB.

The Group maintains its books of account and prepares its statutory financial statements in accordance with the principals issued by CMB, the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The consolidated financial statements have been prepared on the basis of historical cost, with the necessary adjustments and classifications reflected in the statutory records in accordance with TFRS.

**Basis of Consolidation**

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 the ability to use its power to affect its returns
- 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.

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

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.

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

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

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

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### NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### 2.1. Basis of Presentation (Continued)

##### Basis of Consolidation (Continued)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. 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 Group 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 Group.

When the Group loses control of a subsidiary, a gain or loss is recognized 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 recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Company 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 TFRS). 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 under TFRS 9 *Financial Instruments*, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

##### Investments in Associates and Joint Ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

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

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

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1. Basis of Presentation (Continued)**

**Basis of Consolidation (Continued)**

Investments in Associates and Joint Ventures (Continued)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with TFRS 5. Under the equity method, investments in associates are carried in the balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognized. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Gains and losses arising from transactions between the Group and an associate of the Group are eliminated to the extent of the Group's interest in the relevant associate or joint venture.

Interests in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the 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.

**Adjustment of Consolidated Financial Statements in Hyperinflation Periods**

It has been decided that institutions registered in CMB and import companies obligated to apply financial statement adjustments stated in TAS/TFRS are required to apply hyperinflation accounting by implementing TAS 29 to financial statements for the year ended 31 December 2024, according to the rule number 81/1820 declared by CMB dated in 28 December 2023.

A statement has been made by POA at 23 November 2023 regarding the scope and implementation of TAS 29. POA stated that corporations implementing TAS/TFRS are required to present their financial statements for the year 31 December 2023 and forward adjusted to the inflation impact according to the accounting principles stated in TAS 29.

TAS 29 is implemented to any financial statements of a company whose functional currency is the currency of a hyperinflation economy, including consolidated financial statements. If an economy experiences hyperinflation, then according to TAS 29, a company whose functional currency is the currency of a hyperinflation economy needs to present its financial statements in terms of unit of measurement effective at the end of period.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

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

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

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1. Basis of Presentation (Continued)**

**Adjustment of Consolidated Financial Statements in Hyperinflation Periods (Continued)**

Because of cumulative change of purchasing power for the last three years in relation to Consumer Price Index (CPI) is more than 100% as of current period, corporations operating in Turkey are obligated to implement TAS 29 for the year ended 31 December 2023 and forward.

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TSI). As of 31 December 2025, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

<b>Date</b>	<b>Index</b>	<b>Adjustment correlation</b>	<b>3-year cumulative inflation ratios</b>
<b>31.12.2025</b>	3,513.87	1.00000	211%
<b>31.12.2024</b>	2,684.55	1.30892	291%
<b>31.12.2023</b>	1,859.38	1.88981	268%

Procedure of TAS 29 is presented below:

- a) All accounts, excluding accounts that are presented with current purchasing power at the current period, are restated with their related price index correlation. Same method is applied for previous years.
- b) Monetary balance sheet accounts are not restated because these accounts are presented with current purchasing power at the current period. Monetary accounts are accounts that are either received or paid in cash.
- c) Fixed assets, subsidiaries and similar assets are restated through their historic cost, in a way not exceeding their market value. Same method is applied to depreciation and amortization accounts. Equity balances are restated with price correlations according to the dates these balances.
- d) All income statement accounts, excluding income statement accounts that are counterparty to non-monetary accounts of balance sheet, are restated based on the price correlations of the date they entered financial statements.
- e) Net monetary profit or loss resulting from inflation is the difference of adjustments made to non-monetary balance sheet accounts, equity accounts and income statement accounts. Net monetary profit or loss is then included in net profit or loss.

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

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

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

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1. Basis of Presentation (Continued)**

**Functional and Presentation Currency**

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The functional currency of the Group is TRY and the reporting currency is thousand TRY.

**Offsetting**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

**2.2. Changes in accounting policies, accounting estimates and errors**

Significant changes in accounting policies and significant accounting errors are applied retrospectively and the financial statements of the previous periods are restated if the financial position, performance or cash flow effects of transactions and events are presented in a more appropriate and reliable manner.

**2.3. Conformity with the Portfolio Limitations**

The information presented in Additional Note of this report, regarding control of conformity with the portfolio limitations, is a summary information extracted from financial statements in accordance with Article 16 of Communiqué No: II-14.1, “Principles of Financial Reporting in Capital Markets” and is prepared in accordance with the provisions of the control of portfolio limitations of Communiqué No: III-48.1, “Principles Regarding Real Estate Investment Companies”.

**2.4. Summary of Significant Accounting Policies**

The significant accounting policies followed in the preparation of these consolidated financial statements are summarized below:

**EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
AND ITS SUBSIDIARIES**

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

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

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand, bank deposits and highly liquid investments, whose maturity at the time of purchase is less than three months and conversion risk on value at the date of sale is immaterial. The contractors' portion of the residential unit sales from the LSRSA projects under construction and which accumulated in the bank accounts opened under the control of the Group is kept in deposits accounts in the name of the related projects under the control of the Group as stated in the agreement. However, since the Group does not have the right of disposition of the cash and cash equivalents used in the cash flow statements, except for keeping these amounts in time deposit accounts, these amounts are exempted from cash and cash equivalents in the cash flow statement (Note 4).

**Related Parties**

Shareholders, key management personnel, Board of Directors, close family members, and companies which are controlled by those are regarded as related party for the purpose of preparation of these consolidated financial statements. In accordance with TAS 24 – Related party standards, the description of related parties has been restricted. The Group has also transactions with State owned banks and the Republic of Turkey Ministry Under Secretariat of Treasury (the "Treasury") however quantitative information regarding Turkish State Banks and Treasury is not disclosed in accordance with this exemption. The ultimate parent and ultimate controlling party of the Group is ("TOKİ"). TOKİ is a State institution under control of Republic of Turkey Prime Ministry. The transactions made between the Group and TOKİ and its affiliates are presented in Note 25.

**Foreign Currency Transactions**

The foreign exchange transactions during the year are translated using the prevailing exchange rates on the related transaction dates. The foreign currency exchange gain and losses that arise by the exchange rate change based on monetary assets and liabilities are presented in the comprehensive income statement.

**Financial Investments**

**Classification**

The Group classifies its financial assets as "Financial assets at amortised cost", "fair value through other comprehensive income", "fair value through profit or loss". The classification is based on the business model used by the entity for the management of financial assets and the characteristics of the contractual cash flows of the financial asset. The Group makes the classification of its financial assets on the date of purchase. Financial assets are not reclassified after initial recognition, except where the business model of the Group used is changed for the management of financial assets, in case of a change in business model, the financial assets are reclassified on the first day of the following reporting period.

# **EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES**

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

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

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

#### **2.4. Summary of Significant Accounting Policies (Continued)**

##### **Other Liabilities**

Under the 'Cooperation Protocol' signed between the Company and the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change Mass Housing Administration (TOKİ), the Company acts as a consultant on behalf of TOKİ for the 'Damlakent Project,' which is developed under TOKİ's guarantee on land owned by TOKİ in the Başakşehir district of Istanbul. Proceeds generated from the issuance of Real Estate Certificates by the Company on behalf of TOKİ are not recognized as revenue, as the Company acts in an agency capacity. Instead, these amounts, representing funds to be transferred to TOKİ, are recognized as 'Other Financial Liabilities' in the financial statements.

##### **Recognition and Measurement**

“Financial assets measured at amortized cost” are non-derivative financial assets that are held within a business model whose objective is to collect contractual cash flows, including cash flows that include only the interest payments on principal dates and principal balances at certain dates. The Group's financial assets that are recognized at amortized cost include “cash and cash equivalents”, “trade receivables” and “other receivables”. In the initial recognition, the related assets are measured at fair value, and, in subsequent accounting, they are measured at discounted cost using the effective interest rate method. Gains and losses resulting from the valuation of non-derivative financial assets measured at amortized cost are recognized in profit or loss.

“Financial assets measured at FVTOCI” are non-derivative financial assets that are held within a business model whose objective is to collect contractual cash flows, including cash flows that include only the interest payments on principal dates and principal balances at certain dates. Gains or losses resulting from the related financial assets are recognized in other comprehensive income, except for impairment losses or gains and foreign exchange income or expenses. In case of sale of such assets, the valuation differences classified in other comprehensive income are classified to prior years' profits. For investments in equity-based financial assets, the Group may irrevocably choose the method of reflecting subsequent changes in the fair value of other comprehensive income to the financial statements for the first time. In the event that such preference is made, dividends received from related investments are recognized in the income statement.

“Financial assets measured at fair value through profit or loss”, are assets that are not measured at amortized cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the consolidated statement of income.

##### **Derecognition of Financial Assets**

The Group derecognizes financial assets when the rights related to the cash flows that occur in accordance with the contract related to the financial asset expire or when the Group transfers the ownership of all the risks and returns related to the financial asset through a trading transaction. Any rights created or retained to the financial assets transferred by the Group are recognized as a separate asset or liability.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Financial Investments (Continued)**

**Impairment**

Impairment on financial assets and contractual assets is calculated using the "expected credit loss financial model" (ECL). Impairment model is applied to amortized cost financial assets and contractual assets. Loss provisions were measured on the following basis;

- 12-month ECLs: ECLs resulting from possible default events within 12 months of the reporting date.
- Lifetime ECLs: the ECLs resulting from all possible default events during the expected life of a financial instrument. Lifetime ECL measurement is applied at the reporting date when the credit risk associated with a financial asset increases significantly after the initial recognition. In all other cases where the related increase was not observed, the 12 month estimation of ECL was applied.

The Group may determine that the credit risk of the financial asset does not increase significantly if the credit risk of the financial asset has a low credit risk at the reporting date. Nevertheless, lifelong ECL measurement (simplified approach) is always applicable to trade receivables and contract assets without a significant financing element.

**Trade Receivables and Payables**

Trade receivables are recognized at amortized value of the amount will be received in the following periods from receivables recorded at original invoice value. Short-term receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant. A "simplified approach" is applied for the impairment of trade receivables, which are accounted for at amortized cost and which do not include a significant financing component (less than one year). In cases where the trade receivables are not impaired due to certain reasons (except for the realized impairment losses), the provisions for losses are measured by an amount equal to the "life time expected loan losses". In the event that all or some of the amount of the receivable that is impaired is collected following the provision for impairment, the amount collected is recognized in other income from operating activities by deducting the provision for impairment. Income/expenses from maturity differences and foreign exchange gains/loss related to transactions are recognized under "Other Income/Expenses from Operating Activities" in the statement of profit or loss. Maturity date differences (interest income/expense) and foreign exchange gains/losses related to trade transactions are considered an integral part of the commercial nature of such transactions and are not classified as finance income or expenses. These amounts are recognized within 'Other Operating Income/Expenses' in the statement of profit or loss.

Trade payables consist of payables to suppliers for purchases of goods and services. Trade payables and other liabilities are offset from unaccrued financial expenses. Trade payables and other liabilities after unaccrued financial expenses are calculated by discounting the amounts to be paid of payables recognized at original invoice cost in the subsequent periods, using effective interest method. Short-term payables without a determined interest rate stated at amortized cost if the effect of the original effective interest rate is not too significant. HAS payables are classified as short-term payables and stated at carrying value since they will be paid upon beneficiaries' request.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Financial Liabilities**

Financial liabilities are classified as at FVTPL on initial recognition. Financial liabilities are recognized with their acquisition costs including transaction costs and then measured at amortized cost value using the effective interest rate method. In cases where the contractual obligations are fulfilled or canceled; The Group derecognizes the financial liability from its records (Note 5).

**Employment Termination Benefits**

Provision for employee termination benefit defines the current value of total expected provision for the liabilities due to retirement of the employees. Under Turkish labor law, the Group is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement. The amount payable consists of one month's salary limited to a maximum of full TRY 53,919.68 as of 31 December 2025 (31 December 2024: full TRY 41,828.52).

The provision for the present value of the defined benefit obligation is calculated by using the projected liability method. All actuarial profits and losses are recognized in the statement of comprehensive income.

TFRS requires actuarial valuation estimates to be developed to estimate the obligation underdefined benefit plans. In the individual financial statements, the Group calculates a liability on the basis of its experience in the previous years, based on its experience in the past, and on the beneficiaries of the severance payment as of the date of termination. This provision is calculated by estimating the present value of the future probable obligation of the employees.

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus, the effective discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. As the maximum liability amount is revised semi-annually by the authorities, the maximum amount of full TRY 64,948.77 which is effective from 1 January 2026 has been taken into consideration when calculating the liability (1 January 2024: full TRY 46,655.43) (Note 13).

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Provisions, Contingent Assets and Liabilities**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Contingent assets or contingent obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in consolidated financial statements and are treated as contingent assets or liabilities.

**Land and Residential Unit Inventories**

The Group has four types of inventories in its consolidated financial statements. These are;

*1. Vacant Land and Plots*

Vacant land and plots are carried at lower of cost or net realizable value and represent vacant land and plot of the Group with no ongoing or planned construction project on them. Such land and plots are classified as inventories because the Group uses such land and plots the development of residual and commercial units, as explained below, which are also classified as inventories.

*2. Turnkey Projects*

Turnkey projects are valued at lower of cost or net realizable value. Turnkey projects costs consist of construction costs of the semi-finished residential units together with the cost of land (progress payments to contractor) on which these projects are developed. Upon completion of residential units costs including the cost of land are classified under completed residential unit inventories.

*3. Land Subject to Revenue Sharing Agreements ("LSRSA")*

The Group enters into revenue sharing agreements with construction entities to maximize sales proceeds from the sale of its vacant land and plots. Such land and plot sold subject to revenue share agreements to construction entities are accounted at cost until sale is recognized.

*4. Completed Residential and Commercial Unit Inventories*

Completed residential and commercial units comprise units build in Turnkey projects and units transferred to the Group by the contractor in order to meet minimum revenue stated in the agreements when the projects can not reach the expected revenue as stated in the agreements signed within the framework of LSRSA.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4 Summary of Significant Accounting Policies (Continued)**

**Land and Residential Unit Inventories (Continued)**

*4. Completed Residential and Commercial Unit Inventories (Continued)*

Completed residential and commercial unit inventories are valued at lower of cost or net realizable value.

The Group takes into consideration independent expert valuation reports for inventory (land, finished and semi-finished residential and commercial units) separately at least once a year and uses these reports to assess impairment if any. Fair values are determined on the basis of the price that would be realized on the valuation date between a willing buyer and a willing seller in an arm's length transaction, using the arm's length comparison method. Impairments are recognized under other expenses from operations in the statement of profit or loss and comprehensive income in the period during which they are incurred. Impairments released are recognized under other income from operations when the relevant land or residential are sold.

