

**KIZILBÜK GYO**

KIZILBÜK GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

**KIZILBÜK GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.  
CONVENIENCE TRANSLATION INTO ENGLISH OF  
BOARD OF DIRECTORS' ANNUAL REPORT FOR  
THE PERIOD 01.01.2025 – 31.12.2025  
(ORIGINALLY ISSUED IN TURKISH)**

**Independent Auditor’s Report on the Annual Report  
(Convenience translation of the report originally issued in Turkish)**

**To the Board of Direction  
Kızılbük Gayrimenkul Yatırım Ortaklığı A.Ş.**

**Opinion**

We have audited the annual report of **Kızılbük Gayrimenkul Yatırım Ortaklığı A.Ş.** (“the Company”) and its subsidiaries (“the Group”) for the period of 1 January 2025 – 31 December 2025. In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards accepted by regulations of the Capital Markets Board and published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibility is disclosed under Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report in detail. We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors (“Code of Ethics”) issued by POA, together with the ethical requirements included in the regulations of the Capital Markets Board and other regulations that are relevant to our audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Our Auditor’s Opinion on the Full Set Consolidated Financial Statements**

We have expressed an unqualified opinion in our auditor’s report dated March 11, 2026 on the full set consolidated financial statements of the Group for the period of 1 January – 31 December 2025.

## **The Responsibility of the Board of Directors on the Annual Report**

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 (“TCC”) and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting in Capital Markets” (“the Communiqué”) of the Capital Market Board (“CMB”), the management of the Group is responsible for the following items:

- a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly
- b) Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.
- c) The annual report also includes the matters below:
  - Subsequent events occurred after the end of the fiscal year which have significance,
  - The research and development activities of the Group,
  - Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

## **Auditor’s Responsibilities for the Audit of the Annual Report**

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group’s audited consolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

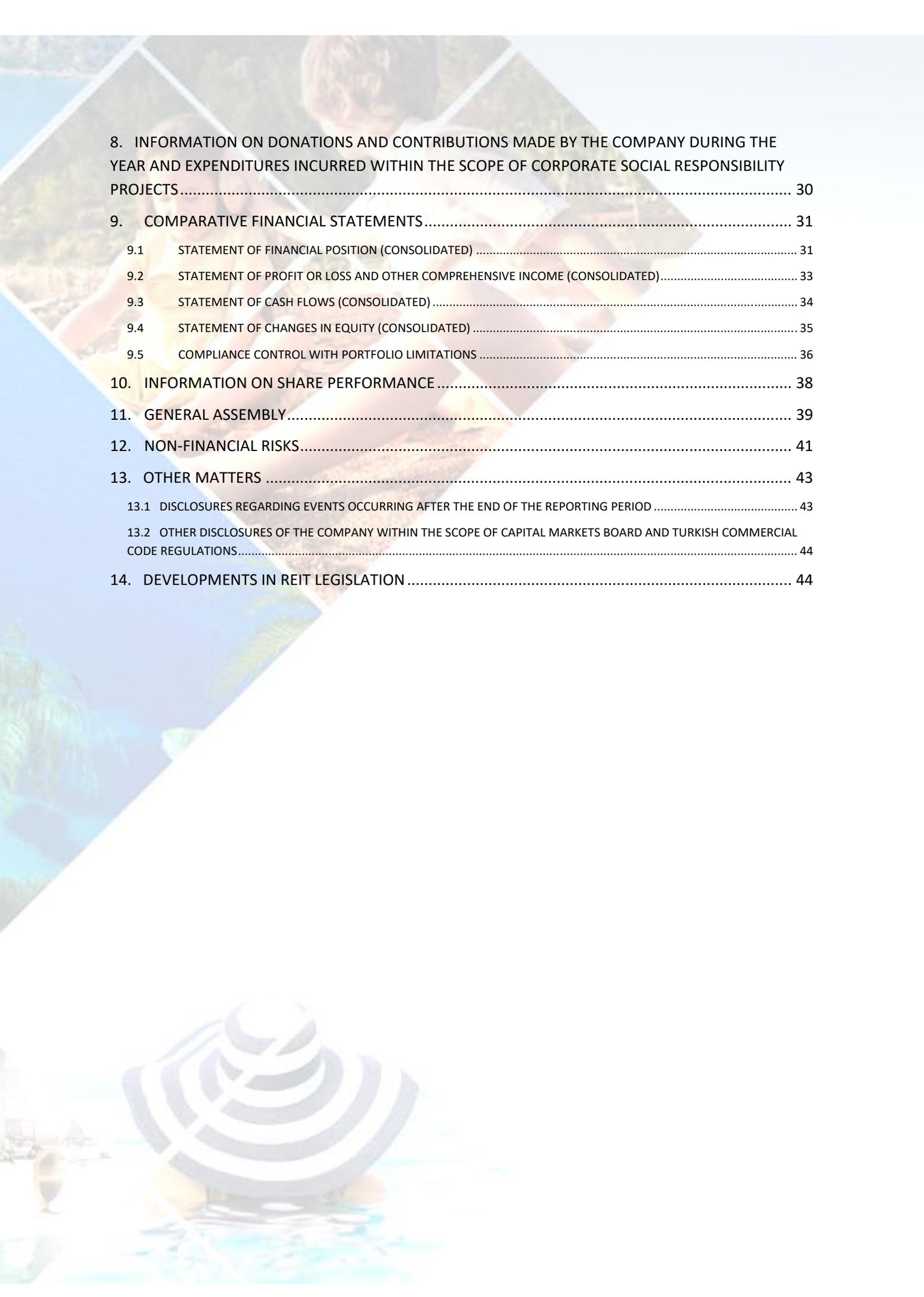
The name of the engagement partner who supervised and concluded this audit is Ali ORDULU.

**ARSEN BAĞIMSIZ DENETİM HİZMETLERİ A.Ş.**  
**An Independent Member of SFAI GLOBAL**

**Ali ORDULU**  
**Responsible Auditor**  
**İstanbul, March 11, 2026**

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This Annual Report (the "Report") has been prepared in accordance with Article 516 of the Turkish Commercial Code, the Regulation on the Determination of the Minimum Content of Annual Reports of Companies published in the Official Gazette dated 28 August 2012 and numbered 28395 by the Ministry of Customs and Trade, Article 8 of the Capital Markets Board ("CMB") Communiqué (II-14.1) on Principles Regarding Financial Reporting in the Capital Markets, Article 39 of the CMB Communiqué (III-48.1) on Principles Regarding Real Estate Investment Trusts, and the relevant provisions of the CMB Communiqué (II-17.1) on Corporate Governance.

The Report aims to present an assessment of the Company's operations for the period between 1 January 2025 and 31 December 2025 and to provide transparent, comprehensive and comparable information to our shareholders and investors in line with applicable regulatory requirements and international reporting standards.

## 1. CORPORATE PROFILE

### 1.1 COMPANY INFORMATION

<b>Trade Name of the Company</b>	<b>KIZILBÜK GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ</b>
Registered Office Address	Dikilitaş Mahallesi, Yenidoğan Sokak, Sinpaş Plaza, No: 36 Beşiktaş – İstanbul
Date of Incorporation	30 March 2021
Corporate E-mail Address	ir@kizilbukgyo.com
Telephone / Fax Number	(0212) 310 27 03 / (0212) 259 87 18
Corporate Website	kizilbukgyo.com – kizilbukgyo.com/en/
MERSIS Number	0771030543200013
Registered Electronic Mail (KEP) Address	kizilbuk@hs02.kep.tr
Sector of Operation	Financial Institutions / Real Estate Investment Trusts
Principal Activity	Gayrimenkullere, Gayrimenkullere Dayalı Sermaye Piyasası Araçlarına, Gayrimenkul Projelerine ve Gayrimenkullere Dayalı Haklara Yatırım Yapmak.
Independent Audit Firm	Arsen Bağımsız Denetim Hizmetleri A.Ş.
Valuation Firms	Focus Global Gayrimenkul Değerleme ve Danışmanlık A.Ş.
Stock Exchange Indices Included	BIST YILDIZ / BIST KATILIM 50 / BIST KATILIM 100 / BIST TÜM-100 / BIST 500 / BIST MALİ / BIST TÜM / BIST KATILIM TUM / BIST GAYRİMENKUL YAT. ORT.
Trading Market of the Capital Market Instrument	Yıldız Pazar
Listing / Initial Trading Date of the Shares	12 August 2021
Trade Registry Number	302819-5
Tax Identification Number / Tax Office	5601237288 / İSTANBUL – Mecidiyeköy Tax Office Directorate
Paid-in / Issued Share Capital	1.200.000.000 TL*
Registered Capital Ceiling	6.000.000.000 TL
Reporting Period of the Board of Directors' Annual Report	01.01.2025 – 31.12.2025 / Dördüncü 3 Aylık Bildirim

\* See Section 13.1 – Events Occurring After the End of the Reporting Period

Kızılıbük Real Estate Investment Trust Inc. (“Kızılıbük REIT” or the “Company”) was incorporated on 30 March 2021 through a partial spin-off from Sinpaş Real Estate Investment Trust Inc., in accordance with the Capital Markets Board (“CMB”) regulations, with the purpose of investing in real estate, real estate-backed capital market instruments, real estate projects and rights based on real estate.

Leveraging Sinpaş’s nearly half a century of expertise and track record in real estate development, Kızılıbük REIT aims to establish a branded chain in Türkiye and internationally, focusing on a niche segment that integrates thermal tourism, timeshare residential units, hotel operations and thermal SPA facilities within a single mixed-use investment model.

The Company’s first portfolio investment is the Kızılıbük Thermal Wellness Resort project, located in Marmaris İçmeler — one of Türkiye’s leading tourism destinations — positioned at the intersection of the Aegean and Mediterranean regions.

Developed on approximately 173,000 square meters of land, the mixed-use project comprises timeshare units of various sizes, a five-star resort hotel, an apart hotel, two private-use restaurants and one main restaurant, a Thermal SPA facility, retail areas, indoor and outdoor aquaparks, an adventure park, conference and meeting halls, and a healthcare center. The project has been designed to operate year-round without seasonal interruption.

The timeshare units within the project are offered for sale in 48-week intervals throughout the year. The underlying land plots on which the project is being developed are owned by Kızılıbük REIT, and purchasers of timeshare units receive freehold title deeds specific to their timeshare rights. The Company plans to lease unsold inventory timeshare units on a daily, weekly or longer-term basis to generate additional operating income.

The hotel, apart hotel, retail areas, Thermal SPA, aquapark and other commercial facilities developed within the scope of the project are not intended for sale. These assets will be retained within the Company’s portfolio to generate recurring rental and operating income in line with its long-term investment strategy.

Organizationally, the Company directly manages its core functions — including executive management, project development, budgeting and planning, procurement, sales and marketing, and finance — through its own personnel, while certain auxiliary functions are outsourced in order to ensure operational efficiency and cost optimization.

## 1.2 CORPORATE HISTORY

Kızılıbük Real Estate Investment Trust Inc. (“Kızılıbük REIT” or the “Company”) was incorporated on 30 March 2021 through a partial spin-off from Sinpaş Real Estate Investment Trust Inc. (“Sinpaş REIT”).

Within the scope of this spin-off, the land plots located in Muğla Province, Marmaris District, İçmeler Neighborhood — on which the “Marmaris Kızılıbük Thermal Wellness Resort” project is being developed — together with the related assets and liabilities, were transferred from Sinpaş REIT to Kızılıbük REIT.

The net book value of the assets and liabilities transferred through the partial spin-off amounted to 230,498,169.32 TL. In addition, Sinpaş REIT contributed 9,501,830.68 TL in cash capital to Kızılıbük REIT. Accordingly, the Company was incorporated with a paid-in capital of 240,000,000 TL, all of which was initially owned by Sinpaş REIT.

Following its incorporation, Kızılıbük REIT completed the necessary preparations for its initial public offering (“IPO”). On 28 May 2021, the Company applied to the Capital Markets Board of Türkiye (“CMB”) for the public offering of 60,000,000 shares, representing 25% of its total issued share capital of 240,000,000 shares, all of which were held by Sinpaş REIT at the time.

Following the CMB’s review process, the approval for the IPO was announced in the CMB Bulletin dated 14 July 2021 and numbered 2021/36.

The demand collection (book-building) process for the offered shares was conducted between 4–6 August 2021. Subsequently, Kızılıbük REIT commenced trading on Borsa Istanbul on 12 August 2021 with a free float ratio of 25%.

### 1.3 CAPITAL AND SHAREHOLDING STRUCTURE

The Company has a registered capital ceiling of 6,000,000,000 TL. As of 31 December 2025, the Company's issued and paid-in share capital amounts to 1,200,000,000 TL.\*

Following its initial public offering in August 2021, the Company increased its share capital from 240,000,000 TL to 300,000,000 TL through a share capital increase by way of capitalization of internal resources.

In 2025, the Company executed a further share capital increase by way of capitalization of internal resources, raising its issued capital by 900,000,000 TL from 300,000,000 TL to 1,200,000,000 TL.

In 2026, through another share capital increase by way of capitalization of internal resources, the Company increased its share capital by 2,800,000,000 TL, from 1,200,000,000 TL to 4,000,000,000 TL.\*

As of the reporting period covered by this Annual Report, the Company's shareholding structure is as follows:

Shareholder	Share Class	Capital Contribution (TL)	Ownership (%)
Sinpaş Real Estate Investment Trust Inc.	A	5,000,000.00	65.2%
	B	777,400,000.75	
Other Shareholders (Free Float)	B	417,599,999.25	65.2%
<b>TOTAL</b>		<b>1.200.000.000,00*</b>	<b>100.00%</b>

Group A shares grant the privilege to nominate candidates for membership of the Board of Directors. All Board member candidates are nominated by the holders of Group A shares and are elected by the General Assembly in accordance with applicable legislation and the Company's Articles of Association.

### 1.4 INFORMATION ON THE COMPANY'S DIRECT AND INDIRECT SUBSIDIARIES AND SHAREHOLDING RATIOS, AND TREASURY SHARES ACQUIRED BY THE COMPANY

On 19 April 2023, the Company completed the acquisition of 100% of the shares of Beyazkum Satış Pazarlama İşletme Hizmetleri A.Ş., thereby establishing full ownership and control over the entity as a wholly owned subsidiary.

Legal Entity	Principal Activity	Paid in / Issued Capital	Company's Capital Contribution	Currency	Ownership (%)	Nature of Relationship
Beyazkum Sales, Marketing and Operations Services Inc.	Activities of real estate agencies	50,000	50,000	TRY	100	Wholly Owned Subsidiary
Güney Marmara Real Estate Investments Inc.	Acquisition and disposal of own real estate	500,000	245,000	TRY	49	Associate
Kızılıbük Kuşgölü Real Estate Investments Inc.	Development of timeshare projects	50,000	24,500	TRY	49	Associate

\* See Section 13.1 – Events Occurring After the End of the Reporting Period

## 1.5 BOARD OF DIRECTORS

Kızılıbük REIT's Board of Directors consists of a total of five members\*, including one Independent Director. Mr. Mahmut Sefa Çelik, a member of the Board of Directors, also serves as the Chief Executive Officer (General Manager) of the Company. The members of the Board of Directors and their biographies are presented below:

Board Member	Position	Independent	Term of Office Expiry
Avni Çelik	Chair of the Board	No	14 August 2028
Ahmet Çelik	Vice Chair of the Board	No	14 August 2028
Mahmut Sefa Çelik	Board Member / Chief Executive Officer	No	14 August 2028
Mehmet Yavaş	Board Member	No	14 August 2028
Akif Gülle	Board Member	Yes	14 August 2028

\* See Section 13.1 – Events Occurring After the End of the Reporting Period

### Dr. Avni Çelik, Chair of the Board



Avni Çelik was born in Çorum in 1950 and graduated from the Department of Civil Engineering at the Ankara State Academy of Engineering and Architecture. Having been actively engaged in professional life since his university years, Çelik became a founding partner of Sinpaş Yapı Endüstrisi A.Ş. in 1974. In addition to the residential real estate sector, Avni Çelik has made investments in the industrial, services, finance and energy sectors. With nearly half a century of experience, he currently serves as Chair of the Board of Sinpaş Holding, one of Türkiye's leading corporate groups, which operates 52 companies across six sectors and employs more than 2,000 professionals. Dr. Avni Çelik also serves as Chair of the High Advisory Board of the Real Estate and Real Estate Investment Companies Association (GYODER), Member of the Assembly of the Istanbul Chamber of Commerce, and Member of the Board of Trustees of Istanbul Commerce University. In addition, he holds chair and trustee positions in various professional associations and foundations.

