

**MHR GAYRİMENKUL  
YATIRIM ORTAKLIĞI  
ANONİM ŞİRKETİ**

**FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024  
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT**

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

**MHR GAYRİMENKULYATIRIM ORTAKLIĞI ANONİM ŞİRKETİ**

**FINANCIAL STATEMENTS AS AT AND FOR THE YEAR 1 JANUARY- 31 DECEMBER 2024**

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**MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024 AND 31 DECEMBER 2023**

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

<b>ASSETS</b>	<b>Notes</b>	<b>Audited 31.12.2024</b>	<b>Audited 31.12.2023</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	6	650.232.314	1.375.738.221
Financial Investments	7	988.036.214	223.774.588
Inventories	8	65.342.408	-
Trade Receivables		11.928.707	15.786.684
- <i>Related parties</i>	5	71.295	--
- <i>Third parties</i>	10	11.857.412	15.786.684
Other Receivables		23.873.451	6.222.982
- <i>Related parties</i>	11	--	--
- <i>Third parties</i>	11	23.873.451	6.222.982
Prepaid Expenses	12	14.333.663	943.354
Current Income Tax Assets	26	--	--
Other Current Assets	19	99.215	40.702
<b>Total Current Assets</b>		<b>1.753.845.972</b>	<b>1.622.506.531</b>
<b>Non-Current Assets</b>			
Other Receivables		--	5.569
- <i>Related parties</i>	11	--	--
- <i>Third parties</i>	11	--	5.569
Investment Properties	13	5.076.775.689	4.861.962.346
Property, Plant and Equipment	14	83.815.999	18.606.759
Intangible Assets		609.280	742.127
- <i>Other Intangible Assets</i>	15	609.280	742.127
Prepaid Expenses	12	72.189.386	72.189.386
<b>Total Non-Current Assets</b>		<b>5.233.390.354</b>	<b>4.953.506.187</b>
<b>TOTAL ASSETS</b>		<b>6.987.236.326</b>	<b>6.576.012.718</b>

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

**MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ****STATEMENTS OF FINANCIAL POSITION****AS AT 31 DECEMBER 2024 AND 31 DECEMBER 2023**

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

<b>LIABILITIES</b>	<b>Notes</b>	<b>Audited 31.12.2024</b>	<b>Audited 31.12.2023</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	9	1.024	--
Trade Payables		14.968.946	1.480.284
- <i>Related parties</i>	10	1.891.567	--
- <i>Third parties</i>	10	13.077.379	1.480.284
Employee Benefits	17	1.700.184	730.965
Other Payables		268.487	--
- <i>Third parties</i>	11	268.487	--
Deferred Income		19.672.606	13.857.516
- <i>Third parties</i>	12	19.672.606	13.857.516
Short-Term Provisions		904.564	470.494
- <i>Other Short-Term Provisions</i>	16	--	--
- <i>Short-Term Provisions for Employee Benefits</i>	17	904.564	470.494
Other Current Liabilities	19	2.877.824	3.793.904
<b>Total Current Liabilities</b>		<b>40.393.635</b>	<b>20.333.163</b>
<b>Non-Current Liabilities</b>			
Other Payables		7.322.987	9.095.466
- <i>Third parties</i>	11	7.322.987	9.095.466
Long-Term Provisions		812.018	300.176
- <i>Long-Term Provisions for Employee Benefits</i>	17	812.018	300.176
Deferred Tax Liabilities	27	965.976.563	--
<b>Total Non-Current Liabilities</b>		<b>974.111.568</b>	<b>9.395.642</b>
<b>Total Liabilities</b>		<b>1.014.505.203</b>	<b>29.728.805</b>
<b>EQUITY</b>			
Paid-in Share Capital	20	827.000.000	827.000.000
Adjustment to Share Capital	20	2.976.774.348	2.976.774.348
Treasury Shares	20	(106.012.163)	--
Share Premium	20	964.865.900	964.865.900
Restricted Reserves	20	106.012.163	--
Retained Earnings	20	1.114.437.564	1.732.544.770
Profit for the Period	28	89.653.311	45.098.895
<b>TOTAL EQUITY</b>		<b>5.972.731.123</b>	<b>6.546.283.913</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>6.987.236.326</b>	<b>6.576.012.718</b>

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

**MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ****STATEMENTS OF PROFIT OR LOSS****FOR THE YEARS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023**

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited 01.01.- 31.12.2024	Audited 01.01.- 31.12.2023
Revenue	21	238.957.591	198.824.136
Cost of Sales (-)	21	(20.754.449)	(12.778.698)
<b>GROSS PROFIT</b>		<b>218.203.142</b>	<b>186.045.438</b>
General Administrative Expenses (-)	22	(65.188.200)	(48.225.537)
Marketing, Sales and Distribution Expenses (-)	22	--	--
Other Operating Income	23	347.318	2.544.836
Other Operating Expenses (-)	23	(1.821.067)	(5.718.260)
<b>OPERATING PROFIT</b>		<b>151.541.193</b>	<b>134.646.477</b>
Gains from Investing Activities	24	916.574.858	222.149.273
Losses from Investing Activities (-)	24	--	(142.015.240)
<b>OPERATING PROFIT BEFORE FINANCIAL EXPENSES</b>		<b>1.068.116.051</b>	<b>214.780.510</b>
Financial Income	25	--	--
Financial Expenses (-)	25	--	(16.263)
Gains/(Losses) on Net Monetary Position	26	(569.680.115)	(169.665.352)
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>498.435.936</b>	<b>45.098.895</b>
Tax (Expense) / Income	27	(408.782.625)	--
-Deferred Income Tax	27	(408.782.625)	--
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>89.653.311</b>	<b>45.098.895</b>
<b>PROFIT FOR THE PERIOD</b>		<b>89.653.311</b>	<b>45.098.895</b>
Earnings per share from continuing operations	28	0.1111	0.0681
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>89.653.311</b>	<b>45.098.895</b>

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

**MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ**  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023**  
(Amounts on tables expressed in Turkish Lira (“TL”) unless otherwise indicated.)

							Retained Earnings		
	Note	Paid-in Share Capital	Adjustment to Share Capital	Treasury Shares	Share Premium	Restricted Reserves	Retained Earnings	Profit for the Period	Equity attributable to equity holders of the parent
<b>Balances at 1 January 2023 (Beginning of the period)</b>	<b>20</b>	<b>620.000.000</b>	<b>2.866.068.879</b>	--	--	--	<b>239.096.405</b>	<b>1.493.448.365</b>	<b>5.218.613.649</b>
Transfers	20	--	--	--	--	--	1.493.448.365	(1.493.448.365)	--
Capital Increase	20	207.000.000	110.705.469	--	964.865.900	--	--	--	1.282.571.369
Total Comprehensive Income		--	--	--	--	--	--	45.098.895	45.098.895
- Profit for the Period	28	--	--	--	--	--	--	45.098.895	45.098.895
- Other Comprehensive Income		--	--	--	--	--	--	--	--
<b>Balances at 31 December 2023 (End of the period)</b>	<b>20</b>	<b>827.000.000</b>	<b>2.976.774.348</b>	--	<b>964.865.900</b>	--	<b>1.732.544.770</b>	<b>45.098.895</b>	<b>6.546.283.913</b>
							--	--	
<b>Balances at 1 January 2024 (Beginning of the period)</b>	<b>20</b>	<b>827.000.000</b>	<b>2.976.774.348</b>	--	<b>964.865.900</b>	--	<b>1.732.544.770</b>	<b>45.098.895</b>	<b>6.546.283.913</b>
Transfers	20	--	--	--	--	--	45.098.895	(45.098.895)	--
Gains/(losses) on treasury shares	20	--	--	(106.012.163)	--	106.012.163	(106.012.163)	--	(106.012.163)
Total Comprehensive Income		--	--	--	--	--	--	89.653.311	89.653.311
- Profit for the Period	28	--	--	--	--	--	--	89.653.311	89.653.311
- Other Comprehensive Income		--	--	--	--	--	--	--	--
Deferred tax effect from prior periods (Note 2.9, 27)		--	--	--	--	--	(557.193.938)	--	(557.193.938)
<b>Balances at 31 December 2024 (End of the period)</b>	<b>20</b>	<b>827.000.000</b>	<b>2.976.774.348</b>	<b>(106.012.163)</b>	<b>964.865.900</b>	<b>106.012.163</b>	<b>1.114.437.564</b>	<b>89.653.311</b>	<b>5.972.731.123</b>

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

**MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023**

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited 01.01.2024 31.12.2024	Audited 01.01.2023 31.12.2023
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the Period		<b>89.653.311</b>	<b>45.098.897</b>
Adjustments for Reconciliation of Net Profit for the Period		<b>214.500.085</b>	<b>(113.714.042)</b>
Adjustments for depreciation and amortisation charges	14, 15	(3.512.172)	2.168.272
Adjustments for unrealised currency translation differences		-	--
Adjustments for Provisions	16, 17	1.230.082	302.674
Adjustments for Provisions (Reversals) for Employee Benefits	17	1.182.798	501.199
Adjustments for (Reversals) of Provisions for Lawsuits	16	--	(198.525)
Adjustments for Other Provisions (Reversals)	10	47.284	-
Adjustments for Interest/(Income) and Expenses	25	(439.027.026)	(145.399.583)
Adjustments for fair value losses/(gains)		(468.129.870)	126.943.803
Adjustments for fair value losses/(gains) on financial assets	24	(235.803.757)	--
Other adjustments for fair value losses/(gains)	13	(232.326.113)	126.943.803
Adjustments for tax (income)/expense		--	--
Adjustments for Dividend Income		(7.009.311)	(815.740)
Adjustments for monetary gains and losses		1.123.924.038	(96.913.468)
<b>Changes in Working Capital</b>		<b>(993.856.868)</b>	<b>(188.100.056)</b>
Decrease / (Increase) in Financial Investments		(898.688.213)	(98.791.769)
Adjustments for decrease/(increase) in trade receivables	5, 10	(1.041.777)	13.083.587
Related parties		(71.295)	13.083.587
Third parties		(970.482)	--
Adjustments for Decrease / (Increase) in Other Receivables from Operations	5, 11	(19.559.416)	(5.996.730)
Third parties		(19.559.416)	(5.996.730)
Adjustments for Decrease/(Increase) in Inventories	8	(65.342.408)	--
Decrease / (Increase) in Prepaid Expenses	12	(35.869.661)	(70.793.702)
Adjustments for increase / (decrease) in trade payables	5, 10	13.943.668	(1.091.478)
Related parties		1.891.567	(1.091.478)
Third parties		12.052.101	--
Increase / (Decrease) in Employee Benefits	17	1.193.901	229.141
Adjustments for Increase / (Decrease) in Other Payables from Operations	5, 11	1.541.827	(1.549.845)
Third parties		1.541.827	(1.549.845)
Adjustments for Other Increase/(Decrease) in Working Capital		(109.366)	(18.540.614)
Increase / (Decrease) in Deferred Income		10.074.577	(4.648.646)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash outflows arising from the acquisition of property, plant and equipment and intangible assets	14, 15	(15.075.518)	(5.424.131)
Dividends Received		7.009.311	815.740
Cash outflows from purchase of investment properties		(36.000.276)	(3.159.071)
Capital Increase		--	298.864.057
Cash inflows from share premium and other equity instruments		--	964.865.900
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash inflows / (outflows) arising from borrowings, net	9	1.024	(31.303)
Interest received / (paid)	25	431.133.860	145.399.583
<b>D. EFFECT OF CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS</b>			
<b>MONETARY LOSSES AND GAINS ON CASH AND CASH EQUIVALENTS</b>			
		<b>(430.764.005)</b>	<b>115.754.884</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>			
		<b>(733.399.076)</b>	<b>1.260.370.458</b>
<b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>			
6		<b>1.375.738.224</b>	<b>115.367.766</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>			
6		<b>642.339.148</b>	<b>1.375.738.224</b>

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

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**NOTE 1 – COMPANY’S ORGANISATION AND NATURE OF OPERATIONS**

MHR Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("the Company" or "MHR GYO") (formerly known as "MHR Gayrimenkul Yatırımları Anonim Şirketi") was established on 11 October 2011. The former title of the Company was AND Anadolu Gayrimenkul Yatırımları Anonim Şirketi, which was changed to MHR Gayrimenkul Yatırımları Anonim Şirketi on 6 April 2021 and MHR Gayrimenkul Yatırım Ortaklığı Anonim Şirketi on 12 January 2023.

The business activity of the Company ensuring itself as a public joint stock company with registered share capital in the nature of a capital market institution established to issue shares in order to operate a portfolio consisting of real estates, real estate projects, real estate based rights, capital market instruments and other assets and rights to be determined by the Capital Markets Board and to carry out other activities permitted by the capital markets legislation.

The registered address of the Company is as follows:

İçerenköy, Umut Sok. No:10-12, 34752 Quick Tower Ataşehir/İstanbul, Türkiye.

The main shareholders and ultimate controlling party of the Company as of 31 December 2024 are Quick Sigorta Anonim Şirketi and Corpus Sigorta Anonim Şirketi (Note 19).

As of 31 December 2024, the Company has 14 employees (31 December 2023: 8).

