

UFUK YATIRIM YÖNETİM VE GAYRİMENKUL ANONİM ŞİRKETİ

**FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT**

**(CONVENIENCE TRANSLATION INTO ENGLISH OF THE
INDEPENDENT AUDITORS' REPORT AND
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)**

**CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

UFUK YATIRIM YÖNETİM VE GAYRİMENKUL ANONİM ŞİRKETİ

FINANCIAL STATEMENTS AS AT AND FOR THE YEAR 1 JANUARY- 31 DECEMBER 2025

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CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN
TURKISH

UFUK YATIRIM YÖNETİM VE GAYRİMENKUL ANONİM ŞİRKETİ

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 AND 2024

(Amounts on tables expressed in Turkish Lira (“TL”) in terms of purchasing power of TL on 31 December 2025, unless otherwise indicated.)

ASSETS	Notes	Current period	Prior period
		Audited	Audited
		31 December 2025	31 December 2024
Current Assets		122,240,926	140,595,403
Cash and Cash Equivalents	3	3,852	91,700,087
Financial Investments	4	87,602,962	-
Other Receivables	9	-	10,235,180
<i>Other Receivables Due from Third Parties</i>	9	-	10,235,180
Prepaid Expenses	10	640,299	-
Other Current Assets	11	33,993,813	38,660,136
Total		122,240,926	140,595,403
Non-Current Assets		2,665,116,934	1,831,211,161
Investment Properties	6	2,664,950,000	1,831,211,161
Property, Plant and Equipment	7	166,934	-
TOTAL ASSETS		2,787,357,860	1,971,806,564

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN
TURKISH

UFUK YATIRIM YÖNETİM VE GAYRİMENKUL ANONİM ŞİRKETİ

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 AND 2024

(Amounts on tables expressed in Turkish Lira (“TL”) in terms of purchasing power of TL on 31 December 2025, unless otherwise indicated.)

		Current period	Prior period
		Audited	Audited
LIABILITIES	Notes	31 December 2025	31 December 2024
Current Liabilities		1,193,100	1,851,115
Trade Payables	5	544	331,010
<i>Trade Payables Due to Third Parties</i>	5	544	331,010
Other Payables	9	1,003,754	1,193,335
<i>Other Payables Due to Third Parties</i>	9	1,003,754	1,193,335
Other Current Liabilities	11	188,802	326,770
Total		1,193,100	1,851,115
Non-Current Liabilities		334,943,823	28,365,743
Deferred Tax Liabilities	8	334,943,823	28,365,743
Equity Attributable to Owners of Parent		2,451,220,937	1,941,589,706
Paid-in Share Capital	13	46,846,881	46,846,881
Adjustment to Share Capital	13	1,071,628,831	1,071,628,831
Treasury Shares (-)	13	(6,075,395)	(6,075,395)
Restricted Reserves Appropriated from Profits	13	293,003,928	332,233,193
Retained Earnings	13	536,185,461	812,001,590
Profit for the Period	13	509,631,231	(315,045,394)
TOTAL LIABILITIES AND EQUITY		2,787,357,860	1,971,806,564

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

UFUK YATIRIM YÖNETİM VE GAYRİMENKUL ANONİM ŞİRKETİ

STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of TL on 31 December 2025, unless otherwise indicated.)

		Current period	Prior period
		<i>Audited</i>	<i>Audited</i>
	Notes	1 January- 31 December 2025	1 January - 31 December 2024
Profit or loss			
Revenue	15	-	-
Cost of Sales (-)	15	-	-
GROSS PROFIT		-	-
General Administrative Expenses (-)	16	(11,334,815)	(76,319,165)
Other Operating Income	17	994,169	24,580,061
Other Operating Expenses (-)	17	(7,561,735)	(2,472,298)
OPERATING PROFIT		(17,902,381)	(54,211,402)
Gains from investment activities	18	833,962,222	280,958,172
Losses from investment activities (-)	18	-	(250,152,734)
Operating profit before financial income/(expense)		816,059,841	(23,405,964)
Financial Income	19	35,350,281	12,036,954
Financial Expense (-)	19	(259,317)	(1,170,357)
Net monetary position gains/(losses)	24	(34,941,494)	(303,456,451)
PROFIT BEFORE TAX		816,209,311	(315,995,818)
Tax income/(expense)		(306,578,080)	(86,366,877)
-Deferred income tax	8	(306,578,080)	(86,366,877)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		509,631,231	(402,362,695)
PROFIT/(LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	20	-	87,317,301
PROFIT/(LOSS) FOR THE PERIOD		509,631,231	(315,045,394)
Attributable to			
Equity Attributable to Owners of Parent		509,631,231	(315,045,394)
Earnings per share from continuing operations	14	10,88	(6,73)
TOTAL COMPREHENSIVE INCOME		509,631,231	(315,045,394)

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

UFUK YATIRIM YÖNETİM VE GAYRİMENKUL ANONİM ŞİRKETİ

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts on tables expressed in Turkish Lira (“TL”) in terms of purchasing power of TL on 31 December 2025, unless otherwise indicated.)

						<u>Items not to be reclassified to profit or loss</u>	<u>Retained earnings</u>			
	Paid-in share capital	Adjustment to share capital	Restricted reserves appropriated from profit	Treasury shares	Actuarial (losses)	Financial assets revaluation surplus	Retained earnings	Profit/(loss) for the period	Total equity	
Audited prior period										
Balances at 1 January 2024 (Beginning of the period)	46,846,881	1,071,628,831	332,233,193	(6,075,395)	(639,895)	(225,478,167)	1,827,349,799	(789,230,147)	2,256,635,100	
Transfers	-	-	-	-	639,895	225,478,167	(1,015,348,209)	789,230,147	-	
Total comprehensive income	-	-	-	-	-	-	-	(315,045,394)	(315,045,394)	
Balances at 31 December 2024 (End of the period)	46,846,881	1,071,628,831	332,233,193	(6,075,395)	-	-	812,001,590	(315,045,394)	1,941,589,706	
Audited current period										
Balances at 1 January 2025 (Beginning of the period)	46,846,881	1,071,628,831	332,233,193	(6,075,395)	-	-	812,001,590	(315,045,394)	1,941,589,706	
Transfers	-	-	(39,229,265)	-	-	-	(275,816,129)	315,045,394	-	
Total comprehensive income	-	-	-	-	-	-	-	509,631,231	509,631,231	
Balances at 31 December 2025 (End of the period)	46,846,881	1,071,628,831	293,003,928	(6,075,395)	-	-	536,185,461	509,631,231	2,451,220,937	

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

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of TL on 31 December 2025, unless otherwise indicated.)

		Current period	Prior period
		Audited	Audited
	Notes	1 January - 31 December 2025	1 January - 31 December 2024
A. CASH FLOWS FROM OPERATING ACTIVITIES		(96,655,762)	(38,881,592)
Profit for the period from continuing operations		509,631,231	(402,362,695)
Profit for the period from discontinued operations	20	-	87,317,301
Adjustments to reconcile profit for the period to cash generated from operating activities		(521,749,699)	188,539,927
Adjustments for depreciation and amortisation	7	23,346	163,172
Adjustments for tax income and expenses	8	306,578,080	77,531,745
Adjustments for provisions		-	(7,054,220)
Adjustments for interest expenses	19	-	925,034
Adjustments for interest income	19	(26,792,246)	(130,397,170)
Adjustments for fair value losses/(gains)	18	(833,962,222)	(126,673,857)
Adjustments for non-cash items		-	226,634,602
Adjustments for net monetary position gains/losses	24	32,403,343	147,410,621
Other adjustments to reconcile profit for the period		(521,749,699)	188,539,927
Changes in working capital		(84,537,294)	87,623,875
Adjustments for changes in financial investments	4	(87,602,962)	-
Adjustments for increase (decrease) in trade receivables	5	-	125,640,259
Adjustments for increase (decrease) in trade payables	5	252,343	(2,761,484)
Adjustments for increase (decrease) in prepaid expenses	10	(640,299)	-
Changes in payables due to employee benefits		-	(276,654)
Changes in other assets and liabilities	11	(4,457,980)	1,555,293
Adjustments for losses/(gains) on Other Receivables	9	7,819,542	(36,695,283)
Adjustments for losses/(gains) on Other Payables	9	92,062	161,744
Total cash flows from operating activities		(96,655,762)	(38,881,592)
B. CASH FLOWS FROM INVESTING ACTIVITIES		(190,280)	130,562,403
Cash inflows from sales of property, plant and equipment	7	-	284,188
Cash outflows from purchases of property, plant and equipment (-)	7	(190,280)	(118,955)
Interest received		-	130,397,170
C. CASH FLOWS FROM FINANCING ACTIVITIES		26,792,246	-
Interest received	19	26,792,246	-
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		-	-
INFLATION EFFECT ON CASH AND CASH EQUIVALENTS		(21,642,439)	(8,556)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(70,053,796)	91,680,811
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3	91,700,087	27,832
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	3	3,852	91,700,087

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

NOTE 1 – COMPANY’S ORGANISATION AND NATURE OF OPERATIONS

Ufuk Yatırım was established in 1995 under the title Site Finansal Kiralama Anonim Şirketi to operate in Türkiye in accordance with the provisions of the Financial Leasing Law numbered 3226, based on the operating license obtained from the Prime Ministry Undersecretariat for Treasury and Foreign Trade. The title was changed to FFK Fon Finansal Kiralama Anonim Şirketi on 16 July 2002. The aforementioned title change was registered by the Trade Registry Office and announced in the Official Gazette numbered 5610 on 9 August 2002.

The Company acquired 83.8% of Toprak Finansal Kiralama’s shares from the Savings Deposit Insurance Fund on 14 July 2005, and 1.2% of its ownership interest from minority shareholders at a later date, thereby acquiring 85% of Toprak Finansal Kiralama’s effective ownership interest.