The Group's inventories consist of real estate projects under development and held for sale, as well as land and completed independent units. Due to the nature of real estate development activities, the development and sales process of such inventories may exceed one year. However, as these inventories are held to be developed, sold, and converted into cash within the Company's normal operating cycle, they are classified as current assets in accordance with IAS 1 Presentation of Financial Statements.

**Property, Plant and Equipment**

Property and equipment are carried at cost less accumulated depreciation and provision for impairment, if any. The cost value also includes costs that can be directly attributed to the asset to perform its operation as planned. Depreciation is calculated over of the cost of property and equipment using the straight-line method based on expected useful lives (Note 10).

The expected useful lives for property, plant and equipment are stated below:

	<b>Years</b>
Buildings	50
Motor vehicles	5
Furniture and fixtures	4-5
Machinery and equipment	5

The cost of major subsequent expenditures is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed of performance of the existing asset will flow to the Group and major subsequent expenditures are depreciated over the remaining useful life of the related assets. All other expenses other than these items are recognized as expense.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4 Summary of Significant Accounting Policies (Continued)**

**Property, Plant and Equipment (Continued)**

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount and the provision for impairment is charged to the income statement.

Gains and losses on the disposal of property and equipment are determined by comparing the carrying of the property and equipment with the collected amount and then included in the related income and expense accounts, as appropriate.

**Intangible Assets**

Intangible assets comprise of licenses and computer software. They are initially recognized at acquisition cost and amortized on a straight-line basis over 5 years their estimated useful lives (Note 11). Whenever there is an indication that the intangible is impaired, the carrying amount of the intangible asset is reduced to its recoverable amount.

**Investment Properties**

Investment properties are defined as land and buildings held to earn rental income or capital appreciation or both, rather than for use in the production of goods or services or for administrative purposes; or sale in the ordinary course of business. The Group uses cost model for all investment properties. Investment properties are presented in the consolidated financial statements at cost less accumulated depreciation and less impairment, if any (Note 9). Investment properties consist of residences and buildings and their economic life is 40 years.

**Impairment of Assets**

The Group reviews all assets subject to amortization at each balance sheet date in order to see if there is a sign of impairment on the stated asset. If there is such a sign, carrying amount of the stated asset is projected. Impairment exists if the carrying value of an asset is greater than its net realizable value. Net recoverable value is the higher of the net sales value or value in use. Value in use is the present value of cash flows generated from the use of the asset and the disposal of the asset after its useful life.

Impairment losses are recorded in the comprehensive income statement. Impairment loss for an asset is reversed, if an increase in recoverable amount is related to a subsequent event following the booking of impairment by not exceeding the amount reserved for impairment. The Group takes the valuation reports for each property separately into consideration over investment property at least once a year to compare carrying value of assets with its net recoverable value and calculate the impairment if any.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Taxation**

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.

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

*Current Tax*

According to Article 5/1(d)(4) of the Corporate Tax Law No. 5520 ("CTL"), income derived from real estate investment trusts (REITs) is exempt from corporate tax. However, with Law No. 7524, certain conditions have been introduced for the corporate tax exemption applicable to REITs as of 1 January 2025. Accordingly, if at least 50% of the income derived from real estate is distributed as dividends, the tax rate applicable to corporate income will be 10%. Therefore, a 30% tax rate, applicable to undistributed profits, is used in the calculation of current and deferred tax assets and liabilities. The subsidiaries, associates, and joint ventures of the Group are subject to corporate tax applicable in Turkey. Necessary provisions have been recognized in the accompanying financial statements for the Group's estimated tax liabilities related to the current period's operating results.

*Deferred Tax*

In accordance with tax legislation, taxable or deductible temporary differences included in the financial statements are subject to deferred tax using the tax rates prevailing as of the reporting date. Within the scope of the Public Oversight, Accounting and Auditing Standards Authority's (POA) announcement dated 12 February 2025, titled 'Reporting of Tax Amounts in Real Estate Investment Trusts and Real Estate Investment Funds,' the corporate tax rate of 30% applicable to undistributed profits has been taken as the basis.

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 recognized for all taxable temporary differences, whereas deferred tax assets consist of deductible temporary differences are recognized on the condition that it is highly probable that the differences can be utilised by earning future taxable profit. Such deferred tax 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.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

*Deferred Tax (Continued)*

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.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. 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.

**Segment Reporting**

Operating segments shall be reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. However, since the Group operates in only one geographical segment (Türkiye) and all of its operations are concentrated in one industrial department (development of residential projects on its vacant land and plot inventories), the Group does not prepare a segment report.

Chief operating decision maker of the Group is its Board of Directors. Board of Directors uses quarterly consolidated financial statements of the Group prepared in accordance with the TFRS when making decisions.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Revenue Recognition**

The Group recognizes revenue in the financial statements within the 5-step model below in accordance with TFRS 15 “Revenue from Contracts with Customers” standard that is effective as of 1 January 2018.

- (a) Identify the contract(s) with a customer
- (b) Identify the performance obligations in the contract
- (c) Determine the transaction price
- (d) Allocate the transaction price to the performance obligations in the contract
- (e) Recognize revenue when the entity satisfies a performance obligation

Revenue is comprises of sale of vacant land and plots, sale of residential units produced by turnkey projects and sale of land and plots by way of LSRSA.

*1. Sale of Vacant Land and Plots*

Revenue is recognized when the unprojectized lands are transferred to the customer according to the contract and performance obligations are fulfilled. Unprojectized lands are carried over when the customer takes control of the land.

*2. Sale of Residential Units Produced by Turnkey Projects*

Revenue is recognized when the independent units are transferred according to the contract and performance obligations are fulfilled. Residential units are carried over when the customer takes control of the units.

*3. Sale of land and plots by way of LSRSA*

The Group recognizes the revenue for the sale of land by way of LSRSA when performance obligations (the one before the signing of the temporary acceptance protocol with the contractor or the signing of the delivery protocol with the buyer) are fulfilled. In cases where the temporary acceptance protocol or delivery protocol with the buyer is not signed, the Group follows-up its revenue share in the deferred revenue (Note 15) and the share of the construction entity as a liability to contractors (Note 5). The Group’s share in the Total Sales Revenue (“TSR”) is recorded as revenue from sale of land and the related cost of land is recognised as cost of land sold in the comprehensive income statement (Note 17).

*4. Consultancy revenues*

The Group provides project consultancy services as its core business. Within the scope of consultancy services, the Group undertakes works such as controlling the production processes of customers' projects, sales and follow-up of the project to third parties. The Company recognizes consultancy income on a periodic accrual basis, taking into account the substance of the contract.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**5** *Rent Income*

The Company recognizes rental income from its investment properties and commercial units on a straight-line basis over the lease term in accordance with the relevant lease agreements. Rental income is recognized in the statement of profit or loss on an accrual basis over the periods during which the right of use is provided to the lessee.

Rental income generated under lease agreements is accounted for as a lessor in accordance with IFRS 16 Leases.

**6** *Elevator Sales Revenue*

The Group recognizes revenue from contracts related to elevator production and installation over time in accordance with IFRS 15. These contracts involve the production of assets that are custom-designed for the customer and have no alternative use, and the Group has an enforceable right to payment for performance completed to date. Therefore, revenue is recognized based on the satisfaction of performance obligations over time.

The measure of progress is determined using the input method (cost-to-cost), by proportioning contract costs incurred to the total estimated costs; revenue corresponding to the portion completed in the relevant period is reflected in the financial statements. Amounts arising from the contract that are not yet invoiced are recognized under contract assets, while progress billings are recognized under contract liabilities.

**Interest Income and Expense**

Interest income and expense are recognized on an accrual basis using the internal rate of return method. Interest income comprises mostly interest income from time deposits and interest income from credit sales of residences (Note 21).

**Paid-in Capital**

Ordinary shares are classified in equity. Costs related to the issue of new shares are recognized in equity less the amounts discounted by tax effect.

**Treasury Shares**

Repurchased shares are recognized in the financial statements in accordance with the CMB's Communiqué No. II-22.1 "Treasury Shares". In the statements of shareholders' equity, it is recorded under "Repurchased Shares" account. In addition, in accordance with the related communiqué the amount equal to the repurchase price of the repurchased shares as "Reserves related to the repurchased shares restricted reserves".

**Share Premium**

Share premiums represent the difference between the fair value of the shares held by the Group at a price higher than the nominal value of the Group or the difference between the fair value and the fair value of the shares of the Group that the Group has acquired. Expenses that are directly attributable to the secondary public offering, in which the shares are re-issued and provide cash inflows to the Group, are deducted from the premiums on issue of share sales.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Earnings Per Share**

Earnings per share are determined by dividing net comprehensive income by the weighted average number of shares that have been outstanding during the period concerned.

In Turkey, companies can increase their share capital by making a pro rata distribution of their shares “bonus shares” to existing shareholders funded from retained earnings. For the purpose of earnings per share computations, such “bonus share” issuances are regarded as issued shares. Accordingly, the weighted average number of shares used in earnings per share computations are determined by taking into consideration the retroactive effect of aforementioned share distributions. In case of increase in issued shares after balance sheet date but before the date that consolidated financial statement is prepared due to the bonus share distribution, earning per share calculation is performed taking account of total new share amount.

**Payments for Housing Acquisition Support (“HAS”)**

HAS was a compulsory of saving fund, established by the state to be used by fund participants in the future for acquisition of affordable housing between 1987 and 1995. This system aimed to collect the deducted amounts in a single account, apply interest to the savings and provide the employees with these contributions at the time they wish to acquire a house/residential unit in the future. However, this project was suspended in 1996 and as per decree law No. 588, issued in 1999, the decision was taken to terminate the HAS accounts. With this decree law, real estate corresponding to the monetary value of the HAS deductions which were held by Emlak Bankası was transferred to the Company.

Within the scope of Law No. 5664, dated 30 May 2007, and the regulation issued on 14 August 2007, the decision was taken to pay back these savings, which were still held as capital in kind in the accounts of the Company, to the HAS beneficiaries. Accordingly, the shares of HAS beneficiaries were removed from the Company’s equity capital and comprehensive income for the current period based on the ratios specified in the law and recognized as debts to HAS beneficiaries under other payables. The amount payable was determined as the share in the net asset value of the Company at 28 February 2008. The payable amount does not bear any interest or does not change with subsequent changes in the net asset value in subsequent periods and is payable on demand any date after 28 February 2008. The Company has borrowed funds from the Treasury to make such payments.

In addition, the Treasury has an interest liability against HAS beneficiaries calculated before 1999. In accordance with an agreement signed in 2008, the Company undertook this liability on behalf of the Treasury and recorded as payable be paid together with the Company's own payables. However, Company resources are not used for this extra liability. Since all payments are made on behalf of the Treasury, they are instantly collected by cashing the government bonds given for these payments from the Treasury to the Company beforehand.

In accordance with the relevant articles of Law No. 5564 on HAS to the Owners of KEY and Payment to the Rightsholders, the receivables that are not requested within five years from the announcement date are recorded as revenue to the Treasury. Due to the expiry of the payment request period of the beneficiaries in the current period, the Company's receivables and debts obligations within the scope of HAS have expired.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

**Dividend Distribution**

Dividends payables are recognized as an appropriate basis for the profit in the period in which they are declared and reflected in the Group's financial statements as liability.

**Statement of Cash Flows**

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements.

Cash flows from operating activities represent the cash flows of the Group generated from its main activities. Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Group (fixed investments and financial investments).

Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Cash and cash equivalents comprise cash on hand and bank deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities equal or less than three months.

**Events After the Reporting Period**

Events after the reporting period cover any events that arise between the reporting date and the balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed. The Company adjusts its standalone financial statements if such events arise which require an adjustment to the standalone financial statements (Note 31).

**2.5 Critical Accounting Judgements, Assumptions and Estimates**

The preparation of financial statements requires the use of assumptions and estimates that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues expenses which are reported throughout the period. Even though these assumptions and estimates rely on the best estimates of the Group management both the actual results may differ and not material for these financial statements.

***Net Realizable Value of Lands and Residential Inventories***

When the estimated net realizable value of land and commercial units is less than the cost value, the allowance is recognized to reduce the value of inventories to their estimated net realizable value. As of 31 December 2025, valuation reports prepared by Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş., Form Gayrimenkul Değerleme ve Danışmanlık A.Ş., Talya Gayrimenkul Değerleme ve Danışmanlık A.Ş. have been taken into consideration when determining the net realizable value of lands and residential inventories.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.4. Summary of Significant Accounting Policies (Continued)**

***Provisions for Lawsuits***

As of 31 December 2025, lawsuits filed against the Company, possible and potential lawsuits against the Company Provision has been recognized for the parts for which an outflow of resources is probable, based on the opinion of the lawyers. According to the legal judgment of the lawyers, there is no risk of outflow of resources for the cases for which no provision has been recognized. is not seen.

**2.6. Comparative Information**

In order to allow for the determination of financial position and performance trends, the Group's consolidated financial statements are prepared in comparison with the prior period. For the purpose of ensuring consistency with the presentation of the current period consolidated financial statements, comparative information is reclassified when deemed necessary and significant differences are disclosed.

Except for the changes specified in the paragraph below, the Group has applied consistent accounting policies in its consolidated financial statements for the periods presented, and there are no significant changes in accounting policies and estimates during the current period.

**2.7 New and Revised Turkish Financial Reporting Standards**

The consolidated financial statements as of 31 December 2025 have been prepared by applying accounting policies consistent with those applied in the preparation of the consolidated financial statements for the year ended 31 December 2025. Therefore, in order to ensure completeness, the consolidated financial statements should be read in conjunction with the year-end financial statements.

**a) Standards, amendments, and interpretations applicable as of 31 December 2025:**

- **Amendments to IAS 21 – Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The said amendment is not expected to have a material impact on the Group's consolidated financial statements.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.7 New and Revised Turkish Financial Reporting Standards (Continued)**

**b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2025: (Continued)**

- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:
  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
  - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The effects of the aforementioned change on the Group's financial position and performance are being evaluated.

- **Annual improvements to IFRS – Volume 11;** effective from annual periods beginning on or after 1 January 2026 (earlier application permitted). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

The effects of the related change on the Group's financial position and performance are being evaluated.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.7 New and Revised Turkish Financial Reporting Standards (Continued)**

**b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2025: (Continued)**

- **Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity;** effective from annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required. These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.

The effects of the related change on the Group's financial position and performance are being evaluated.

- **Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency;** effective from annual periods beginning on or after 1 January 2027. These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:
  - its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
  - it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.

The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.

