

**TORUNLAR GAYRİMENKUL
YATIRIM ORTAKLIĞI A.Ş. AND
ITS SUBSIDIARY**

**CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS AND REVIEW AUDIT REPORT
FOR THE INTERIM PERIOD
1 JANUARY- 30 JUNE 2024**

**(CONVENIENCE TRANSLATION OF
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH)**



**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT
AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION**

To the General Assembly of Torunlar Gayrimenkul Yatırım Ortaklığı A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Torunlar Gayrimenkul Yatırım Ortaklığı A.Ş. (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2024 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended. The management of the Group is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, appearing to read 'B. Özpoyraz', is written over a faint, light blue grid background.

Burak Özpoyraz, SMMM
Independent Auditor

Istanbul, 2 October 2024

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

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TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

STATEMENT OF CONDENSED CONSOLIDATED FINANCIAL POSITION AS OF 30 JUNE 2024 AND 31 DECEMBER 2023

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira (“TRY”) as of 30 June 2024 unless otherwise indicated.)

	Notes	(Reviewed) 30 June 2024	(Audited) 31 December 2023
ASSETS			
Current Assets		19,333,538	9,889,288
Cash and Cash Equivalents	5	10,490,128	2,658,290
Financial Investments	11	-	1,529,395
Trade Receivables		879,744	1,738,204
<i>Trade Receivables from Related Parties</i>	8, 20	2,312	855,455
<i>Trade Receivables from Third Parties</i>	8	877,432	882,749
Other Receivables		11,549	19,859
<i>Other Receivables from Third Parties</i>		11,549	19,859
Inventories	10	7,034,413	3,500,726
Prepaid Expenses	7	856,073	389,013
Other Current Assets		61,631	53,801
Non-Current Assets		76,959,857	90,636,504
Trade Receivables		36,297	62,277
<i>Trade Receivables from Third Parties</i>	8	36,297	62,277
Other Receivables		-	1,476
<i>Other Receivables from Third Parties</i>		-	1,476
Financial Investments	11	6,249,410	244,373
Inventories	10	-	2,917,022
Investments Accounted by Equity Method	3	2,699,692	2,656,558
Investment Properties	9	64,350,074	80,762,280
Property, Plant and Equipment	13	3,605,261	3,979,140
Intangible Assets		3,065	2,835
<i>Other Intangible Assets</i>		3,065	2,835
Prepaid Expenses	7	16,058	10,543
Total Assets		96,293,395	100,525,792

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

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

STATEMENT OF CONDENSED CONSOLIDATED FINANCIAL POSITION AS OF 30 JUNE 2024 AND 31 DECEMBER 2023

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira ("TRY") as of 30 June 2024 unless otherwise indicated.)

	Notes	(Reviewed) 30 June 2024	(Audited) 31 December 2023
LIABILITIES			
Current Liabilities		8,846,519	2,971,563
Short-Term Borrowings	6	94,708	518,350
Short-Term Portion of Long-Term Borrowings	6	1,112,372	1,553,117
Trade Payables		193,296	428,468
<i>Trade Payables to Related Parties</i>	8, 20	102,443	50,842
<i>Trade Payables to Third Parties</i>	8	90,853	377,626
Payables Related to Employee Benefits		16,686	13,081
Other Payables		47,187	56,391
<i>Other Payables to Related Parties</i>		79	-
<i>Other Payables to Third Parties</i>		47,108	56,391
Deferred Income	7	7,240,304	259,494
Current Income Tax Liabilities		516	208
Short-Term Provisions		50,989	58,218
Other Current Liabilities		90,461	84,236
Non-Current Liabilities		838,958	7,446,745
Long-Term Borrowings	6	782,810	2,474,439
Trade Payables		48,896	33,095
<i>Trade Payables to Related Parties</i>	8,20	48,896	33,095
<i>Deferred Income</i>	7	193	4,933,263
Long-Term Provisions		7,059	5,948
<i>Long-Term Provisions for Employee Benefits</i>		7,059	5,948
EQUITY		86,607,918	90,107,484
Share Capital	14	1,000,000	1,000,000
Adjustment to Share Capital	14	8,879,534	8,879,534
Treasury Shares		(41,126)	(41,126)
Share Premium		318,137	318,137
Accumulated other comprehensive income		1,161,622	1,491,830
<i>That will not be reclassified to profit or loss</i>		1,161,622	1,491,830
Restricted Reserves		747,789	747,789
Prior Years' Profits		77,711,320	61,946,143
Net Profit/(Loss) for the Year		(3,169,358)	15,765,177
TOTAL LIABILITIES AND EQUITY		96,293,395	100,525,792

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

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

STATEMENT OF CONDENSED CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira ("TRY") as of 30 June 2024 unless otherwise indicated.)

	Notes	(Reviewed) 1 January - 30 June 2024	(Not Reviewed) 1 April - 30 June 2024	(Reviewed) 1 January - 30 June 2023	(Not Reviewed) 1 April - 30 June 2023
Revenue	15	2,896,838	1,356,917	3,233,385	1,450,527
Cost of Sales (-)	15	(779,272)	(361,681)	(796,376)	(336,716)
GROSS PROFIT		2,117,566	995,236	2,437,009	1,113,811
General Administrative Expenses (-)	16	(162,029)	(109,166)	(203,019)	(109,399)
Marketing Expenses (-)	16	(25,343)	(13,842)	(69,030)	(38,254)
Other Income from Operating Activities	17	45,697	(8,385)	82,391	28,159
Other Expenses from Operating Activities (-)	17	(4,667,137)	(4,624,156)	(21,358)	(8,822)
OPERATING PROFIT/(LOSS)		(2,691,246)	(3,760,313)	2,225,993	985,495
Share of the Group on Profit/Loss of Investments Accounted by Equity Method	3	99,615	47,197	170,746	87,191
PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)		(2,591,631)	(3,713,116)	2,396,739	1,072,686
Finance Income	18	1,835,787	1,461,892	279,777	169,735
Finance Expenses (-)	18	(395,714)	(280,492)	(537,866)	(265,088)
Monetary Gain/(Loss)		(2,017,491)	(1,754,808)	936,785	330,190
PROFIT/(LOSS) BEFORE TAX		(3,169,049)	(4,286,524)	3,075,435	1,307,523
Tax Expenses		(309)	(41)	(1,206)	(705)
PROFIT/(LOSS) FOR THE PERIOD		(3,169,358)	(4,286,565)	3,074,229	1,306,818
Earnings/(Loss) Per Share from Continuing Operations	19	(3.17)	(4.29)	3.07	1.31
TOTAL COMPREHENSIVE INCOME/ (LOSS)		(3,169,358)	(4,286,565)	3,074,229	1,306,818

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

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

STATEMENT OF CONDENSED CONSOLIDATED CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira (“TRY”) as of 30 June 2024 unless otherwise indicated.)

	Share Capital	Adjustment to Share Capital	Treasury Shares	Share Premium	Accumulated Other Comprehensive Income Not to be Reclassified to Profit or Loss	Restricted Reserves	Prior Years’ Profits	Net Profit/(Loss) for the Year	Total
Opening balance as of 1 January 2023	1,000,000	8,879,534	(41,431)	318,137	656,662	670,636	41,982,466	20,414,510	73,880,514
Transfers	-	-	-	-	-	106,100	20,308,410	(20,414,510)	-
Dividends paid	-	-	305	-	-	-	(373,678)	-	(373,373)
Total comprehensive income	-	-	-	-	-	-	-	3,074,229	3,074,229
Closing balance as of 30 June 2023	1,000,000	8,879,534	(41,126)	318,137	656,662	776,736	61,917,198	3,074,229	76,581,370
Opening balance as of 1 January 2024	1,000,000	8,879,534	(41,126)	318,137	1,491,830	747,789	61,946,143	15,765,177	90,107,484
Transfers	-	-	-	-	-	-	15,765,177	(15,765,177)	-
Total comprehensive income	-	-	-	-	(330,208)	-	-	(3,169,358)	(3,499,566)
Closing balance as of 30 June 2024	1,000,000	8,879,534	(41,126)	318,137	1,161,622	747,789	77,711,320	(3,169,358)	86,607,918

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

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

STATEMENT OF CONDENSED CONSOLIDATED CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira ("TRY") as of 30 June 2024 unless otherwise indicated.)

Notes	(Reviewed) 1 January - 30 June 2024	(Reviewed) 1 January - 30 June 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES	(3,999,180)	2,668,592
Profit/(Loss) for the Period	(3,169,358)	3,074,229
Adjustments Related to Reconciliation of Profit/(Loss) for the Period	4,119,360	(519,783)
Adjustments related to depreciation and amortization	16 44,934	43,385
Adjustments related to provisions	7,149	4,598
Adjustments related to doubtful trade receivable provision expenses	8 (50)	(2,152)
Adjustments related to interest income and expenses	(1,162,037)	209,086
Adjustments related to fair value losses on investment properties	17 1,055,369	-
Adjustments related to unrealized foreign exchange differences	-	438,829
Gains/(Losses) on sales of investment properties	17 3,311,447	(38,611)
Adjustments related to undistributed profits of investments accounted for by equity method	3 (99,615)	(170,746)
Adjustments for monetary loss and gain	962,163	(1,004,172)
Changes in working capital	(4,949,182)	114,146
Adjustments related to increase/(decrease) in trade receivables	565,894	(277,330)
Adjustments increase/(decrease) in other assets	5,961	(3,706)
Adjustments for increase/(decrease) in financial investments	(5,180,110)	(204,603)
Adjustments related to increase in inventories	(655,979)	(407,078)
Adjustments related to decrease in prepaid expenses	(592,106)	(880,491)
Adjustments related to increase/(decrease) in trade payables	(136,867)	95,371
Increase/(decrease) in other payables due to operations	2,123	14,964
Adjustments related to increase/(decrease) in deferred income	1,031,895	1,729,990
Adjustments related to other increase/(decrease) in working capital	10,007	47,029
Cash generated from operations	(3,999,180)	2,668,592
B. CASH FLOWS FROM INVESTING ACTIVITIES	12,099,374	320,862
Cash outflows from purchases of property, plant and equipments and intangible assets	(1,541)	(16,238)
Payments for acquisition of investment properties	9 (133,920)	(112,608)
Cash inflows from the sale of investment properties	12,178,354	298,411
Dividends received	3 56,481	151,297
C. CASH FLOWS FROM FINANCING ACTIVITIES	(613,435)	(846,338)
Proceeds from borrowings	6 -	2,768,200
Repayment of borrowings	6 (1,463,235)	(2,806,398)
Interest paid	(702,736)	(714,544)
Interest received	1,552,536	279,777
Dividends paid	-	(373,373)
Net (decrease)/increase in cash and cash equivalents	5 7,486,759	2,143,116
Monetary loss effect of foreign currency translation differences on cash and cash equivalents	(522,576)	(312,700)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5 2,635,308	1,886,759
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5 9,599,491	3,717,175

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

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira (“TRY”) as of 30 June 2024 unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Torunlar Gayrimenkul Yatırım Ortaklığı Anonim Şirketi (“Torunlar REIC” or the “Company”) and its subsidiary, TRN Otel İşletmeciliği ve Yatırımları A.Ş. (“TRN”) referred together as a “Group”. The Company was incorporated in 1996 with the trade name of Toray İnşaat Sanayi ve Ticaret A.Ş. in İstanbul, Turkey. With a change in the Articles of Association published on Trade Registry Gazette on 25 January 2008, the Company has been registered with the trade name of Torunlar Gayrimenkul Yatırım Ortaklığı A.Ş. on 21 January 2008. The Company’s stocks have been traded at the Borsa İstanbul since 21 October 2010 and registered to Capital Markets Board (“CMB”). The Company operates in Turkey. As of 30 June 2024, the total number of the Company’s employees is 196 (31 December 2023: 187) and the main shareholder is the Torun Family.