**Approval of the financial statements:**

The financial statements of the Company were approved by the Board of Directors on 26 February 2025. The General Assembly is authorised to amend the financial statements.

**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS****2.1. Preparation of Financial Statements**

The accompanying financial statements have been prepared in accordance with the Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette dated 13 June 2013 and numbered 28676. The Company maintains its books of account in accordance with the Turkish Commercial Code ("TCC") and Turkish Tax Legislation in accordance with the Uniform Chart of Accounts issued by the Ministry of Finance.

**2.2. Basis of Presentation****Declaration of Conformity with TFRS**

The accompanying financial statements have been prepared in accordance with the Communiqué Serial II, No: 14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" published in the Official Gazette No: 28676 dated 13 June 2013 and in accordance with the Turkish Financial Reporting Standards ("TFRS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA").

The financial statements are presented in accordance with the formats specified in the "Announcement on TFRS Taxonomy" published by POA on 4 October 2022 and the Financial Statement Examples and Illustrative User Guide published by CMB.



## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**2.3. Functional and Presentation Currency**

The financial statements of the Company are presented in the currency of the primary economic environment in which the entity operates. The results and financial position of the Company are expressed in TL (Turkish Lira), which is the functional currency of the Company and the presentation currency for the financial statements.

**2.4. Restatement of Financial Statements in Hyperinflationary Periods**

In accordance with the announcement made by the Public Oversight Accounting and Auditing Standards Authority ("POA") on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the annual reporting period beginning on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of entities whose functional currency is the currency of a hyperinflationary economy.

In accordance with the relevant standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. In prior period financial statements, comparative information is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Company has also presented its financial statements as of 31 December 2023 on the basis of the purchasing power as of 31 December 2024.

In accordance with the CMB's decision on 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 starting from the annual financial reports for the accounting periods ending on 31 December 2023.

Restatements in accordance with TAS 29 have been made using the adjustment factor derived from the Consumer Price Index ("CPI") in Türkiye published by the Turkish Statistical Institute ("TURKSTAT"). As at 31 December 2024, the indices and conversion factors used in the restatement of financial statements are as follows:

Date	Index	Conversion Factor	Three-Year Compound Inflation Rate
31 December 2024	2.684,55	1.00000	291%
31 December 2023	1.859,38	1.44379	268%
31 December 2022	1.128,45	2.37897	156%

The main components and items of the restatement for the purpose of financial reporting in hyperinflationary economies are as follows:

- The financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the prior reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the statement of financial position date are restated by using the relevant adjustment factors.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

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- All items in the statement of comprehensive income, except for the effect of non-monetary items in the statement of financial position on the statement of comprehensive income, have been restated by applying the multiples calculated over the periods in which the income and expense accounts were initially recognised in the financial statements.
- The effect of inflation on the Company's net monetary asset position in the current period is recognised in the statement of profit or loss in the net monetary position gains/(losses) account.

**2.5. Comparatives and Restatement of Prior Period Financial Statements**

The accompanying financial statements are prepared comparatively with the prior period in order to determine the trends in the financial position, performance and cash flows of the Company. When the presentation or classification of items in the financial statements is changed, prior period financial statements are also reclassified accordingly to ensure comparability and necessary explanations are disclosed for such changes.

The accounting policies adopted in the preparation of the financial statements are the same as those adopted in the most recent annual financial statements. The financial statements as at and for the year ended 31 December 2024 are presented comparatively with the financial information, the prior period as at and for the year ended 31 December 2023,

Accounting estimates are made on the basis of reliable information and reasonable estimation methods. However, estimates are revised if there is a change in the circumstances under which the estimate was made, new information is obtained or additional developments incur.

If the effect of a change in an accounting estimate relates to only one period, it is recognised in the current period in which the change is made; if the effect of the change in an accounting estimate relates to future periods, it is recognised both in the current and future periods prospectively in the financial statements in a manner that takes into account in determining the profit or loss for the period.

The nature and amount of any change in an accounting estimate that has an effect on the result of operations in the current period or is expected to have an effect on subsequent periods is disclosed in the notes to the financial statements, except where it is not possible to estimate the effect on future periods.

The current period financial statements of the Company include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period financial statements.

**2.6. New and Revised Turkish Financial Reporting Standards****New and Revised Standards and Interpretations**

As of 31 December 2024, the accounting policies adopted in preparation of the financial statements for the year ended 31 December 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of 1 January 2024.

**a) The standards, amendments and interpretations effective from 1 January 2024**

- Amendments to TAS 1 - Classification of liabilities as current and non-current
- Amendments to TFRS 16 - Lease liabilities in sale and leaseback transactions
- Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier financing arrangements

The amendments did not have a significant material influence on the financial position and performance of the Company.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**b) Standards issued but not yet effective and not early adopted**

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

- Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets by an Investor Entity to an Associate/Joint Venture
- Amendments to TAS 21 – Lack of exchangeability

The Company will assess the material influence of these amendments.

- TFRS 17 - New Insurance Contracts

The standard is not applicable for the Company.

**c) Amendments effective from the effective period of publication**

- Amendments to TAS 12 - International Tax Reform - Second Pillar Model Rules

These amendments do not have a significant material influence on the financial position and performance of the Company.

**d) Amendments issued by the International Accounting Standards Board (IASB) but not issued by POA**

The following amendments to TFRS 9 and TFRS 7 and Annual Improvements to TFRS Accounting Standards, TFRS 18 and TFRS 19 are issued by the IASB but not yet adapted/issued by POA. Therefore, they do not form part of TFRS. The Company will make the necessary changes to its financial statements after the new standards and amendments are issued and become effective under TFRS.

- Amendments to TFRS 9 and TFRS 7 - Classification and Measurement of Financial Instruments
- Contracts Relating to Nature-Dependent Electricity (Amendments to TFRS 9 and TFRS 7)'
- TFRS 18 - Presentation and Disclosures in Financial Statements

The Company is in the process of assessing the potential material influence of the standards, amendments and improvements on the financial position and performance of the Company.

- TFRS 19 — Subsidiaries without Public Accountability: Disclosures

The standard is not applicable for the Company.

**2.7. Netting / Offsetting**

Financial assets and liabilities are offset and the net amount is recognised in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**2.8. Accounting Policies, Changes in Accounting Estimates and Errors**

Changes in accounting policies resulting from the first-time adoption of a new standard are applied retrospectively or prospectively in accordance with the transition requirements, if any. Changes that do not include any transitional provisions, significant optional changes in accounting policies or identified accounting errors are applied retrospectively and prior period financial statements are restated. If the changes in accounting estimates are for only one period, they are applied in the period in which the change is made and if they are for future periods, they are applied both in the period in which the change is made and prospectively.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**2.9. Summary of Significant Accounting Policies****Related parties**

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the 'reporting entity')

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
  - (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
  - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

For the purpose of the financial statements, shareholders, key management personnel and Board members, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties.

**Revenue**

In accordance with TFRS 15 "Revenue from Contracts with Customers", which entered into force on 1 January 2018, the Company recognises revenue in its financial statements within the scope of the five-stage model below.

- (a) Determining contracts with customers,
- (b) Determine the performance obligations in the contract,
- (c) Determining the transaction price in the contract,
- (d) Allocating the transaction price to the performance obligations in the contract,
- (e) Recognition of revenue when each performance obligation is satisfied.

*Rent income from property leases*

Rental income from property is recognised on an accrual basis on a straight-line basis over the term of the relevant lease. If the Company provides benefits to its lessees, these are recognised as a reduction of rent income over the lease term.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

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*Office sales*

Revenue is recognised when the property (office) is transferred to the customer and the performance obligation specified in the contract is satisfied. The property is transferred when the control of the property is transferred to the customer.

**Inventories**

Inventories are valued at the lower of cost or net realisable value, adjusted for the effects of inflation. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. When the net realisable value of inventories is less than cost, the inventories are written down to their net realisable value and the expense is included in the statement of profit or loss in the period the write-down or loss occurred.

An impairment loss is reversed when the circumstances that previously caused inventories to be written down to net realisable value no longer exist or when there is evidence of an increase in net realisable value due to changing economic conditions. The reversed amount is limited to the amount of impairment.

As of 31 December 2024 and 2023, the Company has no impairment on inventories.

*Inventories of property construction projects*

Land acquired for the use in property construction projects is recognised under inventories. Land is valued at the lower of cost or net realisable value.

*Real estate construction projects*

Direct costs include indirect costs, raw materials and borrowing costs that are attributable to the project and that are directly attributable to the construction work involved in the project. These inventories are valued at the lower of cost or net realisable value.

**Investment Properties**

Investment properties are properties held to earn rentals and/or for capital appreciation and are initially measured at cost plus transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value, which reflects and represents market conditions at the balance sheet date. Gains or losses arising from changes in the fair value of investment properties are recognised in the statement of profit or loss in the period in which they incurred.

Investment properties are derecognised when they are disposed of or when they become obsolete and no future economic benefits are expected from their disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the period in which they incurred. Land that has not been determined how it will be used in the future is classified as investment property if there is no decision to dispose it in the short-term, estimating that the land is held for the purpose of obtaining capital income arising from real estate.

Transfers are recognised when there is a change in use of the investment property. For a transfer from investment property measured at fair value through profit or loss to owner-occupied property, the estimated cost of the transfer is the fair value of the property at the date of the change in use. When an owner-occupied property is converted into an investment property to be recognised on a fair value, the entity applies the same accounting policy as for property, plant and equipment until the date of the change in use.

The details of the investment properties are disclosed in Note 13.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

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**Property, Plant and Equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Land and land improvements are not depreciated and are carried at cost less impairment losses. Assets under construction for administrative or other purposes not yet determined are carried at cost less impairment losses, if any.

Legal fees and charges are also included in the relevant cost. When the construction of these assets is completed and they are ready for their intended use, they are classified under property, plant and equipment. Such assets are depreciated when they are ready for use, in accordance with the depreciation method used for other property, plant and equipment.

The cost of property, plant and equipment, other than land and construction in progress, is depreciated on a straight-line basis over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of the each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

**Intangible Assets**

Acquired intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses. These assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives and depreciation method are reviewed at the end of the each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Financial Instruments**

Financial assets and liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and liabilities at fair value through profit or loss) are added to or deducted from the fair value of those financial assets and liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities are recognised directly in profit or loss.

**Financial assets**

A regular way purchase or sale of financial assets is recognised and derecognised using either trade date or settlement date accounting.

The Company classifies its financial assets as measured at amortised cost or at fair value through profit or loss on subsequent recognition based on the characteristics of the contractual cash flows of the financial asset. An entity reclassifies all affected financial assets only when it changes its business model for managing financial assets. Reclassification of financial assets is applied prospectively from the date of reclassification. In such cases, no adjustment is made to previously recognised gains, losses (including impairment gains or losses) or interest.

*Classification of financial assets*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

-Business model test: The objective of the entity's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

-Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

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Financial assets that meet the following conditions are measured at fair value through other comprehensive income:

- the financial asset is held within a business model whose objective is to collect the contractual cash flows and sell the financial asset; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

On initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument not held for trading in other comprehensive income.

#### Amortised cost and effective interest method

Interest income on financial assets carried at amortised cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except for the following:

- (a) Financial assets that are credit-impaired when purchased or originated. For such financial assets, the entity applies the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.
- (b) Financial assets that are not credit-impaired financial assets when acquired or originated, but subsequently become credit-impaired financial assets. For such financial assets, the entity applies the effective interest rate to the amortised cost of the asset in subsequent reporting periods.

#### *Impairment of financial assets*

The Company recognises a provision for impairment in the financial statements for expected credit losses on debt instruments, lease receivables, trade receivables, assets arising from contracts with customers and investments in financial guarantee contracts that are measured at amortised cost or at fair value through other comprehensive income. The amount of expected credit loss is revised at each reporting date to reflect changes in the credit risk since the initial recognition of the financial asset.

The Company uses the simplified approach for trade receivables, assets arising from contracts with customers and lease receivables that do not have a significant financing element and calculates impairment losses in an amount equal to the expected credit loss over the life of the related financial assets.

For all other financial instruments, the Company recognises lifetime-expected credit losses if there has been a significant increase in credit risk since initial recognition. However, if the credit risk of the financial instrument has not increased significantly since initial recognition, the Company recognises a loss allowance for that financial instrument at the 12-month expected credit loss amount.

#### Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, the loss given default (i.e. the magnitude of the loss given default) and the amount at risk given default. The assessment of the probability of default and loss given default is based on historical data adjusted with forward-looking information. The amount at risk of default for financial assets is recognised at the gross carrying amount of the assets at the reporting date.

The expected credit loss on financial assets is the present value of the difference between the Company's contractual cash flows that will be realised as they fall due and the cash flows that the Company expects to collect (all cash shortfalls), calculated using the initial effective interest rate (or credit-adjusted effective interest rate for financial assets that were credit-impaired when acquired or originated).

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

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Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset to another entity.

When a financial asset measured at amortised cost is derecognised, the difference between the carrying amount of the asset and the consideration received or receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument measured at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the revaluation reserve relating to that instrument is reclassified to profit or loss. On derecognition of an equity instrument that the Company has elected to measure at fair value through other comprehensive income at initial recognition, the cumulative gain or loss previously accumulated in the revaluation reserve is not recognised in profit or loss but transferred directly to retained earnings.

