

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Condensed Statement of Financial Position (Balance Sheet)

For the Interim Period Ended September 30, 2023

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Reviewed</i>	<i>Audited</i>
	<i>Notes</i>	September 30, 2023	December 31, 2022
ASSETS			
Current assets		2.257.427.604	1.837.079.701
Cash and cash equivalents	5	79.568.938	1.246.119.883
Financial investments	6	499.641.609	128.943.342
Trade receivables	8	171.921.345	144.545.368
<i>Trade receivables from related parties</i>	24	3.022.096	10.193.000
<i>Trade receivables from third parties</i>		168.899.249	134.352.368
Other receivables	9	6.367.862	9.028.038
<i>Other receivables from third parties</i>		6.367.862	9.028.038
Inventories	11	49.950.679	58.508.963
Inventories under development	11	1.112.989.534	--
Prepaid expenses	16	282.255.301	193.575.742
<i>Prepaid expenses to related parties</i>	24	61.938.399	397.621
<i>Prepaid expenses to third parties</i>		220.316.902	193.178.121
Other current assets	16	54.732.336	56.358.365
Non-current assets		21.208.138.226	15.580.139.555
Financial investments	6	763.127.373	555.334.332
Trade receivables	8	6.042.050	117.453
<i>Other trade receivables from third parties</i>		6.042.050	117.453
Inventories	11	2.013.663.257	1.043.171.764
Equity accounted investees	3	16.091.151	10.342.436
Investment properties	10	15.911.547.177	12.077.814.730
Investment properties under development	10	2.288.125.245	1.735.642.000
Tangible assets	12	192.384.352	143.597.505
Intangible assets	13	4.438.155	2.653.667
Prepaid expenses	16	12.719.466	11.465.668
<i>Prepaid expenses to third parties</i>		12.719.466	11.465.668
TOTAL ASSETS		23.465.565.830	17.417.219.256

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Condensed Statement of Financial Position (Balance Sheet)

For the Interim Period Ended September 30, 2023

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Reviewed</i>	<i>Audited</i>
	<i>Notes</i>	September 30, 2023	December 31, 2022
LIABILITIES			
Short-term liabilities		4.102.512.746	3.488.283.156
Short term loans and borrowings	7	3.402.333.957	2.783.057.890
<i>Loans and borrowings to related parties</i>	24	2.398.440.976	909.896.992
<i>Loans and borrowings to third parties</i>		1.003.892.981	1.873.160.898
Current portion of long term borrowings	7	122.644.495	615.429.589
<i>Loans and borrowings to related parties</i>	24	122.644.495	122.645.658
<i>Loans and borrowings to third parties</i>		--	492.783.931
Trade payables	8	30.064.332	18.433.078
<i>Trade payables to related parties</i>	24	14.365.770	7.466.348
<i>Trade payables to third parties</i>		15.698.562	10.966.730
Other payables	9	31.188.045	24.213.754
<i>Other payables to third parties</i>		31.188.045	24.213.754
Liabilities from contracts with customers	17	302.595.144	15.327.577
<i>Contractual obligations from sales of goods and services</i>		302.595.144	15.327.577
Deferred income (Excluding liabilities from contracts with customers)	16	190.256.421	2.022.923
<i>Deferred income from related parties</i>	24	85.331	104.619
<i>Deferred income from third parties</i>		190.171.090	1.918.304
Short-term provisions		9.969.765	6.374.683
<i>Provisions for employee benefits</i>	15	1.852.047	958.829
<i>Other short-term provisions</i>	14	8.117.718	5.415.854
Other short-term liabilities	16	13.460.587	9.212.963
Derivatives	6	--	14.210.699
Long-term liabilities		538.978.630	8.700.038
Long-term borrowings	7	529.694.270	--
Financial debts to related parties	24	52.969.427	--
Financial debts to third parties		476.724.843	--
Long-term provisions		9.284.360	8.700.038
<i>Provisions for employee benefits</i>	15	9.284.360	8.700.038
EQUITY			
Share capital	18	958.750.000	958.750.000
Inflation restatement difference on share capital	18	240.146.090	240.146.090
Share premium	18	423.981	423.981
Other comprehensive income that will never be reclassified to profit or loss		190.535.526	135.964.985
<i>Revaluation and classification of gains / losses</i>		195.850.328	141.279.787
<i>Other earnings/ losses</i>		(5.314.802)	(5.314.802)
Restricted reserves	18	99.286.803	77.792.818
Prior years' profits	18	12.485.664.203	4.142.968.926
Net profit for the period		4.849.267.851	8.364.189.262
TOTAL EQUITY AND LIABILITIES		23.465.565.830	17.417.219.256

