

TORUNLAR  REIC



# INVESTOR PRESENTATION

**08 NOVEMBER 2023**



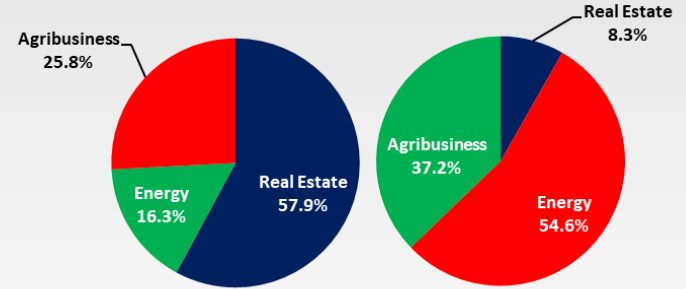
## TORUNLAR GROUP OF COMPANIES TODAY (As of 31.12.2022)

### Key Facts

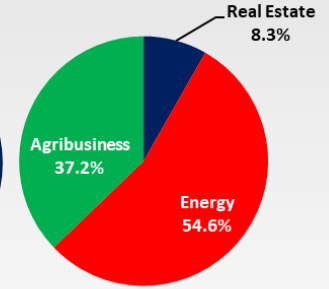
million TRY	2021	2022	Change
Total Assets	38,205	67,839	78%
Total Equity	20,829	42,284	103%
Total Sales	12,346	32,240	161%
Employees	907	958	6%
Cities of Operation	12	12	0%

Note: Torunlar REIC, Başkentgaz and Torunlar Gıda figures are based on IFRS.

### Total Assets



### Total Sales



#### AGRIBUSINESS

- A leading company in oilseed, soybean, sunflower, rice and sugarbeet processing
- Competes against such multinationals as Cargill, Bunge and Cofco

#### REAL ESTATE

- The **2<sup>nd</sup> largest REIC** in terms of portfolio value among the listed REIC's on BIST
- Best and most diversified portfolio
- Exceeding 599,000 m<sup>2</sup> GLA

#### ENERGY

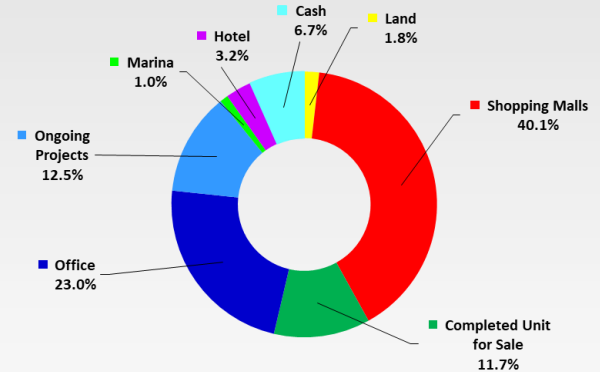
- The **2<sup>nd</sup> largest** natural gas distribution company of Turkey
- 2 million total customers
- 4.3 billion m<sup>3</sup> natural gas sales and distribution volume
- 15 thousand km of grid length



## Torunlar REIC Key Overview

TRY (000)	2019	2020	2021	2022	9M 2023
<b>Sales</b>	991,087	1,105,948	1,483,729	2,661,926	2,805,791
<i>Residence &amp; Office</i>	234,647	516,168	542,083	578,736	305,313
<i>Mall &amp; Office rental</i>	616,198	476,542	726,355	1,495,998	1,903,705
<i>Other</i>	140,242	109,349	157,725	422,028	443,527
<i>Hotel Revenue</i>	0	3,889	57,566	165,164	153,246
<b>EBITDA</b>	644,780	636,099	1,097,658	1,944,612	2,180,870
<i>EBITDA Margin</i>	65.1%	57.5%	74.0%	73.1%	77.7%
<b>Net Profit</b>	865,790	293,001	5,306,805	18,436,300	2,003,610
<b>N. Profit excl. fair value gains</b>	-88,331	-400,820	-141,678	1,422,267	2,003,610
<b>Market Cap</b>	2,750,000	3,900,000	3,920,000	19,300,000	33,440,000
<b>Portfolio Value</b>	13,804,655	14,315,590	22,095,936	45,542,087	47,830,653
<b>Net Asset Value</b>	8,478,139	8,769,917	14,519,010	33,795,413	35,599,267
<b>Capex</b>	339,605	162,811	40,263	249,242	461,654
<b>Net Debt</b>	4,245,128	4,454,075	4,790,446	3,479,255	911,362
<b>LTV</b>	33.25%	33.33%	24.87%	9.24%	2.40%

### Portfolio Breakdown 47.8 billion TRY



### Strategic Pillars

Strong sales growth with cumulative 19.8 billion TRY within 3 years

Deleveraging from a net debt to a net cash by the end of 2023

Completion of the project pipeline with 5.2 billion TRY capex within 3 years



## PROJECT LOCATIONS – TURKEY

### İSTANBUL

- Torium Shopping Mall
- Nishistanbul Mixed-Use Project
- Mall of İstanbul
- Torun Tower
- Torun Center
- 5.Levent Phase 1
- MOİ Hilton & High Residence
- 5. Levent Phase 2
- Karaköy Hotel Project
- Paşabahçe Project
- Kayabaşı Land
- Mall of İstanbul Phase 3

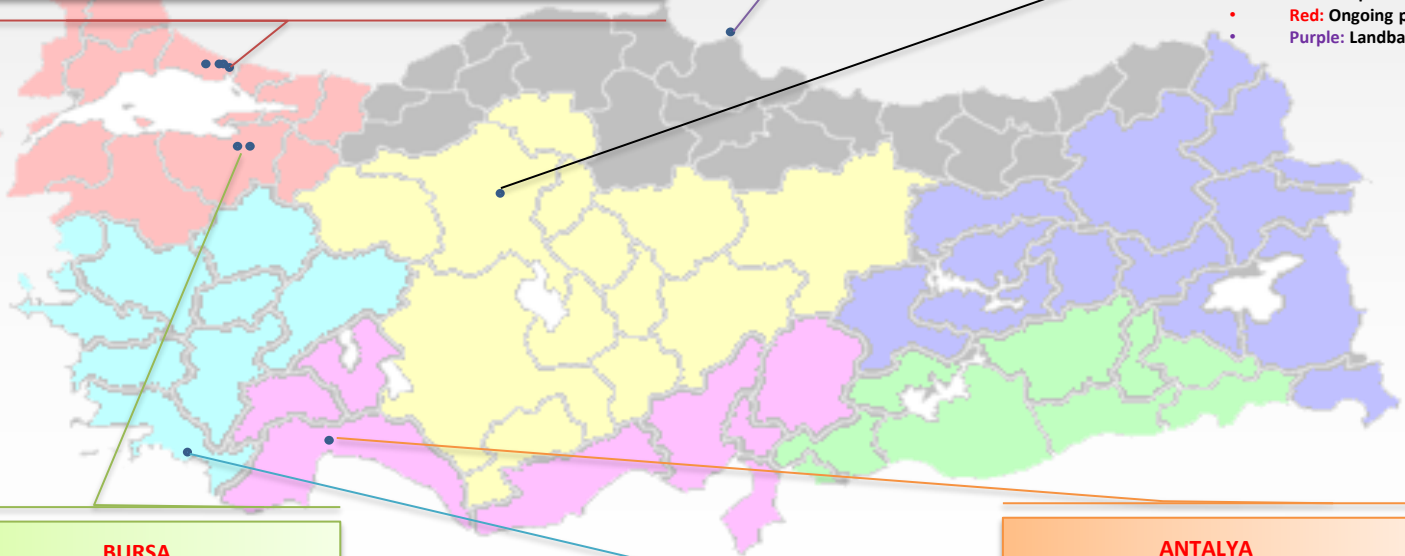
### SAMSUN

- Bulvar Samsun Shopping Mall

### ANKARA

- ANKA mall Shopping Mall
- CPAncara Hotel

- Green: Operational
- Red: Ongoing projects
- Purple: Landbank



### BURSA

- Zafer Plaza Shopping Mall
- Korupark Shopping Mall
- Korupark Residences Phases 1-2
- Korupark Residences Phase 3

### MUĞLA

- Netsel Marina

### ANTALYA

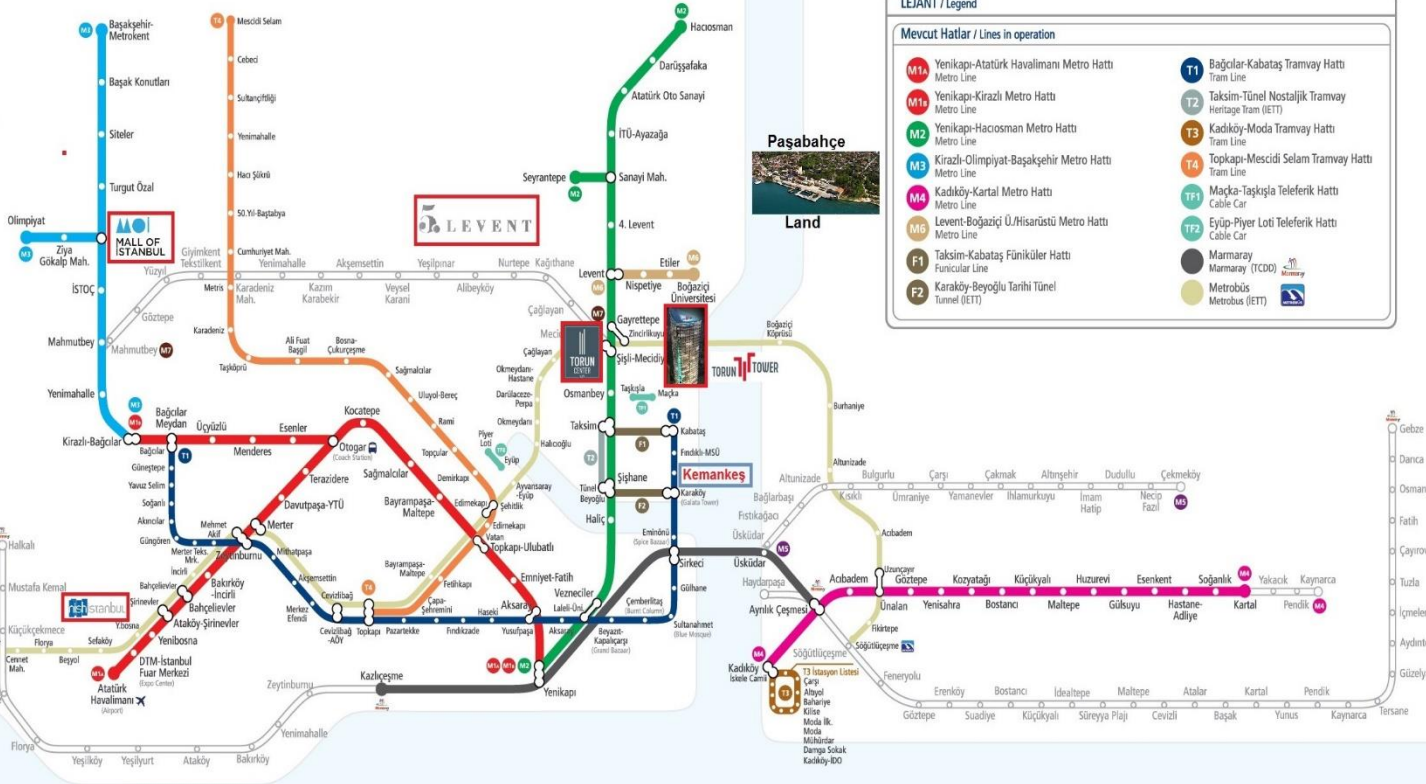
- Deepo Outlet Mall
- Mall of Antalya
- Antalya land