The Company is registered in İstanbul Trade Registry Office in Turkey in the following address: Rüzgarlıbahçe Mahallesi Özalp Çıkmazı No: 4 Beykoz 34805 İstanbul/Turkey.

The Company’s principle activity is to engage in the pre-defined objectives and areas stipulated in the Communiqué on real estate investment companies published by the Capital Markets Board of Turkey (“CMB”) such as investing in real estate, capital market instruments based on real estate, real estate projects and capital market instruments.

Torunlar REIC purchased 100% of the shares of TRN Otel İşletmeciliği ve Yatırımları A.Ş. as of 12 March 2018. Accordingly, the financial statements are prepared as consolidated as of 31 December 2018. The principal activity of TRN, and the Group’s participation rates are as follows:

Company	Operating country	Operating sector	30 June 2024 Participation rate %	31 December 2023 Participation rate %
TRN Otel İşletmeciliği ve Yatırımları A.Ş.	Turkey	Hotel Management	100	100

Joint Ventures

The Joint Ventures of Torunlar REIC operate in Turkey and their principal activities and joint venture partners as of 30 June 2024 are as follows (Note 2):

Joint Venture	Principal Activity	Joint venture partner
TTA Gayrimenkul Yatırım Geliştirme ve Yönetim A.Ş. (“TTA”)	Shopping mall project	Anaterra Gayrimenkul Yatırım İnşaat ve Ticaret A.Ş.

TTA

TTA Gayrimenkul Yatırım ve Yönetim A.Ş. has been incorporated on 7 January 2010 after winning the tender related to the old cigarette factory and its auxiliary buildings which are located in Samsun, İlkadım district, 205 lot, 2, 8, 9, 10, 11, 12, 13, 14 parcels and 376 lot, 1 parcel and 377 lot, 5 parcel whose ownership is registered to Samsun Metropolitan Municipality. The project includes, by the approval of Samsun Cultural and Natural Heritage Protection Regional Committee; the renovation as shopping mall and/or hotel; constructing two stores underground car park and facilitating the right of operation to Samsun Metropolitan Municipality; operating for 30 years with a limited incorporeal right (permanent and individual usufruct right) on land registry by the same term and providing a certain share of the revenue of shopping mall and/or hotel to Samsun Metropolitan Municipality; delivering the project to Samsun Metropolitan Municipality at the end of the 30 years term.

As a result of winning the tender and the agreement made with Samsun Metropolitan Municipality, the earned right as part of the financial leasing is classified as investment property within the scope of TAS 40 and is measured at fair value.

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira (“TRY”) as of 30 June 2024 unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP (Continued)

In August 2011, 450,000 shares which were previously owned by Turkmall Gayrimenkul Geliştirme Yönetim ve Yatırım A.Ş. and valued nominally as TRY450,000 and 50,000 shares which were previously owned by Ahmet Demir and valued nominally as TRY50,000 were transferred to Anaterra Gayrimenkul Yatırım İnşaat ve Ticaret A.Ş. After the transfer, the shareholding structure of TTA is 40% Torunlar REIC, 8% Torunlar Gıda Sanayi Ticaret A.Ş., 1% Aziz Torun, 1% Mehmet Torun and 50% Anaterra Gayrimenkul Yatırım İnşaat ve Ticaret A.Ş. The construction of the TTA Bulvar Samsun Mall project has been started in 2011 and the Mall started to operate in July 2012.

Subsidiary

TRN Otel İşletmeciliği A.Ş.

The Group management has decided to purchase that 100% of the shares of TRN Otel İşletmeciliği ve Yatırımları A.Ş. with a nominal value of 500,000 nominal amount and nominal value of TRY0.22 that has been valued at TRY109 as of 12 March 2018. The Group has consolidated TRN Otel İşletmeciliği A.Ş. at the rate of 100% in the consolidated financial statements.

Associates

The Associates of Torunlar REIC are incorporated in Turkey and their primary operations and nature of businesses are stated below:

Associate	Principal Activity
Yeni Gimat GYO A.Ş. (“Yeni Gimat”)	Owner of Ankamall Shopping Mall and Crowne Plaza Hotel
Netsel Turizm Yatırımları A.Ş. (“Netsel”)	Management of Marmaris Marina

Yeni Gimat

Yeni Gimat has been incorporated by participation of 1,050 individual shareholders as founding members on 30 July 1999. The Entity owns Ankamall Shopping Mall since 2006 and Ankara Crowne Plaza Hotel since 2007. While the Group owns 14.83% of Yeni Gimat shares and Torunlar family members also own another 5% of Yeni Gimat, as a result the Group has significant influence on Yeni Gimat and is also represented in the Board of Directors. The investment in Yeni Gimat is accounted by the equity method in the consolidated financial statements.

Netsel

Netsel has been incorporated by Net Turizm Ticaret and Sanayi A.Ş. and Yüksel İnşaat A.Ş. on 6 October 1987. The coastal property operated by Netsel, has been leased from Ministry of Culture and Tourism for 49 years on 22 December 1988. Net Turizm sold its shares to Marmara Bank in 1992 and Yüksel İnşaat sold its shares to Çukurova Group in 1994. Following the liquidation process of Marmara Bank, 44.60% of Netsel was sold to Torunlar REIC in accordance with share transfer agreements on 31 May 2005 and 7 June 2005 respectively and 55% of Netsel was transferred to Tek-Art Kalamış and Fenerbahçe Marmara Turizm Tesisleri A.Ş. (a subsidiary of Koç Holding A.Ş.) in accordance with share transfer agreement on 22 August 2005 as a privatization transaction. It was accounted for by using equity method since the Group has a significant influence in Netsel. The remaining 0.40% belongs to Torun family.

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira (“TRY”) as of 30 June 2024 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2.1 Basis of Preparation

Statement of Compliance in TAS

The accompanying condensed consolidated interim financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying condensed consolidated interim financial statements are prepared based on the Turkish Financial Reporting Standards and interpretations (“TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué. The condensed consolidated interim financial statements and disclosures have been prepared in accordance with the resolution of CMB dated 7 June 2013 about the “illustrations of consolidated financial statements and application guidance”.

The condensed consolidated interim financial statements are presented in accordance with the formats specified in the "Announcement on TMS Taxonomy" published by the POA on 4 July 2024 and the Financial Table Examples and User Guide published by the CMB.

The condensed consolidated interim financial statements of the Group as of 1 January-30 June 2024, have been approved by the Board of Directors on 2 October 2024. The General Assembly has the right to modify the condensed consolidated interim financial statements.

Functional and Presentation Currency

Items included in the financial statements of the company are presented using the currency of the primary economic environment in which the entity operates (“the functional currency”). The Company’s functional currency is Turkish Lira (“TRY”), and presentation currency is thousand Turkish Lira.

Adjustment of Financial Statements During Hyper-Inflationary Periods

The Company prepared its financial statements as of 30 June 2024 and for the interim period ended 30 June 2024 by applying TAS 29 "Financial Reporting in Hyperinflationary Economies" in accordance with the announcement made by POA on 23 November 2023 and the "Application Guidance on Financial Reporting in Hyperinflationary Economies". In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date and comparative figures for prior periods are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Company has presented its financial statements as of 30 June 2023 and 31 December 2023 on a purchasing power basis as of 30 June 2024.

It has been decided that institutions registered in CMB and import companies obligated to apply financial statement adjustments stated in TAS/TFRS are required to apply hyperinflation accounting by implementing TAS 29 to financial statements for the year ended 31 December 2023, according to the rule number 81/1820 declared by CMB dated in 28 December 2023.

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira ("TRY") as of 30 June 2024 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") of Turkey published by the Turkish Statistical Institute ("TURKSTAT"). As of 30 June 2024, the indices and adjustment of the consolidated financial are as follows:

Date	Index	Conversion Factor	Three-year Inflation Rate
30 June 2024	2,319.29	1.00000	324%
31 December 2023	1,859.38	1.24735	268%
30 June 2023	1,351.59	1.71597	190%

Procedure of TAS 29 is presented below:

- All accounts, excluding accounts that are presented with current purchasing power at the current period, are restated with their related price index correlation. Same method is applied for previous years.
- Monetary balance sheet accounts are not restated because these accounts are presented with current purchasing power at the current period. Monetary accounts are accounts that are either received or paid in cash.

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

- The financial statements for the current period presented in Turkish Lira are expressed in terms of the purchasing power at the balance sheet date and the amounts for previous reporting periods have been restated in accordance with the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provision of TAS 36 "Impairment of Assets", TAS 2 and TAS 40 "Inventories" were applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant conversion coefficients.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant conversion coefficients.

All items in the statement of comprehensive income, except for the effect of non-monetary items in the balance sheet on the statement of comprehensive income, have been restated by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognized in the financial statements

- The effect of inflation on the Company's net monetary position is included in the statements of income as monetary gain or loss.

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

The impact of applying TAS 29 Inflation Accounting standard is summarized as follows:

i. Restatement of the Statement of Financial Position

Amounts not expressed in the measuring unit current at the end of the reporting period are restated in the statement of financial position. Therefore, monetary items are not restated as they are expressed in the currency of the reporting period. Non-monetary items need to be restated unless they are shown at current amounts at the end of the reporting period.