In accordance with the decision of the “Extraordinary General Assembly” on 29 September 2006, it has been decided to realise a business combination with the subsidiary Toprak Finansal Kiralama by acquiring all of the assets and liabilities. The business combination realised on 6 October 2006, and was finalized with its publication in the Official Gazette on 11 October 2006, numbered 6661. With the relevant business combination, the Company realised initial public offering and prepared its financial statements for the first time on 31 December 2006, and submitted to the Capital Markets Board (the “CMB”) and Borsa İstanbul.

In accordance with the decision of the Board of Directors of FFK Fon Finansal Kiralama on 17 March 2015, it has been decided to apply to the Banking Regulation and Supervision Agency (the “BRSA”) for the revocation of the operating license related to financial leasing, which is the main activity, in order to ensure its cancellation in the company's reserve under Article 50, Paragraph 1(e) of the Financial Leasing, Factoring, and Financing Companies Law numbered 6361. Pursuant to the BRSA’s approval on 25 June 2015, numbered 6346, regarding the cancellation of the aforementioned activity, the amendment of the Company's status and change of nature of business were approved at the extraordinary general meeting held on 18 September 2015. The relevant change in the status was published in the Official Gazette on 8 October 2015, and numbered 8921, and the title was changed to Fon Sınai Yatırımlar Anonim Şirketi.

The title of “Fon Sınai Yatırımlar Anonim Şirketi” was changed to “Ufuk Yatırım Yönetim ve Gayrimenkul Anonim Şirketi” on 17 May 2016 and the relevant decision was published in the Official Gazette on 24 May 2016 and numbered 9081.

Ufuk Yatırım’s nature of business includes ensuring investment, consulting, buying and selling trade, import, and export in all sectors. The Company may carry out any and all activities and transactions.

In accordance with the meeting on 22 April 2022, it has been determined that the appropriate conditions exist for transition from the “Close Monitoring Market” to the “Lower Market,” which is a Higher Market. Accordingly, the necessary procedures were initiated on 22 April 2022, to enter the Upper Market, and an application was submitted to the relevant authorities. In accordance with the announcement realised by Borsa İstanbul on 26 April 2022, the application was evaluated and approved to be quoted on a higher market as of 27 April 2022.

Under the share transfer agreement signed on 14 June 2024, and closed on 9 December 2024, all of the shares held by Yıldız Holding, the Company's majority shareholder as of 31 December 2024, in the share capital (93.03%) have been transferred.

NOTE 1 – COMPANY’S ORGANISATION AND NATURE OF OPERATIONS (Continued)

As of 31 December 2025, the main shareholder and ultimate control party of Ufuk Yatırım is Lydia Holding.

As of 31 December 2025 and 2024, the principal shareholders and their respective shareholding rates in Ufuk Yatırım are as follows:

Shareholders	31 December 2025		31 December 2024	
	Share (%)	Amount	Share (%)	Amount
Lydia Holding A.Ş.	62.96%	29,494,796	60.17%	28,186,749
Other (*)	37.04%	17,352,085	39.83%	18,660,132
	100%	46,846,881	100%	46,846,881

(*) Represents publicly traded shares listed on the Borsa İstanbul ("BİST").

“The business combination of Lydia Yatırım Holding, together with all its assets and liabilities, through a takeover without liquidation was completed on 30 December 2025. In accordance with the relevant business combination, and as a result of the transfer of ownership interest owned by our Company held in the capital of Lydia Yatırım Holding to Lydia Holding, Lydia Holding's effective ownership interest in our Company's capital has increased.”

The registered address of Ufuk Yatırım incorporated in Türkiye is as follows:

Levazım Mah. Vadi Cad. Zorlu Center No:2 İç Kapı No:141 Beşiktaş - İstanbul

Ufuk Yatırım has no personnel employed during the annual reporting period and as of the reporting date, Ufuk Yatırım’s operational, technical and regulatory personnel requirements are satisfied through external service procurement, primarily from its parent company, Lydia Holding (31 December 2024: None).

Approval of the financial statements

These financial statements as at and for the year ended 31 December 2025 have been approved for issue by the Board of Directors (“BOD”) on 13 February 2026.

Dividends payable

As of the date of publication of the report, the General Assembly has not realised a decision regarding dividend distribution.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standards and declaration of conformity with TAS

The financial statements of the Company have been prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) promulgated by the Public Oversight Accounting and Auditing Standards Authority (“POA”) that are set out in the 5th article of the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting in Capital Markets” (“the Communiqué”) announced by the Capital Markets Board (“CMB”) on 13 June 2013 and published in Official Gazette numbered 28676. The accompanying financial statements as at and for the period ended 30 June 2025 have been prepared following Turkish Financial Reporting Standards (“TFRS/TAS”) with additions and interpretations as issued by POA.

The accompanying financial statements are presented in accordance with the “Announcement regarding TAS Taxonomy” issued by POA and “Illustrative Examples of Financial Statements and User Guide” issued by CMB including the format and mandatory information on 3 July 2024.

The financial statements have been prepared on a historical cost basis, except for investment properties, which are carried at fair value in the accompanying financial statements. Financial assets and liabilities are presented net when there is a legal right to do so, when there is an intention to evaluate the assets and liabilities net, or when the acquisition of the assets and the settlement of the liabilities are near-simultaneous.

2.1.2 Adjustments of financial statements in hyperinflationary periods

In accordance with the announcement realised by the Public Oversight Accounting and Auditing Standards Authority (the “POA”) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the annual reporting period ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including the financial statements, of entities whose functional currency is the currency of a hyperinflationary economy. In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. For comparative purposes, comparative information in the prior period financial statements is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Company has also presented its financial statements as at and for the year ended 31 December 2025 and 2024 in terms of the purchasing power on 31 December 2025.

In accordance with the CMB's resolution No: 81/1820 on 28 December 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 beginning with the annual financial statements for the accounting periods ending on 31 December 2023.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**2.1 Basis of presentation (Continued)****2.1.2 Adjustments of financial statements in hyperinflationary periods (Continued)**

The restatement in accordance with TAS 29 has been made by using the adjustment factor derived from the Consumer Price Index (“CPI”) in Türkiye published by the Turkish Statistical Institute (“TURKSTAT”). As of 31 December 2025, the indices and adjustment factors used in the restatement of the financial statements are as follows:

Date	Index	Adjustment coefficient	Three-year cumulative inflation rates
31 December 2025	3,513.87	1.00000	211%
31 December 2024	2,684.55	1.30892	291%
31 December 2023	1,859.38	1.88981	268%

The main components of the Company’s restatement for financial reporting purposes in hyperinflationary economies are as follows:

- The financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date. Where the inflation-adjusted carrying amounts of non-monetary items exceed their recoverable amounts or net realisable values, the provisions of TAS 36 “Impairment of Assets” and TAS 2 “Inventories” are applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the statement of financial position date are restated by using the relevant adjustment factors.
- All items in the statement of comprehensive income, except for the non-monetary items in the statement of financial position that have an effect on the statement of comprehensive income, are restated by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognised in the financial statements.
- The effect of inflation on the Company’s net monetary asset position in the current period is recognised in the gains/(losses) on net monetary position in the statement of profit or loss.

2.1.3 Changes in accounting policies

Changes accounting policies, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period financial statements.

2.1.4 Going concern

As of 31 December 2025, the Company has prepared its financial statements with the assumption of the Company’s ability to continue its operations in the foreseeable future as a going concern basis of accounting.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.1 Basis of presentation (*Continued*)

2.1.4 Going concern (*Continued*)

As of 31 December 2025, the current assets recognised in the statement of the financial position amounting to TL 122,240,926 and the current liabilities is amounting to TL 1,193,100. The Company management determines that there is no uncertainty regarding the going concern basis of accounting of the Company's operations and that the Company ensures its ability to pay its obligations.

2.1.5 Reporting currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in TL, which is Uful Yatırım’s functional and presentation currency.

2.1.6 Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in the current period if the change affects only that period, or in the current and future periods if the change affects both. Identified significant accounting errors are applied retrospectively, and the prior period financial statements are restated.

2.2 New and Revised Turkish Financial Reporting Standards

The accounting policies adopted in preparation of the financial statements as at and for the year ended 31 December 2025 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards (“TFRS/TAS”) and interpretations effective as of 1 January 2026 and thereafter. The effects of these standards and interpretations on the Company’s financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective as of 1 January 2026 are as follows:

Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

On 10 August 2025, the POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the ‘settlement date’. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The amendment will be effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. The Company is in the process of assessing the material influence of the amendments on financial position or performance of the Company.

NOTE 2- BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

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

Contracts Referencing Nature-dependent Electricity—Amendments to TFRS 9 and TFRS 7

On 10 August 2025, the POA issued the amendment “Contracts for Electricity Generated from Natural Resources” (related to TFRS 9 and TFRS 7). The amendment clarifies the application of the “own use” exception and permits hedge accounting when such contracts are used as hedging instruments. The amendment also introduces new disclosure requirements to help investors understand the impact of these contracts on an entity's financial performance and cash flows. The amendment is not applicable for the Company and has no material influence on the financial position or performance of the Company.