# Project Locations – İstanbul –

Kayabaşı  
Land

Paşabahçe  
Land



**LEJANT / Legend**

**Mevcut Hatlar / Lines in operation**

<b>M1a</b> Yenikapı-Atatürk Havalimanı Metro Hattı Metro Line	<b>T1</b> Bağcılar-Kabataş Tramvay Hattı Tram Line
<b>M1r</b> Yenikapı-Kirazlı Metro Hattı Metro Line	<b>T2</b> Taksim-Tünel Nostaljik Tramvay Heritage Tram (ETT)
<b>M2</b> Yenikapı-Hacossan Metro Hattı Metro Line	<b>T3</b> Kadıköy-Moda Tramvay Hattı Tram Line
<b>M3</b> Kirazlı-Olimpiyat-Bağcılar Metro Hattı Metro Line	<b>T4</b> Topkapı-Mescidî Selam Tramvay Hattı Tram Line
<b>M4</b> Kadıköy-Kartal Metro Hattı Metro Line	<b>TF1</b> Maçka-Taşkışla Teleferik Hattı Cable Car
<b>M6</b> Levent-Boğaziçi Ü./Hisarüstü Metro Hattı Metro Line	<b>TF2</b> Eyüp-Piyer Loti Teleferik Hattı Cable Car
<b>F1</b> Taksim-Kabataş Füniküler Hattı Funicular Line	<b>Marmaray (TCDD)</b>
<b>F2</b> Karaköy-Beşiktaş Tüneli Tünel (ETT)	<b>Metrobüs (ETT)</b>



## 9M 2023 Highlights and Forward Strategy

- Portfolio size 47.8 billion TRY.
- 2.806 million TRY sales revenue, 2.181 million TRY EBITDA and net profit of 2.004 million TRY.
- 305 million TRY worth of residential sales mostly from Torun Center. In addition, 250 million TRY worth of sales generated from Torun Center offices, which are classified in the Investment Properties. Also, 1.715 million TRY deferred income generated from 5. Levent Phase 2 project.
- Rental income at 1.904 million TRY up by 86% y-o-y.
- Loan to value at 2.4%. Cost of debt in FX is at 8.39%, and in TRY is at 22.75%.
- FX short position finalised and the company has 218 million TRY long position.
- Focus on:
  - destocking of remaining residences and leasing of selected offices and retail area at Torun Center
  - presales of 5<sup>th</sup> Levent Phase 2
  - construction of Karaköy Hotel
- Net debt will be reduced to zero (0) by the end of 2023.



## Rental Assets

(TRY)	Operation Date	Appraisal Value	
		2021	2022
<b>Malls - in Operation</b>		<b>9,885,585,000</b>	<b>18,317,500,000</b>
Zafer Plaza	1999	457,000,000	567,200,000
Deepo Outlet	Q4 2004	693,520,000	1,615,440,000
Korupark	Q3 2007	2,150,000,000	3,781,600,000
Torium	Q4 2010	750,000,000	1,150,000,000
Mall of İstanbul	Q2 2014	4,800,000,000	9,115,000,000
Mall of Antalya	Q2 2017	1,035,065,000	2,088,260,000
<b>Offices - in Operation</b>		<b>4,846,510,000</b>	<b>10,452,430,000</b>
Torun Tower	Q2 2014	2,700,000,000	6,000,000,000
Torun Center	H1 2017	2,146,510,000	4,452,430,000
<b>Hotels - in Operation</b>		<b>723,750,000</b>	<b>1,508,400,000</b>
Hilton Mall of İstanbul	Q4 2020	723,750,000	1,508,400,000
<b>TOTAL</b>		<b>15,455,845,000</b>	<b>30,278,330,000</b>

(TRY)	GLA (m <sup>2</sup> )	2021		2022		2023F	
		NOI	Yield	NOI	Yield	NOI	Yield***
<b>Malls - in Operation</b>	<b>405,199</b>	<b>582,366,000</b>	<b>5.89%</b>	<b>1,233,080,681</b>	<b>6.73%</b>	<b>2,013,569,754</b>	<b>10.99%</b>
Zafer Plaza	21,190	25,424,000	5.56%	31,694,681	5.59%	44,506,610	7.85%
Deepo Outlet	21,590	44,166,000	6.37%	105,420,000	6.53%	188,862,432	11.69%
Korupark	71,347	137,048,000	6.37%	259,926,000	6.87%	399,818,755	10.57%
Torium	88,849	31,506,000	4.20%	66,400,000	5.77%	132,778,650	11.55%
Mall of İstanbul	158,514	296,332,000	6.17%	638,521,000	7.01%	1,018,144,903	11.17%
Mall of Antalya	43,709	47,890,000	4.63%	131,119,000	6.28%	229,458,406	10.99%
<b>Offices - in Operation*</b>	<b>118,253</b>	<b>121,144,000</b>	<b>4.11%</b>	<b>169,394,000</b>	<b>2.44%</b>	<b>326,218,349</b>	<b>4.60%</b>
Torun Tower	66,286	110,867,000	4.11%	146,492,000	2.44%	276,218,349	4.60%
Torun Center**	51,967	10,277,000	0.48%	22,902,000	0.51%	50,000,000	1.12%
<b>TOTAL</b>	<b>523,452</b>	<b>703,510,000</b>	<b>4.55%</b>	<b>1,402,474,681</b>	<b>4.63%</b>	<b>2,339,788,103</b>	<b>7.73%</b>

\*Offices in Operation Yield reflects only Torun Tower

\*\*Torun Center consists of offices and retail area

\*\*\*2023 Yields are calculated from 2023 forecasted NOI and 2022 appraisal values



## Sellable Assets

CASHFLOW-BASED REVENUES (MILLION TRY)	2023	2024	2025	2026	2027	TOTAL
Completed Projects	2,123	1,805	1,296	0	0	5,224
Korupark Residences Phase 3	49	0	0	0	0	49
Torun Center Residences	1,617	1,361	1,296			4,274
South Tower	951	407	0	0	0	1,359
East Tower	665	954	1,296	0	0	2,915
5. Levent Phase 1	64	0	0	0	0	64
MOİ Phase 2 - High Residences	393	444	0	0	0	837
Upcoming Projects	2,559	5,731	6,239	2,415	0	16,943
5. Levent Phase 2	2,559	3,661	3,539	0	0	9,758
Paşabahçe	0	2,070	2,700	2,415	0	7,185
<b>TOTAL</b>	<b>4,682</b>	<b>7,536</b>	<b>7,535</b>	<b>2,415</b>	<b>0</b>	<b>22,168</b>

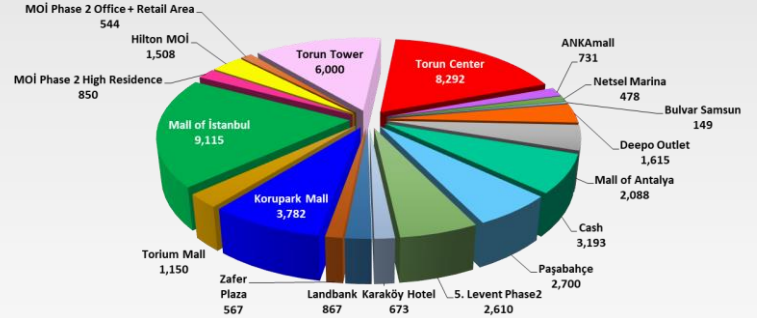
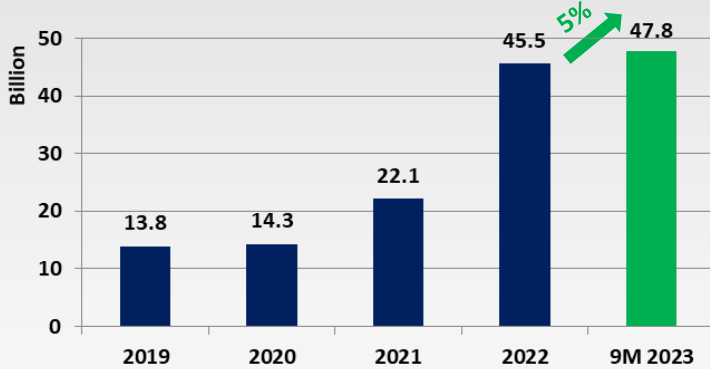
GSA (M <sup>2</sup> )	2023	2024	2025	2026	2027	TOTAL
Completed Projects	21,805	15,809	7,200	0	0	44,814
Korupark Residences Phase 3	1,452	0	0	0	0	1,452
Torun Center Residences	13,773	10,294	7,200	0	0	31,267
South Tower	8,500	3,081	0	0	0	11,581
East Tower	5,273	7,213	7,200	0	0	19,686
5. Levent Phases 1	1,066	0	0	0	0	1,066
MOİ Phase 2 - High Residences	5,514	5,515	0	0	0	11,029
Upcoming Projects	35,055	48,364	41,169	7,000	0	131,588
5. Levent Phase 2	35,055	39,364	32,169	0	0	106,588
Paşabahçe	0	9,000	9,000	7,000	0	25,000
<b>TOTAL</b>	<b>56,860</b>	<b>64,173</b>	<b>48,369</b>	<b>7,000</b>	<b>0</b>	<b>176,402</b>