The accompanying notes form an integral part of these financial statements

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Condensed Statement of Financial Position (Income Statement)

For the Interim Period Ended September 30, 2023

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

		<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>
	<i>Notes</i>	1 January- 30 September, 2023	1 July- 30 September, 2023	1 January- 30 September, 2022	1 July- 30 September, 2022
Revenue	19	586.752.942	221.858.637	523.538.020	212.302.787
Cost of revenue (-)	19	(109.919.864)	(39.691.585)	(202.220.355)	(114.542.573)
Gross profit		476.833.078	182.167.052	321.317.665	97.760.214
General administrative expense (-)	20	(81.297.193)	(27.032.787)	(36.963.823)	(13.664.320)
Marketing expenses (-)	20	(21.174.774)	(7.126.522)	(14.071.463)	(2.645.941)
Other operating income	21	4.823.922.306	23.834.441	40.363.268	19.062.196
Other operating expense (-)	21	--	--	(3.494.035)	(1.375.917)
Operating profit		5.198.283.417	171.842.184	307.151.612	99.136.232
Income under investment activities	21	25.709.210	25.709.210	14.698.784	14.698.784
Expenses under investment activities (-)	21	(7.197.754)	--	--	--
Share of profit of equity - accounted investees	3	7.748.715	2.649.999	4.722.040	1.874.563
Operating Profit Before Finance Expense		5.224.543.588	200.201.393	326.572.436	115.709.579
Financial income	22	(375.275.737)	(153.471.482)	(148.636.361)	(70.956.132)
Operating Profit before Tax From Continuing Operations		4.849.267.851	46.729.911	177.936.075	44.753.447
Tax Expense From Continuing Operations					
- Corporate tax charge		--	--	--	--
- Deferred tax benefit		--	--	--	--
Net profit for the period		4.849.267.851	46.729.911	177.936.075	44.753.447
Earnings per share	23	0,0506	0,0005	0,0019	0,0004

The accompanying notes form an integral part of these financial statements

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Condensed Statement of Financial Position (Income Statement)

For the Interim Period Ended September 30, 2023

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>	<i>Reviewed</i>
	1 January- 30-Sep-23	1 July- 30-Sep-23	1 January- 30-Sep-22	1 July- 30-Sep-22
	Notes			
Net profit for the period	4.849.267.851	46.729.911	177.936.075	44.753.447
Other comprehensive income				
Other comprehensive income that will never be reclassified to profit or loss	54.570.541	--	--	--
Revaluation and classification of gains / losses	12 54.570.541	--	--	--
Actuarial gain/(loss) arising from defined benefit plans	--	--	--	--
Other comprehensive income	54.570.541	--	--	--
TOTAL COMPREHENSIVE INCOME	4.903.838.392	46.729.911	177.936.075	44.753.447

The accompanying notes form an integral part of these financial statements

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Condensed Statement of Changes in Equity For the Interim Period Ended September 30, 2023

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Notes	Share capital	Inflation restatement difference on share capital	Share premium	Other comprehensive income that will never be reclassified to profit or loss		Legal reserves	Prior years' profits	Net profit for the period	Equity
					Other earnings/losses	Revaluation and classification of gains/losses				
Balances at January 1, 2022		958.750.000	240.146.090	423.981	(462.510)	56.043.574	71.190.580	2.819.651.274	1.329.919.890	5.475.662.879
Transfers		--	--	--	--	--	6.602.238	1.323.317.652	(1.329.919.890)	-
Total comprehensive income		--	--	--	--	--	--	--	177.936.075	177.936.075
Balances at September 30, 2022	18	958.750.000	240.146.090	423.981	(462.510)	56.043.574	77.792.818	4.142.968.926	177.936.075	5.653.598.954
Balances at January 1, 2023		958.750.000	240.146.090	423.981	(5.314.802)	141.279.787	77.792.818	4.142.968.926	8.364.189.262	13.920.236.062
Transfers		--	--	--	--	--	21.493.985	8.342.695.277	(8.364.189.262)	--
Total comprehensive income		--	--	--	--	54.570.541	--	--	4.849.267.851	4.903.838.392
Balances at September 30, 2023	18	958.750.000	240.146.090	423.981	(5.314.802)	195.850.328	99.286.803	12.485.664.203	4.849.267.851	18.824.074.454