The effects of the related change on the Group's financial position and performance are being evaluated.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.7 New and Revised Turkish Financial Reporting Standards (Continued)**

**b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2025: (Continued)**

- **Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37- Disclosures about Uncertainties in the Financial Statements;** These amendments include Examples illustrating how an entity applies the requirements in IFRS Accounting Standards to disclose the effects of uncertainties in its financial statements. The Examples demonstrate how to disclose the impacts of uncertainties within climate-related scenarios, but the principles and requirements are also applicable to disclosure of other uncertainties. The Examples do not add to or change requirements in IFRS Accounting Standards and therefore there are no transition requirements. Instead, these Examples will accompany the respective IFRS Accounting Standards to which they relate. The Examples do not have an effective date, but entities might consider the application for December 2025 year-ends.
- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

For the year ending December 2025, disclosures should include:

- the nature of the changes,
- the fact that IFRS 18 application is required for annual periods beginning on or after 1 January 2027,
- the planned adoption date, and
- either:
  - known or reasonably estimable information relevant to assessing the possible impact that application of IFRS 18 will have on the entity's financial statements in the period of initial application; or
  - if that impact is not known or reasonably estimable, a statement to that effect.

In order to comply with Paragraphs 30-31 of IAS 8, entities should consider the following principles when preparing disclosures related to the adoption of IFRS 18:

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.7 New and Revised Turkish Financial Reporting Standards (Continued)**

**b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2025: (Continued)**

**a. Disclosures are expected to become increasingly detailed as entities implementation process progresses toward 2027.**

The level of detail that an entity includes in its disclosures will depend on the progress of its implementation activities, including those related to internal controls. For the year ending December 2025, entities that have yet to make significant progress in implementation might only disclose that they are actively assessing the impact of IFRS 18 and that more comprehensive disclosures cannot reasonably be provided.

**b. Where appropriate and reliable, consider including quantitative information.**

It may be appropriate to disclose preliminary figures, when the company has an appropriate and reliable basis for making such disclosures and provides clear explanations regarding their provisional nature. For example, an entity might quantify the effects on profit and loss subtotals. If the quantitative impact is not reasonably estimable, a statement to that effect should be included. An entity may disclose known and reasonably quantifiable impacts, but it is not expected to early provide IFRS 18 disclosures, such as an MPM reconciliation, before the application date.

**c. Consider alignment with other public communications.**

If management has publicly detailed anticipated impacts, such as in an investor presentation, the IAS 8 financial statement disclosures should be consistent with these communications.

**d. Disclosures should be based on the information available through the date of issuance of the financial statements, not only the end of the reporting period.**

The effects of the related change on the Group's financial position and performance are being evaluated.

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.7 New and Revised Turkish Financial Reporting Standards (Continued)**

**b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2025: (Continued)**

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures' and amendment;** effective from annual periods beginning on or after 1 January 2027. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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

- IFRS 18 Presentation and Disclosure in Financial Statements;
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);
- Lack of Exchangeability (Amendments to IAS 21); and
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

The effects of the related change on the Group's financial position and performance are being evaluated.

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**NOTE 3 - CASH AND CASH EQUIVALENTS**

	31 December 2025	31 December 2024
Cash on hand	49	119
Banks	12,444,030	8,051,226
- Demand deposit	457,959	565,368
- Time deposits with maturities less than 3 months	11,986,071	7,485,858
Other cash and cash equivalents	2,309,451	2,788,351
	<b>14,753,530</b>	<b>10,839,696</b>

As of 31 December 2025, and 2024 maturities of cash and cash flows are as follows:

	31 December 2025	31 December 2024
Demand	457,740	565,368
Up to 3 month	11,986,071	7,485,858
	<b>12,443,811</b>	<b>8,051,226</b>

Average effective annual interest rates on time deposits in TRY on the balance sheet date:

	31 December 2025	31 December 2024
	(%)	(%)
Effective annual interest rate	37.26	46.34

The calculation of cash and cash equivalents of the Group for the use in statements of cash flows is as follows:

	31 December 2025	31 December 2024
Cash and cash equivalents	14,753,530	10,839,696
Less: Interest accruals on deposits	-	(4,030)
Less: LSRSA project deposits (*)	(3,032,212)	(2,148,968)
Less: T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ") (**)	(3,842,686)	-
Add: the effect of provisions released under TFRS 9	-	4,395
	<b>7,878,632</b>	<b>8,691,093</b>

(\*) Within the scope of LSRSA projects, the portion of residential sales proceeds—collected from ongoing construction projects and accumulated in bank accounts opened under the name of the relevant project under the Group's control—attributable to the contractor's share pursuant to the contractual provisions, is held in time deposit accounts opened under the name of the respective projects under the Group's control. There are no restrictions/blocks on the deposit accounts belonging to project accounts amounting to TRY 3,032,212 (31 December 2024: TRY 2,148,968) (31 December 2024: None).

(\*\*) Within the framework of the protocols signed with TOKİ regarding the Damlakent project, the certificate proceeds issued on behalf of TOKİ are invested in time deposit accounts of Emlak Konut on behalf of TOKİ. All interest income accumulated in these time deposit accounts will be paid to TOKİ.

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**NOTE 4 – FINANCIAL INVESTMENTS**

As of 31 December 2025 and 31 December 2024, the Group's short-term financial investments are comprised of the following

	31 December 2025	31 December 2024
<b>Short-term financial investments</b>		
Investments in certificates and funds	2,441,955	75,205
	<b>2,441,955</b>	<b>75,205</b>

Detailed disclosures regarding the fair value measurement, classification, and recognition of valuation changes related to certificate and fund investments are presented in Note 27 – Financial Instruments.

**NOTE 5 – FINANCIAL LIABILITIES**

	31 December 2025	31 December 2024
<b>Short-term financial liabilities</b>		
Short-term bank loans	4,578,902	8,453,622
Issued debt instruments	16,499,848	6,737,683
Short-term portion of long-term borrowings	-	1,696,605
Lease obligation	110,521	3,978
	<b>21,189,271</b>	<b>16,891,888</b>

As of 31 December 2025, the Group's total bank loans denominated in Turkish Lira amount to TRY 30,866,402. Of these loans, a portion of TRY 29,363,540 consists of TLREF-indexed floating-rate loans, while TRY 1,502,862 consists of fixed-rate loans. The weighted average interest rate for Turkish Lira-denominated loans is 43.09% (31 December 2024: 41.11%).

As of 31 December 2025, the weighted average interest rate for the Group's lease certificates in circulation is 38.28% (31 December 2024: 44.29%).

	31 December 2025	31 December 2024
<b>Long-term financial liabilities</b>		
Long-term bank loans	26,287,500	-
Lease obligation	92,518	25,478
	<b>26,380,018</b>	<b>25,478</b>

The redemption schedules of the borrowings as of 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
2027	3,129,032	-
2028	6,094,134	-
2029	6,983,744	-
2030	10,080,590	-
	<b>26,287,500</b>	<b>-</b>

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**NOTE 5 – FINANCIAL LIABILITIES (Continued)**

As of 31 December 2025 and 2024, the movement schedule of financial borrowings is as follows:

	<b>2025</b>	<b>2024</b>
<b>Opening balance, 1 January</b>	16,887,910	8,495,399
Additions during the period	58,459,879	20,606,001
Payments during the period	(22,486,881)	(9,071,426)
Interest accruals	2,987,108	1,491,319
Monetary gain	(8,481,766)	(4,633,383)
<b>Closing balance, 31 December</b>	<b>47,366,250</b>	<b>16,887,910</b>

The maturity distribution of loans and issued debt instruments based on the remaining time to repricing is presented below.

	<b>31 December 2025</b>	<b>31 December 2024</b>
Less than 3 months	10,748,923	3,069,818
Between 3 - 12 months	10,329,827	13,818,092
Between 1 - 5 years	26,287,500	-
	<b>47,366,250</b>	<b>16,887,910</b>

The detail of the Group's other short-term financial liabilities as of 31 December 2025 and 31 December 2024 is as follows:

<b>Other financial liabilities</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Payables from factoring transactions (*)	7,000,000	-
	<b>7,000,000</b>	<b>-</b>

(\*) The Group has assigned a portion of its trade receivables under factoring agreements with recourse. Since the credit risk related to the transferred receivables substantially remains with the Group, these receivables have not been derecognized in the financial statements in accordance with the provisions of IFRS 9. The funds obtained from the factoring company have been recognized as a financial liability secured by the related receivables.

The detail of the Group's other long-term financial liabilities as of 31 December 2025 and 31 December 2024 is as follows:

<b>Other financial liabilities</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Other financial liabilities (*)	21,408,305	-
	<b>21,408,305</b>	<b>-</b>

(\*) This represents the amount obtained from the Real Estate Certificate issuance conducted by the Group on behalf of TOKİ, for the 'Damla Kent Project' to be developed under TOKİ's guarantee on the land located in the Başakşehir district of Istanbul province, owned by TOKİ, within the scope of the 'Cooperation Protocol' signed between the Group and the Republic of Türkiye Ministry of Environment, Urbanisation and Climate Change, Housing Development Administration (TOKİ).

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**NOTE 6 – TRADE RECEIVABLES AND PAYABLES**

<b>Short-term trade receivables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Receivables from sale of residential and commercial units	15,673,794	5,613,200
Due from related parties (Note 25)	14,517,309	10,128
Receivables from contractors of the lands invoiced under LSRSA	5,800,039	1,603,705
Receivables from land sales	679,895	1,453,549
Notes of receivables	214,802	195,772
Receivables from lessees	71,567	90,971
Other	88,283	26,406
<b>Unearned finance income</b>	<b>(979,062)</b>	<b>(905,014)</b>
	<b>36,066,627</b>	<b>8,088,717</b>
Doubtful receivables	20,542	16,312
Less: Provision for doubtful receivables	(20,542)	(16,312)
	<b>36,066,627</b>	<b>8,088,717</b>

(\*) The Group transfers a portion of its trade receivables under factoring arrangements with recourse. As the risks and rewards associated with these receivables remain with the Company, the transferred receivables have not been derecognized from the financial statements. Financial liabilities arising from these transactions are recognized within 'Other Short-Term Financial Liabilities'.

As of December 31, 2025, the carrying amount of the transferred receivables that have not been derecognized and the related financial liabilities is TRY 7,000,000.

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Long-term trade receivables</b>		
Receivables from sale of residential and commercial units	11,909,822	7,542,216
Receivables from land sales	608,570	930,186
<b>Unearned finance income</b>	<b>(4,586,357)</b>	<b>(2,783,850)</b>
	<b>7,932,035</b>	<b>5,688,552</b>

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Short-term trade payables</b>		
Due to related parties (Note 25)	23,227,450	-
Trade payables	7,959,339	7,544,812
Payables to LSRSA contractors invoiced	1,480,492	1,931,026
Interest accruals on time deposits of contractors (*)	828,212	320,658
	<b>33,495,493</b>	<b>9,796,496</b>

(\*) The contractors' portion of the residential unit sales from the LSRSA projects under construction and which accumulated in the bank accounts opened under the control of the Group is kept in deposits accounts in the name of the related projects under the control of the Group as stated in the agreement. The Group tracks the contractor's share of the interest obtained from the advances accumulated in these accounts in short-term payables.

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**NOTE 6 – TRADE RECEIVABLES AND PAYABLES (Continued)**

	31 December 2025	31 December 2024
<b>Long-term trade payables</b>		
Trade payables	176,935	483,286
	<b>176,935</b>	<b>483,286</b>

**NOTE 7 – OTHER RECEIVABLES AND PAYABLES**

	31 December 2025	31 December 2024
<b>Short-term other receivables</b>		
Advances given to contractor firms	1,198,106	1,049,908
Receivables from the authorities	120,733	41,680
Other receivables from related parties (Note 25)	86,890	340,331
Other	129,191	126,224
	<b>1,534,920</b>	<b>1,558,143</b>

	31 December 2025	31 December 2024
<b>Long-term other receivables</b>		
Other receivables from related parties (Note 25)(*)	17,158,675	-
Other receivables from third parties	25,413	32,379
Deposits and guarantees given	1,014	1,327
	<b>17,185,102</b>	<b>33,706</b>

(\*) This represents the portion paid to TOKİ from the proceeds obtained through the Real Estate Certificate issuance conducted by the Group on behalf of TOKİ, for the 'Damla Kent Project' to be developed under TOKİ's guarantee on the land owned by TOKİ in the Başakşehir district of Istanbul, within the scope of the 'Cooperation Protocol' signed with the Republic of Türkiye Ministry of Environment, Urbanisation and Climate Change, Housing Development Administration (TOKİ).

	31 December 2025	31 December 2024
<b>Short-term other payables</b>		
Taxes and funds payable	4,221,072	3,798,383
Other payables to related parties (Note 25)	698	878
Other	170,041	165,581
	<b>4,391,811</b>	<b>3,964,842</b>

As of 31 December 2025, other long-term payables amount to TRY 684,897 and consist of deposits and guarantees received (31 December 2024: TRY 618,906)

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**NOTE 8 – INVENTORIES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Lands	109,699,320	64,569,603
<i>Cost</i>	<i>112,663,969</i>	<i>69,383,069</i>
<i>Impairment</i>	<i>(2,964,649)</i>	<i>(4,813,466)</i>
Planned land by LSRSA	62,858,545	57,357,454
Planned land by turnkey project	31,272,109	15,461,211
<i>Planned land by turnkey project</i>	<i>31,589,563</i>	<i>15,461,211</i>
<i>Impairment</i>	<i>(317,454)</i>	-
Residential and commercial units ready for sale	28,265,149	55,119,473
<i>Cost</i>	<i>31,410,990</i>	<i>65,708,610</i>
<i>Impairment</i>	<i>(3,145,841)</i>	<i>(10,589,137)</i>
Inventories of Emlak Konut Asansör	2,239,782	3,257,496
Advances given for inventories	9,101,608	23,111,609
<i>Cost</i>	<i>10,037,288</i>	<i>23,706,655</i>
<i>Impairment</i>	<i>(935,680)</i>	<i>(595,046)</i>
	<b>243,436,513</b>	<b>218,876,846</b>

In determining the net realizable value (NRV) of the assets classified as "Inventories" and calculating the impairment loss, if any, the Group has taken as basis the valuation reports prepared as of 31 December 2025 by Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş., Form Gayrimenkul Değerleme ve Danışmanlık A.Ş., and Talya Gayrimenkul Değerleme ve Danışmanlık A.Ş., which were prepared using the cost approach.