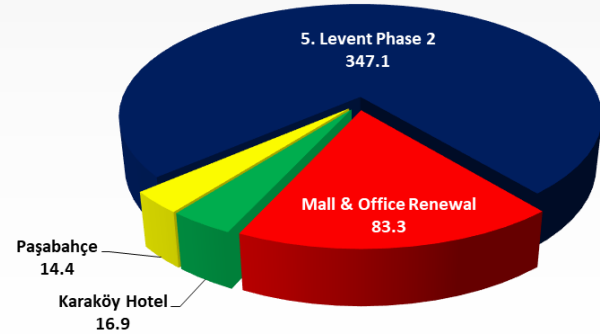
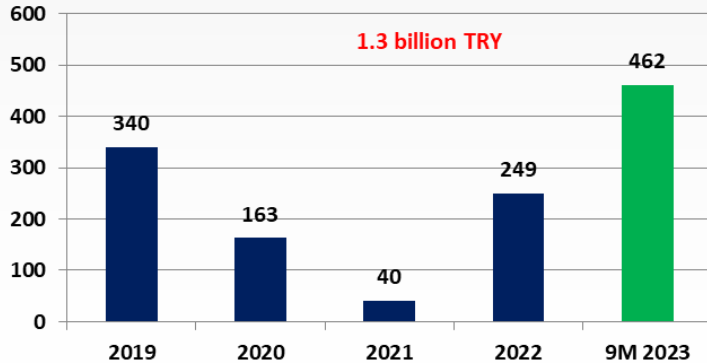


## Financial Highlights (million TRY)

### PORTFOLIO VALUE



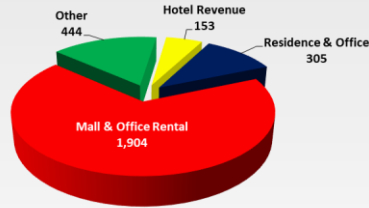
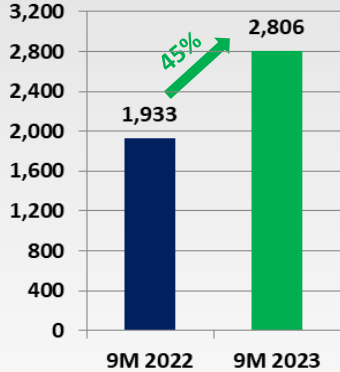
### CAPEX



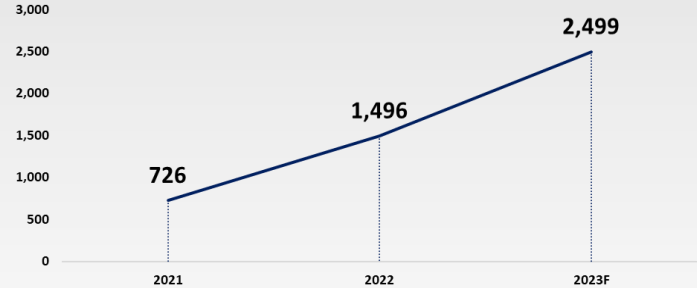


# Financial Highlights (million TRY)

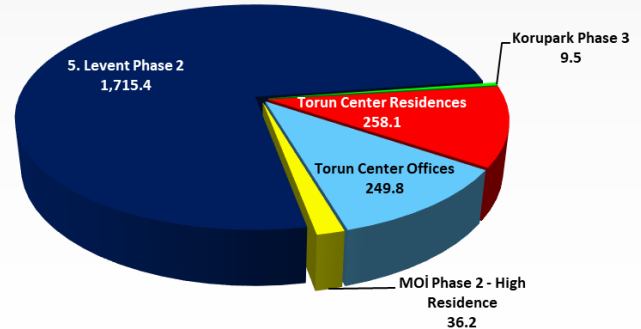
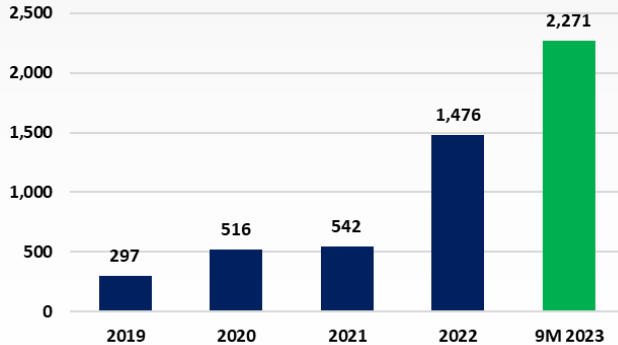
## SALES REVENUE



## Rental Revenue



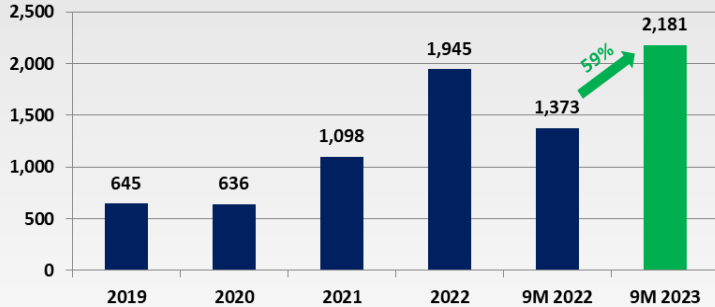
## PRESALES & SALES



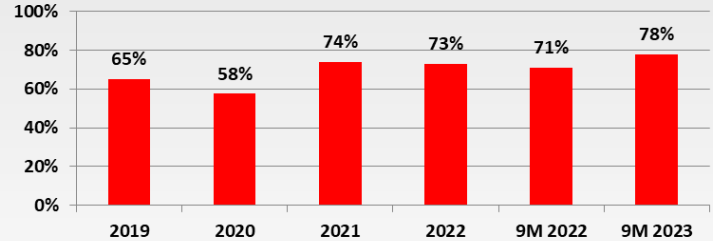


# Financial Highlights (million TRY)

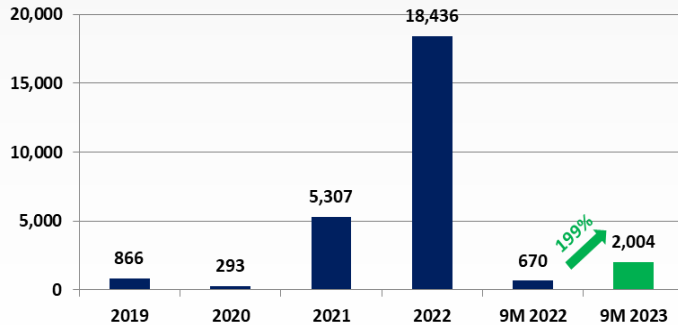
## EBITDA



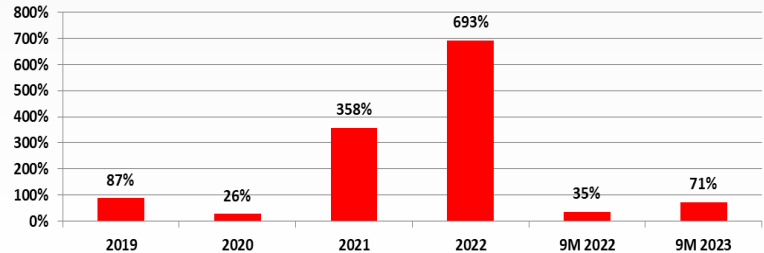
## EBITDA Margin



## NET PROFIT



## Net Profit Margin





## KPI Summary

	2022	2023/9M	Change
Total net debt (000 TRY)	3,479,255	911,362	-73.81%
Average loan term (years)	3	3	
Average overall interest rate (FX)	4.84%	8.39%	3.55 pp
Average overall interest rate (TRY)	15.03%	22.75%	7.72 pp
Leverage (financial loans as % of total assets)	11.2%	9.6%	-1.61 pp
Net debt to Equity ratio	10.3%	2.6%	-7.73 pp
Net debt/Assets (%)	8.9%	2.1%	-6.73 pp
Equity to Assets ratio	86.0%	83.3%	-2.77 pp
Loan to Property value ratio (LTV)	9.2%	2.4%	-6.85 pp
Interest coverage ratio (times)	4.4	10.9	150.70%
Net debt/EBITDA (times)	1.79	0.31	-82.48%
Net Debt/Mcap	18.0%	2.7%	-15.30 pp
Headcount	187	187	0.00%

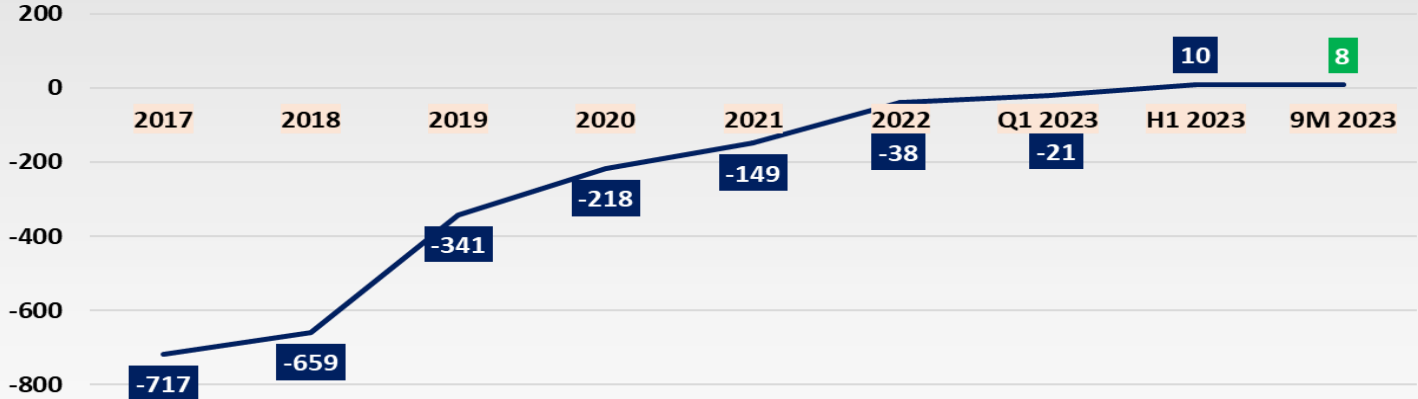
### Net Balance Sheet FX Position

(000)	31.12.2022	30.09.2023	Change
USD	3,810	24,630	546.46%
EUR	-39,223	-15,678	-60.03%
TRY Equivalent	-712,258	217,517	NM