Financial liabilities

An entity measures a financial liability at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of the financial liability are added to the fair value on initial measurement, except for liabilities at fair value through profit or loss.

The entity classifies all financial liabilities as measured at amortised cost on subsequent recognition, except for the following:

(a) Financial liabilities at fair value through profit or loss: These liabilities, including derivative instruments, are measured at fair value on subsequent recognition.

(b) Financial liabilities that arise when the transfer of a financial asset does not meet the derecognition criteria or when the continuing relationship approach is applied: When an entity continues to recognise an asset in the financial statements to the extent of the continuing relationship, it also recognises a liability in the financial statements. The transferred asset and the related liability are measured to reflect the rights and obligations that the entity continues to hold. The liability associated with the transferred asset is measured in the same way as the net carrying amount of the transferred asset.

(c) Contingent consideration recognised by the acquirer in a business combination to which TFRS 3 applies: After initial recognition, changes in the fair value of such contingent consideration are measured at fair value through profit or loss.

The entity does not reclassify any financial liabilities as of the reporting date.

Derecognition of financial liabilities

The Company derecognises financial liabilities only when the Company's obligations are discharged, cancelled or expire. The difference between the carrying amount of the derecognised financial liability and the amount paid or payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the most reliable estimate of the expenditure required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties associated with the obligation. If the provision is measured using the estimated cash flows required to settle the present obligation, the carrying amount of the provision is equal to the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered



**MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ****NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

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from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Taxes on income****Current period tax expense**

In accordance with the Article 5/1(d) (4) of the Corporate Tax Law No. 5520 ("CTL"), earnings from real estate investment trusts are exempt from Corporate Tax.

Considering the law No. 7524 introduced certain conditions for the corporate tax exemption to be applied to the earnings of REITs as of 1 January 2025. Accordingly, if at least 50% of the earnings from immovable properties are distributed as dividends, the tax rate applied to corporate income will be 10%. Therefore, the tax rate of 30% applicable to retained earnings is used in the calculation of current and deferred tax assets and liabilities.

**Deferred tax**

Deferred tax liabilities or assets are calculated by multiplying taxable or deductible temporary differences in the financial statements as of 31 December 2024 by the 30% tax rate that will be effective for the period after 1 January 2025. In accordance with the letter on "Reporting of Tax Amounts in Real Estate Investment Trusts and Real Estate Investment Funds" announced by POA to real estate investment trusts on 12 February 2025, deferred tax liability arising from the change in legislation in the financial statements as at and for the year ended 31 December 2024, the effect of 2023 and before is recognised in retained earnings or losses under equity and the effect of 2024 is recognised in the statement of profit or loss.

**Employee benefits***Employment termination benefits*

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as part of defined retirement benefit plan in accordance with the revised TAS 19 *Employee Benefits* ("TAS 19").

The employment termination benefit as liability recognised in the statement of financial position is calculated by estimating the net present value of the future probable obligation of the Company arising from the retirement of all employees and recognised in the financial statements.

**Share capital and dividends**

Common shares are classified as share capital. Capital increases in proportion to the shares held are recognised at the nominal value at which they are authorised. Dividends on common shares are recognised in equity in the period in which they are declared.

**Earnings per share**

Earnings per share disclosed in the statement of profit or loss are determined by dividing net income by the weighted average number of shares that have been outstanding during the period concerned.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustment to shareholders' equity. For the purpose of earnings per share, such bonus shares are considered as issued shares. Therefore, the weighted average number of shares used in the computation of earnings per share is derived by applying the bonus issue retrospectively from the beginning of the previous reporting period.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**Treasury shares**

When an entity repurchases its own equity instruments, such instruments are recognised as "treasury shares" as a deduction from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of an entity's equity instruments and any amounts received or paid in respect of such transactions are recognised directly in equity.

**Events after the reporting date**

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

**Statements of cash flows**

The Company prepares statements of cash flows in order to inform the users of the financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows according to changing conditions. In the statement of cash flows, cash flows for the period are classified and reported based on operating, investing and financing activities.

Cash flows from operating activities represent cash flows from operating activities of the Company.

Cash flows from investing activities represent the cash flows used in and generated from investing activities of the Company.

Cash flows from financing activities represent the resources used by the Company in financing activities and the repayments of these resources.

**2.10. Significant Accounting Estimates and Assumptions in the Application of Accounting Policies**

The preparation of the financial statements requires management to make estimates and assumptions that have material influence on the reported amounts of assets and liabilities and disclosed contingent assets and contingent liabilities at the date of the balance sheet and the reported amounts of revenue and expenses during the period. Although these estimates are based on management's best judgement and knowledge, actual results may differ from these estimates.

***Fair value of investment property***

The Company has recognised investment properties at fair value in the financial statements. The assumptions used in determining the fair value of properties classified as investment property in the financial statements are disclosed in Note 13. As of 31 December 2024, the fair value of the investment properties has been determined by TSKB Gayrimenkul Değerleme Anonim Şirketi, an independent appraisal firm. As of the date of the appraisal report, TSKB Gayrimenkul Değerleme Anonim Şirketi is a real estate appraisal firm authorised by CMB and provides real estate appraisal services in accordance with the capital market legislation and has sufficient experience and qualifications in the fair value measurement of the properties in the relevant regions.

Property	Location/Region	Valuation Method	Report Date
Quick Tower	Kozyatağı/Istanbul	Market Approach	31.12.2024
Maidan İş ve Yaşam Merkezi	Çankaya/Ankara	Market Approach	06.01.2025
159 bağımsız bölüm İş yeri	Konak/Izmir	Market Approach	06.01.2025

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

As of 31 December 2024 and 2023, the information given in the note "Control of Compliance with Portfolio Restrictions" is summary information derived from the financial statements in accordance with Article 16 of the CMB Communiqué Serial: II, No: 14.1 "Communiqué on Principles Regarding Financial Reporting in Capital Markets" and is in the nature of summary information derived from the financial statements in accordance with Article 16 of the Communiqué Serial: III, No: 48.1 "Principles Regarding Real Estate Investment Trusts" published in the Official Gazette No: 28660 on 28 May 2013: III, No: 48.1 "Communiqué on Principles Regarding Real Estate Investment Trusts" published in the Official Gazette numbered 28660 on 28 May 2013 and Serial: III, No: 48.1a published in the Official Gazette numbered 28891 on 23 January 2014: III, No: 48.1a "Communiqué on the Amendment to the Communiqué on Principles Regarding Real Estate Investment Trusts numbered 28891.

The additional note "Controlling Compliance with Portfolio Restrictions" has been prepared based on the data in the accompanying financial statements.

**NOTE 3 - BUSINESS COMBINATIONS**

None.

**NOTE 4 – OPERATING SEGMENTS**

The operating activity of the Company is a public joint stock company with registered capital, which is a capital market institution established to issue shares in order to operate a portfolio consisting of real estates, real estate projects, real estate-based rights, capital market instruments and other assets and rights to be determined by the Capital Markets Board and to carry out other activities authorised by the capital markets legislation. The Company's field of activity, the nature and economic characteristics of its commercial transactions, the classification of customers according to their risks and the methods used in carrying out its activities are similar. In addition, the Company's organisational structure has been established in such a way that the Company manages a single activity instead of managing the Company in separate departments involving different activities. For these reasons, the Company's operations are considered as a single operating segment and the Company's operating results, the determination of the resources to be allocated to these activities and the review of the performance of these activities are evaluated within this framework.

**NOTE 5 - RELATED PARTY DISCLOSURES****a) Due from related parties**

	<b>31.12.2024</b>	<b>31.12.2023</b>
Quick Finansman A.Ş.	18.000	--
Q Tower Gayrimenkul Yönetim ve Enerji Tic. A.Ş.	53.295	--
<b>Total</b>	<b>71.295</b>	<b>--</b>

**b) Due to related parties**

	<b>31.12.2024</b>	<b>31.12.2023</b>
Quick Sigorta A.Ş.	73.894	
Corpus Sigorta A.Ş.	1.674.767	
Maher Yatırım Holding A.Ş.	105.274	--
Valde Bilişim Teknolojileri A.Ş.	37.632	--
<b>Total</b>	<b>1.891.567</b>	<b>--</b>

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## c) Sales to related parties

	01.01.- 31.12.2024	01.01.- 31.12.2023
Quick Sigorta A.Ş.	24.363.230	16.255.964
Corpus Sigorta A.Ş.	17.884.486	12.903.105
Maher Yatırım Holding A.Ş.	2.163.140	1.481.229
QPay Elektronik Para ve Ödeme Hizmetleri A.Ş.	1.319.628	3.415.081
Quick Finansman A.Ş.	5.631.278	3.531.025
Quick Hayat Sigorta A.Ş.	2.412.420	18.470
Valde Bilişim Teknolojileri A.Ş.	1.189.570	1.407.385
Qcar Araç Kiralama ve Mobilite Hizmetleri A.Ş.	2.303.774	63.710
Qc İnşaat Proje Mümessillik Gayrimenkul Yatırım A.Ş.	1.265.811	568.828
Q Tower Gayrimenkul Yönetim ve Enerji Tic. A.Ş.	505.568	200.246
<b>Total</b>	<b>59.038.905</b>	<b>39.845.043</b>

## d) Purchases from related parties

	01.01.- 31.12.2024	01.01.- 31.12.2023
Corpus Sigorta A.Ş.	2.908.263	67.386
Maher Yatırım Holding A.Ş.	17.269.368	14.568.423
Quick Sigorta A.Ş.	1.617.833	2.376.200
Quick Finansman A.Ş.	68.916	1.585.052
Valde Bilişim Teknolojileri A.Ş.	352.722	686.735
Q Tower Gayrimenkul Yönetim ve Enerji Tic. A.Ş.	1.928.252	2.220.169
Qc İnşaat Proje Mümessillik Gayrimenkul Yatırım AŞ	35.063.668	--
Qcar Araç Kiralama ve Mobilite Hizmetleri A.Ş.	3.306.674	--
<b>Total</b>	<b>62.515.696</b>	<b>21.503.965</b>

## e) Related party transactions

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Sales to related parties</b>		
Rent	58.633.797	37.538.911
Decoration reflection fees and charges	--	2.098.148
Consultancy fee	--	--
Cost reflection fee	405.108	207.984
<b>Total</b>	<b>59.038.905</b>	<b>39.845.043</b>

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Purchases from related parties</b>		
Subscription costs, fees and charges	1.120.773	1.368.305
Purchase of property, plant and equipment	265.737	2.341.955
Insurance policy cost	3.003.932	238.426
Cost reflection fee	37.902.157	1.210.893
Management service fee	6.873.428	3.523.493
Consultancy fee <sup>(*)</sup>	10.043.009	10.852.373
Cost of decoration	--	1.281.788
Motor vehicle rent expenses	3.306.660	--
Other	--	686.732
<b>Total</b>	<b>62.515.696</b>	<b>21.503.965</b>

(\*) The balance arises from consultancy services received from Maher Yatırım Holding A.Ş.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## f) Remuneration and other benefits provided to key management personnel

	01.01.- 31.12.2024	01.01.- 31.12.2023
Remuneration and other benefits provided to key management personnel	13.976.357	8.741.073
<b>Total0</b>	<b>13.976.357</b>	<b>8.741.073</b>

## NOTE 6 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the Company as of 31 December 2024 and 2023 are as follows:

	31.12.2024	31.12.2023
Banks	650.232.314	1.375.738.221
- Demand deposits	15.032.377	2.070.614
- Time deposits	635.199.937	1.373.667.607
<b>Cash and cash equivalents in the statement of financial position</b>	<b>650.232.314</b>	<b>1.375.738.221</b>
<b>Interest rediscount</b>	<b>(7.893.166)</b>	-
<b>Cash and cash equivalents in the statement of cash flows, net</b>	<b>642.339.148</b>	-

As of 31 December 2024, the effective interest rate of TL denominated time deposits of the Company is between 35% and 48.50% and the maturity dates are between 2 January 2025 and 26 March 2025. The Company has no time deposits denominated in foreign currencies.

As of 31 December 2023, the effective interest rate of TL denominated time deposits of the Company is between 35% and 48% and the maturity dates are between 2 January 2024 and 26 March 2024. The Company has no time deposits denominated in foreign currencies.

## NOTE 7 - FINANCIAL INVESTMENTS

## Financial assets at fair value through profit or loss

<b>Financial Investments</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Share certificates	193.458.617	223.774.588
Mutual Funds <sup>(*)</sup>	433.075.830	--
<b>Total</b>	<b>626.534.447</b>	<b>223.774.588</b>

(\*) Mutual and investment funds consist of money market funds established by İş Portföy Yönetimi Anonim Şirketi and Yapı Kredi Portföy Yönetimi Anonim Şirketi and are carried at fair value and the valuation differences are recognised in profit or loss in the accompanying financial statements.