The gain or loss arising from the restatement of non-monetary items is included in profit or loss and separately presented in other comprehensive income.

ii. Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in the measuring unit current at the end of the reporting period. Hence, all amounts have been restated by applying changes in the monthly general price index.

The cost of goods sold has been adjusted using the restated inventory balance.

Depreciation and amortization expenses have been adjusted using the restated balances of property, plant, and equipment, intangible assets, investment properties, and rights-of-use assets.

Comparatives and restatement of prior periods financial statements

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

Summary of Significant Accounting Policies

Significant accounting policies that are used to prepare the Group’s interim condensed financial statements for the period of 30 June 2024 are prepared according to the financial statement formats and guides issued by CMB with the resolution taken in the 7 June 2013 dated and 20/670 numbered meeting, and they are in accordance with the accounting policies explained as detailed in the 30 June 2024 dated financial statements. Interim condensed consolidated financial statements must be assessed with the financial statements for the period ended 31 December 2023.

Joint Ventures

Interests in joint ventures

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

Interests in Joint Ventures on combined basis are as follows:

	30 June 2024 (%)	31 December 2023 (%)
TTA	40.00	40.00

	30 June 2024	31 December 2023
Current assets	21,402	18,383
Non-current assets	109,949	317,561
Total assets	131,351	335,944
Short-term liabilities	5,729	30,183
Long-term liabilities	-	19,199
Equity	125,622	286,562
Total liabilities and equity	131,351	335,944
Net profit for the year	27,946	29,752

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognizes in its consolidated financial statements in proportion to its interest in a joint operation:

- Its assets, including its share of any assets held jointly,
- Its liabilities, including its share of any liabilities incurred jointly,
- Its revenue from the sale of its share of the output arising from the joint operation,
- Its share of the revenue from the sale of the output by the joint operation,
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the TFRSs applicable to the assets, liabilities, revenues and expenses.

Associates

Investments in associates, over which the Group has significant influence, but which it does not control, are accounted for by the equity method of accounting. The Group’s share of its associates’ post-acquisition profits or losses is recognized under ‘profit from investments accounted for by using equity method’ in the statement of profit or loss. When the Group’s share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. The accounting policies of the associates can be modified if required to provide integrity with policies accepted by the Group.

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.1 Basis of Preparation (Continued)

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Carrying amount in the date of termination of significant influence, presented with fair value if fair value after this date can be measured securely.

Torunlar REIC's direct and indirect voting rights in the associates as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024 (%)	31 December 2023 (%)
Netsel	44.60	44.60
Yeni Gimat	14.83	14.83

Interest in associates on combined basis (*)

	30 June 2024	31 December 2023
Total assets	17,631,648	17,093,614
Total liabilities	390,750	282,056
Net profit for the year	447,806	9,578,619

(*) These combined figures represent amounts presented in the consolidated financial statements of associates which are accounted by the equity method after their classifications and adjustment entries for the equity method. The above-mentioned figures represent the complete result of operations of these companies.

Yeni Gimat

	30 June 2024	31 December 2023
Total assets	17,110,760	16,683,609
Total liabilities	126,858	106,264
Net profit for the year	406,863	9,369,301

Netsel

	30 June 2024	31 December 2023
Total assets	520,888	410,005
Total liabilities	263,892	175,792
Net profit for the year	40,943	209,318

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Going concern

The Group's consolidated financial statements have been prepared on a going concern basis.

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.2 Changes in Accounting Policies

Significant changes in accounting policies have been applied retrospectively and prior period consolidated financial statements are restated.

2.3 Changes in Accounting Estimates and Errors

If changes in accounting estimates and errors are for only one period, changes are applied in the current period but if the estimated changes affect the following periods, changes are applied both on the current and following years prospectively.

2.4 New and Revised Turkish Accounting Standards

The accounting policies adopted in preparation of the financial statements as of 30 June 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 30 June 2024.

a. Standards, amendments, and interpretations that are issued but not effective as of 30 June 2024:

- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.
- **IFRS S1, ‘General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.
- **IFRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.4 New and Revised Turkish Accounting Standards (Continued)

These standards, amendments and interpretations did not have a significant impact on the financial position or performance of the Group.

b. Standards, amendments, and interpretations that are issued but not effective as of 30 June 2024:

- **IFRS 17, ‘Insurance Contracts’;** effective from annual periods beginning on or after 1 January 2025. This standard replaces IFRS 4, which permitted a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts.
- **Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available) These amendments:
 - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
 - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
 - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, managementdefined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.4 New and Revised Turkish Accounting Standards (Continued)

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19’s reduced disclosure requirements balance the information needs of the users of eligible subsidiaries’ financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
 - it does not have public accountability; and
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Group will evaluate the effects of the above changes on its operations and implement the necessary ones.

2.5 Critical Accounting Estimates, Assumptions and Judgements

The summary financial statements for the interim period ending on 30 June 2024 have been prepared in accordance with the TAS 34 standard for the preparation of interim financial statements. The significant accounting policies used in the preparation of the summary financial statements are consistent with the accounting policies explained in detail in the financial statements dated 31 December 2023. Therefore, the interim financial statements should be evaluated together with the financial statements for the year ending on 31 December 2023.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets’ gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows (all cash-deficiencies) that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate (or credit-based adjusted effective interest rate for financial assets with credit-value impairment when purchased or incurred). The expected credit losses do not have a significant impact on the Group's financial statements.

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

2.5 Critical Accounting Estimates, Assumptions and Judgements (Continued)

Fair values of investment properties

The fair value of the investment properties has been determined according to valuation carried out by an independent valuation company. The fair value of the investment property is determined according to the income approved and comparable transaction. Estimates and assumptions are determined by comparable or independent valuation experts, based on the income approach using appropriate discount rates, occupancy rates, annual rent increases, terminal value growth rates, etc. Differences between estimates and assumptions and actual results may cause significant impact on the Group's consolidated financial statements.

Principal assumptions found in the income reduction method are disclosed below:

In 2024, fair values of the investment properties are determined by independent valuation expert; Lotus Gayrimenkul Değerleme ve Danışmanlık A.Ş. which is licensed by CMB. The Group Management assumes that expenditure amount on investment property has an equivalent effect on fair value of related real estate.

In the consolidated financial statements, the following assumptions used by valuation experts; selection of the valuation method, the discount rate, the rent increase per annum terminal value growth rate, the capitalization rate and determination of the market comparable m² values are considered critical and thus disclosed below.

30 June 2024	Valuation report date	Valuation method	Discount rate	Rent increase rate p.a.	Capitalization rate	Comparable m ² prices TRY (in full)
Antalya Deepo Shopping	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Mall of Antalya	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Antalya Kepez Lands	5 July 2024	Sales Comparison	-	-	-	13,900
Bursa Korupark Shopping Mall	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Torium Shopping Mall and 2 Student Residences	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Bursa Zafer Plaza Shopping Mall	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Mall of İstanbul Shopping Mall	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Paşabahçe project	5 July 2024	Discounted Cash Flow	16-53%	8-45%	8%	-
İstanbul İkitelli Kayabaşı land	5 July 2024	Sales Comparison	-	-	-	18,600
Karaköy Hotel project	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Bursa Korupark independent areas	5 July 2024	Sales Comparison	-	-	-	32,350
5.Levent Retail	5 July 2024	Sales Comparison	-	-	-	128,401
MOI Residences and Office	5 July 2024	Sales Comparison	-	-	-	81,490
MOI 2nd Phase High Residences						
Hilton Otel	5 July 2024	Discounted Cash Flow	14-51%	8-45%	6%	-
Mall of İstanbul 3rd Phase	5 July 2024	Sales Comparison	-	-	-	34,700
Torun Center Office and Commercial	5 July 2024	Sales Comparison	-	-	-	185,500

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

2.5 Critical Accounting Estimates, Assumptions and Judgements (Continued)

Fair values of investment properties (continued)

	Valuation report date	Valuation method	Discount rate	Rent increase rate p.a.	Capitalization rate	Comparable m ² prices TRY (in full)
31 December 2023						
Antalya Deepo Shopping Mall	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Mall of Antalya	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Antalya Kepez Lands	8 January 2024	Sales Comparison	-	-	-	14,320
Bursa Korupark Shopping Mall	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Torium Shopping Mall						
and 2 Student Residences	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Bursa Zafer Plaza Shopping Mall	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Mall of İstanbul Shopping Mall	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Torun Tower	8 January 2024	Sales Comparison	-	-	-	145,565
Paşabahçe project	8 January 2024	Discounted Cash Flow	16-48%	8-40%	8%	-
İstanbul İkitelli						
Kayabaşı land	8 January 2024	Sales Comparison	-	-	-	20,082
Karaköy Hotel project	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Bursa Korupark						
independent areas	8 January 2024	Sales Comparison	-	-	-	37,046
5.Levent Retail	8 January 2024	Sales Comparison	-	-	-	161,307
MOI Residences and Office	8 January 2024	Sales Comparison	-	-	-	92,890
MOI 2nd Phase High Residences						
and Hilton Otel	8 January 2024	Discounted Cash Flow	14-46%	8-40%	6%	-
Mall of İstanbul 3rd Phase	8 January 2024	Sales Comparison	-	-	-	43,283
Torun Center Office and						
Commercial	8 January 2024	Sales Comparison	-	-	-	219,359

2.6 Compliance with the portfolio limitations

Information included in the footnote titled ‘Control of Compliance with Portfolio Limitations’ as of 30 June 2024; CMB Serial: II, No: 14.1 ‘The Communiqué on Principles Regarding Financial Reporting in the Capital Markets’ is a summary information derived from the financial statements and published in the Official Gazette numbered 28660 on 28 May 2013, Serial: III, No: 48.1. ‘Communiqué on Principles Regarding Investment Trusts’, ‘Communiqué Amending the Communiqué on Principles Regarding Real Estate Investment Trusts’, Serial: III, No: 48.1a, published in the Official Gazette No. 28891 on 23 January 2014, and the Official Gazette No. 31269 on 9 October 2021. It has been prepared in accordance with the provisions of the Communiqué Amending the Communiqué on Principles Regarding Real Estate Investment Trusts, Serial: III, No: 48.1.e, on the control of compliance with portfolio limitations.