Annual Improvements to TAS/TFRS Accounting Standards - Amendment 11

On 27 September 2025, the POA issued “Annual Improvements to TAS/TFRS Accounting Standards /Amendment 11” published in the Official Gazette with the following amendments:

- TFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge accounting by a first-time adopter: The amendment is intended to eliminate potential confusion caused by the inconsistency between the wording in TFRS 1 and the hedge accounting requirements in TFRS 9.
- TFRS 7 Financial Instruments: Disclosures - Gains or losses on derecognition: TFRS 7 amends the wording of unobservable inputs and adds a reference to TFRS 13.
- TFRS 9 Financial Instruments - Transaction price when the lease liability is derecognized by the lessee: TFRS 9 has been amended to clarify that when the lease liability is extinguished for the lessee, the lessee is required to apply the derecognition provisions in TFRS 9 and the resulting gain or loss is recognized in profit or loss. TFRS 9 has also been amended to remove the reference to “transaction price”.
- TFRS 10 Consolidated Financial Statements - Identifying the “de facto agent”: Amendments to TFRS 10 to remove inconsistencies in paragraphs.
- TAS 7 Statement of Cash Flows - Cost method: The wording in the Standard has been deleted following the removal of “cost method” in previous amendments.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026, and early application permitted.

The Company is in the process of assessing the material influence of the amendments on financial position or performance of the Company.

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10/TAS 28 — Sales or contributions of assets between an investor and its associate/joint venture

In December 2017, the POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Company will assess the effects of the amendments after the new standards have been finalized.

NOTE 2- BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

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

Amendments to TFRS 10/TAS 28 — Sales or contributions of assets between an investor and its associate/joint venture (*Continued*)

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after 1 January 2026 with the announcement made by the POA. The standard is not applicable for the Company and the standard has no material influence on the financial position or performance of the Company.

TFRS 18 Presentation and Disclosure in Financial Statements

The standard is effective from annual periods beginning on or after 1 January 2027 and published in the Official Gazette on 8 May 2025. 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 TFRS 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.

The Company is in the process of assessing the material influence of the standard on financial position or performance of the Company.

TFRS 19 – Subsidiaries without Public Accountability: Disclosures

TFRS 19 – Subsidiaries without Public Accountability: Disclosures (“TFRS 19”) was published in the Official Gazette on 10 August 2025. It is effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted. The standard aims to reduce the disclosure requirements in TAS/TFRS for subsidiaries covered by its scope. Under TFRS 19, businesses that are not subject to public accountability and are themselves subsidiaries are expected to apply the simplified disclosure provisions set out in TFRS 19 instead of the disclosure provisions in other TAS/TFRS. This aims to reduce the reporting obligations of these businesses in terms of disclosure provisions. The application of TFRS 19 is not mandatory and is left to the discretion of the entity.

A subsidiary meets the relevant conditions in the following circumstances:

- It is a non-public subsidiary or a subsidiary whose capital market instruments are not traded on a stock exchange, or
- It has a parent or intermediate parent that produces financial statements in accordance with TAS/TFRS that are available to the public.

The standard has no material influence on the financial position or performance of the Company.

NOTE 2- BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies

The accounting policies used in the preparation of the financial statements are summarised below:

Financial assets and liabilities

Classification

The Company recognises its financial assets in three categories: financial assets carried at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss. Classification is based on the business model used by the company to manage its financial assets and the characteristics of the contractual cash flows of the financial asset. The Company classifies its financial assets at the date of acquisition.

Accounting and measurement

“Financial assets measured at amortized cost” are non-derivative financial assets held under a business model whose objective is to collect contractual cash flows and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding at specified dates. The Company's financial assets accounted for at amortized cost include “cash and cash equivalents” and “trade receivables.” These assets are measured at fair value when initially recognized in the financial statements and at their discounted value using the effective interest rate method in subsequent accounting periods. Gains and losses arising from the valuation of non-derivative financial assets measured at amortized cost are recognized in the statement of profit or loss.

“Financial assets at fair value through other comprehensive income” are non-derivative financial assets held within a business model whose objective is to collect contractual cash flows and sell the financial asset, and which have contractual cash flows that only include payments of principal and interest on the principal balance at specified dates. Gains or losses arising from the relevant financial assets, other than impairment gains or losses and foreign exchange gains or losses, are recognized in other comprehensive income. Upon the sale of such assets, the valuation differences classified in other comprehensive income are reclassified to prior year profits.

The Company may irrevocably elect to recognize subsequent changes in fair value of investments in equity-based financial assets in other comprehensive income when first recognized in the financial statements. If this election is made, dividends received from such investments are recognized in the statement of profit or loss.

“Financial assets at fair value through profit or loss” consist of financial assets other than those measured at amortized cost with changes in fair value recognized in other comprehensive income. Gains and losses resulting from the valuation of these assets are recognized in the statement of profit or loss.

Changes to the classification of financial assets and liabilities under TFRS 9 are summarized below. These classification differences have no effect on the measurement of financial assets:

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Financial assets and liabilities (*Continued*)

Impairment

The “incurred credit loss model” in TAS 39 “Financial Instruments: Recognition and Measurement,” which was effective before 1 January 2018, has been replaced by the “expected credit loss model” in TFRS 9 “Financial Instruments.” Expected credit losses are a weighted estimate of the likelihood of credit losses over the expected life of a financial instrument. In calculating expected credit losses, the Company's forward-looking estimates are taken into account along with past credit loss experience.

Except for trade receivables, where the carrying amount is reduced through the use of an allowance account, impairment is deducted directly from the carrying amount of the relevant financial asset. If a trade receivable becomes uncollectible, the amount is written off by deducting it from the allowance account. Changes in the allowance account are recognized in the statement of profit or loss.

Trade receivables

The Company has chosen to apply the “simplified approach” defined in TFRS 9 for the impairment calculations of its trade receivables that are accounted for at amortized cost in its financial statements and do not contain a significant financing component (those with a maturity of less than one year).

With this approach, the Company measures the allowance for losses on trade receivables at an amount equal to the “lifetime expected credit losses” in cases where trade receivables are not impaired for specific reasons (except for realized impairment losses). The Company uses a provision formula to measure expected credit losses on trade receivables that are not past due, while using a provision matrix to calculate the risk on receivables that are past due. Changes in expected credit loss provisions are recognized in the statement of profit or loss under “other operating income/expenses.”

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and other highly liquid short-term investments that are readily convertible to cash and are subject to an insignificant risk of changes in value, with maturities of three months or less from the date of purchase (Note 3).

Offsetting

Financial assets and liabilities are presented net when there is a legally enforceable right to offset the related assets and liabilities, when the purpose is to evaluate the assets and liabilities on a net basis, or when the assets are acquired and the liabilities are settled simultaneously.

Effective interest method

The effective interest method is the method of measuring a financial asset at amortized cost and allocating the related interest income to the period to which it relates. The effective interest rate is the rate that discounts the estimated total cash receipts over the expected life of the financial instrument, or a shorter period if appropriate, to the present value of the financial asset. Income related to financial assets classified other than financial assets whose fair value changes are recognized in profit or loss is calculated using the effective interest method.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Financial assets and liabilities (*Continued*)

Deferred financing costs

Deferred financing costs (primarily costs incurred in obtaining long-term bank borrowings from financial institutions) are amortized using the effective interest method over the remaining term of the long-term borrowings.

Recognition and derecognition of financial assets

The Company recognizes financial assets and liabilities only when it is a party to the contract for the financial instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows associated with the financial asset expire or when it transfers the financial asset and all risks and rewards of ownership to another party. Where all risks and rewards arising from ownership of the asset have not been transferred to another party and the Company retains control of the asset, the Company continues to account for its remaining interest in the asset and the liabilities payable arising from that asset.

If the Company retains all risks and rewards arising from the ownership of a transferred asset, the financial asset continues to be accounted for, and a liability amount secured by collateral against the transferred financial asset is also accounted for in respect of the income earned. The company derecognizes the financial liability only when the obligation specified in the contract is discharged, cancelled, or expires.

Financial liabilities

The financial liabilities and equity instruments are classified according to contractual arrangements and the basis for recognizing a financial liability and an equity instrument. A contract representing the Company's right to the residual interest in the assets of the entity after all its liabilities have been settled is an equity-linked financial instrument. The accounting policies applied to certain financial liabilities and equity-linked financial instruments are as follows. Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are recognized at fair value and remeasured at fair value at each reporting date. Changes in fair value are recognized in the statement of profit or loss. Net gains or losses recognized in the statement of profit or loss include the interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially recognized at their fair value, net of transaction costs. Other financial liabilities are subsequently recognized at amortized cost using the effective interest method, together with interest expense calculated using the effective interest rate. The effective interest method is the method of calculating the amortized cost of a financial liability and allocating the related interest expense to the periods to which it relates. The effective interest rate is the rate that discounts the estimated future cash payments over the expected life of the financial instrument, or a shorter period if appropriate, to the net present value of the related financial liability.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Borrowings and borrowing costs

Borrowings are recognised at their value less transaction costs from the amount received on the date they are received. Borrowings are subsequently carried at their discounted cost using the effective interest method. The difference between the amount remaining after deducting transaction costs and the discounted cost is recognized as a financing cost in the statement of comprehensive income over the term of the borrowing.

Fees paid for the arrangements are recognized as transaction costs when it is possible that part or all of the arrangement will be used. In this case, the fee is deferred until the borrowing is used. When there is no evidence that part or all of the arrangement will be used, the fee is recognized as a prepayment for liquidity purposes and amortized over the term of the related arrangement.

Property, plant and equipment

Property, plant and equipment are carried at their net value less accumulated depreciation from their acquisition costs. Property, plant and equipment are depreciated over their useful lives using the straight-line basis based on their estimated useful lives (Note 7).

Intangible assets

Intangible assets consist of software and rights. Computer software is amortized over 3 to 5 years. Expenditures incurred for the purpose of developing computer software are recognised as an expense in the statement of profit or loss. However, expenditures that will increase the duration and usefulness of existing computer programs are capitalized by adding them to the cost of the software. The useful life of an intangible asset arising from contractual rights or other legal rights does not exceed the effective period of the contractual rights or other legal rights. However, it may be shorter depending on the period during which the entity expects to use the asset.