### Ahmet Çelik, Vice Chair of the Board



Ahmet Çelik was born in 1962 in Alaca, Çorum. He graduated in 1988 from the Department of Public Administration at the Faculty of Economics and Administrative Sciences of Gazi University. Çelik began his professional career at Sinpaş Yapı A.Ş., serving in the accounting department between 1987 and 1990. Between 1992 and 2001, he held senior positions within the procurement division, including Chief and Assistant General Manager. From 2001 to 2007, in addition to his role as Assistant General Manager, he also served as a Board Member in various group companies. In 2007, Ahmet Çelik was appointed as General Manager of Sinpaş Yapı A.Ş. Since 2013, he has continued his career as Vice Chair of the Board across the Group companies. In addition to his responsibilities within the Group, Ahmet Çelik has been a Member of the Assembly of the Istanbul Chamber of Commerce since 2009. He has also served as Chair and Member of the Soil Sector Committee and as a member of the Construction Specialized Committee of the Istanbul Chamber of Commerce. Between 2008 and 2014, he served as Chair of the Board of the Boğaziçi Foundation and continues to serve as a Member of its Board of Trustees. Since 2011, he has been actively serving as Chair of the Board of the Alaca Education and Culture Foundation and as Vice Chair of the Board of KONUTDER (Association of Housing Developers and Investors). He is also a Congress Member of Fenerbahçe Sports Club.

### **Mahmut Sefa Çelik, Board Member / Chief Executive Officer**



Mahmut Sefa Çelik was born in Ankara in 1975. He graduated from Kabataş Erkek High School in 1993 and earned his degree from the Faculty of Civil Engineering at Yıldız Technical University in 1998. Between 1999 and 2001, he served as Site Manager for the Sinpaş Aqua City Project. From 2002 to 2004, he held the position of Deputy Foreign Trade Manager at Seranit Granit Seramik Sanayi A.Ş., and between 2004 and 2005, he managed various distribution investments at Seranit's Bilecik manufacturing facility. In 2005, Mahmut Sefa Çelik was appointed as Assistant General Manager responsible for Project Planning and Administrative Permitting Processes at Sinpaş Headquarters in Istanbul. Throughout his career within Sinpaş Holding and its affiliated companies, he has held various senior executive and board-level positions, including Board Member at Saf Gayrimenkul Yatırım Ortaklığı A.Ş., Chief Executive Officer at Servet Gayrimenkul Yatırım Ortaklığı A.Ş., Board Member at Batı Ege Gayrimenkul A.Ş., Chief Executive Officer at OSWE Real Estate GmbH, Executive Committee Member at Kat Gayrimenkul Geliştirme A.Ş., Board Member at Ottoman Gayrimenkul Yatırımları A.Ş., and Board Member at Sinpaş Gayrimenkul Yatırım Ortaklığı A.Ş.

Since February 2021, Mahmut Sefa Çelik has been serving as Board Member and Chief Executive Officer of Kızılıbük Real Estate Investment Trust Inc.

In addition, Çelik holds various positions in some of the leading non-governmental organizations in our country. He serves as a Member of the Board of Trustees at Alaca Education Foundation, a Member of the Board of Directors at Boğaziçi Foundation, Vice Chairman of the Shopping Center Investors Association (AYD), Vice Chairman of the Real Estate Investment Trust Association (GYODER), and a Member of the Board of Directors at MÜSİAD.

### **Mehmet Yavaş, Board Member**



Mehmet Yavaş was born in Eskişehir in 1968 and graduated from the Department of Civil Engineering at the Faculty of Engineering and Architecture of Anadolu University. He began his professional career in 1990 as a Civil Engineer at Alsim-Alarko Sanayi ve Ticaret A.Ş. In 1996, he joined Sinpaş Yapı Endüstrisi ve Ticaret A.Ş. as a Site Engineer. Throughout his tenure at Sinpaş, he has held progressively senior positions, including Section Chief, Site Manager, Project Director, Deputy General Manager responsible for Production, and currently serves as Group President of Production. Mehmet Yavaş managed the incorporation process of Sinpaş Real Estate Investment Trust Inc. and led its initial public offering in 2007. Following the merger of Sinpaş Yapı Endüstrisi A.Ş. under the umbrella of Sinpaş Real Estate Investment Trust Inc. in 2018, he continued to serve as Group President of Production and was appointed as a Member of the Board of Directors of Sinpaş REIT.

### **Akif Gülle, Independent Board Member**



Born in 1958 in Aksungur Village of Merzifon, Amasya, Akif Gülle completed his higher education at Samsun Higher Islamic Institute. He held various senior public sector positions, including Branch Manager at the Ministry of National Education, Head of the Personnel Training Department at the Istanbul Metropolitan Municipality, and Deputy Director General at the Directorate General of Personnel and Principles under the Prime Ministry of the Republic of Türkiye. Gülle was among the founding members of the Justice and Development Party (AK Party). He was elected as a Member of Parliament representing Amasya from the Justice and Development Party list during the 21st, 22nd and 23rd legislative terms, beginning with the general elections held on 3 November 2002. He also served as Deputy Chair and Advisor within the Justice and Development Party. Akif Gülle is fluent in English and is married with four children.

## 1.5.1 BOARD COMMITTEES

Committee	Chair	Members
Audit Committee*	Akif Güllü	*
Corporate Governance Committee*	Akif Güllü	Mehmet Yavaş, Mehmet Mert Eren*
Early Detection of Risk Committee*	Akif Güllü	Mehmet Yavaş*

\* See Section 13.1 – Events Occurring After the End of the Reporting Period.

## 1.5.2 INDEPENDENCE DECLARATIONS OF THE INDEPENDENT BOARD MEMBERS

*Pursuant to Article 4.3.6 of the Annex to the Capital Markets Board (“CMB”) Communiqué (II-17.1) on Corporate Governance, I hereby declare that I satisfy the independence criteria set forth below and, within this scope, that I am a candidate for Independent Board Membership at the Ordinary General Assembly of Kızılıbük Real Estate Investment Trust Inc. to be held in 2021.*

*In this context, I declare that:*

*Within the last five years, neither I, nor my spouse, nor my relatives by blood or marriage up to the second degree, have been employed in an executive position assuming significant duties and responsibilities, or have held more than 10% of the capital or voting rights, or have established a material commercial relationship (it being sufficient that such relationship is material for either the candidate or the Company) with the Company; its subsidiaries over which it exercises control; legal entities controlled by shareholders holding directly or indirectly 10% or more of the Company’s capital or privileged shares; or entities over which such shareholders exercise control.*

*Within the last five years, I have not been employed by, nor served as a board member of, companies that, under contractual arrangements, have carried out all or a substantial portion of the Company’s operations and organization, including but not limited to those providing audit services (including tax audit, statutory audit and internal audit), rating services or consultancy services to the Company.*

*Within the last five years, I have not been a shareholder (holding 10% or more), nor served in an executive position with significant duties and responsibilities, nor served as a board member of any entity that provides significant services or products to the Company.*

*I possess the professional education, knowledge and experience necessary to duly perform the duties to be undertaken as an Independent Board Member.*

*Subject to compliance with the applicable legislation, and except for university faculty members, I do not work full-time in any public institution or organization after being elected as a Board Member.*

*I am deemed to be resident in Türkiye in accordance with the provisions of the Income Tax Law.*

*I possess strong ethical standards, professional reputation and experience that will enable me to contribute positively to the Company’s operations, maintain impartiality in conflicts of interest among shareholders, and make independent decisions by duly considering the rights of stakeholders.*

*I am able to allocate sufficient time to follow the Company’s activities and to duly fulfill the requirements of the duties undertaken.*

*Within the last ten years, no judicial or administrative sanctions have been imposed on me by the decision-making body of the CMB following any investigation conducted by the CMB in relation to decisions taken in my capacity as a Board Member.*

*Within the last ten years, I have not served as an executive Board Member of the Company for more than six years. It is permissible for the same individual to serve as an Independent Board Member in companies under the same holding structure without limitation as to the number of companies; however, such Independent Board Member must not have served in that capacity within the group for more than six years in total during the last ten years.*

Akif Güllü

## **1.6 COMMITTEES AND WORKING PRINCIPLES**

### **1.6.1 DUTIES AND WORKING PRINCIPLES OF THE CORPORATE GOVERNANCE COMMITTEE**

The Corporate Governance Committee of the Company was established on 3 April 2021. The Committee is chaired by Independent Board Member Mr. Akif Gülle. The other members of the Committee are Board Member Mr. Mehmet Yavaş and Investor Relations Manager Mr. Mehmet Mert Eren.\*

The working principles of the Corporate Governance Committee are set out below:

#### **Corporate Governance Committee Charter**

##### **PURPOSE**

This Charter has been prepared in order to define the formation and operational structure of the Corporate Governance Committee, which is established and authorized by the Board of Directors to assist the Board in monitoring the Company's compliance with the Corporate Governance Principles set forth under the Capital Markets legislation and the Corporate Governance Principles issued by the Capital Markets Board ("CMB"), and, where necessary, to carry out improvement activities in this regard.

##### **AUTHORITY AND SCOPE**

The Corporate Governance Committee:

- Develops and ensures the implementation of Corporate Governance Principles within the Company;
- Submits recommendations to the Board of Directors aimed at enhancing corporate governance practices;
- Oversees the activities of the Investor Relations Department;
- Taking into consideration the Corporate Governance Principles, provides recommendations to the Board of Directors regarding the number and selection of Board members, as well as the structure, functioning and effectiveness of the Board and its committees;
- Prepares the agenda for the Board of Directors with respect to the identification of potential risks that may affect the Company's operations and the adoption of measures to eliminate and/or mitigate the possible adverse effects of such risks;
- In consideration of the Company's long-term objectives, determines the principles and criteria governing the remuneration of Board members and senior executives, establishes a human resources and remuneration policy applicable to all employees of the Company, and monitors the implementation of such policies;
- Submits its proposals to the Board of Directors regarding the remuneration of Board members and senior executives within the framework of the remuneration policy;
- Conducts the annual corporate governance evaluation and submits the Corporate Governance Compliance Statement to the approval of the Board of Directors.

The Committee is established and authorized by the Board of Directors and acts within the scope of its delegated authority and responsibilities. The Committee provides advisory opinions to the Board and, where necessary, submits reports reflecting its assessments. However, the ultimate responsibility for decision-making at all times rests with the Board of Directors.

\* See Section 13.1 – Events Occurring After the End of the Reporting Period.

## **ORGANIZATION**

The duties, areas of responsibility, working principles and composition of the Committee are determined by the Board of Directors and disclosed to the public.

The Committee responsible for Corporate Governance consists of at least two members. The Chair of the Committee is elected from among the Independent Board Members. The Executive Committee Chair and the Chief Executive Officer shall not serve on the Committee. Where the Committee consists of two members, both members must be non-executive Board Members. Where the Committee consists of more than two members, the majority of its members must be Board Members who do not assume executive functions.

The Corporate Governance Committee convenes upon the invitation of the Committee Chair, in accordance with the principles set forth by the Capital Markets Board and with such frequency as required by its activities.

During Committee meetings, the Company's risk management systems are reviewed at least once per year.

The Committee submits reports to the Board of Directors containing the necessary information regarding its activities and the outcomes of its meetings.

The Committee may invite any executive it deems necessary to attend its meetings, even if such executive is not a member of the Committee and may obtain their views within the scope of its work.

## **DUTIES AND RESPONSIBILITIES**

### **Compliance with Corporate Governance Principles**

- The Committee ensures that the significance and benefits of the Corporate Governance Principles are duly recognized and internalized within the Company. It evaluates whether an efficient and effective "corporate governance culture" has been established throughout the organization.
- The Committee submits recommendations to the Board of Directors regarding the effective functioning of the infrastructure supporting management practices aimed at enhancing corporate performance, and regarding the understanding, adoption and endorsement of such practices by employees and senior management.
- The Committee performs any other duties within the scope of corporate governance as may be requested by the Board of Directors.
- Within the framework of the Corporate Governance Principles, the Committee identifies matters that would be in the best interests of the Company and its shareholders and that have not yet been implemented and submits recommendations to the Board of Directors for their implementation.
- The Committee evaluates whether the Corporate Governance Principles are being implemented; if not, it assesses the reasons for non-compliance and identifies any conflicts of interest arising from failure to fully comply with such principles. The Committee submits recommendations to the Board of Directors aimed at improving governance practices.

### **Managerial Oversight**

- The Committee obtains the views of management and relevant parties regarding the identification of areas that may give rise to managerial risk and the action plans developed to address identified deficiencies.
- The Committee reviews significant complaints received by the Company concerning management matters, ensures that such matters are duly resolved, and facilitates the confidential communication of employee notifications to management within the framework of applicable policies and procedures.

### **Public Disclosures**

- The Committee reviews the Annual Report to be disclosed to the public and the Company's website and assesses whether the information contained therein is accurate and consistent.

- The Committee develops recommendations to ensure that public disclosures are made in compliance with Capital Markets legislation and in accordance with the Company's Disclosure Policy.

#### **Compliance with Internal Regulations**

- The Committee ensures that internal regulations are documented in writing and duly communicated to all employees.
- The Committee assesses whether internal regulations and acceptable standards of conduct (Code of Ethics) are effectively communicated to employees by Company Management through appropriate communication channels.
- The Committee evaluates the actions taken by Company Management to monitor and ensure compliance with internal regulations.
- The Committee oversees compliance with internal regulations designed to prevent conflicts of interest among Board Members, executives and other employees, as well as the misuse of confidential and proprietary information.

#### **Nomination of Candidates to be Elected to the Board of Directors**

- The Committee undertakes activities to establish a transparent system for the identification of suitable candidates for the Board of Directors and Senior Management and develops policies and strategies in this regard.

#### **Investor and Shareholder Relations**

- The Investor Relations and Shareholder Relations Department has been established to monitor all relations between the Company and its shareholders and investors, and to ensure the full and proper fulfillment of their rights to obtain information.
- The Investor Relations and Shareholder Relations Department:
  - 1- Responds to information requests from shareholders and investors within the framework of applicable legislation, the Articles of Association, the Corporate Governance Principles and the Disclosure Policy;
  - 2- Organizes or participates in periodic investor briefings and meetings, both domestically and internationally, in accordance with applicable legislation, the Articles of Association, the Corporate Governance Principles and the Disclosure Policy;
  - 3- Undertakes the necessary initiatives to ensure that the Company's website functions as an active communication platform for both domestic and international investors;
  - 4- Oversees and monitors the public disclosure process to ensure compliance with applicable legislation;
  - 5- Ensures that records relating to shareholders are maintained in an accurate, secure and up-to-date manner;
  - 6- Ensures that the Annual Reports are prepared in accordance with applicable legislation and the Corporate Governance Principles of the Capital Markets Board;
  - 7- Monitors that General Assembly meetings are conducted in compliance with procedural requirements;
  - 8- Prepares the documentation to be presented to shareholders at General Assembly meetings;
  - 9- Undertakes the necessary actions to ensure that meeting minutes are properly recorded in accordance with applicable procedures.

#### **Risk Management**

- In addition to monitoring the management of operational and financial risks by the relevant departments within the Company, the Corporate Governance Committee conducts studies concerning other potential risks and provides guidance to the relevant Department Heads and internal control functions. It identifies, measures, analyzes, monitors and reports the risks faced by the Company, and issues recommendations where necessary in order to mitigate controllable and non-controllable risks.