The accompanying notes form an integral part of these financial statements

İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

Condensed Statement of Cash Flow For the Interim Period Ended September 30, 2023 (Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		<i>Reviewed</i>	<i>Reviewed</i>
		January 1- September 30, 2023	January 1 September 30, 2022
	<i>Notes</i>		
A. Cash flows from operating activities			
Net profit for the period		4.849.267.851	177.936.075
<i>Profit adjustments for:</i>			
Adjustments to depreciation and amortization	12, 13	6.976.395	2.419.147
Adjustments to impairment or cancellation		(49.183)	(69.047)
- <i>Adjustments to impairment of receivables</i>	8	(49.183)	(69.047)
Adjustments for provisions		3.888.117	3.803.094
- Adjustments to provision for employee severance indemnity	15	3.888.117	3.803.094
Adjustments for (gain)/losses on fair value		(4.677.029.280)	8.794.911
- <i>Adjustments to (gain)/losses on fair value of investment properties</i>	21	(4.507.737.728)	--
- <i>Adjustments to (gain)/losses on fair value of financial investments</i>	21	(183.502.251)	(11.301.587)
- <i>Adjustments to (gain)/losses on fair value of derivatives</i>		14.210.699	20.096.498
Adjustments for retained earnings of investments valued by equity method		(5.748.715)	(4.722.040)
- <i>Adjustments for retained earnings of subsidiaries</i>	3	(5.748.715)	(4.722.040)
Adjustments to interest income and expense		336.594.389	117.332.494
- <i>Adjustments to interest income</i>	5, 19	(21.918.729)	(11.160.787)
- <i>Adjustments to interest expense</i>	22	358.513.118	128.493.281
Adjustments to foreign exchange differences		(158.616.127)	(36.004.901)
Operating profit from before the changes in working capital		355.283.447	269.489.733
<i>Changes in working capital</i>			
Changes in trade receivables		(33.251.391)	(15.566.311)
- <i>Changes in trade receivables from related parties</i>		7.170.904	(559.066)
- <i>Changes in trade receivables from third parties</i>		(40.422.295)	(15.007.245)
Adjustments for the decrease (increase) in other operating receivables		2.660.176	(492.249)
- <i>Changes in other receivables from third parties</i>		2.660.176	(492.249)
Changes in inventories		(1.554.237.879)	(309.508.440)
Changes in prepaid expenses		(89.933.357)	(70.339.073)
Changes in trade payables		11.631.254	5.984.895
- <i>Changes in trade payables from related parties</i>		6.899.422	4.011.359
- <i>Changes in trade payables from third parties</i>		4.731.832	1.973.536
Changes in other payables		6.974.291	8.296.284
- <i>Changes in other payables from third parties</i>		6.974.291	8.296.284
Changes in liabilities from contracts with customers		287.267.567	(68.669.269)
- <i>Changes in contractual obligations from sales of goods and services</i>		287.267.567	(68.669.269)
Changes in deferred income (Excluding liabilities from contracts with customers)		188.233.498	(17.179.908)
Other changes in working capital		5.873.653	(20.021.197)
- <i>Changes in other assets</i>		1.626.029	(30.513.568)
- <i>Changes in other liabilities</i>		4.247.624	10.492.371
		(819.498.741)	(218.005.535)
Cash generated from operating activities			
Employee termination benefits paid	15	(2.410.576)	(542.678)
Interest received	5, 19	14.666.167	11.430.391
Net cash provided by / (used in) operating activities		(807.243.150)	(207.117.822)
B. Cash flows from investing activities			
Cash outflows for the acquisition of shares of other businesses or funds or debt instruments	6	(49.999.999)	--
Cash inflows arising from purchase of financial investments		(352.186.812)	(110.000.000)
Cash outflows arising from purchase of investment properties	10	(62.671.447)	(347.584.964)
Cash outflows arising from purchases of tangible and intangible assets	12, 13	(2.977.185)	(5.792.718)
- <i>Cash outflows arising from purchases of tangible assets</i>		(671.557)	(4.146.194)
- <i>Cash outflows arising from purchases of intangible assets</i>		(2.305.628)	(1.646.524)
Dividends received		2.000.000	500.000
Net cash used in investing activities		(465.835.443)	(462.877.682)
C. Cash flows from financing activities			
Cash outflows arising from derivatives		--	17.658.180
Cash inflows arising from derivatives		(16.808.900)	--
Borrowings received	7	7.810.000.000	1.500.574.950
Borrowings paid	7	(7.295.493.000)	(550.685.450)
Interest paid	7	(542.657.608)	(186.022.114)
Net cash provided by financing activities		(44.959.508)	781.525.566
Increase / (decrease) in cash and cash equivalents before effect of changes in foreign currency rates		(1.318.038.101)	111.530.062
Effect of changes in foreign currency rates over cash and cash equivalents		158.616.127	36.004.897
Net increase / (decrease) in cash and cash equivalents		(1.159.421.974)	147.534.959
Cash and cash equivalents at the beginning of the period	5	1.238.867.321	137.997.601
Cash and cash equivalents at the end of the period	5	79.445.346	285.532.560

The accompanying notes form an integral part of these financial statements