The movements of impairment on inventories are as follows:

	<b>2025</b>	<b>2024</b>
<b>Opening balance at 1 January</b>	<b>15,997,648</b>	<b>22,134,784</b>
Impairment on inventories within the current period	2,196,892	3,165,919
Reversal of impairment on inventories within the current period	(10,830,916)	(9,303,054)
<b>Closing balance at 31 December</b>	<b>7,363,624</b>	<b>15,997,649</b>

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**NOTE 8 – INVENTORIES (Continued)**

As of 31 December 2025, and 2024 the details of land and residential inventories of the Group are as follows:

<b>Lands</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
İstanbul Esenler Land	33,424,927	27,288,905
İstanbul Başakşehir Mahmutbey Land	20,565,476	-
İstanbul Bakırköy Zeytinlik Land	15,000,000	-
İstanbul Küçükçekmece Land	8,639,387	10,885,456
İstanbul Avcılar Land	7,612,435	7,603,419
İstanbul Tuzla Land	2,978,039	127,908
Muğla Köyceğiz Toparlar Parelleri	2,816,061	-
İzmir Çeşme Land	2,180,409	2,214,574
İstanbul Eyüp Land	1,976,350	73,683
Aydın Didim Land	1,790,449	2,100,016
İstanbul Arnavutköy Land	1,647,169	1,154,083
İstanbul Başakşehir Land	1,548,306	1,557,170
Muğla Bodrum Land	1,519,962	6,335,856
İstanbul Eyüpsultan Land	1,512,093	-
Antalya Alanya Land	1,277,307	1,315,963
Gaziantep Şehitkamil Aydınlar Land	1,006,146	-
İzmir Urla Land	678,954	636,785
İstanbul Kartal Land	650,177	773,617
İzmir Aliağa Land	485,328	479,571
Amasya Merkez Ziyere Land	453,983	-
İstanbul Bakırköy Şenlik Land	437,414	-
İstanbul Resneli Land	276,765	273,507
Muğla Milas Land	261,563	-
Antalya Konyaaltı Land	218,165	218,165
İzmir Seferihisar Land	191,787	152,721
İstanbul Çekmeköy Land	182,756	943,797
Tekirdağ Çorlu Land	141,464	140,144
Zonguldak Merkez Land	120,920	128,155
Sakarya Sapanca Land	80,814	79,856
İstanbul Sarıyer Land	19,072	18,354
Yalova Land	-	53,891
Kocaeli Land	-	8,427
Other	5,642	5,580
	<b>109,699,320</b>	<b>64,569,603</b>

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**NOTE 8 - INVENTORIES (Continued)**

<b>Planned land by LSRSA</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Nidapark İstinye Project	7,792,288	8,595,567
Bizim Mahalle 2. Etap 2. Kısım Project	4,819,692	4,783,696
Merkez Ankara Project	4,232,636	4,290,885
Nidapark Küçükyalı Project	4,226,727	4,226,727
Bizim Mahalle 2. Etap 1. Kısım Project	2,795,648	2,787,681
Çekmeköy Çınarköy Project	2,638,880	2,638,880
Muğla Ortakent Müskebi	2,502,437	-
Esenler Atışalanı 4. Etap Project	2,299,422	-
Batıyakası 2. Etap Project	2,258,073	2,258,073
Esenler Atışalanı 3. Etap Project	2,257,853	-
Next Level İstanbul Project	2,091,044	2,091,044
Beşiktaş Akat Project	2,075,658	2,058,715
Ümraniye İnkılap Project	1,907,388	1,908,710
İstanbul Kayabaşı 9. Etap Project	1,867,250	1,867,250
Esenler Atışalanı 2. Etap Project	1,700,974	-
Başakşehir Ayazma 4. Etap Project	1,687,163	1,687,163
İstanbul Tuzla Merkez Project	1,676,519	1,668,183
Yeni Levent Project	1,621,398	3,036,273
Esenler Atışalanı 1. Etap Project	1,585,567	-
Muğla Ortakent 2. Etap Project	1,412,369	-
Muğla Ortakent 1. Etap Project	1,145,737	-
İstanbul Kayabaşı 8. Etap Project	1,287,275	1,274,016
Avcılar Firüzköy 1. Etap 2. Kısım Project	1,177,447	1,177,447
Avcılar Firüzköy 2. Etap Project	1,175,556	1,162,961
Avcılar Firüzköy 1. Etap 1. Kısım Project	1,082,526	1,081,934
Bodrum Türkbükü Project	877,078	877,078
Nezihpark Project	539,961	537,780
Antalya Aksu Project	468,665	472,618
Ataşehir 173 Project	439,918	435,861
İstanbul Kayabaşı 10. Etap Project	407,219	407,219
Muğla Milas Meşelik Project	280,744	279,222
Batıyakası 1. Etap Project	236,021	1,239,324
Ankara Çayyolu 2. Etap Project	229,099	228,855
Allsancak Project	13,748	49,642
Barbaros 48 Project	-	463,613
Meydan Başakşehir Project	-	1,290,610
İstanbul Eyüpsultan Kemerburgaz Project	-	1,218,337
Nişantaşı Koru Project	-	964,106
Cer İstanbul Project	-	268,490
Other	48,565	29,494
	<b>62,858,545</b>	<b>57,357,454</b>

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**NOTE 8 - INVENTORIES (Continued)**

<b>Residential and commercial units ready for sale</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Yenifikirtepe - 17	6,076,917	-
Yenifikirtepe -10	2,504,102	-
Kuzey Yakası Project	2,142,386	2,258,590
Yenifikirtepe 14- 15	1,888,987	-
Saraçoğlu Mahallesi Project	1,711,252	2,515,180
Maslak 1453 Project	1,541,465	1,714,650
Nşantaşı Koru	1,174,760	-
Yenifikirtepe - 12	1,145,448	-
Yenifikirtepe - 6	1,095,781	-
Nidapark İstinye Project	1,004,060	-
Komşu Finans Evleri	919,611	1,045,644
Yenifikirtepe -7	805,208	-
Yenifikirtepe - 3-2. Etap	734,504	-
Köyceğiz Göl Evleri	557,913	-
Yenifikirtepe -2	497,921	-
Bizim Mahalle 1. Etap 3. Kısım Project	433,110	3,286,117
Bizim Mahalle 1. Etap 1. Kısım Project	352,674	406,836
Yenifikirtepe -13	346,311	-
Sarphan Finanspark Project	345,782	411,022
Çekmeköy Konut Land 2. Etap Project	287,551	6,905,977
Bizim Mahalle 1. Etap 4. Kısım Project	244,419	1,230,171
Yenifikirtepe - 5	235,687	-
Balıkesir Altıeylül Gümüşçeşme Project	232,543	2,928,569
Meydan Başakşehir	193,996	-
Çekmeköy Konut Land 4. Etap 3. Kısım Project	193,918	1,519,974
Hoşdere Vadi Evleri 2. Etap Project	184,731	432,623
Çekmeköy Konut Land 3. Etap 3. Kısım Project	159,663	3,651,450
Hoşdere Vadi Evleri 1. Etap Project	144,794	935,219
Çekmeköy Konut Land 3. Etap 4. Kısım Project	134,466	5,046,315
Çekmeköy Villa Land	132,374	6,344,655
Çekmeköy Konut Land 4. Etap 1. Kısım Project	121,190	498,714
Ebruli Kayaşehir	118,303	-
Yeni Levent	115,382	-
Bizim Mahalle 1. Etap 2. Kısım Project	74,303	159,156
Büyükyalı Project	56,831	56,831
Çekmeköy Konut Land 3. Etap 1. Kısım Project	50,009	4,034,952
Yenifikirtepe -16	48,996	-
Denizli Merkez Efendi İkmal İşİ Project	44,303	96,943
İdealist Cadde / Koru	38,858	43,260
Semt Bahçekent 1. Etap 2. Kısım Project	37,414	121,832
Çınarköy Evleri - 4	29,512	-
Yenifikirtepe -4	25,819	-
Yenifikirtepe -19	23,448	-
Çekmeköy Konut Land 3. Etap 2. Kısım Project	21,210	-
Karat 34 Project	20,524	24,178
Kocaeli Körfezkent Emlak Konutları	9,930	11,584
Başakşehir Ayazma Emlak Konutları	5,642	5,641
Temaşehir Project	1,141	1,872
Merkez Ankara Project	-	5,432,093
Ataşehir Küçükbakkalköy Project	-	3,435,924
Samsun Canik Kentssel Dönüşüm Project	-	428,807
Metropol İstanbul Project	-	36,635
Göl Panorama Project	-	5,784
Other	-	92,275
	<b>28,265,149</b>	<b>55,119,473</b>

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**NOTE 8 - INVENTORIES (Continued)**

<b>Residential and commercial units ready for sale</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Arnavutköy Yenişehir Project	23,622,987	11,341,492
Küçükçekmece Bizim Mahalle Project	2,657,583	-
İstanbul Avcılar Firuzköy Project	2,006,914	1,479,878
Çekmeköy Çınarköy Project	218,860	1,787,915
Diğer	2,765,765	851,926
	<b>31,272,109</b>	<b>15,461,211</b>

**NOTE 9 – INVESTMENT PROPERTIES**

Rental income is generated from investment properties, and the appraisals used in impairment calculations are conducted through the sales comparison and income capitalization approaches. As of 31 December 2025, and 2024, the Group has assessed that there is no situation leading to any impairment in its investment properties.

The movements of investment properties as of 31 December 2025 and 2024 are as follows:

<b>Cost Value</b>	<b>Lands, residential and commercial units</b>	<b>Total</b>
Opening balance as of 1 January 2025	3,812,586	3,812,586
Transfers to commercial units and land inventories	604,899	604,899
<b>Closing balance as of 31 December 2025</b>	<b>4,417,485</b>	<b>4,417,485</b>
<b>Accumulated Depreciation</b>		
Opening balance as of 1 January 2025	356,487	356,487
Charge for the year	79,611	79,611
<b>Closing balance as of 31 December 2025</b>	<b>436,098</b>	<b>436,098</b>
<b>Net book value as of 31 December 2025</b>	<b>3,981,387</b>	<b>3,981,387</b>

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**NOTE 9 – INVESTMENT PROPERTIES (Continued)**

<b>Cost Value</b>	<b>Lands, residential and commercial units</b>	<b>Total</b>
Opening balance as of 1 January 2024	3,812,586	3,812,586
Transfers to commercial units and land inventories	-	-
Transfers to residential and commercial unit inventories	-	-
<b>Closing balance as of 31 December 2024</b>	<b>3,812,586</b>	<b>3,812,586</b>
<b>Accumulated Depreciation</b>		
Opening balance as of 1 January 2024	285,498	285,498
Charge for the year	70,989	70,989
<b>Closing balance as of 31 December 2024</b>	<b>356,487</b>	<b>356,487</b>
<b>Net book value as of 31 December 2024</b>	<b>3,456,099</b>	<b>3,456,099</b>

As of 31 December 2025, the valuation reports prepared by Yetkin Gayrimenkul Değerleme ve Danışmanlık A.Ş., Form Gayrimenkul Değerleme ve Danışmanlık A.Ş., Talya Gayrimenkul Değerleme ve Danışmanlık A.Ş. have taken into consideration when determining the fair values of investment properties. The fair values of the investment property determined by independent valuation experts are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Atasehir General Management Office A Block	2,748,739	2,748,739
Independent commercial units of Büyükyalı AVM	2,658,334	3,320,776
Independent commercial units of Istmarina AVM	1,519,124	1,893,730
Lands and completed units	1,338,165	1,548,248
	<b>8,264,362</b>	<b>9,511,493</b>

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**NOTE 10 – PROPERTY, PLANT AND EQUIPMENT**

<b>31 December 2025</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Machinery and equipment</b>	<b>Furniture, equipment and fixtures</b>	<b>Special Cost</b>	<b>Construction in progress</b>	<b>Total</b>
Net carrying value as of 1 January 2025	1,631,087	49,390	261,195	201,501	484,429	4,228	2,631,830
Additions	232,705	22,841	52,565	57,500	26,807	47,212	439,630
Transfers	-	-	2,562	1,185	15,762	(20,522)	(1,013)
Disposal, (net) (-)	-	(1,751)	(46,757)	(6,690)	(73,945)	-	(129,143)
Depreciation expense(-)	(28,426)	(19,981)	(42,174)	(53,517)	(130,450)	-	(274,548)
<b>Net carrying value 31 December 2025</b>	<b>1,835,366</b>	<b>50,499</b>	<b>227,391</b>	<b>199,979</b>	<b>322,603</b>	<b>30,918</b>	<b>2,666,756</b>
Cost	2,025,468	133,244	345,517	721,103	502,386	30,918	3,758,636
Accumulated depreciation (-)	(190,102)	(82,745)	(118,126)	(521,124)	(179,783)	-	(1,091,880)
<b>Net carrying value 31 December 2025</b>	<b>1,835,366</b>	<b>50,499</b>	<b>227,391</b>	<b>199,979</b>	<b>322,603</b>	<b>30,918</b>	<b>2,666,756</b>

  

<b>31 December 2024</b>	<b>Buildings</b>	<b>Motor vehicles</b>	<b>Machinery and equipment</b>	<b>Furniture, equipment and fixtures</b>	<b>Special Cost</b>	<b>Construction in progress</b>	<b>Total</b>
Net carrying value as of 1 January 2024	1,276,590	39,776	229,355	259,828	78,394	256,648	2,140,591
Additions	374,713	26,771	68,011	62,837	129,823	2,285	664,440
Transfers	-	-	-	(51,843)	306,548	(254,705)	-
Disposal, (net) (-)	-	(470)	-	(2,442)	-	-	(2,912)
Depreciation expense(-)	(20,216)	(16,687)	(36,171)	(66,879)	(30,336)	-	(170,289)
<b>Net carrying value 31 December 2024</b>	<b>1,631,087</b>	<b>49,390</b>	<b>261,195</b>	<b>201,501</b>	<b>484,429</b>	<b>4,228</b>	<b>2,631,830</b>
Cost	1,792,763	112,154	337,147	669,108	533,762	4,228	3,449,162
Accumulated depreciation (-)	(161,676)	(62,764)	(75,952)	(467,607)	(49,333)	-	(817,332)
<b>Net carrying value 31 December 2024</b>	<b>1,631,087</b>	<b>49,390</b>	<b>261,195</b>	<b>201,501</b>	<b>484,429</b>	<b>4,228</b>	<b>2,631,830</b>

All of the depreciation expenses are included in the general administrative expenses.