Impairment of assets

The Company assesses whether there is any indication of impairment of an asset at each financial statement date. If such an indication exists, the recoverable amount of the asset is estimated. If the carrying amount of the asset or any cash-generating unit to which the asset belongs exceeds the amount recoverable from its disposal or use, impairment has occurred. The recoverable amount is determined by selecting the higher of the net selling price and the value in use of the asset. The value in use is the estimated present value of the cash flows expected to be generated from the continued use of an asset and from its disposal at the end of its useful life.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS *(Continued)*

2.3 Summary of significant accounting policies *(Continued)*

Non-current assets classified for sale

Assets that meet the criteria for classification as held-for-sale non-current assets are measured at the lower of their carrying amount and fair value less costs to sell. The amortization process for such assets is discontinued, and these assets are presented separately in the statement of financial position. For an asset to be classified as held for sale, the asset (or group of assets to be disposed of) must be in a condition that allows it to be sold promptly under the usual terms and conditions for such assets (or groups of assets to be disposed of), and the likelihood of sale must be high. For the likelihood of sale to be high, a plan for the sale of the asset (or group of assets to be disposed of) must have been made by an appropriate level of management, and an active program to identify buyers and complete the plan must have been initiated. In addition, the asset (or group of assets to be disposed of) must be actively marketed at a price consistent with its fair value. Various events or conditions may extend the completion period of the sale beyond one year. If the delay is due to events or conditions beyond the entity's control and there is sufficient evidence that the entity's plan to sell the asset (or group of assets to be disposed of) is continuing, the assets continue to be classified as held for sale.

Impairment losses and subsequent gains/losses arising from subsequent valuations of assets classified as held for sale are recognized in the statement of profit or loss.

Share capital and dividends

Common shares are classified as equity. Dividends on common shares are recognized in equity less retained earnings in the period in which they are approved and declared. The direct expenses incurred related with the capital increase are classified within the total paid-in share capital.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Contingent liabilities are consistently reviewed prior to the probability of any cash out-flow. In case of the cash outflow is probable, provision is allocated in the financial statements of the year the probability of contingent liability accounts is changed. A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and reliable estimate can be made for the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS *(Continued)*

2.3 Summary of significant accounting policies *(Continued)*

Provisions, contingent liabilities and contingent assets *(Continued)*

Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

Possible assets or 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 Company are not included in the financial statements and treated as contingent assets or liabilities.

Employee benefits

The provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Company arising from the retirement of its employees based on the actuarial projections.

TAS 19 “Employee Benefits” requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity’s obligation for employment termination benefits. The effects of differences between the actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains / losses and recognised under other comprehensive income.

Termination benefits is the amount calculated based on the discounted cost of the estimated future obligations under the Turkish Labour Law in the event of the retirement of Company employees.

Earnings per share

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

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Taxation

(i) Corporate tax

Corporate income tax is calculated in accordance with the provisions of the Tax Procedure Law, and tax expenses other than this tax are accounted for within the relevant financial statement items.

Current tax assets are offset against current tax liabilities when there is a legal right to do so or when the assets and liabilities are related to income tax collected by the same tax authority (Note 8).

(ii) Deferred tax

Deferred tax is calculated using the liability method based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax bases. In calculating deferred tax, the tax rates in effect as of the balance sheet date are used in accordance with the applicable tax legislation. Significant temporary differences arise from expected credit loss allowances, financial assets, tangible and intangible assets, and provisions.

Deferred tax liabilities are calculated for all taxable temporary differences, while deferred tax assets arising from deductible temporary differences are calculated provided that it is highly probable that these differences will be utilized in the future by generating taxable income.

Deferred tax assets and deferred tax liabilities are offset against each other, provided that they are subject to the same tax legislation and there is a legally enforceable right to offset current tax assets against current tax liabilities (Note 8).

(iii) Transfer pricing

In Türkiye, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation. Disguised profit through transfer pricing is not tax deductible regarding the calculation of corporate tax. Pursuant to the aforementioned regulations, if goods or services are purchased or sold at a price determined to be inconsistent with the arm's length principle with related parties/entities, such profits are deemed to have been distributed indirectly through transfer pricing and are not eligible for deduction for corporate tax purposes.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Investment properties

Land and buildings held for the purpose of generating rental income or capital appreciation, or both, rather than for use in the production of goods and services, for administrative purposes, or for sale in the ordinary course of business, are classified as "investment property".

Investment property is recognized as an asset only if the following conditions are satisfied:

- a) It is probable that future economic benefits associated with the property will flow to the entity,
- b) The cost of the investment property can be measured reliably.

The initial cost of a leased property classified as an investment property is the lower of the fair value of the property and the present value of the minimum lease payments. In subsequent periods, investment properties are accounted for using the fair value or cost methods within the scope of the relevant TFRSs.

In this context, the Company measures its investment classified as investment property using the fair value method in accordance with the conditions specified in the relevant TFRS and recognizes any gain or loss arising from changes in the fair value of the investment property in the statement of profit or loss in the period in which it arises (Note 6).

In accordance with the share transfer agreement on 14 June 2024, which was closed on 9 December 2024, the Company, as part of the transaction it realised on 22 November 2024, transferred its financial investments and hotel operating rights classified as investment property and in exchange for Yıldız Holding has acquired the ownership of 11 plots of land in Tuzla, Istanbul. The carrying value of land recognised in the financial statements is amounting to TL 2,664,950,000 and the relevant amount presented under "Investment properties" in the accompanying financial statements (Note 6).

Finance leases

(i) The Company – as a lessor

In finance lease, the leased asset is recognised in the financial statements as a receivable equal to the net lease investment. Financial income related to finance lease is determined in such a way as to yield a fixed periodic return on the net investment under the financial lease. Lease payments received are deducted from the gross lease investment amount in a manner that reduces the principal and unearned financial income.

Unrealized financial income is the difference between the gross lease investment and the present value of the gross investment at the implicit interest rate in the lease. The implicit interest rate is the discount rate that equates the sum of the minimum lease payments and the unguaranteed residual value at the inception of the lease to the sum of the fair value of the leased asset and its initial costs.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Finance leases (*Continued*)

(i) *The Company – as a lessor (Continued)*

The total provision for expected credit losses determined as a result of the assessment of other receivables is determined to satisfy all of the Company's receivables. As disclosed in Note 1, in accordance with the announcement published by the BRSA on 25 June 2015 and numbered 6346, the BRSA has revoked its financial leasing activity license and changed its nature of business based on the decision of the General Assembly on 28 September 2015. Thus, financial lease receivables arising prior to the change in the nature of business are presented under other receivables as of 31 December 2025 and 2024.

(ii) *Provision for expected credit losses*

Following the change in the nature of business, as disclosed in Note 1, the Company calculates its provision for expected credit losses by deducting collateral at fair value from gross doubtful receivables in cases where there is objective evidence that the receivables are uncollectible.

Revenue

The Company recognizes rent income from leased properties as revenue in the financial statements. The Company accounts for revenue in its financial statements under the five-step model which is as follows:

- Identification of contracts with customers,
- Identification of performance obligations in contracts,
- Determination of the transaction price in contracts,
- Allocation of the transaction price to performance obligations,
- Recognition of revenue

The Company evaluates the goods or services it commits to in each contract with customers and identifies each commitment to transfer the goods or services as a separate performance obligation.

For each performance obligation, whether the performance obligation will be satisfied over time or at a specific point in time is determined at the inception of the contract. If the Company transfers control of a good or service over time and therefore satisfies its performance obligations related to the relevant sales over time, it recognizes revenue in the financial statements over time by measuring the progress toward the complete satisfaction of the relevant performance obligations.

When the Company satisfies its performance obligation by transferring a promised good or service to its customer, or as it does so, it recognizes the transaction price corresponding to this performance obligation as revenue in its financial statements. Goods or services are transferred when (or as) control over them passes to the customer. When evaluating the transfer of control of the goods or services sold to the customer, the company considers:

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Revenue (*Continued*)

- a) The company's ownership of the right to collect for the goods or services,
- b) The customer's ownership of the legal title to the goods or services,
- c) The transfer of physical possession of the goods or services,
- d) The customer's ownership of the significant risks and rewards of ownership of the goods or services,
- e) The customer's acceptance of the goods or services.

Rent income – Investment properties

The Company, as a lessor, signs lease agreements for its investment properties. These services are considered as obligations to perform over time. The revenue related to the lease is recognized as income based on the stage of completion of the agreement.

Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. The Company adjusts the amounts recognised in its financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the financial statements, they are disclosed in the notes to the financial statements.

Treasury shares

If the Company repurchases its own equity-based financial instruments, these instruments (the company's repurchased own shares) are deducted from equity. Gain or loss has not been recognized in profit or loss as a result of the purchase, sale, issuance, or cancellation of the equity-based financial instruments. Treasury shares may be acquired or held by the Company or other members of the group companies. The amounts received or paid are recognized directly in equity.

Statement of cash flows

Entity by means of a statement of cash flows, classifies cash flows during the period according to operating, investing, and financing activities. Cash flows from operating activities represent the cash flows generated from the Company's activities. Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Company (property, plant and equipment, intangible assets and financial assets).

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.3 Summary of significant accounting policies (*Continued*)

Discontinued operations

A discontinued operation is a part of a business that is classified as held for sale or disposed of, and

- a) represents a separate principal line of business or geographic area of operations,
- b) is part of a coordinated plan for the sale of a separate line of business or geographic area of operations, or
- c) is a subsidiary acquired solely for resale.