	31.12.2024		31.12.2023	
	Cost	Fair value (Stock exchange)	Cost	Fair value (Stock exchange)
Quoted on Borsa İstanbul (BIST)	129.453.580	193.458.617	178.166.277	223.774.588
TCELL	13.344.825	52.571.200	17.017.204	44.508.366
THYAO	30.279.000	63.225.000	43.715.365	74.261.221
KOZAL	30.208.287	25.720.201	43.614.368	32.118.555
SISE	27.606.579	22.752.960	39.298.975	35.723.351
TUPRS	28.014.889	29.189.256	34.520.365	37.163.095
<b>Total</b>	<b>129.453.580</b>	<b>193.458.617</b>	<b>178.166.277</b>	<b>223.774.588</b>

## Financial assets measured at amortised cost

<b>Financial Investments</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Private sector bonds	361.501.767	--
<b>Total</b>	<b>361.501.767</b>	--

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## NOTE 8 - INVENTORIES

Inventories	31.12.2024	31.12.2023
Semi-finished products <sup>(*)</sup>	65.342.408	--
<b>Total</b>	<b>65.342.408</b>	<b>--</b>

(\*) The "Programme Management and Construction Contract" was signed between the Company and Tepe İnşaat Sanayi Anonim Şirketi as the main contractor for the residential project that the Company plans to develop on a 10.795 m<sup>2</sup> land with an area of 10.795 m<sup>2</sup>, in Kurtköy, Pendik, İstanbul and registered on Block numbered 4000, Parcel numbered 8 of the title deed, on the basis of cost + profit method on 17 July 2024.

## NOTE 9 - BORROWINGS

The details of short-term borrowings as of 31 December 2024 and 2023 are as follows:

Short-Term Trade Receivables	31.12.2024	31.12.2023
Other Short-Term Borrowings	1.024	--
<b>Total</b>	<b>1.024</b>	<b>--</b>

As of 31 December 2024 and 2023, the Company has no long-term borrowings.

## NOTE 10 - TRADE RECEIVABLES AND PAYABLES

As of 31 December 2024 and 2023, the breakdown of short-term trade receivables is as follows:

Short-Term Trade Receivables	31.12.2024	31.12.2023
Due from third parties	11.857.412	15.786.684
- Customers	11.857.412	15.786.684
- Doubtful Trade Receivables	47.284	--
- Provision for Doubtful Trade Receivables (-)	(47.284)	--
Due from related parties (Note 5)	71.295	--
<b>Total</b>	<b>11.928.707</b>	<b>15.786.684</b>

As of 31 December 2024 and 2023, the Company has no long-term trade receivables.

As of 31 December 2024, the average maturity and turnover period of trade receivables other than due from related parties is 30 days (31 December 2023: 30 days).

Movements in provision for doubtful trade receivables:

	01.01.2024	01.01.2023
	31.12.2024	31.12.2023
Beginning of the period – 1 January	--	--
Additions	(47.284)	--
Provisions no longer required	--	--
<b>End of the period – 31 December</b>	<b>(47.284)</b>	<b>--</b>

The risks and the level of risks and foreign currency denominated balances of the receivables are disclosed in Note 30.

As of 31 December 2024 and 2023, the breakdown of short-term trade payables is as follows:

Short-Term Trade Payables	31.12.2024	31.12.2023
Due to third parties	13.077.379	1.480.284
- Suppliers	13.077.379	1.480.284
Due to related parties (Note 5)	1.891.567	--
<b>Total</b>	<b>14.968.946</b>	<b>1.480.284</b>

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

As of 31 December 2024 and 2023, the Company has no long-term trade payables.

As of 31 December 2024, the average maturity and turnover period of trade payables other than due to related parties is 30 days (31 December 2023: 30 days).

## NOTE 11 - OTHER RECEIVABLES AND PAYABLES

As of 31 December 2024 and 2023, the breakdown of short-term other receivables is as follows:

<b>Short-Term Other Receivables</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Due from third parties	23.873.451	6.222.982
- <i>Due from the tax office</i>	23.043.145	5.809.924
- <i>Due from employee</i>	830.306	413.058
<b>Total</b>	<b>23.873.451</b>	<b>6.222.982</b>

As of 31 December 2024 and 2023, the breakdown of long-term other receivables is as follows:

<b>Long-Term Other Receivables</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Due from third parties	-	5.569
<b>Total</b>	<b>-</b>	<b>5.569</b>

As of 31 December 2024 and 2023, the breakdown of short-term other payables is as follows:

<b>Short-Term Other Payables</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Due to third parties	268.487	--
- <i>Deposits and guarantees received</i>	268.487	--
<b>Total</b>	<b>268.487</b>	<b>--</b>

As of 31 December 2024 and 2023, the breakdown of long-term other payables is as follows:

<b>Long-Term Other Payables</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Due to third parties	7.322.987	9.095.466
- <i>Deposits and guarantees received (*)</i>	7.322.987	9.095.466
<b>Total</b>	<b>7.322.987</b>	<b>9.095.466</b>

(\*) Consists of guarantees received from lessees.

## NOTE 12 - PREPAID EXPENSES AND DEFERRED INCOME

As of 31 December 2024 and 2023, the breakdown of short-term prepaid expenses is as follows:

<b>Prepaid Expenses – Short-Term</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Short-term prepaid expenses	3.868.913	943.354
Advances given	10.464.750	--
<b>Total</b>	<b>14.333.663</b>	<b>943.354</b>

As of 31 December 2024 and 2023, the breakdown and details of long-term prepaid expenses are as follows:

<b>Prepaid Expenses – Long-Term</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Advances given (*)	72.189.386	72.189.386
<b>Total</b>	<b>72.189.386</b>	<b>72.189.386</b>

(\*) It is given for the purchase of some of the independent units to be included within the scope of the Urban Transformation Project developed by the Company in Barbaros, Ataşehir/Istanbul. The relevant amount has been collateralised with a letter of guarantee.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

As of 31 December 2024 and 2023, the breakdown of short-term deferred income is as follows:

<b>Deferred Income</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Short-term deferred income (*)	19.672.606	13.857.516
<b>Total</b>	<b>19.672.606</b>	<b>13.857.516</b>

(\*) Consists of rent income received in advance.

As of 31 December 2024 and 2023, the Company has no long-term deferred income.

## NOTE 13 - INVESTMENT PROPERTIES

As of 31 December 2024 and 2023, the movements for investment properties are as follows:

<b>Cost</b>	<b>Opening balance – 1 January 2024</b>	<b>Additions</b>	<b>Disposals</b>	<b>Revaluation surplus</b>	<b>Transfers</b>	<b>Closing balance – 31 December 2024</b>
Buildings	4.861.962.346	36.000.276	--	232.326.113	(53.513.047)	5.076.775.689
<b>Net book value</b>	<b>4.861.962.346</b>	<b>36.000.276</b>	<b>--</b>	<b>232.326.113</b>	<b>(53.513.047)</b>	<b>5.076.775.689</b>

  

<b>Cost</b>	<b>Opening balance – 1 January 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Revaluation surplus</b>	<b>Transfers</b>	<b>Closing balance – 31 December 2023</b>
Buildings	4.995.173.343	3.159.071	--	(126.943.803)	(9.426.265)	4.861.962.346
<b>Net book value</b>	<b>4.995.173.343</b>	<b>3.159.071</b>	<b>--</b>	<b>(126.943.803)</b>	<b>(9.426.265)</b>	<b>4.861.962.346</b>

The investment properties consist of 99 independent units in the "Quick Tower" A+ office building in Kozyatağı/Ataşehir, one of the central business areas of the Anatolian Side of Istanbul, 99 independent units in the "Quick Tower" A+ office building in Kozyatağı/Ataşehir, one of the central business areas of the Anatolian Side of Istanbul, and independent units in the Maidan İş ve Yaşam Merkezi in Ankara, Çankaya/Karakusunlar, Block numbered 25389, Parcel numbered 3, B Blok, 14. Flat 164, 165 and 166 independent sections in the Maidan İş ve Yaşam Merkezi located on B Blok, 14. Flat, 164, 165 and 166 independent sections, and the "Workplace" property with the number 159 independent section number, 15. entrance , 21. Flat., 159 independent section, located on the real estate numbered 8625, parcel numbered 7, Mersinli Mahallesi, Konak/İzmir, which was included in the Company Portfolio on 20 May 2024.

*Quick Tower*

Quick Tower is a 30-storey A+ office and shop building built on a 10,577.47 m<sup>2</sup>) in Ataşehir, Istanbul. Completed in 2015, the building has 104 separate independent sections and a car park with a capacity of 713 motor vehicles. Considering these 104 separate sections, all sections except for the independent sections numbered 9,10,11,12,16 are registered in within the Company. According to the appraisal report prepared by TSKB Gayrimenkul, the building has a closed area of 71,441.89 m<sup>2</sup> and a leasable area of approximately 31,386 m<sup>2</sup>, excluding the independent sections numbered 9,10,11,12,16. As of 31 December 2024, the occupancy rate is 100% (31 December 2023: 99%).

As of 31 December 2024, the fair value of Quick Tower has been determined amounting to TL 5.057.770.000 according to the market approach method in the appraisal report on 31 December 2024 prepared by TSKB Gayrimenkul, an independent appraisal firm authorised by the Capital Markets Board. The fair value of the part of Quick Tower which is classified as "Investment Property" is determined amounting to TL 4.994.830.689 and the fair value of the part of Quick Tower which is classified as property, plant and equipment and currently in use is determined amounting to TL 62.939.311



## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

*Maidan İş ve Yaşam Merkezi*

Maidan İş ve Yaşam Merkezi, located in Çankaya/Ankara, consists of 19 and 5 storey office buildings with 4 blocks, built on a land of 22.435 m<sup>(2)</sup>. Three independent sections numbered 164, 165 and 166 in block B of Maidan İş ve Yaşam Merkezi are registered within the Company. The total leasable area of these 3 independent units owned by the Company is 317,00 m<sup>2</sup>. The Company earns rent income from these independent units and recognises the relevant income in the statement of profit or loss on a straight-line basis.

As of 31 December 2024, the fair value of Maidan İş ve Yaşam Merkezi has been determined amounting to TL 46.605.000 according to the market approach method in the appraisal report on 31 December 2024 prepared by TSKB Gayrimenkul, an independent appraisal firm authorised by the Capital Markets Board.

*Izmir Mistral*

In accordance with the decision of the Board of Directors on 16 May 2024, it was decided to acquire the property numbered 159 independent section (186 m<sup>(2)</sup> gross) in the building of "Mistral İzmir", a 13.922,01 m<sup>2</sup> area Housing-Office-Hotel-Bazaar complex owned by Mistral Gayrimenkul Yatırım Ortaklığı Anonim Şirketi, in İzmir/Konak, amounting to TL 30.600.000 + VAT and to pay the price in cash, the title deed transfer procedures were completed on 20 May 2024 and the real estate was included in the Company's portfolio.

As of 31 December 2024, the fair value of İzmir Mistral has been determined amounting to TL 35.340.000 according to the market approach method in the appraisal report on 31 December 2024 prepared by TSKB Gayrimenkul, an independent appraisal firm authorised by the Capital Markets Board.

As of 31 December 2024, the Company has no mortgage on investment properties.

**Fair Value Hierarchy**

The investment properties are carried and recognised at fair value and the fair value of these properties is determined by authorised appraisal firms listed by the Capital Markets Board. The fair value determination principles of all the investment properties are given above. The fair value of the properties whose fair value is determined according to the "Market Approach" above is within the scope of "Level 2" since it is based on observable inputs since it is determined based on the fair values of neighbouring properties.

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

- Level 1: Financial assets and liabilities are valued at quoted market prices in active markets for identical assets and liabilities.
- Level 2: Financial assets and liabilities are valued using inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. The market approach enables the indicative value to be determined in comparison with the same or similar assets for which price information is available. According to the valuation experts' judgement, properties valued according to the market approach are classified as second level financial assets.
- Level 3: Financial assets and liabilities are valued using inputs that are not based on observable market data used to determine the fair value of the asset or liability. Under the income approach, different methods are used to determine the value, but the common feature of all of them is that the value is based on the actual or estimated income actually received or receivable by the right holder. According to the income approach, inputs that are not based on significant observable data are estimated rental value and capitalisation rate. The cost approach allows the indicative value to be determined by applying the economic principle that a purchaser will not pay more for an asset, whether acquired by purchase or construction, than it would cost to acquire another asset of equal utility. According to the cost approach, inputs that are not based on significant observable data are unit cost and depreciation. According to the appraisers' judgement, properties valued according to the income approach and cost approach are classified as Level 3 financial assets.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

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The independent appraiser uses his own professional expertise to determine whether the value he arrives at with the objective evidence obtained while determining the valuation method of the real estate is the most appropriate value of the relevant real estate. In addition, while arriving at the valuation, the independent appraiser also takes into consideration whether the properties of similar quality to the subject properties are evaluated according to similar approaches during the examinations realised in the market.

As of 31 December 2024, the insurance coverage of the investment properties is amounting to TL 39.764.000 and USD 77.192.000.