- Based on risk management strategies and in line with the views of the Board of Directors, the Committee determines the risk management policy and implementation procedures, and ensures their effective application and compliance.
- As part of the risk management process, the Committee participates in the design, selection, implementation and preliminary approval of risk measurement models, which constitute a fundamental tool of risk management. It regularly reviews such models, performs scenario analyses and makes necessary adjustments.
- In order to effectively perform the risk monitoring function, the Committee may request information, opinions and reports from the relevant departments whenever deemed necessary.
- The Committee reviews the risks disclosed in the Company's financial statements and annual reports prepared in accordance with the financial reporting standards accepted by the Capital Markets Board.

#### **Other Responsibilities**

- The Committee monitors developments in corporate governance literature and evaluates their potential impact on the Company's management practices.
- The Committee performs any other duties within the scope of corporate governance as may be requested by the Board of Directors.
- The Committee may initiate special reviews where deemed necessary and may appoint external experts or consultants to assist in such reviews.
- The Committee develops recommendations regarding the number of Board Members and senior executives.

### **1.6.2 AUDIT COMMITTEE DUTIES AND WORKING PRINCIPLES**

The Audit Committee of the Company was established on 3 April 2021. The Committee is chaired by Independent Board Member Mr. Akif Gülle.\*

The working principles of the Audit Committee are set out below:

#### **Audit Committee Charter**

##### **PURPOSE**

This Charter has been prepared to define the formation and operational structure of the Audit Committee, which is established by the Board of Directors from among its members to assist the Board in the performance of its oversight and supervisory responsibilities, in accordance with the provisions, regulations and principles set forth under the Capital Markets legislation and the Corporate Governance Principles issued by the Capital Markets Board.

##### **AUTHORITY AND SCOPE**

The Audit Committee is established and authorized by the Board of Directors. The Committee acts within the scope of its delegated authority and responsibilities, submits recommendations to the Board of Directors, and, where necessary, prepares reports and presents its opinions to the Board. However, the ultimate responsibility for decision-making at all times rests with the Board of Directors.

*\* See Section 13.1 – Events Occurring After the End of the Reporting Period.*

## **ORGANIZATION**

The Audit Committee consists of at least two members. Where the Committee is composed of two members, both must be Independent Board Members. Where the Committee consists of more than two members, the majority of its members must be Board Members who do not assume executive functions, such as the Chief Executive Officer or members of the Executive Committee.

The Audit Committee convenes at least once every three months and no fewer than four times per year. The Committee documents all of its activities in writing and maintains proper records thereof. It submits reports to the Board of Directors containing information regarding its activities and the outcomes of its meetings.

## **DUTIES AND RESPONSIBILITIES**

### **Financial Statements and Public Disclosure**

- The Committee reviews the periodic financial statements and related notes to be publicly disclosed and assesses their compliance with applicable legislation and International Financial Reporting Standards (IFRS).
- Together with the independent audit firm, the Committee reviews accounting policies that may have a material impact on the financial statements, developments in International Financial Reporting Standards, and legislative changes that may significantly affect the Company's operations.
- The Audit Committee reviews the Annual Report to be publicly disclosed and verifies whether the information contained therein is accurate and consistent with the information available to the Committee.

### **Independent Audit Firm and Rating Agency**

- The selection or replacement of the independent audit firm, the preparation of the audit engagement agreement, the initiation of the independent audit process, and the oversight of the independent audit firm's activities at every stage are conducted under the supervision of the Committee.
- The Audit Committee evaluates whether any circumstances exist that may impair the independence of the external independent audit firm and assesses the performance of the auditors.
- The Committee ensures that significant findings identified by the independent audit firm during or as a result of the audit, together with the auditor's recommendations for their resolution, are communicated to the Audit Committee in a timely manner and duly discussed.
- The selection of Corporate Governance Rating and Credit Rating agencies, as well as the preparation of related agreements and the initiation of the relevant processes, are carried out under the supervision of the Committee.

### **Internal Audit**

- The Audit Committee ensures that the necessary measures are taken to enable the internal audit function to perform its duties in a transparent and effective manner.
- The Committee informs the Board of Directors and submits recommendations regarding the effectiveness of the internal audit framework and any matters that may limit or hinder the performance of internal auditors.
- The Committee ensures that significant findings identified during or as a result of internal audit activities, together with recommendations for their resolution, are communicated to the Audit Committee in a timely manner and duly discussed.

### **Compliance with Legal and Regulatory Requirements**

- The Committee monitors whether the Company's operations, financial statements and related notes are conducted and prepared in compliance with applicable legislation and internal regulations.

- The Audit Committee reviews the results of audits and investigations carried out by regulatory authorities, provides information to the Board of Directors, and submits its recommendations where appropriate.
- The Audit Committee oversees compliance with internal regulations and policies designed to prevent conflicts of interest among Board Members, executives and other employees, as well as the misuse of confidential and proprietary information.

### **1.6.3 EARLY DETECTION OF RISK COMMITTEE DUTIES AND WORKING PRINCIPLES**

The Early Detection of Risk Committee of the Company was established on 3 April 2021. The Committee is chaired by Independent Board Member Mr. Akif Glle, and its member is Board Member Mr. Mehmet Yavař.\*

The working principles of the Early Detection of Risk Committee are set out below:

#### **Early Detection of Risk Committee Charter**

##### **PURPOSE**

This Charter has been prepared to define the formation and operational structure of the Early Detection of Risk Committee, which is established by the Board of Directors from among its members to assist the Board, within the framework of the provisions, regulations and principles set forth under the Capital Markets legislation and the Corporate Governance Principles issued by the Capital Markets Board, in carrying out activities aimed at the early identification of risks that may jeopardize the existence, development and continuity of Kızılıbk Real Estate Investment Trust Inc., the implementation of necessary measures in relation to identified risks, and the effective management of such risks.

##### **AUTHORITY AND SCOPE**

Within the scope of its duties and responsibilities, the Committee submits its evaluations and recommendations on matters falling within its area of authority to the Board of Directors in writing. The Committee may invite any Company employee it deems necessary to attend its meetings and obtain their views. Where deemed appropriate, the Committee may seek independent expert opinions in relation to matters within the scope of its activities. All resources and support required for the Committee to fulfill its duties are provided by the Board of Directors.

*\* See Section 13.1 – Events Occurring After the End of the Reporting Period.*

##### **ORGANIZATION**

The Early Detection of Risk Committee consists of at least two members. The Chair of the Committee is elected from among the Independent Board Members. The Chair of the Board of Directors or the Chief Executive Officer may not serve on the Committee. Where the Committee consists of two members, both must be non-executive Board Members. Where the Committee consists of more than two members, the majority of its members must be selected from among Board Members who do not perform executive functions. Where deemed necessary, individuals with relevant expertise who are not members of the Board of Directors may also be appointed to the Committee.

The Early Detection of Risk Committee convenes at least once every three months and no fewer than six times per year. The Committee documents all of its activities in writing and maintains proper records thereof. It submits reports to the Board of Directors containing information regarding its activities and the outcomes of its meetings.

##### **DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the Committee are as follows:

- To carry out activities aimed at the early identification of risks that may jeopardize the Company's existence, development and continuity, to ensure the implementation of necessary measures in relation to identified risks, and to support the effective management of such risks;
- To identify opportunities that may enhance the Company's profitability and operational efficiency, to ensure that necessary actions are taken with respect to identified opportunities, and to report such matters to the Board of Directors in a timely manner;
- Based on risk management strategies and in line with the views of the Board of Directors, to determine risk management policies and implementation procedures, and to ensure their effective application and compliance;
- To request information, opinions and reports from the relevant departments where deemed necessary in order to effectively perform the risk monitoring function;
- To review and report on the risks disclosed in the Company's financial statements and annual reports prepared in accordance with the financial reporting standards accepted by the Capital Markets Board;
- To establish effective internal control systems in order to identify, assess, monitor and manage risk factors and opportunities that may affect the achievement of the Company's objectives, based on impact and likelihood within the framework of an Enterprise Risk Management approach;
- To integrate risk management and internal control systems into the Company's corporate structure and to monitor their effectiveness;
- To measure, subject to appropriate controls, the risk factors and opportunities identified by the Company's risk management and internal control systems, and to report such matters to the Board of Directors for use in decision-making processes;
- To perform any other duties within the scope of risk identification and management as may be requested by the Board of Directors.

The Committee shall also perform any other duties assigned or to be assigned to it under the regulations of the Capital Markets Board and the Turkish Commercial Code.

#### **1.6.4 SUSTAINABILITY COMMITTEE DUTIES, WORKING PROCEDURES AND PRINCIPLES**

The Sustainability Committee of the Company was established on 2 May 2024. The Committee is chaired by Board Member / Chief Executive Officer Mr. Mahmut Sefa Çelik. The members of the Committee are Vice Chair Mr. Ahmet Çelik, Board Member Mr. Mehmet Yavaş, Finance Manager Mr. Mehmet Köşek, and Investor Relations Manager Mr. Mehmet Mert Eren.

The working principles of the Sustainability Committee are set out below:

##### **PURPOSE AND SCOPE**

This document sets forth the duties, working procedures and principles of the Sustainability Committee (the "Committee") of Kızılıbük Real Estate Investment Trust Inc. (the "Company"). The Committee has been established to develop, oversee and enhance the Company's sustainability strategies and practices. Within this framework, it aims to improve sustainability performance across environmental, social and economic dimensions.

The Committee has been formed to ensure that the concept of sustainability is integrated into the Company's business models and processes across all areas of operation, in alignment with the United Nations Sustainable Development Goals. It is responsible for defining sustainability strategies within an environmental, social and governance (ESG) framework, establishing, implementing and monitoring the Company's sustainability roadmap, designating responsible parties where necessary, and reporting to the Board of Directors accordingly.

### **STRUCTURE OF THE COMMITTEE**

The Committee is composed of at least two members of the Board of Directors and is established subject to the approval of the Board. The Chair of the Committee is appointed by the Board of Directors. Committee members are selected from among individuals with expertise in sustainability matters. The coordination of the Committee is carried out by the Investor Relations Manager.

The Committee consists of five members: Vice Chair Ahmet Çelik; Board Member / Chief Executive Officer Mahmut Sefa Çelik; Board Member Mehmet Yavaş; Finance Manager Mehmet Köşek and Investor Relations Manager Mehmet Mert Eren.

### **WORKING PROCEDURES AND PRINCIPLES**

The Committee convenes at predetermined intervals, at least twice per year. Meetings are held in accordance with the agenda determined by the Chair of the Committee. Meeting dates and agendas are communicated to the members at least one week in advance.

A meeting is held with the participation of at least the absolute majority of the Committee members. Decisions concerning sustainability objectives affecting the Company as a whole are adopted by a simple majority of votes.

Resolutions adopted at meetings are recorded in minutes and approved by the signatures of the members.

### **DUTIES AND RESPONSIBILITIES**

The principal duties and responsibilities of the Committee are as follows:

- To determine and further develop the Company's sustainability strategies and objectives;
- To monitor applicable sustainability-related legislation and standards, ensure compliance therewith, and review and enhance the Company's sustainability policies and practices;
- To maintain the "Sustainability Principles Compliance Framework" published by the Capital Markets Board in an up-to-date manner and to oversee all necessary actions to ensure compliance with such principles;
- To identify and manage sustainability-related risks and opportunities of the Company;
- To monitor, evaluate and report on the Company's sustainability performance;
- To undertake initiatives aimed at increasing awareness of sustainability among employees and stakeholders, and to support training and awareness activities in the field of sustainability;
- To collaborate with employees, suppliers and stakeholders to share and promote best practices in sustainability.

### **EFFECTIVE DATE**

This Charter shall enter into force upon its approval by the Board of Directors and shall remain in effect until amended or repealed by a subsequent Board resolution.

Any amendments to this Charter shall be subject to the approval of the Board of Directors.

## 1.7 CODE OF ETHICS

The “Code of Ethics” of Kızılıbük Real Estate Investment Trust Inc., which is binding upon all executives and employees, has been established with the objective of enhancing the Company’s corporate value.

All members of the Board of Directors, executives and employees are expected to comply with these ethical principles. The purpose of these rules is to ensure that employees act with full awareness of the corporate impact of their conduct and attitudes, and to foster a transparent, honest and reliable communication environment in all decision-making and business processes relating to the Company, in the achievement of established strategic objectives, and in the management of relationships with shareholders as a publicly traded company.

### Shareholders

- The primary objective of Kızılıbük REIT is to create added value by ensuring that shareholders’ investments are managed and enhanced in the most effective manner.
- Equal importance is attributed to each shareholder, regardless of the number of shares held.
- Shareholders are informed and guided in compliance with the applicable regulations issued by the Capital Markets Board.
- An appropriate communication environment is established to enable shareholders to communicate through various channels conveniently and effectively.

### Operational Standards

- It is fundamental that the Company’s operations are conducted in accordance with the principles of transparency, integrity and accuracy.
- Compliance with all applicable legal rules and restrictions related to the Company’s activities is essential.
- The rights and freedoms of employees, as well as those of individuals, institutions and organizations with whom the Company engages in the course of its activities, are respected.

### Employees

- Employees are required to act in compliance with applicable laws, regulations and internal Company policies.
- The Company ensures the protection of all rights granted to employees under applicable legislation. Employees’ personnel rights and benefits are provided fully, accurately and in a timely manner. The necessary conditions are established to ensure a safe and healthy working environment.
- Employees are treated fairly, and equal opportunities are provided under equal conditions.
- Any form of discrimination, exclusion, intimidation or psychological harassment (mobbing) against employees, or conduct causing similar distress, is unacceptable.
- Any form of sexual, social or physical harassment, or conduct causing similar distress, is strictly prohibited.
- Employees are expected to uphold and protect the name and reputation of Kızılıbük REIT.
- Employees are required to work harmoniously with colleagues and managers, to establish respectful and professional relationships with private or public individuals and institutions with whom the Company engages, and to perform their duties diligently and efficiently. In the event that conduct contrary to business ethics principles is identified, such matters must be reported to Management together with supporting documentation.
- Employees are obliged to protect the Company’s business interests and to refrain from any conduct that may cause harm to such interests. In this context, employees may not use Company resources for personal gain, may not engage in any unlawful conduct, and are required to report to Management any offers that may result in personal benefit.

- Employees may not accept any official or private position, whether permanent or temporary, paid or unpaid, nor engage in commercial activities, without the prior approval of the Company.
- Employees are obliged to maintain the confidentiality of any information and trade secrets learned in connection with their duties and the Company's activities. Such information and related documents may not be disclosed or provided to unauthorized persons or authorities. This obligation continues even after the termination of employment.
- Employees are required to promptly notify and submit to the Human Resources Department any changes in personal status, including marital status and address, as well as any personal or family-related information that forms the basis of rights and obligations regulated under contracts and/or internal policies.
- Personal information of employees and job applicants is kept confidential and protected.
- Suggestions from employees aimed at improving organizational structures and processes are considered valuable opportunities and are communicated to the relevant department managers for evaluation.

#### **Giving and Receiving Gifts**

- Gifts that go beyond customary business courtesy — including those that may compromise the objectivity of the receiving party or that are of significant monetary value — and that may place either party in a difficult position, shall neither be offered to nor accepted from companies or individuals with whom the Company maintains business relations.

#### **Customers – Competitors – Suppliers**

- Relations with customers and suppliers are conducted on a professional basis aimed at fostering long-term, trust-based relationships that generate value for the Company.
- The Company seeks to collaborate with business partners who embrace and adhere to Kızılbük REIT's ethical values.
- No goods or services that may harm or mislead customers are offered.
- No agreements or arrangements are entered into with competitors for the purpose of boycotting customers or suppliers.
- The Company is committed to acting in accordance with the principles of fair competition within its field of activity and expects the same level of diligence from other companies operating in the sector.
- No negative public statements are made in the media regarding competitors or their executives by name.
- No agreements or arrangements are entered into with competitors concerning the prevention of new market entrants, price-fixing of goods or services, or the allocation of regions, markets or customers.
- No unethical or unlawful methods are used to obtain information about other companies, and employees are prohibited from engaging in such practices. However, the use of publicly available information (such as information published on websites, price lists, advertisements or publicly released materials) is deemed acceptable.
- Commercial, personal and other confidential information belonging to suppliers and customers is kept confidential and duly protected.