In accordance with the meeting on 30 September 2015, the Company's Board of Directors decided to acquire all rights related to the leasing, takeover, operation, and sublease of the hotel and the land on which it is built located in Göcek-Fethiye, Muğla, which was built on land belonging to Fine MTR within the boundaries of the Muğla Forest Regional Directorate of the Ministry of Forestry and Water Affairs, leased to Fine Hotel with the operating license dated 31 July 2013, and numbered 1608983986999.66-42 issued by the Ministry of Forestry and Water Affairs, and currently operating under the name Rixos Hotel Premium has decided to acquire all rights related to the leasing, takeover, operation, and rental of the hotel by obtaining permission from the Ministry of Forestry and Water Affairs. Accordingly, a letter on 18 February 2016, was sent to the Ministry of Forestry and Water Affairs requesting the cancellation of the operating license granted to Fine MTR and the granting of the relevant operating license to the Company. With the permission of the Ministry of Forestry and Water Affairs on 1 February 2016, and numbered 1608983930504.01.02, the operating rights of the hotel currently named Rixos Hotel Premium, built on the land in Göcek, Fethiye and the land on which the hotel was built have been granted to the Company, and the Company has acquired the operating rights of the hotel. The hotel which currently operates under the name Rixos Hotel Premium, and the operating rights for the land on which the hotel was built were granted to the Company, and the Company leased the operating rights.

Following the transfer of the operating rights of Rixos Hotel to Yıldız Holding on 22 November 2024, there are no remaining operating rights or income-generating activities related to relevant investment. Therefore, the relevant operating activities have been classified as discontinued operations in the accompanying financial statements as at and for the year ended 31 December 2024.

Therefore, the revenue and expenses generated by the Company from the relevant hotel operations in 2024 have been evaluated in accordance with Turkish Accounting Standard ("TAS") 5 "Non-Current Assets Held for Sale Discontinued Operations," excluded from continuing operations in the statement of profit or loss, and recognised under the discontinued operations.

2.4 Significant accounting estimates and assumptions

(i) *Recognition of investment properties*

Land and buildings that are held for rental yields or for capital appreciation or both rather than held in the production or supply of goods or services or for administrative purposes or for the sale in the ordinary course of business are classified as "investment property". After initial recognition, investment properties are carried at revalued amounts in the accompanying financial statements.

For the investment properties, the fair value is determined by an independent valuation firm and is carried at fair value in the financial statements. If it complies with accepted criteria, the cost of altering any part of the existing investment property is included in the amount presented in the statement of financial position. The aforementioned amount does not include daily maintenance costs for investment properties. Investment properties are eliminated from the statement of financial position when they are no longer in use or when they are disposed. Any profit or loss arising from the sale of these properties is presented in the statement of profit or loss (Note 6).

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (*Continued*)

2.4 Significant accounting estimates and assumptions (*Continued*)

(i) *Recognition of investment properties (Continued)*

Investment properties are reviewed for impairment. As a result, the carrying amount of the investment property exceeds its recoverable amount, the carrying amount is reduced to its recoverable amount by recognizing an impairment loss. The recoverable amount is the higher of the net present value of future cash flows from the property's current use and its net selling price.

(ii) *Deferred tax assets*

As of 31 December 2023, the Company has calculated deferred tax assets and transferred to the statement of financial position, as it estimates generating taxable income in subsequent years as a result of its short and medium-term business plans and expectations, despite its current financial losses. As of 31 December 2025 and 2024, the Company has calculated deferred tax liabilities arising from current financial losses (Note 8).

(iii) *Recognition of discounted operations*

As of 31 December 2025 and 2024, the Company has recognized the revenue it has earned from receivables under the scope of its former nature of business prior to the change in nature of business disclosed in Note 1 as continuing operations in the statement of profit or loss under other operating income, and has accounted for the provisions it has allocated for the receivables under other operating expenses.

Following the transfer of the operating rights of Rixos Hotel to Yıldız Holding on 22 November 2024, there are no remaining operating rights or income-generating activities related to relevant investment. Therefore, the relevant operating activities have been classified as discontinued operations in the accompanying financial statements as at and for the year ended 31 December 2024.

Therefore, the revenue and expenses generated by the Company from the relevant hotel operations in 2024 and 2023 have been evaluated in accordance with Turkish Accounting Standard (TAS) 5 "Non-Current Assets Held for Sale Discontinued Operations," excluded from continuing operations in the statement of profit or loss, and recognised under the discontinued operations.

(iv) *Provision for expected credit losses*

The total provision for expected credit losses determined as a result of the assessment of other receivables is determined to satisfy all of the Company's receivables. As disclosed in Note 1, in accordance with the announcement published by the BRSA on 25 June 2015 and numbered 6346, the BRSA has revoked its financial leasing activity license and changed its nature of business based on the decision of the General Assembly on 28 September 2015. Thus, financial lease receivables arising prior to the change in the nature of business are presented under other receivables as of 31 December 2025 and 2024. Following the change in the nature of business, as disclosed in Note 1, the Company calculates its provision for expected credit losses by deducting collateral at fair value from gross doubtful receivables in cases where there is objective evidence that the receivables are uncollectible.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 3 - CASH AND CASH EQUIVALENTS

As of 31 December 2025 and 2024, the breakdown and details of cash and cash equivalents are as follows:

	31 December 2025	31 December 2024
Banks	3,852	91,700,087
<i>Demand deposits</i>	3,852	56,679
<i>Time deposits up to 3 months</i>	-	91,643,408
Cash and cash equivalents, net	3,852	91,700,087

As of 31 December 2025 and 2024, the detailed analysis of time deposits is as follows:

As of 31 December 2025, the Company has no time deposits.

Currency	Annual effective interest rate (%)	Maturity	31 December 2024
TL	50%	2-24 days	22,208,986
USD	3%	21 days	69,434,422
Total			91,643,408

NOTE 4 – FINANCIAL INVESTMENTS

As of 31 December 2025 and 2024, the details of short-term financial investments are as follows:

Account Name	31 December 2025	31 December 2024
Other marketable securities (*)	87,602,962	-
Total	87,602,962	-

(*) Consists of the money market fund acquired on 3 September 2025.

NOTE 5 – TRADE RECEIVABLES AND PAYABLES

As of 31 December 2025 and 2024, the Company has no short and long-term trade receivables.

As of 31 December 2025 and 2024, the details of short-term trade payables are as follows:

Account Name	31 December 2025	31 December 2024
Short-term		
Due to third parties	544	331,010
- <i>Trade payables</i>	544	331,010
Total	544	331,010

As of 31 December 2025 and 2024, the Company has no long-term trade payables.

NOTE 6 – INVESTMENT PROPERTIES

As of 31 December 2025 and 2024, the details of investment properties are as follows:

Account Name	31 December 2025	31 December 2024
Land (*)	2,664,950,000	1,831,211,161
Total	2,664,950,000	1,831,211,161

(*) The investment properties as of the end of the period are as follows. Investment properties consist of land and buildings that the Company does not use in its physical operations and holds for investment purposes, in accordance with TAS 40 “Investment Property”. Investment properties are carried at fair value in the accompanying financial statements.

The appraisal report on the fair value of the investment properties of Ufuk Yatırım as of 31 December 2025 has been prepared by Vera Gayrimenkul Değerleme ve Danışmanlık Anonim Şirketi. The details of the fair value of the investment properties are presented in the table below:

Cost	Opening balance – 1 January 2025	Additions	Revaluation surplus	Closing balance – 31 December 2025
Investment properties	1,831,211,161	-	833,738,839	2,664,950,000
Total	1,831,211,161	-	833,738,839	2,664,950,000

NOTE 7 – PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2025 and 2024, the movements for property, plant and equipment, and related depreciation are as follows:

Cost	Opening balance – 1 January 2025	Additions	Revaluation surplus	Closing balance – 31 December 2025
Furniture and fixtures	-	190,280	-	190,280
Total	-	190,280	-	190,280

Accumulated depreciation	Opening balance – 1 January 2025	Current period depreciation	Revaluation surplus	Closing balance – 31 December 2025
Furniture and fixtures	-	(23,346)	-	(23,346)
Total	-	(23,346)	-	(23,346)
Net book value	-	-	-	166,934

As of 31 December 2024, the Company has no property, plant and equipment.

NOTE 8 – TAX ASSETS AND LIABILITIES

As of 31 December 2025 and 2024, the detailed analysis of the tax expenses recognised in the statement of profit or loss is as follows:

Account Name	31 December 2025	31 December 2024
- Deferred tax income/(expense)	(306,578,080)	(86,366,877)
Total	(306,578,080)	(86,366,877)

NOTE 8 – TAX ASSETS AND LIABILITIES (*Continued*)

Deferred tax

Ufuk Yatırım recognise deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with TFRS and the Turkish tax legislations. These differences usually result in the recognition of revenue and expenses in different reporting periods for tax purposes and for the purposes of the Turkish Financial Reporting Standards and disclosed below.

Corporate tax

The Company is subject to corporate tax effective in Türkiye. The provisions have been allocated in the accompanying financial statements for the Company's estimated tax liabilities related to the current period's operating results.

The corporate tax to be accrued on the taxable income is calculated on the basis of the deduction of the expenses that cannot be deducted from the tax base expense in the determination of the earnings, and the amount of dividends received from domestic companies is calculated over taxable income and investment allowances. As of 31 December 2025, the effective corporate tax rate applied in Türkiye is 25% (2024: 25%).

Advance tax in Türkiye is calculated and accrued on a quarterly basis. Accordingly, the Company has been calculated tax in accordance with the 2025 earnings in the first advance tax period, an advance tax rate of 25% was calculated on corporate earnings (2024: 25%).

According to Turkish Corporate Tax Law, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior years' profits.