**NOTE 14 - PROPERTY, PLANT AND EQUIPMENT**

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

Cost	Opening balance – 1 January 2024	Additions	Disposals	Transfers	Closing balance
					31 December 2024
Buildings	9.426.265	--	--	53.513.046	62.939.311
Motor Vehicles	5.247.021	--	--	--	5.247.021
Furniture and Fixtures	17.953.743	7.343.265	--	--	25.297.008
Constructions in Progress	1.056.793	7.732.253	--	--	8.789.046
<i>Atasehir Barbaros Project<sup>(*)</sup></i>	<i>1.056.793</i>	<i>7.522.346</i>	--	--	<i>8.579.139</i>
<i>Resadiye Project<sup>(**)</sup></i>	<i>--</i>	<i>209.907</i>	--	--	<i>209.907</i>
<b>Total</b>	<b>33.683.822</b>	<b>15.075.518</b>	--	<b>53.513.046</b>	<b>102.272.386</b>
<b>Accumulated depreciation</b>					
Buildings	377.051	377.050	--	--	754.101
Motor Vehicles	1.496.463	1.164.034	--	--	2.660.497
Furniture and Fixtures	13.203.548	1.838.241	--	--	15.041.789
<b>Total accumulated depreciation</b>	<b>15.077.062</b>	<b>3.379.325</b>	--	--	<b>18.456.387</b>
<b>Net book value</b>	<b>18.606.760</b>				<b>83.815.999</b>

(\*) It is planned to develop an urban transformation project with residential and commercial areas on the land registered in Istanbul, Ataşehir/Barbaros, 2195, 2196, 2197, 2198 and 2199 parcels. In this context, the Company has entered into an agreement with the landowners in the project area

**NOTE 14 - PROPERTY, PLANT AND EQUIPMENT**

In accordance with the Land Share and Flat for Land Construction and Real Estate Sales Promise Agreement to be signed, the proportional distribution is determined as 55% for the land owners and 45% for the Company.

On 5 December 2023, the Board of Directors of the Company has resolved that on the date of 5 December 2023, a total of 25 parcels belonging to 25 parcels of land and registered in Istanbul, Ataşehir/Barbaros, 2195, 1, 2, 3, 4, 5, 6, 7, 7, 8, 9, 10, 11, 11, 12, 13, 14, 15, 16, 17 parcels and 2196, 1, 2, 3, 4, 5, 6, 7, 8 parcels, 6.324,45 m<sup>2</sup>; on 3 January 2024, Istanbul, Ataşehir/Barbaros, and 2197, 1, 2, 3, 3, 4, 5, 6, 7, 8 parcels, 2198, 1 parcel and 2199, 1, 2, 3, 4, 4, 5, 6, 7, 8, 9, 10, 11, 11, 12, 13, 14, 15, 16, 17 parcels belonging to a total of 26 parcels 8.839,80 m<sup>2</sup>, a total of 51 parcels and 15.164,25 m<sup>(2)</sup> of land with a total area of 15.164,25 m<sup>2</sup> were included in the urban transformation project.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

As of 31 December 2024, the ratio of condominium owners/landowners who have signed a contract with the Company has reached 80%. Negotiations with other condominium owners/landowners are ongoing.

(\*\*) On 8 November 2024, in order to develop a real estate project consisting of villas on the properties registered in Ünlü Doğan's (Land owner) ownership, in Istanbul, Çekmeköy/Reşadiye, 598 block 1, 3, 6 and 7 parcels and 0 block 692 and 923 parcels. In order to develop a real estate project consisting of villas on the properties registered on 1, 3, 6 and 7 of block 598, parcels 1, 3, 6 and 7 and 0, 692 and 923, owned by Ünlü Doğan (Land owner), a "Project Development Agreement Regarding Real Estate Sales Promise and Construction Works in Return for Flats" was signed on 8 November 2024, with 54.17% of the value of the sharing of the independent sections of the relevant project belonging to MHR GYO and 45.83% belonging to the land owner.

As of 31 December 2023, the movements for property, plant and equipment, and related depreciation are as follows:

Cost	Opening balance – 1 January 2023	Additions	Disposals	Transfers	Closing balance – 31 December 2023
Buildings	--	--	--	9.426.265	9.426.265
Motor Vehicles	3.775.831	1.471.190	--	--	5.247.021
Furniture and Fixtures	15.261.841	2.691.900	--	--	17.953.743
Constructions in Progress	--	1.056.793	--	--	1.056.793
Atasehir Barbaros Project <sup>(*)</sup>	--	1.056.793	--	--	1.056.793
<b>Total</b>	<b>19.037.672</b>	<b>5.219.883</b>	<b>--</b>	<b>9.426.265</b>	<b>33.683.821</b>
<b>Accumulated depreciation</b>					
Buildings	--	377.051	--	--	377.051
Motor Vehicles	611.340	885.120	--	--	1.496.463
Furniture and Fixtures	12.405.112	798.439	--	--	13.203.551
<b>Total accumulated depreciation</b>	<b>13.016.452</b>	<b>2.060.610</b>	<b>--</b>	<b>--</b>	<b>15.077.062</b>
<b>Net book value</b>	<b>6.021.221</b>				<b>18.606.759</b>

(\*) It is planned to develop an urban transformation project consisting of residential and commercial areas on the land located and registered in Istanbul, Ataşehir/ Barbaros Neighbourhood, 2195, 2196, 2197, 2198 and 2199 parcels. In this context, in accordance with the Land Share and Flat for Land Construction and Real Estate Sales Promise Agreement to be signed between the landowners and the Company in the project area, the proportional distribution is determined as 55% for the landowners and 45% for the Company.

On 5 December 2023, the Board of Directors of the Company has resolved that on the date of 5 December 2023, a total of 25 parcels of land registered in Istanbul, Ataşehir/Barbaros, 2195, 1, 2, 3, 4, 5, 6, 7, 7, 8, 9, 10, 11, 11, 12, 13, 14, 15, 16, 17 parcels and 2196, 1, 2, 3, 4, 5, 6, 7, 8 parcels, 6.324,45 m<sup>2</sup>; on 3 January 2024 Istanbul, Ataşehir/Barbaros, 2197, 1, 2, 3, 3, 4, 5, 6, 7, 8 parcels, 2198, 1 parcel and 2199, 1, 2, 3, 4, 4, 5, 6, 7, 8, 9, 10, 11, 11, 12, 13, 14, 15, 16, 17 parcels belonging to a total of 26 parcels 8.839,80 m<sup>2</sup>, a total of 51 parcels and 15.164,25 m<sup>(2)</sup> of land immovables in the nature of land with an area of 15.164,25 m<sup>2</sup> were included in the urban transformation project.

As of 31 December 2023, 67.73% of the land numbered 2195 and 87.22% of the land numbered 2196 have been signed accordingly.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

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## NOTE 15 - INTANGIBLE ASSETS

As of 31 December 2024 and 2023, the movements for intangible assets, and related depreciation are as follows:

<b>Cost</b>	<b>Opening balance – 1 January 2024</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing balance – 31 December 2024</b>
Rights	1.274.938	--	--	1.274.938
<b>Total</b>	<b>1.274.938</b>	<b>--</b>	<b>--</b>	<b>1.274.938</b>
<b>Accumulated depreciation</b>				
Rights	532.811	132.847	--	665.658
<b>Total accumulated depreciation</b>	<b>532.811</b>	<b>132.847</b>	<b>--</b>	<b>665.658</b>
<b>Net book value</b>	<b>742.126</b>			<b>609.280</b>

  

<b>Cost</b>	<b>Opening balance – 1 January 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing balance – 31 December 2023</b>
Rights	1.070.689	204.248	--	1.274.938
<b>Total</b>	<b>1.070.689</b>	<b>204.248</b>	<b>--</b>	<b>1.274.938</b>
<b>Accumulated depreciation</b>				
Rights	431.149	107.662	--	532.811
<b>Total accumulated depreciation</b>	<b>431.149</b>	<b>107.662</b>	<b>--</b>	<b>532.811</b>
<b>Net book value</b>	<b>639.541</b>			<b>742.127</b>

## NOTE 16 - PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

## 16.1 Provisions

As of 31 December 2024 and 2023, the Company has no short and long-term provisions.

## 16.2 Lawsuits

As of 31 December 2024 and 2023, the disclosures about the lawsuits are as follows:

## 1) Lawsuits filed and execution proceedings realised by the Company

As of 31 December 2024 and 2023, there exists 2 ongoing lawsuits filed by the Company and these lawsuits do not have material influence on the results of operations, financial position or liquidity.

## 2) Lawsuits and execution proceedings filed against the Company:

As of 31 December 2024 and 2023, there exists 6 ongoing lawsuits filed against the Company, excluding the lawsuits that are determined not to have material influence the results of operations, financial position or liquidity.

## 16.3. Guarantees / Collaterals / Mortgages / Pledges / Bill of Guarantees

As of 31 December 2024 and 2023, the details of collaterals/pledges/mortgages/bill of guarantees ("CPMB") received by the Company are as follows:

<b>Collaterals Received</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Bank letters of guarantee	158.816.764	92.057.691
Collaterals received as cheques and notes	1.544.539	2.229.986
<b>Total</b>	<b>160.361.303</b>	<b>94.287.677</b>

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

As of 31 December 2024 and 2023, the details of collaterals/pledges/mortgages/bill of guarantees ("CPMB") given by the Company are as follows:

<b>Guarantees Given</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Bank letters of guarantee	916.000	1.322.510
<b>Total</b>	<b>916.000</b>	<b>1.322.510</b>

Collaterals/pledges/mortgages ("CPM") of the Company as of 31 December 2024 and 2023, are as follows:

	<b>31.12.2024</b>	<b>31.12.2023</b>
<b>Collateral, Pledge, Mortgages Given by the Company</b>		
A. Total amount of CPM's given in the name of its own legal personality	916.000	1.322.510
<i>Letter of Guarantee</i>	916.000	1.322.510
<i>Mortgages</i>	--	--
B. Total amount of CPM's given on behalf of the fully consolidated companies	--	--
C. Total amount of CPM's given on behalf of third parties for ordinary course of business	--	--
E. Total amount of other CPM's given	--	--
i. Total amount of CPM's given on behalf of the majority shareholder	--	--
ii. Total amount of CPM's given to on behalf of other group companies which are not in scope of B and C	--	--
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	--	--
<b>Total</b>	<b>916.000</b>	<b>1.322.510</b>

## NOTE 17 - EMPLOYEE BENEFITS

As of 31 December 2024 and 2023, the details of short-term provisions for employee benefits are as follows:

<b>Short-term provisions for employee benefits</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Provision for unused vacation	904.564	470.494
<b>Total</b>	<b>904.564</b>	<b>470.494</b>

As of 31 December 2024 and 2023, the details of long-term provisions for employee benefits are as follows:

<b>Long-term provisions for employee benefits</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Provision for employment termination benefits	812.018	300.176
<b>Total</b>	<b>812.018</b>	<b>300.176</b>

Under the Turkish Labour Law, the Company is required to make lump-sum termination benefits to each employee whose employment is terminated without due cause and whose employment is terminated without due cause.

In addition, the Company is required to pay termination benefits to each employee who has earned the right to retire by receiving termination in accordance with the current Social Security and General Health Insurance Law No. 5510.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

Under Turkish Labour Law, MHR GYO incorporated in Türkiye is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). As of 31 December 2024, the amount payable consists of one month's salary limited to a maximum of TL 46.655,43 (31 December 2023: TL 35.058,58 – historical cost) for each year of service. The liability is not funded as there is no funding requirement.

The liability is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. TAS 19, "Employee Benefits" requires actuarial valuation methods to be developed to estimate the entities obligation under defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Accordingly, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As of 31 December 2024, provisions in the accompanying financial statements are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. As of 31 December 2024, provisions are calculated with a discount rate of 3.24%. The estimated rate of termination benefits that will not be paid as a result of voluntary resignations is also taken into consideration.

As of 31 December 2024 and 2023, the movements of the provision for employment termination benefits are as follows

	01.01.2024 31.12.2024	01.01.2023 31.12.2023
Beginning of the period – 1 January	300.176	--
Provisions recognised/(not recognised) during the period	604.109	300.176
Adjustments for inflation	(92.267)	--
<b>End of the period – 31 December</b>	<b>812.018</b>	<b>300.176</b>

As of 31 December 2024 and 2023, the detailed analysis and breakdown of employee benefits are as follows

<b>Employee benefits</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Due to employee	--	--
Taxes payable	1.102.060	466.766
Social security premiums payable	598.124	264.199
<b>Total</b>	<b>1.700.184</b>	<b>730.965</b>

## NOTE 18 - EXPENSES BY NATURE

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Depreciation and amortisation charges</b>		
Cost of sales (Note 21)	1.994.556	2.113.894
General administrative expenses (Note 22)	1.517.616	41.428
<b>Total</b>	<b>3.512.172</b>	<b>2.155.322</b>

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Personnel expenses</b>		
General administrative expenses (Note 22)	37.156.380	23.337.312
<b>Total</b>	<b>37.156.380</b>	<b>23.337.312</b>

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**Fees for Services Received from Independent Auditor/Independent Audit Firms**

The explanation regarding the fees for the services provided by independent auditors, which are based on the POA's letter on 19 August 2022, prepared in accordance with the POA's Board Decision published in the Official Gazette on 30 March 2022 and the principles of preparation of which are based on the POA's letter on 19 August 2022, calculated on the basis of purchasing power as of 31 December 2024 is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Audit fee for the reporting period (*)	981.851	903.875
<b>Total</b>	<b>981.851</b>	<b>903.875</b>

(\*) Fee excluding VAT.