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NOTE 3 – INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	30 June 2024		31 December 2023	
	(%)	TRY	(%)	TRY
Yeni Gimat	14.83	2,477,050	14.83	2,437,474
TTA	40.00	116,486	40.00	114,625
Netsel	44.60	106,156	44.60	104,459
		2,699,692		2,656,558

	1 January- 30 June 2024	1 January- 30 June 2023
Opening balance	2,656,558	2,027,677
Income and expenses from associates, (net)	90,126	164,543
Dividends received from associates	(56,481)	(151,297)
Income and expenses from joint ventures, (net)	9,489	6,203
Closing balance	2,699,692	2,047,126

Profit or losses from investments accounted for by the equity method:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Yeni Gimat	50,184	24,229	125,127	68,712
Netsel	39,942	19,063	39,411	14,693
TTA	9,489	3,905	6,208	3,786
Total	99,615	47,197	170,746	87,191

The Group’s associates and joint ventures are included in the condensed consolidated interim financial statements with accounted for by the equity method.

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NOTE 4 - SEGMENT REPORTING

The reportable segments of Torunlar REIC have been organized by the management as a portfolio on a project-by-project basis and makes decisions about resources to be allocated to the properties on the same basis. Accounting policies applied by each operational segment of Torunlar REIC are the same as those are applied in Torunlar REIC's financial statements which are prepared in accordance with TFRS. The information about each segment is presented below. Management follows and evaluates the performance of its segments in the statement of profit or loss until the operating profit before the financing income/expense. Since all of the loans and deposits which are constituted the financing activities of the Group cannot be matched with the projects and are generally related to mixed projects, the Management does not make an assessment by distributing the financing activities according to the departments. In addition, the Management does not make an assessment by distributing its total assets and liabilities according to the divisions.

The segment information for the reportable segments as of and for the period ended 30 June 2024 is as follows:

30 June 2024	Total revenue from departments	Gross profit	Increase in fair value of investment properties (*)	Operating profit/(loss)	Income/ (expense) from subsidiaries	Finance expenses net	Profit/(loss) from operations before tax	Investment expenditures (**)
Offices and shopping								
Malls for rent								
Mall of İstanbul Shopping Mall	1,104,152	877,421	310,110	1,181,799	-	-	1,181,799	37,799
Korupark Shopping Mall	495,698	405,054	183,632	588,450	-	-	588,450	5,462
Torun Tower	190,081	189,645	-	(3,381,677)	-	-	(3,381,677)	2
Torium Shopping Mall	242,179	136,990	289,147	426,124	-	-	426,124	16,704
Mall of Antalya	237,414	178,854	132,221	311,075	-	-	311,075	8,422
Antalya Deepo Shopping Mall	167,299	130,561	37,436	167,997	-	-	167,997	28,425
Mall of İstanbul 2nd Phase	-	-	-	-	-	-	-	-
High Residences and Hilton Hotel	6,073	3,491	(72,244)	(68,753)	-	-	(68,753)	-
Zafer Plaza Shopping Mall	102,897	89,364	326,791	416,155	-	-	416,155	-
Torun Center	99,145	91,399	(1,644,707)	(1,566,835)	-	-	(1,566,835)	22,649
5. Levent Retail	12,187	10,627	(98,084)	(99,084)	-	-	(99,084)	-
Torium Dorns	7,940	4,452	(61,133)	(52,823)	-	-	(52,823)	-
Korupark independent areas	954	784	(20,037)	(23,110)	-	-	(23,110)	-
Mall of İstanbul Residence ve Office	2,003	687	(23,191)	(22,504)	-	-	(22,504)	153
Subtotal	2,668,022	2,119,329	(640,059)	(2,123,186)	-	-	(2,123,186)	119,616
Tourism Income								
Hilton Hotel	138,590	62,169	-	62,169	-	-	62,169	-
Subtotal	2,806,612	2,181,498	(640,059)	(2,061,017)	-	-	(2,061,017)	119,616
Residences and office projects								
Torun Center	71,641	32,551	-	16,779	-	-	16,779	-
Korupark 3rd Phase Residences	-	-	-	-	-	-	-	-
Mall of İstanbul High Residence	-	-	-	-	-	-	-	-
Mall of İstanbul Flat Office	-	-	-	-	-	-	-	-
5. Levent Project	18,585	7,417	-	7,417	-	-	7,417	-
Subtotal	90,226	39,968	-	24,196	-	-	24,196	-
Projects under construction								
5. Levent Project 2nd Phase	-	-	-	-	-	-	-	661,105
Paşabahçe Project	-	-	(193,316)	(193,316)	-	-	(193,316)	13,049
Karaköy Hotel	-	-	(130,478)	(130,478)	-	-	(130,478)	1,255
Real estates held to develop projects								
Antalya Kepez Lands	-	-	6,828	6,828	-	-	6,828	-
Kayabaşı Land	-	-	(65,402)	(65,402)	-	-	(65,402)	-
Mall of İstanbul 3rd Phase	-	-	(32,942)	(32,942)	-	-	(32,942)	-
Associates								
Ankamall ve Hotel (Yeni Gimat)	-	-	-	-	50,184	-	50,184	-
Netsel	-	-	-	-	39,942	-	39,942	-
TTA	-	-	-	-	9,489	-	9,489	-
Unallocated	-	(103,900)	-	(239,115)	-	(577,418)	(816,533)	-
Total	2,896,838	2,117,566	(1,055,369)	(2,691,246)	99,615	(577,418)	(3,169,049)	795,025

(*) It comprises of fair value increases/(decreases) arising from investment properties.

(**) Investment expenditures include investments for items classified as inventory in financial statements and shopping malls classified as investment properties.

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NOTE 4 - SEGMENT REPORTING (Continued)

The segment information for the reportable segments as of and for the period ended 31 December 2023 is as follows:

31 December 2023	Total revenue from departments	Gross profit	Increase in fair value of investment properties (*)	Operating profit/(loss)	Income (expense) from subsidiaries	Finance expenses net	Profit/(loss) from operations before tax	Investment expenditures (**)
Offices and shopping								
Malls for rent								
Mall of İstanbul Shopping Mall	1,058,056	843,474	-	787,791	-	-	787,791	24,161
Korupark Shopping Mall	472,229	371,755	-	360,131	-	-	360,131	7,415
Torun Tower	257,576	256,502	-	244,480	-	-	244,480	-
Torium Shopping Mall	230,666	121,039	-	110,335	-	-	110,335	20,703
Mall of Antalya	233,714	170,768	-	162,643	-	-	162,643	671
Antalya Deepo Shopping Mall	171,837	135,440	-	135,419	-	-	135,419	3,010
Mall of İstanbul 2nd Phase								
High Residence and Hilton Hotel	47,313	44,440	-	44,440	-	-	44,440	14,164
Zafer Plaza Shopping Mall	80,568	70,753	-	69,801	-	-	69,801	-
Torun Center	59,759	48,692	-	(77,682)	-	-	(77,682)	-
5. Levent Retail	9,342	7,746	-	(18,107)	-	-	(18,107)	-
Torium Dorms	8,273	5,654	-	5,654	-	-	5,654	-
Korupark independent areas	1,151	784	-	(1,984)	-	-	(1,984)	-
Mall of İstanbul Residence ve Office	2,174	1,570	-	1,570	-	-	1,570	-
Subtotal	2,632,658	2,078,617	-	1,824,491	-	-	1,824,491	70,124
Tourism Income								
Hilton Hotel	103,584	46,301	-	46,301	-	-	46,301	-
Subtotal	2,736,242	2,124,918	-	1,870,792	-	-	1,870,792	70,124
Residences and office projects								
Torun Center	409,363	253,250	-	253,250	-	-	253,250	-
Korupark 3rd. Phase Residences	19,178	13,294	-	13,294	-	-	13,294	-
Mall of İstanbul High Residence	67,565	44,902	-	44,902	-	-	44,902	-
Mall of İstanbul Flat Office	1,011	729	-	729	-	-	729	-
5. Levent Project	26	19	-	19	-	-	19	-
Subtotal	497,143	312,194	-	312,194	-	-	312,194	-
Projects under construction								
5. Levent Project 2nd Phase	-	-	-	-	-	-	-	542,939
Paşabahçe Project	-	-	-	-	-	-	-	17,654
Karaköy Hotel	-	-	-	-	-	-	-	24,830
Real estates held to develop projects								
Antalya Kepez Lands	-	-	-	-	-	-	-	-
Kayabaşı Land	-	-	-	-	-	-	-	-
Mall of İstanbul 3rd. Phase	-	-	-	-	-	-	-	-
Associates								
Ankamall ve Hotel (Yeni Gimat)	-	-	-	-	125,127	-	125,127	-
Netsel	-	-	-	-	39,411	-	39,411	-
TTA	-	-	-	-	6,208	-	6,208	-
Unallocated	-	(103)	-	43,007	-	678,696	721,703	-
Total	3,233,385	2,437,009	-	2,225,993	170,746	678,696	3,075,435	655,547

(*) It comprises of fair value increases/(decreases) arising from investment properties.

(**) Investment expenditures include investments for items classified as inventory in financial statements and shopping malls classified as investment properties.

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NOTE 5 - CASH AND CASH EQUIVALENTS

	30 June 2024	31 December 2023
Cash	497	394
Banks	10,479,302	2,651,008
<i>Demand deposits</i>	987,746	43,221
<i>Time deposits with maturities less than 3 months</i>	9,491,556	2,607,787
Other cash equivalents	10,329	6,888
	10,490,128	2,658,290

As of 30 June 2024, and 31 December 2023, cash and cash equivalents in the statements of cash flows are as follows:

	30 June 2024	31 December 2023
Cash and cash equivalents	10,490,128	2,658,290
Less: Interest accrual of time deposits	(890,637)	(22,982)
Cash and cash equivalents in the statement of cash flows	9,599,491	2,635,308

	30 June 2024	31 December 2023
Up to 30 days	1,506,556	118,487
30-90 days	7,985,000	2,489,300
	9,491,556	2,607,787

The breakdown of foreign currency denominated cash and cash equivalents in terms of TRY is as follows:

	30 June 2024		31 December 2023	
	Original Amount	TRY Equivalent	Original Amount	TRY Equivalent
US Dollar	601	19,724	51,644	1,896,347
Euro	21,568	757,644	2,694	109,460
Sterlin	19	787	18	841
		778,155		2,006,648

Weighted average effective interest rate for time deposits:

	30 June 2024	31 December 2023
US Dollar	3.50%	3.75%
Euro	2.25%	3.00%
TRY	58.14%	40.25%

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NOTE 6 - FINANCIAL LIABILITIES

	30 June 2024	31 December 2023
Financial Liabilities		
Bank borrowings	94,708	518,350
<i>Short-term financial borrowings</i>	94,708	518,350
Short-term portions of long-term borrowings	1,112,372	1,553,117
<i>Short-term portions of long-term borrowings</i>	1,112,372	1,553,117
Bank borrowings	782,810	2,474,439
<i>Long-term Borrowings</i>	782,810	2,474,439
Total financial borrowings	1,989,890	4,545,906

As of 30 June 2024, there are mortgages amounting to given to the banks regarding the financial liabilities amounting to TRY7,566,692 (31 December 2023: TRY11,528,268) on the investment properties.