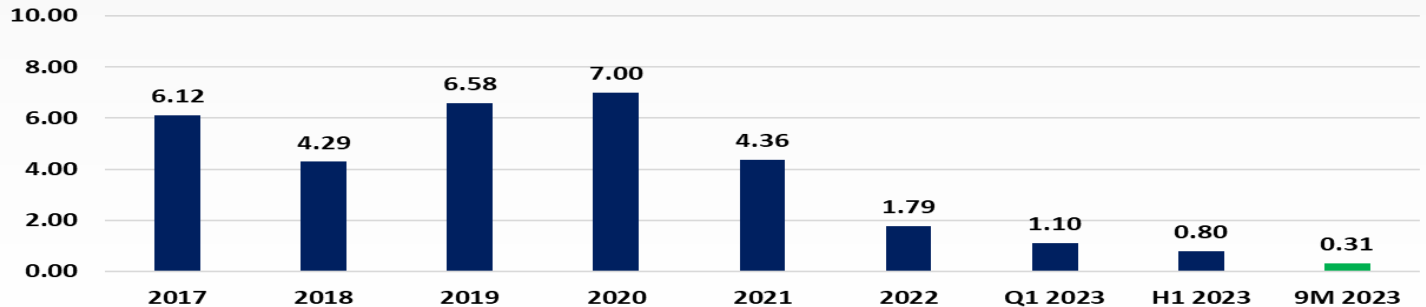


## Financial Indicators

### NET BALANCE SHEET FX POSITION, MILLION USD



### NET DEBT / EBITDA (times)

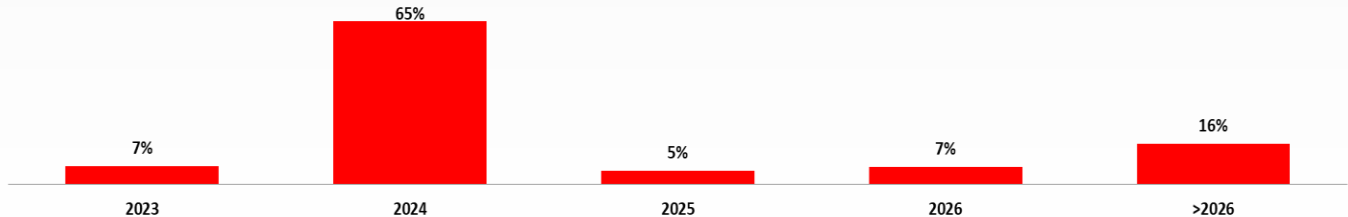




## Mall Portfolio Encompasses Entire Retail Spectrum

9M 2023	Zafer Plaza	Antalya Deepo	Bursa Korupark	Istanbul Torium	MOI	MOA	Total
Rent + Common Area Revenues (MillionTRY)	74.0	162.1	433.1	201.0	971.4	225.6	2,067.2
LfL Rent + Common Area Revenue Growth Rate	105.6%	63.7%	82.2%	92.2%	72.6%	67.7%	76.0%
NOI (Million TRY)	63.5	127.9	340.6	104.0	778.7	166.9	1,581.7
LfL NOI Growth Rate	101.5%	70.3%	96.3%	135.7%	91.1%	80.5%	91.9%
Footfall (Million)	8.0	3.7	8.7	7.2	12.3	3.0	42.8
LfL Footfall Growth Rate	23.2%	7.8%	13.4%	2.8%	5.1%	11.7%	10.0%
Retail Sales (Million TRY)	995.5	1,347.3	4,394.3	1,611.0	8,921.4	2,248.4	19,518.0
LfL Retail Sales Growth Rate	116.0%	53.6%	115.7%	113.0%	77.3%	89.0%	88.5%
Affordability Ratio	6.4%	9.5%	7.8%	6.5%	8.7%	7.4%	8.1%

### Expiration of Lease Contracts in terms of Fixed Rent





# The Home of the Flagships

Top 10 tenants account for **21.52%** of total GLA and **21.07%** of total rent revenues



- Rank: 1
- GLA: 9,507 (2.3%)
- 4.8% of Monthly Rent



- Rank: 2
- GLA: 15,135 (3.7%)
- 2.9% of Monthly Rent



- Rank: 3
- GLA: 19,853 (4.9%)
- 2.5% of Monthly Rent



- Rank: 4
- GLA: 9,913 (2.4%)
- 1.9% of Monthly Rent



- Rank: 5
- GLA: 9,589 (2.4%)
- 1.8% of Monthly Rent



- Rank: 6
- GLA: 2,907 (0.9%)
- 1.5% of Monthly Rent



- Rank: 7
- GLA: 2,907 (0.7%)
- 1.4% of Monthly Rent



- Rank: 8
- GLA: 3,782 (0.9%)
- 1.4% of Monthly Rent



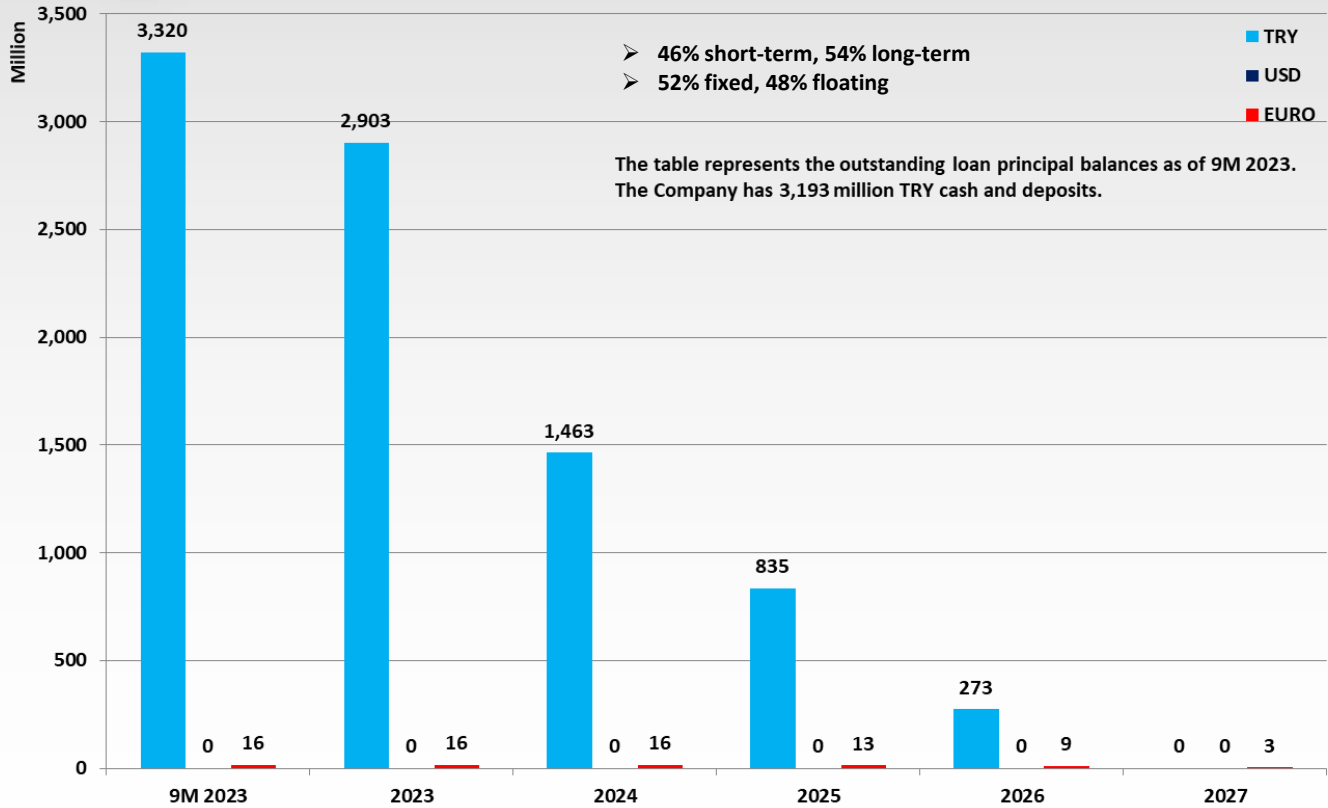
- Rank: 9
- GLA: 5,096 (1.3%)
- 1.4% of Monthly Rent