The expected useful lives for property, plant and equipment are as follows:

	<b>Years</b>
Buildings	50
Motor vehicles	5
Furniture, equipment and fixtures	4-5
Machinery and equipment	5

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**NOTE 11 – INTANGIBLE ASSETS**

<b>31 December 2025</b>	<b>Licenses</b>	<b>Computer software</b>	<b>Rights</b>	<b>Total</b>
Net book value, 1 January 2025	7,325	92,063	66,374	165,762
Additions	22,268	75,192	21,206	118,666
Transfers	-	-	1,013	1,013
Amortization expense (-)	(9,513)	(44,223)	(10,262)	(63,998)
<b>Net book value 31 December 2025</b>	<b>20,080</b>	<b>123,032</b>	<b>78,331</b>	<b>221,443</b>
Cost	180,904	249,243	131,902	562,049
Accumulated amortization (-)	(160,824)	(126,211)	(53,571)	(340,606)
<b>Net book value 31 December 2025</b>	<b>20,080</b>	<b>123,032</b>	<b>78,331</b>	<b>221,443</b>

<b>31 December 2024</b>	<b>Licenses</b>	<b>Computer software</b>	<b>Rights</b>	<b>Total</b>
Net book value, 1 January 2024	11,042	47,663	56,066	114,771
Additions	6,482	71,149	24,592	102,223
Amortization expense (-)	(10,199)	(26,749)	(14,284)	(51,232)
<b>Net book value 31 December 2024</b>	<b>7,325</b>	<b>92,063</b>	<b>66,374</b>	<b>165,762</b>
Cost	158,636	174,051	109,683	442,370
Accumulated amortization (-)	(151,311)	(81,988)	(43,309)	(276,608)
<b>Net book value 31 December 2024</b>	<b>7,325</b>	<b>92,063</b>	<b>66,374</b>	<b>165,762</b>

**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Provision for lawsuits	431,993	524,253
Provision for bonuses and premiums	51,273	39,009
	<b>483,266</b>	<b>563,262</b>

According to the legal opinions received from the Group's legal counsel, the total risk amount of lawsuits filed against the Company is TRY 705,324 (31 December 2024: TRY 878,398), and a provision for lawsuits amounting to TRY 431,993 has been recognized as of 31 December 2025 (31 December 2024: TRY 524,253). As of 31 December 2025, there are 2 construction defect lawsuits, 11 collection lawsuits, 9 labor lawsuits, 9 compensation lawsuits, and 24 other miscellaneous lawsuits filed against the Group.

The movements of provision for lawsuits as of 31 December 2025 and 2024 are as follows:

	<b>2025</b>	<b>2024</b>
<b>Balance at 1 January</b>	563,262	496,424
Provision added within the current period	34,527	225,750
Monetary loss / gain	(114,523)	(158,912)
<b>Closing balance at 31 December</b>	<b>483,266</b>	<b>563,262</b>

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**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**12.1 Continuing Lawsuits and Provisions**

**12.1.1** The İzmir Mavişehir North Upper Region 2nd Stage Revenue Sharing Model Project (LSRSA), consisting of 750 independent units and contracted on 21 December 2005, was terminated on 21 December 2009 due to the contractor's failure to fulfill its contractual obligations. Following the termination, the project was transferred to the Company; the remaining portion was tendered as a completion work in accordance with the Public Procurement Law and was carried out and completed by another construction firm. The sales of the related independent units are being finalized by the Company, similar to turnkey projects. Claiming that the completion level was high and asserting that the legal relationship between the parties was a construction agreement in return for land share, the contractor filed a lawsuit for compensation in the form of unjust termination and partial claims. According to the expert report commissioned by the İzmir Karşıyaka Commercial Court of First Instance, the completion level was determined to be approximately 83%, and it was concluded that the legal relationship was not a construction agreement in return for land share. Upon the Company's objection to the expert report regarding ambiguities and the completion level, a supplementary report was requested. Subsequently, the contractor and the Company filed additional cross-suits against one another. Within the scope of the case, the Istanbul 10th Commercial Court of First Instance ruled for the partial acceptance of the primary claim, determining that the contract was unjustly terminated by the defendant. However, since the plaintiff's receivables and compensation amounts were assigned to Vakıflar Bankası T.A.O., the claim was rejected regarding those amounts due to a lack of legal standing (active capacity). The claim for pecuniary damages was partially accepted within the scope of the partial lawsuit, while the remaining claims were rejected due to the statute of limitations. The court also ruled for the return of the letter of guarantee and rejected the remainder of the claims. Regarding the counterclaim, the court ruled for partial acceptance, ordering the payment of relevant pledged deposits and building inspection fees to Emlak Konut GYO A.Ş. in line with the amended petition. The ruling was appealed by the intervenor and the plaintiff contractor. Pursuant to a supplementary court order, the plaintiff contractor's request for legal aid was rejected. The plaintiff contractor's objection to the rejection of legal aid was also dismissed. Since the plaintiff failed to pay the appeal costs, the court initially ruled that the appeal was deemed abandoned. Subsequently, the plaintiff submitted a petition for restitution (restitutio in integrum), which was accepted by the court. The Company has appealed this restitution decision, and the appellate review is ongoing. As of 31 December 2025, a provision of TRY 248,883, including interest and litigation expenses, has been recognized.

**12.1.2** Within the scope of the "Istanbul Riva Revenue Sharing Model Project in Return for Land Sale" (LSRSA) tender for the immovable properties located in Istanbul Province, Beykoz District, Riva Neighborhood (parcels no. 3201, 3202, and 3203), the temporary letters of guarantee were submitted to the client Company by the Joint Venture in accordance with Article 14 of the Tender Specifications. In the second session of the tender held on 15 June 2017, it was resolved to award the tender to the Joint Venture that submitted the most economically advantageous bid. However, the companies invited to sign the contract applied to the client Company, requesting a revision of the tender conditions and criteria on the grounds that the "Planned Areas Type Zoning Regulation", published by the Republic of Türkiye Ministry of Environment, Urbanisation and Climate Change in the Official Gazette dated 3 July 2017 (No. 30113), 2 contained provisions causing a significant reduction in the precedent-based construction area (floor area ratio) regarding the subject construction work. The Company rejected the plaintiffs' revision requests, asserting that there would be no change in the precedent-based construction area upon the entry into force of the said Regulation, and granted a deadline until 15 August 2017 for the signing of the contract.

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**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**12.1 Continuing Lawsuits and Provisions (Continued)**

**12.1.** Since the contract was not signed by the end of this period, the temporary letters of guarantee submitted by the plaintiff companies were recorded as income (forfeited) by the client Company, and the tender was awarded to a non-party contractor who submitted the second-best offer. The lawsuit was filed for pecuniary and non-pecuniary damages, claiming that the rejection of the revision requests and the forfeiture of the guarantee letters were unjust. Regarding the plaintiff, the court ruled for the collection of the guarantee amount from the defendant together with advance interest effective from 17 August 2017; the collection of the amount required by the tender specifications and commissions together with advance interest effective from 15 September 2017; and the rejection of all other pecuniary and non-pecuniary damage claims. Furthermore, the court ordered the deduction of the prepaid judgment fee from the total fee due, with the remaining balance to be collected from the defendant and recorded as income for the treasury, and the proportional reimbursement of litigation expenses (including summons and expert fees) by the defendant to the plaintiffs. It was also ruled that any remaining expense advance be returned to the plaintiffs upon finalization of the judgment and that proportional attorney fees be paid to the plaintiff in accordance with the Minimum Attorneyship Fee Tariff (AAÜT). The case is currently at the appeal stage, and as of 31 December 2025, a provision of TRY 16,071, including interest and litigation expenses, has been recognized.

**12.1.3** lawsuit filed by Şekerbank T.A.Ş., which has taken over the assignment of the current and future receivables of the contractor, Yeni Sarp-Özarak Ordinary Partnership, amounting to TRY 46,000 arising from the "Istanbul Ümraniye 1st Stage Revenue Sharing Model Project in Return for Land Sale". The plaintiff claims that the remaining assignment balance of TRY 34,135 was unjustly withheld. Within this lawsuit, the plaintiff also requested a mortgage to be placed on some of the immovable properties within the scope of the project, up to the lawsuit amount, to serve as collateral for the subject receivable. On 15 October 2020, the court ruled for the rejection of the case. However, upon the plaintiff's appeal, the decision was overturned by the appellate court. In the retrial following the reversal, the court ruled in favor of the plaintiff (acceptance of the case). This decision was subsequently appealed by the Company. The appeal application was rejected, and a further appeal (legal challenge) was filed before the Supreme Court. During the hearing held on 10 December 2025, the court decided to await the finalization of the case and adjourned the hearing. As of 31 December 2025, a provision of TRY 110,843, including interest and litigation expenses, has been recognized.

**12.1.4** A compensation lawsuit filed due to defective construction at the Çerkezköy Yıldızkent Ayışığı Site. In the current expert report received during the litigation process, the calculation was performed in accordance with the principle of 'compensatory justice' (restitutio in integrum). The litigation is ongoing, and as of 31 December 2025, a provision of TRY 30,602, including interest and litigation expenses, has been recognized.

**12.2 Contingent Liabilities of the Group**

In the financial statements prepared as of 31 December 2025, liabilities regarding the ongoing lawsuits on the matters specified below have been evaluated. In the opinion of the Group Management and legal counsel, no provision has been recognized in the financial statements prepared as of 31 December 2025, as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations arising from the lawsuits filed against the Group.

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**NOTE 12 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**12.2 Contingent Liabilities of the Group (Continued)**

**12.2.1** A lawsuit filed on the grounds that the contractual termination was unjust and that the manufacturing costs incurred by the contractor for the "Istanbul Province, Çekmeköy District, Alemdağ Emlak Konutları On-site Infrastructure and Landscaping" works were not included in the progress payments following the termination of the contract on 17 September 2012. The court initially ruled for the rejection of the case as it could not be proven by the plaintiff. The Regional Court of Appeals (Appellate Court) determined that the initial ruling was based on an incomplete examination. It ruled that a supplementary report should have been obtained from the previous expert, contract annexes should have been reviewed, and the General Specifications for Construction Works should have been evaluated alongside the entire case file. Furthermore, the court noted that the parties' obligations during the performance of the contract must be duly determined to identify priority obligations. Based on the principle that a party failing to fulfill its priority obligation cannot demand counter-performance, the issue of default and the justification of the termination must be established. Consequently, the appellate court ordered the decision to be overturned and the file remanded to the local court for a re-evaluation following a proper investigation. In the subsequent trial, the local court ruled for the rejection of the primary claim due to lack of proof and the rejection of the merged case due to the statute of limitations. The plaintiff has appealed this decision. According to the opinion received from the Group's legal counsel, no liability is expected to arise as a result of this lawsuit.

**12.3 Contingent Assets of the Group**

**12.3.1** As of 31 December 2025 and 2025, breakdown of nominal commercial receivables from residential and commercial unit sales by maturities and based on the residential and commercial units that are under construction or completed but not yet delivered within the scope of the sales promise contract that is not yet included in the balance sheet as it does not meet the TFRS 15 criteria, expected collection times of nominal installments that are not due or collected by maturities are as follows:

<b>31 December 2025</b>	<b>Trade Receivables</b>	<b>Off-balance sheet deferred revenue</b>	<b>Total</b>
1 year	16,353,689	23,169,922	39,523,611
2 years	8,021,028	9,284,351	17,305,379
3 years	2,240,074	5,094,836	7,334,910
4 years	1,120,144	3,903,337	5,023,481
5 years and above	1,137,146	1,726,799	2,863,945
	<b>28,872,081</b>	<b>43,179,245</b>	<b>72,051,326</b>
<b>31 December 2024</b>	<b>Trade Receivables</b>	<b>Off-balance sheet deferred revenue</b>	<b>Total</b>
1 year	7,066,749	18,681,270	25,748,019
2 years	4,369,657	11,726,514	16,096,171
3 years	1,555,252	4,354,294	5,909,546
4 years	959,420	1,626,049	2,585,469
5 years and above	1,588,073	719,787	2,307,860
	<b>15,539,151</b>	<b>37,107,914</b>	<b>52,647,065</b>

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**NOTE 13 -EMPLOYEE BENEFITS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Short-term provisions</b>		
Unused vacation provision	146,862	124,066
	<b>146,862</b>	<b>124,066</b>
<b>Long-term provisions</b>		
Provision for employment termination benefit	228,663	233,166
	<b>228,663</b>	<b>233,166</b>

TAS 19 requires actuarial valuation methods to be developed to estimate the Company's provision for severance pay. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Discount rate (%)	3.50	3.50
Probability of voluntary turnover (%)	1.10	1.10

The basic assumption is that the ceiling provision for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the expected effects of inflation.

The movement of the Group's provision for employment termination benefits during the periods ended 31 December 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
<b>Balance at 1 January</b>	<b>233,166</b>	<b>228,666</b>
Service cost	70,879	39,454
Interest cost	111,768	62,475
Severance payments made during the current period	(38,410)	(55,284)
Actuarial loss	(51,053)	40,234
Monetary loss	(97,687)	(82,379)
<b>Closing balance at 31 December</b>	<b>228,663</b>	<b>233,166</b>

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**NOTE 14 – OTHER ASSETS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Deferred VAT	3,309,740	5,489,666
Other payments to contractors	793,410	1,138,293
Income accruals	13,777	171,309
Receivables from tax office	-	216,238
Other	31,648	24,449
	<b>4,148,575</b>	<b>7,039,955</b>

**NOTE 15 – DEFERRED INCOME AND PREPAID EXPENSES**

<b>Short-term deferred income</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Advances taken from turnkey project sales	31,591,889	45,549,627
Deferred income from LSRSA projects (*)	21,367,578	33,075,880
Advances taken from LSRSA contractors (**)	19,057,430	22,239,393
Advances received from related parties (Note 25)	10,673,726	5,904,061
Deferred income related to sales of independent units	5,176,301	3,158,807
	<b>87,866,924</b>	<b>109,927,768</b>

(\*) The balance is comprised of deferred income of future land sales regarding the related residential unit's sales under LSRSA projects.

(\*\*) Before the contract is signed with the contractor companies in the LSRSA projects, the company collects the first payment of the total income corresponding to the share of the company from the total sales income in advance at the determined rates.

<b>Long-term deferred income</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Other advances given	57,119	7,520
	<b>57,119</b>	<b>7,520</b>

<b>Prepaid expenses</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Prepaid expenses	299,877	563,435
	<b>299,877</b>	<b>563,435</b>

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### NOTE 16 – SHAREHOLDERS' EQUITY

The Group's authorized capital amount is TRY3,800,000 (31 December 2024: TRY3,800,000) and consists of 380,000,000,000 (31 December 2024: 380,000,000,000) authorized number of shares with a nominal value of TRY0.01 each.