#### **Public Disclosure**

- Except for the departments expressly authorized for this purpose, no employee may make any oral or written statement on behalf of the Company.
- The disclosure instruments set forth in the Company's Disclosure Policy are utilized in a manner that enables shareholders and stakeholders to benefit from them to the maximum extent and in the most efficient and accessible way.

- Information that the Company is required to disclose to the public, as well as information needed by shareholders and stakeholders, is made available in an easily accessible, up-to-date and equitable manner.

#### **Board of Directors**

- Members of the Board of Directors shall not yield to any pressure that may result in adverse consequences for shareholders, shall not accept any material benefit, and shall not conceal any act of misconduct or corruption.
- Members of the Board of Directors shall not disclose confidential information or trade secrets relating to the Company to the public.

#### **Social Responsibility**

- Kızılıbük REIT conducts its operations within its sector with a strong sense of social responsibility.
- Kızılıbük REIT supports its employees in voluntarily participating in social and community initiatives in order to foster awareness of social responsibility.
- Kızılıbük REIT exercises the utmost care in protecting the environment both in its own operations and in the activities of its business partners.
- Kızılıbük REIT uses natural and energy resources efficiently and takes measures to prevent waste.

#### **Compliance with the Rules**

- All employees of Kızılıbük REIT are expected to fully comply with these principles without exception. In the event that any conduct inconsistent with the Code of Ethics is identified, employees are obliged to promptly inform Management. Any potential loss of business arising from adherence to these rules shall not be regarded as a negative outcome.
- The Code of Ethics is defined, updated and amended by the Corporate Governance Committee. Following the approval of the Board of Directors, the Code is submitted for the information of the General Assembly and is published on the Company's website and in the Annual Report.

## **1.8 COMPLIANCE REPORT ON CORPORATE GOVERNANCE PRINCIPLES**

The Company exercises the utmost diligence in implementing the Corporate Governance Principles issued by the Capital Markets Board. The principles that are mandatory under the Corporate Governance Communiqué are fully complied with by the Company. A substantial portion of the non-mandatory Corporate Governance Principles is also implemented, and necessary actions are being undertaken with respect to those not yet fully adopted.

The Corporate Governance Compliance Report is publicly available on the Public Disclosure Platform (KAP) at the following link: <https://www.kap.org.tr/en/Bildirim/1570544>

## 1.9 SUSTAINABILITY

As Kızılıbük Real Estate Investment Trust Inc., we are committed to working towards a sustainable future by fulfilling our environmental, social and economic responsibilities.

The Sustainability Compliance Report is publicly available on the Public Disclosure Platform (KAP) at the following link: <https://www.kap.org.tr/en/Bildirim/1570549>

Energy Efficiency Investments	Waste Management and Recycling Programs	Water Conservation Practices	Energy Management and Smart Building Technologies
LED lighting systems will be utilized throughout the project.	In accordance with the Zero Waste Plan included in the Environmental Impact Assessment (EIA) Report approved on 10 March 2024, recycling measures are implemented during both the construction and operational phases. Waste is segregated by type and collected separately.	In line with the project approved on 28 March 2024, two rainwater storage tanks are planned to collect and reuse rainwater within the facility.	Automation systems will be implemented to ensure that electricity consumption and heating-cooling systems operate at optimal energy efficiency levels.
Energy-efficient electrical and mechanical systems (including full automation systems such as occupancy sensors) will be utilized.		Wastewater generated at the planned treatment facilities will be recycled and converted into grey water for reuse.	Reverse osmosis technology is planned to be used to desalinate seawater, both for freshwater production and for use in the building's heating and cooling systems.

## 1.10 DIVIDEND DISTRIBUTION POLICY

The dividend distribution policy of the Company is set out below:

### General Principles

Sinpaş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi (the "Company") has established its dividend distribution policy in accordance with the Turkish Commercial Code No. 6102 ("TCC"), the Capital Markets Law No. 6362 ("CML"), the Capital Markets Board ("CMB") Communiqué on Dividends (II-19.1), the relevant capital markets legislation, and the provisions of the Company's Articles of Association. This policy is based on the Company's objective of establishing a sustainable dividend distribution practice.

### Dividend Distribution Principles

At the end of each financial year, in order to benefit from the corporate income tax exemption provided under Article 5, paragraph 1(d) of the Corporate Income Tax Law No. 5520, the Company distributes at least 50% of the gains derived from its real estate assets as dividends by the end of the second month following the month in which the corporate tax return for the relevant fiscal year must be submitted.

The provisions and limitations of the capital markets legislation regarding dividend distribution are reserved. If

the net distributable profit for the period calculated in accordance with capital markets legislation is lower than the amount required to be distributed under tax legislation in order to benefit from the corporate income tax exemption, the difference shall, to the extent possible, be covered by distributing other distributable internal resources.

Dividends shall be distributed within the statutory time limits, on the date determined by the General Assembly, equally to all existing shares, irrespective of their issuance or acquisition dates.

The date (provided that it does not exceed the end of the second month following the month in which the corporate income tax return for the relevant fiscal year must be submitted) and method of distribution of the annual profit to shareholders shall be determined by the General Assembly upon the proposal of the Board of Directors, taking into account the relevant regulations of the Capital Markets Board (CMB).

Dividends distributed in accordance with the Articles of Association may not be reclaimed, and distributed dividends cannot be reversed. The General Assembly may resolve to distribute dividend advances to shareholders, subject to the regulations of the CMB and other applicable legislation. The calculation and distribution of such advances shall be carried out in accordance with the provisions of the applicable legislation.

If the Board of Directors proposes to distribute dividends below the aforementioned ratio or not to distribute dividends at all, the grounds for such proposal shall be disclosed to the shareholders.

### **1.11 REMUNERATION PRINCIPLES OF THE MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES**

#### **Board of Directors**

Members of the Board of Directors are paid attendance fees. The amount of such attendance fees is determined in a manner sensitive to market conditions, taking into account macroeconomic developments and the Company's performance and achievements. The proposed remuneration is submitted for approval to the General Assembly, implemented upon approval, and may be revised by resolution of the General Assembly.

#### **Senior Executives**

The Company applies a competitive and market-based remuneration policy for its senior executives. It observes internal equity among comparable roles and position holders. In determining salary increases, the performance of senior executives, their professional development efforts, sectoral benchmarks and the inflation rate are taken into consideration. Senior executives receive twelve months' salary per year, and salary adjustments are made once annually.

### **1.12 DONATION POLICY**

The Company may make donations and contributions to public-benefit foundations, foundations and associations, public institutions and organizations, municipalities, villages, universities, institutions and organizations engaged in scientific research and development activities, educational institutions, students, and similar persons and entities. The Company may also provide donations and assistance, particularly in the event of natural disasters such as earthquakes, floods or avalanches, to the relevant public authorities in the affected region, provincial administrations, the Turkish Red Crescent and similar organizations.

For each financial year, the Board of Directors submits to the General Assembly, at the ordinary general meeting, its proposal regarding the upper limit for donations and contributions. The upper limit is determined by resolution of the General Assembly.

At the ordinary general meetings convened to discuss the results of the preceding financial year, the General Assembly is informed about the donations and contributions made during the relevant financial year.

### 1.13 INVESTMENT STRATEGY

The Company's primary strategy is to complete the development of its flagship project, Kızılıbük Thermal Wellness Resort, and to open the project for use and operation in line with the planned timetable by achieving the targeted levels of timeshare sales and leasable area performance. In order to ensure the successful and sustainable operation of the project, the Company intends to appoint either one of its subsidiaries or a specialized professional management and operating company to undertake the operation and management of the project.

In the medium and long term, the Company aims to develop the proprietary "Kızılıbük" concept into a chain structure. It believes that, through this concept, it will build a significant nationwide timeshare customer base not limited to a single region. Building on the niche market position achieved through the Kızılıbük project, the Company plans to expand the integrated concept consisting of thermal facilities, timeshare units, hotel and thermal SPA functions, particularly by investing in other thermal destinations across Türkiye. Priority locations include provinces distinguished by their thermal resources, such as Balıkesir, Bursa, Denizli, Bolu and Afyon.

Through the addition of new facilities to the chain, the Company intends to offer exchange programs to members of the "Kızılıbük World," thereby providing customers with the opportunity to stay at different facilities each year. The chain expansion strategy aims both to maximize customer satisfaction and to support the sustainable growth of Kızılıbük REIT.

In the long term, subject to the domestic chain expansion potential of the "Kızılıbük" concept, the Company may evaluate investment opportunities in various regions of the world by leveraging its existing expertise and replicating the same integrated concept internationally.

## 2 ECONOMIC DATA

### 2.1 ECONOMY of TURKIYE – ECONOMIC INDICATORS

#### Growth

- Gross Domestic Product (GDP) recorded a growth rate of 3.7% in the third quarter of 2025.
- Seasonally and calendar-adjusted GDP increased by 1.1% in the third quarter compared to the previous quarter.
- In the third quarter, the industrial sector expanded by 6.5% and the services sector (including construction) grew by 4.6%, while the agricultural sector contracted by 12.7%.
- During the same period, total gross fixed capital formation increased by 11.7%, private consumption rose by 4.8%, and public consumption expenditures increased by 0.8%.
- The contribution of net exports to overall growth was negative 1.0 percentage points.
- Within total gross fixed capital formation, construction investments increased by 13.3% and machinery and equipment investments rose by 11.3% in the third quarter of 2025.
- In this period, the contribution of private consumption to growth was 3.2 percentage points, while the contribution of public consumption was 0.1 percentage points.

#### Employment

- According to the labor force statistics announced on 29 January 2026, the unemployment rate stood at 7.7% in December 2025.
- The number of employed persons reached 32.685 million, with an employment rate of 49.1%.
- The labor force totaled 35.421 million, corresponding to a labor force participation rate of 53.2%.

#### Based on non-seasonally adjusted data;

- The labor force amounted to 34.761 million, with a labor force participation rate of 52.2%.
- The number of employed persons was 32.062 million, resulting in an employment rate of 48.1%.
- As a result of these developments, the non-seasonally adjusted unemployment rate was 7.8%.

#### Inflation

- In December 2025, the Consumer Price Index (CPI) increased by 0.89% on a monthly basis. With this development, annual inflation declined by 0.18 percentage points compared to the previous month and stood at 30.89%.
- Prices in the Food and Non-Alcoholic Beverages group increased by 1.99% and constituted the main driver of inflation in December, contributing 0.48 percentage points to the monthly inflation rate.
- Housing group prices increased by 1.39%, representing another key driver of December inflation, with a contribution of 0.24 percentage points.
- Prices in the Clothing and Footwear group decreased by 2.94%, contributing negatively to December inflation by 0.18 percentage points.
- The largest contributions to annual inflation came from the Housing group (7.52 percentage points), Food and Non-Alcoholic Beverages (7.07 percentage points), and Transportation (4.36 percentage points).
- The C-index (CPI excluding energy, food, beverages, tobacco and gold) increased by 0.63% in December. Among the main subcomponents of core inflation, prices in the Core Goods group rose by 0.30%, while prices in the Services group increased by 0.89%.
- The annual rate of core inflation stood at 31.08%. On an annual basis, prices in the Core Goods

group increased by 17.71%, while Services group prices rose by 43.99%.

- The 12-month average rate of change in core inflation declined by 1.07 percentage points to 34.97%.
- The Domestic Producer Price Index (D-PPI) increased by 0.75% in December, while the annual increase in D-PPI stood at 27.67%.
- Among the four main industrial sectors, the Manufacturing Index rose by 1.05% in December, bringing the annual rate of increase to 27.10%.
- Prices in the Electricity, Gas and Steam sector declined by 3.00% in December; however, on an annual basis, the sector recorded an increase of 28.69%.
- Among the main industrial groupings, intermediate goods prices increased by 1.61% in December and recorded an annual rise of 24.28% compared to the same month of the previous year.
- Energy prices decreased by 3.63% in December, while on an annual basis, energy prices increased by 27.06% compared to the same month of the previous year.

### Housing Sales Statistics

- Across Türkiye, total housing sales increased by 14.3% year-on-year in 2025, reaching 1,688,910 units. The provinces with the highest number of housing sales were İstanbul (280,262 units), Ankara (152,534 units) and İzmir (96,998 units), respectively. The lowest sales volumes were recorded in Ardahan (727 units), Bayburt (1,251 units) and Hakkari (1,559 units).
- In December, housing sales across Türkiye increased by 19.8% compared to the same month of the previous year, reaching 254,777 units.

**Source:** Turkish Statistical Institute (TURKSTAT), Central Bank of the Republic of Türkiye (CBRT), Ministry of Treasury and Finance of the Republic of Türkiye.

## 3 ASSETS IN THE PORTFOLIO

The most significant and primary asset currently in the Company's portfolio is the Kızılıbük Thermal Wellness Resort project, located in Marmaris İçmeler, one of Türkiye's most prominent holiday destinations, situated at the intersection of the Aegean and Mediterranean seas.

The valuation report for the real estate asset included in the Company's portfolio has been prepared by Focus Global Gayrimenkul Değerleme ve Danışmanlık A.Ş., an independent real estate valuation firm. Focus Global Gayrimenkul Değerleme ve Danışmanlık A.Ş. has also been selected to provide valuation services in connection with potential new asset acquisitions during 2025.

A summary of the valuation report for the Kızılıbük Thermal Wellness Resort project included in the Company's portfolio is presented below:

Asset	City	Valuation Firm	Report Date	Appraised Value
Marmaris Hotel and Timeshare Project (Phases 1, 2 and 3)	Muğla	Focus Global Real Estate Valuation and Consultancy Inc.	8 January 2026	39,881,376,000 TL

The valuation report prepared for the Project is available on the Public Disclosure Platform (KAP) at the following link: <https://www.kap.org.tr/en/Bildirim/1543409>

### 3.1 SINPAŞ KIZILBÜK THERMAL WELLNESS RESORT PROJECT

The first project of Kızılıbük REIT is located in İçmeler Kızılkum, one of the most unique bays of Marmaris.

Kızılıbük REIT's flagship development comprises 1,309 luxury timeshare units, a five-star hotel with a capacity of 206 rooms, an apart hotel with 10 rooms, a Thermal SPA, a Wellness Park, a Convention Center, retail areas, a large-scale Aquapark and comprehensive healthy living facilities. The project has been designed to operate 365 days a year and incorporates numerous pioneering features within its integrated concept.

Bringing together the timeshare holiday model with a thermal wellness concept, the Sinpaş Kızılıbük Thermal Wellness Resort Project offers a lifetime vacation opportunity. With its healing thermal waters and unique natural setting in Marmaris İçmeler, the project provides a year-round holiday experience in a distinctive bay, combining five-star hotel comfort with a tranquil, healthy and refined lifestyle concept designed to meet the expectations of a new-generation conservative hospitality approach. The residences, designed in inspiration from a yacht concept and harmoniously integrated into the overall architectural vision, are furnished with high-end furniture, built-in appliances, fully equipped kitchens and bathrooms, and all essential amenities. Offering a high standard of living environment, the project delivers a next-generation holiday experience aligned with cultural and religious sensitivities while maintaining premium comfort and quality standards.



Located in İçmeler Neighborhood, Marmaris District, Muğla Province, the Kızılıbük Project is being developed in three phases and comprises a total of 1,309 independent units (timeshare units), corresponding to 65,848 timeshare intervals. The project includes a hotel with an approximate gross area of 26,327 m<sup>2</sup> and an apart hotel with an area of 7,604 m<sup>2</sup>. In addition, there are two main restaurants with a combined area of approximately 1,620 m<sup>2</sup>, as well as approximately 7,612 m<sup>2</sup> of private restaurant and café areas. The facility features a total thermal spa area of 8,180 m<sup>2</sup> and conference and meeting halls covering approximately 2,000 m<sup>2</sup>. In addition to these areas, the project includes retail spaces, indoor recreation areas and common facilities such as prayer rooms.



The Kızılıbük Project is situated on parcels numbered 2587, 2588 and 1598, with a total land area of 173,486.72 m<sup>2</sup>. The project is being developed as a mixed-use development and currently consists of three phases under ongoing construction. Although originally planned as a four-phase project, it was revised due to technical considerations arising from the physical characteristics of the land, and the fourth phase was subsequently cancelled. New construction permits have been obtained for Phase 3 on parcels numbered 1598 and 2588.