Bank borrowings

	30 June 2024	31 December 2023
Short-term bank borrowings	94,708	518,350
Short-term portions of long-term borrowings	1,112,372	1,553,117
Long-term bank borrowings	782,810	2,474,439
Total borrowings	1,989,890	4,545,906

30 June 2024	Weighted avg. effective interest (%) (*)	Currency	Original amount	TRY equivalent
Short-term bank borrowings	44.03	TRY	94,708	94,708
Short-term portion of long-term borrowings	51.23	TRY	1,112,372	1,112,372
Long-term bank borrowings	48.67	TRY	782,810	782,810
Total bank borrowings				1,989,890

(*) Weighted average effective interest rates consists of weighted average rate of fixed and floating loans.

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NOTE 6 - FINANCIAL LIABILITIES (Continued)

31 December 2023	Weighted Average effective interest (%) (*)	Currency	Original amount	TRY equivalent
Short-term bank borrowings	44.03	TRY	518,350	518,350
Short-term portion of long-term borrowings	30.68 8.39	TRY Euro	1,531,380 535	1,531,380 21,737
Long-term bank borrowings	33.26 8.39	TRY Euro	2,207,284 6,575	2,207,284 267,155
Total bank borrowings				4,545,906

(*) Weighted average effective interest rates consists of weighted average rate of fixed and floating loans.

The repayment schedule for long-term bank borrowings as of 30 June 2024 and 31 December 2023 is as follows:

	30 June 2024	31 December 2023
2025	11,258	943,902
2026	457,831	991,729
2027 and beyond	313,721	538,808
	782,810	2,474,439
	1 January - 30 June 2024	1 January - 30 June 2023
Total financial liabilities as of January 1	4,545,906	9,052,898
Cash inflows from borrowing	-	2,768,200
Cash outflows from repayment	(1,463,235)	(2,806,398)
Foreign currency losses	-	438,829
Monetary loss/(gain)	(780,544)	(1,504,359)
Change in interest accruals	(312,237)	(225,681)
	1,989,890	7,723,489

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NOTE 7 - PREPAID EXPENSES AND DEFERRED INCOME

Short-Term Prepaid Expenses

	30 June 2024	31 December 2023
Advances given	758,550	243,356
Prepaid expenses	97,523	145,657
	856,073	389,013

Long-Term Prepaid Expenses

	30 June 2024	31 December 2023
Order advances given	8,270	5,019
Prepaid expenses	7,788	5,524
	16,058	10,543

Short-Term Deferred Income

	30 June 2024	31 December 2023
Advances received (*)	7,098,893	160,578
Deferred income	141,411	98,916
	7,240,304	259,494

(*) These are the sales commitments made for residences and offices that have been sold as of 30 June 2024 but have not yet been delivered. 5. Levent 2nd Stage sales will be delivered until 30 June 2025.

Long-Term Deferred Income

	30 June 2024	31 December 2023
Deferred income	193	257
Advances received (**)	-	4,933,006
	193	4,933,263

(**) As of 30 June 2024, all of the long-term sales commitments regarding the residences and offices that were sold but not delivered yet consist of the 2nd Stage of the 5th Levent project. Group management has classified all relevant advances as short-term taking into account the delivery date of the 5th Levent 2nd Stage project.

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES

Current trade receivables

	30 June 2024	31 December 2023
Notes receivables (*)	516,771	496,420
Trade receivables	383,537	413,145
Trade receivables from related parties (Note 20)	2,312	855,455
Other trade receivables	-	2,025
Less: Allowance for doubtful receivables	(22,876)	(28,841)
	879,744	1,738,204

Non-current trade receivables

	30 June 2024	31 December 2023
Notes receivables (*)	36,297	62,277
	36,297	62,277

(*) As of 30 June 2024, notes receivables consist of the sales of residences belonging to the 5. Levent 2nd Stage project that have not yet been delivered.

Movement of the provision for the doubtful receivables is as follows:

	30 June 2024	30 June 2023
Opening balance	(28,841)	(46,777)
Provision provided during the year	(50)	(2,152)
Provisions no longer required	392	1,482
Monetary gain	5,623	18,606
Closing balance	(22,876)	(28,841)

Aging of provision for doubtful receivables is as follows:

	30 June 2024	30 June 2023
3 to 6 months	(46)	(1,512)
Over 6 months	(22,830)	(27,329)
	(22,876)	(28,841)

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES (Continued)

Short-term trade payables	30 June 2024	31 December 2023
Trade payables to related parties (Note 20)	102,443	50,842
Trade payables	90,853	334,433
Notes payables	-	43,193
	193,296	428,468

As of 30 June 2024, and 31 December 2023, majority of trade payables consist of payables to subcontractors relating to projects in progress.

Long-term trade payables	30 June 2024	31 December 2023
Trade payables to related parties (Note 20)	48,896	33,095
	48,896	33,095

NOTE 9 - INVESTMENT PROPERTIES

Movement schedule of investment properties as of 30 June 2024 and 2023:

	1 January 2024	Additions	Disposals (*)	Transfers	Change in fair value	30 June 2024
Shopping Malls and Offices						
Mall of İstanbul Shopping Mall	22,452,226	37,799	(135)	-	310,110	22,800,000
Torun Tower	15,467,089	2	(15,467,091)	-	-	-
Bursa Korupark Shopping Mall	9,560,906	5,462	-	-	183,632	9,750,000
Torun Center	10,933,769	22,649	(22,712)	-	(1,644,707)	9,288,999
Torium Shopping Mall	2,744,161	16,704	(12)	-	289,147	3,050,000
Antalya Deepo Shopping Mall	3,554,936	28,425	(797)	-	37,436	3,620,000
Mall of Antalya	4,409,368	8,422	(10)	-	132,221	4,550,001
Mall of İstanbul 2nd Phase						
High Residences and						
Hilton Hotel	707,244	-	-	-	(72,244)	635,000
Bursa Zafer Plaza Shopping Mall	1,173,129	-	-	-	326,791	1,499,920
Mall of İstanbul						
Residences and Offices	243,034	153	-	-	(23,191)	219,996
Korupark Independent Areas	161,207	-	-	-	(20,037)	141,170
5. Levent bazaar	706,152	-	-	-	(98,084)	608,068
Torium Dorm 1	134,090	-	-	-	(24,190)	109,900
Torium Dorm 2	202,943	-	-	-	(36,943)	166,000
Investment properties under construction Gayrimenkuller						
Paşabahçe Land	5,067,467	13,049	-	-	(193,316)	4,887,200
Karaköy Hotel	1,481,223	1,255	-	-	(130,478)	1,352,000
Properties held for new projects						
Antalya Kepez Lands	536,777	-	-	-	6,828	543,605
Kayabaşı Land	886,077	-	-	-	(65,402)	820,675
Mall of İstanbul						
3rd Phase	340,482	-	-	-	(32,942)	307,540
	80,762,280	133,920	(15,490,757)	-	(1,055,369)	64,350,074

(*) The Group sold the Torun Tower project for TRY12,171,414 (TRY11,584,751 in nominal figures) with the investment property sales agreement signed on 19 April 2024. The fair value of the real estate expressed according to the purchasing power on 30 June 2024, is TRY15,467,091. As a result of the investment property sales transaction, the Company recognized a loss of TRY3,295,675 in other income from main activities.

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NOTE 9 - INVESTMENT PROPERTIES (Continued)

	1 January 2023	Additions	Disposals (*)	Transfers	Change in fair value	30 June 2023
Shopping Malls and Offices						
Mall of İstanbul Shopping Mall	18,733,953	24,161	-	-	-	18,758,114
Torun Tower	12,331,729	-	-	-	-	12,331,729
Bursa Korupark Shopping Mall	7,772,277	7,415	-	-	-	7,779,692
Torun Center	8,928,695	-	(260,460)	-	-	8,668,235
Torium Shopping Mall	2,363,582	20,703	-	-	-	2,384,285
Antalya Deepo Shopping Mall	3,320,194	3,010	-	-	-	3,323,204
Mall of Antalya	4,291,975	671	-	-	-	4,292,646
Mall of İstanbul 2nd Phase						
High Residences and Hilton Hotel	1,117,672	14,164	-	-	-	1,131,836
Bursa Zafer Plaza Shopping Mall	1,165,759	-	-	-	-	1,165,759
Mall of İstanbul Residences and Offices	269,624	-	-	-	-	269,624
Korupark independent areas	212,722	-	-	-	-	212,722
5. Levent Retail	906,926	-	-	-	-	906,926
Torium Dorm 1	78,984	-	-	-	-	78,984
Torium Dorm 2	145,308	-	-	-	-	145,308
Investment properties under construction						
Paşabağçe Land	5,549,278	17,654	-	-	-	5,566,932
Karaköy Hotel	1,382,962	24,830	-	-	-	1,407,792
Properties held for new projects						
Antalya Kepez Lands	492,981	-	-	-	-	492,981
Kayabaşı Land	936,512	-	-	-	-	936,512
Mall of İstanbul 3rd Phase	363,786	-	-	-	-	363,786
	70,364,919	112,608	(260,460)	-	-	70,217,067

As of 30 June 2024 and 31 December 2023, the mortgages on investment properties arising from loans are as follows:

	30 June 2024 Original Amount	31 December 2023 Original Amount	Currency	30 June 2024	31 December 2023
Mall of Antalya - Deepo	130,000	130,000	Euro	4,566,692	5,291,538
Mall of İstanbul	1,500,000	1,871,018	TRY	1,500,000	1,871,018
Bursa Korupark Shopping Mall	1,500,000	1,871,018	TRY	1,500,000	1,871,018
Torun Tower	-	2,494,691	TRY	-	2,494,691
				7,566,692	11,528,265

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NOTE 10 - INVENTORIES

	30 June 2024	31 December 2023
Residences and office projects (short term)		
- 5.Levent project 2nd phase (7)	3,531,931	-
- Torun Center project (1)	2,643,027	2,631,202
- Mall of İstanbul 2nd phase (High Residence) (2)	747,173	747,173
- 5.Levent project (3)	53,006	62,402
- Mall of İstanbul project (4)	32,170	32,170
- Korupark 3rd phase (5)	18,338	18,338
- Torium (6)	5,180	5,180
	7,030,825	3,496,465

Other Inventories

- Inventories related with tourism activities	3,588	4,261
Total inventories	7,034,413	3,500,726

	30 June 2024	31 December 2023
Residences and office projects (long term)		
- 5.Levent project 2ndPhase (7)	-	2,917,022
	-	2,917,022

- (1) As of 30 June 2024, there are 277 residential units with an area of 46,831 m² and 7 offices with an area of 885 m² remaining in the Torun Center Project.
- (2) As of 30 June 2024, there are 46 residential units remaining in the Mall of İstanbul II. Stage project, totaling 11,028 m².
- (3) As of 30 June 2024, there are 8 residential units of 1,107 m² remaining in the 5th Levent project.
- (4) As of 30 June 2024, there are 2 residential units of 116 m² remaining in the Mall of İstanbul project.
- (5) As of 30 June 2024, there are 6 residential units of 980 m² remaining in the Korupark III. Stage project.
- (6) As of 30 June 2024, there are 2 residential units of 189 m² remaining in the Torium Houses project.
- (7) Although the construction works have started in the 5.Levent 2.Phase project, it is estimated that it will take more than 1 year to complete all the costs of the project, so it has been accounted as long-term inventories. 5. Levent Project 2nd Stage deliveries are reclassified from long-term to short-term inventories due to the planning date of 30 June 2025.