**NOTE 19 - OTHER ASSETS AND LIABILITIES**

The details of other current assets as of 31 December 2024 and 31 December 2023 are as follows:

<b>Other current assets</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Advances given for employees	70.000	--
Other	29.215	40.702
<b>Total</b>	<b>99.215</b>	<b>40.702</b>

The details of other current liabilities as of 31 December 2024 and 31 December 2023 are as follows:

<b>Other current liabilities</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Taxes payable	2.877.824	3.793.904
Other	--	--
<b>Total</b>	<b>2.877.824</b>	<b>3.793.904</b>

**NOTE 20 - EQUITY****Share Capital**

The Company has a registered capital ceiling amounting to TL 3.000.000.000.000 (Three billion Turkish Lira) in accordance with the provisions of the Capital Market Law.

The authorisation for the registered capital ceiling authorised by the Capital Markets Board is effective for the years 2022-2026 (5 years). Even if by the end of 2026 the authorised registered capital ceiling has not been reached, in order for the Board of Directors to take a capital increase decision after 2026, it is obligatory to obtain authorisation from the General Assembly for a new period of time by obtaining permission from the Capital Markets Board for the previously permitted ceiling or a new ceiling amount. In case the relevant authorisation is not obtained, the Company cannot increase its share capital by a the decision of the Board of Directors.

The issued share capital of the Company is amounting to TL 827,000,000 (Eight hundred and twenty-seven million Turkish Lira) and is divided into 827,000,000 (Eight hundred and twenty-seven million) outstanding shares with a nominal value of TL 1 (One Turkish Lira) each (31 December 2023: TL 827,000,000, TL 1, 827,000,000,000 outstanding shares, respectively).

The Company's shares are divided into Class A and B share. Share classes representing the issued share capital are as follows:

TL 186,000,000 for 186,000,000 outstanding shares and TL 641,000,000 for outstanding 641,000,000 Class B bearer shares.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

The Board of Directors is authorised to increase the issued share capital by issuing new shares up to the registered capital ceiling between 2022 and 2026 in accordance with the provisions of the Capital Markets Law and the regulations of the Capital Markets Board, and to take decisions on limiting the right of shareholders to purchase new shares and issuing preferred shares or shares above or below their nominal value within the provisions of the capital markets legislation. The authorisation to restrict the right to purchase new shares may not be used in a way to cause inequality among the shareholders.

As of 31 December 2024 and 2023, the principal shareholders and their respective shareholding rates in MHR GYO are as follows:

Shareholders	31.12.2024		31.12.2023	
	Share (%)	Amount (TL)	Share (%)	Amount (TL)
Quick Sigorta A.Ş.	64.98	537.387.067	64.79	535.810.219
Corpus Sigorta A.Ş.	12.59	104.133.400	12.59	104.133.400
Quoted on BIST - Other	22.43	185.479.533	22.62	187.056.381
<b>Total</b>	<b>100.00</b>	<b>827.000.000</b>	<b>100.00</b>	<b>827.000.000</b>
Adjustment to share capital		2.976.774.348		2.976.774.348
<b>Total share capital</b>		<b>3.803.774.348</b>		<b>3.803.774.348</b>

As published in the Official Gazette on 6 July 2021 and numbered 10364, the share capital was increased from TL 40,500,000 to 620,000,000 as a result of the decision of the General Assembly on 22 June 2021.

The amount of TL 569,282,564 of the increased amount of TL 579,500,000 was paid as the capital advance payments realised by the shareholders to the Capital Reserves, and the remaining amount of TL 10,217,436 was paid by the shareholders in cash.

It has been resolved to increase the Company's issued capital of TL 620,000,000 from TL 620,000,000 to TL 827,000,000 by increasing it by TL 207,000,000 within the registered capital ceiling of TL 3,000,000,000; to issue 207,000,000 Class B bearer shares with a nominal value of TL 1 each, with a total nominal value of TL 207,000,000 issued within the scope of the capital increase; and to completely restrict the rights of all shareholders of the Company to purchase new shares in favour of the investors who will make a demand within the scope of the public offering. In this context, the demand collection procedures for the initial public offering were completed on 12-13 October 2023 by Yapı Kredi Yatırım Menkul Değerler using the "Sale on the Stock Exchange - Fixed Price Demand Collection and Sale Method" and "Best Effort Brokerage" method, and TL 4.30 was announced as the public offering price and 207,000,000 Class B bearer shares with a nominal value of TL 207,000,000, which were increased due to the increase in the Company's capital from TL 620,000,000 to TL 827,000,000, were offered to the public. The Company's shares started to be quoted on Borsa Istanbul on 18 October 2023 with the code "MHRGY". The gross income of the Company, which is not adjusted for the costs within the scope of the public offering, was amounting to TL 890,100,000 due to the share capital increase.

On the date of the completion of the public offering transactions, all of the share prices amounting to TL 890,100,000 in total were paid in cash to the Company and the issued share capital of the Company, which was amounting to TL 620,000,000, was increased to TL 827,000,000 within the registered capital ceiling amounting to TL 3,000,000,000 and the amendment of Article 8 "Capital and Shares" of the Articles of Association of the Company was authorised by the Capital Markets Board with the letter on 20 November 2023 and numbered 45441 and the amendment of Article 8 of the Company's Articles of Association "Capital and Shares" was authorised by the Capital Markets on 30 November 2023 and published in the Official Gazette on 30 November 2023 and numbered 10969.

As of 31 December 2024, the Company's main shareholder Quick Sigorta increased its effective ownership interest to 64.98% by acquiring the shares amounting to TL 21.520.467.



## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**Treasury Shares**

In accordance with the decision of the Board of Directors on 25 June 2024,, within the framework of the Capital Markets Legislation and the Capital Markets Board's principle decision on share repurchase transactions in the bulletin on 14 February 2023 and numbered 2023/10, to make share repurchase in order to protect the interests of all our investors, especially our small investors, and to contribute to healthy price formation;

- a) To determine the share buy-back programme to be valid for a maximum period of 1 year,
- b) To determine the maximum fund amount that can be allocated for share buy-back as TL 100,000,000 and the maximum number of shares to be purchased as not exceeding nominal TL 20,000,000,
- c) Within the scope of this decision, it has been resolved to authorise the Company management for all kinds of works and transactions including making the necessary material event disclosures on the Public Disclosure Platform and submitting the decision regarding the share buy-back to the approval of the General Assembly.

Within the scope of the relevant decision, the share buy-back programme, which started on 26 June 2024, was completed on 2 October 2024, and a total of TL 20.000.000 nominal value shares corresponding to 2.418% of the share capital were bought back by paying a total price amounting to TL 96.683.819 including transaction costs. As of the reporting date, there has been no sale of the treasury shares.

**Share Premium**

As of 31 December 2024 and 2023, the details of share premium are as follows:

	<b>31.12.2024</b>	<b>31.12.2023</b>
Share premium	964.865.900	964.865.900
<b>Total</b>	<b>964.865.900</b>	<b>964.865.900</b>

Share premium represents the difference between the nominal amount of the shares offered to the public and the sales amount. Share premium is recognised in the financial statements after deducting all expenses incurred for the shares issued, payments made to intermediary institutions, CMB, BIST, independent audit firms and advertising expenses incurred for the issuance of shares.

**Restricted reserves**

The details of restricted legal reserves as of 31 December 2024 and 2023 are as follows:

	<b>31.12.2024</b>	<b>31.12.2023</b>
Reserves from treasury shares (*)	106.012.163	--
<b>Total</b>	<b>106.012.163</b>	<b>--</b>

(\*) In accordance with the CMB regulations, reserves are allocated for treasury shares at an amount equal to their acquisition cost. In this context, a reserve for treasury shares amounting to TL 106.012.163, including transaction costs, has been allocated in the restricted reserves in the accompanying financial statements for the year ended 31 December 2024.

**Retained earnings**

Retained earnings of the Company as of 31 December 2024 and 31 December 2023 are as follows:

	<b>31.12.2024</b>	<b>31.12.2023</b>
Retained earnings(*)	1.114.437.564	1.732.544.770
<b>Total</b>	<b>1.114.437.564</b>	<b>1.732.544.770</b>

(\*) The retained earnings as of 31 December 2024 is amounting to TL 1.671.631.502, of which TL 557.193.938 is deferred tax effect of the prior period.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

The movement of retained earnings as of 31 December 2024 and 2023 is as follows:

	<b>31.12.2024</b>	<b>31.12.2023</b>
Beginning of the period – 1 January	1.732.544.770	1.732.544.770
Transfer of profit for the period	(60.913.268)	-
Deferred tax effect of prior periods	(557.193.938)	-
<b>End of the period – 31 December</b>	<b>1.114.437.564</b>	<b>1.732.544.770</b>

## Additional Information on Share Capital, Capital Reserves and Other Equity Items

The historical values and inflation adjustments of the following accounts under equity as of 31 December 2024 in accordance with TFRS and Tax Procedure Law ("TPL") financial statements are as follows:

<b>31 December 2024 (TFRS)</b>	<b>Historical value</b>	<b>Inflation adjustments</b>	<b>Indexed value</b>
Adjustment to share capital	827.000.000	2.976.774.348	3.803.774.348
Share premium	649.282.095	315.583.805	964.865.900
Legal reserves	106.012.163	--	106.012.163
<b>31 December 2024 (TPL)</b>	<b>Historical value</b>	<b>Inflation adjustments</b>	<b>Indexed value</b>
Adjustment to share capital	827.000.000	3.694.648.831	4.521.648.831
Share premium	649.282.095	218.466.091	867.748.186
Legal reserves	--	--	--

## NOTE 21 - REVENUE AND COST OF SALES

The details of the revenue and cost of sales as of 31 December 2024 and 2023 are as follows:

	<b>01.01.- 31.12.2024</b>	<b>01.01.- 31.12.2023</b>
Domestic sales	238.957.591	198.850.734
<b>Gross sales</b>	<b>238.957.591</b>	<b>198.850.734</b>
Sales returns (-)	--	(26.595)
<b>Revenue</b>	<b>238.957.591</b>	<b>198.824.136</b>
Cost of services sold (-)	20.754.449	12.778.698
<b>Total cost of sales (-)</b>	<b>20.754.449</b>	<b>12.778.698</b>
<b>Gross profit</b>	<b>218.203.142</b>	<b>186.045.438</b>

The details of the cost of sales according to their nature as of 31 December 2024 and 2023 are as follows:

	<b>01.01.- 31.12.2024</b>	<b>01.01.- 31.12.2023</b>
<b>Cost of sales</b>	<b>20.754.449</b>	<b>12.778.698</b>
Cost of services sold	20.754.449	12.778.698
<b>Total cost of sales</b>	<b>20.754.449</b>	<b>12.778.698</b>

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## NOTE 22 - OPERATING EXPENSES

The breakdown of the operating expenses as of 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>General administrative expenses</b>		
Personnel expenses	(37.156.380)	(25.258.735)
Depreciation and amortisation charges	(1.517.616)	(41.428)
Stationery expenses	(72.911)	(527.665)
Representation and hospitality expenses	(325.455)	(424.258)
Insurance expenses	(1.511)	(56.391)
Travel expenses	(274.602)	(213.273)
Operating and communication expenses	--	(1.496)
Administrative service expenses	(17.979.286)	(16.629.010)
Consultancy expenses	(2.215.120)	(3.493.764)
Taxes, duties and charges	(452.709)	(271.842)
Subscription costs, fees and charges	(899.140)	(105.587)
Provision for employment termination benefits	(604.109)	(399.864)
Provision for unused vacation	(578.689)	(408.892)
Rent expenses	(596.868)	--
Maintenance and repair expenses	(31.998)	(28.389)
Other expenses	(2.481.806)	(364.943)
<b>Total</b>	<b>(65.188.200)</b>	<b>(48.225.537)</b>

## NOTE 23 - OTHER OPERATING INCOME/(EXPENSES)

The breakdown of the other operating income as of 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Other operating income</b>		
Foreign exchange gains	261.464	538.716
Income from policy return addendum	30.207	1.237.000
Provisions no longer required	--	198.525
Other	55.647	570.595
<b>Total</b>	<b>347.318</b>	<b>2.544.836</b>

The breakdown of the other operating expenses as of 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Other operating expenses</b>		
Foreign exchange losses	(1.329.567)	(5.317.076)
Provisions	(47.284)	--
Commission expenses	(39.424)	--
Other	(404.792)	(401.184)
<b>Total</b>	<b>(1.821.067)</b>	<b>(5.718.260)</b>

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**NOTE 24 - GAINS/(LOSSES) FROM INVESTMENT ACTIVITIES**

The breakdown of the gains from investment activities as of 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Gains from investment activities</b>		
Interest income from time deposits	439.027.026	145.415.846
Marketable securities value increases	27.896.447	45.560.764
Foreign exchange gains	1.106.445	30.356.923
Dividend income	7.009.311	815.740
Change in fair value of financial investments	207.907.310	--
Revaluation surplus	232.326.113	--
Other	1.302.206	--
<b>Total</b>	<b>916.574.858</b>	<b>222.149.273</b>

The breakdown of the losses from investment activities as of 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Losses from investment activities</b>		
Losses from revaluation of investment properties	--	(126.943.803)
Losses from marketable securities	--	(15.071.437)
<b>Total</b>	<b>--</b>	<b>(142.015.240)</b>

**NOTE 25 – FINANCIAL INCOME/(EXPENSES)**

As of 31 December 2024 and 2023, the Company has no financial income.