- Rank: 10
- GLA: 7,560 (1.9%)
- 1.4% of Monthly Rent



## Outstanding Bank Loans as of 9M 2023





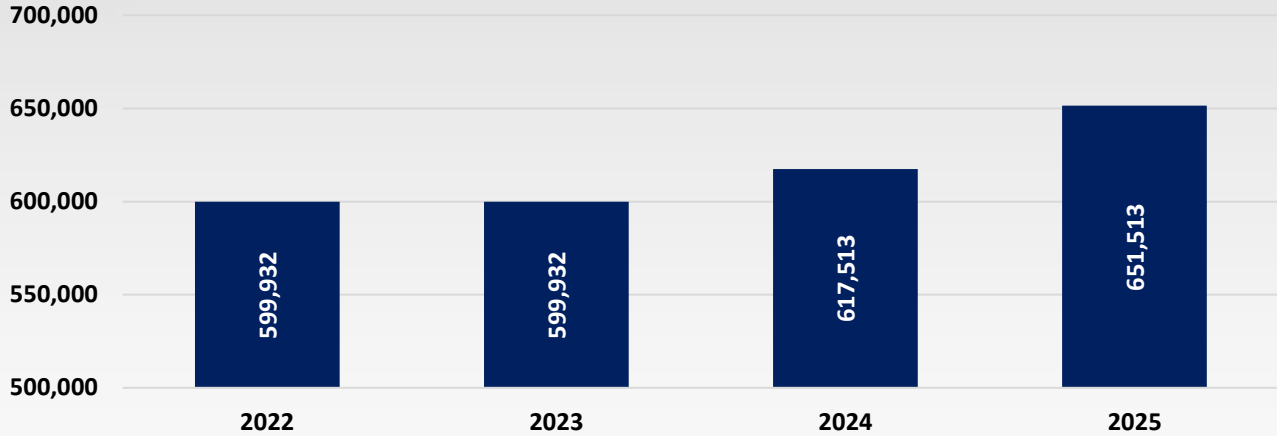


## Project Pipeline – CAPEX (million TRY)

CAPEX	Budget	Actual Spent to Date	2023	2024	2025	2026	2027
Torun Center - East Tower	782.6	0.0	460.6	322.0	0.0	0.0	0.0
Karaköy Hotel	279.6	57.1	15.5	207.0	0.0	0.0	0.0
5. Levent Phase 2	2,672.3	551.9	670.4	1,150.0	300.0	0.0	0.0
Mall of Antalya - Hotel	295.3	0.0	0.0	203.3	92.0	0.0	0.0
Paşabahçe Bosphorus Project	3,095.8	54.5	71.3	690.0	900.0	1,380.0	0.0
<b>TOTAL</b>	<b>7,125.5</b>	<b>663.5</b>	<b>1,217.7</b>	<b>2,572.3</b>	<b>1,292.0</b>	<b>1,380.0</b>	<b>0.0</b>



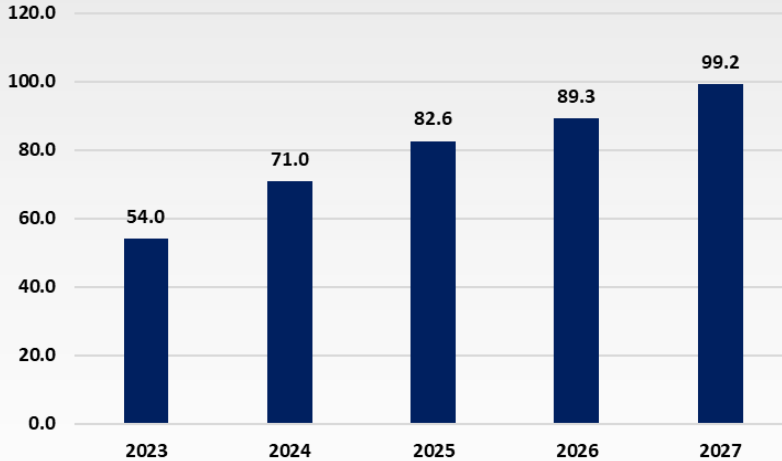
## Total GLA in Years (m<sup>2</sup>)



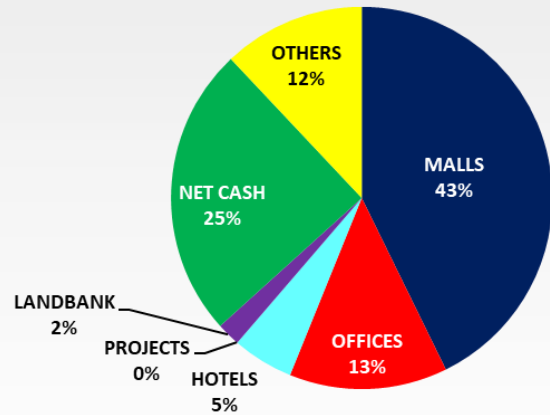
Year	New GLA (m <sup>2</sup> )	Asset
2024	6,000	-Karaköy Hotel
2024	11,581	-Torun Center Hotel
2025	25,000	-Paşabahçe Hotel
2025	9,000	-Mall of Antalya Hotel



## NAV Evolution (Billion TRY)



## 2027 NAV Breakdown



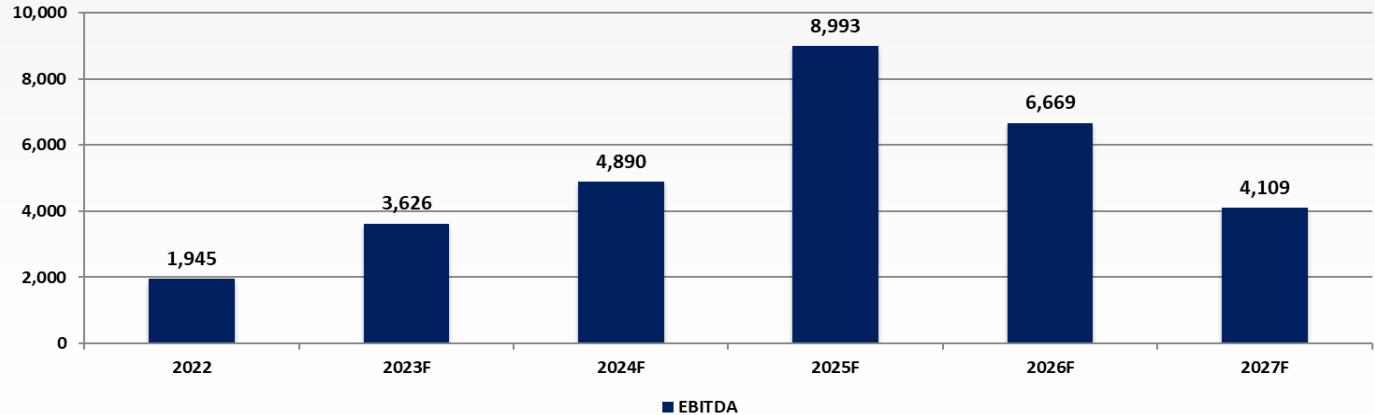
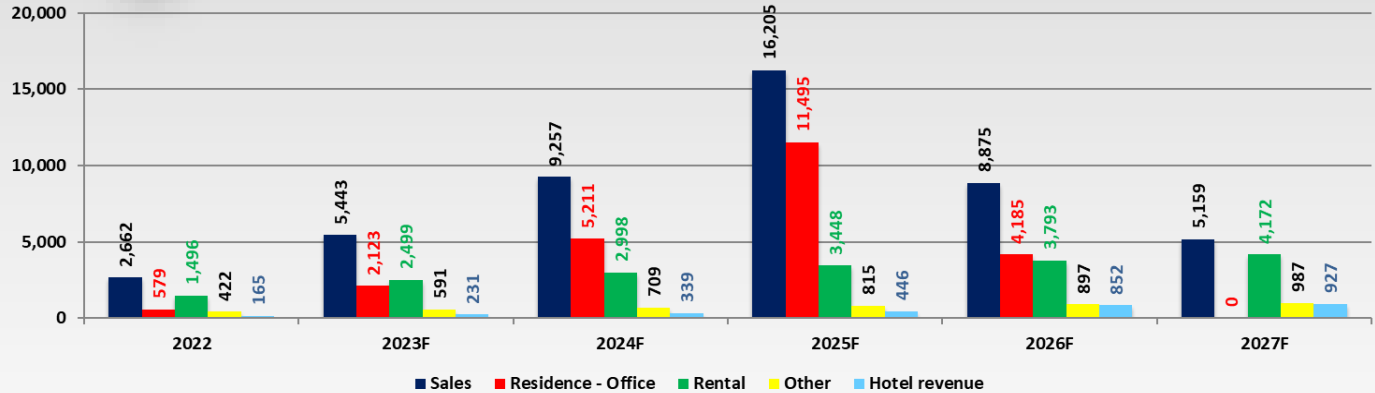


## FUTURE OUTLOOK- 2023 Forecast Income Statement (TRY)

(000) TRY	2022	2023F	Change
<b>Sales</b>	<b>2,661,926</b>	<b>5,442,780</b>	<b>104.5%</b>
Residence & Office	578,736	2,122,759	266.8%
Mall & Office rental	1,495,998	2,498,656	67.0%
Common area revenues & Other revenues	422,028	590,800	40.0%
Hotel revenue	165,164	230,566	39.6%
<b>Cost of sales</b>	<b>(631,881)</b>	<b>(1,603,491)</b>	<b>153.8%</b>
Cost of Residence & Office sales	(72,323)	(794,702)	998.8%
Rent expenses and management fees of shopping malls	(20,728)	(43,626)	110.5%
Common area expenses & Other expenses	(471,924)	(649,880)	37.7%
Hotel expenses	(66,906)	(115,283)	72.3%
<b>Gross profit</b>	<b>2,030,045</b>	<b>3,839,289</b>	<b>89.1%</b>
<i>Gross Margin</i>	76.3%	70.5%	-5.72 pp
<i>Gross Margin (Residence &amp; Office)</i>	87.5%	62.6%	-24.94 pp
<i>Gross Margin (Mall &amp; Office rental)</i>	74.3%	77.6%	3.24 pp
<i>Gross Margin (Hotel)</i>	59.5%	50.0%	-9.49 pp
<b>Opex</b>	<b>(235,485)</b>	<b>(329,679)</b>	<b>40.0%</b>
General & Admin expenses	(151,099)	(197,807)	30.9%
Marketing & Selling expenses	(84,386)	(131,872)	56.3%
Other income (expenses)	77,409	0	NM
Net gain (loss) fair value adjustments on investment property	17,014,033	0	NM
<b>Operating profit</b>	<b>18,886,002</b>	<b>3,509,610</b>	<b>-81.4%</b>
<b>Operating profit excluding fair value adjustment</b>	<b>1,871,969</b>	<b>3,509,610</b>	<b>87.5%</b>
Dividends received from associates	49,120	83,825	70.7%
<b>EBIT</b>	<b>1,921,089</b>	<b>3,593,435</b>	<b>87.1%</b>
<i>EBIT margin (%)</i>	72.2%	66.0%	-6.15 pp
Depreciation	23,523	32,932	40.0%
<b>EBITDA</b>	<b>1,944,612</b>	<b>3,626,368</b>	<b>86.5%</b>
<i>EBITDA margin (%)</i>	73.1%	66.6%	-6.43 pp
Gain (Loss) from associates excluding dividend received	428,956	199,916	-53.4%
Net financial interest income (expense)	(446,648)	(462,515)	3.6%
Other net financial income (expense)	0	0	NM
Forex gain (loss)	(478,979)	(93,878)	-80.4%
<b>Profit / Loss before tax</b>	<b>18,438,451</b>	<b>3,236,959</b>	<b>-82.4%</b>
Corporate tax	(2,151)	(3,000)	39.5%
<b>Net profit / loss</b>	<b>18,436,300</b>	<b>3,233,959</b>	<b>-82.5%</b>
<i>Net profit margin (%)</i>	692.6%	59.4%	-633.18 pp
Other comprehensive income	840,103	0	NM
Total comprehensive income	19,276,403	3,233,959	-83.2%
<b>Net profit / loss excl. fair value gains</b>	<b>1,422,267</b>	<b>3,233,959</b>	<b>127.4%</b>