According to corporate tax law article numbered 24, the corporate tax is imposed by the taxpayer's tax returns. In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their corporate tax returns between 1-25 April following the close of the accounting year. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years. Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Income withholding tax

In addition to the corporate tax, it is required to calculate income tax withholding on any dividends, except for those distributed to all taxpayer entities and Turkish branches of foreign companies gaining dividend for such distribution and declaring these dividends within the corporate profit. The rate of income withholding tax implemented as 10% between 24 April 2003 and 22 July 2006. The rate of withholding tax has been increased from 10% to 15% upon the Cabinet decision No: 2006/10731, which was published in Official Gazette on 23 July 2006.

NOTE 8 – TAX ASSETS AND LIABILITIES (Continued)

As of 31 December 2025 and 2024, the breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

	Cumulative temporary differences	Deferred tax assets/(liabilities)	Cumulative temporary differences	Deferred tax assets/(liabilities)
	31 December 2025	31 December 2025	31 December 2024	31 December 2024
Deferred tax assets /(liabilities)				
Expected credit losses	17,057,973	4,264,493	12,793,306	3,198,327
Property, plant and equipment and intangible assets	5,231,283	1,307,821	-	-
Other	641,596	160,399	417,578	104,394
Deferred tax assets		5,732,713		3,302,721
Investment properties	(1,362,706,144)	(340,676,536)	(126,673,857)	(31,668,464)
Deferred tax liabilities (-)		(340,676,536)		(31,668,464)
Deferred tax, net		(334,943,823)		(28,365,743)

On 15 July 2023, with the publication of the “Law on Introducing an Additional Motor Vehicle Tax for Compensating Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amending Certain Laws and Decree Law numbered 375” in the Official Gazette (numbered 32249), the corporate tax rates stipulated in Article 32 of the Corporate Tax Law No. 5520 were amended under article 21 of the relevant law. These amendments increased the corporate tax rate from 20% to 25% and the rate for banks and financial institutions from 25% to 30%. The corporate tax rate of 20% applicable to other entities has been increased to 25%. The amendment applies to earnings in 2024 and subsequent tax periods and has been used as 25% in the 2025 and 2024 financial statements.

As of 31 December 2025 and 2024, the movements in deferred tax assets/(liabilities) are as follows:

	31 December 2025	31 December 2024
Beginning of the period - 1 January	(28,365,743)	49,166,003
Deferred tax income/(expense) during the period	(313,272,772)	(86,366,877)
Charge to the equity	-	8,835,131
Net monetary position gains/(losses)	6,694,692	-
Deferred tax assets/(liabilities), net	(334,943,823)	(28,365,743)

In accordance with law numbered 7524, published in the Official Gazette on 2 August 2024, regarding the Domestic Minimum Corporate Tax, has entered into force and will be effective as of 1 January 2025. The relevant law has no effect and material influence on current period tax expenses and deferred tax income/expenses.

NOTE 9 – OTHER RECEIVABLES AND PAYABLES**Short-term other receivables**

As of 31 December 2025 and 2024, the details of short-term other receivables are as follows:

	31 December 2025	31 December 2024
Short-term		
Doubtful other receivables	17,431,690	22,275,352
Provision for expected credit losses	(17,431,690)	(12,970,345)
Deposits and guarantees given	-	287,395
Other	-	642,778
Total	-	10,235,180

As of 31 December 2025 and 2024, the movements of expected credit losses are as follows:

	31 December 2025	31 December 2024
Beginning of the period - 1 January	12,970,345	21,888,532
Additions	7,522,519	13,975
Reversals	-	(2,204,123)
Net monetary position gains/(losses)	(3,061,174)	(6,728,039)
End of the period – 31 December	17,431,690	12,970,345

Short-term other payables

As of 31 December 2025 and 2024, the details of other payables are as follows:

	31 December 2025	31 December 2024
Short-term		
Short-term other payables	1,003,754	1,193,335
Total	1,003,754	1,193,335

NOTE 10 – PREPAID EXPENSES

As of 31 December 2025 and 2024, the details of short-term prepaid expenses are as follows:

	31 December 2025	31 December 2024
Short-term		
Short-term prepaid expenses	640,299	-
Total	640,299	-

NOTE 11 – OTHER ASSETS AND LIABILITIES

As of 31 December 2025 and 2024, the details of other current assets are as follows:

	31 December 2025	31 December 2024
Short-term		
VAT refund	30,559,519	38,641,271
Other	3,434,294	18,865
Total	33,993,813	38,660,136

As of 31 December 2025 and 2024, the details of other current liabilities are as follows:

	31 December 2025	31 December 2024
Short-term		
Advances received	149,202	291,390
Taxes payable	39,600	35,380
Total	188,802	326,770

NOTE 12 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) *Other short-term provisions;*

As of 31 December 2025 and 2024, the Company has no other short-term provisions.

ii) *Commitments, mortgages and guarantees not included in the liability;*

	Currency	31 December 2025		31 December 2024	
		Original currency amount	TL equivalent	Original currency amount	TL equivalent
Letter of guarantee given	TL	1,100,000	1,100,000	-	-
Total letter of guarantee given			1,100,000		-

As of 11 September 2025, the Group companies have provided a guarantee amounting to TL 40,000,000 through Vakıfbank under the guarantee commitments.

Lydia Yeşil Enerji Kaynakları Anonim Şirketi provided a bill of guarantee amounting to TL 20,000,000 from Vakıfbank on 11 September 2025.

The Company obtained bill of guarantee amounting to TL 8,000,000 from Lydia Holding Anonim Şirketi on 19 June 2025 from Vakıfbank.

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

iii) Other CPMB’s to equity ratio:

Collaterals/pledges/mortgages/bill of guarantees (“CPMB”) position of the Company as of 31 December 2025 and 2024 are as follows:

Collaterals, Pledges, Mortgages/Bill of Guarantees Given by the Company	31 December 2025	31 December 2024
A. Total amount of CPMB’s given in the name of its own legal personality	1,100,000	-
B. Total amount of CPMB’s given on behalf of the fully consolidated companies	-	-
C. Total amount of CPMB’s given on behalf of third parties for ordinary course of business	-	-
D. Total amount of other CPMB’s given	-	-
i. Total amount of CPMB’s given on behalf of the majority shareholder	-	-
ii. Total amount of CPMB’s given on behalf of other companies not within scope of Article B and C	-	-
iii. Total amount of CPMB’s given on behalf of third parties which are not in scope of Article C	-	-
Total	1,100,000	-

NOTE 13 – EQUITY**Share capital**

As of 31 December 2025 and 2024, the principal shareholders and their respective shareholding rates in Ufuk Yatırım are as follows:

	31 December 2025		31 December 2024	
	Share (%)	Amount	Share (%)	Amount
Lydia Holding A.Ş.	62.96%	29,494,796	60.17%	28,186,749
Listed shares	37.04%	17,352,085	39.83%	18,660,132
Total	100%	46,846,881	100%	46,846,881
Adjustment to share capital		1,071,628,831		1,071,628,831
Total capital		1,071,628,831		1,071,628,831

The registered share capital of Ufuk Yatırım comprise of 4,684,688,100 outstanding shares, each with a par value of TL 0.01. The Company has no preferred shares representing share capital.

As of the reporting date, Lydia Holding has nominal shares amounting to TL 29,494,796, representing 62.96% effective ownership interest of the paid-in share capital amounting to TL 46,846,881. The remaining 37.04% ownership interest are the publicly traded shares listed on the Borsa Istanbul (“BİST”).

“The business combination of Lydia Yatırım Holding, together with all its assets and liabilities, through a takeover without liquidation was completed on 30 December 2025. In accordance with the relevant business combination, and as a result of the transfer of ownership interest owned by our Company held in the capital of Lydia Yatırım Holding to Lydia Holding, Lydia Holding's effective ownership interest in our Company's capital has increased.”

NOTE 13 – EQUITY (Continued)**Restricted reserves appropriated from profits**

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's historical 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 historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

The second statutory reserve is allocated at a rate of 10% from the portion of profit remaining after 5% has been allocated to the first statutory reserve, if this portion is to be distributed. The second statutory reserve fund may be used to cover the Company's losses.

	31 December 2025	31 December 2024
Legal reserves	144,114,679	144,114,679
Other reserves	148,889,249	188,118,514
Total	293,003,928	332,233,193

Treasury shares

The Company has repurchased its equity-based financial instruments amounting to TL 6,075,395. The Company has deducted the equity-based financial instruments from its equity as disclosed in Note 2 (31 December 2024: TL 6,075,395).

Adjustment to share capital

As of 31 December 2025, adjustment to share capital amounting to TL 1,071,628,831 comprise of adjustments for inflation accounting (31 December 2024: TL 1,071,628,831).

Adjustment to share capital represent the difference between the total amounts of cash and cash equivalents added to capital, adjusted for inflation accounting, and the amounts prior to adjustment. Adjustment to share capital have no use other than being added to share capital.

Additional disclosures regarding equity items

As of 31 December 2025 and 2024, the relevant inflation-adjusted equity items presented in the accompanying financial statements are as follows:

	31 December 2025	31 December 2024
Paid-in Share Capital	46,846,881	46,846,881
Adjustment to Share Capital	1,071,628,831	1,071,628,831
Treasury Shares (-)	(6,075,395)	(6,075,395)
Restricted Reserves Appropriated from Profits	293,003,928	332,233,193
Retained Earnings	536,185,461	812,001,590
Profit for the Period	509,631,231	(315,045,394)
Total	2,451,220,937	1,941,589,706

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 14 – EARNINGS PER SHARE

In Türkiye, companies can increase their share capital through a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported. Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Accordingly, the weighted average number of shares used in earnings per share calculation as of 31 December 2025 and 2024, which is as follows:

	31 December 2025	31 December 2024
Profit for the period from continuing operations	509,631,231	(315,045,394)
Weighted average number of shares	46,846,881	46,846,881
Earnings per share	10.879	(6.725)

NOTE 15 – REVENUE AND COST OF SALES

Disclosed in Note 20.