**Phase 1:**

Comprises independent sections subject to 555 timeshare ownership rights, corresponding to 26,640 timeshare intervals, with a total construction area of 130,118 m<sup>2</sup>. This phase includes the hotel, Thermal SPA, Aquapark & Adventure Park, retail areas and other commercial spaces.

**Phase 2:**

Comprises 692 independent sections subject to timeshare ownership rights, corresponding to 35,984 timeshare intervals, with a total construction area of 97,444.84 m<sup>2</sup>. The section branded as “Sinpaş Reserve” is located within this phase.

**Phase 3:**

With a total construction area of 45,928 m<sup>2</sup>, Phase 3 will consist of 62 independent sections subject to timeshare ownership rights, corresponding to 3,224 timeshare intervals, as well as a 10-room apart hotel.

At the Sinpaş Kızılıbük Thermal Wellness Resort project, a total of 2,865 timeshare sales agreements were executed between 1 January 2025 and 31 December 2025, with an aggregate contract value of 2,682,974,806 TL, excluding VAT.

Within the scope of the project, construction works for Phase 1 (in full) and Phase 2 (limited to the first five blocks), including timeshare units, the hotel, thermal facilities and indoor recreational components (excluding Phase 3), have been completed. In addition, all movable furniture, in-unit white goods and accessories have been procured and installed in the residences. In outdoor areas, landscaping works have progressed substantially, including the completion of pedestrian and vehicle road pavements and the planting of tens of thousands of trees and plants. Despite force majeure circumstances beyond our control, we commenced hosting our customers in the Phase 1 timeshare units as of April 2025. A significant portion of the service and retail areas under ongoing construction has also been opened for use. The first five blocks of Sinpaş Reserve located in phase 2 are ready for delivery, and the remaining parts of the project are planned to be delivered gradually by the end of 2028.



## **4. INVENTORIES AND INFORMATION ON INVESTMENT PROPERTIES**

### **4.1 SINPAŞ KIZILBUK THERMAL WELLNESS RESORT PROJECT**

Inventories related to the Sinpaş Kızılıbük Thermal Wellness Resort Project are carried at cost. The Company classifies 70% of the timeshare units as inventory and 30% as investment property. The inventory balance will represent 70% of the timeshare units within the Sinpaş Kızılıbük Thermal Wellness Resort Project intended for sale. The inventory amount consists of the accumulated cost (expenditure) of the timeshare units developed under the project.

### **4.2 SINPAŞ KASABA THERMAL WELLNESS RESORT PROJECT**

Pursuant to the Company's material event disclosure dated 28 November 2023, a "Real Estate Sales Promise and Construction Agreement in Return for Land Share and Revenue Sharing" was executed between the landowner and Kızılıbük Kuşgözü Gayrimenkul Yatırımları A.Ş., a wholly owned subsidiary of Güney Marmara Gayrimenkul Yatırımları A.Ş., in respect of land parcels totaling 343,151.54 m<sup>2</sup> located in Okçugöl Neighborhood, Muradiye Road area, Susurluk District, Balıkesir Province.

In accordance with the agreement, a timeshare project will be developed on the land by Kızılıbük Kuşgözü Gayrimenkul Yatırımları A.Ş. Under the land share construction model, 12% of the revenue generated from the sale of the timeshare units constructed on the land will be allocated to the landowner, while the remaining 88% will belong to Kızılıbük Kuşgözü Gayrimenkul Yatırımları A.Ş.

The hotel component of the Sinpaş Kasaba Thermal Wellness Resort Timeshare Project was granted its construction permit on 22 December 2022 and has a total construction area of 33,244 m<sup>2</sup>.

## **5. INFORMATION ON THE COMPANY'S RESEARCH AND DEVELOPMENT ACTIVITIES AND THEIR RESULTS**

As the Company operates as a real estate investment trust, it does not conduct research and development (R&D) activities. Market research and other required analyses are carried out through professional advisory firms.

## **6. INFORMATION ON THE COMPANY'S INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT ACTIVITIES**

The Company's existing internal control system is reviewed within the framework of the annual internal audit plan by the Company's Internal Audit Department, with a primary focus on enhancing operational effectiveness and efficiency, ensuring the reliability of financial reporting, and achieving full compliance with applicable laws and regulations. The results of internal audit activities are reported to the Audit Committee. The Audit Committee evaluates the effectiveness of internal audit activities during its meetings held throughout the year. Where deemed necessary, the Committee may also obtain the views of the internal auditor, the external auditor and other members of the Company's management.

## **7. INFORMATION ON LAWSUITS FILED AGAINST THE COMPANY THAT MAY AFFECT ITS FINANCIAL POSITION AND OPERATIONS AND THEIR POSSIBLE OUTCOMES**

A total of 18 lawsuits have been filed against the Company, which have been classified as material cases.

The lawsuits are presented below under separate headings based on their subject matter:

**I. Lawsuits Filed for the Annulment of the Administrative Act Concerning the Environmental Impact Assessment (EIA) Positive Decision Issued by the Relevant Authority within the Scope of the Company's Timeshare Project in Marmaris, Muğla:**

**1- Muğla 3rd Administrative Court – File No: 2024/697 (Former File No: 2023/643)**

**Plaintiff: Muğla Metropolitan Municipality - Defendant: Ministry of Environment, Urbanization and Climate Change**

**Intervenor: Kızılbük REIT**

**Davanın Son Aşaması: Davanın reddine dair karar kesinleşti. Current Status of the Case: The dismissal decision has become final.**

The lawsuit was filed seeking the suspension of execution and annulment of the "EIA Positive" decision dated 10 March 2023 and numbered 7031. The Administrative Court rejected the claim. The plaintiff appealed the decision. The 4th Chamber of the Council of State (File No: 2024/223 E., 2023/2467 K.) rejected the request for stay of execution. The decision was subsequently appealed before the Council of State. The Council of State overturned the initial ruling on the grounds that a new expert examination should be conducted. Following the expert review, the Administrative Court again ruled in favor of dismissal. Upon further appeal, the Council of State rejected the appeal request and upheld the dismissal decision. The ruling has become final.

**2- File No: 2024/847 (Former File No: 2023/796) of the Muğla 3rd Administrative Court;**

**Defendant: Ministry of Environment, Urbanization and Climate Change – Intervening Party: Kızılbük REIT**

**Latest Status of the Case: The decision dismissing the case has become final.**

The Court dismissed the lawsuit filed for the stay of execution and annulment of the Environmental Impact Assessment (EIA) Positive Decision dated 10 March 2023 and numbered 7031. The decision was appealed by the plaintiffs and the file was submitted to the Council of State. The Council of State overturned the decision on the grounds that a new expert examination should be conducted. Following the renewed proceedings, the Court again ruled for the dismissal of the case. The plaintiffs appealed this decision. Within the scope of the appeal file, the plaintiffs' request for a stay of execution was rejected. Subsequently, the Council of State rejected the appeal request and upheld the decision. The decision has become final.

**3- File No: 2023/792 of the Muğla 3rd Administrative Court;**

**Plaintiff: Chamber of Architects - Defendant: Ministry of Environment, Urbanization and Climate Change – Intervening Party: Kızılbük REIT**

**Latest Status of the Case: The decision dismissing the case has become final.**

The Court dismissed the lawsuit filed for the stay of execution and annulment of the Environmental Impact Assessment (EIA) Positive Decision dated 10 March 2023 and numbered 7031. The decision has become final.

**4- File No: 2024/534 (Former File No: 2023/767) of the Muğla 2nd Administrative Court;**

**Defendant: Ministry of Environment, Urbanization and Climate Change**

**Intervening Parties: Kızılbük REIT, TMMOB Chamber of City Planners Economic Enterprise**

**Latest Status of the Case: The decision dismissing the case has become final.**

The Court dismissed the case by taking as precedent its dismissal decision regarding the annulment of the same administrative act rendered in its File No: 2023/643. The decision was appealed by the plaintiff with a request for a stay of execution. Upon review, the Council of State concluded that a new on-site inspection and examination should be conducted by a new panel of experts and that the report to be prepared together with the information and documents in the file should be reassessed. Accordingly, the Council of State overturned the aforementioned decision and remanded the case to the relevant Administrative Court for a new judgment. Following the renewed proceedings, the Court again ruled for the dismissal of the case. The plaintiffs appealed this decision. Within the scope of the appeal file, the plaintiffs' request for a stay of execution was rejected. Subsequently, the Council of State rejected the appeal request and upheld the decision. Accordingly, the decision has become final.

I. In addition to the aforementioned cases, two lawsuits filed in 2022 concerning the annulment of previous construction permits that are no longer valid are also considered significant in terms of their content. The details of these cases are provided below:

**5- File No: 2022/27 of the Muğla 2nd Administrative Court;**

**Plaintiffs: Muğla Environment and Ecological Policies Association – Defendant: Marmaris Municipality  
Intervening Party: Kızılbük REIT**

**Latest Status of the Case: The decision dismissing the case has become final.**

This lawsuit was filed for the annulment of outdated construction permits and the zoning status certificate related to the Kızılbük Project. The Court initially rejected the plaintiffs' request for a stay of execution. Subsequently, the Court ruled that there was no need to render a decision with respect to the construction permits and dismissed the case regarding the zoning status certificate on the grounds that the administrative act was not unlawful. The decision was appealed by the plaintiffs on 5 April 2024. The Regional Administrative Court also rejected the plaintiffs' request for a stay of execution. The appeal file was registered before the İzmir 3rd Administrative Court of Appeal under File No: 2024/1105. In its File No: 2024/1105, the İzmir 3rd Administrative Court of Appeal rendered a final decision rejecting the plaintiffs' appeal.

**6- File No: 2022/1131 of the Muğla 3rd Administrative Court;**

**Plaintiffs: Muğla Environment and Ecological Policies Association – Defendant: Ministry of Environment, Urbanization and Climate Change  
Intervening Party: Kızılbük REIT**

**Latest Status of the Case: The case has been dismissed; the decision is under appeal review.**

This lawsuit was filed for the annulment of outdated construction permits and the zoning status certificate related to the Kızılbük Project. On 3 December 2024, the Court ruled for the annulment of the zoning status certificate and 17 construction permits subject to the case. An appeal was filed against the decision, and a request for a stay of execution was submitted. The file was referred to the İzmir 3rd Administrative Court of Appeal and registered under File No: 2024/2787 for appellate review. The Regional Administrative Court rejected the request for a stay of execution. Following the appellate review, in its File No: 2024/2787, the İzmir 3rd Administrative Court of Appeal decided to accept the appeal application, set aside the decision of the Muğla 3rd Administrative Court dated 19 November 2024 and numbered E:2022/1131, K:2024/2282, and ruled for the dismissal of the case. The decision was appealed by the plaintiffs and a response to the appeal was submitted. The file has been referred to the 6th Chamber of the Council of State and registered under File No: 2025/7572.

II. In addition to the cases described above, certain administrative acts in the form of Municipal Council (Encümen) Decisions of the Marmaris Municipality, penalty notices and payment orders have been issued and duly served. New lawsuits have been filed against these administrative acts. These cases are also considered significant in terms of their content. The details of these cases are set out below:

**7- File No: 2024/823 of the Muğla 1st Administrative Court;**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

**Latest Status of the Case: The decision is under appellate review.**

This lawsuit was filed for the annulment of the Municipal Council (Encümen) Decision dated 13 June 2024 and numbered 2024/748 of the Marmaris Municipality, issued pursuant to Article 42, the penalty notice dated 8 July 2024 and numbered 324 imposing an administrative fine of 59,645,982.86 TL, and the Building Suspension Report dated 12 June 2024 which constitutes the basis of these administrative acts. The Court ruled for the annulment of the part of the encümen decision concerning the administrative fine (amounting to 59,645,982.86 TL in total) and the penalty notice dated 8 July 2024 and numbered 324 issued for the accrual of such fine. However, the Court dismissed the case with respect to the part of the encümen decision granting the plaintiff a 30-day period to remedy the zoning violations and with respect to the Building Suspension Report dated 12 June 2024. The decision has been appealed. The file has been registered for appellate review before the İzmir 8th Administrative Court of Appeal under File No: 2025/973. Within the scope of the appeal file, the request for a stay of execution was evaluated and definitively rejected. The appellate review is ongoing.

**8- File No: 2024/953 of the Muğla 1st Administrative Court (Fine: 59,645,982.86 TL);**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

This lawsuit was filed for the annulment of the Payment Order dated 28 August 2024 and numbered 690493 issued by the Marmaris Municipality for the amount of 59,645,982.86 TL based on the Municipal Council (Encümen) Decision dated 13 June 2024 and numbered 748. A stay of execution has been granted with respect to the payment order (administrative fine). Subsequently, the Court ruled for the annulment of the administrative act subject to the case.

**9- File No: 2024/980 of the Muğla 1st Administrative Court (Fine: 29,917.28 TL);**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

**Latest Status of the Case: The decision is under appellate review.**

This lawsuit was filed for the annulment of the Municipal Council (Encümen) Decision dated 17 July 2024 and numbered 2024/1283, the demolition decision, and the penalty notice dated 30 July 2024 and numbered 388 imposing an administrative fine of 29,917.28 TL. The Court ruled for the dismissal of the case. The decision has been appealed and the file is currently under appellate review before the İzmir 8th Administrative Court of Appeal under File No: 2025/1132.

**10- File No: 2025/57 of the Muğla 1st Administrative Court (Fine: 104,757,908.50 TL);**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

**Latest Status of the Case: The decision is under appellate review.**

This lawsuit was filed for the annulment of the Municipal Council (Encümen) Decision dated 11 December 2024 and numbered 2024/5510 of the Marmaris Municipality and the administrative fine amounting to 104,757,908.50 TL imposed through the penalty notice dated 26 December 2024 and numbered 525. The Court ruled for the annulment of the administrative fine and the penalty notice with respect to the portion amounting to 90,122,511.88 TL. The Court dismissed the case regarding the remaining portion amounting to 14,635,396.62 TL and the part of the encümen decision granting a 30-day period for the remedy of the violations. An appeal was filed with respect to the dismissed portion, while the defendant Municipality also filed an appeal regarding the portion accepted by the Court. Responses to the appeals have been submitted. The file has been registered for appellate review before the İzmir 8th Administrative Court of Appeal under File No: 2025/1923.

**11- File No: 2025/214 of the Muğla 4th Administrative Court (Fine: 104,757,908.50 TL);**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

**Latest Status of the Case: The decision is under appellate review.**

This lawsuit was filed for the annulment of the Payment Order dated 12 February 2025 and numbered 693395 (Serial No: 1) issued by the Marmaris Municipality for the amount of 104,757,908.50 TL. With respect to the request for a stay of execution, the Court ruled for the stay of execution, without requiring security, regarding the portion of the payment order dated 12 February 2025 and numbered 693395 related to the collection of the administrative fine amounting to 90,122,511.88 TL. However, the Court rejected the request for a stay of execution regarding the portion related to the collection of 14,635,396.62 TL. An objection was filed against this rejection; however, the objection was dismissed. In its decision on the merits, the Court ruled for the dismissal of the case with respect to the 14,635,396.62 TL portion of the payment order and for the annulment of the remaining 90,122,511.88 TL portion. An appeal was filed regarding the dismissed portion, while the defendant filed an appeal regarding the portion accepted by the Court. The file has been registered before the İzmir Regional Administrative Court, 8th Administrative Litigation Chamber under File No: 2026/13. The request for a stay of execution within the scope of the appellate review has been rejected.

**III. Due to the Building Suspension Reports issued by the Marmaris Municipality and the administrative acts concerning the annulment of new construction permits, the following lawsuits for annulment of administrative acts have been filed. The details of these cases are set out below:**

**12- File No: 2024/1387 of the Muğla 2nd Administrative Court;**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

**Latest Status of the Case: A decision has been rendered regarding the administrative act subject to the case.**

This lawsuit was filed for the annulment of the Building Suspension Report dated 11 December 2024 issued by the Marmaris Municipality and the related sealing administrative acts. A request for a stay of execution was submitted. The Court granted the request for a stay of execution and subsequently ruled for the annulment of the administrative acts subject to the case.