## Long Term Sales & EBITDA Forecast (million TRY)





## Cash Flow Statement (5-Year Forecast)

Cash Flow Statement (Forecast)	2023	2024	2025	2026	2027
Cash at the beginning of the term	925,430,000	4,795,394,184	11,394,280,593	19,528,663,407	22,854,053,607
<b>CASH FLOW FROM OPERATIONS</b>					
From Mall Rentals (NOI) (+)	2,030,655,464	2,436,786,556	2,802,304,540	3,082,534,994	3,390,788,493
From Office Rentals (+)	352,218,349	422,662,019	486,061,322	534,667,454	588,134,199
From Hotel Rentals (+)	230,565,500	338,972,160	446,016,000	851,798,738	926,620,785
From Residence Pre-Sales and Sales (+)	4,681,773,553	7,536,172,256	7,534,574,514	2,415,000,000	0
Change in Trade Receivables (+)	471,000,000	0	0	0	0
Operational Expenses (-)	329,679,000	395,614,800	454,957,020	500,452,722	550,497,994
Hotel Expenses (-)	115,282,750	169,486,080	223,008,000	425,899,369	463,310,393
<b>Net Cash Flow from Operations</b>	<b>7,321,251,115</b>	<b>10,169,492,111</b>	<b>10,590,991,355</b>	<b>5,957,649,095</b>	<b>3,891,735,091</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Construction Costs ( - )	1,622,644,714	2,369,000,000	1,200,000,000	1,380,000,000	0
Shopping Mall Renewal Costs ( - )	30,000,000	36,000,000	41,400,000	45,540,000	50,094,000
<b>Net Cash Flow from Investing Activities</b>	<b>-1,652,644,714</b>	<b>-2,405,000,000</b>	<b>-1,241,400,000</b>	<b>-1,425,540,000</b>	<b>-50,094,000</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Cash Receipt from	83,825,251	100,590,301	115,678,846	127,246,731	139,971,404
Cash Paid for (-)	1,882,467,468	1,266,196,002	1,330,887,388	1,333,965,625	1,017,296,250
<b>Net Cash Flow from Financing Activities</b>	<b>-1,798,642,217</b>	<b>-1,165,605,702</b>	<b>-1,215,208,542</b>	<b>-1,206,718,894</b>	<b>-877,324,846</b>
Cash Generated Throughout the Term	3,869,964,184	6,598,886,409	8,134,382,814	3,325,390,200	2,964,316,244
<b>Net Cash at End of Term</b>	<b>4,795,394,184</b>	<b>11,394,280,593</b>	<b>19,528,663,407</b>	<b>22,854,053,607</b>	<b>25,818,369,851</b>



# TURKEY REAL ESTATE MARKET REVIEW – Long-Term Demand Forecasts

	Population (mn)	Urbanization	Urban Population	Household Size	Urban Household	Demographic- based Housing Need (mn)	Renewal	Urban Transformation	Total
2012	75.6	77.3%	58.4	4.10	14.3	0.33	0.05	0.0	0.41
2013	76.7	77.8%	59.6	4.08	14.6	0.38	0.05	0.1	0.52
2014	77.5	78.3%	60.7	4.06	15.0	0.33	0.05	0.2	0.58
2015	78.3	78.8%	61.8	4.03	15.3	0.36	0.05	0.2	0.61
2016	79.2	79.4%	62.9	4.00	15.7	0.38	0.05	0.2	0.63
2017	80.0	80.0%	64.0	3.97	16.1	0.39	0.05	0.2	0.64
2018	80.7	80.7%	65.1	3.95	16.5	0.40	0.05	0.2	0.65
2019	81.5	81.3%	66.3	3.92	16.9	0.43	0.05	0.2	0.68
2020	82.3	82.0%	67.5	3.88	17.4	0.44	0.05	0.2	0.69
2021	83.0	82.7%	68.6	3.85	17.8	0.44	0.05	0.2	0.69
2022	83.7	83.4%	69.8	3.82	18.3	0.45	0.05	0.2	0.70
2023	84.4	84.0%	71.0	3.79	18.7	0.45	0.05	0.2	0.70
<b>2014-2023 total</b>						<b>4.09</b>	<b>0.50</b>	<b>2.00</b>	<b>6.59</b>

Source: Turksat, GYODER, BofAML Global Research

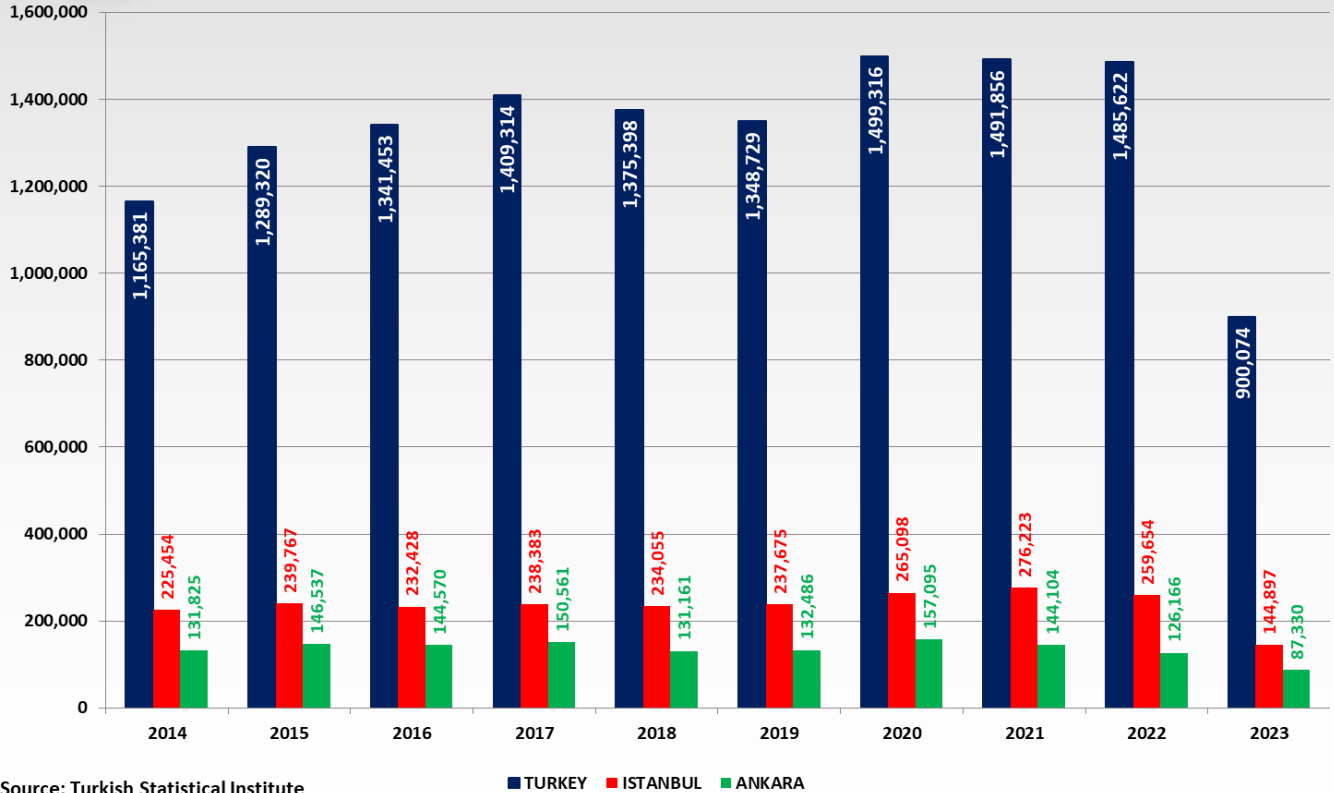
## Housing Needs in Turkey, 2014-2020

In millions, except household size	2013	2014e	2015e	2016e	2017e	2018e	2019e	2020e
Population	76.5	77.3	78.2	79.0	79.8	80.6	81.3	82.1
Household size	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Households	20.1	20.3	20.6	20.8	21.0	21.2	21.4	21.6
New houses needed		0.44	0.44	0.43	0.42	0.41	0.41	0.43
2nd homes and urban transformation		0.37	0.37	0.38	0.37	0.37	0.37	0.37
Foreigners property acquisition	0.01	0.02	0.05	0.05	0.06	0.06	0.06	0.07
<b>Total needed (2015-2020)</b>								<b>5.12</b>