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NOT 11 – FINANCIAL INVESTMENTS

The Group's short-term financial investments are as follows:

	30 June 2024	31 December 2023
Measured at amortized cost	-	1,529,395
	-	1,529,395

The Group's long-term financial investments are as follows:

	30 June 2024	31 December 2023
Measured at amortized cost	6,249,410	244,373
	6,249,410	244,373

a) Measured at amortized cost

Debt securities:

	30 June 2024	31 December 2023
Eurobond (*)	3,867,929	1,773,768
Fund	2,381,481	-
	6,249,410	1,773,768

(*) The minimum annual yield rate of the Eurobond is 7.18% and the maximum yield rate is 10.12%.

NOTE 12 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities

	30 June 2024	31 December 2023
Collaterals received	929,343	856,358

Collaterals received usually consist of letters of guarantee received from subcontractors for projects which are developed by the Group.

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NOTE 12 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES(Continued)

Collaterals, Pledges and Mortgages (“CPM”)

Below are the amounts of collaterals, pledges and mortgages of the Group as of 30 June 2024 and 31 December 2023:

CPM’s given by the Company Collaterals, Pledges, Mortgages (‘CPM’)		30 June 2024	31 December 2023
A.	CPM’s Given for Its Own Legal Personality	7,652,815	11,528,268
B.	CPM’s Given on Behalf of Fully Consolidated Companies	-	-
C.	CPM’s Given for Continuation of its Economic Activities on Behalf of Third Parties	-	-
D.	Total Amount of Other CPM's		
i.	Total Amount of CPM's Given on behalf of the Majority Shareholder	-	-
ii.	Total Amount of CPM's Given 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	-	-
		7,652,815	11,528,268

Foreign	30 June 2024		31 December 2023	
	TRY currency	Foreign equivalent	TRY currency	Foreign equivalent
Euro	130,000	4,566,692	130,000	5,291,538
TRY	3,000,000	3,000,000	6,236,727	6,236,727
		7,566,692		11,528,265

As of 30 June 2024, mortgages on investment properties of the Group is TRY7,566,692 (31 December 2023: TRY11,528,268) (Note 9). Lease income from Korupark Shopping Mall, Mall of Istanbul Shopping Mall, Mall of Antalya, and Antalya Deepo Shopping Mall is alienated regarding the loans used.

The Group also stands as the guarantor of the borrowings that will be used by the buyers of the residences until the completion of residences and transfer of deeds to the contracting parties in relation to sale of residences through loans.

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NOTE 13 - PLANT, PROPERTY AND EQUIPMENT

Movements in property, plant and equipment and related accumulated depreciation for the period ending on 30 June 2024 and 30 June 2023 are as follows:

	1 January 2024	Additions	Impairment	Disposals (-)	Transfers	30 June 2024
Land improvement	1,790	-	-	-	-	1,790
Hotel building	3,999,951	-	(330,208)	-	-	3,669,743
Machine and devices	2,220	-	-	-	-	2,220
Vehicles	14,976	-	-	-	-	14,976
Furniture and fixtures	185,460	851	-	-	-	186,311
Cost	4,204,397	851	(330,208)	-	-	3,875,040
Land improvement	(447)	(27)	-	-	-	(474)
Hotel building	(64,588)	(35,623)	-	-	-	(100,211)
Machine and devices	(1,397)	(95)	-	-	-	(1,492)
Vehicles	(14,924)	(52)	-	-	-	(14,976)
Furniture and fixtures	(143,901)	(8,725)	-	-	-	(152,626)
Amortization and depreciation (-)	(225,257)	(44,522)	-	-	-	(269,779)
Net Book Value	3,979,140					3,605,261

	1 January 2023	Additions	Impairment	Disposals (-)	Transfers	30 June 2023
Land improvement	1,790	-	-	-	-	1,790
Hotel building	3,100,196	14,682	-	-	-	3,114,878
Machine and devices	2,220	-	-	-	-	2,220
Vehicles	14,976	-	-	-	-	14,976
Furniture and fixtures	183,173	1,432	-	-	-	184,605
Cost	3,302,355	16,114	-	-	-	3,318,469
Land improvement	(413)	(31)	-	-	-	(444)
Hotel building	-	(29,092)	-	-	-	(29,092)
Machine and devices	(1,202)	(99)	-	-	-	(1,301)
Vehicles	(14,825)	(51)	-	-	-	(14,876)
Furniture and fixtures	(116,738)	(14,112)	-	-	-	(130,850)
Amortization and depreciation (-)	(133,178)	(43,385)	-	-	-	(176,563)
Net Book Value	3,169,177					3,141,905

NOTE 14 - EQUITY

The Group increased its issued capital from TRY176,100,000 to TRY224,000,000 through public offering. A total TRY56,352,942 nominal value of shares were offered to the public, consisting of TRY47,900,000 to be issued from the capital increase and additional shares TRY8,452,942 owned by current shareholders. The compulsory prospectus of the public offering was registered by the İstanbul Trade Registry Office on 7 October 2010 and announced in the Trade Registry no: 7669 on 14 October 2010 pages between 641-735 totally 95 pages. The Group's quoted shares are traded in the İstanbul Stock Exchange as from 21 October 2010.

The board of directors decided in its meeting dated 10 May 2012 to increase its paid-up capital of TRY224,000,000 to TRY500,000,000 within the cap of TRY1,000,000,000 registered capital, through a bonus issue by adding TRY276,000,000 out of a total of TRY301,770,000 share premium, transactions related to capital increase was completed on 16 August 2012.

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NOTE 14 – EQUITY (Continued)

The Group has increased its capital that is increased to TRY500,004, to TRY1,000,000 by providing all of it from the Extraordinary Shares within TRY1,000,000 registered equity ceiling, with capital increase through bonus issues by TRY499,996 on 22 December 2017.

Group’s shareholders and capital structure as of 30 June 2024 and 31 December 2023 is as follows:

Shareholders	(%)	Group A (thousand)	Group B (thousand)	Group C (thousand)	30 June 2024	31 December 2023
Aziz Torun	37.41	200,328	-	173,740	374,068	374,068
Mehmet Torun	37.41	-	200,312	173,740	374,052	374,052
Torunlar Gıda San. Ve Tic. A.Ş.	0.03	142	142	-	284	284
Mahmut Karabıyık	Less than 0.01	-	16	-	16	16
Other shareholders	Less than 0.01	-	-	8	8	8
Other (Public quotation)	25.16	-	-	251,572	251,572	251,572
Nominal capital		200,470	200,470	599,060	1,000,000	1,000,000
Adjustment to capital share		1,888,367	1,782,648	5,208,519	8,879,534	8,879,534
Adjusted capital		2,088,837	1,983,118	5,807,579	9,879,534	9,879,534

The A and B group shares have nomination privilege to the Board of Directors according to Article 13 of association. The members of the Board of Directors are elected by the General Assembly among the two candidates nominated by the shareholders of Group B, two candidates nominated by the shareholders of the Group A and the other three members among the candidates nominated by the general assembly. The nomination and election of the independent board members, the regulations regarding the independent members of the Capital Markets Board are taken as basis.

Companies whose shares are quoted in Borsa İstanbul are subject to profit distribution rules of Capital Market Board as follows:

Dividend is distributed according to Communiqué Serial: IV, No: 27 on “Principles Regarding Distribution of Dividends for the quoted entities subjected to Capital Market Board Law”, principles determined in the Articles of Association and dividend distribution policy which is declared by the Companies to the market.

In addition, the decision also allows companies to compute their distributable profit amounts by considering the net profit for the period presented in the publicly disclosed consolidated financial statements prepared in accordance with the Communiqué Serial: XI, No: 29, if such distributable profits could be fully recovered from resources subject to profit distribution in the statutory records.

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NOTE 15 - REVENUE AND COST OF SALES

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Rent income	2,222,050	1,014,397	2,135,004	1,177,199
Common area income	445,972	204,282	497,142	230,591
Hotel income	138,590	75,875	103,584	36,804
Residence and office sales income	90,226	62,363	497,655	5,933
Revenues	2,896,838	1,356,917	3,233,385	1,450,527
Common area expense	(499,044)	(187,765)	(527,557)	(229,584)
Hotel expenses	(76,421)	(38,123)	(80,446)	(39,413)
Cost of residence and office sales	(50,258)	(48,864)	(161,887)	(54,198)
Rent expenses and management fees of shopping malls	(49,649)	-	(26,486)	(13,521)
Other	(103,900)	(86,929)	-	-
Cost of sales	(779,272)	(361,681)	(796,376)	(336,716)
Gross profit	2,117,566	995,236	2,437,009	1,113,811

Operational lease revenues mainly consist of rent income from shopping malls and Torun Tower office building which recognizes only for 4 months. Shopping malls in operation are Mall of İstanbul, Ankara ANKAmall, Bursa Korupark, Bursa Zafer Plaza, Antalya Deepo, İstanbul Torium and Samsun Bulvar Shopping Mall. Bulvar Samsun Shopping Mall started to operate on July 2012. Ankamall is owned by the Group's associate Yeni Gimat; Samsun Bulvar Shopping Mall, is owned by the Group's joint venture TTA. Mall of İstanbul, İstanbul Torium, Bursa Korupark and Antalya Deepo is managed by the related party Torun AVM Yatırım ve Yönetim A.Ş. ("Torun Shopping Mall"), the management of Bursa Zafer Plaza is conducted by Zafer Plaza İşletmeciliği A.Ş.