The Group's shareholders and their shareholding percentages as of 31 December 2025 and 2024 is as follows:

Shareholders	31 December 2025		31 December 2024	
	Share (%)	TL	Share (%)	TL
Public offering portion	50.66	1,925,119	50.66	1,925,119
T.C. Toplu Konut İdaresi Başkanlığı "TOKİ"	49.34	1,874,831	49.34	1,874,831
HAS beneficiaries	0.00	48	0.00	48
Other	0.00	2	0.00	2
<b>Total paid-in capital</b>	<b>100</b>	<b>3,800,000</b>	<b>100</b>	<b>3,800,000</b>
Capital adjustment differences		68,263,485		68,263,485
		<b>72,063,485</b>		<b>72,063,485</b>

The Group's treasury shares, which have been repurchased by the Group, are accounted for as a deduction from equity in accordance with IAS 32 and are carried at cost. As of 31 December 2025, the amount of treasury shares is TRY 84,619 (31 December 2024: TRY 84,619). In the shareholding structure table, treasury shares have been deducted from the outstanding shares.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve balance reaches 20% of the Group's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

In accordance with the Communiqué Serial: II, No: 14,1 which became effective as of 13 June 2013 and according to the CMB's announcements clarifying the said Communiqué, "Share Capital", "Restricted Reserves Appropriated from Profit" and "Share Premiums" need to be recognized over the amounts contained in the legal records. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- If the difference is arising from the valuation of "Paid-in Capital" and not yet been transferred to capital should be classified under the "Inflation Adjustment to Share Capital";
- If the difference is arising from valuation of "Restricted Reserves Appropriated from Profit" and "Share Premium" and the amount has not been subject to dividend distribution or capital increase, it shall be classified under "Retained Earnings". Other equity items should be revaluated in accordance with the CMB standards.

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**NOTE 16 – SHAREHOLDERS’ EQUITY**

The capital adjustment differences can only be used for capitalization and have no other usage. The Company's explanation regarding the restated equity calculations prepared in accordance with IAS 29, based on the Capital Markets Board Bulletin published on 7 March 2024, is as follows:

	<b>PPI Indexed Legal Records</b>	<b>CPI Indexed Records</b>	<b>Amounts followed in Accumulated Profit/Low</b>
Adjustment to share capital	77,476,728	68,263,485	(9,213,243)
Share premium	44,380,812	37,867,758	(6,513,054)
Restricted reserves appropriated from profit	11,925,171	11,519,669	(405,502)

<b>Retail earnings</b>	<b>Inflation accounting before balance</b>	<b>Inflation accounting after balance</b>
31 December 2025	48,865,459	4,610,320

	<b>PPI Indexed Legal Records</b>	<b>CPI Indexed Records</b>	<b>Amounts followed in Accumulated Profit/Low</b>
Adjustment to share capital	101,411,093	68,263,485	(33,147,608)
Share premium	58,091,078	37,867,758	(20,223,320)
Restricted reserves appropriated from profit	15,609,134	11,368,412	(4,240,722)

<b>Retail earnings</b>	<b>Inflation accounting before balance</b>	<b>Inflation accounting after balance</b>
31 December 2024	25,336,784	(10,784,131)

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**NOTE 17 – REVENUE AND COST OF SALES**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Sales Income</b>		
Land sales	28,366,072	15,724,355
<i>Sales of planned lands</i>		
<i>by way of LSRSA</i>	14,301,276	10,696,826
<i>Land sales income</i>	14,064,796	5,027,529
Residential and commercial units sales	57,580,989	16,894,478
Consultancy income	8,627,370	8,432,357
Elevator sales income	5,132,687	488,933
Rent income	280,213	231,856
	<b>99,987,331</b>	<b>41,771,979</b>
Sales returns and discounts	(158,158)	(18,409)
<b>Net sales income</b>	<b>99,829,173</b>	<b>41,753,570</b>
Cost of lands	(19,691,272)	(11,870,315)
<i>Cost of lands planned</i>		
<i>by way of LSRSA</i>	(6,590,672)	(8,662,389)
<i>Cost of lands sold</i>	(13,100,600)	(3,207,926)
Cost of residential and commercial units sold	(45,662,664)	(16,717,793)
Cost of elevator	(4,880,644)	(480,473)
Cost of consultancy	(1,771,859)	(1,420,127)
	<b>(72,006,439)</b>	<b>(30,488,708)</b>
<b>Gross Profit</b>	<b>27,822,734</b>	<b>11,264,862</b>

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**NOTE 18 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>General administrative expenses</b>		
Personnel expenses	(2,526,569)	(2,512,053)
Depreciation and amortization	(504,021)	(292,510)
Consultancy expenses	(499,681)	(335,519)
Taxes, duties and fees	(405,090)	(343,552)
Security and cleaning expenses	(178,569)	(296,394)
Travel expenses	(170,557)	(116,667)
Due and contribution expenses	(157,635)	(92,944)
Donations	(109,790)	(95,508)
Information technologies expenses	(97,799)	(65,813)
Maintenance and repair expenses	(67,716)	(98,582)
Insurance expenses	(46,566)	(30,019)
Lawsuit and notary expenses	(21,104)	(23,401)
Communication expenses	(17,057)	(12,329)
Other	(79,515)	(185,202)
	<b>(4,881,669)</b>	<b>(4,500,493)</b>
	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Marketing and sales expenses</b>		
Advertising expenses	(891,096)	(407,104)
Personnel expenses	(193,855)	(202,456)
Outsourced services	(177,285)	(35,184)
Consultancy expenses	(71,426)	(53,997)
Other	(123,883)	(47,049)
	<b>(1,457,545)</b>	<b>(745,790)</b>

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**NOTE 19 – EXPENSE BY NATURE**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Expense by nature</b>		
Expenses from residential and commercial units sales	(45,662,664)	(16,717,793)
Land costs	(19,691,272)	(11,870,315)
Cost of elevator	(4,880,644)	(480,473)
Personnel expenses	(2,720,424)	(2,714,509)
Cost of consultancy	(1,771,859)	(1,420,127)
Advertising expenses	(891,096)	(407,104)
Consultancy expenses	(571,107)	(389,516)
Depreciation and amortisation (Note 9, 10,11)	(504,021)	(292,510)
Taxes,duties and fees	(405,090)	(343,552)
Security and cleaning expenses	(178,569)	(296,394)
Outsourced services	(177,285)	(35,184)
Travel Expenses	(170,557)	(116,667)
Due and contribution expenses	(157,635)	(92,944)
Donations	(109,790)	(95,508)
Information technologies expenses	(97,799)	(65,813)
Maintenance and repair expenses	(67,716)	(98,582)
Insurance expenses	(46,566)	(30,019)
Lawsuit and notary expenses	(21,104)	(23,401)
Communication expenses	(17,057)	(12,329)
Other	(203,398)	(232,251)
	<b>(78,345,653)</b>	<b>(35,734,991)</b>

**NOTE 20 – OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Other income from operating activities</b>		
Financial income from forward sales	4,587,823	2,101,485
Impairment provisions released	2,263,821	7,951,996
Default interest income from projects	673,047	249,620
Income from transfer commissions	385,707	385,394
Other	487,461	1,008,710
	<b>8,397,859</b>	<b>11,697,205</b>

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**NOTE 20 – OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES (Continued)**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Other expenses from operating activities</b>		
Reversal of unaccrued financial expense	(2,570,021)	(2,141,939)
Impairment of land and residential inventory	(2,196,892)	(2,974,874)
Foreign exchange loss	(227,761)	(125,964)
Provision for lawsuits (Note 12)	(34,527)	(225,750)
Other	(138,957)	(284,105)
	<b>(5,168,158)</b>	<b>(5,752,632)</b>

Maturity date differences (interest income) arising from the Group's credit sales are recognized within operating activities. However, maturity date differences arising from projects and transactions that possess a financing nature are classified under finance income.

**NOTE 21 – FINANCIAL INCOME / EXPENSES**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Financial Income</b>		
Interest income on time deposits	1,523,156	2,976,489
Interest and updating income	211,781	1,499,465
Foreign exchange gains	44,978	71,642
	<b>1,779,915</b>	<b>4,547,596</b>
<b>Financial Expenses</b>		
Borrowings interest and lease certificate expenses	(11,889,091)	(2,592,989)
T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı faiz giderleri (*)	(592,729)	-
Interest expense under TFRS 16	(64,924)	(5,277)
Foreign exchange losses	(1,545)	(43,420)
Other	(68,111)	(31,415)
	<b>(12,616,400)</b>	<b>(2,673,101)</b>

(\*) This amount consists of interest expense accrued as of 31 December 2025 for the Company's debt in return for the land purchased from The Ministry of Environment, Urbanisation and Climate Change.

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**NOTE 22 - INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Income from investing activities</b>		
Gain on sale of marketable securities	2,475	-
Gain on sale of fixtures and equipment	196	154
	<b>2,671</b>	<b>154</b>

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Expenses from investing activities</b>		
Loss on sale of marketable securities	(351,228)	-
Loss on sale of fixtures and equipment	(69,846)	(1,145)
	<b>(421,074)</b>	<b>(1,145)</b>

**NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)**

*Corporate Tax*

Significant changes have been made to the tax regulations for Real Estate Investment Trusts (REITs) and Real Estate Investment Funds (REIFs) in Turkey, effective from January 1, 2025. According to these changes, earnings generated until December 31, 2025, will remain subject to the current regulations and will be exempt from corporate tax. However, new conditions and taxation practices will apply to earnings generated from January 1, 2025, onwards.

The Group's subsidiaries, associates and joint operations are 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 other incentives (prior year's losses if any and investment incentives used if preferred) utilized.

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**NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)**  
**(Continued)**

	1 January- 31 December 2025	1 January- 31 December 2024
<i>Current tax liability</i>		
Current corporate tax provision (–)	2,699,029	381,851
Less: Prepaid taxes and funds	(1,478,441)	(215,216)
<b>Income tax (liability) for the period</b>	<b>1,220,588</b>	<b>166,635</b>

The Group’s tax expenses/income as of 31 December 2025 and 2024 is as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Current tax expense	(2,699,029)	(381,851)
Deferred tax (expense)/income	(9,783,682)	9,111,645
<b>Total tax (expense)/income</b>	<b>(12,482,711)</b>	<b>8,729,794</b>

*Deferred Tax:*

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

The tax rate used in the calculation of deferred tax assets and liabilities has been determined at 30-25% based on the temporary timing differences expected to reverse in the future.

In Turkey, the companies cannot declare a 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.

	31 December 2025		31 December 2024	
	Temporary Differences	Deferred tax asset	Temporary Differences	Deferred tax asset
Deferred tax (assets)/liabilities:				
Adjustments to TFRS 9 expected credit loss	(10,156)	2,539	(4,394)	1,318
Adjustment to inventories	18,465,930	(5,629,935)	(18,294,007)	5,539,944
Effect of amortized cost method on receivables	(4,859,758)	1,458,306	(3,678,603)	1,104,094
Depreciation / amortization differences of property, plant and equipment and other intangible assets	193,537	(48,733)	24,597	9,067
Adjustments to investment properties	(406,290)	121,887	(1,768,787)	530,636
Adjustment to deferred income	(9,430,355)	2,950,537	(6,305,001)	1,817,560
Provision for provisions	(807,518)	235,281	(873,617)	257,569
Adjustment to prepaid expenses	3,976	(997)	377,775	(112,605)
Adjustment to leases	326,640	(81,660)	(7,499)	1,875
Deferred tax asset calculated on prior year tax losses	(1,374,348)	343,587	-	-
		<b>(649,188)</b>		<b>9,149,458</b>

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**NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)  
(Continued)**

The movements of deferred tax (asses)/ liabilities for the periods ended 31 December 2025 and 2024 are as follows:

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<u>Movement of deferred tax assets/(liabilities):</u>		
Opening balance as of 1 January	9,149,458	27,421
Charged to profit or loss	(9,783,682)	9,111,645
Other comprehensive income	(14,964)	10,392
<b>Closing balance at 31 December</b>	<b>(649,188)</b>	<b>9,149,458</b>
	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<u>Reconciliation of the tax provision</u>		
Operating profit before tax	<b>18,484,994</b>	<b>8,544,565</b>
Income tax rate for 2025: 30% (2024: 30%)	(5,545,498)	(2,563,370)
Tax effect		
– Expenses not deductible for tax purposes	(2,775,790)	(47,623)
– Deductions and exemptions	2,095,922	51,667
– Non-taxable income	343,587	-
– Tax rate difference used in deferred tax calculations	90,388	45,360
– Current period loss for which deferred tax is not recognized	-	(75,653)
– Temporary differences for which no deferred tax was previously recognized	-	15,191,034
– Monetary gain/loss	(6,689,661)	(3,874,533)
– Other	(1,659)	2,912
<b>Tax expense / income</b>	<b>(12,482,711)</b>	<b>8,729,794</b>

According to the Tax Procedure Law, tax losses may be carried forward for a maximum of five years. As of December 31, 2025, the Company has usable tax losses totaling TRY 1,374,347,520, with expiration dates ranging between 2026 and 2030. The deferred tax asset calculated over these tax losses amounts to TRY 343,587 (December 31, 2024: None). Management has assessed that it is probable that sufficient taxable profit will be generated in the future and has therefore recognized the deferred tax asset calculated on these tax losses in the financial statements.

The expiration dates of the usable tax losses considered in the calculation of the deferred tax asset are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
2026	3,397	-
2027	44,709	-
2028	124,346	-
2029	159,134	-
2030	1,042,762	-
	<b>1,374,348</b>	<b>-</b>

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**NOTE 24 – EARNINGS PER SHARE**

In Turkey, companies can increase their share capital by making a pro rata distribution of shares “bonus shares” to existing shareholders from retained earnings. The issue of such shares is treated as the issuance of ordinary shares in the calculation of earnings per share. Accordingly, the weighted average number of shares used in these calculations is determined by taking into consideration the retroactive effects of these share distributions. Earnings per share is calculated by considering the total number of new shares when there is an increase in issued shares because of distribution of bonus shares after the balance sheet date but before the preparation of financial statements.

The earnings per share stated in income statement are calculated by dividing net income for the period by the weighted average number of the Group’s shares for the period.

The Group can withdraw the issued shares. The weighted average number of shares taken back changes the calculation of earnings per share in line with the number of shares.

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
Net profit/(loss) attributable to shareholders (TRY)	6,002,283	17,274,359
Weighted average number of shares	3,795,449,709	3,795,449,709
<b>Earnings/(loss) per share (full TRY)</b>	<b>0.15814</b>	<b>0.45513</b>

# EMLAK KONUT GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARIES

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### NOTE 25 – RELATED PARTY DISCLOSURES

The main shareholder of the Group is T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ"). TOKİ is a state institution under the control of Republic of Turkey Ministry of Environment and Urbanisation. Related parties of the Group are as listed below.