The breakdown of the financial expenses as of 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
<b>Financial expenses</b>		
Interest expenses	--	(16.263)
<b>Total</b>	<b>--</b>	<b>(16.263)</b>

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## NOTE 26 - NET MONETARY POSITION GAINS/(LOSSES)

Net monetary position gains/(losses) recognised in the statement of profit or loss arise from the following monetary/non-monetary financial statement items which are as follows:

Non-monetary items	1 January - 31 December 2024
<b>Statement of financial position</b>	<b>(471.473.113)</b>
Inventories	1.524.037
Investment properties	1.497.269.668
Property, plant and equipment	117.572.119
Intangible assets	579.030
Prepaid expenses	22.980.443
Deferred Income	(796.223)
Paid-in share capital	(1.169.194.270)
Treasury shares	9.328.345
Share premium	(296.577.971)
Retained earnings	1.172.427.618
<b>Statement of profit or loss</b>	<b>(98.207.002)</b>
Revenue	(30.774.410)
Cost of sales	9.886.596
General administrative expenses	7.661.444
Gains from investment activities	(84.996.138)
Other operating income	(212.436)
Other operating expenses	227.942
<b>Net monetary position gains/(losses)</b>	<b>(569.680.115)</b>

## NOTE 27 - TAX ASSETS AND LIABILITIES

## Corporate Tax

Corporate tax rate is the corporate tax rate applied to the statutory tax base, which is calculated by adding non-deductible expenses to the commercial income of the companies in accordance with the tax laws and deducting the exemptions in the tax laws.

In 2024, the corporate tax rate applied to Capital Market Companies in Türkiye is 30%.

## Current income tax assets

None.

## Tax income / (expense)

	01.01.- 31.12.2024	01.01.- 31.12.2023
Deferred income tax	(408.782.625)	--
<b>Total tax expense</b>	<b>(408.782.625)</b>	<b>--</b>

## Deferred tax

The Company recognises deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TFRS and tax purposes.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

As disclosed in Note 2, the tax exemption granted to real estate investment trusts under Article 5, subparagraph d-4 of the Corporate Tax Law is subject to the condition that at least 50% of the earnings from immovable properties must be distributed through dividends as of 1 January 2025 with the law dated 02/8/2024 and numbered 7524.

Since the profit distribution decision is under the authority of the General Assembly, the tax rate used in the calculation of deferred tax assets and liabilities for 2024 is 30% (31 December 2023: 0%).

	<b>31.12.2024</b>	<b>31.12.2023</b>
Deferred tax liabilities	965.976.563	--
<b>Deferred tax liabilities, net</b>	<b>965.976.563</b>	<b>--</b>

The breakdown of cumulative temporary differences and the related deferred tax assets and liabilities provided using substantively enacted tax rates is as follows:

<b>31.12.2024</b>	<b>Cumulative Temporary Differences</b>	<b>Deferred Tax Assets/(Liabilities)</b>
Investment Properties	3.187.540.668	(956.262.200)
Property, plant and equipment and intangible assets	2.341.504	(702.451)
Buildings (PP&E)	38.214.198	(11.464.259)
Inventories	976.481	(292.944)
Financial Investments	15.293.780	4.588.134
Trade and Other Receivables	1.550.172	465.052
Prepaid Expenses	8.331.105	(2.499.331)
Provision for Employment Termination Benefits	812.018	243.605
Provision for Unused Vacation	904.564	271.369
Provision for Doubtful Trade Receivables	47.284	14.185
Other	1.125.742	(337.723)
<b>Deferred Tax Asset / (Liabilities), Net</b>		<b>(965.976.563)</b>

Movements in deferred tax assets/(liabilities) are as follows:

	<b>1 January- 31 December 2024</b>
Beginning of the period – 1 January	--
Deferred income tax	(408.782.625)
Deferred tax recognised in retained earnings (*)	(557.193.938)
Charge to the Statement of Other Comprehensive Income	--
<b>End of the period – 31 December</b>	<b>(965.976.563)</b>

(\*) As disclosed in 2.9 Summary of significant accounting policies, deferred tax has been calculated due to the change in tax legislation and the portion of the amount related to prior periods is recognised in retained earnings.

## NOTE 28 – EARNINGS PER SHARE

Earnings per share is calculated by dividing net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding.

	<b>01.01.- 31.12.2024</b>	<b>01.01.- 31.12.2023</b>
Net profit attributable to shareholders	89.653.311	45.098.895
<b>Weighted Average Number of Shares (*)</b>	<b>807.000.000</b>	<b>662.534.247</b>
<b>Earnings per share</b>	<b>0.1111</b>	<b>0.0681</b>

(\*) Calculated by adjusting treasury shares (Note 20)

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## NOTE 29 - ANALYSIS OF OTHER COMPREHENSIVE INCOME

None.

## NOTE 30 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

## Financial Risk Management

The financial instruments used are bank borrowings and cash on hand and short-term bank deposits. The main purpose of these financial instruments is to raise financing for operations. There are also financial instruments that arise directly from operations, such as trade receivables and payables.

The risks arising from the instruments used are foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Company management manages these risks as follows. In addition, market risk that may arise from the use of financial instruments is also monitored.

## Credit Risk

Holding financial instruments carries the risk that the counterparty may not fulfil the requirements of the agreement.

The Company manages its credit risk by continuously assessing the reliability of its counterparties and limiting its risk by setting customer-based credit limits and maturities to counterparties.

As of 31 December 2024 and 2023, the exposure of financial asset to credit risk is as follows:

31.12.2024	Trade Receivables		Other Receivables		Banks Deposit
	Other	Related party	Other	Related party	
<b>Maximum credit risk exposure as of the reporting date (A+B+C+D) <sup>(1)</sup></b>	<b>11.857.412</b>	<b>71.295</b>	<b>23.873.451</b>	<b>--</b>	<b>650.232.314</b>
The part of maximum risk under guarantee with collaterals <sup>(2)</sup>					
<b>A. Net book value of financial assets that are neither past due nor impaired <sup>(3)</sup></b>	<b>11.857.412</b>	<b>71.295</b>	<b>23.873.451</b>	<b>--</b>	<b>650.232.314</b>
<b>B. Net book value of past due but not impaired assets</b>	--	--	--	--	--
- Secured with guarantees and collaterals	--	--	--	--	--
<b>C. Net book value of impaired assets</b>	--	--	--	--	--
- Past due (gross carrying amount)	47.284	--	--	--	--
- Impairment (-)	(47.284)	--	--	--	--
<b>D. Off-balance sheet items with credit risk</b>	--	--	--	--	--

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

MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

31.12.2023	Trade Receivables		Other Receivables		Banks
	Other	Related party	Other	Related party	Deposit
<b>Maximum credit risk exposure as of the reporting date (A+B+C+D) <sup>(1)</sup></b>	<b>15.786.684</b>	<b>--</b>	<b>6.222.982</b>	<b>--</b>	<b>1.375.738.224</b>
The part of maximum risk under guarantee with collaterals <sup>(2)</sup>	--	--	--	--	--
<b>A. Net book value of financial assets that are neither past due nor impaired <sup>(3)</sup></b>	<b>15.786.684</b>	<b>--</b>	<b>6.222.982</b>	<b>--</b>	<b>1.375.738.224</b>
<b>B. Net book value of past due but not impaired assets</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
- Secured with guarantees and collaterals	--	--	--	--	--
<b>C. Net book value of impaired assets</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
- Past due (gross carrying amount)	--	--	--	--	--
- Impairment (-)	--	--	--	--	--
<b>D. Off-balance sheet items with credit risk</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

- (1) In determining the amounts, factors that increase credit reliability such as guarantees received are not taken into consideration.
- (2) As of 31 December 2024 and 2023, the detailed list of guarantees, mortgages and collaterals received for trade receivables including customers with no outstanding balance is presented in Note 15.
- (3) Trade receivables that are neither past due nor impaired consist of customer balances with which the Company has ongoing commercial operating relations and has no collection problems.

**Liquidity Risk**

Liquidity risk is the possibility that the Company will not be able to fulfil its net funding obligations. The Company management manages liquidity risk by allocating funding sources and maintaining sufficient cash and cash equivalents to meet its current and potential liabilities.

Undiscounted contractual cash flows of the non-derivative financial liabilities as of 31 December 2024 and 2023 are as follows:

31.12.2024						
Contractual maturities	Book value	Total contractual cash outflows (I+II+III+IV)	Up to 3 months (I)	3 - 12 months (II)	1 - 5 years (III)	5 years and over (IV)
Trade payables	14.968.946	14.968.946	14.968.946	--	--	--
Other payables	7.591.474	7.591.474	268.487	--	7.591.474	--
<b>Non-derivative financial liabilities</b>	<b>22.561.444</b>	<b>22.561.444</b>	<b>15.238.457</b>	<b>--</b>	<b>7.591.474</b>	<b>--</b>

  

31.12.2023						
Contractual maturities	Book value	Total contractual cash outflows (I+II+III+IV)	Up to 3 months (I)	3 - 12 months (II)	1 - 5 years (III)	5 years and over (IV)
Trade payables	1.480.284	1.480.284	1.480.284	--	--	--
Other payables	9.095.466	9.095.466	--	--	9.095.466	--
<b>Non-derivative financial liabilities</b>	<b>10.575.750</b>	<b>10.575.750</b>	<b>1.480.284</b>	<b>--</b>	<b>9.095.466</b>	<b>--</b>



## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## Currency Risk

The Company is exposed to currency risk due to changes in exchange rates used in the translation of foreign currency denominated assets and liabilities to Turkish Lira. The Company's exposure to foreign exchange risk arises from receivables and payables denominated in foreign currencies. In order to minimize this risk, the Company monitors its financial position and cash inflows/outflows with detailed statements of cash flows.

The foreign currency position of the Company as of 31 December 2024 and 2023 is presented below:

	Foreign Currency Position					
	31.12.2024			31.12.2023		
	TL equivalent	USD	EUR	TL equivalent	USD	EUR
1. Trade Receivables	--	--	--	53.043	1.248	--
2a. Monetary Financial Assets (including cash on hand and banks)	14.793.063	379.538	38.188	1.078.606	19.843	5.002
2b. Non-monetary Financial Assets	--	--	--	--	--	--
3. Other	--	--	--	--	--	--
<b>4. Current Assets (1+2+3)</b>	<b>14.793.063</b>	<b>379.538</b>	<b>38.188</b>	<b>1.131.649</b>	<b>21.091</b>	<b>5.002</b>
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--	--	--
6b. Non-monetary Financial Assets	--	--	--	--	--	--
7. Other	--	--	--	--	--	--
<b>8. Non-Current Assets (5+6+7)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>9. Total Assets (4+8)</b>	<b>14.793.063</b>	<b>379.538</b>	<b>38.188</b>	<b>1.131.649</b>	<b>21.091</b>	<b>5.002</b>
10. Trade Payables	826.070	23.372	--	726.124	17.084	--
11. Financial Liabilities	--	--	--	--	--	--
12a. Other Monetary Liabilities	--	--	--	--	--	--
12b. Other Non-Monetary Liabilities	--	--	--	--	--	--
<b>13. Current Liabilities (10+11+12)</b>	<b>826.070</b>	<b>23.372</b>	<b>--</b>	<b>726.124</b>	<b>17.084</b>	<b>--</b>
14. Trade Payables	5.811.673	124.671	38.186	--	--	--
15. Financial Liabilities	--	--	--	--	--	--
16 a. Other Monetary Liabilities	--	--	--	6.888.480	156.540	5.000
16 b. Other non-monetary liabilities	--	--	--	--	--	--
<b>17. Non-Current Liabilities (14+15+16)</b>	<b>5.811.673</b>	<b>124.671</b>	<b>38.186</b>	<b>6.888.480</b>	<b>156.540</b>	<b>5.000</b>
<b>18. Total Liabilities (13+17)</b>	<b>6.637.743</b>	<b>148.043</b>	<b>38.186</b>	<b>7.614.604</b>	<b>173.624</b>	<b>5.000</b>
<b>19. Net Asset/(Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
19a. Total Hedged Assets	--	--	--	--	--	--
19b. Total Hedged Liabilities	--	--	--	--	--	--
<b>20. Net Foreign Currency Asset / (Liability) Position (9-18+19)</b>	<b>8.155.320</b>	<b>231.494</b>	<b>2</b>	<b>(6.482.955)</b>	<b>(152.533)</b>	<b>2</b>
<b>21. Net Foreign Currency Asset / (Liability) Position of Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>8.155.320</b>	<b>231.494</b>	<b>2</b>	<b>(6.482.955)</b>	<b>(152.533)</b>	<b>2</b>
<b>22. Total fair value of financial instruments used for foreign currency hedges</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
23. Hedged portion of foreign currency assets	--	--	--	--	--	--
24. Hedged portion of foreign currency liabilities	--	--	--	--	--	--
25. Export	--	--	--	--	--	--
26. Import	--	--	--	--	--	--