NOTE 16 – GENERAL ADMINISTRATIVE EXPENSES

As of 31 December 2025 and 2024, the details of general administrative expenses are as follows:

General administrative expenses (-)	1 January - 31 December 2025	1 January - 31 December 2024
Personnel expenses (*)	(3,148,751)	(15,640,259)
Subscription costs	(1,872,692)	(301,637)
Consultancy expenses	(1,616,359)	-
Holding distribution costs and expenses	(1,306,400)	(16,041,477)
Rent expenses	(1,189,145)	(163,172)
Taxes, duties and charges	(916,103)	(38,975,466)
Litigation costs, fees and charges	(811,627)	-
Insurance expenses	(182,641)	-
Representation and hospitality expenses	(62,199)	-
Depreciation and amortisation charges	(23,346)	-
Communication expenses	(1,203)	(212,700)
IT expenses	-	(326,421)
Motor vehicle expenditures	-	(394,917)
Other	(204,349)	(4,263,116)
General administrative expenses, net	(11,334,815)	(76,319,165)

(*) As of the reporting date, Ufuk Yatırım’s operational, technical and regulatory personnel requirements are satisfied through external service procurement, primarily from its parent company, Lydia Holding. The entire balance recognised in the personnel expenses account consists of daily allowances.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 17 – OTHER OPERATING INCOME/(EXPENSES)

As of 31 December 2025 and 2024, the details of other operating income are as follows:

Other operating income	1 January - 31 December 2025	1 January - 31 December 2024
Foreign exchange gains	676,409	1,913,311
Service revenue	255,694	13,140,734
Income from reversal of provisions	-	6,442,738
Income from litigation and enforcement proceedings	-	2,140,947
Other income	62,066	942,331
Other operating income, net	994,169	24,580,061

As of 31 December 2025 and 2024, the details of other operating expenses are as follows:

Other operating expenses (-)	1 January - 31 December 2025	1 January - 31 December 2024
Provision for expected credit losses (-)	(7,522,519)	(13,975)
Foreign exchange losses (-)	(1,863)	(2,282,322)
Other expenses (-)	(37,353)	(176,001)
Other operating expenses, net (-)	(7,561,735)	(2,472,298)

NOTE 18 – GAINS/(LOSSES) FROM INVESTMENT ACTIVITIES

As of 31 December 2025 and 2024, the details of gains from investment activities are as follows:

Gains from investment activities	1 January - 31 December 2025	1 January - 31 December 2024
Gain on increase of fair value of investment properties	833,962,222	126,673,857
Foreign exchange gains	-	23,887,145
Interest income	-	130,397,170
Gains from investment activities, net	833,962,222	280,958,172

As of 31 December 2025 and 2024, the details of losses from investment activities are as follows:

Losses from investment activities (-)	1 January - 31 December 2025	1 January - 31 December 2024
Losses from disposal of assets (-)	-	(249,619,123)
Foreign exchange losses (-)	-	(533,611)
Losses from investment activities, net	-	(250,152,734)

NOTE 19 – FINANCIAL INCOME/(EXPENSES)

As of 31 December 2025 and 2024, the details of financial income are as follows:

Financial income	1 January - 31 December 2025	1 January - 31 December 2024
Interest income	26,792,246	-
Income from marketable securities	8,147,973	-
Gain on sale of marketable securities	410,062	-
Discount income	-	11,391,317
Foreign exchange gains	-	645,637
Financial income, net	35,350,281	12,036,954

As of 31 December 2025 and 2024, the details of financial expenses are as follows:

Financial expenses (-)	1 January - 31 December 2025	1 January - 31 December 2024
Interest expenses (-)	-	(925,034)
Other finance costs	(259,317)	(245,323)
Financial expenses, net (-)	(259,317)	(1,170,357)

NOTE 20 – GAINS/(LOSSES) FROM DISCONTINUED OPERATIONS

The gains or losses realized in 2024 on asset groups evaluated under TFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations” has been classified as “Gains or losses from discontinued operations” in the accompanying financial statements. As of 31 December 2025, the Company has no assets and liabilities recognised in the statement of financial position arising from discontinued operations.

As of 31 December 2025 and 2024, the details of gains/(losses) from discontinued operations are as follows:

Gains/(losses) from discontinued operations	1 January - 31 December 2025	1 January - 31 December 2024
Revenue	-	147,796,379
Cost of Sales (-)	-	(55,635,672)
GROSS PROFIT	-	92,160,707
Other Operating Income	-	-
Other Operating Expenses (-)	-	-
OPERATING PROFIT	-	92,160,707
Gains from investment activities	-	-
Losses from investment activities (-)	-	-
Operating profit before financial income/(expense)	-	92,160,707
Financial Income	-	-
Financial Expenses (-)	-	-
Net monetary position gains/(losses)	-	(13,678,539)
PROFIT BEFORE TAX FROM DISCONTINUED OPERATIONS	-	78,482,168
TAX INCOME/(EXPENSE) FROM DISCONTINUED OPERATIONS	-	8,835,133
Deferred tax income/(expense)	-	8,835,133
PROFIT FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	87,317,301

NOTE 21 – RELATED PARTY DISCLOSURES**a) Related party balances**

As of 31 December 2025 and 2024, the Company has no trade receivables due from related parties.

As of 31 December 2025 and 2024, the Company has no other receivables due from related parties.

As of 31 December 2025 and 2024, the Company has no trade payables due to related parties.

As of 31 December 2025 and 2024, the Company has no other payables due to related parties.

b) Related party transactions**Revenue**

As of 31 December 2025 and 2024, the Company has no revenue arising from related party transactions.

Cost of sales

As of 31 December 2025 and 2024, the breakdown of cost of sales arising from related party transactions is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Ram Turizm Marina Yat ve Çekek İşl. A.Ş. (*) (**)	-	16,014,717
MCI Turizm Marina Yat ve Çekek İşl. A.Ş. (*) (**)	-	14,428,997
Yıldız Holding A.Ş. (*) (**)	-	3,586
Total	-	30,447,300

(*) Represents operations classified as discontinued operations under TFRS 5.

The Company has classified its certain activities as “discontinued operations” in accordance with TFRS 5 during 2024. Related party transactions and costs for the year ended on 31 December 2024 consist of service purchases related to operations conducted within the scope of discontinued operations.

Gains from investment activities

As of 31 December 2025 and 2024, the breakdown of gains from investment activities arising from related party transactions is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Yıldız Holding A.Ş. (**)	-	130,011,952
Total	-	130,011,952

(**) Yıldız Holding has not been considered as a related party of the Company following the share transfer on 9 December 2024.

NOTE 21 – RELATED PARTY DISCLOSURES (Continued)**Financial expenses**

As of 31 December 2025 and 2024, the breakdown of financial expenses arising from related party transactions is as follows:

Yıldız Holding (*)	1 January - 31 December 2025	1 January - 31 December 2024
Interest and commission expenses (*)	-	(915,652)
Foreign exchange losses	-	(177,737)
Total	-	(1,093,389)

(*) Yıldız Holding has not been considered as a related party of the Company following the share transfer on 9 December 2024.

The Company signed amendment agreement with all lending banks regarding the syndicated loan transferred on a one-to-one basis and under the same terms as the Company's payables to Yıldız Holding in August 2020. Accordingly, changes in original maturities and interest rate risk have been considered as significant changes. For loans with no change in the original currency or interest rate, cash flows discounted at the original effective interest rate are also considered significant changes if they differ by at least 10% from the net present value of the new terms. The relevant loans have been recognized as the elimination of a prior financial liability and the recognition of a current financial liability in the financial statements, and have been recognised under long-term other payables. In accordance with the decision of the General Assembly on 13 July 2023, following the disposal of the "İstanbul Portföy Yıldız Hedge Fund," the syndicated loans were fully repaid with the resulting cash inflows, thereby ending the related ongoing expenses.

Holding distribution costs and expenses

	1 January - 31 December 2025	1 January - 31 December 2024
Yıldız Holding A.Ş.	-	2,720,211
Sağlam İnşaat Taah. Tic. A.Ş.	-	11,194,426
İzsal G.Menkul Geliştirme A.Ş.	-	1,835,368
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	291,472
Lydia Holding A.Ş. (*)	1,306,400	-
Total	1,306,400	16,041,477

(*) The balance of Lydia Holding consist of the management support contract fee (31 December 2024: None).

Rent expenses

	1 January - 31 December 2025	1 January - 31 December 2024
EC Gayrimenkul Yatırımları San. ve Tic. A.Ş.	1,189,145	-
Total	1,189,145	-

NOTE 21 – RELATED PARTY DISCLOSURES (Continued)

Key management compensation

As of 31 December 2025 and 2024, the detailed analysis of key management compensation including premiums and other short-term benefits is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Key management compensation (Allowances) (Note 16)	3,148,751	568,481
Total	3,148,751	568,481

NOTE 22 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Company is exposed to variety of financial risks due to its operations. These risks presented are as follows:

- Foreign exchange risk
- Credit risk
- Liquidity risk
- Capital risk

Financial risk factors

The Company is exposed to market risk (foreign exchange risk, fair value interest rate risk, cash flow interest rate risk, and price risk), credit risk, and liquidity risk due to its operations. The Company's risk management program focuses on minimizing the potential adverse effects of uncertainty in financial markets on the financial performance.

The risk management is carried out by a finance department in accordance with policies approved by the Board of Directors. With regard to risk policies, financial risks are identified and assessed by the finance department, and the relevant instruments are used to mitigate risk in collaboration with the Company's operational departments.