**13- File No: 2024/1391 of the Muğla 2nd Administrative Court;**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

**Latest Status of the Case: A decision has been rendered regarding the administrative act subject to the case.**

This lawsuit was filed for the annulment of the administrative act of the Marmaris Municipality concerning the revocation of 17 construction permits dated 8 January 2024. A request for a stay of execution was submitted. The Court granted the request for a stay of execution and subsequently ruled for the annulment of the administrative acts subject to the case.

**14- File No: 2025/198 of the Muğla 2nd Administrative Court;**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

**Latest Status of the Case: A decision has been rendered regarding the administrative act subject to the case.**

This lawsuit was filed with a request for the annulment and stay of execution of the administrative act regarding the cancellation of the Building Use Permit dated 29 March 2024 and numbered 15/1 (Bulletin No: 118787928) through the Spatial Address Registration System (MAKS), which was notified to the Company on 16 January 2025 by the letter of the Marmaris Municipality dated 10 January 2025 and numbered E-4182350-115.02.11.99-99146, concerning the cancellation of the Building Use Permit, as well as any other administrative acts, if any, related to the cancellation of such Building Use Permit. The Court granted the request for a stay of execution and subsequently ruled for the annulment of the administrative acts subject to the case.

**15- File No: 2025/134 of the Muğla 2nd Administrative Court (Fine: 2,677,149,516 TL);**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality Latest Status of the Case: A decision has been rendered regarding the administrative act subject to the case.**

This lawsuit was filed with a request for the annulment and stay of execution of the Municipal Council (Encümen) Decision dated 19 December 2024 and numbered 2024/6028, issued pursuant to Article 42, which imposed an administrative fine of 2,677,149,516 TL on Kızılbük REIT. The Court granted the request for a stay of execution and subsequently ruled for the annulment of the administrative act subject to the case.

**16- File No: 2025/215 of the Muğla 4th Administrative Court (Fine: 2,677,149,516.58 TL);**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

This lawsuit was filed for the annulment of the penalty notice dated 16 January 2025, serial number 1, amounting to 2,677,149,516.58 TL, which was issued based on the Municipal Council (Encümen) Decision dated 19 December 2024 and numbered 2024/6028 concerning the implementation of Article 42, and notified to the Company on 14 February 2025. The defendant has submitted its initial statement of defense. The Court has ruled for the **stay of execution of the administrative act subject to the case without requiring security.**

**17- File No: 2025/305 of the Muğla 2nd Administrative Court;**

**Plaintiffs: Kızılbük REIT – Anadolu Sinerji Construction Contracting and Trade Joint Stock Company**

**Defendant: Marmaris Municipality**

**Latest Status of the Case: A decision has been rendered regarding the administrative act subject to the case.**

This lawsuit was filed for the annulment of the administrative act of the Marmaris Municipality concerning the revocation of 25 construction permits (Phase 3) dated 27 March 2024. The Court granted the request for a stay of execution and subsequently ruled for the annulment of the administrative acts subject to the case.

**18- File No: 2025/350 of the Muğla 3rd Administrative Court;**

**Plaintiff: Kızılbük REIT – Defendant: Marmaris Municipality**

This lawsuit was filed with a request for the **annulment and stay of execution** of the Municipal Council (Encümen) Decision of the Marmaris Municipality dated **22 January 2025** and numbered **2025/177**, which ordered demolition pursuant to **Article 32 of the Zoning Law No. 3194** and imposed an administrative fine of **43,059.91 TL** on the plaintiff company pursuant to **Article 42/3 of the same Law**, as well as the **penalty notice dated 18 February 2025 and numbered 71** issued for the collection of such administrative fine. The plaintiff asserted that the administrative acts were unjust and unlawful. The Court has ruled for the **stay of execution of the administrative act subject to the case**.

**CONCLUSION:** When all of the above-mentioned case files are evaluated together, it is our opinion that, under the ordinary course of law, these cases should result in decisions in favor of the Company. Should these cases be concluded in favor of the Company, the Marmaris Municipality would be required to revoke all administrative acts adversely affecting the Project and the process would be expected to proceed within the previous legal framework.

## **8. INFORMATION ON DONATIONS AND CONTRIBUTIONS MADE BY THE COMPANY DURING THE YEAR AND EXPENDITURES INCURRED WITHIN THE SCOPE OF CORPORATE SOCIAL RESPONSIBILITY PROJECTS**

In line with its corporate social responsibility approach and in accordance with its approved Donation Policy, the Company made total donations amounting to 2.075.000 TL during the period between 1 January 2025 and 31 December 2025.

## 9. COMPARATIVE FINANCIAL STATEMENTS

### 9.1 STATEMENT OF FINANCIAL POSITION (CONSOLIDATED)

The Company's Consolidated Statement of Financial Position as of 31 December 2025 is presented below on a comparative basis: (Currency – Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") and have been adjusted for inflation in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies," reflecting the purchasing power as of 31 December 2025.)

ASSETS		Audited December 31, 2025	Audited December 31, 2024
<b>Current Assets</b>	<b>Footnote</b>	<b>6,246,513,625</b>	<b>5,724,748,437</b>
Cash and Cash Equivalents	4	8,741,677	6,861,334
Financial Investments	8	47,002,876	-
Trade Receivables	6, 32	759,341,368	1,877,071,601
- Due from Third Parties	6	83,282,809	143,620,186
- Due from Related Parties	6, 32	676,058,559	1,733,451,415
Other Receivables	7, 32	22,662	31,385
- Due from Third Parties	7	22,662	31,385
- Due from Related Parties	7, 32	-	-
Inventories	9	3,596,408,107	1,813,725,535
Prepaid Expenses	17, 32	895,223,582	1,429,341,737
- Due to Third Parties	17	756,508,847	1,429,341,737
- Due to Related Parties	17, 32	138,714,735	-
Other Current Assets	18	939,773,353	597,716,845
<b>Non-Current Assets</b>		<b>28,658,839,704</b>	<b>24,119,692,116</b>
Long-Term Trade Receivables		-	-
Long-Term Other Receivables	7, 32	152,621	199,769
- Due from Third Parties	7	152,621	199,769
- Due from Related Parties	7, 32	-	-
Long-Term Inventories	9	331,082,381	278,259,730
Right of Use Assets	10	12,337,315	16,690,287
Investment Properties	11	28,256,158,744	23,804,612,284
Fixed Assets	12	34,784,021	18,600,307
Intangible Assets	13	5,695,151	1,329,739
Prepaid Expenses	17	1,444,713	-
Deferred Tax Assets	30	17,184,758	-
<b>TOTAL ASSETS</b>		<b>34,905,353,329</b>	<b>29,844,440,553</b>

<b>LIABILITIES AND EQUITY</b>		<b>Audited December 31, 2025</b>	<b>Audited December 31, 2024</b>
<b>Current Liabilities</b>	<b>Footnote</b>	<b>3,399,153,824</b>	<b>1,898,913,403</b>
Short-Term Borrowings	5, 32	742,164,151	-
- Due to Third Parties	5,32	-	-
- Due to Related Parties	5, 32	742,164,151	-
Current Portion of Long-Term Borrowings	5, 32	1,474,962,203	1,018,654,640
- Due to Third Parties	5	1,334,087,199	931,368,596
- Due to Related Parties	5, 32	140,875,004	87,286,044
Trade Payables	6, 32	804,421,442	734,518,226
- Due to Third Parties	6	738,594,436	598,840,843
- Due to Related Parties	6, 32	65,827,006	135,677,383
Employee Benefit Obligations	15	15,065,388	5,834,535
Deferred Income	20	192,059,140	43,547,066
- Due from Third Parties	20	192,059,140	43,547,066
- Due to Related Parties		-	-
Current Provisions	14, 15	22,079,026	7,034,231
- Current Provisions for Employee Benefits	15	7,413,712	6,753,192
- Other Current Provisions	14	14,665,314	281,039
Other Current Liabilities	16	148,402,474	89,324,705
<b>Non-Current Liabilities</b>		<b>9,574,322,746</b>	<b>6,863,782,430</b>
Long-Term Borrowings	5, 32	1,517,958,386	602,614,361
- Due to Third Parties	5	1,509,823,604	602,614,361
- Due to Related Parties	5, 32	8,134,782	-
Trade Payables	6, 32	28,344,504	-
- Due to Third Parties	6	-	-
- Due to Related Parties	6, 32	28,344,504	-
Long-Term Liabilities	15	8,287,292	4,372,083
- Provisions for Employee Benefits	15	8,287,292	4,372,083
Long-term Other Payables	7	169,372,186	158,924,790
- Due to Third Parties	7	169,372,186	158,924,790
- Due to Related Parties		-	-
Long-term Deferred Income	20, 32	639,287,545	108,122,749
- Due to Third Parties	20	23,308,114	23,214,341
- Due to Related Parties	20, 32	615,979,431	84,908,408
Deferred Tax Liability	30	7,211,072,833	5,989,748,447
<b>EQUITY</b>	<b>21</b>	<b>21,931,876,759</b>	<b>21,081,744,720</b>
<b>Equity Attributable to the Parent Company</b>	<b>21</b>	<b>21,935,730,721</b>	<b>21,082,862,575</b>
Issued Capital	21	1,200,000,000	300,000,000
Positive Differences in Capital Adjustment	21	1,718,122,660	1,521,466,223
Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit Or Loss		(999,220)	(489,046)
- Gains (Losses) on Remeasurements of Defined Benefit Plans		(999,220)	(489,046)
Restricted Reserves Appropriated from Profits	21	283,964,586	145,986,371
Effects of Business Combinations Under Common Control	21	(362,911,921)	(362,911,921)
Retained Earnings / (Losses) from Previous Years		18,244,176,296	9,957,747,608
Net Period Profit / (Loss)		853,378,320	9,521,063,340
<b>Non-Controlling Interests</b>		<b>(3,853,962)</b>	<b>(1,117,855)</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>34,905,353,329</b>	<b>29,844,440,553</b>

## 9.2 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONSOLIDATED)

The Company's Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period 1 January 2025 – 31 December 2025 is presented below on a comparative basis: (Currency – Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") and have been adjusted for inflation in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies," reflecting the purchasing power as of 31 December 2025.)

	Note	Audited January 1 – December 31, 2025	Audited January 1 – December 31, 2024
<b>CONTINUING OPERATIONS</b>			
Revenue		1,934,182,962	12,900,039,695
Cost of Sales		(393,025,426)	(8,615,165,294)
<b>Gross Profit / (Loss)</b>		<b>1,541,157,536</b>	<b>4,284,874,401</b>
Marketing Expenses	23	(269,994,498)	(271,952,244)
Administrative Expenses	23	(137,739,685)	(153,936,385)
Increases (Decreases) on Revaluation of Investment Properties	11	2,634,628,432	7,814,661,598
Other Operating Income	25	81,320,266	60,076,571
Other Operating Expenses	26	(58,873,181)	(31,074,191)
<b>PROFIT / (LOSS) FROM OPERATING ACTIVITIES</b>		<b>3,790,498,870</b>	<b>11,702,649,750</b>
Investment Activity Income		90,591	-
Investment Activity Expenses		-	-
Share of Profit (loss) from Investments Accounted for Using Equity Method		-	-
<b>PROFIT / (LOSS) BEFORE FINANCING INCOME / (EXPENSE)</b>		<b>3,790,589,461</b>	<b>11,702,649,750</b>
Finance Income	28	123,586,883	50,880,402
Finance Expenses	29	(1,598,761,248)	(310,217,497)
Gains (Losses) on Net Monetary Position	36	(260,414,610)	1,245,710,409
<b>PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX</b>		<b>2,055,000,486</b>	<b>12,689,023,064</b>
<b>Tax Income / (Expense)</b>		<b>(1,204,358,273)</b>	<b>(3,169,512,679)</b>
Current Period Tax Income / (Expense)		-	-
Deferred Tax Income / (Expense)		(1,204,358,273)	(3,169,512,679)
<b>INCOME / (LOSS) FROM CONTINUING OPERATIONS</b>		<b>850,642,213</b>	<b>9,519,510,385</b>
<b>PERIOD PROFIT / (LOSS)</b>		<b>850,642,213</b>	<b>9,519,510,385</b>
<b>Distribution of Period Profit / Loss</b>			
Non-Controlling Interests		(2,736,107)	(1,552,955)
Parent Company Shares		853,378,320	9,521,063,340
<b>Earnings Per Share</b>			
Earnings (Loss) Per Share from Continuing Operations		0.7111	7.9342
<b>OTHER COMPREHENSIVE INCOME COMPONENT</b>			
<b>Items will not Reclassified in Profit or Loss</b>		<b>(510,174)</b>	<b>(44,358)</b>
Remeasurement Gains (Losses) on Defined Benefit Plans		(510,174)	(44,358)
<b>Items Not Reclassified in Profit or Loss</b>		<b>-</b>	<b>-</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>(510,174)</b>	<b>(44,358)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>850,132,039</b>	<b>9,519,466,027</b>
<b>Distribution of Total Comprehensive Income</b>			
Non-Controlling Interests		(2,736,107)	(1,552,955)
Parent Company Shares		852,868,146	9,521,018,982

### 9.3 STATEMENT OF CASH FLOWS (CONSOLIDATED)

The Company's Consolidated Statement of Cash Flows for the period 1 January 2025 – 31 December 2025 is presented below on a comparative basis: (Currency – Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") and have been adjusted for inflation in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies," reflecting the purchasing power as of 31 December 2025.)

	Note	Audited January 1 - December 31, 2025	Audited January 1 - December 31, 2024
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>954,940,134</b>	<b>(203,512,810)</b>
<b>Profit (Loss)</b>		<b>850,642,213</b>	<b>9,519,510,385</b>
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>(223,730,420)</b>	<b>(4,356,338,508)</b>
Adjustments for interest income and expenses		1,243,199,334	259,337,095
Adjustments for depreciation and amortization expenses	12, 13,	31,311,815	17,788,472
Adjustments for provisions	24	3,915,209	(3,694,721)
- Adjustments for (Reversal of) Provisions Related with Employee Benefits	15	3,915,209	(1,875,598)
- Adjustments for (Reversal of) Other Provisions	14	-	(1,819,123)
Adjustments for fair value losses (gains)	11	(2,634,628,432)	(7,814,661,598)
- Adjustments for fair value gains on investment property		(2,634,628,432)	(7,814,661,598)
Adjustments for tax income and expenses		1,204,358,273	3,169,512,679
Net monetary gain/loss effect		(71,886,619)	15,379,565
<b>Changes in working capital</b>		<b>329,578,423</b>	<b>(5,366,684,687)</b>
Adjustments for increases/decreases in trade receivables	6	1,117,730,233	(790,196,862)
Adjustments for increases/decreases in trade payables	6	98,247,720	233,036,343
Adjustments for increases/decreases in inventory	9	(1,835,505,223)	4,220,557,064
Adjustments for increases/decreases in prepaid expenses	17	532,673,442	(920,861,258)
Increase/decrease in deferred income	20	679,676,870	(8,411,080,377)
Adjustments for other increases/decreases in working capital		(263,244,619)	301,860,403
<b>Cash Flows From (Used in) Operations</b>		<b>956,490,216</b>	<b>(203,512,810)</b>
Employee Termination Benefit Paid	15	(1,550,082)	-
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>(1,847,652,260)</b>	<b>(1,158,339,451)</b>
Cash outflows from the purchase of tangible and intangible fixed assets	12-13	(30,734,232)	(9,083,720)
Cash outflows arising from the acquisition of investment property, net	11	(1,816,918,028)	(1,149,255,731)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		<b>896,211,835</b>	<b>1,228,802,719</b>
Cash inflows from borrowing		6,843,984,676	1,515,422,212
Cash outflows related to debt payments		(4,730,168,938)	(27,282,398)
Interest paid		(1,217,603,903)	(259,337,095)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
<b>BEFORE EFFECT OF EXCHANGE RATE CHANGES</b>		<b>3,499,709</b>	<b>(133,049,542)</b>
<b>EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS INFLATION EFFECT</b>		<b>(1,619,366)</b>	<b>(62,090,729)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>1,880,343</b>	<b>(195,140,271)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>6,861,334</b>	<b>202,001,605</b>
<b>END OF PERIOD CASH AND CASH EQUIVALENTS</b>		<b>8,741,677</b>	<b>6,861,334</b>

## 9.4 STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

The Company's Consolidated Statement of Changes in Equity for the period 1 January 2025 – 31 December 2025 is presented below on a comparative basis: (Currency – Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") and have been adjusted for inflation in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies," reflecting the purchasing power as of 31 December 2025.)

					Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit Or Loss		Accumulated Earnings			
	Paid-in Capital	Capital Adjustment Differences	Restricted Reserves Appropriated From Profits	Effects of Transactions Between Entities Under Common Control	Gains (Losses) on Remeasurements of Defined Benefit Plans	Retained Earnings/Losses from Previous Years	Net Period (Loss)/Profit	Total Equity Attributable to the Parent Company	Non-Controlling Interests	Total Equity
<b>Current Period January 1, 2025</b>	<b>300,000,000</b>	<b>1,521,466,223</b>	<b>145,986,371</b>	<b>(362,911,921)</b>	<b>(489,046)</b>	<b>9,957,747,608</b>	<b>9,521,063,340</b>	<b>21,082,862,575</b>	<b>(1,117,855)</b>	<b>21,081,744,720</b>
Transfers	900,000,000	196,656,437	137,978,215	-	-	8,286,428,688	(9,521,063,340)	-	-	-
Acquisition or Disposal of Affiliated Companies	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (expense)	-	-	-	-	(510,174)	-	853,378,320	<b>852,868,146</b>	(2,736,107)	<b>850,132,039</b>
- Other comprehensive income (expense)	-	-	-	-	(510,174)	-	-	(510,174)	-	(510,174)
- Net Profit/(loss)	-	-	-	-	-	-	853,378,320	<b>853,378,320</b>	(2,736,107)	<b>850,642,213</b>
<b>December 31, 2025</b>	<b>1,200,000,000</b>	<b>1,718,122,660</b>	<b>283,964,586</b>	<b>(362,911,921)</b>	<b>(999,220)</b>	<b>18,244,176,296</b>	<b>853,378,320</b>	<b>21,935,730,721</b>	<b>(3,853,962)</b>	<b>21,931,876,759</b>
<b>Previous Period January 1, 2024</b>	<b>300,000,000</b>	<b>1,521,466,223</b>	<b>23,327,527</b>	<b>(362,911,921)</b>	<b>(444,688)</b>	<b>16,506,604,791</b>	<b>(3,581,251,379)</b>	<b>14,406,790,553</b>	<b>412,295</b>	<b>14,407,202,848</b>
Transfers	-	-	122,658,844	-	-	(3,703,933,028)	3,581,251,379	(22,805)	22,805	-
Effect of Merger or Liquidation or Division	-	-	-	-	-	-	-	-	-	-
Acquisition or Disposal of Affiliated Companies	-	-	-	-	-	361,983	-	<b>361,983</b>	-	<b>361,983</b>
Other(*)	-	-	-	-	-	(2,845,286,138)	-	(2,845,286,138)	-	(2,845,286,138)
Total comprehensive income (expense)	-	-	-	-	(44,358)	-	9,521,063,340	<b>9,521,018,982</b>	(1,552,955)	<b>9,519,466,027</b>
- Other comprehensive income (expense)	-	-	-	-	(44,358)	-	-	(44,358)	-	(44,358)
- Net Profit/(loss)	-	-	-	-	-	-	9,521,063,340	<b>9,521,063,340</b>	(1,552,955)	<b>9,519,510,385</b>
<b>December 31, 2024</b>	<b>300,000,000</b>	<b>1,521,466,223</b>	<b>145,986,371</b>	<b>(362,911,921)</b>	<b>(489,046)</b>	<b>9,957,747,608</b>	<b>9,521,063,340</b>	<b>21,082,862,575</b>	<b>(1,117,855)</b>	<b>21,081,744,720</b>

## 9.5 COMPLIANCE CONTROL WITH PORTFOLIO LIMITATIONS

The Company's Compliance with Portfolio Limitations Table for the period 1 January 2025 – 31 December 2025 is presented below on a comparative basis: (Unless otherwise stated, amounts are expressed in Turkish Lira ("TL").)

Calculation	Non-Consolidated / Individual Financial Statement Main Account Items	Related Regulation	December 31, 2025 (TL)	December 31, 2024 (TL)
A	Money and Capital Market Instruments	Article 24/(b)	2,096,227	85,633
B	(Amendment: RG-9/10/2020-31269) Real Estate, Real Estate-Based Projects, Real Estate-Based Rights, Real Estate Investment Fund Participation Shares and 100% Participation in Capital 28th Companies Covered by Paragraph (c) of the First Clause of Article 28	Article 24/(a)	32,082,542,868	25,816,530,363
C	Participations	Article 24/(b)	631,014,030	607,524,877
	Receivables from Related Parties (Non-Commercial)	Article 23/(f)	-	-
	<b>Other Assets</b>		2,761,382,926	4,109,084,884
<b>D</b>	<b>Total Assets (Total Assets)</b>	Article 3/(p)	<b>35,477,036,051</b>	<b>30,533,225,757</b>
E	Financial Liabilities	Article 31	2,843,910,803	1,533,982,958
F	Other Financial Liabilities	Article 31	-	-
G	Financial Lease Liabilities	Article 31	149,009,786	87,286,044
H	Liabilities to Related Parties (Non-Commercial)	Article 23/(f)	742,164,151	-
I	Equity	Article 31	22,762,077,941	21,826,200,431
	<b>Other Sources</b>		8,979,873,370	7,085,756,324
<b>D</b>	<b>Total Resources</b>	Article 3/(p)	<b>35,477,036,051</b>	<b>30,533,225,757</b>

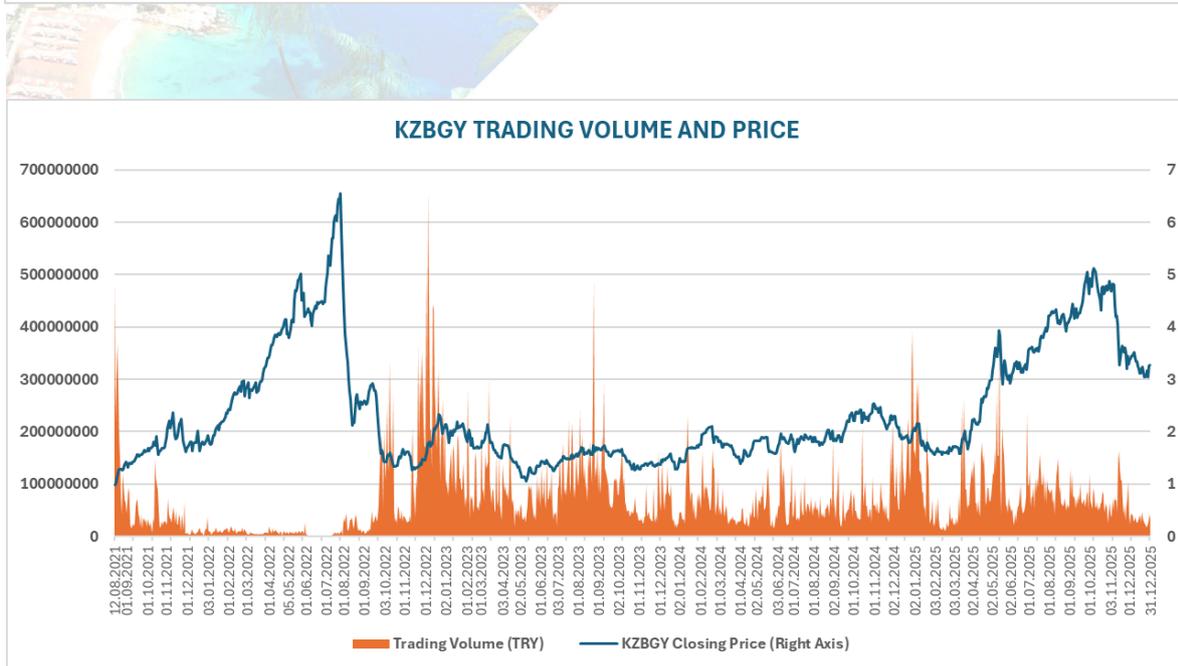
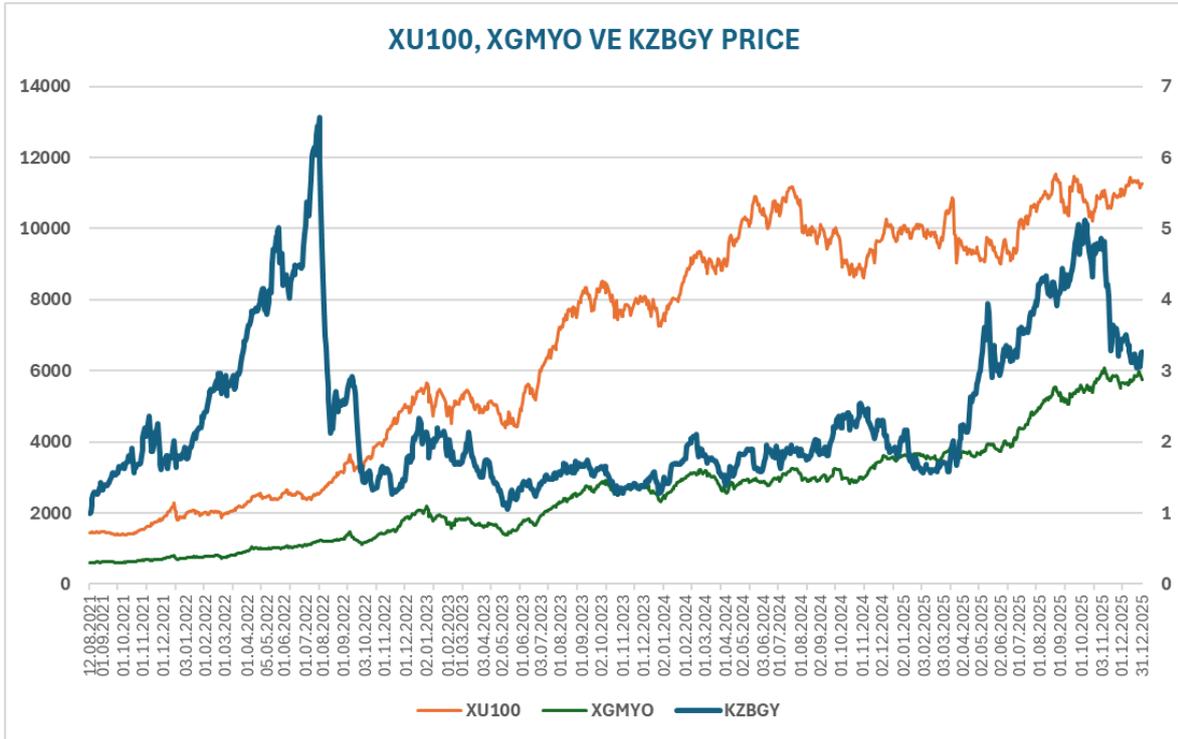
Calculation	Non-Consolidated / Individual Financial Statement Main Account Items	Related Regulation	December 31, 2025 (TL)	December 31, 2024 (TL)
A1	Money and Capital Market Instruments 3-Year Section Reserved for Real Estate Payments	Article 24/(b)	-	-
A2	Foreign Currency Term Deposits - Demand Deposits / Special Current Participation Account and TL Term Deposits/Participation Accounts	Article 24/(b)	2,062,757	85,633
A3	Foreign Capital Market Instruments	Article 24/(d)	-	-
B1	Foreign Real Estate, Real Estate-Based Projects, Real Estate-Based Rights	Article 24/(d)	-	-
B2	Vacant Land / Plots	Article 24/(c)	-	-
C1	Foreign Affiliates	Article 24/(d)	-	-
C2	Participations in the Operating Company	Article 28/1(a)	-	-
J	Non-Cash Loans	Article 31	1,001,622,717	1,310,526,634
K	Property to be developed for the project is jointly owned mortgage amounts for mortgaged plots of land	Article 22/(e)	-	-
L	Total Investments in Money and Capital Market Instruments in a Single Company	Article 22/(1)	4,048,974	25,766

Calculation	Minimum/ Maximum Rate		Portfolio Limitations	Related Regulation	Calculation	Minimum/ Maximum Rate	December 31, 2025	December 31, 2024
K/D	Maximum 10%	1	Property to be developed for the project Mortgage amounts for non-owned mortgaged plots	Article 22/e	K/D	≤10	0.00	0.00
(B+A1)/D	Minimum 51%	2	<b>(Amendment: RG-9/10/2020-31269)</b> Real estate, real estate-based projects, real estate-based rights Real Estate Investment Fund Participation Shares and Companies Participating at a Rate of 100% in the Capital Covered by Paragraph (ç) of the First Clause of Article 28	Article 24/(a), (b)	(B+A1)/D	≥51	90.43	84.55
(A+C-A1)/D	Maximum 49%	3	Money and capital market instruments and participations	Article 24/(b)	(A+C-A1)/D	≤49	1.78	1.99
(A3+B1+C1)/D	Maximum 49%	4	Foreign real estate, real estate-backed projects, real estate-based rights, participations, capital market instruments	Article 24/(d)	(A3+B1+C1)/D	≤49	0.00	0.00
B2/D	Maximum 20%	5	Vacant land/plots	Article 24/(c)	B2/D	<20	0.00	0.00
C2/D	Maximum 10%	6	Participation in the Operating Company	Article 28/1(a)	C2/D	≤10	0.00	0.00
(E+F+G+H+J)/I	Maximum 500%	7	Borrowing limit	Article 31	(E+F+G+H+J)/I	≤500	20.81	13.43
(A2-A1)/D	Maximum 10%	8	Foreign Currency Term - Demand Deposits / Special Current-Participation Account and TL-Denominated Term Deposits/Participation Accounts	Article 24/(b)	(A2-A1)/D	≤10	0.01	0.00
(L/D)	Maximum 10%	9	Total Investments in Money and Capital Market Instruments in a Single Company	Article 22/(1)	(L/D)	≤10	0.01	0.00

The information provided in the footnote titled "Control of Compliance with Portfolio Restrictions" is derived from financial statements in accordance with Article 16 of CMB Series: II, No: 14.1 "Communiqué on Principles of Financial Reporting in the Capital Market" and are derived from the financial statements. and the "Communication on Amendments to the Principles Regarding Real Estate Investment Trusts" (Series: III, No: 48.1a), published in the Official Gazette No. 28891 on January 23, 2014, regarding the control of compliance with portfolio restrictions.

## 10. INFORMATION ON SHARE PERFORMANCE

The share price performance of the Company from the date of its initial public offering through 31 December 2025 is presented below.



## 11. GENERAL ASSEMBLY

### KIZILBÜK REAL ESTATE INVESTMENT TRUST INC. MINUTES OF THE ORDINARY GENERAL ASSEMBLY MEETING FOR THE FISCAL YEAR 2024 HELD ON 14 AUGUST 2025 AT 10:00 AM

The Ordinary General Assembly Meeting of Kızılıbük Real Estate Investment Trust Inc. for the fiscal year 2024 was held on 14 August 2025 at 10:00 AM at the Company's headquarters located at Dikilitaş Mahallesi, Yenidoğan Sokak, No: 36 Sinpaş Plaza, Beşiktaş/İstanbul, under the supervision of the Ministry Representative Mr. Mücahit Güngör, appointed by the İstanbul Provincial Directorate of Trade of the Governorship of the Republic of Türkiye pursuant to its letter dated 12 August 2025 and numbered E-90726394-431.03-00112379078.

The invitation to the meeting was made within the statutory period in compliance with the Turkish Commercial Code, the Capital Markets legislation and the Company's Articles of Association, including the date, time, venue and agenda of the meeting, and was announced on 21 July 2025 on the Public Disclosure Platform (KAP), on the Company's website at [www.kizilbukgyo.com](http://www.kizilbukgyo.com), on the Electronic General Assembly System of the Central Securities Depository (MKK A.Ş.), and in the Turkish Trade Registry Gazette dated 23 July 2025 and numbered 11377.