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

## Currency Risk (Continued)

Sensitivity analysis

The following table details the Company's foreign currency sensitivity analysis and assets and liabilities denominated in foreign currency as at 31 December 2024 and 2023 for the changes at the rate of 10% ith all other variables held constant:

31.12.2024	Foreign Exchange Sensitivity Analysis			
	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
<b>Change in USD against TL by 10%</b>				
1- USD Net Asset / Liability	1.339.020	(1.339.020)	1.339.020	(1.339.020)
2- Hedged portion of USD Risk (-)	--	--	--	--
<b>3- USD Net Effect (1+2)</b>	<b>1.339.020</b>	<b>(1.339.020)</b>	<b>1.339.020</b>	<b>(1.339.020)</b>
<b>Change in EUR against TL by 10%</b>				
4- EUR Net Asset / Liability	140.286	(140.286)	140.286	(140.286)
5- Hedged portion of EUR Risk (-)	--	--	--	--
<b>6- EUR Net Effect (4+5)</b>	<b>140.286</b>	<b>(140.286)</b>	<b>140.286</b>	<b>(140.286)</b>
<b>TOTAL (3+6)</b>	<b>1.479.306</b>	<b>(1.479.306)</b>	<b>1.479.306</b>	<b>(1.479.306)</b>

31.12.2023	Foreign Exchange Sensitivity Analysis			
	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
<b>Change in USD against TL by 10%</b>				
1- USD Net Asset / Liability	(648.303)	648.303	(648.303)	648.303
2- Hedged portion of USD Risk (-)	--	--	--	--
<b>3- USD Net Effect (1+2)</b>	<b>(648.303)</b>	<b>648.303</b>	<b>(648.303)</b>	<b>648.303</b>
<b>Change in EUR against TL by 10%</b>				
4- EUR Net Asset / Liability	7	(7)	6	(6)
5- Hedged portion of EUR Risk (-)	--	--	--	--
<b>6- EUR Net Effect (4+5)</b>	<b>7</b>	<b>(7)</b>	<b>6</b>	<b>(6)</b>
<b>TOTAL (3+6)</b>	<b>(648.296)</b>	<b>648.296</b>	<b>(648.297)</b>	<b>648.297</b>

## Interest Rate Risk

The Company is exposed to interest rate risk through the material influence of rate changes on interest bearing assets and liabilities. The Company manages this risk by stabilising the interest rates of its assets and liabilities or by using financial instruments for hedging purposes.

	31.12.2024	31.12.2023
<b>Fixed-interest rate financial instruments</b>		
Financial assets	635.199.937	1.373.667.607
<i>Time deposits</i>	635.199.937	1.373.667.607
Financial liabilities	--	--
<b>Floating-interest rate financial instruments</b>		
Financial assets	--	--
Financial liabilities	--	--

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**Capital Risk Management**

The Company's main objectives for capital management are to keep the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents and short-term financial investments from the total debt amount.

	<b>31.12.2024</b>	<b>31.12.2023</b>
Total Borrowings	1.014.505.203	29.728.808
Less: Cash and Cash Equivalents	(650.232.314)	(1.375.738.221)
Net Financial Debt	<b>364.272.889</b>	<b>(1.346.009.416)</b>
<b>Total Equity</b>	<b>5.972.731.123</b>	<b>6.546.283.913</b>
<b>Equity + Net Debt</b>	<b>6.337.004.012</b>	<b>5.200.274.497</b>
<b>Net financial debt/invested capital ratio</b>	<b>5.75%</b>	<b>(25.88)%</b>

**NOTE 31 - FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES)**

Financial instruments comprise of financial assets and liabilities. Financial instruments may create, affect and mitigate liquidity risk, credit risk and market risk on the Company's financial statements. The financial assets are reviewed for impairment risk.

**Classification and fair value of financial instruments**

<b>31 December 2024</b>	<b>Financial assets measured at amortised cost</b>	<b>Financial liabilities measured at amortised cost</b>	<b>Financial assets at fair value through profit or loss</b>	<b>Financial assets at fair value through other comprehensive income</b>	<b>Book value</b>	<b>Notes</b>
<b><u>Financial assets</u></b>						
Cash and cash equivalents	650.232.314	--	--	--	650.232.314	6
Financial assets	--	--	988.036.214	--	988.036.214	11
Trade receivables	11.928.707	--	--	--	11.928.707	5-8
Other receivables	23.873.451	--	--	--	23.873.451	5-9
<b><u>Financial liabilities</u></b>						
Trade payables	--	14.968.946	--	--	14.968.946	5-8
Other payables	--	7.591.474	--	--	7.591.474	5-9

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

31 December 2023	Financial assets measured at amortised cost	Financial liabilities measured at cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Book value	Notes
<b><u>Financial assets</u></b>						
Cash and cash equivalents	1.375.738.221	--	--	--	1.375.738.221	6
Financial assets	--	--	223.774.588	--	223.774.588	11
Trade receivables	15.786.684	--	--	--	15.786.684	5-8
Other receivables	6.228.551	--	--	--	6.228.551	5-9
<b><u>Financial liabilities</u></b>						
Trade payables	--	1.480.284	--	--	1.480.284	5-8
Other payables	--	9.095.466	--	--	9.095.466	5-9

## NOTE 32 - AFTER THE REPORTING PERIOD

None.

## NOTE 33 - THE OTHER MATTERS WHICH SUBSTANTIALLY AFFECT THE FINANCIAL STATEMENTS OR ARE REQUIRED TO BE DESCRIBED IN TERMS OF MAKING THE FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

**Additional Note: Controlling Compliance with Portfolio Restrictions**

The information presented herein is summarised information derived from the financial statements in accordance with Article 16 of the Communiqué Serial II, No: 14.1 'Communiqué on Principles Regarding Financial Reporting in Capital Markets' of the CMB: II, No: 14.1 'Communiqué on Principles Regarding Financial Reporting in Capital Markets' and is in the nature of summary information derived from the financial statements in accordance with Article 16 of the Communiqué Serial: III, No: 48 'Communiqué on Principles Regarding Real Estate Investment Trusts' published in the Official Gazette on 28 May 2013 and numbered 28660 and Serial: III, No: 48.1.e numbered 'Communiqué on Amendment to the Communiqué on Principles Regarding Real Estate Investment Trusts' published in the Official Gazette on 23 January 2014 and numbered 28891 and dated 9 October 2020 and numbered 31269.

Unconsolidated/Separate Financial Statement Items	Relevant Regulation in the Communiqué	31.12.2024	31.12.2023
		Current Period (TL)	Prior Period (TL)
<b>A</b> Money and Capital Market Instruments	Communiqué No. III-48.1a, Art.24/(b)	1.638.268.528	1.599.512.809
<b>B</b> Real Estates, Real Estate Based Projects, Real Estate Based Rights, Real Estate Investment Fund Participation Shares and the companies within the scope of subparagraph (ç) of the first paragraph of Article 28 in which they have 100% participation in the capital	Communiqué No. III-48.1a, Art.24/(a)	5.142.118.097	4.861.962.346
<b>C</b> Subsidiaries	Communiqué No. III-48.1a, Art.24/(b)	-	-
Due from Related Parties (Other receivables)	Communiqué No. III-48.1a, Art.23/(f)	-	-
Other Assets		206.849.701	114.537.563
<b>D Total Assets (Total Assets)</b>	<b>Communiqué numbered III-48.1a, Art.3/(p)</b>	<b>6.987.236.326</b>	<b>6.576.012.718</b>
<b>E</b> Financial Liabilities	Communiqué numbered III-48.1a, Art.31	1.024	-
<b>F</b> Other Financial Liabilities	Communiqué numbered III-48.1a, Art.31	-	-
<b>G</b> Finance Lease Liabilities	Communiqué numbered III-48.1a, Art.31	-	-
<b>H</b> Due to Related Parties (Other payables)	Communiqué No. III-48.1a, Art.23/(f)	-	-
<b>İ</b> Equity	Communiqué numbered III-48.1a, Art.31	5.972.731.123	6.546.283.913
Other Liabilities		1.014.504.179	29.728.805
<b>D Total Liabilities and Equity</b>	<b>Communiqué numbered III-48.1a, Art.3/(k)</b>	<b>6.987.236.326</b>	<b>6.576.012.718</b>

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

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

Unconsolidated/Separate Financial Statement Items		Relevant Regulation in the Communiqué	Current Period (TL)	Prior Period (TL)
A1	Part of Money and Capital Market Instruments Held for 3-Year Property Payments Foreign Currency Time-Demand Deposit / Special Current-Participation Account and	Communiqué No. III-48.1a, Art.24/(b)	-	-
A2	TL Time Deposit / Participation Account	Communiqué No. III-48.1a, Art.24/(b)	650.232.314	1.375.738.219
A3	Foreign Capital Market Instruments	Communiqué No. III-48.1a, Art.24/(d)	-	-
B1	Foreign Properties, Real Estate Based Projects, Real Estate Based Rights	Communiqué No. III-48.1a, Art.24/(d)	-	-
B2	Idle Land/Land	Communiqué No. III-48.1a, Art.24/(c)	-	-
C1	Foreign Subsidiaries	Communiqué No. III-48.1a, Art.24/(d)	-	-
C2	Participation in the Operating Company	Communiqué numbered III-48.1a, Art.28/1(a)	-	-
J	Non-Cash Loans	Communiqué numbered III-48.1a, Art.31	-	-
K	Mortgage Fees of Mortgaged Lands, the Ownership of which does not belong to the Incorporation, on which the Project will be Developed	Communiqué No. III-48.1a, Article 22/(e)	-	-
L	Total Money and Capital Market Instruments Investments in a Single Company (**)	Communiqué numbered III-48.1a, Art.22/(l)	523.775.270	1.303.358.797

Portfolio Limitations		Relevant Regulation in the Communiqué	Current Period	Prior Period
1	Mortgage Fees of Mortgaged Lands, the Ownership of which does not belong to the Incorporation, on which the Project will be Developed	Communiqué No. III-48.1a, Article 22/(e)	0,00%	0,00%
2	Real Estates, Real Estate Based Projects, Real Estate Based Rights, Real Estate Investment Fund Participation Shares and the companies within the scope of subparagraph (ç) of the first paragraph of Article 28 in which they have 100% participation in the capital	Communiqué No. III-48.1a, Art.24/(a),(b)	73,59%	73,93%
3	Money and Capital Market Instruments and Associates	Communiqué No. III-48.1a, Art.24/(b)	23,45%	24,32%
4	Foreign Real Estate, Real Estate Based Projects, Real Estate Based Rights, Subsidiaries, Capital Market Instruments	Communiqué No. III-48.1a, Art.24/(d)	0,00%	0,00%
5	Idle Land/Land	Communiqué No. III-48.1a, Art.24/(c)	0,00%	0,00%
6	Participation in the Operating Company	Communiqué numbered III-48.1a, Art.28/1(a)	0,00%	0,00%
7	Borrowing Limit	Communiqué numbered III-48.1a, Art.31	0,00%	0,00%
8	Foreign currency denominated time and demand deposits / special current and participation accounts and TL denominated time and demand deposits / participation accounts (*)	Communiqué No. III-48.1a, Art.24/(b)	9,31%	20,92%
9	Total Money and Capital Market Instruments Investments in a Single Company (*) (**)	Communiqué numbered III-48.1a, Art.22/(l)	7,50%	19,82%

## MHR GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

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(\*) The Company, in accordance with the provisions of the Communiqué Serial: III, No: 48.1 numbered 'Communiqué on Principles Regarding Real Estate Investment Trusts' published in the Official Gazette dated 28 May 2013 numbered 28660 and published in the Official Gazette dated 28 May 2013 numbered 28660, as of 31 December 2023, the Company has not complied with the limitations of 'Foreign currency denominated time/demand deposits/special current-participation accounts and TL denominated time deposits/participation accounts' and 'Total of money and capital market instruments investments in a single company'. As a result of the application made by the Company to the Capital Markets Board on 16 April 2024 for an additional period of time in order to eliminate the non-compliance, it was decided to authorise a period of time to our Company until 30.06.2024 with the letter of the Capital Markets Board dated 03.07.2024 and numbered E-12233903-340.03-56258. Accordingly, the relevant non-compliance has been eliminated in the financial statements of our Company dated 30.06.2024.

(\*\*) The Total of Money and Capital Market Instruments Investments in a Single Company and the ratios calculated accordingly, which were disclosed in an incorrect manner as the sum of financial investments only, in the 31.12.2023 current period L line, which was disclosed in an incorrect manner only as the sum of financial investments, and the rates calculated accordingly have been corrected, and in the prior period column of the table of control of compliance with portfolio restrictions dated 31 December 2024, the amount of time/demand deposits in a single company corrected by applying inflation accounting and the rates recalculated using this amount are included.