1. T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")
2. GEDAŞ (Gayrimenkul Değerleme A.Ş.) (TOKİ iştiraki)
3. TOBAŞ (Toplu Konut - Büyükşehir Bel. İnş. Emlak ve Proje A.Ş.) (TOKİ iştiraki)
4. Vakıf Gayrimenkul Yatırım Ortaklığı A.Ş. (TOKİ iştiraki)
5. Vakıf İnşaat Restorasyon ve Ticaret A.Ş. (TOKİ iştiraki)
6. Emlak-Toplu Konut İdaresi Spor Kulübü
7. Emlak Planlama İnşaat Proje Yönetimi ve Tic. A.Ş. - Emlak Basın Yayın A.Ş. Ortak Girişimi
8. Ege Yapı – Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. Ortak Girişimi
9. Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Cathay Ortak Girişimi
10. Emlak Konut Spor Kulübü Derneği
11. Türkiye Emlak Katılım Bankası A.Ş.
12. T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü
13. İller Bankası A.Ş.
14. Emlak Basın Yayın A.Ş.
15. Büyükyalı Tesis Yönetimi A.Ş.
16. Emlak Konut Spor Kulübü Derneği
17. T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı Milli Emlak Genel Müdürlüğü
18. Merkez Cadde Yönetim A.Ş.
19. Eka Enerji ve Teknoloji A.Ş.

According to the revised TAS 24 – “Related Parties Transactions Standard”, exemptions have been made to the related party disclosures of state institutions and organizations. The Group has transactions with state banks (T.C.Ziraat Bankası A.Ş., Türkiye Vakıflar Bankası T.A.O., Türkiye Halk Bankası A.Ş., Türkiye Emlak Katılım Bankası A.Ş.) and Republic of Turkey Undersecretariat of Treasury.

- The Group keeps its deposits predominantly in state banks in accordance with the relevant provisions. As of 31 December 2025, the Group has deposits amounting to TRY 12,264,438 in state banks (31 December 2024: TRY 7,600,030). Average effective interest rates of time deposits of the Group as of 31 December 2025 are explained in Note 4.

The transactions between the Group and the related parties are as follows:

	31 December 2025	31 December 2024
<b>Trade receivables from related parties</b>		
T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı (*)	14,517,309	6,699
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")	-	3,429
	<b>14,517,309</b>	<b>10,128</b>

(\*) The Company's trade receivables from the Ministry of Environment and Urbanization consist of payments made by the Company for urban transformation projects

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**NOTE 25 – RELATED PARTY DISCLOSURES (Continued)**

<b>Other receivables to related parties</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")	17,158,675	-
	<b>17,158,675</b>	<b>-</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Trade payables to related parties</b>		
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")	23,227,450	-
	<b>23,227,450</b>	<b>-</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Other payables to related parties</b>		
Cathay EPP Adi Ortaklığı	612	878
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ")	86	-
	<b>698</b>	<b>878</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Other short-term receivables from related parties</b>		
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Atlas İnşaat Adi Ortaklığı	54,990	-
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Güneri Adi Ortaklığı	31,032	-
Emlak Planlama, İnşaat, Proje Yönetimi ve Tic. A.Ş. – Şua İnşaat Adi Ortaklığı	-	339,111
Other	868	1,220
	<b>86,890</b>	<b>340,331</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Deposits with related parties</b>		
Türkiye Emlak Katılım Bankası A.Ş.	1,883,158	2,400,831
	<b>1,883,158</b>	<b>2,400,831</b>
	<b>31 December 2025</b>	<b>31 December 2024</b>
Türkiye Emlak Katılım Bankası A.Ş. (*)	10,673,726	5,904,061
	<b>10,673,726</b>	<b>5,904,061</b>

(\*) Includes amounts received by the Group for 29 commercial units sold to Türkiye Emlak Katılım Bankası A.Ş.

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**NOTE 25 – RELATED PARTY DISCLOSURES (Continued)**

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Purchases from related parties</b>		
T.C. Toplu Konut İdaresi Başkanlığı ("TOKİ") (*)	56,923,921	684,607
Marmara Kentsel Dönüşüm Müdürlüğü (**)	3,215,412	8,144,913
T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü	263,828	46,365,868
Emlak Konut Spor Kulübü Derneği	160,881	-
	<b>60,564,042</b>	<b>55,195,388</b>

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Sales to related parties</b>		
Türkiye Emlak Katılım Bankası A.Ş.	3,051,198	-
Marmara Kentsel Dönüşüm Müdürlüğü	1,623,692	-
T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı Kentsel Dönüşüm Hizmetleri Genel Müdürlüğü	206,099	-
İller Bankası A.Ş.	87,311	-
GEDAŞ Gayrimenkul Değerleme A.Ş.	8,088	-
Emlak Konut Spor Kulübü Derneği	267	-
	<b>4,976,655</b>	<b>-</b>

(\*) T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı Toplu Konut İdaresi Başkanlığı (TOKİ)'den İstanbul ili, Esenler ilçesi, Atışalanı Mahallesi'nde bulunan 1692 ada 2 parsel numaralı taşınmazın ve İzmir Aliğa'da toplamda 504.534 m<sup>2</sup>'lik arsa alımı gerçekleştirilmiştir.

(\*\*) T.C. Çevre, Şehircilik ve İklim Değişikliği Bakanlığı Marmara Kentsel Dönüşüm Müdürlüğü'nden İstanbul ili, Esenler ilçesi, Atışalanı Mahallesi'nde yer alan toplam 75.272,82 m<sup>2</sup> ve İstanbul Arnavutköy Ömerli Mahallesi'nde yer alan 14.375 m<sup>2</sup> büyüklüğünde arsa alımları gerçekleştirilmiştir. İşletmenin üst yönetimini oluşturan kişiler, (idari ya da diğer) herhangi bir yöneticisi de dâhil olmak üzere, faaliyetlerini planlama, yönetme ve kontrol etme yetki ve sorumluluğuna doğrudan veya dolaylı olarak sahip olan kişilerdir. Grupta kilit yönetici olarak tanımlanan, Yönetim Kurulu Genel Müdür, Genel Müdür Yardımcıları ve Genel Müdür Danışman'ına ödenen ücret ve kısa vadeli diğer faydalar aşağıdaki gibidir:

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Compensation to key management</b>		
Salaries and other short-term benefits	145,913	121,428
	<b>145,913</b>	<b>121,428</b>

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**NOTE 26 – EXPLANATIONS ON MONETARY POSITION GAINS/(LOSSES)**

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

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Non-monetary items</b>		
<b>Statement of financial position items</b>		
Inventories	22,410,972	43,019,672
Investment properties, tangible and intangible assets	1,343,407	1,770,135
Right of use assests	178,970	-
Deferred tax assets	(10,424,045)	(20,057,651)
Deferred income	7,067,410	(22,072,834)
Share premiums / discounts	(8,937,294)	(11,639,693)
Paid-in capital	(17,007,940)	(22,150,686)
Treasury shares (-)	19,971	26,010
Restricted reserves appropriated from profit	(2,759,686)	(3,494,393)
Gain / (loss) arising from defined benefit plans	10,914	3,923
Other equity items	537,281	699,740
Retained earnings / accumulated losses	(1,297,790)	3,314,800
<b>Statement of profit or loss items</b>		
Revenue	(35,844,872)	(12,395,026)
Cost of sales (-)	35,965,962	17,572,448
General administrative expenses (-)	580,974	470,346
Marketing expenses (-)	158,611	72,886
Other income from operating activities	(2,955,646)	(259,806)
Other expenses from operating activities (-)	2,475,982	191,653
Income from investing activities	14,308	13
Expense from investing activities (-)	5,077	-
Financial income	(126,767)	(701,117)
Financial expenses (-)	758,232	226,191
Current tax expense (-)	238,089	5,424
Ertelenmiş vergi (gideri)/geliri	12,614,541	20,105,874
<b>Monetary gain / loss</b>	<b>5,026,661</b>	<b>(5,292,091)</b>

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**NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Groups's management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

***Liquidity Risk***

Liquidity risk is the inability of the Group to match the net funding requirements with sufficient liquidity. The Group management monitors the undiscounted estimated cash flows arising from the financial liabilities and trade payables of the Group with special reporting methods and analysis.

The maturity distribution of financial liabilities of the Group as of 31 December 2025 and 2024 is as follows:

	Carrying value	Constructual cash flows	Up to 3 months	3 months to 12 months	1 year- to 5 years
<b>31 December 2025</b>					
<b>Short-term financial liabilities</b>					
<b>(Non-derivative):</b>					
Financial liabilities	21,189,271	31,985,798	11,772,779	20,213,019	-
Other financial liabilities	7,000,000	7,000,000	-	7,000,000	-
Trade payables	33,495,493	33,495,493	33,495,493	-	-
Other payables	4,391,811	4,391,811	4,391,811	-	-
	<b>66,076,575</b>	<b>76,873,102</b>	<b>49,660,083</b>	<b>27,213,019</b>	<b>-</b>
<b>Long-term financial liabilities</b>					
<b>(Non-derivative):</b>					
Financial liabilities	26,380,018	59,864,541	-	-	59,864,541
Other financial liabilities	21,408,305	21,408,305	-	-	21,408,305
Other financial liabilities	176,935	176,935	-	-	176,935
Trade payables	684,897	684,897	-	-	684,897
	<b>48,650,155</b>	<b>82,134,678</b>	<b>-</b>	<b>-</b>	<b>82,134,678</b>
<b>31 December 2024</b>					
<b>Short-term financial liabilities</b>					
<b>(Non-derivative):</b>					
Financial liabilities	16,891,888	21,893,836	10,969,030	10,924,806	-
Trade payables	9,796,496	9,796,496	9,796,496	-	-
Other payables	3,964,842	3,964,842	3,964,842	-	-
	<b>30,653,226</b>	<b>35,655,174</b>	<b>24,730,368</b>	<b>10,924,806</b>	<b>-</b>
<b>Long-term financial liabilities</b>					
<b>(Non-derivative):</b>					
Financial liabilities	25,478	40,191	-	-	40,191
Trade payables	483,286	483,286	-	-	483,286
Other payables	618,906	618,906	-	-	618,906
	<b>1,127,670</b>	<b>1,142,383</b>	<b>-</b>	<b>-</b>	<b>1,142,383</b>

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**NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL  
INSTRUMENTS (Continued)**

***Interest Rate Risk***

The Group is vulnerable to interest rate arising from the change of interest rates due to its interest-earning asset and interest-paid liabilities. This risk is managed through on-balance sheet method by balancing the amount and maturity of interest rate sensitive assets and liabilities. In this context, great importance is attached to the fact that not only the due dates of receivables and payables, but also the periods of interest renewal are similar.

Average effective annual interest rates of balance sheet items as of 31 December 2025 and 2024 are as follows:

The table showing the Group's interest rate sensitive financial instruments is as follows:

	<b>31.12.2025</b>	<b>31.12.2024</b>
<b>Financial instruments with fixed interest rate</b>		
Time deposits	11,986,071	7,485,858
Financial liabilities	18,002,710	16,917,366
<b>Variable-rate financial instruments</b>		
Financial Liabilities	29,363,540	-

***Credit Risk Disclosures***

The Group is subject to credit risk arising from trade receivables related to forward sales, other receivables and deposits at banks. The Group manages credit risk of bank deposits by working mainly with state banks established in Turkey and having long standing relations with the Group. Majority of bank deposits in this regard are with the state owned retail banks. Credit risk of receivables from third parties is managed by securing receivables with collaterals covering receivables at the highest possible proportion. Methods used are as follows:

- Bank guarantees (letter of guarantee, etc.),
- Mortgage on real estate,
- Retain the legal title to the goods solely to protect the collectability of the amount due.

In credit risk control, the credit quality of each customer is assessed; taking into account its financial position, past experience and other factors, individual risk limits are set in accordance and the utilization of credit limits is regularly monitored.

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**NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**

***Credit Risk Disclosures (Continued)***

As of 31 December 2025, and 2024 details of credit and receivables risk are as follows:

31 December 2025	Trade Receivables		Other Receivables		Deposits at Banks
	Related Party	Other	Related Party	Other	
<b>Maximum credit risks exposed as of reporting date</b>	<b>14,517,309</b>	<b>29,481,353</b>	<b>86,890</b>	<b>1,474,457</b>	<b>12,444,030</b>
Secured portion of the maximum credit risk by guarantees, etc.	14,517,309	29,481,353	86,890	1,474,457	12,444,030
A. Net carrying value of financial assets that are neither past due nor impaired	14,517,309	29,481,353	86,890	1,474,457	12,444,030
Secured portion by guarantees etc.	14,517,309	29,481,353	86,890	1,474,457	-
B. Net carrying value of assets with negotiated terms	-	-	-	-	-
Secured portion by guarantees etc.	-	-	-	-	-
C. Net carrying value of financial assets that are past due but not impaired	-	-	-	-	-
Secured portion by guarantees etc.	-	-	-	-	-
D. Net carrying value of impaired assets	-	-	-	-	-
Past due (Gross carrying value)	-	20,542	-	-	-
Impairment (-)	-	(20,542)	-	-	-
Secured portion by guarantees etc.	-	-	-	-	-
<b>31 December 2024</b>	<b>Trade Receivables</b>		<b>Other Receivables</b>		<b>Deposits at Banks</b>
	<b>Related Party</b>	<b>Other</b>	<b>Related Party</b>	<b>Other</b>	
<b>Maximum credit risks exposed as of reporting date</b>	<b>10,128</b>	<b>13,767,141</b>	<b>340,331.00</b>	<b>1,251,518</b>	<b>8,051,226</b>
Secured portion of the maximum credit risk by guarantees, etc.	10,128	13,767,141	340,331	1,251,518	8,051,226
A. Net carrying value of financial assets that are neither past due nor impaired	10,128	13,767,141	340,331	1,251,518	8,051,226
Secured portion by guarantees etc.	10,128	13,767,141	340,331	1,251,518	-
B. Net carrying value of assets with negotiated terms	-	-	-	-	-
Secured portion by guarantees etc.	-	-	-	-	-
C. Net carrying value of financial assets that are past due but not impaired	-	-	-	-	-
Secured portion by guarantees etc.	-	-	-	-	-
D. Net carrying value of impaired assets	-	-	-	-	-
Past due (Gross carrying value)	-	16,312	-	-	-
Impairment (-)	-	(16,312)	-	-	-
Not past due	-	-	-	-	-
Secured portion by guarantees etc.	-	-	-	-	-

In determining the amounts above, factors that enhance credit reliability, such as received collaterals, have not been taken into account. The Group has no off-balance sheet items involving credit risk.

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**NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**

***Foreign Exchange Risk***

The Group is subject to the foreign currency risk due to the foreign currency deposits in the bank deposit account. Since the Group does not use foreign currency in its main operations, the foreign currency risk is only originated from deposits of the Group.

***Foreign Currency Position***

Foreign currency denominated assets, liabilities and effects arising from foreign exchanges arising from having off-balance sheet items constitute exchange rate risk.