Upon examination of the list of attendees, it was determined that out of the Company's issued share capital of 1.200.000.000 TL, divided into 1.200.000.000 shares each with a nominal value of 1 TL, shares corresponding to 23.519 TL of capital (23.519 shares) were represented in person, shares corresponding to 782.400.000,748 TL of capital (782.400.000,748 shares) were represented by proxy, and shares corresponding to 20.794.661 TL of capital (20.794.661 shares) were represented by depositary representatives, and thus a total of 803.218.180,748 TL of capital (803.218.180,748 shares) was represented at the meeting.

It was determined that, pursuant to paragraphs five and six of Article 1527 of the Turkish Commercial Code, the Company had duly fulfilled the necessary preparations for the Electronic General Assembly in compliance with the applicable legal regulations. Mr. Ali Kızıltepe, who holds the "Central Securities Depository Electronic General Assembly System Expertise Certificate," was appointed by Mr. Mahmut Sefa Çelik, acting by proxy for the Vice Chair of the Board of Directors Mr. Ahmet Çelik, to operate the Electronic General Assembly System. Upon confirmation that the minimum meeting quorum required under both the law and the Articles of Association was present, the Ministry Representative granted permission to commence the meeting. The meeting was opened simultaneously in both physical and electronic environments, and the discussion of the agenda items was initiated.

**1)** The election of Mr. Murat Parmakçı (Turkish ID No. ...) as Chair of the Meeting, Mr. Mehmet Köşek (Turkish ID No. ...) as Vote Collector, and Mr. Mehmet Mert Eren (Turkish ID No. ...) as Minutes Clerk, and the authorization of the Meeting Chair to sign the General Assembly minutes were submitted to vote. The proposal was approved by majority vote with 803.218.179,748 affirmative votes against 1 dissenting vote.

The Chair of the Meeting, Mr. Murat Parmakçı, provided information regarding the voting procedure. As stipulated under both the applicable legislation and the Company's Articles of Association, and without prejudice to the electronic vote counting procedures, it was stated that shareholders attending the meeting physically in the meeting hall would cast their votes by open show of hands, and that shareholders voting against a proposal should verbally declare their dissenting vote.

**2)** The proposal to deem the Board of Directors' Annual Activity Report for the fiscal year 2024 as read was submitted to the approval of the General Assembly and was approved by majority vote with 803.218.179,748 affirmative votes against 1 dissenting vote. The discussion of the report was then opened. No shareholder took the floor.

**3)** The Independent Auditor's Report for the fiscal year 2024 was read. The discussion of the report was opened and no shareholder took the floor. The report was approved unanimously with 803.218.180,748 affirmative votes.

**4)** The proposal to deem the financial statements for the fiscal year 2024 as read and to approve them was submitted to the General Assembly. The proposal was approved unanimously with 803.218.180,748 affirmative votes.

**5)** The revised Dividend Distribution Policy, which was updated by the Board of Directors in order to ensure compliance with recently enacted legislation and disclosed on the Public Disclosure Platform (KAP) and the Investor Relations website on 13 March 2025, was submitted to the approval of the General Assembly. The proposal was approved unanimously with 803.218.180,748 affirmative votes.

**6)** The proposal of the Board of Directors not to distribute dividends for the fiscal year 2024, in order to manage risks arising from the current economic environment and uncertainties in exchange rates and raw material prices and to maintain a strong funding base for the Company's projects and new investments, and to transfer the remaining amount to the extraordinary reserves account after allocation of the statutory legal reserves, was opened for discussion. No shareholder took the floor. The proposal was submitted to the approval of the General Assembly and was approved unanimously with 803.218.180,748 affirmative votes.

**7)** The release of the members of the Board of Directors who served during the fiscal year 2024 was submitted separately to the approval of the General Assembly. The members of the Board of Directors did not vote on their own release. The proposal was approved unanimously with 803.218.180,748 affirmative votes.

**8)** The election of Mr. Avni Çelik (Turkish ID No. ...), Mr. Ahmet Çelik (Turkish ID No. ...), Mr. Mahmut Sefa Çelik (Turkish ID No. ...), Mr. Mehmet Yavaş (Turkish ID No. ...), Mr. Akif Gülle (Turkish ID No. ...) and Mr. Kamil Özkan (Turkish ID No. ...) as members of the Board of Directors representing the Class A shareholders, to serve for a term of three (3) years, was submitted to the approval of the General Assembly. The proposal was approved by majority vote with 802.191.282,748 affirmative votes against 1.026.898 dissenting votes.

**9)** The proposal to pay a monthly net attendance fee of 300.000 TL to the Chair of the Board of Directors Mr. Avni Çelik, 150.000 TL to the Vice Chair of the Board of Directors Mr. Ahmet Çelik, 250.000 TL to Board Member Mr. Mahmut Sefa Çelik, 150.000 TL to Board Member Mr. Mehmet Yavaş, 15.000 TL to Independent Board Member Mr. Kamil Özkan and 15.000 TL to Independent Board Member Mr. Akif Gülle was submitted to the approval of the General Assembly. The proposal was approved by majority vote with 784.446.932,748 affirmative votes against 18.771.248 dissenting votes.

**10)** The granting of authorization to the members of the Board of Directors pursuant to Articles 395 and 396 of the Turkish Commercial Code, allowing them to carry out transactions falling within the Company's scope of activity on their own behalf or on behalf of others, to become shareholders in companies engaged in such activities, and to perform other related transactions, was opened for discussion. No shareholder took the floor. The proposal to grant such authorization pursuant to Articles 395 and 396 of the Turkish Commercial Code was submitted to the approval of the General Assembly and was approved unanimously with 803.218.180,748 affirmative votes.

**11)** The General Assembly was informed about the donations made in 2024. It was disclosed that the total amount of cash and in-kind donations and contributions made by the Company in 2024, entirely consisting of donations to foundations and associations, amounted to 21.258.700,50 TL. The proposal to determine the upper limit for donations to be made in 2025 as 1% of the Company's total assets as stated in the consolidated financial statements dated 31 December 2024 was submitted to the approval of the General Assembly and was approved by majority vote with 784.446.932,748 affirmative votes against 18.771.248 dissenting votes.

**12)** The General Assembly was informed that no transaction had been carried out within the scope of Article 37 of the Communiqué on Principles Regarding Real Estate Investment Trusts (III-48.1) issued by the Capital Markets Board.

**13)** The General Assembly was informed about the transactions specified under Article 1.3.6 of the Corporate Governance Principles annexed to the Corporate Governance Communiqué (II-17.1) issued by the Capital Markets Board.

**14)** The amendment of Article 8 of the Company's Articles of Association titled "Capital and Shares," in the form attached to the minutes, was submitted to the approval of the General Assembly and was approved by majority vote with 784.446.932,748 affirmative votes against 18.771.248 dissenting votes.

**15)** The General Assembly was informed, pursuant to paragraph 4 of Article 12 of the Corporate Governance Communiqué (II-17.1) issued by the Capital Markets Board, regarding the guarantees, pledges, mortgages and sureties granted in favor of third parties and the income or benefits derived therefrom.

**16)** The proposal to appoint Arsen Independent Audit Services Inc., registered with the İstanbul Trade Registry Directorate under registry number 165218 and MERSİS number 0080070234500001, as the independent audit firm for the audit of the Company's 2025 financial reports for a term of one year, as recommended by the Board of Directors, was submitted to the approval of the General Assembly and was approved unanimously with 803.218.180,748 affirmative votes.

**17)** Wishes and suggestions were shared. Mr. Mahmut Sefa Çelik, acting by proxy for the Vice Chair of the Board of Directors Mr. Ahmet Çelik, took the floor and thanked the participants on behalf of the Board of Directors.

As there were no further items to be discussed on the agenda, the Chair of the Meeting adjourned the meeting at 10:32 AM. These minutes were prepared in four copies at the meeting venue in the presence of the General Assembly, read aloud and duly signed on **Thursday, 14 August 2025**.

**Ministry Representative**

Mücahit Güngör

**Chair of the Meeting**

Murat Parmakçı

**Vote Collector**

Mehmet Köşek

**Minutes Clerk**

Mehmet Mert Eren

## 12. NON-FINANCIAL RISKS

As Kızılbük Real Estate Investment Trust Inc., we carefully assess not only our financial performance but also non-financial risks that may affect our operations, long-term value creation and sustainability. The principal non-financial risks considered and the corresponding mitigation measures are summarized below.

### Regulatory and Legal Compliance Risks

- **Zoning and Construction Legislation:** Our real estate projects are subject to zoning, construction and related regulatory frameworks. Amendments to applicable legislation may lead to delays in project development and implementation and may result in increased costs. To mitigate these risks, we continuously update our compliance processes and maintain close coordination with relevant public authorities.
- **Environmental Regulations:** Increasing environmental protection requirements may impose additional obligations in project planning and execution. Through comprehensive environmental impact assessment processes and sustainability strategies, we aim to minimize such risks.

### Environmental Risks

- Climate Change: Increased frequency and severity of natural events such as floods, droughts and other climate-related risks may affect the sustainability and safety of our projects. These risks are incorporated into project planning and risk assessment processes, and appropriate preventive measures are implemented.
- Environmental Impact Assessment (EIA): We conduct Environmental Impact Assessment processes with due diligence in order to minimize the environmental footprint of our projects and ensure compliance with applicable environmental regulations.

### Social Risks

- Community Acceptance: Lack of local community acceptance may result in objections, protests or legal challenges. To enhance social acceptance, we organize public information meetings and adopt a participatory and transparent stakeholder engagement approach.
- Workforce and Employee Satisfaction: The ability to attract qualified personnel and maintain employee satisfaction directly affects operational efficiency. We support employee development and motivation through training programs and career development opportunities.

### Operational Risks

- Project Management: Operational risks such as delays in delivery, budget overruns and supply chain disruptions may adversely affect profitability and corporate reputation. We mitigate these risks through robust project management practices and structured risk assessment mechanisms.
- Technological Risks: Technical disruptions during digital transformation processes and potential data security breaches may impact operations. We manage these risks through a strong information technology infrastructure and comprehensive cybersecurity measures.

### Sustainability Risks

- ESG (Environmental, Social and Governance) Performance: Failure to meet sustainability expectations may reduce investor interest and limit access to financing. We continuously enhance our sustainability strategy and ESG performance in line with evolving regulatory and investor expectations.
- Energy Efficiency: We invest in improving the energy efficiency of our buildings, aiming to achieve long-term operational savings and reduce environmental impact.

### Market and Competitive Risks

- Market Demand: Macroeconomic fluctuations, changes in consumer preferences and demographic trends may affect the real estate market. We manage these risks through ongoing market research and flexible strategic planning.
- Competition: Intensifying competition in the sector may impact pricing strategies and profit margins. We focus on innovation and customer satisfaction to maintain and strengthen our competitive advantage.

In light of the above, effective management of non-financial risks is critical to the Company's long-term performance and sustainable growth. The measures and strategies implemented in this context contribute to making our operations more resilient, secure and sustainable.

## 13. OTHER MATTERS

### 13.1 DISCLOSURES REGARDING EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

- At the General Assembly Meeting held on 14 August 2025, Mr. Akif Gülle and Mr. Kamil Özkan, who were submitted to the approval of our shareholders as independent board member nominees, were elected as Independent Members of the Board of Directors. Mr. Kamil Özkan subsequently resigned from his position due to workload considerations. Following the determination of new independent board member candidates and receipt of the Capital Markets Board's favorable opinion, the necessary appointments, including the reconstitution of the Board committees, will be completed in accordance with applicable legislation and corporate governance requirements.
- The Board of Directors of Kızılbük Real Estate Investment Trust Inc. convened at the Company's headquarters on 8 October 2025 and unanimously resolved to increase the Company's issued share capital, within the registered capital ceiling of 6.000.000.000 TL, from 1.200.000.000 TL to 4.000.000.000 TL by way of a capital increase of 2.800.000.000 TL, corresponding to 2.800.000.000 shares each with a nominal value of 1 TL. The capital increase was resolved to be covered by 1.291.550.265,90 TL from positive inflation adjustment differences on equity and 1.508.449.734,10 TL from extraordinary reserves. Following the approval of the Capital Markets Board, the amended version of Article 8 of the Company's Articles of Association titled "Capital" was registered and published in the Turkish Trade Registry Gazette dated 23 February 2026 and numbered 11528.

By decision of the Muğla 3rd Administrative Court dated 19 November 2024 and numbered 2024/2282, our Phase 1 amendment construction permit dated 28 October 2021, our Phase 1 name change permit dated 4 January 2022 and 16 new construction permits dated 28 October 2021 were annulled. These permits relate to our former permits. The construction activities of our Phase 1 project have been completed, and occupancy permits (habitation permits) have been duly obtained. There are no lawsuits filed against our occupancy permits or against the updated permits obtained in 2024 for Phase 2. Notwithstanding the foregoing, the following legal processes have been publicly disclosed:

- Citing the decision of the Muğla 3rd Administrative Court as grounds, the amendment construction permits obtained on 8 January 2024 from the Marmaris Municipality for the 206-room hotel block and 1,247 timeshare units located in Phases 1 and 2 on parcel no. 2518 were ex officio revoked by the Marmaris Municipality. The decision was notified on 6 January 2025.
- Citing the decision of the Muğla 3rd Administrative Court, the occupancy permit (building use permit) issued by the Marmaris Municipality on 29 March 2024 for the 206-room hotel and 555 timeshare blocks within Phase 1 was ex officio revoked by the Marmaris Municipality. The revocation decision was notified to the Company on 16 January 2025.
- With respect to the annulment of the zoning status; while the Muğla 2nd Administrative Court found the zoning status to be lawful, the Muğla 3rd Administrative Court ruled that the same zoning status was not lawful. Despite the existence of two conflicting court decisions and the absence of a final judgment, the new construction permits obtained from the Marmaris Municipality on 27 March 2024 for Phase 3 (62 timeshare units, a wastewater treatment facility and social facilities) on parcel no. 2518 revoked by the Marmaris Municipality. The revocation decision was notified to the Company on 10 February 2025.

Information regarding the current status of the construction permits related to the Project is presented below:

- With the letter of Marmaris Municipality dated 16.12.2025, which was served to us on 30.01.2026, it was notified that, in accordance with the decision of the 3rd Administrative Litigation Chamber of the T.R. İzmir Regional Administrative Court numbered Merits No: 2024/2787 and Decision No: 2025/1693, **the cancellation procedures regarding our main construction permits have been revoked.**
- With the letter of Marmaris Municipality dated 02 January 2026, which was served to the Company on 06 February 2026, it was notified that, in accordance with the decisions of the T.R. Muğla 2nd Administrative Court numbered Merits No: 2025/305, Merits No: 2024/1391 and Merits No: 2025/198, **the cancellation procedures regarding the 2024 dated amended construction permits for Phase 1 and Phase 2, the occupancy permit (habitation certificate) of Phase 1, and the construction permit of Phase 3 have been lifted.**
- With the letter of Marmaris Municipality dated 06 January 2026, which was served to the Company on 06 February 2026, it was notified that, in accordance with the decisions of the T.R. Muğla 2nd Administrative Court numbered Merits No: 2025/1387 and Merits No: 2024/134, **the seal placed pursuant to the construction suspension record dated 11 December 2024 was removed by Marmaris Municipality on 29 December 2025.**

### **13.2 OTHER DISCLOSURES OF THE COMPANY WITHIN THE SCOPE OF CAPITAL MARKETS BOARD AND TURKISH COMMERCIAL CODE REGULATIONS**

- The Company does not have any cross-shareholding relationships with any entity.
- As of the date of this Annual Report, no administrative or judicial sanctions have been imposed on the Company or the Members of the Board of Directors due to any non-compliance with applicable legislation.
- During the reporting period, there has been no public (tax) audit initiated or ongoing, nor any special audit conducted in respect of the Company.

### **14. DEVELOPMENTS IN REIT LEGISLATION**

During the reporting period, no amendments were made to the Communiqué on Principles Regarding Real Estate Investment Trusts (III-48.1).