As of 31 December 2025 and 2024, the foreign currency position is as follows:

	31 December 2025				31 December 2024			
	TL equivalent	USD	EUR	Other	TL equivalent	USD	EUR	Other
Cash and cash equivalents	-	-	-	-	69,393,484	1,500,000	-	-
Other receivables	-	-	-	-	685,169	14,091	691	-
Current assets	-	-	-	-	70,078,653	1,514,091	691	-
Total assets	-	-	-	-	70,078,653	1,514,091	691	-
Other payables	-	-	-	-	1,075,195	17,305	5,701	-
Other current liabilities	-	-	-	-	187,491	1,232	2,709	-
Total current liabilities (-)	-	-	-	-	1,262,687	18,537	8,410	-
Total liabilities (-)	-	-	-	-	1,262,687	18,537	8,410	-
Net foreign currency position	-	-	-	-	68,815,966	1,495,554	(7,719)	-

NOTE 22 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS
(Continued)

Financial risk factors (Continued)

The exchange rates used for translation of foreign currency denominated assets and liabilities into Turkish Lira (“TL”) are as follows:

	31 December 2025		31 December 2024	
	Buying	Selling	Buying	Selling
USD	42.8457	42.9229	35.2803	35.3438
EUR	50.2859	50.3765	36.7362	36.8024

The following table indicates the sensitivity to a 10% change in the USD, EUR, and other exchange rates. The amounts represent the net period profit and equity effect of a 10% increase in USD, EUR, and other foreign currencies against the Turkish Lira. During the analysis, it is estimated that all variables, especially interest rates, held constant.

As of 31 December 2025, the Company has no sensitivity to interest rate risk.

	31 December 2024			
	Profit/Loss		Equity	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency	Appreciation of Foreign Currency	Depreciation of Foreign Currency
Change in USD against TL by 10%				
1- USD Net Asset/Liability	6,918,780	(6,918,780)	6,918,780	(6,918,780)
2- Hedged portion of USD Risk (-)	-	-	-	-
3- USD Net Effect (1+2)	6,918,780	(6,918,780)	6,918,780	(6,918,780)
Change in EUR against TL by 10%				
1- EUR Net Asset/Liability	(37,184)	37,184	(37,184)	37,184
2- Hedged portion of EUR Risk (-)	-	-	-	-
TOTAL	6,881,597	(6,881,597)	6,881,597	(6,881,597)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As of 31 December 2025 and 2024, the exposure of financial assets to credit risk is as follows:

NOTE 22 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS
(Continued)

Financial risk factors (Continued)

Credit risk (Continued)

CREDIT RISK DETAILS IN RESPECT OF FINANCIAL INSTRUMENT TYPES

31.12.2025

	Receivables				Bank Deposits	Total
	Trade Receivables		Other Receivables			
	Related Party	Other	Related Party	Other		
Maximum exposure to credit risk as of reporting date (A+B+C+D+E) (*)	-	-	-	-	3,852	3,852
- Maximum risk secured with guarantees and collaterals	-	-	-	-	-	-
A. Net book value of neither past due nor impaired financial assets	-	-	-	-	3,852	3,852
B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets	-	-	-	-	-	-
C. Net book value of past due but not impaired financial assets	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-

31.12.2024

	Receivables				Bank Deposits	Total
	Trade Receivables		Other Receivables			
	Related Party	Other	Related Party	Other		
Maximum exposure to credit risk as of reporting date (A+B+C+D+E) (*)	-	-	-	10,235,180	91,700,087	101,935,267
- Maximum risk secured with guarantees and collaterals	-	-	-	-	-	-
A. Net book value of neither past due nor impaired financial assets	-	-	-	10,235,180	91,700,087	101,935,267
B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets	-	-	-	-	-	-
C. Net book value of past due but not impaired financial assets	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-

NOTE 22 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS
(Continued)**Financial risk factors (Continued)****Liquidity risk**

Liquidity risk is the risk that the Company will be unable to meet its funding needs. Prudent liquidity risk management is to provide sufficient cash and cash equivalents, to enable funding with the support of credit limits provided by reliable credit institutions and to close funding deficit. The Company provides funding by balancing cash inflows and outflows through the provision of credit lines in the business environment.

The Company has no derivative financial liabilities. Undiscounted contractual cash flows of the non-derivative financial liabilities as of 31 December 2025 and 2024 are as follows:

31 December 2025	Book value	Total contractual cash outflows (I+II+III)	Demand or up to 3 months (I)	3-12 months (II)	1-5 years (III)
Non-derivative financial liabilities					
Trade payables	544	544	544	-	-
Other payables	1,003,754	1,003,754	1,003,754	-	-
Other liabilities	188,802	188,802	188,802	-	-
Total liabilities	1,193,100	1,193,100	1,193,100	-	-

31 December 2024	Book value	Total contractual cash outflows (I+II+III)	Demand or up to 3 months (I)	3-12 months (II)	1-5 years (III)
Non-derivative financial liabilities					
Trade payables	331,010	331,010	331,010	-	-
Other payables	1,193,335	1,193,335	1,193,335	-	-
Other liabilities	326,770	326,770	326,770	-	-
Total liabilities	1,851,115	1,851,115	1,851,115	-	-

Capital risk

The Company, while trying to maintain the continuity of its activities in capital management on one hand, aims to increase its profitability by using the balance between debts and equity on the other hand. The capital structure of the Company consists of borrowings including the loans, cash and cash equivalents disclosed in Note 3 and equity items containing respectively paid-in share capital, restricted reserves, revaluation surplus profit reserves and retained earnings disclosed in Note 13.

Risks, associated with each capital class, and the senior management evaluates the capital cost. It is aimed that the capital structure will be stabilized by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the senior management evaluations.

NOTE 22 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS
*(Continued)***Financial risk factors** *(Continued)***Capital risk** *(Continued)*

The Company monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes short and long-term borrowings and other receivables/payables as disclosed in the statement of financial position). Total capital is calculated as equity, as presented in the statement of financial position, plus net debt.

As of 31 December 2025 and 2024, the details of the net financial debt/total capital ratio are as follows:

	31 December 2025	31 December 2024
Total other borrowings	1,003,754	1,193,335
Less: Cash and cash equivalents	(3,852)	(91,700,087)
Net financial debt	999,902	(90,506,752)
Total equity	2,451,220,937	1,941,589,706
Net financial debt/equity ratio	0.0004	(0.0466)

NOTE 23 – FAIR VALUE OF FINANCIAL INSTRUMENTS**Classification of financial instruments and fair values**

The Company determined fair value of financial instruments by using available market information and appropriate valuation methods. However, evaluating the market information and forecasting the real values requires interpretation. As a result, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange. The fair value of long-term borrowings has been recalculated as of the reporting date using the Company's borrowing interest rates. The Company management has determined that the fair values of financial assets and liabilities, including factoring receivables, receivables from banks, and short-term bank borrowings, which are carried at their discounted cost using the effective interest rate, are approximate to their carrying amounts, considering that they are short-term and potential losses may be insignificant. The fair value of the securities issued has been determined based on the prices determined in the market where they are traded.

Financial assets and liabilities

The fair values of certain financial assets carried at cost including cash and cash equivalents and other financial assets and the fair values of certain financial assets and liabilities including interest discounts calculated in accordance with discounted cost using the effective interest method are considered to approximate their respective carrying values due to their short-term nature.

NOTE 23 – FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Financial assets and liabilities (Continued)

	31 December 2025		31 December 2024	
	Book value	Fair value	Book value	Fair value
Financial assets				
Cash and cash equivalents and banks	3,852	3,852	91,700,087	91,700,087
Other receivables	-	-	10,235,180	10,235,180
Financial liabilities				
Trade payables	544	544	331,010	331,010
Other payables	1,003,754	1,003,754	1,193,335	1,193,335

The classification of the Company's financial assets and liabilities at fair value is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities: The fair value of financial assets and financial liabilities are determined with reference to quoted market prices.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices):

Level 3: Inputs for the asset or liability that are not based on observable market data.

Financial assets, liabilities, and investment properties carried at fair value in the statement of financial position

	Level 1	Level 2	Level 3	Total
31 December 2025				
Investment properties	-	2,664,950,000	-	2,664,950,000
Total	-	2,664,950,000	-	2,664,950,000
31 December 2024				
Investment properties	-	1,831,211,161	-	1,831,211,161
Total	-	1,831,211,161	-	1,831,211,161

NOTE 24- NET MONETARY POSITION GAINS/(LOSSES)

Non-monetary items	31 December 2025	31 December 2024
Statement of financial position	(26,170,490)	(334,144,132)
Property, plant and equipment	30,280	-
Investment properties	432,190,161	-
Adjustment to share capital	(263,975,126)	(344,325,093)
Treasury shares	1,433,874	1,867,440
Restricted reserves	(664,864,111)	(102,120,975)
Retained earnings	469,014,432	110,434,496
Statement of profit or loss	(8,771,004)	30,687,681
General administrative expenses	1,094,602	4,925,514
Other operating income/(expenses)	(3,174,246)	(3,550,081)
Gains/(losses) from investment activities	-	(21,664,522)
Financial income/(expenses)	3,332	(2,725,479)
Tax expenses	(6,694,692)	53,702,249
Net monetary position gains/(losses)	(34,941,494)	(303,456,451)

NOTE 25– FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR / INDEPENDENT AUDIT FIRMS

As of 31 December 2025 and 2024, the details of the fees and expenses relating to other services received from independent auditors and independent audit firms are as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Audit fee for the reporting period	780,000	736,129
Total	780,000	736,129

NOTE 26 - EVENTS AFTER THE REPORTING PERIOD

None.