Hotel revenues represent earnings from room rentals, earnings from sales of food and beverages, and revenue from other services provided to in-hotel customers.

Common area expenses consist of electricity, water, security, cleaning, advertising and other common area expenses of the shopping malls. Common area income consists of expenses charged to tenants related to common areas.

NOTE 16- MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
General administrative expenses				
Personnel expenses	(44,251)	(22,856)	(31,198)	(9,941)
Depreciation expenses	(40,441)	(37,066)	(39,047)	(27,345)
Property expenses	(34,287)	(19,609)	(41,858)	(16,081)
Taxes, due and fees	(26,028)	(25,974)	(60,646)	(39,001)
Provisions for legal cases and doubtful receivables	(5,797)	-	(8,733)	(5,933)
Transportation and travel expenses	(4,185)	(2,378)	(3,358)	(1,915)
Consultancy expenses	(3,211)	(1,063)	(3,159)	(1,383)
Other	(3,829)	(220)	(15,020)	(7,800)
	(162,029)	(109,166)	(203,019)	(109,399)

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NOTE 16 - MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES (Continued)

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Marketing expenses				
Advertising and promotion expenses	(11,163)	(8,141)	(31,138)	(24,329)
Personnel expenses	(8,089)	(1,314)	(6,358)	(1,123)
Depreciation expenses	(4,493)	(4,258)	(4,338)	(3,462)
Consultancy expenses	(95)	-	(225)	(92)
Residence sales marketing expenses	-	-	(24,902)	(9,428)
Other	(1,503)	(129)	(2,069)	180
	(25,343)	(13,842)	(69,030)	(38,254)

NOTE 17 - OTHER INCOME/(EXPENSES) FROM OPERATING ACTIVITIES

Other operating income

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Foreign exchange gain, net	30,339	(3,566)	25,990	12,872
Commission income	1,461	1,461	3,736	-
Reversal of provisions (Note 7)	283	-	27	-
Investment property sales income	-	-	38,611	1,729
Other	13,614	(6,280)	14,027	13,558
	45,697	(8,385)	82,391	28,159

Other operating expenses

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Investment property sales losses (*)	(3,311,447)	(3,311,447)	-	-
Fair value loss on investment properties	(1,055,369)	(1,055,369)	-	-
Foreign exchange loss, net	(25,586)	8,580	-	-
Other (**)	(274,735)	(265,920)	(21,358)	(8,822)
	(4,667,137)	(4,624,156)	(21,358)	(8,822)

(*) The entire loss on the sale of investment property belongs to the Torun Tower project, which was sold in April 2024 (Note 4).

(**) The 252,041 TRY portion of other expenses is the Torun Tower title deed fee.

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NOTE 18 - FINANCE INCOME/(EXPENSES)

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Finance income				
Interest income on time deposits	1,552,536	1,287,409	279,777	169,735
Foreign exchange gains	283,251	174,483	-	-
	1,835,787	1,461,892	279,777	169,735
Finance expenses				
Interest expense	(390,499)	(275,277)	(488,863)	(255,750)
Foreign exchange losses	(5,215)	(5,215)	(49,003)	(9,338)
	(395,714)	(280,492)	(537,866)	(265,088)

NOTE 19 – EARNINGS/(LOSSES) PER SHARE

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“Bonus Shares”) to existing shareholders from retained earnings and revaluation surplus. The issue of such shares is treated as the issuance of ordinary shares in the calculation of earnings per share.

Earnings per share disclosed in the income statement is determined by dividing net income attributable to ordinary shareholders by the weighted average number of shares existing during the period concerned

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Net losses of shareholders	(3,169,358)	(4,286,565)	3,074,229	1,306,818
Weighted average number of ordinary shares (Full TRY)	1,000,000	1,000,000	1,000,000	1,000,000
Earnings/(Loss) per share (Full TRY)	(3.17)	(4.29)	3.07	1.31

NOTE 20 - RELATED PARTY DISCLOSURES

As of 30 June 2024 and 31 December 2023, the balances with related parties are as follows:

Trade Payables to Third Parties	30 June 2024	31 December 2023
Zafer Plaza İşletmeciliği A.Ş.	2,312	-
Torun Yapı San. Ve Tic. A.Ş. (*)	-	846,747
Other	-	8,708
	2,312	855,455

(*) Torun Yapı undertakes the Group’s construction works.

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NOTE 20 - RELATED PARTY DISCLOSURES (Continued)

Trade Payables to Related Parties	30 June 2024	31 December 2023
Torun AVM (**)	97,448	46,446
Mehmet Torun	48,896	33,095
Torun Center	3,783	3,442
Torunlar Gıda	1,212	954
	151,339	83,937

(**) Torun Shopping Mall operates Mall of Istanbul, Mall of Antalya, Deepo Shopping Mall, İstanbul Torium Shopping Mall and Bursa Korupark Shopping Mall that the Company owns. In accordance with the administration contract signed for the shopping malls, 2% administration fee is paid to the shopping malls on total rental price invoices (VAT excluded) to the lessees. It is also regarded as lessee in cinemas and other entertainment sections of shopping malls. Balances of payable and receivables of Torun Mall is presented by netting off.

As of 30 June 2024 and 2023, sales to related parties and commission paid to them and service expenses are as follows:

Sales to related parties	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Zafer Plaza İşletmeciliği A.Ş.	102,559	50,008	89,129	48,816
Torun AVM	100,274	49,182	111,140	59,160
Torun Yapı San. Ve Tic. A.Ş.	17,991	2,758	-	-
Other	978	349	5,113	1,080
Total	221,802	102,297	205,382	109,056

Zafer Plaza İşletmeciliği A.Ş. operates Zafer Plaza Shopping Mall owned by the Company. In accordance with the administration contract signed for Zafer Plaza Shopping Mall, Torunlar REIC had rental income amounting to TRY102,559 for the period 30 June 2024.

Purchases from related parties	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Torun Yapı San. Ve Tic. A.Ş.	537,885	129,226	60,774	48,362
Torun AVM	325,165	168,688	278,842	157,330
Torunlar Gıda	4,750	2,233	6,879	3,446
Other	5,626	1,769	1,784	953
Total	873,426	301,916	348,279	210,091

NOTE 21 - BENEFITS PROVIDED FOR MEMBER OF KEY MANAGEMENT

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Salaries and premiums	10,298	5,872	29,939	21,707

All of the benefits provided to the senior management consist of short-term remuneration and similar benefits and do not include long-term benefits.

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NOTE 22 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Foreign currency position

Foreign currency denominated assets, liabilities and off-balance sheet accounts give rise to foreign exchange exposure. The Group does not have any export or import activity in 30 June 2024 and 31 December 2023.

Foreign currency denominated assets and liabilities held by the Group are as follows:

	30 June 2024	31 December 2023
Assets	7,202,940	2,138,843
Liabilities	(152,834)	(450,866)
Net balance sheet position	7,050,106	1,687,977

The table below summaries foreign currency position risk of the Group as of 30 June 2024. The original currency amounts of assets and liabilities denominated in foreign currencies and the total TRY equivalent are as follows:

	30 June 2024	Total TRY Amonut	Euro	US Dollar	GBP
1.	Trade receivables	170,768	131	5,062	-
2.a	Monetary financial assets	7,012,782	41,859	168,815	19
2.b	Non-Monetary financial assets	-	-	-	-
3.	Other	19,390	352	214	-
4.	Current Assets	7,202,940	42,342	174,091	19
5.	Trade receivables	-	-	-	-
6.a	Monetary financial assets	-	-	-	-
6.b	Non-Monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
8.	Non-Current Assets	-	-	-	-
9.	Total assets	7,202,940	42,342	174,091	19
10.	Trade Payables	46,413	447	933	-
11.	Financial liabilities	-	-	-	-
12.a	Other monetary obligations	-	-	-	-
12.b	Other non-monetary liabilities	-	-	-	-
13.	Short-term liabilities	46,413	447	933	-
14.	Trade payables	-	-	-	-
15.	Financial liabilities	106,421	2	3,234	-
16.a	Other monetary obligations	-	-	-	-
16.b	Other non-monetary liabilities	-	-	-	-
17.	Long-term liabilities	106,421	2	3,234	-
18.	Total liabilities	152,834	449	4,167	-
19.	Net asset/liability position of off-balance sheet derivatives (19a-19b)	-	-	-	-
19.a	Off-balance sheet foreign currency derivative assets	-	-	-	-
19.b	Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20.	Net foreign currency assets/liabilities position (9-18+19)	7,050,106	41,893	169,924	19
21.	Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	7,050,106	41,893	169,924	19
22.	Fair value of foreign currency hedged financial assets	-	-	-	-
23.	Hedged foreign currency assets	-	-	-	-
24.	Hedged foreign currency liabilities	-	-	-	-

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NOTE 22 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The table below summaries foreign currency position risk of the Group as of 31 December 2023. The original currency amounts of assets and liabilities denominated in foreign currencies and the total TRY equivalent are as follows:

31 December 2023		Total TRY Amount	Euro	US Dollar	GBP
1.	Trade receivables	131,192	815	2,671	-
2.a	Monetary financial assets	2,006,648	2,694	51,644	18
2.b	Non-Monetary financial assets	-	-	-	-
3.	Other	1,003	3	24	-
4.	Current Assets	2,138,843	3,512	54,339	18
5.	Trade receivables	-	-	-	-
6.a	Monetary financial assets	-	-	-	-
6.b	Non-Monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
8.	Non-Current Assets	-	-	-	-
9.	Total assets	2,138,843	3,512	54,339	18
10.	Trade Payables	(161,459)	(978)	(3,307)	-
11.	Financial liabilities	-	-	-	-
12.a	Other monetary obligations	(35,006)	(860)	-	-
12.b	Other non-monetary liabilities	-	-	-	-
13.	Short-term liabilities	(196,465)	(1,838)	(3,307)	-
14.	Trade payables	-	-	-	-
15.	Financial liabilities	(254,401)	(6,250)	-	-
16.a	Other monetary obligations	-	-	-	-
16.b	Other non-monetary liabilities	-	-	-	-
17.	Long-term liabilities	(254,401)	(6,250)	-	-
18.	Total liabilities	(450,866)	(8,088)	(3,307)	-
19.	Net asset/liability position of off-balance sheet derivatives (19a-19b)	-	-	-	-
19.a	Off-balance sheet foreign currency derivative assets	-	-	-	-
19.b	Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20.	Net foreign currency asset/liability position of monetary items (9-18+19)	1,687,977	(4,576)	51,032	18
21.	Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	1,687,977	(4,576)	51,032	18
22.	Fair value of foreign currency hedged financial assets	-	-	-	-
23.	Hedged foreign currency assets	-	-	-	-
24.	Hedged foreign currency liabilities	-	-	-	-

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NOTE 22 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The table below shows the Group’s sensitivity for 10% fluctuation of USD and EUR. These amounts represent the effect on the statement of comprehensive income of 10% fluctuation of USD and EUR against TRY. During this analysis all other variables especially interest rate is assumed to remain constant.