Source: World Bank, TUIK, IMF, HSBC estimates



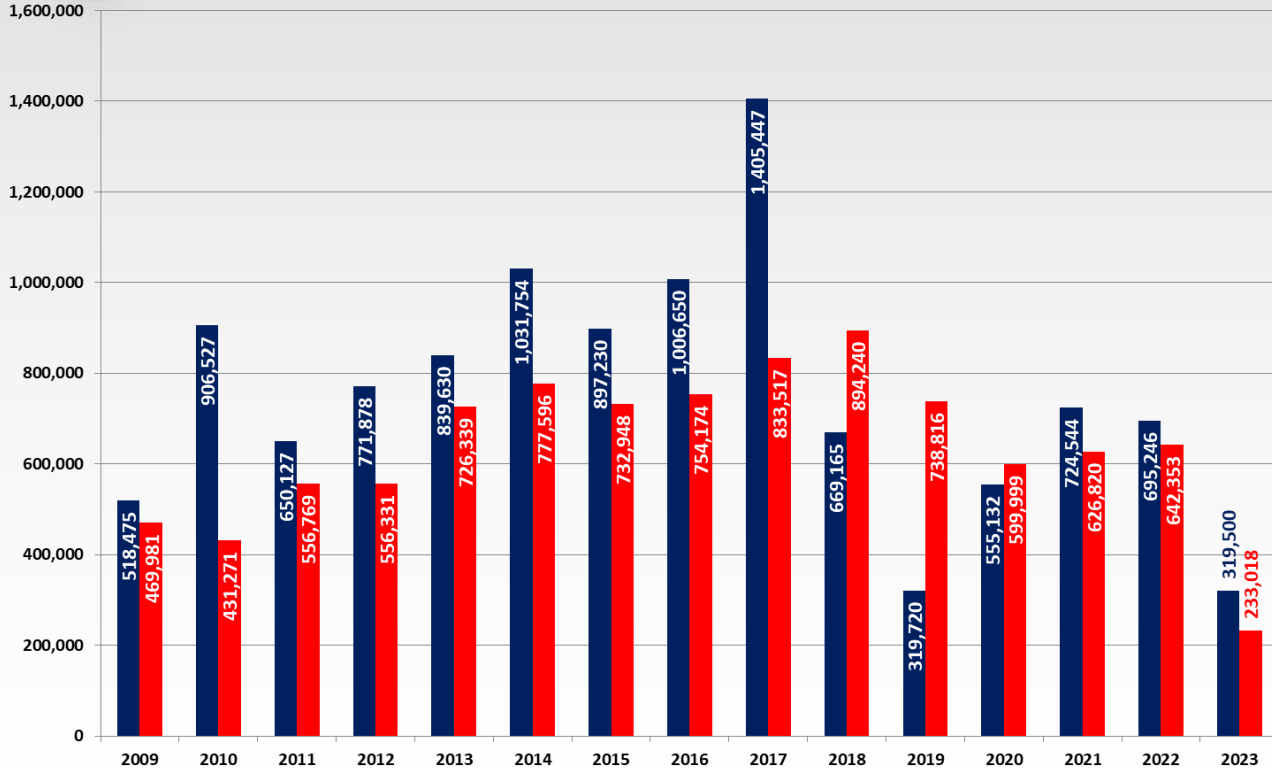
## TURKEY REAL ESTATE MARKET REVIEW – Turkey Residential Sales (in units) (9M 2023)







## TURKEY REAL ESTATE MARKET REVIEW – Turkey Residential Permits (in units) (H1 2023)



Source: Turkish Statistical Institute

■ Construction Permit

■ Building Occupancy Permit



## TURKEY REAL ESTATE MARKET REVIEW – Existing Inventory (H1 2023)

	OCCUPANCY PERMITS	NEW HOME SALES	INVENTORY	INVENTORY / OCCUPANCY PERMITS
2013	726,339	529,129	197,210	27.2%
2014	777,596	541,554	236,042	30.4%
2015	732,948	598,667	134,281	18.3%
2016	754,174	631,686	122,488	16.2%
2017	833,517	659,698	173,819	20.9%
2018	894,240	651,572	242,668	27.1%
2019	738,816	511,682	227,134	30.7%
2020	599,999	469,740	130,259	21.7%
2021	626,910	461,523	165,387	26.4%
2022	642,269	460,079	182,190	28.4%
2023 H1	233,018	171,158	61,860	26.5%
<b>TOTAL</b>	<b>7,559,826</b>	<b>5,686,488</b>	<b>1,873,338</b>	<b>24.8%</b>

Source: Turkish Statistical Institute



## TURKEY REAL ESTATE MARKET REVIEW – Shopping Mall Development

CURRENT STATUS		ACTIVE	UNDER CONSTRUCTION (to be completed by end- 2024)	TOTAL
İSTANBUL	UNIT	134	9	143
	GLA (M <sup>2</sup> )	5,152,116	324,416	5,476,532
ANKARA	UNIT	45	3	48
	GLA (M <sup>2</sup> )	1,722,142	88,850	1,810,992
OTHER CITIES	UNIT	274	16	290
	GLA (M <sup>2</sup> )	7,095,110	469,600	7,564,710
TURKEY	QUANTITY	453	28	481
	GLA (M <sup>2</sup> )	13,969,368	882,866	14,852,234

RETAIL DENSITY GLA (M <sup>2</sup> ) (PER 1,000 persons)	Q4 2021	Q4 2024
İSTANBUL	333	342
ANKARA	304	306
<b>TURKEY</b>	<b>167</b>	<b>171</b>

Source: JLL



## TURKEY REAL ESTATE MARKET REVIEW – Turkey's Mall League

Mall	Opening Date	GLA	Location	Developer
1 Forum Istanbul	2009	178,834	Istanbul	Multi Turkmall
2 Mall of Istanbul	2014	154,713	Istanbul	Torunlar REIC
3 Marmara Forum	2011	137,500	Istanbul	Multi Turkmall
4 Cevahir	2005	110,000	Istanbul	Kuwait Investment Authority
5 Vialand	2013	110,000	Istanbul	Gursoy & Via Grup
6 ANKAmall	1999	107,804	Ankara	Migros / Yeni Gimat REIC
7 Marmara Park	2012	100,000	Istanbul	Ece Turkey
8 IstinyePark	2007	88,490	Istanbul	Dogus, Orjin
9 Torium	2010	88,455	Istanbul	Torunlar REIC
10 Akasya Acibadem	2014	86,500	Istanbul	Saf REIC / Akis REIC
11 Anatolium	2010	84,165	Bursa	Corio
12 Antares	2007	84,000	Ankara	Dolunay
13 Panora	2007	82,591	Ankara	Polat Holding
14 Forum Ankara	2008	80,000	Ankara	Multi Development TR
15 Kent Park	2008	79,478	Ankara	Mega Turk Construction
16 M1 Merkez Adana	2000	76,500	Adana	Metro
17 Maltepe Park	2013	75,000	Istanbul	CarrefourSA / Ece Turkey
18 Cepa	2007	73,242	Ankara	CarrefourSA
19 Korupark	2007	71,267	Bursa	Torunlar REIC
20 Forum Mersin	2007	71,125	Mersin	Multi Turkmall
21 Anatolium Ankara	2011	70,000	Istanbul	Corio
22 M1 Meydan Umraniye	2007	70,000	Istanbul	Metro
23 Optimum Outlet	2011	69,000	Adana	Ronesans REIC
24 Zorlu Center	2013	66,600	Istanbul	Zorlu Real Estate Group

Source: Akademetre Research and Eva Real Estate



## FINANCIAL STATEMENT - Income Statement

(000) TRY	9M 2022	9M 2023	Change
<b>Sales</b>	<b>1,932,537</b>	<b>2,805,791</b>	<b>45.2%</b>
Residence & Office	501,933	305,313	-39.2%
Mall & Office rental	1,024,115	1,903,705	85.9%
Common area revenues & Other revenues	289,936	443,527	53.0%
Hotel revenue	116,553	153,246	31.5%
<b>Cost of sales</b>	<b>(453,486)</b>	<b>(596,631)</b>	<b>31.6%</b>
Cost of Residence & Office sales	(46,446)	(19,056)	-59.0%
Rent expenses and management fees of shopping malls	(13,012)	(26,013)	99.9%
Common area expenses & Other expenses	(349,870)	(474,720)	35.7%
Hotel expenses	(44,158)	(76,842)	74.0%
<b>Gross profit</b>	<b>1,479,051</b>	<b>2,209,160</b>	<b>49.4%</b>
<i>Gross Margin</i>	<i>76.5%</i>	<i>78.7%</i>	<i>2.20 pp</i>
<i>Gross Margin (Residence &amp; Office)</i>	<i>90.7%</i>	<i>93.8%</i>	<i>3.01 pp</i>
<i>Gross Margin (Mall &amp; Office rental)</i>	<i>72.4%</i>	<i>78.7%</i>	<i>6.28 pp</i>
<i>Gross Margin (Hotel)</i>	<i>62.1%</i>	<i>49.9%</i>	<i>-12.26 pp</i>
<b>Opex</b>	<b>(174,836)</b>	<b>(250,124)</b>	<b>43.1%</b>
General & Admin expenses	(107,124)	(195,658)	82.6%
Marketing & Selling expenses	(67,712)	(54,466)	-19.6%
Other income (expenses)	1,293	106,531	8139.1%
Net gain (loss) fair value adjustments on investment property	0	0	NM
<b>Operating profit</b>	<b>1,305,508</b>	<b>2,065,567</b>	<b>58.2%</b>
<b>Operating profit excluding fair value adjustment</b>	<b>1,305,508</b>	<b>2,065,567</b>	<b>58.2%</b>
Dividends received from associates	49,120	83,839	70.7%
<b>EBIT</b>	<b>1,354,628</b>	<b>2,149,406</b>	<b>58.7%</b>
<i>EBIT margin (%)</i>	<i>70.1%</i>	<i>76.6%</i>	<i>6.51 pp</i>
Depreciation	17,878	31,464	76.0%
<b>EBITDA</b>	<b>1,372,506</b>	<b>2,180,870</b>	<b>58.9%</b>
<i>EBITDA margin (%)</i>	<i>71.0%</i>	<i>77.7%</i>	<i>6.71 pp</i>
Gain (Loss) from associates excluding dividend received	46,810	107,760	130.2%
Net financial interest income (expense)	(358,959)	(199,804)	-44.3%
Other net financial income (expense)	(171,937)	(39,654)	-76.9%
Forex gain (loss)	(199,990)	(13,073)	-93.5%
<b>Profit / Loss before tax</b>	<b>670,552</b>	<b>2,004,635</b>	<b>199.0%</b>
Corporate tax	(700)	(1,025)	46.4%
<b>Net profit / loss</b>	<b>669,852</b>	<b>2,003,610</b>	<b>199.1%</b>
<i>Net profit margin (%)</i>	<i>34.7%</i>	<i>71.4%</i>	<i>36.75 pp</i>
<b>Net profit / loss excl. fair value gains</b>	<b>669,852</b>	<b>2,003,610</b>	<b>199.1%</b>