As of 31 December 2025, the Group's foreign currency assets and liabilities did not need to be balanced with any off-balance sheet items. The table below summarizes the Group's foreign currency position of the Group as of 31 December 2025 and 2024. TRY equivalents of carrying values of assets and liabilities denominated in foreign currencies are as follows:

	31 December 2025		
	TL Equivalent (Functional currency)	US Dollar	EURO
1a. Monetary Financial Assets	239,176	2,555	2,580
2.CURRENT ASSETS	239,176	2,555	2,580
3. TOTAL ASSETS	239,176	2,555	2,580
5. CURRENT LIABILITIES	-	-	-
6.TOTAL LIABILITIES	-	-	-
7.Net foreign currency asset / liability position	239,176	2,555	2,580
8. Monetary items net foreign currency asset / liability position (1a-4a)	239,176	2,555	2,580
	31 December 2024		
	TL Equivalent (Functional currency)	US Dollar	EURO
1a. Monetary Financial Assets	359,209	182	7,295
2.CURRENT ASSETS	359,209	182	7,295
3. TOTAL ASSETS	359,209	182	7,295
5. CURRENT LIABILITIES	-	-	-
6.TOTAL LIABILITIES	-	-	-
7.Net foreign currency asset / liability position	359,209	182	7,295
8. Monetary items net foreign currency asset / liability position (1a-4a)	359,209	182	7,295

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**NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL  
INSTRUMENTS (Continued)**

***Capital Risk Management***

The Group attempts to manage its capital by minimizing the investment risk with portfolio diversification. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

While managing the capital, the Group's objectives are to maintain the Group's operability in order to maintain the most appropriate capital structure in order to provide benefits to its shareholders, benefit from other stakeholders and reduce the cost of capital.

Gearing ratio as of 31 December 2025 and 2024 is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Financial Liabilities	47,569,289	16,917,366
Less: Cash and cash equivalents	(14,753,530)	(10,839,696)
Net Liability/(Asset)	32,815,759	6,077,670
Total Shareholder's Equity	129,708,658	125,398,937
Equity + net debt	162,524,417	131,476,607
<b>Net liability (asset)/Total Capital Ratio</b>	<b>0.20</b>	<b>0.05</b>

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**NOTE 28 – FINANCIAL INSTRUMENTS**

***Fair Value of Financial Instruments***

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The Group has determined the estimated fair values of financial instruments using current market information and appropriate valuation methods. However, evaluating market information and estimating fair values requires interpretation and judgment. As a result, the estimations presented here cannot be an indication of the amounts that the Group can obtain in a current market transaction.

The following methods and assumptions are used to estimate the fair values of financial instruments that are practically possible to estimate fair values:

	31 December 2025		31 December 2024		Notes
	Net book value	Fair Value	Net book value	Fair Value	
<b>Financial assest</b>					
Cash and cash equivalents	14,753,530	14,753,530	10,839,696	10,839,696	4
Short term financial liabilities	2,441,955	2,441,955	-	-	
Trade receivables	29,481,353	29,481,353	13,767,141	13,767,141	6
Receivables from related parties	14,604,199	14,604,199	350,459	350,459	25
Other receivables	1,474,457	1,474,457	1,251,518	1,251,518	7
<b>Total financial assets</b>	<b>62,755,494</b>	<b>62,755,494</b>	<b>26,208,814</b>	<b>26,208,814</b>	
<b>Financial liabilities</b>					
Borrowings	47,569,289	47,569,289	16,917,366	16,917,366	5
Other financial liabilities	28,408,305	28,408,305	-	-	5
Trade payables	10,444,978	10,444,978	10,279,782	10,279,782	6
Payables to related parties	698	698	878	878	25
Other payables	5,076,010	5,076,010	4,582,870	4,582,870	7
<b>Total financial liabilities</b>	<b>91,499,280</b>	<b>91,499,280</b>	<b>31,780,896</b>	<b>31,780,896</b>	
<b>Net</b>	<b>(28,743,786)</b>	<b>(28,743,786)</b>	<b>(5,572,082)</b>	<b>(5,572,082)</b>	

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**NOTE 28 – FINANCIAL INSTRUMENTS (Continued)**

***Fair Value of Financial Instruments (Continued)***

***Financial Assets:***

The fair values of cash and due from banks are considered to approximate their respective carrying values due to their short-term nature.

The carrying values of trade and other receivables are expected to reflect the fair value along with the relevant impairment provisions.

It is estimated that the fair values of the foreign currency balances converted with the exchange rates at the end of the period are close to their carrying values.

Special issue Government Debt Securities issued by the Treasury and given to the Group for the payments to be made to the HAS beneficiaries are not subject to trading in the secondary market and do not contain interest. They are recognized with their carrying value which is their fair value by the Group and they can be amortized at carrying value by the Group against the Treasury.

As of the period-end, there are no financial assets measured at fair value.

***Financial Liabilities:***

The Group's borrowing from the Treasury in order to finance HAS payments are calculated at each interest payment period based on the weighted average compound interest rate of the Government Debt Securities. Therefore, the carrying value of this financial borrowing of the Group approximate their fair value.

Short-term trade payables and other liabilities with no stated interest rate are measured at original invoice amount. Since, these trade payables and other liabilities will be paid when requested they are considered as short-term.

It is anticipated that there is no significant difference between the cost values and fair values of the borrowings with floating interest rates including its accruals for the regarding period.

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**NOTE 28 – FINANCIAL INSTRUMENTS (Continued)**

***Fair Value of Financial Instruments (Continued)***

***Financial Liabilities: (Continued)***

Fair Value of Financial Instruments

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

- Level 1: Financial assets and financial liabilities with standard terms and conditions are valued with quoted market prices which are determined on active liquid markets.
- Level 2: Financial assets and financial liabilities are valued by directly or indirectly observable market prices rather than the quoted market prices mentioned in first level of the regarding assets or liabilities.
- Level 3: Financial assets and financial liabilities are valued by inputs where there is no observable market data of the fair value of the regarding assets and liabilities.

As of the period-end, there are no financial liabilities measured at fair value.

<b>31 December 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Fair Value Through Profit or Loss (FVTPL)			
- Investments in certificates and funds	(351,228)	-	-
	<b>(351,228)</b>	<b>-</b>	<b>-</b>

Certificate and fund investments consist of Damlakent real estate certificates traded on the stock exchange and participation shares in real estate investment funds.

The fair values of Damlakent certificates are determined based on quoted market prices. Fair value changes of real estate certificates repurchased on behalf of TOKİ as part of liquidity providing activities are reflected to TOKİ in accordance with the contract terms and are simultaneously recognized within receivables from TOKİ. Consequently, fair value changes of the related certificates have no net impact on the profit or loss for these companies. However, since the certificates purchased by the Group's subsidiary, Emlak Planlama İnşaat Proje Yönetimi ve Ticaret A.Ş., are not within the scope of liquidity providing, the fair value changes related to these Damlakent certificates are recognized under income/expenses from investing activities in the consolidated statement of profit or loss.

Real estate investment fund participation shares are classified as financial assets at fair value through profit or loss, and their fair value changes are recognized under income/expenses from investing activities in the statement of profit or loss. As Damlakent certificates and real estate investment fund participation shares are measured using quoted market prices, they are classified as Level 1 within the fair value hierarchy.

As of the end of the period, there are no financial liabilities carried at fair value

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**NOTE 29 – COMMITMENTS**

The Group's mortgage and guarantees received as of 31 December 2025 and 2024 are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Guarantees received (*)	64,583,962	70,395,896
Mortgages received (**)	664,137	876,985
	<b>65,248,099</b>	<b>71,272,881</b>

(\*) Guarantees received consist of letters of guarantee given by contractors for construction projects and temporary guarantee letters received during the tender process.

(\*\*) Mortgages received consist of mortgages independent sections and lands sold but not yet collected.

The collaterals, pledges and mortgages ("CPM") of the Group as of 31 December 2025 and 2024 are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
A Total amount of CPM given on behalf of the Company's own legal entity	1,979,781	793,799
B Total amount of CPM given against the subsidiaries included in full consolidation	-	-
C Total amount of CPM given to maintain operations and collect payables from third parties	-	-
D Total amount of other CPM given		
i) In the name of the parent Company	-	-
ii) In the name of other group companies that are not included in the scope of item B and C	-	-
iii) In the name of third parties that are not included in the scope of item C	-	-
	<b>1,979,781</b>	<b>793,799</b>

**NOTE 30 – FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDIT FIRM**

	<b>2025</b>			<b>2024</b>		
	BDK	Other BDK	Total	BDK	Other BDK	Total
Independent audit fees for the reporting period	6,785	-	6,785	4,241	-	4,241
Fees for tax advisory services	-	3,546	3,546	-	2,823	2,823
	<b>6,785</b>	<b>3,546</b>	<b>10,331</b>	<b>4,241</b>	<b>2,823</b>	<b>7,064</b>

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**NOTE 31 - EVENTS AFTER THE REPORTING PERIOD**

The Group has signed the contract for the "Muğla Bodrum Ortakent 2nd Stage Revenue Sharing Model Project in Return for Land Sale" with the Joint Venture of EN-EZ İnş. San. ve Tic. A.Ş. & SRL İnş. Taah. Tur. Elk. Tic. ve San. Ltd. Şti. based on a Total Sales Revenue of TRY 7,061,000, a Company Share of Revenue of TRY 2,824,400, and a Company Share Ratio of 40%.

The Group has signed the contract for the "Aydın Didim Fevzipaşa 1st Stage Revenue Sharing Model Project in Return for Land Sale" with the Joint Venture of DAĞ Gayrimenkul Yatırım Ortaklığı A.Ş. & DAĞ Müh. Müt. Tic. ve San. A.Ş. based on a Total Sales Revenue of TRY 3,075,000, a Company Share of Revenue of TRY 922,500, and a Company Share Ratio of 30%.

In accordance with the Board of Directors' decision and pursuant to Article 35 titled "Selection of Real Estate Appraisal Companies" of the Communiqué on Principles Regarding Real Estate Investment Trusts, the Group has resolved to receive appraisal services from "Yetkin Gayrimenkul Değerleme A.Ş." and "Talya Gayrimenkul Değerleme ve Danışmanlık A.Ş." for assets that may be included in the Company's portfolio and require appraisal during 2026; and from "Yetkin Gayrimenkul Değerleme A.Ş.", "Talya Gayrimenkul Değerleme ve Danışmanlık A.Ş.", "Acar Gayrimenkul Değerleme ve Danışmanlık A.Ş.", and "Terra Gayrimenkul Değerleme ve Danışmanlık A.Ş." for each existing asset in the Company's portfolio requiring appraisal.

Following an additional protocol signed with the Contractor of the "Istanbul Sarıyer Ayazağa Revenue Sharing Model Project in Return for Land Sale (Yeni Levent)", the Minimum Total Company Share of Revenue has increased from TRY 3,792,480 to TRY 7,218,022.

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**ADDITIONAL NOTE – CONTROL OF COMPLIANCE WITH THE PORTFOLIO  
LIMITATIONS**

	<b>Non-Consolidated (Standole) Financial Statement Main Account Items</b>	<b>Related Regulation</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
A	Money and Capital Market Instruments	Series: III-No.48, Art.24/(b)	7,790,767	8,204,943
B	Properties, Projects based on Properties and Rights based on Properties	Series: III-No.48, Art.24/(a)	247,351,115	224,225,573
IS	Subsidiaries	Series: III-No.48, Art.24/(b)	6,094,001	5,394,003
	Due from Related Parties (Non-trade)	Series: III-No.48, Art.23/(f)	-	-
DV	Other Assets		61,285,566	26,065,444
<b>D</b>	<b>Total Assets (Total Assets)</b>		<b>322,521,449</b>	<b>263,889,963</b>
E	Financial Liabilities	Series: III-No.48, Art.24/(b)	54,078,750	16,887,910
F	Other Financial Liabilities	Series: III-No.48, Art.24/(a)	-	-
G	Due from Financial Leases	Series: III-No.48, Art.24/(b)	-	-
H	Due to Related Parties (Non commercial)	Series: III-No.48, Art.23/(f)	-	-
I	Shareholders' equity		130,467,707	127,380,591
EB	Other Resources		137,974,992	119,621,462
<b>D</b>	<b>Total Resources</b>	Series: III-No.48, Art.3/(k)	<b>322,521,449</b>	<b>263,889,963</b>
	<b>Non-Consolidated (Standole) Other Financial Information</b>	<b>Related Regulation</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
	The Portion of Money and Capital Market Instruments Held for			
A1	3-Year Real Estate Payments	Series: III-No.48, Art.24/(b)	7,790,767	8,204,943
A2	Term / Demand / Currency	Series: III-No.48, Art.24/(b)	13,072,959	10,349,516
A3	Foreign Capital Market Instruments	Series: III-No.48, Art.24/(d)	-	-
B1	Foreign Properties, Projects based on properties and rights based on Properties	Series: III-No.48, Art.24/(d)	-	-
B2	Idle Land	Series: III-No.48, Art.24/(c)	22,308,626	19,504,116
C1	Foreign Subsidiaries	Series: III-No.48, Art.24/(d)	-	-
C2	Subsidiaries of the Operating Company	Series: III-No.48, Art.28	5,832,605	5,751,350
J	Non-Cash Loans	Series: III-No.48, Art.31	1,157,934	216,120
K	Mortgage amount of servient lands which will be developed and not owned	Series: III-No.48, Art.22/(e)		
	<b>Portfolio Restrictions</b>	<b>Related Regulation</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
1	Mortgage amount of Servient Lands Which Will be Developed And Not Owned	Series: III-No.48, Art.22/(e)	0%	0%
2	Properties, Projects based on Properties and Rights based on Properties	Series: III-No.48, Art.24/(a),(b)	79%	88%
3	Money and Capital Market Instruments and Affiliates	Series: III-No.48, Art.24/(b)	2%	2%
4	Foreign Properties, Projects based on properties and rights based on Properties,			
5	Subsidiaries, Capital Market Instruments	Series: III-No.48, Art.24/(d)	0%	0%
6	Idle Land	Series: III-No.48, Art.24/(c)	7%	7%
7	Subsidiaries of the Operating Company	Series: III-No.48, Art.28	2%	2%
8	Borrowing Limit	Series: III-No.48, Art.31	42%	13%
9	Term / Demand / Currency	Series: III-No.48, Art.22/(e)	2%	1%

The information in the table of Control of Compliance with the Portfolio Limitations is condensed information derived from financial statements as per Article 16 of Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets” and is prepared within the frame of provisions related to compliance to portfolio limitations stated in the Communiqué Serial III No 48.1 “Principles Regarding Real Estate Investment Trusts” published in the Official Gazette No. 28660 on 28 May 2013.

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