	Gain/(Loss)		Equity	
	Appreciation	Depreciation	Appreciation	Depreciation
30 June 2024				
10% fluctuation in USD rate				
USD net asset/liability	557,712	(557,712)	557,712	(557,712)
Secured portion from USD risk	-	-	-	-
USD net effect	557,712	(557,712)	557,712	(557,712)
10% fluctuation in EUR rate				
EUR net asset/liability	147,161	(147,161)	147,161	(147,161)
Secured portion from EUR risk	-	-	-	-
EUR net effect	147,161	(147,161)	147,161	(147,161)
	Gain/(Loss)		Equity	
	Appreciation	Depreciation	Appreciation	Depreciation
31 December 2023				
10% fluctuation in USD rate				
USD net asset/liability	187,388	(187,388)	187,388	(187,388)
Secured portion from USD risk	-	-	-	-
USD net effect	187,388	(187,388)	187,388	(187,388)
10% fluctuation in EUR rate				
EUR net asset/liability	(18,627)	18,627	(18,627)	18,627
Secured portion from EUR risk	-	-	-	-
EUR net effect	(18,627)	18,627	(18,627)	18,627

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NOTE 23 - FAIR VALUE DISCLOSURES ON FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

The fair values of financial assets and financial liabilities are determined and grouped as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- Level 2: the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from directly or indirectly observable current market transactions.
- Level 3: the fair value of the financial assets and financial liabilities where there is no observable market data.

Classifications of the assets and liabilities which are measured at fair values are as follows:

Financial assets measured at the fair value	Fair value as of 30 June 2024		
	Level 1 TRY	Level 2 TRY	Level 3 TRY
Investment properties	-	11,930,053	52,420,021

Financial assets measured at the fair value	Fair value as of 31 December 2023		
	Level 1 TRY	Level 2 TRY	Level 3 TRY
Investment properties	-	29,274,587	51,487,693

NOTE 24 - SUBSEQUENT EVENTS

With the Law on Amendments to Tax Laws and Certain Laws and Legislative Decree No. 375, numbered 7524, published in the Official Gazette dated 2 August 2024;

the application of the corporate tax exemption provided to the earnings of Real Estate Investment Partnerships (“REITs”) and Real Estate Investment Funds (“REITs”) has been made conditional on the distribution of at least 50% of the earnings obtained from the real estates owned by the said funds and partnerships as dividends by the end of the second month following the month in which the corporate tax return must be submitted, and with the addition of subparagraph c to Article 32 of the Corporate Tax Law, a 10% domestic minimum corporate tax application has been introduced, and it has been stipulated that the earnings obtained by REITs and REITs from real estate’s cannot be taken into account as exemptions and deductions from the corporate earnings for which the minimum corporate tax will be calculated.

On 22 July 2024, the Company distributed TRY2,350,000 as first and second dividends from the remaining amount after separating the previous year's losses and legal reserves from the net profit of 2023.

TORUNLAR GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. AND ITS SUBSIDIARY

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira (“TRY”) as of 30 June 2024 unless otherwise indicated.)

NOTE 25 - ADDITIONAL NOTES: CONTROL OF COMPLIANCE WITH THE PORTFOLIO LIMITATIONS

As of 30 June 2024, the information stated in Note “Control of Compliance with the Portfolio Limitations” are the condensed information which comprised of Serial: II. No: 14.1 “Financial Reporting in Capital Markets” Amendment No: 16 and prepared in accordance with Capital Markets Board’s Communiqué Serial: III, No: 48.1 “Real Estate Investment Company” published in the Official Gazette dated 28 May 2013 numbered 28660 ,Capital Markets Board’s Communiqué Serial: III. No: 48.1 a “Amendment on Real Estate Investment Company” published in the Official Gazette dated 23 January 2014 numbered 28891 and Capital Markets Board’s Communiqué Serial: III. No: 48.1 e “Amendment on Real Estate Investment Company” published in the Official Gazette dated 9 October 2020 numbered 31269. The related information which is stated Note 32 may not be consistent with the information given in the consolidated financial statements.

Financial Statements Main Account Items	Related Regulations	30 June 2024	31 December 2023
A Money and capital markets instruments	Series III-48.1a Art. 24/(b)	16,739,538	4,432,058
B Properties, projects based on properties and rights based on properties	Series III-48.1a , Art. 24/(a)	71,384,487	87,180,028
C Subsidiaries	Series III-48.1a , Art. 24/(b)	2,699,692	2,656,558
Due to related parties (non-trade)	Series III-48.1a , Art. 23/(f)	-	-
Other Assets		5,470,093	6,257,148
D Total assets	Series III-48.1a , Art. 3/(p)	96,293,810	100,525,792
E Financial liabilities	Series III-48.1a , Art. 31	1,989,890	4,545,906
F Other financial liabilities	Series III-48.1a , Art. 31	-	886,091
G Finance leases	Series III-48.1a , Art. 31	-	-
H Due from related parties (non-trade)	Series III-48.1a , Art. 23/(f)	79	-
I Shareholders Equity	Series III-48.1a , Art. 31	86,607,918	90,107,484
Other liabilities		7,695,923	4,986,311
D Total liabilities	Series III-48.1a , Art. 3/(p)	96,293,810	100,525,792

Financial Information	Related Regulations		
A1 The portion of money and capital market instruments held for payment of properties for the following 3 years	Series III-48.1a , Art. 24/(b)	10,490,128	2,658,290
TRY and foreign currency time and demand			
A2 deposits	Series III-48.1a , Art. 24/(b)	10,490,128	2,658,290
A3 Foreign capital market instruments	Series III-48.1a , Art. 24/(d)	-	-
Foreign properties, projects based on			
B1 properties and rights based on properties	Series III-48.1a , Art. 24/(d)	-	-
B2 Idle lands	Series III-48.1a , Art. 24/(c)	-	-
C1 Foreign affiliates	Series III-48.1a , Art. 24/(d)	-	-
Investments in affiliated operating			
C2 companies	Series III-48.1a , Art. 28/1(a)	-	-
J Non-cash loans	Series III-48.1a , Art. 31	86,123	104,326
Mortgage amount on non-owned land to			
K be developed	Series III-48.1a , Art. 22/(e)	-	-
Total investments for money and capital			
L market instruments in a single entity	Series III-48.1a , Art. 22/(l)	11,214,414	3,537,863

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(Amounts are expressed in thousand TRY based on the purchasing power of the Turkish Lira (“TRY”) as of 30 June 2024 unless otherwise indicated.)

NOTE 25 - ADDITIONAL NOTES: CONTROL OF COMPLIANCE WITH THE PORTFOLIO LIMITATIONS (Continued)

Portfolio Restrictions	Related Regulations	30 June 2024	31 December 2023	Maximum /Minimum Rate
1 Mortgage amount on non-owed land to be developed	Series III-48.1a, Art. 22/(e)	0.00%	0.00%	<10%
2 Properties, projects based on properties and rights based on properties,	Series III-48.1a, Art. 24/(a),(b)	85.03%	89.37%	>50%
3 Money and capital market instruments and affiliates,foreign properties,project based on properties	Series III-48.1a, Art. 24/(b)	9.29%	4.41%	<50%
4 Foreign properties, projects based on properties rights based on properties affiliates capital, market instruments	Series III-48.1a, Art. 24/(d)	0.00%	0.00%	<49%
5 Idle lands	Series III-48.1a, Art. 24/(c)	0.00%	0.00%	<20%
6 Investment in affiliated operating companies	Series III-48.1a, Art. 28/1(a)	0.00%	0.00%	<10%
7 Borrowing limit	Series III-48.1a, Art. 31	2.40%	6.14%	<500%
8 TRY and foreign currency time and demand deposits	Series III-48.1a, Art. 24/(b)	0.00%	0.00%	<10%
9 Total investments for money and capital market instruments in a single entity (*)	Series III-48.1a, Art. 22/(1)	11.65% (*)	3.52%	<10%

(*) According to the Communiqué numbered III-48.1a; as of 30 June 2024, the “Total Investments in Money and Capital Market Instruments in a Single Company” ratio in the financial statements remains above the maximum limit at 11%. The reason for this is that the Company has cash as of 30 June 2024 due to the dividends that will be distributed to the shareholders from the previous year’s profits. After the Company distributes a dividend of TRY 2,350,000 on 22 July 2024, the relevant ratio is expected to be below the maximum limit in the following financial statements.

Associate	Participation rate (%)	Participation amount	
		30 June 2024	31 December 2023
Yeni Gimat	14.83	2,477,050	2,437,474
TTA	40.00	116,486	114,625
Netsel	44.60	106,156	104,459
TRN	100.00	995	995
		2,700,687	2,657,553

Yeni Gimat, Netsel and TTA which are associates and joint ventures of the Company (all together ‘Subsidiaries’) do not have valuation reports as at 30 June 2024. For the purposes of the control of compliance with the portfolio limitations, net asset values of associates are used. In this respect, Yeni Gimat and TTA’s stand-alone financial statements, which are prepared in accordance with financial reporting standards of the Company, are multiplied with the Company’s ownership rate in the related subsidiary. Thus, it is assumed that net values which are determined by adding and deducting net receivables/liabilities as of balance sheet date from the investment properties that are owned by associates and followed in stand-alone financial statements with fair values, approximate to the fair value of the associates. Investment properties which are owned by associates are explained in Note 1 in detail. Since, there are no valuation reports of Netsel, net asset values of the subsidiaries based on their stand-alone financial statements are taken into account and they are multiplied with Company’s share in these subsidiaries.