## FINANCIAL STATEMENT - Income Statement

(000) TRY	Q3 2022	Q3 2023	Change
<b>Sales</b>	<b>754,358</b>	<b>1,065,497</b>	<b>41.2%</b>
Residence & Office	121,170	38,755	-68.0%
Mall & Office rental	438,324	782,292	78.5%
Common area revenues & Other revenues	137,500	176,691	28.5%
Hotel revenue	57,364	67,759	18.1%
<b>Cost of sales</b>	<b>(224,002)</b>	<b>(233,382)</b>	<b>4.2%</b>
Cost of Residence & Office sales	(6,380)	(1,817)	-71.5%
Rent expenses and management fees of shopping malls	(3,366)	(11,713)	248.0%
Common area expenses & Other expenses	(190,396)	(189,890)	-0.3%
Hotel expenses	(23,860)	(29,962)	25.6%
<b>Gross profit</b>	<b>530,356</b>	<b>832,115</b>	<b>56.9%</b>
<i>Gross Margin</i>	<i>70.3%</i>	<i>78.1%</i>	<i>7.79 pp</i>
<i>Gross Margin (Residence &amp; Office)</i>	<i>94.7%</i>	<i>95.3%</i>	<i>0.58 pp</i>
<i>Gross Margin (Mall &amp; Office rental)</i>	<i>66.4%</i>	<i>79.0%</i>	<i>12.63 pp</i>
<i>Gross Margin (Hotel)</i>	<i>58.4%</i>	<i>55.8%</i>	<i>-2.62 pp</i>
<b>Opex</b>	<b>(57,021)</b>	<b>(104,025)</b>	<b>82.4%</b>
General & Admin expenses	(45,846)	(86,155)	87.9%
Marketing & Selling expenses	(11,175)	(17,870)	59.9%
Other income (expenses)	2,202	75,107	3310.9%
Net gain (loss) fair value adjustments on investment property	0	0	NM
<b>Operating profit</b>	<b>475,537</b>	<b>803,197</b>	<b>68.9%</b>
<b>Operating profit excluding fair value adjustment</b>	<b>475,537</b>	<b>803,197</b>	<b>68.9%</b>
Dividends received from associates	0	0	NM
<b>EBIT</b>	<b>475,537</b>	<b>803,197</b>	<b>68.9%</b>
<i>EBIT margin (%)</i>	<i>63.0%</i>	<i>75.4%</i>	<i>12.34 pp</i>
Depreciation	6,060	10,262	69.3%
<b>EBITDA</b>	<b>481,597</b>	<b>813,459</b>	<b>68.9%</b>
<i>EBITDA margin (%)</i>	<i>63.8%</i>	<i>76.3%</i>	<i>12.50 pp</i>
Gain (Loss) from associates excluding dividend received	34,584	98,841	185.8%
Net financial interest income (expense)	(91,592)	(87,710)	-4.2%
Other net financial income (expense)	0	(39,654)	NM
Forex gain (loss)	(65,720)	13,491	NM
Profit / Loss before tax	<b>352,809</b>	<b>788,165</b>	<b>123.4%</b>
Corporate tax	185	(322)	NM
<b>Net profit / loss</b>	<b>352,994</b>	<b>787,843</b>	<b>123.2%</b>
<i>Net profit margin (%)</i>	<i>46.8%</i>	<i>73.9%</i>	<i>27.15 pp</i>
<b>Net profit / loss excl. fair value gains</b>	<b>352,994</b>	<b>787,843</b>	<b>123.2%</b>

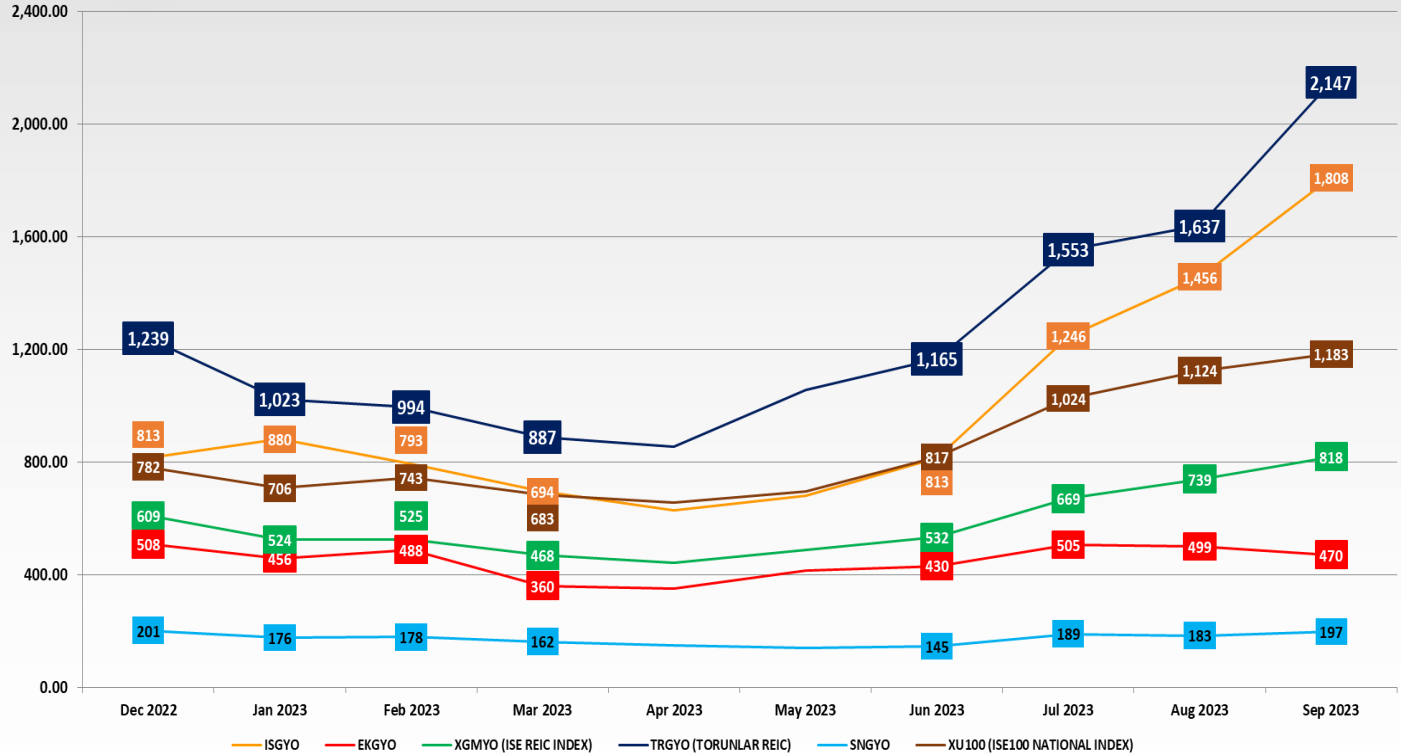


## FINANCIAL STATEMENT - Balance Sheet

(000 TRY)	2022	2023/9M	Change
Cash and cash equivalents	925,430	2,992,223	223.3%
Financial assets	0	200,363	NM
Derivate products	0	0	NM
Trade & Other receivables	513,217	716,254	39.6%
Inventories	475,574	459,147	-3.5%
Prepaid expenses	71,989	707,521	882.8%
Other current assets	30,702	38,573	25.6%
<b>CURRENT ASSETS</b>	<b>2,016,912</b>	<b>5,114,081</b>	<b>153.6%</b>
Trade & Other receivables	73,573	74,894	1.8%
Investments accounted by equity method	985,776	1,093,536	10.9%
Investment properties	34,236,035	34,171,450	-0.2%
Inventories	428,306	775,390	81.0%
Property, plant and equipment	1,537,300	1,521,908	-1.0%
Intangible assets	1,847	1,124	-39.1%
Prepaid expenses	999	1,338	33.9%
<b>NON-CURRENT ASSETS</b>	<b>37,263,836</b>	<b>37,639,640</b>	<b>1.0%</b>
<b>TOTAL ASSETS</b>	<b>39,280,748</b>	<b>42,753,721</b>	<b>8.8%</b>
Short-term borrowings	687,842	857,477	24.7%
ST portion of LT borrowings	1,119,600	1,021,916	-8.7%
Trade payables	117,475	217,036	84.8%
Other payables	36,667	41,324	12.7%
Derivative products	0	39,654	NM
Deferred income	100,010	112,858	12.8%
Others	80,073	151,839	89.6%
<b>CURRENT LIABILITIES</b>	<b>2,141,667</b>	<b>2,442,104</b>	<b>14.0%</b>
Long-term borrowings	2,597,243	2,224,555	-14.3%
Trade payables	0	26,532	NM
Long-term provisions for employee benefits	6,176	5,574	-9.7%
Deferred income	740,249	2,455,689	231.7%
<b>NON-CURRENT LIABILITIES</b>	<b>3,343,668</b>	<b>4,712,350</b>	<b>40.9%</b>
Share capital	1,000,000	1,000,000	0.0%
Share premium	25,770	25,770	0.0%
Other comprehensive income	1,282,391	1,282,391	0.0%
Legal reserves	74,459	136,290	83.0%
Treasury shares (-)	-5,930	-5,686	-4.1%
Prior years' profit	12,982,423	31,156,892	140.0%
Net profit / loss for the period	18,436,300	2,003,610	-89.1%
<b>TOTAL EQUITY</b>	<b>33,795,413</b>	<b>35,599,267</b>	<b>5.3%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>39,280,748</b>	<b>42,753,721</b>	<b>8.8%</b>



## LISTED REIC's - Torunlar REIC Performance (As of 30.09.2023)



IPO Date (October 2010) = 100





## Contacts



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