

AVRUPAKENT GYO A.Ş.

Q1 2026 FINANCIAL RESULTS

AVPGY delivered 22% real revenue growth in Q1 2026 compared to Q1 2025.

Operational and Financial Performance

Avrupakent REIT delivered **36%** real growth in residential and office sales revenues in Q1 2026 compared to Q1 2025, while rental revenues increased by **17%**.

As of the end of Q1 2026, Avrupakent REIT's total portfolio value reached **TRY 52.8 billion**.

Revenues (TRY)	January 1 – March 31, 2026	January 1 – March 31, 2025	Change
Rental	746,159,299	640,096,762	17%
Residential and office sales	480,624,301	352,827,987	36%
Common area	62,789,801	62,170,830	1%
Other	2,075,882	3,285,886	(37%)
Total	1,291,649,283	1,058,381,465	22%

Rental Revenues

Avrupakent REIT maintained its operational efficiency in Q1 2026, generating a total of **TRY 746 million** in rental revenue and achieving a **17%** increase in real terms.

Rental income growth was driven by stable contributions from 229 commercial units and the Company's tourism assets, Swissotel Resort Bodrum Beach, Mövenpick Living Çamlıvadi and Radisson Residences Avrupa TEM, along with higher fixed and turnover-based rental revenues generated by Forum Trabzon, ArenaPark and ArmoniPark shopping malls.

Sales Performance and Inventory Optimization

In Q1 2026, inventories totaled **TRY 4.8 billion**, while residential and office sales revenues increased by **36%** to **TRY 480 million** compared to Q1 2025.

- At the residential properties in our portfolio, Avrupa Konutları Şişli, Demir Life and Avrupa Konutları Çamlıvadi, a total of 36 residential units were sold in Q1 2026.

Gross Profit and Cost Structure

The inclusion of the land values of the Avrupa Konutları Şişli and Demir Life projects, based on the appraisal report dated December 31, 2023, into costs at the purchasing power of March 31, 2026, together with the impact of inflation, has increased the cost of residential sales.

Income Statement (TRY)	January 1 – March 31, 2026	January 1 – March 31, 2025
Revenue	1,291,649,283	1,058,381,465
Cost of residential and office sales	(490,006,276)	(228,889,738)
Common area expenses	(52,557,817)	(170,589,878)
Other	-	(73.005)
Cost of sales	(542,564,093)	(399,552,621)
Gross profit	749,085,190	658,828,844

In Q1 2026, gross profit increased by **13.7%** in real terms compared to Q1 2025.

Deferred Tax Liability / Current Tax Income (Expense)

Pursuant to Law No. 7524, effective as of January 1, 2025, certain conditions have been introduced for the corporate tax exemption applicable to REITs. Accordingly, if at least 50% of income derived from real estate assets is distributed as dividends, a reduced corporate tax rate of 10% will apply.

However, despite the requirement under our Articles of Association to distribute at least 50% of distributable profit as dividends, tax expense has been calculated at a rate of 30% in the TFRS/IFRS financial statements.

In addition, changes in deferred tax liabilities arising from legislative amendments as of December 31, 2024 have also impacted net profit for the period, resulting in a downward accounting effect on the net income line.

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Disclaimer

This document has been prepared based on the financial report for the period January 1 – March 31, 2026, as disclosed on the Public Disclosure Platform (KAP), in order to enable our stakeholders to follow our Company's activities in a more transparent and comprehensible manner. In the event of any discrepancy between the summarized data presented herein and the official financial statements, the data disclosed in our publicly announced financial reports shall prevail.

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